

FINAL REPORT

**The World Bank Trust Fund for Statistical Capacity
Building
An Evaluation**

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The Reference Group met with us at the beginning of the evaluation and has provided comments on our outputs throughout the evaluation process. We have tried to respond to these as best our resources and time allowed.

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List of Acronyms

AP	Advisory Panel
CG	Consultative Group
CGAP	Consultative Group to Assist the Poorest
CIDA	Canadian International Development Agency
CIS	Commonwealth of Independent States
CMU	Country Management Unit
CWIQ	Core Welfare Indicator Group
DECDG	Development Data Group
DGF	Development Grant Facility
DSEED	Department de la Statistique, des Etudes Economiques et Demographique
DSI	Department of Statistics and Information
ESMAP	Energy Sector Management Assistance Project
EU	European Union
FAO	Food and Agriculture Organisation
GDDS	General Data Dissemination System
IDA	International Development Association
IDF	Institutional Development Fund
ILO	International Labour Office
IMC	Internal Management Committee
IMF	International Monetary Fund
INSEE	Institut National de la Statistique et des Etudes Economiques
INSEED	Institut National de la Statistique et des Etudes Economiques et Demographiques
INSTAT	Institute of Statistics (Albania)
MDGs	Millennium Development Goals
MECOVI	Regional Programme for Improving the Surveys of Living Conditions
MIS	Management Information System
MOAF	Ministry of Food and Agriculture
NSO	National Statistics Office
NSS	National Statistics System
OECD/DAC	Organisation for Economic Cooperation and Development/ Development Assistance Committee
OVI	Objective Verifiable Indicator
PADI	Poverty Analysis and Data Initiative
PARIS21	Partnership in Statistics for Development in the 21 st Century
PPIAF	Public-Private Infrastructure Advisory Facility
PRSP	Poverty Reduction Strategy Paper
RISDP	Regional Indicative Strategic Development Plan (SADC)
SADC	Southern Africa Development Community
SCB	Statistical Capacity Building
SDDS	Special Data Dissemination Standard
SIDA	Swedish Development Agency
SMP	Statistical Master Plan
SSA	Sub-Saharan Africa
TF/ TFSCB	Trust Fund for Statistical Capacity Building
TTL	Task Team Leader
UNECA	United Nations Economic Commission for Africa
UNECE	United Nations Economic Commission for Europe
WB	World Bank
WBI	World Bank Institute

Executive Summary

1. The evaluation of the Trust Fund for Statistical Capacity Building (TFSCB) took place over a six week period from July 14th 2003 to August 31st 2003 by Oxford Policy Management, who had earlier the same year undertaken the evaluation of PARIS21.
2. The evaluation was based on interviews with TF managers and members of the Internal Management Committee on the broader issues of TFSCB governance, a review of projects undertaken in the first 18 months of the TFSCB, with Task Team Leaders (TTLs) where possible, three field visits to specific projects and interviews with donors and members of the Advisory Panel.
3. Over the 30 months between November 2000, when it approved its first grant, and May 2003, when it ran out of funds to commit, TFSCB committed \$11.1 million for 44 capacity-building projects that have either been completed or are at various stages of implementation. 27 developing countries have had projects approved, to a total of some \$7.5 million. The other \$3.6 million were committed to regional or international organisations, including the WBI. Some 40% of the beneficiary countries are in Sub-Saharan Africa, and they have received commitments of \$3.03 million to country projects.
4. An analysis was undertaken of the elements of the country projects approved. A major emphasis has been on improving skills in poverty measurement, and macroeconomic statistics, support to strategic planning and dissemination and use of statistics. A similar analysis was undertaken for the grants to international institutions. Here the emphasis was more on the dissemination and use of statistics, and improving skills in macroeconomic statistics.
5. An analysis of the extent to which the projects addressed the various elements of capacity building was also undertaken. The evaluators propose that statistical capacity building can be seen as having three major prongs: changing the culture surrounding statistics; improving management of national statistical systems, and; improving technical capacity. A qualitative analysis by the evaluation team suggests that some aspects of changing the culture surrounding statistics have been well addressed in the proposals approved by the TFSCB, and the more traditional aspect of improving technical capacity has also been covered effectively. However, many of the aspects of improving the management of NSSs have not been well covered, in particular that of budget sustainability.
6. Donors and the various World Bank staff who have worked with the TFSCB see the remit of the TFSCB as very relevant. Donors, in particular, value its link with PARIS21.
7. The TFSCB has had some promising results. However the evaluation team felt there were concerns in the areas of the guidelines for statistical capacity building, support to project design, prioritisation of projects, supervision of project implementation and feedback on project outcome. Some of these are already being addressed by TFSCB management, and the report suggests other modifications which could address these concerns
8. The IMC has been very efficient in processing project applications, achieving a turnaround of under one month for roughly half of the applications. However, these have been assessed on an individual basis which has made prioritisation

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and focus difficult. A proposal is being prepared to change this process, to one which prioritises proposals for preparation of a Statistical Master Plan (SMP) and considers all other proposals in competition on a twice yearly basis. While acknowledging the importance of SMPs and the need for greater focus, the evaluators are concerned that such an approach would remove the flexibility of the TF, which has been one of its strengths. It is suggested that a strategic decision has to be made on how to increase focus of TFSCB, whether by content of proposal, country targeting or a combination of both, before addressing process change.

9. The guidelines on what comprises statistical capacity building and, therefore, the eligibility of projects for consideration by the TFSCB, are rather loose, and, although the implementation of these guidelines has become more focused in practice, the evaluation team feel that they would benefit from review. Our discussions indicated that members of the IMC shared this view.
10. The process of project development, application, review and implementation was assessed. Where projects have been developed in conjunction with WB staff, the development process has been fairly straightforward, but there have been problems when countries have tried to access the TF independently. Countries with poor statistical capacity would benefit from access to greater technical support in project development. The approval process has been quick and efficient, but there have been problems in some cases moving to the actual signing of a grant agreement.
11. Project implementation has not been so smooth, and the levels of disbursement have been a major concern, which has also impacted on the levels of funds available for the TFSCB management. Disbursement as a ratio to commitments has been under 30% for country and regional projects, and 50% for international agencies. Delays have occurred for reasons attributable both to country circumstances and to factors associated with internal WB procedures governing TF management. Project supervision seems to be rather varied in degree, and the process of tracking project implementation appears to have been rather unsatisfactory.
12. Because few of the larger country projects are completed, it has been difficult for the evaluation team to assess the effectiveness of the TFSCB project portfolio, or the sustainability of individual projects. Discussion with project TTLs indicated that half were on track to achieve their targets, and of the others, almost half would achieve the original, or modified, targets within a slightly longer time frame. The relevance of the projects to the country situation was reaffirmed, and most TTLs felt that the involvement of the TFSCB in the country had increased donor interest in supporting statistical development. The evaluation team recognises that reliance on the views of TTLs in this area may mean that this assessment is overly optimistic.
13. Of the three short country projects that had been completed, two appear to have had outputs that had been adopted either by statistical agencies or by social development researchers. The third had produced a statistical plan that could be the basis for sustainable capacity building, if the funding were forthcoming. The future sustainability of the projects visited in the field seemed mixed.
14. There do not appear to be any structures in place for feedback on projects to the IMC. The evaluation team feel that this will become increasingly important and

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that the role of the Advisory Panel should be reviewed to see if it could undertake this function.

