Statistics for Results Facility

Catalytic Fund

Guidelines and Procedures for Country Implementing Agencies

SRF-CF Administration Unit
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Statistics for Results Facility Catalytic Fund (SRF-CF)
Guidelines and Procedures for Recipient Countries

The purpose of these guidelines is to provide an overview of the Statistics for Results Facility Catalytic Fund, help countries prepare SRF-CF funding proposals, with the assistance of task teams from the World Bank by providing information on the specific steps needed to prepare, implement, and report on a SRF-CF funded operation. It should be noted that standard World Bank rules and regulations for trust fund operations apply to all grants under the SRF-CF.

Overview of SRF-CF

The Statistics for Results Facility (SRF) is a product of recent global discussions on scaling up support for statistics, and is in line with the Paris Declaration on Aid Effectiveness, advocating strong commitments to harmonize and align aid delivery by the donor community. Its goal is to increase developing countries’ capacity to formulate development policies and for evidence-based decision making through sustained improvement in production, availability, quality, and use of statistics for managing and measuring development results. The aim of the Statistics for Results Facility Catalytic Fund (SRF-CF) is to support this goal.

The Statistics for Results Facility Catalytic Fund is a multi-donor trust funds administered by the World Bank to provide assistance and catalytic financing in response to country proposals emerging from national partnerships of local governments, donors, and other stakeholders (the National Partnerships). The SRF-CF will provide grant resources to developing countries to help them improve their statistical capacity. The SRF-CF has been established for an initial pilot phase, with contributions from the United Kingdom and the Netherlands.

The SRF Catalytic Fund is governed by a SRF-CF Council and an Administration Unit. The SRF-CF Council serves as advisor on the Fund’s strategies and priorities, decision-making entity on grant allocations, and evaluator of the Fund’s performance. The SRF-CF Administration Unit, based at the World Bank, handles day-to-day administration of the Fund, prepares proposals on strategies and priorities of the Fund, and facilitates technical assistance to requesting countries on strengthening national partnerships and preparing grant applications.

Eligibility for SRF Funding

The SRF-CF targets countries eligible for concessional financing from the World Bank, IDA countries. The SRF-CF Council selects eligible countries for SRF-CF grants by considering the extent of weakness in a country’s statistical capacity and the extent of its commitment to the SRF-CF principles, outlined below.

SRF-CF principles

Developing countries who wish to apply for grants and technical assistance from the SRF-CF must:
Exercise leadership over their statistical development by developing National Statistical Plans that are comprehensive, realistic, prioritized, and costed. These plans should be consistent with international good practice, have clear government commitment and approval, and have been developed by national authorities through a participatory and inclusive process. The plans should respond to priority national data needs, including the design, monitoring, and evaluation of Poverty Reduction Strategies, sector strategies, and other national development plans, as well as assessing progress toward the Millennium Development Goals.

Allocate resources and be ready to carry out the administrative reforms required for proper implementation of the National Statistical Plans.

Take the lead in coordinating donor and government support for compilation of statistics, statistical capacity building, and measurement of the results of national and sub-national development plans, within overall aid coordination frameworks that go beyond the SRF.

Ensure that the UN Fundamental Principles of Official Statistics are applied, in particular to ensure that users have confidence in the quality and integrity of national statistics.

Measure improvements in statistics and statistical capacity using clear results frameworks, with well-defined output and outcome indicators, such as those described in the Indicative Results Framework of the SRF.

The SRF-CF can also provide customized support to countries where the capacity or environment to develop and implement a national statistical plan is limited, such as in fragile states.

**Key Features of SRF-CF**

SRF-CF grants promote a **system wide approach** to statistics at the country level; increase resources for the implementation of a country-owned National Statistical Plan; explicitly link improvements in statistical systems to the needs of national and sector policy and monitoring frameworks; promote improved national dialogue and partnership between data users and producers; and aim at delivering more efficient and effective aid and technical assistance for strengthening statistical systems and results measurement.

The SRF emphasizes the role of **national partnerships** that bring stakeholders together to agree, finance and implement National Strategies for the Development of Statistics (see section on national partnerships).

