

Partnership for the Development of Statistics¹

Dr. Zeine Ould Zeidane²

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² Mathematician, Economist, Former Prime Minister and Governor of the Central Bank of Mauritania.

List of acronyms

ASEAN: Association of Southeast Asian Nations
CARICOM: Caribbean Community
CEMAC: Economic and Monetary Community of Central Africa (*Communauté Economique et Monétaire de l'Afrique Centrale*)
DAC: Development Assistance Committee
DQAF: Data Quality Assessment Framework
EC: European Commission
ECOSOC: UN Economic and Social Council
ECOWAS: Economic Community of West African States
GDDS: General Data Dissemination System
HIPC Initiative: Heavily Indebted Poor Countries Initiative
ICP: International Comparison Program
IMF: International Monetary Fund
MAPS: Marrakech Action Plan for Statistics
MDGs: Millennium Development Goals
MTEF: Medium-Term Expenditure Framework
ODA: Official Development Assistance
OECD: Organisation for Economic Co-operation and Development
PARIS21: Partnership in Statistics for Development in the 21st Century
PEFA: Public Expenditure and Financial Accountability
PIU: Project Implementation Unit
PPPs: Purchasing Power Parities
PRS: Poverty Reduction Strategy
RBM: Results-Based Management
ROSC: Report on the Observance of Standards and Codes
RSDS: Regional Strategy for the Development of Statistics
SADC: Southern African Development Community
SDDS: Special Data Dissemination Standard
SICA: Central American Integration System (*Sistema de la Integración Centroamericana*)
SRF: Statistics for Results Facility
STATCOM-Africa: African Statistical Commission
TFSCB: Trust Fund for Statistical Capacity Building
UEMOA : West African Economic and Monetary Union (*Union Economique et Monétaire Ouest Africaine*)
UNASUR : Union of South American Nations (*Unión de Naciones Suramericanas*)
UNECA : UN Economic Commission for Africa
UNSC: UN Statistical Commission
UNSD: UN Statistics Division
WB: World Bank

Introduction

1. In recent years, demand for statistics at the sub-national, national, regional and international levels has increased. The adoption of the Millennium Declaration has led to the adoption of Millennium Development Goals (MDG) targets. At the same time, countries were committed to the implementation of Poverty Reduction Strategies (PRS) which require a better understanding of the multi-dimensional poverty phenomenon and its consequences; the monitoring and evaluation systems are based on quantitative targets, often using indicators similar to the MDGs. This approach has been strengthened by the Paris Declaration on Aid Effectiveness which focuses on Results-Based Management (RBM). The implementation of development strategies has resulted in a greater devolution of public missions to local authorities that need geographically disaggregated data to develop, monitor and evaluate their actions. Furthermore, globalization highlights the importance of economic integration, multilateral monitoring, competition between nations over resources but also critical cooperation in the global risk areas such as environment, food and security. These developments have considerably increased the demand on data and created a strong pressure on statistical systems.

2. Beneficiary countries and donors are committed together for statistical development. Ten years ago, given the need to follow the growing demand on MDGs and PRS data, the international community, through the UN Economic and Social Council (ECOSOC), called for building statistical capacity and improving coordination between beneficiaries and donors. Following an expert meeting co-organized by the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD), the UN Statistics Division (UNSD), the World Bank (WB) and the International Monetary Fund (IMF), the Partnership in Statistics for Development in the 21st Century (PARIS21) was established to enhance the dialogue between beneficiaries and donors; to promote efficient and well-coordinated statistical initiatives at the national, regional and international levels; and to prepare an annual progress report to be submitted to ECOSOC. In 2004, following the Second International Round Table on Managing for Development Results, the Marrakech Action Plan for Statistics (MAPS) was adopted. Finally, the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action have strengthened the international commitment for statistical development within the RBM framework.

3. The PARIS21 Consortium is a privileged framework for partnership guidance between countries and donors on statistical development for the coming years. One year prior to the second MDG interim review and the last one before 2015, it is crucial to gather beneficiary countries and donors to assess to what extent the partnership is suitable to ensure appropriate statistical development and what are the relevant actions to be adopted. In this regard, the PARIS21 Consortium meeting in November 2009, the fourth meeting of this kind

and the first since the adoption of the MAPS and the Paris Declaration, is an adequate framework.

4. This paper aims at reviewing the Partnership and submitting proposals that will be a basis for Consortium meeting discussions. It will launch discussions on the issue of partnership in statistical development. The different sections will present the context of the Consortium meeting, review the strategic basis for partnership, examine statistical assistance and analyze the coordination of statistical systems especially at the global level.

The context of the Consortium meeting

5. The development approach has made interesting strides with a special focus on ownership and RBM. Experience has shown that ownership is essential for the success of policies and the implementation of programs. Since the beginning of this decade, with the launch of the HIPC initiative, poor countries were committed to the PRS, following a participatory approach, built on long-term visions and setting development objectives with medium- and long-term targets. The Paris Declaration on Aid Effectiveness has engaged recipient countries to design and implement operational development strategies. This is done by introducing multi-annual budgetary programs such as the Medium-Term Expenditure Framework (MTEF) or program budgets, which allocate resources in the most effective manner according to priorities and expected results, and through public finance management reforms in order to make them credible enough to encourage partners to opt for budget support. At the same time, donors were committed to harmonizing and aligning assistance with national priorities. Beneficiary countries and donors agreed to reinforce RBM and mutual accountability amongst themselves and between these countries and their Parliaments, civil society, media and public opinion. The PRS, the MTEF and the policy-focused dialogue with donors as well as results-based financing create a strong demand on data production. It is important to make sure that the statistical system has the capacity to provide efficient and sustainable responses.

6. Regional integration increases in scale and creates additional statistical needs. In fact, regional integration has increased in scale in recent years in the context of international trade liberalization. Today, there are many regional groups that are engaged in economic convergence and have set criteria to reach this objective – one of the many examples is that of the West African Economic and Monetary Union (WAEMU), which requires standardized measuring. Some regional groups have also introduced a peer review system which requires developing standardized information systems. This development stimulates statistical demand. A response in the form of regional supply improvement is required.