15. The probability of the TFSCB achieving the outputs identified in its logframe was examined. It seems unlikely to the team that the objective of increasing the statistical capacity of at least 30 participating countries within 5 years would be achieved. The TFSCB should ask the WBI to present an evaluation of the results of the grants to its projects, as these could be critical in the TFSCB achieving this objective.
16. It is too early to assess whether or not TFSCB projects will have significant follow-on from other donors. Where TFSCB support projects to develop SMPs, it is suggested they work closely with PARIS21 to promote the role of an SMP in coordinating donor assistance, and increasing government support to the sector. TFSCB must be careful about being seen as mainly an entry point for STATCAP.
17. The evaluation suggests that ways be explored to increase the resources put into the project cycle, in particular supervision and feedback.
18. In summary, the evaluation team feels that the TFSCB has achieved the following:
 - A financial instrument has been set up
 - The objectives of the TF were regarded and still are, as relevant to donor and country concerns
 - It has achieved good country coverage
 - It has an efficient approval process
 - The TF has shown itself able to identify obstacles and modify its procedures accordingly
19. However the evaluation team identified the following areas of concern:
 - The guidelines and definition of statistical capacity building used by the TF
 - The support available for project design
 - The procedures, or lack of them, for prioritising projects
 - The resources devoted to supervising projects
 - The evaluation of projects and feedback mechanisms to the IMC

Recommendations

- a. The evaluation team recommend that the TFSCB be extended for another three years.

Strategic Project Prioritisation

- b. The CG should decide whether projects should be prioritised on the basis of content (SMPs, or other), country of application or a more

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rigorous application of tighter guidelines. Grants to international and regional organisations should only be considered if they are likely to be a more effective way of improving SCB than direct country grants.

Guidelines

- c. The TFSCB guidelines should be revised, to give a more focused definition of Statistical Capacity Building, and to reflect any other procedural changes agreed on.

Project Design

- d. Possibilities for giving greater assistance in project design should be explored, such as establishing a joint position with PARIS21 to work with countries in developing projects.

Project Supervision

- e. Supervision of projects must be given more emphasis.
- f. The Management Unit should undertake a short survey, for 2003, to assess the extent to which the supervisory commitments given in project proposals are actually being fulfilled.
- g. Cost sharing in supervision and the use of country office staff in supervision should be explored at project design stage.

Evaluation and feedback

- h. Structures should be put in place for feedback of project evaluation to the IMC to enable lesson learning.
- i. Consideration should be given to asking the Advisory Panel to play a lead role in feedback for lesson learning.

Relationship with development partners

- j. There should be greater coordination with PARIS21 over the development of SMPs.
- k. In particular, where TFSCB is supporting SMPs, it should work with PARIS21 in building support for the SMP both within government and among donors.
- l. Representation of developing countries in governance structures should be increased, by inviting attendance at CG meetings as observers and increasing representation on the Advisory Panel

Funding TFSCB management

- m. The funding arrangements for the TFSCB should be reviewed by the CG in the light of the recent reforms adopted by the World Bank to standardise and simplify TF arrangements. Particular attention should be paid to covering costs of experienced review, appraisal and supervision of projects.

TFSCB Evaluation Report

1. Introduction

a) Background to evaluation

1. The purpose of this Interim Evaluation is to provide an initial independent assessment of the work of the Trust Fund for Statistical Capacity Building (TFSCB). Since the Fund has only been in operation about two and a half years, and most of the larger projects supported are still in course of execution, it is too early to undertake intensive evaluation of results achieved. On the other hand, it is important to take an overview of the activities of the Fund as a whole, and to examine the processes whereby needs are identified, proposals prepared and reviewed, and projects implemented, so as to identify any lessons for the Fund's future operation.

2. This evaluation was undertaken very shortly after a somewhat more elaborate evaluation had been done of PARIS21, an initiative aimed at stimulating greater recognition of the key role that statistics have to play in management of development, and increased coordination among aid recipients and aid donors in the improvement of statistical services in support of development. Findings from the PARIS21 evaluation, both with regard to priorities in the further promotion of statistical development and in respect of the difficulties countries face in bringing into operation the improvements they seek, have been taken into account throughout the current study

b) General history of Trust Fund

3. The original idea of the Trust Fund was developed by the World Bank's Development Data Group in 1998-99. The Trust Fund was conceived to meet the need to assist countries to develop plans for capacity building in statistics. To this end, grants were to be provided. The TF filled a gap in existing funding arrangements and supplemented the limited funding available from the Bank's IDF and DGF facilities. It should be noted that only a handful of countries have availed themselves of investment borrowing from the Bank for statistical capacity projects. The TF was designed to attract funding that was not earmarked for particular countries or for specified sectors. The flexibility afforded through the availability of a general pool of funding was seen as a means to promote broad capacity building and also to help countries that were not included in bilateral country programs.

4. Bilateral donors, with some exceptions, have largely refrained from contributing to general funds such as the TF. Several of these donors provide assistance to specified countries within the context of their bilateral assistance programs. A case in point is the Canadian assistance to China's NBS within the framework of Canada's Country Program for China. Several multilateral agencies (UNFPA, EUROSTAT, ADB, UNDP, for example) have TA programs that target particular activities or sub-sectors. For instance, UNFPA provides funding for censuses of population in specific countries. These funds are not available for general capacity building. ADB for its part targets particular countries within Asia.

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5. Sufficient support was gathered from a number of bilaterals to bring the TFSCB to life late in 2000. Over the following two and a half years, TFSCB committed grants totalling \$11.1 million for 44 capacity building projects that have either been completed (in the case of some smaller projects) or that are presently at various stages of implementation.

6. The Fund is governed by a Consultative Group bringing together the Fund's donors and the international agencies which support the PARIS21 initiative. The Group is chaired by the Director of the Bank's Development Data Group. The first meeting of the Consultative Group took place at the headquarters of the World Bank in Washington DC in October 2000, with participation from the World Bank, IMF, OECD/DAC, EU, UN, PARIS21 Secretariat, Canada, France, Germany, Netherlands, Switzerland and UK. The meeting discussed and agreed on the Fund's management structure and the guidelines and procedures that it should use.

7. The Consultative Group has continued to meet each October, normally in conjunction with PARIS21's annual meetings in Paris. Day-to-day operations of the Fund are handled by a small secretariat, located in the Development Data Group at World Bank headquarters. Decisions with regard to grant proposals submitted to the Fund are in the hands of a 9-member Internal Management Committee (IMC), composed of members of the World Bank staff and chaired by the Programme Manager of the TFSCB, who is the leader of the Statistical Capacity Building Cluster within the Development Data Group. The Chair of the IMC is also Secretary to the Consultative Group. The Trust Fund is assisted by a small Technical Advisory Panel of eminent statisticians from around the world, which has reviewed the operations of the Fund prior to the Annual meetings and provided the Consultative Group with a brief assessment and commentary.

2 Overview of Trust Fund

a) Key features

8. The Trust Fund is intended to help initiate changes in policy and decision-making through improved information and data. In keeping with the PARIS21 philosophy, projects should promote evidence-based policymaking, partnership and improved coordination. Projects should also improve the use of resources, of both government and the World Bank Group, by providing better quality data and analysis.

9. The TF has been established specifically to build up statistical capacity and not simply to fund data collection.

b) Project submission and approval

10. The Trust Fund has been open to applications from developing country governments, aid agencies, international bodies, and civil society organizations for funding for projects that would support the strengthening of statistical capacities in developing countries, with particular emphasis on IDA countries, especially those preparing Poverty Reduction Strategies.

11. Upon initial contact from a potential grantee, the responsible Country or Sector Management Unit will appoint a Task Team Leader, who will take

responsibility for liaison with the implementing agency, supervision and ensuring compliance with TF procedures.

c) Financing of TFSCB

12. Initial funding for TFSCB came from the UK in April 2000, with a contribution of \$1 million. In November, following the first Consultative Group meeting, the UK committed a further \$1.5 million and the Netherlands provided \$2 million. Switzerland, Germany and France soon added their support, in amounts of smaller size. The UK contributed an additional \$2 million at the end of 2001 and again in 2002, when the Netherlands also provided a further \$2.4 million. These are shown in Table 1, below. Although the UK and the Netherlands have supported the TF, other major bilateral aid agencies with a track record in supporting statistics, such as USAID, Canada, Australia and Sweden, have not.