Appropriate **monitoring and evaluation arrangements** for individual country-specific projects need to be developed during project preparation. Detailed indicators for assessing improvements in statistical capacity and harmonization of donor programs with NSDS implementation will need to be defined. The indicators should be specific, measurable, and relevant to the activity/output/outcome of the agreed national statistical development strategy. Annex 2 presents the results framework for the overall SRF, which can serve as the basis for country-specific results framework. Implementing agencies will report on progress made in meeting the indicators in their regular progress reports, which are to be prepared in collaboration with the national partnership and the lead donor on a periodic basis, most likely semi-annual basis (see reporting and monitoring section). To reduce the reporting burden on recipient countries, the national partnership should encourage the...
harmonization of different reporting procedures of partners (especially if support is for the same statistical activity), to the extent possible.

**Uses of the Funds**

Individual grants for in-country capacity building are expected to be in the range of five to ten million USD. Countries may, however, indicate their needs in the application, with clear priorities, even if it exceeds this range. The SRF-CF Council determines the allocation based on the case made in individual project proposals.

Grant funds will be used for strengthening statistical capacity, and will typically include activities that improve both the production and use of statistics. Such activities may include improvements in statistical infrastructure (including institutional reforms) and data collection activities, procurement of goods (e.g., IT-systems), improvements of physical infrastructure, training, and consultancies. Some limitations exist, however, and the share of funds that may be used for the procurement of goods or civil works cannot exceed 40 per cent of total grant amount.

**Overview of SRF Process**

This section highlights the key requisites for receiving an SRF-CF grant and provides an overview of the SRF process from application to project supervision.

1. **Requisites**

The key requisites to receive funds from the SRF-CF are the existence of a government adopted National Strategy for the Development of Statistics (NSDS) or another planning document, and the existence of a national partnership or the willingness to create such a partnership.

**Strategic Planning document**¹

A National Statistical Plan is a plan for improving national statistics and statistical capacity. A National Strategy for the Development of Statistics or a similar strategic document may be used provided it respects the SRF-CF principle cited above. More information on and guidelines for the development of strategic planning documents are available at the PARIS21 website (www.paris21.org).

**National Partnership**

The SRF approach consists of donors and governments working together to provide coordinated support to implement agreed National Statistical Plans. This cooperation is formalized by a National Partnership, which *inter alia* will be asked to clear a SRF-CF application before submission to the SRF-CF Administration. The SRF emphasizes the use

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¹ It should be noted that countries whose statistical plan may not fully meet the requirements of a good quality plan (e.g., lacking costing or prioritization of activities) can still apply for an SRF-CF grant. In these cases, improvements in the statistical plan will be reviewed and discussed during project preparation.
of existing partnership groups (such as those set up for the Poverty Reduction Strategy or the design and implementation of the NSDS). If a national partnership group does not exist, then the country is requested to form one, tailored to its circumstances and needs.

The precise composition and operational arrangements of National Partnerships will vary from country to country. Representatives may include:

- The national statistical agency, ministries of planning and/or finance, and key sectoral ministries. The National Partnership should make connections with other sectoral programs and sector groups that are not represented, to better understand the nature of statistical requirements in those sectors;
- National Poverty Reduction Strategy (PRS) coordination and monitoring/evaluation bodies (including those responsible for performance assessment frameworks);
- Donors involved in supporting statistical systems, including those financing statistical work or results measurement in key sectors; and
- Stakeholders from academia and civil society.

To facilitate the work of the national partnership, the SRF-CF strongly recommends that a “lead donor” be identified from the country’s donor community, and that an in-country donor statistician be identified either from within the existing donor community or by new appointment. The lead donor would be the focal point for liaising with national authorities, take the lead in promoting coordination, and convene donor consultation processes where required. The in-country donor statistician would provide support to the lead donor and the national partnership, by (i) assisting in developing institutional linkages among national units responsible for official statistics, (ii) promoting better coordination among development partners for support to the statistical system, (iii) helping national authorities in developing and implementing a national statistical development plan that respects SRF principles, and (iv) guiding and supporting agreed-upon institutional reforms and capacity development in the context of the national statistical development plan. Sample terms of reference for the donor in-country statistician are presented as Annex 3.