7. Global stakes and successive global crises increase pressure on statistical systems. Indeed, development management and particularly achieving the MDGs; trade liberalization and capital movement which require a more rigorous multilateral monitoring as shown by the international financial crisis; competitiveness over Foreign Direct Investments (FDI); natural resource exploitation and innovation and technologies requiring the capacity to

compare country performance; environmental degradation and especially climate change with information needs that cannot be delayed; the food crisis and concerns over agricultural production levels that can respond to the additional needs emerging from demographic growth — all of these international problems create a strong burden on statistical systems. The international community must adopt the measures necessary to ensure that supply capacities are adapted to needs.

8. The importance of RBM must be translated into a high priority given to statistical development. The Paris Declaration and the Accra Agenda for Action have confirmed that aid recipients and donor countries are committed to RBM. The evaluation conducted last year (OECD, 2008) reveals that progress achieved in this field is still minimal: only 9% of countries have adopted a results-based framework and the set target will not be reached unless efforts are significantly accelerated in the next two years. This requires according high importance to the development of statistical systems able to produce reliable, regular and timely data for measuring results and assessing performances. This priority must be translated into increased financial resources in support to statistics. It must also be reflected in public policy assessment instruments for the results culture to be firmly rooted in light of the measurement system introduced by the World Bank. This seems to be far-off as shown by the absence of RBM indicators in the public expenditure and financial accountability management assessment methodology (PEFA Secretariat, 2005), given that the budget is one of the main tools for State intervention, and therefore must be performance-based.

9. The creation of PARIS21 has resulted in a positive push for statistics. PARIS21's governing framework, with a Consortium and a Steering Committee including UNSD, beneficiary and donor countries, and producers as well as users of statistics, has contributed to the creation of a favorable environment for the partnership in statistical development. Advocacy activities launched by PARIS21 have targeted political decision-makers, to bring them to exercise their leadership in favor of RBM for the development of their countries' statistical systems. They also targeted donors, to increase their statistical assistance, which is monitored through an annual report on the support to statistics (PRESS), and to ensure its efficiency in conformity with the Paris Declaration principles with special attention to ownership and harmonization. The results are encouraging but should be increased another notch.

10. The adoption of the MAPS has been a major step forward in statistical development. The MAPS has recognized the importance of a strategic approach to the development of national statistical systems by encouraging Least Developed Countries (LDCs) to design and implement National Strategies for Development of Statistics (NSDS). It also called on donors to increase their support to statistics and improve aid predictability by moving towards a sector-wide approach. The MAPS has provided for improved MDG monitoring, and addressed cross-cutting questions such as knowledge management, coordination and accountability within the international statistical system.

11. The Consortium meeting is taking place in a favorable environment with a consensus on statistical development. In fact, over recent years, the international development community has expressed a strong demand for statistics and has reached consensus on the need to act together to strengthen national statistical system. Therefore, there is a need to: (i) manage statistical development strategically, (ii) increase the quantity and quality of support, and (iii) strengthen the governance of the system. This paper will further address these three themes.

Strategic basis for statistical development

At the national level

12. Statistical development will be guided by Paris Declaration principles. The strategic approach to the development of statistics, promoted in recent years, has gradually improved and has benefited from progress in the way development is being managed. This approach must be governed by the principles of ownership, RBM, alignment, harmonization, and mutual accountability, evolving therefore towards a Paris Declaration on aid effectiveness for statistics. This section will analyze the current situation with respect to these principles and propose some recommendations.

13. Ownership is achieved through the design of NSDSs aligned with development strategies. The starting point is the formulation of NSDSs in line with results-based development policies, especially PRSs where relevant, and taking into consideration regional and international commitments (Chenais, 2008). They must be designed through a participatory process, involving data users and producers, both national stakeholders (administration, parliament, private sector, universities, research centers, civil society, media etc.) and international partners. The NSDSs have to (i) cover all data and capacity needs stemming from sectors, (ii) be based on a solid diagnosis, (iii) be results oriented, (iv) address governance issues, and (v) take into account the UN fundamental principles, and quality standards and good practices such as the IMF General Data Dissemination System (GDDS) and Special Data Dissemination Standards (SDDS). They must include, or be followed by realistic action plans with well defined priorities. Finally, they must be coupled with the MTEF – or multiannual programs – and integrated into the national budget planning process, to ensure efficient allocation of resources and their link to results. In order to have precedence at the national level, NSDSs (their implementation plans and the MTEF) must be adopted at the highest political level and, thus, used as the sole framework for statistics. A monitoring indicator of this objective must be developed, based on a score with a transparent assessment grid, and therefore constitute the basis for setting a target in terms of percentage of countries with operational and aligned NSDSs.

14. Great quantitative progress has been observed in the design of NSDSs even if it does not fulfill the MAPS objective. In conformity with MAPS, the Trust Fund for Statistical Capacity Building (TFSCB) resources managed by the World Bank were, in 54% of cases,

allocated to countries designing NSDSs or similar strategic frameworks. PARIS21, with the support of the World Bank, has backed this process by providing training, advocacy, methodological tools and guidance activities. The initial objective of MAPS was to have 100% of low-income countries implementing an NSDS by 2006. A May 2009 PARIS21 review shows that important progress was made, although not reaching half of the set targets, with 43.6% of IDA countries implementing NSDSs and 30.8% still in the preparation or validation phase. The ratio of the first two groups of countries (in the implementation or design phase) is higher for the African region where it represents 90%.