Table 1 Contributions to Trust Fund, 2000 - 2002

TF#	Country	Date	Contribution (\$)
TF027447	United Kingdom	April 2000	1,072,000
TF027447	United Kingdom	November 2000	1,465,200
TF027448	Netherlands- BNP	November 2000	2,000,000
TF027448	Netherlands- BNP	September 2002	2,380,000
TF027449	Switzerland	December 2000	200,000
TF050375	Germany	December 2000	404,000
TF027452	France	January 2001	141,305
TF027447	United Kingdom	December 2001	2,073,000
TF027447	United Kingdom	November 2002	2,073,000
	Total		11,808,505

13. Besides these core funds for its main program, the Trust Fund has also received earmarked funds set aside by the UK for support to designated projects quite separate from, and additional to, the projects supported by the TF's core funds. These earmarked contributions presently amount to a cumulative total of some \$6.9 million, in support of six different projects. Three of these are regional projects, on Poverty mapping, GDDS and CWIQ. Earmarked funding has also been provided for a global project on ICP and two projects addressing poverty statistics, one in the Russian Federation and another in Tajikistan. The evaluation team were informed that these projects were explicitly excluded from the evaluation, and therefore they have not been examined. Their subject matter seems broadly in line with the mandate of the Trust Fund. However, the total earmarked funds channelled through the TF currently amount to over 60% of the non-earmarked total of \$11.7 million. If the amount were to increase this could well have management implications.

3 Methodology

14. The Terms of Reference for the TFSCB evaluation, which are attached in Annex D, laid out a number of key issues to be addressed in the evaluation:

- The extent to which the TFSCB has responded to the priorities of developing countries, and, as a result, contributed to improving evidence-based policy-making

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- The relevance of the current governance structure for meeting the aims of the Trust Fund
- Evidence on the effectiveness of different forms of project execution
- The relationship between the TFSCB and other agencies
- The extent to which the distribution of funds both geographically and in subject matter reflects the objectives of the TF
- The use which countries have made of the TF in implementing their own strategies
- Any problems countries have faced in accessing the TF, in preparing acceptable proposals and in dealing with TF processes in general
- The extent to which TF projects have been effective as seed money
- The level of coordination between TF projects and other donor activities
- The relationship the TF has with key stakeholders
- The effectiveness of the link with PARIS21
- The sustainability of the initiatives and projects funded through the TF.

15. The evaluation team has undertaken a number of activities to achieve this. The methodology was discussed with the Reference Group, which had an overview role in the evaluation, at a preliminary meeting in Washington in July.

- Broad issues were discussed with TF managers and members of the Internal Management Committee. All nine members of the IMC were interviewed either in Washington, or, in one case, in the UK, and one former member was interviewed by email and telephone.
- The projects which started operation in the first 18 months were reviewed with the relevant TTLs, with particular focus on the proposal documents, their preparation and revision. Excluding projects that were simply to fund workshops, and the project for funding the coordinator of PARIS21, this left 23 projects which we felt had been functioning for a sufficiently long period so that relevant questions could be asked; what has been progress to date, what problems, if any, have arisen, and what are the prospects for outputs either in terms of statistics generation, effects on policy or sustainable capacity building?

This was the most difficult aspect of the evaluation to accomplish. The months of July and August are not easy times to contact WB staff, as many are on leave. In addition, the TTLs of some of the projects were based in country offices, and it was not always easy to get replies from them. We managed to contact TTLs for 15 of the 23 projects undertaken in the time period chosen, eight of whom were interviewed face-to-face. The remaining 15 TTLs were emailed and seven responded, but we failed to get replies from the remaining 8. We feel that the TTLs contacted formed a fairly representative sample, and there are no indications that the projects we were unable to follow up with TTLs were particularly problematic.

- Three projects were visited in the field, the project for Strengthening Institutional Statistical Capacities in Chad, which was the first project approved by the TF, the SADC project on Statistical Capacity Building for Poverty Reduction Strategies and the project in Albania on Capacity Building and Sustainability of Agricultural Statistical Services. These projects were chosen on the basis of logistics, cost, availability of project personnel and discussions with the TFSCB manager. An attempt was

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made to choose projects that were diverse in nature and geographical location. Discussions were held with the project director, implementing agency, potential users of project outcome, donors in country and other relevant stakeholders, where possible. Short write-ups of the findings are contained in the annexes.

- The annexes also contain an assessment of the three WBI projects approved by the TF. This was included because of the importance that these projects had, both in terms of the funding allocated to them, and in terms of their potential contribution to the objectives of the TF as laid out in its logframe.
- Interviews were held, in person or by telephone and email, with TF funders, members of the Consultative Group and members of the Advisory Panel. Five members of the CG, representing the major donors, were interviewed by telephone and email. Both current members of the Advisory Panel were contacted, by email and face-to-face.
- An overview of more recent projects, based largely on document review, was undertaken to assess the evolution of the types of projects funded as the TF has progressed.

16. In response to a request from a member of the reference group, the evaluation team tried to contact potential clients of the TF. The names of individuals and countries that had made initial contact with the TF indicating interest in submitting proposals were obtained and the relevant individuals were contacted by email. However, the response was poor – of 12 individuals contacted, only five responded - and this did not add much to our understanding of the ease of the process of application. World Bank representatives who had attended PARIS21 regional workshops were contacted for names of country statisticians, who had expressed interest in the TFSCB, but only one responded within the relevant time frame, and there was no response from the country officer he suggested we contact.

17. Two members of the evaluation team also participated in the earlier evaluation of PARIS21. The experience of workshop participants and the views of Steering Committee members on the TFSCB were explored in that evaluation, and this material is drawn upon in the current evaluation.

18. The evaluation team has taken the TF Log-Frame as the basis for the evaluation, and has examined the efficiency and effectiveness of the projects financed in fulfilling the goals and objectives of the log frame.

19. The evaluation started with the team spending a week together in Washington, from July 14th – 18th. This enabled the team to finalize the details of the methodology, in conjunction with members of the reference group, to develop a common understanding of the processes involved in identifying and funding project opportunities, to identify the key stakeholders, to review documents and to hold interviews with available members of the World Bank.

20. Field trips were carried out between August 3rd and August 24th.

21. Details of persons contacted and questionnaires used are given in the annexes.

4 Results of Evaluation

a) Characteristics of the TFSCB Project Portfolio

Where the funds were allocated

22. Over the 30 months between November 2000, when it approved its first grant, and May 2003, when limited fund availability began to seriously affect its ability to approve new projects, the TFSCB committed \$11.1 million for 44 capacity-building projects that have either been completed or are presently at various stages of implementation. Thirteen are small projects, with grants of less than \$50,000, most of them approved under the Fast Track procedure that the programme introduced in its first year of operation. Most of the other 31 projects involved grants of between \$250,000 and \$400,000, the latter figure being the maximum size of grant normally approved.

23. The Trust Fund's managers have been at pains to avoid a prescriptive or directive approach, and to maintain an open door for good capacity-building projects, whether proposed by developing countries, international and regional agencies serving them, or non-governmental institutions with similar interests. Of the grants approved and now completed or under execution, 29, aggregating some \$7.5 million, are to developing countries. The other 15, totalling \$3.6 million, were to other regional and international institutions, almost all inter-governmental and including the World Bank's own World Bank Institute (WBI). A few of the country projects – notably several in the CIS countries and several in Eastern and Southern Africa – appear to owe their origin in part to PARIS21 activities promoting the role of statistics in the management of development. A few of the regional projects have also been connected with PARIS21, being direct support for activities organized under that programme or for follow-up initiatives. But most of the projects supported were submitted at the independent initiative of the applicant country or institution, encouraged no doubt to varying extents by World Bank staff.

24. Regionally, the Trust Fund has been particularly active in Sub-Saharan Africa, which accounts for some 40% of the countries benefiting from grants and about half of the international/ regional projects approved. A total of \$3.03 million has been approved for African country projects, and \$1.28 million for African regional projects. Eastern Europe and the Former Soviet Union (World Bank 'Europe and Central Asia' Region) have also been important recipients of TF grants and account for about a quarter of all the countries benefiting from grants and equally of the international/ regional projects. Activity in Asia, and in Latin America and the Caribbean, has been largely limited to a few countries in each. The programme reached all parts of the developing world when the first country grant in the Middle East and North Africa region was approved in April of this year.