The National Partnership Group is co-chaired by development partners and government. The lead donor, with support from the in-country donor statistician, co-chairs for the development partners, while a representative of a key policy body (such as the finance or planning ministry), with the support of the national statistical agency, would co-chair for national authorities. The lead donor does not have to be one contributing funds to the SRF-CF.

2. Overview of the SRF-CF process

The basic steps of a SRF operation from invitation to implementation of a SFR grant are set out below.
### Country Identification
- SRF-CF Council reviews potential country participants and agrees to list of countries
- SRF-CF Administration Unit invites countries to prepare application

### Application Process
- Country consults existing National Partnership Group or form new one, if necessary, and identifies lead donor and lead national agency
- Country prepares letter of application and obtains endorsement from National Partnership Group
- Country sends letter of application to the relevant Director of the World Bank Country Management Unit (CMU)
- CMU adds a short note/comment to the letter and forwards it to the SRF-CF Administration Unit

### Application Review
- SRF-CF Administration Unit reviews application package for completeness
- SRF-CF Administration Unit forwards application package to SRF-CF Council Members

### SRF-CF Decision
- SRF-CF Council reviews application package
- If SRF-CF Council considers the application package complete and acceptable, it determines the amount of grant allocation and clears the project for proceeding to preparation

### Project Preparation, Appraisal and Approval
- CMU or relevant World Bank unit forms a project team that follows World Bank guidelines for lending project cycle, in collaboration with country implementing agency, the National Partnership Group and SRF-CF Administration Unit
  - World Bank project team negotiates grant agreement with country authorities
  - Country prepares project implementation plan and project operations manual and satisfies applicable covenants for approval
  - Project submitted for approval to World Bank Regional Vice President

### Project Implementation and Monitoring
- Grant agreement signed
- Country complies with other applicable covenants for effectiveness and implementation.
  - Country responsible for project implementation
  - Relevant World Bank unit responsible for project supervision

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2 If the application is unsuccessful, incomplete, or allocated amount is less than requested, then SRF-CF Administrative Unit returns the application with detailed feedback to the country.

3 Where the World Bank is the supervising entity, standard Bank processes and regional guidelines are followed. SRF projects are, however, approved by the RVP, not the Bank’s Executive Board.

4 This includes pre-appraisal and appraisal missions; decision meetings; preparation of project appraisal document and other relevant documents.

5 Exceptions can take in the case of fragile states.
Steps of the SRF-CF Process

This section provides a detailed description of the application process for a SRF-CF grant, a brief description of the project cycle, post-approval procedures, and SRF-CF reporting requirements.

Application process

To launch the process, the World Bank invites selected countries to apply for funding from the SRF-CF. If a country accepts this invitation, it prepares an application, with assistance from World Bank staff. The application for a SRF-CF grant must explain and justify the allocation request, and demonstrate the extent to which the proposal will meet the principles of the Statistics for Results Facility as set out above, including that SRF-CF funding is supplemental and do not replace resources from other sources. It must also be endorsed by the National Partnership.

A standard format for applications is given in Annex 1, with headings and “prompt” questions. Applications in other formats may also be acceptable, provided they give sufficient information to allow the application to be assessed against the criteria outlined above. An application is expected not to exceed 10 pages. Additional documentation may be attached as appropriate, including the National Statistical Plan.

The application is submitted by the appropriate national authorities to the relevant World Bank office, together with a letter of endorsement from the National Partnership.

This documentation will be sent to the SRF-CF Council through the SRF-CF Administration Unit. The SRF-CF Administration Unit will be available to provide support during the application process.

Project Cycle

When the SRF-CF Council approves a country's application, it agrees to an allocation of funds from the SRF-CF. Project preparation is undertaken by a World Bank project team, headed by a Task Team Leader (TTL) and follows World Bank guidelines for lending project cycle, including pre-appraisal and appraisal. During project preparation, the project team will collaborate with the country's implementing agency and the National Partnership Group. Following this process, the Grant Agreement is negotiated. The country will need to prepare a project implementation plan and a project operations manual, as well as satisfy applicable covenants for approval. Upon this, the project is approved by the World Bank Regional Vice President.