Table 1: Summary of the NSDS situation for IDA eligible countries – May 2009

	Countries currently implementing a strategy		Countries currently designing a strategy or awaiting adoption		Countries with strategy expired or without strategy and currently planning an NSDS		Countries without a strategy nor planning one		TOTAL
	No.	%	No.	%	No.	%	No.	%	
AFRICA	18	45%	18	45%	3	8%	1	3%	40
ASIA and THE PACIFIC	12	44%	4	15%	9	33%	2	7%	27
LATIN AMERICA & THE CARIBBEAN	3	33%	2	22%	2	22%	2	22%	9
EUROPE	0	0%	1	50%	0	0%	1	50%	2
TOTAL	33	42%	25	32%	14	18%	6	8%	78

Source : PARIS21 Secretariat, May 2009.

15. NSDSs quality remains insufficient, but the process encompasses future improvements. There are no NSDS assessment methodologies which allow for quality assessment. Evidence has shown that most of the current NSDSs (i) do not have development

plans with structured priorities or realistic financial programming; (ii) do not cover the whole statistical system and are limited to the central statistical office, which reduces their capacity to fulfill the development strategy demands; (iii) do not have precedence in their country, often despite their adoption at a high political level, and can be overlooked in favor of sector activities or at partners' demand when financing is available, while some priorities are delayed; (iv) are not sufficiently result-based (PARIS21 Secretariat, 2008); and (v) are not sufficiently aligned with development strategies as they do not include the necessary monitoring and evaluation activities or do not propose a timeframe for meeting data needs. The UK-commissioned study assessing the application of Paris Declaration principles to statistical assistance proves that in the eight examined developing countries one or more of these shortcomings exist in the NSDSs (OPM, 2009).

16. NSDSs' financial programming and their link with budget and aid management processes remain weak. In fact, the most recent NSDS report (PARIS21 Secretariat, 2008) reflects a weak capacity to assess the financial costs of NSDSs (less than 50% of the strategies had done so), a weak integration of MTEFs and external financing mobilization instruments into budgetary processes, and problems related to priority setting that result in unrealistic lists of activities and high financing needs that discredit the NSDS. It seems that no country has an MTEF for statistics integrated into the global MTEF and validated by authorities. Some countries have presented their NSDS in donor round tables and consultative groups that are intended to mobilize financing for their development strategies.

17. Alignment requires solid governance of the national statistical system so it can receive budget or program aid. Public expenditures on statistics, from national resources, are executed according to classic budget processes for central administrations and by transfers for autonomous institutions. The Paris Declaration laid out commitments on the quality of budget processes in terms of improving public financial management and national procurement indicators. In statistics, autonomous structures, generally the Central Statistical Office, receive, in addition to their national allocations, direct external aid and must commit to governance reforms which will improve budget quality and alignment with the NSDS, guarantee transparency in administrative management and national procurement, increase efficiency of public resources, ensure accounting integrity and strengthen internal monitoring and financial accountability through, in particular, external audits and publishing their results. Improving the governance of these autonomous institutions will contribute to increased internal and external credibility, facilitating the mobilization of sufficient financial resources. Indicators related to the financial management of statistical systems must be established, for example by aggregating specific indicators on the governance of autonomous institutions (which are to be developed) with existing indicators on public financial management and weighting them according to the expenditure structure.

18. Aid alignment must result in an increase in aid allocated to statistics. Public financial management reforms have improved the inclusion of external aid in budget

documents. Designing operational NSDSs with MTEFs must result in an improvement in the predictability of expenditures financed by external resources thus increasing the budgetary share of the aid. Recipient countries' efforts must be followed by a greater recourse to budgetary aid. The study on Paris Declaration implementation, in its endeavor to be more sector sensitive (OECD, 2009), could include statistics in measuring aid alignment. The study conducted for PRESS 2009 indicates that the weight of the budget aid to statistics remains insignificant reaching 1.6% of the 2007-08 commitments.

19. Capacity building activities, especially technical assistance, must be aligned with NSDS needs. Technical assistance represents generally an important part of Official Development Assistance (ODA), and its results are considered to be modest. In statistics, it is focused on various areas, notably national accounts and surveys. In recent years, it has benefited from the cooperation programs of Nordic countries' statistical institutes. It is increasingly reorganizing itself in regional initiatives, in search of economies of scale such as the IMF technical assistance centers. Sectoral monitoring of the Paris Declaration applied to statistics should enable a calculation of the indicator pertaining to technical assistance alignment based on needs identified in NSDSs.

20. Donors must use national systems for aid delivery. This criterion for aid alignment could constitute an important leverage for budgetary and statistical system governance reforms; increase the absorption and consequently production capacity within information deadlines, contributing to better results-based development policies; and free up partner resources to focus more on a dialogue on NSDSs. At the same time, statistical institutions must locate in their information systems, especially accounting systems, all data available on aid. The weighted indicators of disbursed aid and national procurement throughout national systems must be calculated for statistical purposes. Donors must explicitly commit to improving these indicators.

21. Parallel implementation structures must disappear. Within central statistical institutions, Project Implementation Units (PIUs) financed by external aid reduce resource allocation efficiency, increase transaction costs, misappropriate technical skills of the production process, and create remuneration inequalities unjustified by productivity levels. Sector PIUs develop statistical capacities outside administrations, which is their mandate. The number of statistical PIUs must be monitored closely.

22. Statistical aid must be more predictable. The success of NSDS implementation relies on the mobilization of financial resources and their allocation to execution structures in conformity with their planning. Beneficiaries and donors must establish multi-annual payment plans based on NSDSs' MTEFs and abide by them. This requires efforts from both parties especially the beneficiaries, with an appropriate oversight of development plans (implementation plans, schedule of activities, national procurement plans and infra-annual payment plans). Aid predictability has seen little improvement in recent years despite

commitments within the Paris Declaration (OECD, 2008). The OECD DAC has launched annual surveys on disbursement predictability and the 2009 report shows a slight improvement for 2008 but it remains below international objectives for Africa (OECD, 2009). The sectoral distribution of these payments is not available. For statistics, these forecasts could have been collected within the PRESS framework. Improvement in predictability is essential for the successful implementation of NSDSs and requires special attention in the future.