25. The programme's main donors have been particularly concerned to see the programme benefiting the poorer countries, and those most backward in statistical development. Some 70% of the country grants, and probably a roughly similar share of the activities supported by the international/regional project grants, have been for IDA countries. The programme has succeeded in reaching with country grants as many as 10 of the IDA countries with notably weak statistical systems (ratings of 3-4 and 1-2 in Table 2 below). A further 15 countries which have already shown active interest in applying for support from the Trust Fund show breakdowns roughly comparable to current grantees in

terms of the proportion that are IDA countries, that have notably weak statistical systems or that are not yet subscribers to the IMF's GDDS/SDDS systems.

26. There thus remain at least 30 countries, mostly but not only in Africa, which are IDA-eligible and which have notably weak statistical systems but which have not yet applied for TFSCB assistance. Some of these countries remain severely affected by civil warfare and great political instability, and do not offer a favourable environment for effective statistical work. But many, on the contrary, would be expected to be high-priority candidates for additional capacity-building efforts. TFSCB has supported an enterprising, and rather original, project to help the SADC Secretariat assist its member countries with preparation of strategic planning efforts and projects that might be put forward for support from the Trust Fund. However, as the field-assessment of this project indicates, there remain considerable questions over SADC's capacity to manage this project and achieve the desired results. A proposal by the programme's Secretariat, in response to donors' request for a more proactive approach, to make small Fast Track grants available to weaker countries to help prepare more substantial projects for submission to the Fund does not yet seem to have brought forth new requests.

What types of projects were funded?

27. With a view to stimulating as much imagination as possible in responding to needs, DECDG and the programme's IMC have applied the same open, non-prescriptive approach to the composition of projects as to the choice of grantees. They have been concerned to ensure that projects, whether put forward by countries or by international/regional organizations, would genuinely contribute to building of long-term statistical capacity at the country level. TFSCB's definition of capacity building has been broad, clearly recognising the important of strengthening the demand side, and capacities for effective use of statistics, as well as the supply side and capacities for effective production.

28. Application for grants had to be for expenditures that were additional to existing levels, largely for investment in local human capacities, methodologies that would continue to be applied and purchase of necessary hard- and soft-ware (but with not more than 20% of grant funds going for this last purpose). Proposals were often returned to the Bank staff member responsible for the project (the Task Team Leader) for closer compliance with these few requirements, for clarifications, and for more attention to measures that would reinsure project sustainability and proper coordination with other donors. Suggestions were sometimes made to adjust financial provisions that seemed excessive or inadequate for the work envisaged. But most projects were resubmitted after revision; less than ten proposals have been rejected over the life of the programme to date. The low rate of rejection is a result of the level of consultation between TTLs and the TFSCB Administrative Unit on ensuring the appropriate format of proposals.

29. The principal means of assistance in the projects approved by the TF were provision of technical assistance, preparation of studies, organization of training sessions and workshops, along with limited investment, usually in IT hard- and soft-ware. They were typically focused on one or two specific aspects of statistical capacity building, responding to priority needs that were not already being met from the variety of sources of support that most developing-country statistical systems are using.

30. It is important to recognize the sensitivity of the task, and the delicacy of the judgments, that sometimes confronted the Bank's Task Team Leaders in assisting the countries to develop proposals that would make the best possible contribution to capacity-building objectives. There is a long history of relationships between developing-country statistical services and aid agencies which leaves an often rather unhelpful heritage. Budgetary constraints, frequently exacerbated by an environment of deteriorating governance, have made many countries' statistical services increasingly dependent on aid agency support, while the aid agencies have themselves been in constant need of empirical data to meet the needs of their own increasingly demanding analytical models. Faced with lack of funds to meet their staff's most basic requirements, even for paper and fuel to carry out their work, the heads of statistical agencies have been induced to play off donors in the search for funding – in return for supply of data prepared to a donor's exact specifications.

31. The high-level statistician-policymaker conference of November 1999 which led to the creation of PARIS21 set out a philosophy to overcome this heritage, emphasizing preparation of country-owned statistical master plans which governments and donors would commit themselves jointly to implement. But few good master plans have been available to date, and some country-initiated proposals still reflect a desperate search for resources, while those more heavily influenced by Bank staff views run the risk of giving more weight to international preferences regarding data and methods than would be optimal for purposes of local decision-making and economic management. It is our impression that these dangers have been largely avoided in the proposals finally approved, but this must have required considerable discussion and interaction between the Bank staff and the country statistical authorities in some cases. Nonetheless, the evaluation team note that a number of projects have been directly influenced by data demands linked with other World Bank projects. This was true in Albania, India, Philippines, Paraguay and Angola, of the projects that the evaluation team had the opportunity to discuss with the TTL.

32. Table 2 lists all the Trust Fund's country grants which have either been fully disbursed or remain under implementation, and it attempts to capture the comparative composition of the projects¹ supported in terms of the main aspects of statistical work to which the grant funds were allocated. The level of statistical development of the country is also indicated, using an existing WB assessment and the subscription or otherwise to the GDDS/SDDS. The table brings out the wide diversity of project structure that has resulted from the effort to respond to the needs of each particular case. Noteworthy features are:

- i. The substantial support provided for development of strategic plans, and strategic planning systems, almost always involving particular efforts to improve interaction between statisticians and the users of their products.

¹ Although the categories identified in the table could be elements of a coherent approach to SCB, the table is descriptive and not explicitly linked to any normative concept of SCB.

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Table 2. TFSCB Country Grants and Their Composition

Per cap. income (\$) 2001,PPP	Country	Stat. Practice Rating	GDDS/ SDDS/ subscriber	Approximate Grant Allocation (US\$'000)							TOTAL	Coverage
				Strat. Plan	Mgt. Improv't	Macro. Stats	Poverty Data	Sector Stats	Dissem. & Use	Other Training		
9610	S. Africa	5-6	S	82.0	150.0	-	-	-	118.0	-	350.0	NSS
8660	Russia	5-6	-	-	-	-	-	49.2	-	-	49.2	NSO/Priv.
6450	Tunisia	5-6	S	71.0	15.0	30.2	30.2	-	54.0	40.5	291.0	NSS
5870	Dom. Rep.	5-6	-	-	9.0	-	151.2	-	104.4	-	350.0	NSO
4680	Peru	9-10	S	-	-	-	29.9	-	20.1	-	49.6	NSO
4400	Paraguay	5-6	G' 01	-	-	36.6	-	-	77.5	43.6	200.0	NSO
4360	Philippines	7-8	S	-	-	-	306.9	-	-	-	376.9	NSS
	"	7-8	S	-	47.5	-	-	-	-	-	47.5	SCB
4260	China	5-6	G' 02	-	-	-	232.0	-	122.1	-	400.0	NSO
	"	5-6	G' 02	-	-	-	-	50.0	-	-	50.0	NSO
3880	Albania	5-6	G' 00	-	49.7	-	-	214.5	15.0	-	375.0	MoA
	Kosovo			45.2	-	-	-	-	-	-	45.2	NSO
2940	Indonesia	7-8	S	-	-	-	-	-	293.9	-	356.4	NSO
2710	Kirgыз Rep.	5-6	G' 01	91.8	52.8	22.0	-	-	-	47.0	279.6	NSO
2450	India-Karn.	7-8	S	-	-	-	165.0	-	30.0	-	195.0	State govt
	Nicaragua	3-4	-	-	-	-	69.9	-	238.5	-	388.4	NSO
2420	Moldova	5-6	G' 03	37.0	30.0	65.2	62.1	-	20.2	-	261.9	NSO
1800	Mongolia	3-4	G' 00	32.0	-	83.0	133.0	-	-	47.0	367.0	NSO
	Equ. Guinea			141.0	26.0	113.0	-	-	-	45.0	397.0	NSO
1560	Senegal	3-4	G' 01	-	-	169.0	31.0	-	39.0	30.0	371.0	NSO
1550	Angola	3-4	-	27.5	77.5	157.0	-	33.0	27.5	-	362.5	NSO
1470	Côte d'Iv.	3-4	G' 00	-	-	-	-	31.4	172.5	-	228.6	Network
1450	Nepal	3-4	G' 01	-	-	-	161.3	-	134.0	-	340.3	NSO
1250	Uganda	5-6	G' 00	-	-	-	179.0	136.0	35.0	-	350.0	Network
1150	Tajikistan	3-4	-	31.0	29.2	117.7	-	50.3	9.5	30.0	353.0	NSO
1020	Kenya	5-6	G' 02	47.7	-	-	-	-	-	-	47.7	NSO
1020	Burkina	3-4	G' 01	50.0	-	-	-	-	-	-	50.0	NSO
930	Chad	3-4	G' 02	-	40.0	41.0	10.0	-	65.0	65.0	295.0	NSS
580	Congo (B)	1-2	-	100.0	-	42.0	16.0	-	-	66.0	250.0	NSS
Grand Totals				756.2	526.7	876.7	1,557.50	564.4	1,576.20	414.1	7,477.8	
%				10.1%	7.0%	11.7%	20.8%	7.5%	21.1%	5.5%	100.0%	