The grant becomes active when a Grant Agreement is signed and a Declaration of Effectiveness Letter, signed by the Country Director, has been sent to the recipient country.

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6 As SRF-CF grants are required to follow World Bank operational procedures, this section refers to the project cycle, only as it relates to SRF-CF requirements.
Grant Activation

The grant can only be activated when a Grant Agreement has been signed and a Declaration of Effectiveness Letter, signed by the Country Director, has been sent to the recipient country.

Upon grant activation, the implementing agency is responsible for project implementation, while the World Bank project team will be responsible for supervising the project. The SRF-CF prefers the use of country systems and procedures for project implementation, provided that their use, including for financial management and procurement, be governed by the decision of the respective World Bank country team, based on financial and procurement capacity, risks and other assessments, in accordance with Bank policies and procedures. A decision not to use country systems in a specific case should be explained in a letter to the SRF-CF Council from the relevant World Bank Country Director.

The SRF Catalytic Fund Council may under certain circumstances decide that another entity (an Alternate Supervising Entity) is responsible for monitoring and supervising grant implementation. More information about circumstances under which the SRF-CF Council can consider designating an Alternate Supervising Entity and how to handle this situation are set out in the SRF-CF Charter and can be made available by the SRF-CF Administration Unit.

A SRF-CF grant is normally recipient-executed, although in the case of fragile states, World Bank execution may be appropriate in accordance with the Bank’s policies and procedures.

Project Reporting and Monitoring

Where the supervising entity is the World Bank, implementing agencies will normally be required to report on implementation progress to the Bank every quarter, with updates to monitoring indicators according to agreed country-specific monitoring and evaluation arrangements. Reporting by the World Bank project team normally consists of six-monthly assessments of implementation status and results (known as ISRs), as part of project supervision activities.

Additionally, implementation progress and the achievement of project objectives will be assessed during a Mid-Term Review. When implementation is unsatisfactory, or when objectives are unlikely to be met, appropriate changes to project design should be considered with the appropriate country authorities concerned and with the National Partnership.

Financial Reporting and Audits

With regard to financial reporting and auditing, standard World Bank requirements for recipient-executed trust funds apply. For recipient-executed trust fund grants, unless otherwise specified in the Grant Agreement, the recipient (implementing agency) provides interim unaudited financial reports in form and substance acceptable to the Bank covering periods specified in the agreement. It also arranges for an external, independent audit of its administration of grant resources, channeled to it by the World Bank, in accordance with auditing standards acceptable to the World Bank, covering periods specified in the
agreement. Funds to cover the cost of audits may come out of the SRF-CF grant.

Contacts

For further information, Annex 4 presents contact information on key World Bank staff of the SRF-CF Administration Unit.
ANNEX 1

Suggested application format

Basic information

Country:

Project name:

Implementing agency:

Contact person:

Implementation start date:

Project duration:

Project objective

[Describe the project development objective]

Expected results

[Describe the key expected results of the project, using provisional indicators of output and outcomes]

Commitment to the principles of the Statistics for Results Facility

[The application should confirm government commitment to the principles of the SRF, as described in the SRF-CF Charter document. If appropriate, a letter from the appropriate government authority may be attached]

Justification for the use of grant funding from the SRF-CF

[Explain the rationale or justification for the use of SFR for the proposed project]

The National Statistical Plan

[Please summarize the National Statistical Plan. Suggested areas to include are:
  - The status of the Plan or associated strategy documents, such as the National Strategy for the Development of Statistics (including the development and approval processes);

7 In countries where the capacity or environment to develop, agree and implement a National Statistical Plan is limited (such as fragile states), customized support may be provided by the SRF-CF. In these cases, applicants should describe any processes that may provide an agreed plan for improving statistical capacity. Further guidance can be provided by the SRF-CF Administration Unit.
The current level of statistical capacity, and the main strengths and weaknesses of the statistical system;

- The extent to which the Plan and/or the NSDS meets the SRF-CF principles (comprehensive, realistic, prioritized, consistent with good practice, has clear government commitment and approval, has been developed by national authorities through a participatory and inclusive process with data users, responds to priority national data needs, including the design, monitoring, and evaluation of Poverty Reduction Strategies, sector strategies and other national development plans, as well as assessing progress toward the Millennium Development Goals.)