23. Harmonization requires donors to use common procedures or mechanisms.

Designing operational NSDSs, with MTEFs identifying already mobilized resources and financing needs, that are also aligned with development strategies, creates conditions favorable to Sector-Wide Approaches (SWAp) in statistics. Some progress has been noted in recent years with the efforts of the World Bank and PARIS21 Secretariat to create donor groups, preferably within the dialogue undertaken with beneficiary countries on PRSs. While a lead donor should ensure coherence of donor interventions, coordination remains nevertheless the responsibility of national authorities. Encouraging examples are evident in Mali and Zambia. The absence of coordination in statistical systems that are under-financed locally could endanger priority activities in NSDSs. The establishment of the World Bank–managed Statistics for Results Facility (SRF), with the United Kingdom and the Netherlands having already committed to financing it, should promote SWAps. In this scenario, aid can be channeled through the budget or a joint fund, preferably managed according to national procedures. The evaluation of the effectiveness of aid to statistics reveals that the most successful arrangements are those encompassing a strategy and a common fund, as in the case of Tanzania, although there is a risk of weakening the financial accountability vis-à-vis national authorities (OPM, 2009). The indicator measuring the share of budget and program aid to statistics relative to overall ODA must be measured, and commitments must be made for its improvement.

24. Donors must coordinate their field missions and their analysis work. The harmonization process requires a better delegation of work, which is critical in statistics, considering the enormous capacity constraints. The duplication of field missions is time-consuming for those working in statistics. The PARIS21 Secretariat promotes joint missions and has committed itself to systematically inform all other statistical partners of their own missions. Some donors have started signing joint agreements to delegate their aid management. Furthermore, the absence of coordination in program or project data collection, analysis and assessment activities leads sometimes to costly transactions and to useless work duplication. The establishment of a donor coordination group with agreements on work distribution, drawing on comparative advantages, could significantly improve aid efficiency. Statistics on missions and analysis work should be produced, and the corresponding indicators from the Paris Declaration applied to statistics should be monitored.

25. Statistical development frameworks should be result-oriented. NSDS management and the dialogue between recipient countries and donors should be focused towards results and should establish an information system to measure them. The World Bank has developed the

statistical capacity indicator which gives each country a score according to statistical practice, data collection and indicator availability especially those of the MDGs, which are key results expected by the NSDSs. This measurement takes into consideration the necessary statistical results for PRSP design, monitoring and evaluation. It admittedly has some flaws, particularly its oversensitivity to isolated survey operations often financed from external sources — thus their implementation or postponement does not really depend on local capacities — as well as the absence of any consideration of data use. The IMF has developed the Data Quality Assessment Framework, conducted the Report on the Observance of Standards and Codes and is working currently on an indicator for statistical system performance. Each NSDS must have a monitoring framework including measurable targets for the expected results that can link to these indicator components. Interim reports on NSDS implementation reflecting progress achieved in terms of results must be produced through a participatory approach. An expert group could work on a strong indicator for statistical development that will be monitored by the World Bank.

26. Countries and donors must establish mutual accountability mechanisms. A recent evaluation study highlights the weak accountability of statistical systems, notably of their central institutions vis-à-vis the national authorities, with the establishment of parallel accountability mechanisms for external financing, but also of their partners who have limited means of reaction, the suspension of aid simply results in the substitution of another donor given their own data needs (OPM, 2009). Recent institutional reforms have sometimes led to a review of the judicial and institutional framework to increase the statistical system's accountability and the establishment of national councils in charge of the guidance, monitoring and evaluation processes to include, more or less, Government, Parliament, private sector, civil society and university representatives. Autonomous institutions are accountable to their board of directors. The Government, as a whole, is accountable to the Parliament and the external audit body, generally the Court of Auditors; executes its mandate independently; and reports to Parliament. These different national accountability mechanisms should be used and reinforced with more system transparency through the publication of monitoring and evaluation reports, monitoring and control bodies' deliberations, and audit reports. Beneficiary countries and donors are mutually responsible for the implementation of the Paris Declaration, including items related to statistics. They must establish a joint accountability review framework to ensure aid alignment and coordination. An annual report on Declaration implementation, prepared by authorities and validated within the joint framework, would contribute to the reinforcement of the partnership in statistics.

At the regional level

27. Regional integration aims at policy harmonization and economic convergence; it requires the development of unified statistics. Regional integration gains increasing importance with international trade liberalization, the opportunities it offers as to economic growth and improvement of living standards, and the need to identify demographic and economic weight to gain importance in the international arena. Africa is engaged in a process

which aims at ensuring a political unity and an economic and social integration. It includes several sub-regional integration groups, the most active ones being the Economic Community of West African States (ECOWAS), the Southern African Development Community (SADC), the West African Economic and Monetary Union (WAEMU), and the Central African Economic and Monetary Community (CAMEC). Latin America and the Caribbean are organized in several sub-regional integration groups such as the Union of South American Nations (UNASUR), the Andean Community, and the Caribbean Community (CARICOM). Central American countries are part of the Integration System of Central America (SICA). Asia and the Pacific have a multitude of sub-regional organizations such as the Association of South-East Asian Nations (ASEAN) which include several LDCs. Most of these groups are engaged in, or have achieved, the establishment of a unified market and a monetary zone. The countries are bound by treaties with set objectives as to policy harmonization, improving population welfare and maintaining the macroeconomic stability with defined convergence criteria. They must pay special attention to statistical development within the RBM framework. The EU has a special section for the aid it provides to candidate countries for the purpose of statistical development integration. This integration model must be replicated in the area of statistics.

28. Africa has set the example by adopting a statistical charter and regional strategy for statistical development and the existence of a leading institution, AFRISTAT.