- Notes: 1. 2001 per capita national incomes (PPP) are taken from World Bank, 2003. *World Development Report 2003*
2. Overall Ratings of Countries' Statistical Practice (9-10 being strongest and 0 weakest) are taken from World Bank, 2002. *Building Statistic Capacity to Monitor Development Progress*, Information paper prepared for World Bank Board of Executive Directors.
3. In the case of most of the larger grants, the components do not add up to the Total shown in the penultimate column since the grants also include funds for general, unallocable purposes, especially equipment procurement, and sometimes management/coordination of the project covered by the grant.
4. The last column 'Coverage' refers to the direct beneficiaries of the grant, normally either the National Statistical office (NSO) or the National Statistical System (NSS), embracing also statistical services in sectoral ministries and regional/local governments. A few grants have been made to other bodies, notably Networks (of statistical, policy and research organisations, both public and private, mainly in connection with Monitoring and Evaluation work on rural poverty), to a Statistics Coordination Board (SCB) in one case (Philippines), a Ministry of Agriculture in another (Albania), and to a state government in India (Karnataka)

ii. Comparatively limited support provided for management and organization aspects of statistical services, despite the important need in many cases for improvements on these dimensions.

iii. The strong emphasis given in some cases to support for improving dissemination and use of statistics, which includes both aspects such as publications and development of web-sites and also training, workshops and sometimes limited research funding, for users in order to strengthen their capacities to analyse statistical data

iv. Among major categories of statistics, the main emphasis has been on improvement of methods and skills in the area of poverty measurements (including household budget surveys), macroeconomic statistics (including, in some cases, forecasting) and to a lesser extent, sectoral data. The balance here reflects of course not only countries' overall needs but also the fact that they were usually receiving assistance in some of these areas from other (and generally several) sources. However, some aspects of statistics, such as environmental indicators, have received little or no assistance from TF grants to date, and support for sectoral statistics (such as agriculture and industry) has been limited to a few countries.

33. The table appears to show a slight tendency for countries with less developed statistical practice to request support for more complex projects, or at least projects with more components. While this is understandable in terms of needs, these projects could require greater management skills for implementation, a factor which is likely to be in limited supply.

34. The distribution of the grants made for international/regional projects, by purpose, can be analysed using the same categories as applied to the country projects in Table 2. The results are given in Table 3. There are differences in the way the two tables have been calculated. Unlike Table 2, Table 3 contains an assessment of all regional and international projects, whether or not there has been disbursement. It also includes workshop projects, six in total. Of the fifteen projects included, six had had no disbursements as of June 2003. Three of these had been accepted within the prior four months, but the other three had been approved over a year before.

35. The overall distribution of these resources shows some similarities to that of the grants made directly to countries, with similar percentages on strategic planning and management improvement principal, and an emphasis on Dissemination and Use (especially training programs and workshops bringing together producers and users of certain types of statistics, particularly those relating to poverty). However, the country projects have a greater emphasis on poverty data, whereas the international projects show more emphasis on Macroeconomic Statistics (including, in particular, the strengthening of statistical work on labour markets and employment, and on governance and corruption), the focus of three large projects. As of June 2003, none of these projects had, as yet, had any disbursements. FAO has received support for its sectoral work in Africa.

36. The open door that TFSCB has offered to all comers to come up with statistical development projects that would contribute to strengthening countries' own capacities appears to have stimulated generation of projects of wide variety and some originality that are highly relevant to the developing countries and usefully complement other, more traditional assistance patterns. Some questions

nonetheless arise, notably whether the processes followed have generated enough effective attention to the opportunities for useful strengthening of statistical work in the poorest countries, to the improvement of administrative data (sectoral MIS's) and related user opinion surveys for monitoring anti-poverty actions, and to the improvement of management and organization of statistical services. A more general problem is that while grant proposals often recognize budgetary sustainability as a potential problem, they seldom assess it numerically, which would often be an essential step for effective resolution.

Table 3. Global and Regional Grants by Main Purpose

(amounts in US\$'000)

	Strategic Plan.	Management Improvement	Macroeconomic Statistics	Poverty Data	Sector Statistics	Dissemination and Use	Other Training	Total
UNECA '01				49.8				49.8
WBI:PAI						796.0		796.0
SADC	393.1							393.1
WBI: subnational						320.3		320.3
UNECE: transition		133.0						133.0
FAO: Africa					41.5			41.5
UNICEF: Africa				49.4				49.4
ILO: Labor			400.0					400.0
WBI: governance			399.9					399.9
OECD: non-observed			302.5					302.5
GDDS: lusophone Africa				27.7				27.7
Balkans HR		50.0						50.0
CARICOM: social/gender				200.0				200.0
FAO: Africa					396.7			396.7
UNECA '03		49.6						49.6
Grand Total	393.1	232.6	1102.4	326.9	440.8	1116.3		3609.5
%	10.9	6.4	30.5	9.1	12.2	30.9		100.0

How the projects address Statistical Capacity Building

37. TFSCB's definition of statistical capacity building has been broad, clearly recognizing the importance of strengthening the demand side, and capacities for effective use of statistics, as well as the supply side, and capacities for effective production. While the Guidelines and Procedures governing the Trust Fund are comprehensive in scope, they do not explicitly take up the issue of defining statistical capacity. Considerable stress is placed on the importance of building statistical capacity in the context of data collection, processing, analysis, storage, dissemination and use of data in work related to poverty reduction and economic and social development. The guidelines set out the objectives of the Trust Fund, and the range of activities that qualify for funding by the Trust Fund. Given that the concept of statistical capacity is central, the absence of a precise and coherent discussion of capacity leaves a gap. A clear definition is important as the concept enters into the process at two stages. First, prior to the preparation of an application, the procedures call for an assessment of existing capabilities. The case for funding is built upon the need to strengthen these capabilities. Second,

the application sets out the manner in which the proposed interventions are likely to contribute to a strengthening of statistical capacities. Thus, the concept of statistical capacity is important to both an assessment of prevailing conditions and the desired outcome to be achieved through an intervention.

38. Despite this emphasis on the notion of statistical capacity, the guidelines and procedures do not define or provide guidance on how capacity ought to be measured. Those responsible for the preparation of the submissions are largely left to their own interpretations of what constitutes statistical capacity. The absence of precise guidance also impacts on the evaluation of submitted proposals by the IMC. The IMC performs its review function without the benefit of standardized definitions of capacity. As a consequence, approvals are in all probability based on individual perceptions. In these circumstances, a case can be made to augment the present guidelines by inclusion of expanded text that deals with the gap.

39. Conventionally, describing statistical capacity has been undertaken from an input perspective, examining the resource inputs which are required for statistics production. The key elements here would be physical, human and knowledge resources, combined with management and institutional effectiveness. The more recent output approach would focus on the ability to produce high quality data and disseminate it with integrity, giving access to the public. We might add to this the ability of the statistical system to respond to changing demand.