- Coverage of the plan, including any limitations;
- Linkages to key development programs such as the Poverty Reduction Strategy, National Development Strategies, the Millennium Development Goals, etc.
- The cost and timetable to implement the Plan (including any necessary government resource allocations and administrative reforms);
- Any proposals to ensure that the UN Fundamental Principles of Official Statistics are applied, in particular to ensure that users will have confidence in the quality and integrity of national statistics (if existing arrangements are satisfactory, then they should be described).

The National Partnership in Statistics

[Describe the National Partnership arrangements in Statistics:

- Who are the participating donors and what is their expected contribution to implementation of the Plan?
- Which government agencies have a lead role?
- How much is expected to be the contribution from the government?
- Which government body will co-chair the national partnership?
- Which donor is taking the lead role?
- How do the arrangements link to other partnership arrangements, such as those for monitoring and evaluating the PRSP, and those in other sectoral programs?

The application should be reviewed and endorsed by the National Partnership; documentation to demonstrate this endorsement should be attached.]

Grant supervising entity

[The supervising entity is normally a Development Partner that disburses the grant and provides oversight of grant implementation. The implementing agency is normally the government department or agency that receives funds and executes the project, including the management of procurement of goods and services. In most cases, the supervising entity is expected to be the World Bank. In exceptional cases, the Government and/or the National Partnership may recommend that the supervising entity is an alternate agency. If this is the case, please explain this recommendation, including the rationale for the choice of

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8 In many cases, the NSDS (or NSDS implementation plan) will meet the requirements for the National Statistical Plan.
Brief description of main project components

[Provide a brief description of the proposed project components, together with approximate costs. Costs should be estimated in $US.]

<table>
<thead>
<tr>
<th>Component</th>
<th>Estimated cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. ....</td>
<td></td>
</tr>
<tr>
<td>2. ....</td>
<td></td>
</tr>
<tr>
<td>etc. ....</td>
<td></td>
</tr>
</tbody>
</table>

**Total project cost**

Allocation request

[Provide information on the sources of project funding. Indicate the financing gap that the grant from the SRF-CF will aim to meet (i.e. the difference between the cost of implementing the National Statistical Plan compared to the expected commitments from the government and other funding sources)]

<table>
<thead>
<tr>
<th>Project funding</th>
<th>Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total project cost (A)</td>
<td></td>
</tr>
<tr>
<td>Expected sources of funding</td>
<td></td>
</tr>
<tr>
<td>Government</td>
<td></td>
</tr>
<tr>
<td>Development partner 1 (specify)</td>
<td></td>
</tr>
<tr>
<td>Development partner 2 (specify)</td>
<td></td>
</tr>
<tr>
<td>...</td>
<td></td>
</tr>
<tr>
<td>Total (B)</td>
<td></td>
</tr>
<tr>
<td>Financing Gap (A-B)</td>
<td></td>
</tr>
</tbody>
</table>

**Amount requested from the SRF-CF**
ANNEX 2

Overall SFR Results Framework
ANNEX 3

Terms of Reference for the In-country Statistician
ANNEX 4

Contacts

Neil Fantom
Development Economics Data Group
1818 H Street, NW
Washington DC 20433
USA
Tel: (+1) 202 473 3323
Fax: (+1) 202 522 3645
Email: nfantom@worldbank.org

Mustafa Dinc
Development Economics Data Group
1818 H Street, NW
Washington DC 20433
USA
Tel: (+1) 202 473 6233
Fax: (+1) 202 522 3669
Email: mdinc@worldbank.org

Barbro Hexeberg
Development Economics Data Group
1818 H Street, NW
Washington DC 20433
USA
Tel: (+1) 202 473 3733
Fax: (+1) 202 522 3645
Email: bhexeberg@worldbank.org