Since the early nineties, and with the support of the United Nations Economic Commission for Africa (UNECA), Africa has been committed to developing statistics. Following the adoption of MAPS, a Reference Regional Strategic Framework for Statistical Capacity Building was launched by the Finance and Planning Ministers' Conference after validation by the African Statistical Commission (STATCOM-Africa) and the Forum on African Statistical Development. This strategy is more oriented towards the design and implementation of NSDSs and does not deal sufficiently with the measures to be taken for the African statistical system to best respond to regional integration needs. A statistical charter, established and adopted by the Heads of States and the African Union, has launched the ratification process which reflects a high level of ownership. Finally, there is a sub-regional statistical institution in Africa known as the Economic and Statistical Observatory of Sub-Saharan Africa (AFRISTAT) covering 22 countries and financed by members' contributions. AFRISTAT plays a major role in capacity building (training and technical assistance), standardization (standards, methodologies and unified measures adaptation) and providing advice to States and regional institutions.

29. The general principles of the Paris Declaration apply also to the regional approach regarding statistical development.

The application of these principles requires the establishment of operational strategies for statistical development. The political frameworks for the coordination of the integration process must adopt Regional Strategies for the Development of Statistics (RSDS) to provide decision-makers with the necessary data – comparable, reliable, regular and timely – for the design, monitoring and evaluation of integration policies. By strengthening countries' commitment to reinforcing their NSDSs – primary sources of information – the RSDSs must focus on regional programs including

regionalization of international programs by maximizing resource usage and reducing disparities between national systems and products, and take part in a results-based approach. The adoption of such a strategy and appropriate Government mechanisms must be followed by aid mobilization, alignment and harmonization. Regional political authorities must be committed to enforcing the accountability of the institutions that are in charge of the implementation process, and mutual review mechanisms should be set in place with the partners. Peer review mechanisms existing in Africa can also integrate the monitoring of commitments in terms of statistical development.

At the global level

30. MAPS has constituted a strategic basis for the development of statistics at the global level. MAPS includes 6 components: (i) standardize the strategic programming of statistical systems, launched with the support of PARIS21, by designing coherent strategies with results-based development policies and using them as a basis for the alignment and harmonization of external aid to statistics; (ii) preparing the 2010 census round by focusing more on knowledge development (research and training) to design the most cost-effective strategies; (iii) increase and secure financing for statistics by favoring an integrated sector-wide approach and budget or program aid instruments; (iv) establish an international household survey network to ensure survey predictability and coherence with country needs and capacities, share knowledge, develop data and metadata storing instruments, and promote dissemination and analysis; (v) improve MDGs monitoring; and (vi) increase the accountability of the international statistical system. A recent evaluation (Willoughby & Crook, 2008) has demonstrated that progress in setting-up MAPS is satisfactory but still insufficient to reach the initially set objectives. Furthermore, the adoption of the Paris Declaration and Accra Agenda for Action and their ramifications on statistical development management, the issue of regional integration, the international programs and the recent global crises that have led to urgent needs for information — they must all be taken into account in the global planning of statistical development.

31. Many global programs are emerging and must be coherent with the strategic statistical management frameworks. Many programs are implemented at the international level such as the IMF's GDDS, the International Comparison Program (ICP) and the MDGs monitoring survey programs etc. They contribute to the strengthening of statistical production. They must be increasingly integrated in regional and national programming instruments to reach a positive and sustainable effect on statistical capacities. The implementation of these programs at the national level often results in a marginalization of priority activities and by a weak local ownership which limits the sustainability of efforts. The adoption of these programs by various countries must be within the NSDS framework, and international agencies must ensure the alignment of their interventions with these strategies.

32. The GDDS is aligned with the strategic planning process of statistical development and provides a positive contribution to national systems. The GDDS is based on 4 dimensions: data, quality, integrity, and public access, contributing thus to the improvement of statistical production and use. Country adoption of the GDDS is on a voluntary basis. It is organized within the framework of a development plan coherent with the NSDS. The IMF is currently carrying out three projects in: 21 English-speaking countries in Africa and Mozambique, the WAEMU, and 9 island states in the Pacific.

33. The second ICP round could be an opportunity to build capacities in statistical practices. This program aims at calculating the conversion rate in purchasing power parities (PPPs) to compare the aggregates of national accounting with indicators – for example poverty by fixing a poverty PPP – in different countries. The World Bank was given a UN mandate to develop the program. The first program was conducted successfully and the second is undergoing. It is a real opportunity to improve national accounting by abiding by the SNA 08 standards and fixing prices in developing countries, provided that it is integrated with the RSDSs and NSDSs. In this regard, the governance framework and the involvement of regional institutions are reassuring.

34. The international household survey network is a good model despite its deficiencies in terms of predictability. The international network has rapidly become a knowledge sharing institution regarding survey programs via a website – where past information is displayed but not upcoming information! – as well as methodologies, tools and especially a databank for questionnaires. The network has launched the Accelerated Statistic Program (ASP) - managed by the World Bank, the PARIS21 Secretariat and other partners - that developed powerful data archiving and dissemination tools. This program focuses on 3 tasks: (i) archiving previous survey data and metadata and making them public, (ii) assessing the survey data quality, and (iii) supporting countries to design coherent medium- and long-term survey programs. The first task was set in motion with impressive success: it is currently implemented in 52 countries while it was initially planned to launch only a few pilot cases during this phase.

35. Knowledge management in statistics is highly important. MAPS has given special importance to innovation, particularly to define the most cost-effective approaches for household censuses and surveys and also for the use of new information technologies in data archiving and dissemination. These are the two knowledge management dimensions that still encompass improvement opportunities for statistical systems. The two others, equally important, are related to (i) education, which is considered a bottleneck for statistical capacity building, especially basic training, and (ii) the general statistical environment which can sometimes — for political or legal reasons — be an obstacle to data production, dissemination and use. Knowledge management must play an important role in statistical planning at the national, regional and international levels.