40. The TFSCB has relatively small resources to allocate to its various clients, which makes it the more important that the funds are used in a strategic manner. Up until now it has largely taken a reactive role in considering project proposals. An important tool in developing greater focus in the TFSCB will be a more detailed guidance on what is seen as SCB. If the TF decides to take a more proactive role in stimulating and developing appropriate project proposals, again there is need for a much clearer view on what activities will contribute most to SCB in what circumstances. We suggest that the basis of a broader strategy is already in place, both in terms of the objectives of the TFSCB and the vision of PARIS21 to which it is closely linked. This could be elaborated further into three prongs:

- Addressing the need to change the culture surrounding statistics by increasing transparency and responsiveness to users, while at the same time improving user statistical literacy
- Extension of public sector management reforms to improve the management of NSSs
- Continuing development of technical capabilities

These ideas are explored further in Annex C in a concept note, which could provide the basis for such an elaboration.

41. In the absence of such a definition, we have drawn from some of the more recent thinking about statistical capacity building, both in the World Bank, in connection with the design of the STATCAP programme, and elsewhere², and

² Notably, two recently published documents: Lucie Laliberté, 2002. *Statistical Capacity Building Indicators*, Final report of the Task Team on Statistical Capacity Building Indicators. Paris: PARIS21, and David Booth and Henry Lucas, 2002. *Good Practice in the*

analysed the country grant proposals approved by TFSCB for the adequacy of their coverage of a number of aspects that are now generally recognized as central to improvement of the role of statistics in the management of development. In doing the analysis, we have sought not so much use of appropriate buzz-words in the grant proposals as treatment which, if brief, seems nonetheless realistic in light of the country's previous experience on the matter in question. It should, on the other hand, also be recognized that some of the projects themselves had too narrow a focus for them reasonably to have been expected to make a specific contribution on all these issues. For purposes of this table, the country projects are arrayed, not in order of country per capita incomes as in Table 2, but rather in chronological order of grant approvals.

42. The aspects which we have chosen for purposes of this analysis are as follows:

- Producer-User Dialogue
- Budgetary Sustainability (of statistical work)
- Clear core program of statistics work, implying choice of priorities
- Priority for Poverty Reduction: balance between surveys and sectoral MISs
- Data Quality/Reliability
- Access and Transparency: openness of data and methods used
- National Statistical System (NSS) Coordination.

The elements of producer-user dialogue, access and transparency and priority for poverty reduction correspond to the first prong of statistical capacity building, changing the culture surrounding statistics (see para 40 above), with the assumption that the priority for poverty reduction reflects a better understanding of the role of the statistical system in evidence-based pro poor policy. The second prong of SCB, improved management, is represented by the aspects of budget sustainability, NSS coordination and a core programme of work, and the third prong, technical capacity, is represented by data quality and reliability.

43. Table 4 reflects whether, and how well, these various aspects of SCB have been addressed in the grant proposals presented to the TFSCB. It is therefore possible for a project to have considerable funds allocated towards development of an SMP, for example, and still not to be rated on NSS coordination in Table 4 because the SMP appears to be only for the NSO and does not cover statistical units in line ministries, or because there is no discussion of how a previously uncoordinated array of statistical units would come together in fulfilment of a proposed SMP. Equally, a project proposal could be rated as covering priority for poverty statistics well, even if only a small part of the budget is allocated to poverty data collection. Table 4 is intended to indicate how well a broad concept of SCB informs a specific proposal, rather than an allocation of funds.

Table 4. Treatment of Aspects of Capacity Building in TFSCB Country Grant Proposals

Country and Grant Approx date	Producer-User dialogue	Budget Sustainability	Core program priorities	Priority for Poverty	Data quality	Access and Transparency	NSS coordination
2000							
Chad	YES	NO	YES	YES	YES	YES	YES
2001							
Mongolia	NO	NO	SOME	NO	YES	NO	NO
Angola	NO	NO	YES	NO	YES	NO	NO
Philippines	SOME	NO	SOME	SOME	YES	YES	YES
Paraguay	YES	SOME	NO	NO	YES	YES	NO
India-Karnataka	YES	SOME	NO	YES	YES	YES	YES
Dominican Republic	YES	SOME	NO	YES	YES	YES	YES
Russia	YES	NO	NO	NO	YES	YES	YES
Kosovo	YES	YES	YES	NO	SOME	NO	YES
South Africa	YES	NO	NO	NO	YES	YES	YES
Albania	YES	NO	SOME	NO	YES	YES	SOME
2002							
Peru	YES	NO	NO	NO	YES	YES	NO
Uganda	YES	NO	YES	YES	YES	YES	YES
Equatorial Guinea	YES	SOME	YES	NO	YES	YES	YES
Indonesia	YES	NO	NO	NO	YES	YES	YES
Nepal	YES	SOME	SOME	NO	YES	NO	SOME
Cote d'Ivoire	YES	NO	YES	SOME	NO	YES	YES
China	YES	NO	YES	SOME	NO	YES	YES
Tajikistan	YES	NO	SOME	YES	YES	NO	YES
Kenya	SOME	NO	SOME	SOME	SOME	NO	NO
Philippines	SOME	NO	YES	NO	YES	YES	YES
Senegal	SOME	NO	SOME	NO	SOME	NO	NO
Nicaragua	YES	SOME	SOME	NO	YES	YES	YES
2003							
Congo (B)	YES	YES	YES	SOME	SOME	SOME	YES
Kyrgyz Republic	YES	SOME	YES	SOME	SOME	SOME	NO
Moldova	YES	NO	NO	SOME	SOME	NO	NO
Tunisia	NO	NO	SOME	SOME	SOME	YES	YES
China	YES	NO	SOME	NO	YES	NO	NO
Burkina Faso	SOME	SOME	SOME	SOME	NO	NO	SOME

44. Although there is necessarily an element of subjectivity in how the elements of the various projects have been interpreted, the table shows quite clearly that overall, the aspects of SCB which have been best addressed in the proposals approved by the TFSCB are data quality and producer-user dialogue.

45. In all three years³, almost all proposals approved by the TFSCB have contained some well-presented activities to address producer-user dialogue. The other two aspects of changing the culture surrounding statistics have not been quite so dominant. About two thirds of proposals addressed issues of transparency and access in the first two years, but this fell away in the last year. Relatively few proposals have addressed the issue of getting an appropriate

³ 2000 and 2001 are taken as one year in this discussion, as there was only one project approved in 2000.

balance between improving poverty reduction information through survey work, as opposed to improving sectoral MISs, to give better information on programme performance. This could be interpreted as reflecting a recognition of the need to make statistical systems more user friendly and accessible, but either a reluctance or a lack of understanding of the range of types of statistical information necessary to address the needs of poverty-oriented policy, and in particular the monitoring of PRSPs.

46. The second prong, improved management of NSSs, is the least well addressed in project proposals. Although national statistical coordination is an element in the majority of proposals accepted, and has been well covered in more than half, fewer proposals show a clear core programme of statistics work. Only two proposals approved throughout the three years the TFSCB has been in operation have clearly addressed the issue of budget sustainability. Perhaps it is expecting too much of a small project to address what is clearly a general and fundamental problem in most countries, of the funding of statistical systems. However, if that cannot be addressed, and the issues identified in a clear and unambiguous manner in the project proposal, this raises questions over the sustainability of any initiative.

47. Data quality has been well addressed in most projects, particularly in the earlier years. This was to be expected, in that this corresponds to a fairly narrow and traditional concept of SCB where the emphasis is on the improvement of technical capacity. The evaluation team see this as a necessary element of SCB, but would emphasise the need for projects to address the other prongs to enable increased technical capacity to contribute to more effective and responsive statistical systems.