Statistical assistance

Financing

36. PRESS has become an instrument for monitoring the partnership in statistics and must be improved in the coming years. PARIS21 prepares annually a report on partnership in statistics, which is the main source of information related to statistical assistance in this section. PRESS has been designed based on a survey with statistical donors; it uses the OECD DAC Creditor Reporting System (CRS) to complete information particularly regarding previous years. CRS data cover information up to the previous year and does not include censuses in the statistics code which is reserved for projects mainly focused on this type of activity (PARIS21 Secretariat, 2008). PRESS still suffers from some restrictions, presented in the report (PARIS21 Secretariat, 2009) that are mainly related to (i) a responsiveness rate of 55.7%³ with the absence of responses from important ODA bilateral contributors (Germany and Japan) and the majority of UN agencies; (ii) the difficulty to extract statistical aid from non-targeted budget aid and sector-wide operations; (iii) the difficulties faced by decentralized agencies' information systems in revealing the sector-wide breakdown of local activities; and (iv) double counting risks with donors financing statistical activities through other development institutions. Furthermore, the risk of under-estimation seems more significant. Disbursements are simply calculated by estimation, with the assumption that they are uniform on the basis of commitment to the remaining period and not on the basis of the respondents' declarations. It is clear that this report aims essentially at the mobilization and coordination of a partnership in statistics. It must be strengthened in the coming years by improving the coverage level, collecting data on previous year disbursements but also on commitments over the next three years with the objective of evaluating predictability by covering key questions related to alignment (budgetary aid, using national systems for disbursements and procurement, number of PIUs) and to aid harmonization (budget and program aids, missions, studies, etc.). It must include the beneficiaries' perspectives through their annual reporting system on NSDSs implementation and, in anticipation of it being comprehensive, launch a survey in a number of countries similar to Paris Declaration monitoring. Finally, it should benefit from the introduction of a sub-code or statistical marker in the CRS for operations that are predominantly statistical in nature.

37. The question of required financing levels per country to ensure statistical development is a complex one. The starting point of a financing needs analysis is based on assessing the budgetary efforts, on the basis of internal and external resources, necessary so that statistics can respond adequately to the information needs of results-based development strategies. This effort varies between countries and depends on demographic, economic and social characteristics, but also on the statistical system's status. This effort could be linked to the population size, to the economic activity in terms of operations as well as sampling costs,

³ It is important to note that the design of the 2009 Round of the PRESS has markedly improved with an increase of 19.6% in the number of respondents, due in particular to a greater inclusion of bilateral donors and foundations.

and to public spending focusing on inter-sector allocations and RBM. The approach can be normative, comparative or based on the expressed needs of the NSDS, for which MTEFs are developed under budgetary constraints. Within the framework of the MAPS, a standard has been set in per capita USD related to the demographic size and class by revenue, to define the NSDSs financial needs. Looking for comparable data is complicated due to the absence of aggregated data on statistical expenditures even in OECD countries. Nevertheless, calculations undertaken by the PARIS21 Secretariat regarding the national budgets of statistical bureaus in 6 OECD countries for 2007 identify an effort of a large bracket ranging between 0.02-0.98% of the GDP, reflecting eventually differences in mandates or timely operations, with an average of 0.04% of the GDP which is in conformity with the level of South-East Asian countries (around 0.2% of public expenditures), not including censuses, and is considered insufficient (Abbasi, 2005) (David, 2001). Finally, according to data available on the programming of expenditures linked to the NSDSs of 26 countries, expenditures (excluding those related to censuses) should be at an average of 0.06% of the GDP and 0.08% of the GDP for LDCs i.e. around 0.26%⁴ of public expenditures, which might seem relatively low to ensure the production of necessary information for increasing the effectiveness of public expenditure in a RBM approach.

38. Knowledge of the budgetary financing of statistics is relatively limited, but all indicators show that the sector is left in the hands of donors. Few data are available on national funding of statistics but the general consensus is that it remains weak, creating a strong dependency vis à vis of donors (OPM, 2009). An evaluation of NSDSs in LDCs reveals a range of 10-30% of total statistical expenditures covered by Government, as if it were treated as a project co-financed with external funding. The sustainability of the impact of international aid on the development of statistics will require a continuous increase in national financing. In addition, reporting on NSDSs implementation should show statistical expenditures financed by internal resources. This could be facilitated by reviewing the operational list of public expenditures by introducing a statistical code under each function.

39. The weight of statistics in official development assistance is very likely to be weak. The active commitments in statistics represent around 1.3 billion dollars (US). The share allocated to new commitments over the last 2 years represent 518 million USD or about 0.12% of the total ODA commitments, close to 0.15% which corresponds to that of the bilateral donors (PARIS21 Secretariat, 2009). By maintaining the current financing structures between governments and donors, the weight of statistical aid remains weak⁵ especially since about one fifth of this sum is allocated to censuses. Estimated disbursements in 2008 total 221 million

⁴ To reach this number, a hypothetical public expenditure level of 30% was assumed, in the absence of more complete data for the relevant countries.

⁵ By adopting a hypothetical structure for financing statistics of 25% from the country and 75% from donors (similar to the MAPS hypothesis) and a weight of public expenditure over external financing equal to 24% of the total expenditure, the required statistics aid ratio should be equal in average to 1.01% of the total ODA, excluding censuses, and 1.42% if only referring to the group of Least Developed Countries. These estimations will be fine-tuned before the Consortium meeting.

USD; it exceeds the high annual need within the MAPS framework, which requires re-evaluation, taking into consideration the important delay that still marks the statistical systems of developing countries and the importance of RBM. The share of regional and international programs represents more than 15%. Almost half of the resources are allocated to Sub-Saharan Africa. Thus, the statistical sector is underfinanced and the partnership must go one step further by substantially increasing its ODA share through instruments such as the SRF that respect Paris Declaration principles. To this, an estimation of the additional costs of surveys to be implemented within the 2010 round should be added, and food security and environment risks should be integrated.

40. There is a high concentration of statistical donors. More than 50% of statistical aid is provided by 3 donors: the European Commission (EC) with 28.5% of commitments, the WB at 16.4% and the United Kingdom (UK) at 12.6%. The weight of these donors in ODA is almost equal to 25% which reflects a disequilibrium in statistical financing with the absence of important donors from this sector while others are exerting extra efforts. This is especially the case of the EC and the UK; their statistical weight in the 2007 disbursements represents respectively 0.7% and 0.4% which is considerably higher than the 0.25% average. Special attention must be given to the commitment of important contributors to the partnership in statistics particularly the EU, Germany and Japan without increasing the aid stratification by subscribing to the SRF for example.

41. Statistical aid is focused on a limited number of beneficiaries. 2008 disbursement estimations show that 13 countries account for 40% of total aid; this reflects a certain level of concentration. Half of these countries are conducting censuses and need additional resources. Aid to Nigeria's census, for instance, represents one fourth of the total of the 13 countries. By analyzing the data (excluding censuses), some countries remain privileged when it comes to statistical aid thanks to: capacity building credits from the WB STATCAP (Burkina Faso, Kenya, Nigeria, Ukraine) or twinning arrangements supported by Nordic countries (Malawi, Mali, Mozambique); the quality of dialogue on development policies and statistics (Uganda, Rwanda and Tanzania); or donor concentration, for example the UK allocating more than 75% of its aid to 10 English-speaking countries. Most of these "privileged" countries have an aid/GDP ratio of more than 0.08% particularly the IDA countries supported by STATCAP, which explains an additional need for statistical capacity upgrading. Furthermore, the aid importance is not necessarily translated into statistical capacity improvements as shown by the decrease of the WB indicators for Burkina Faso and Mozambique over the past 3 years. The SRF should set as an objective the reduction of these aid allocation disparities.

42. The intra-sector distribution reveals a high priority for surveys monitoring the MDGs, highlighting the coherence with development strategies but sometimes to the detriment of economic statistics. The allocation among the different categories reveals that survey and census activities, necessary for the monitoring and evaluation of development strategy implementation, absorb more than 60% of resources. Around 20% are allocated to

capacity building (strategies, development plans, management, staff, training, etc.) and the remainder to economic, social and the cross-thematic statistics (environment, gender, etc.). Therefore, economic and social statistics, essential for economic management and social policy performance monitoring on an annual and infra-annual level, are torn between the lack of resources and the strong demand for survey operations to which local capacities are allocated. This explains in particular why countries today have difficulty taking ownership of their own macro-economic framework; it is much easier to obtain data related to national accounts from the IMF website than the national statistical bureau's website. This situation needs to be addressed especially in the NSDS framework with the support of the international community, mainly the IMF and the WB, by using the opportunities provided by MDG monitoring, the GDDS and the ICP.

43. The structure of financing instruments shows an abundance of projects and grants. The weight of budgetary aid is insignificant. The program approach is little practiced, aside from the example of Rwanda and Tanzania where joint funds are established and seem to reach good results. Grants represent more than 75% of commitments by type and more than 95% of financial aid, with loans corresponding essentially to the WB STATCAP. This could explain the under-financing of this sector, given that Governments are holding back on taking loans for statistical development due to the low priority they give to statistics, regardless of their importance in designing policies and monitoring and evaluating their implementation. It is still preferable to increase the aid in form of grants, but when this type of resources is unavailable, national authorities must identify activities with sufficiently important economic revenues to finance them through loans.

44. Regional programs gain importance. The share of regional programs in aid commitments exceeds 15% of statistical aid. Institutions gain importance in the development of statistics with the implication of the UN Economic Commissions, the IMF's six technical assistance centers, the AFRISTAT dynamism as well as that of the statistical, training and research facilities. Nevertheless, aid allocated to regional institutions must be reviewed under the RSDS framework with a hierarchy of priorities. Basic training has been identified by many assessment studies as one of the main constraints and must be taken into consideration in an integrated manner at the regional level.

45. Global programs have proven to be efficient and must continue. Easy access to WB development grants, mobilized under the MAPS framework, has largely contributed to promotion of the strategic approach to statistical development, support to the UNSD for the preparation of the census round with good innovation content, the establishment of the International Household Survey Network (IHSN) and the ASP, the improvement of MDG monitoring with the support of international statistical programs on education, gender and housing (Willoughby & Crook, 2008). This facility should be renewed beyond 2010 and must be extended to supporting the agricultural survey round and to the measurement of MDGs related

to hunger, labor statistics and environment. The second ICP is currently being launched. These two programs are highly important and require donor support.

Technical Assistance

46. Bilateral technical cooperation with twinning arrangements between central statistical institutions is gaining ground. Technical assistance is estimated at around 25% of total statistical aid. The effectiveness of technical assistance requires alignment with the needs expressed within the NSDSs framework, clear definition of its objectives and context, and the beneficiaries' control throughout the process, starting from recruitment to the final evaluation. In recent years, with incentives made by Denmark, Norway and Sweden, technical cooperation has evolved with a high level of resources, towards twinning agreements between central statistical institutions. A recent assessment (OPM, 2009) reveals the positive aspects of this type of arrangement especially the beneficiaries' ownership in conformity with Paris Declaration principles, the development of professional skills both statistical and administrative, and the improvement of knowledge management in the national statistical bureaus. It also reveals some weaknesses: the focus on the central institution which does not benefit the rest of the statistical system sometimes desperately lacking capacities, the difficulty to find a twin institution in a developed country that provides development support, and capacity sustainability taking into consideration the high turnover level due to the absence of sustainable resources.

47. Regional structures can increase the economic effectiveness of technical assistance. French support to AFRISTAT through the mobilization of technical assistance is a good example of effectiveness; it provides several national or regional systems with high-level statistical technical skills. This model was developed by the IMF through the establishment of technical assistance centers. These institutions contribute also to the preservation of capacities in the various regions and to the development of a South-South cooperation that remains limited.