48. An analysis of proposals over time does not show any obvious trends in the subject matter of the country proposals approved by the TFSCB. Most proposals cover a number of the different elements of SCB, and there is no indication of any elements becoming more important over time. There may be a reduced emphasis on improving data quality in proposals approved in 2003, but with only six proposals in total for the year, the evaluation team is reluctant to make strong inferences. If, however, the TFSCB were to have clearer guidelines on what it regards as SCB, then the proposals could be asked to assess needs against different elements of SCB, so that the contribution of the project could be better assessed.

b) Relevance

49. The relevance of the TFSCB can be addressed at a number of levels:

- Is its concept and approach relevant to the global needs for strengthening capacity of statistical systems in developing countries, in particular to make information more readily available for evidence-based policy making?
- Is the TF supporting countries in setting priorities for statistical development and/ or enabling them to start addressing those priorities?
- Is it addressing the needs of its various stakeholders, including TF donors?

50. There is a universal perception by members of the IMC and TTLs who were interviewed in person⁴ that the TF fills a gap, and that there remains a need for such a TF, particularly given the reluctance of many poorer countries to borrow for statistical development. The focus of the TF on capacity building was generally seen as appropriate. More than one IMC member commented that it was beneficial that the TF excludes survey work per se, and that there is an increasing emphasis on SMPs, rather than simply statistics. Many of the TTLs felt that the TF had a unique role, since to their knowledge, although the WB does fund statistical activities, this has usually been as part of larger projects, and focused on statistical collection, rather than capacity building per se.

51. However, a number of those interviewed warned that a cautious view had to be taken as to whether the TF would succeed in actually improving policy formation, at least within the medium term. The resources available were relatively small, and the TF should be seen rather as providing seed money. This raises the issues of project ownership at country level, and the extent to which the projects funded address priorities at country level, and if so, whose priorities – those of heads of statistics departments or the broader priorities of policy makers?

52. There is a wide divergence of views on whether TF projects reflect the priorities of the countries concerned. It is acknowledged that, particularly where countries do not have a well-defined strategy for statistical development, TTLs have significant influence on the design of the project. Countries requesting TF assistance are supposed to indicate how their proposal relates to the national statistical development strategy. In countries where such a strategy does not yet exist, proposals should indicate how they would contribute to its development and eventual adoption. However, this requirement has not always been adhered to. In the absence of these, it is difficult to identify country priorities. More emphasis could be placed on helping countries develop these strategic plans, as a first step in capacity building. A suggestion is to be placed before the Consultative Group⁵ that up to 60% of TF resources should be allocated to assist countries to prepare Statistical Master Plans (SMPs). This could be one way of supporting countries to set priorities for statistical development. However, it is important that proposals for SMPs reflect, not just the demands of a country's NSO, but also of the key planning and finance ministries.

53. Particularly in poorer countries, ownership and demand for statistical capacity building, as opposed to funding for specific surveys, can only be built up over time. TTLs and IMC members dealing with Latin American countries have noticed a change over time in the quality of demand for statistics by policymakers, linked, no doubt to programmes such as MECOVI. In other countries, where funding for statistical activity is still low, statistical offices are likely to put more effort into finding funding for basic surveys, than developing small projects for statistical capacity building. This is one area where the activities of PARIS21, particularly in Africa, are beginning to make a difference, and perhaps in the future the TF could build more than it has done on this as an entry point for TF activity. 12 of the 29 country projects approved to date have included financing for the development of

⁴ The questionnaire used to email TTLs excluded some of the general issues addressed in face-to-face interviews. This was to make the questionnaire more user-friendly, and, it was hoped, increase the response rate.

⁵ Note on Repositioning the Trust Fund for Statistical Capacity Building (draft)

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a strategic statistical plan and others have been linked to the implementation of such a plan.

54. Even where national statistical development plans have been supported, there is little evidence as yet of sustainable implementation. The record of the TFSCB in supporting countries to set priorities is currently mixed, and, as many of the projects are still underway it is premature to conclude on this aspect of relevance. Some IMC members perceive that currently TFSCB projects, rather than helping countries set their own priorities, are still too donor driven.

55. Many of the donors to the TFSCB see the link with PARIS21 as being particularly important in providing a focus for TFSCB activities. Some donors expressed concern that, although they see clear benefits in channelling resources through a Trust Fund, and regard this as an effective way of addressing the gaps in the international architecture for supporting statistical capacity building, the projects approved may be unduly influenced by World Bank staff. It is difficult to see how this, or at least the perception of this influence, can be avoided particularly where there is low capacity to develop project proposals, as is the case in many of the poorer countries. At present WB staff are the main source of assistance in project proposal development. One approach could be to place an adviser with PARIS21 whose primary role would be specifically to help the poorest countries prepare projects that meet the TFSCB criteria.

56. Some donors expressed concern as to the level of resources that have been allocated to international agencies, rather than individual countries. Overall, there is a feeling amongst donors, however, that the changes which have been taking place over time, in terms of greater focussing of the TFSCB, have been beneficial, and that, with the exception of some concerns over process, their interests and needs have been addressed.

57. The objectives of TFSCB stakeholders are multiple, and to some extent contradictory. If we include, as we should, the beneficiaries of the TF as stakeholders, then there may be tensions between the needs of NSSs, as they themselves perceive them, and the needs of donors. However, it is fair to say that, in broad terms, the TFSCB meets the needs of its existing stakeholders.

58. However, as the earlier discussion of TF resourcing makes clear, the TF has so far failed to make the case for its relevance to a broader base of bilateral donors, in such a way as to extend its funding base. The evaluation team did not have the resources themselves to explore this issue properly, but one factor may be a perception that the TF is very WB centric. The relevance of the TF might be perceived more broadly if greater attention was paid in its activities to building links with IMF work on standards and data quality assessment. More attention could also be paid to linking TF supported activities with donor assistance programmes in the relevant countries, thus broadening awareness and the profile of existing TF work.

c) Governance

59. TFSCB has had a governance structure broadly similar to that of other multi-country Trust Funds of moderate size but global mandate⁶ that are housed by the

⁶ The comparators in mind are mainly CGAP (micro-credit), ESMAP (energy), INFODEV (Information technology), META (environment), PPIAF (private participation in infrastructure),

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World Bank: a governing body composed essentially of donors, a secretariat, a small advisory group of experienced people from around the world, and, as in the case of most other programs making sizeable grants, an internal committee for their approval. The more unusual features of TFSCB appear to be:

- absence of any clear statement in annual or other reports of the total World Bank contribution to the programme.⁷
- eligibility of a country grant depends on Bank Country and Sector Management Units guaranteeing to cover the costs of supervision from its own budget
- small representation of developing country experts in the original Technical Advisory Panel, and limited use so far made of the AP
- comparatively high approval powers of Internal Management Committee (grants up to \$400,000, the ceiling under the program).

60. The 9-member Internal Management Committee (IMC), to which DECDG recruits staff with experience in statistics from around the Bank, has fast and efficient procedures for consideration of grant proposals, following initial screening by the secretariat for coverage of the elements required to be presented and compliance with standard provisions. Approval requires positive votes from five members, which are often provided electronically, responding to the members' heavy travel loads. Proposals are often sent back with suggestions for improvement and sometimes this process has taken several months, but relatively few proposals initiated have failed to reach eventual approval. And the records show that the majority of proposals have been approved within a month of initial submission, sometimes within a week or two.

61. The IMC has met twice a year, and the Consultative Group meets once a year, often linked with meetings of the PARIS21 consortium. Given the size of the Trust Fund, it is probably not appropriate to increase or complicate further the governance structure.

62. There have been some changes in the governance structure since the inception of the TFSCB. It was generally agreed that the initial structure of the technical advisory panel, a group of five, was not effective. The advisory panel was to provide guidance to the IMC, and offer comments on the operations of the TFSCB. The group of five eminent statisticians originally conceived of as the advisory panel served in an honorary capacity and had little incentive to play a pro-active role. The initial AP never met physically, and since 2002, the AP has been reduced to two of the original members. This new Advisory Panel is now in place and the evaluation team understands that it carried out its first review in August 2003. The role of the AP is still quite narrow in practice and, up until now,

SSATP (transport), and WSP (water and sanitation). META and SSATP have broad regional (respectively, Mediterranean and Sub-Saharan Africa) mandates.