48. International institutions and programs provide technical assistance. The dialogue over statistics between countries and donors is focused on capacity building. This is especially the case of the IMF dialogue on macroeconomic data (national accounts, state financial operations tables, balance of payments, monetary status, and public debt), and that of the WB and UN agencies regarding economic management, poverty and sectors. However, it is important that these institutions focus on skills transfer, for example by abstaining from making estimates on behalf of local cadres. Furthermore, international programs are coupled with technical assistance that must be delivered in accordance with Paris Declaration principles.

Coordination

At the global level

49. Several actors take part in international coordination for the development of statistics. The UN is responsible for the global statistical governance through the ECOSOC, the UN Statistical Commission (UNSC) and the UNSD, which is in charge of operational management. A Committee for the Coordination of Statistical Activities encompassing the directors of the UN agencies' statistical departments was set in place. In addition, a UN inter-agency expert group for MDGs indicators was established. The WB is in charge of MAPS coordination.

50. The establishment of PARIS21 has paved the way for the partnership in statistical development. PARIS21 is first and foremost a consortium focused on partnership in statistics between beneficiaries and donors in order to facilitate the dialogue; promote well-coordinated development initiatives and report on the partnership status in order to increase all the parties' accountability towards the ECOSOC. It is managed by a steering committee, headed by the OECD DAC Chair as well as a representative of a developing country member of the UNSC; it includes members representing international and regional institutions, the main bilateral donors, and developing countries. It is managed by a Secretariat hosted in the OECD. This governance structure contributes to a better aid ownership by the recipient countries and to a more sensitive approach to statistical demand. The strategic approach with NSDSs, advocacy, PRESS and knowledge management have contributed to the launch of the partnership in statistics.

51. Recent experience has revealed difficulties in setting-up a partnership respecting Paris Declaration principles and in aid mobilization. Despite the progress achieved, many difficulties remain: (i) statistics remain under-financed in budgets as well as in external aid with an obvious lack of interest from major contributors; (ii) the implementation of the Paris Declaration principles on aid effectiveness for statistics is still lagging behind in a field where it is even more critical given the scarcity of technical and financial resources and the importance of statistics for results-based development strategies; and (iii) the coordination of interventions called for by the UNSC is still insufficient as shown by the absence of survey predictability and statistical operations being conducted outside any statistical program framework.

52. The global statistical governance must be reviewed by signing the agreement of principle on coordination between UN agencies and by strengthening the PARIS21 mandate. The Consortium meeting must reach strong recommendations related to statistical global governance. The inter-agency charter on statistical operation coordination, provided for in MAPS, must be signed and ratified by the UNSC. The different agencies must increase their support to statistics especially the WB for development strategies and the IMF for macro-economic management. The PARIS21 mandate and governance must be improved. First, the Consortium will benefit by becoming a more political institution whose decisions are binding for the various parties. The steering committee must be reviewed in order to represent countries adequately and ensure a better balance between statisticians and users. Furthermore, PARIS21

must be entrusted with a mandate to follow-up on the Paris Declaration in relation to statistics; it will be assisted by being integrated within the DAC which has the overall responsibility and by MAPS implementation. PRESS will deal at the same time with aid and its effectiveness. It should be the subject of a document submitted to the UNSC. PARIS21 will continue its advocacy activities and will launch relevant initiatives.

At the regional level

53. Regional political institutions must take ownership of statistical development.

The example of Africa reveals the need for political powers to be in charge of leading statistical development. The African Union will enforce the ratification of the statistical charter and must launch — with the support of the AEC, PARIS21, the African Development Bank (ADB), and the international development agencies — the review of the RSDS focused on regional integration. It must be detailed in a realistic and well-structured development plan, centered on regional and diagonal programs, ensuring coherence with international programs such as the GDDS and the ICP, and giving special attention to knowledge management. This plan must also target the reduction of disparities between the national statistical systems. The ADB must be in charge of mobilizing funds for the plan. This approach could be generalized to regional groups.

54. A knowledge management institution is necessary. AFRISTAT has positively contributed to the development of programs related to education through training and technical assistance, innovation with the adaptation of standards and unification of techniques and instruments, using new technologies and a dialogue forum for national statistics experts. It could be the African Union's statistical institution to pursue its current mandate at the continent level and promote "statistical convergence". The mechanisms of accession, co-financing — including it in the AU subscriptions framework would make it more binding — and sustainability must be examined.

At the national level

55. Steering statistical development is ensured at a high political level. The framework for steering statistical development must be aligned with the development strategies' design, monitoring and evaluation mechanism, with one president for the two entities that should be at least of a ministerial rank to ensure ownership at the highest political level. This framework must include the different sectoral departments especially those in charge of the MDGs, the Parliament, private sector, civil society, universities, research centers and the media. It must be balanced between statisticians and users. This framework must be included in the legal and regulatory framework by strengthening its accountability and that of the statistical systems.

56. The central statistical institution ensures technical coordination and knowledge management. The central statistical institution will ensure technical coordination with regard to the design, monitoring and evaluation of NSDS implementation, while statistical services will remain in charge of preparing their contribution and will provide them with technical assistance.

The institution must provide knowledge management by developing training programs, standards, and disseminating tools and statistical methods. Finally, this institution should be an example of good governance to add credibility to national authorities and donors.

57. Donors should harmonize their assistance. A joint committee between statistical steering groups and donors, in charge of coordinating assistance and reviewing mutual accountability, must be established, preferably within the framework of results-based development strategies. Donors will designate a leader to co-chair the committee. Finally, donors must choose budget or program aid by setting in place a statistical fund managed according to national procedures.

Conclusion

58. The PARIS21 Consortium meeting is held at a moment where statistical supply and demand could lead to a more interesting balance for statistics. Results-based development strategies and globalization risks have led to a considerable increase in demand. Countries and donors are committed to working together to increase the quantity and quality of statistical supply. Nonetheless, this consensus must not be limited to intentions: statistics remain highly underfinanced, the Paris Declaration principles are not implemented, and governance lacks coherence and accountability. Actions must be taken starting with this meeting of the PARIS21 Consortium.

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