⁷ The evaluation team has been informed that the WB spent \$1.25 million in FY2002 and 2003 to statistical capacity building activities through Paris21 and TFSCB management and that \$1.7 million were allocated to supervision and management of TFSCB projects from WB budget. However, as indicated in the evaluation report, there is no clear statement on how much of this latter allocation was actually spent. The evaluation team's perception is that WB contributions to the TFSCB are still low compared to other TFs examined.

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it has had limited impact on the activities of the IMC. As more projects are completed, the AP could play a useful role in reviewing this experience for the TFSCB, based on Implementation Completion Reports, and providing feedback to the IMC and CG on likely conditions for successful future projects.

63. As indicated above, the IMC has generally been quite efficient in processing grant proposals. However, some members themselves have indicated concern about their ability to prioritise effectively between projects and to monitor implementation. One issue has been that IMC members have, up until now, worked for free. This has restricted the time available for work on evaluating proposals. One member indicated that this work effectively had to take place at weekends. These issues have been recognised by the management unit, and proposals have been developed to address them.

64. As of later this year, IMC members will be able to charge up to a week for time spent on IMC activities. This has been made possible because of the fees accruing to the Management Unit from actual TF disbursements. As mentioned above, there is also a proposal to move away from the current decision process for accepting proposals, whereby each has been considered on a stand-alone basis. This has meant that the criteria for decision has been whether the project fits the TFSCB definition of capacity building, and whether it meets certain basic criteria for a good proposal, such as size, viability, likelihood of successful outcome. That has made it difficult to develop the shape of the portfolio as a whole.

65. It is now being proposed that only proposals for the development of statistical master plans (SMPs) should be considered on a first come first served basis, and that other proposals should be considered as a group, perhaps twice a year, and the best of these be funded. While recognising the importance of SMPs in building statistical capacity in a sustainable manner, the evaluation team considers it important that this process be linked to the work of PARIS21 and the broader statistical community. The evaluation of PARIS21 found that one of its most positive aspects for the beneficiary countries was its perceived neutrality. There is a danger that, with the development of STATCAP as a funding mechanism for implementing statistical capacity building programmes within the framework of an SMP, the TFSCB could be regarded as primarily an entry point for STATCAP. This would be unfortunate, both from the point of view of client countries who might not be in a position to proceed to a STATCAP loan, and also for the TFSCB, which has an interest in increasing its donor base. The evaluation team takes the view that potential donors are more likely to consider funding a multi-donor TF that has a strong commitment to improving donor coordination around a SMP, and that this is more likely to be the perception of the TFSCB if it works more closely with PARIS21 on SMP development.

66. Up until recently, there has been little feedback to the IMC on the current status of projects, and whether there is satisfactory implementation. The introduction of the SAP system has improved access to information, when it is fed into the reporting system, but there appears to be little opportunity for the IMC to use this, other than informally, to learn from past experience. The AP could play a useful role here in undertaking review and feedback.

67. There are also concerns, shared by members of the evaluation team, as to whether the TFSCB has, in fact, reached a satisfactory definition of capacity building which is likely to lead to robust and sustainable impacts. This issue is discussed in more detail in paragraphs 37-40 above. It is recognised that, at the

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beginning of the TFSCB, the definition was used in a loose way, because of difficulty in assessing the demand for the TF.

68. The TF has progressed over the three years of operation, towards a better understanding, as reflected in its annual reviews, as to what it is trying to achieve. However this is not always reflected in the decisions made by the IMC. The time is right for a revision of the guidelines on what should be expected from a project proposal, in terms of its contribution to SCB, to assist both IMC members and TFSCB applicants. On the whole, both donors and IMC members welcome the shift to a greater emphasis on strategy and SMPs. There is also an issue as to how much can be expected of what is, at present, a small TF, which can only fund projects of under \$400,000.

69. Views were expressed to the evaluation team as to whether the Consultative Group is too much of a donors' club, and thus undermines the partnership principles underlying PARIS21. It would be difficult to amend the constitution of the CG without having to revise the current donor agreements with the TFSCB. One possibility might be to have observers from developing countries at CG meetings. However, a more fundamental issue is not so much developing country participation at the overall governance level, but how to develop much more country ownership at the level of individual projects, something which has to be addressed at the project preparation and design stage, rather than at the level of overall governance.

d) Efficiency

70. This section addresses what can be said about the efficiency of the TFSCB activities in two broad areas:

- The process of project preparation and approval
- Implementation and supervision at the level of the TFSCB

71. The process of obtaining support from the TF has usually started with some kind of contact with WB staff, either with staff on missions, or with country office staff, but more commonly the first. In some cases, country statisticians became aware of the TF through PARIS21 activities, such as regional workshops, and some WB staff who have suggested approaching the TF to their country contacts heard about it through email or from the WB website. Certainly for many of the projects where we managed to contact the TTL, WB staff were heavily involved in the initial stages of information and project design. The clear exceptions to this appear to have been the projects in Peru and South Africa. This does not mean that the projects were not welcome to the various country statistics offices. Often, it seems that the TFSCB came up in general discussions between the WB and country statisticians over how best to support statistical development in the country.

72. The few responses we had from potential applicants, or applicants whose proposals had been rejected, indicate that WB missions or colleagues had been the source of information about the TFSCB. The two cases where the process had reached the stage of starting a proposal indicated that technical support had been received from the WB.

73. Once the TFSCB has been formally approached a TTL is appointed for the project. It is difficult to assess how long it takes from initial interest to formal

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submission of a proposal along the lines required by the guidance notes. This will vary according to the familiarity of the country, and WB country office staff, with WB and TF procedures, and the extent of necessary revisions (see para 28). In some cases, this has been very quick, but we are aware of proposals that have been through a number of revisions before being formally submitted to the IMC.

74. As indicated above, the available data indicate that IMC approval has been generally rather quick. Over half of the proposals appear to have been accepted within a month, and under a quarter have taken over three months to be approved. Amongst these will be proposals that have been sent for revision and resubmitted.

75. The fast and efficient processes at this stage have nonetheless not resulted in an outside image of TFSCB – at least in Africa – as an easily accessible and responsive mechanism, as we found in the course of interviews there in connection with the PARIS21 program. Our investigations of several specific cases of complaint that were registered in those interviews have been hampered by absences of Bank staff during the current holiday period, but the evidence all points to the countries' proposals or requests having been bottlenecked either by the Country Office or by the Country or Sector Division, so that they had still not reached the TFSCB secretariat or only after long delays. Such bottlenecking may often have been justified. For instance, in one case, there is evidence that the country had in fact submitted three quite different proposals from different parts of the statistical system within a few months of one another, and there was need for the country to make up its mind more clearly and refine the proposal prioritised. In another case, the proposal was discussed and revised between the country's NSO and the Country Unit over the course of a year before being submitted to TFSCB which then rejected it on grounds of duplication of aid being provided from other sources. In Washington, cases from other regions were mentioned to us where incoming enquiries about TFSCB had simply not been passed on for many months by the Regional Office addressed.

76. A different form of bottleneck, unfortunate for the flexibility and image of TFSCB, has emerged since May 2003, when all new approvals were suspended in light of exhaustion of commitment authority. Two potential clients indicated that they had not pursued developing a project application because they understood that there were no funds available. Given that additional funds were unlikely to become available before the CG meeting in October, it might have been preferable to take whatever measures were necessary to keep TFSCB's window open as long as possible. This would probably have involved introducing a tighter rationing of new approvals (as suggested by the Technical Advisory Panel already in its October 2001 report to the Consultative Group). Some additional commitment authority could probably also have been created by earlier consideration of partial cancellations of grants already made.

77. TFSCB's dependence on Country or Sector Director approval for funding of assistance to applicant countries in the preparation of their proposals, and supervision of their execution, can be seen in two lights: as a valuable additional indicator of the real priority of the proposal's potential contribution to a country's development, or as a serious obstacle to the 'accessible and responsive' source of funding that the TF aims at being. Assistance in preparation of proposals appears, up until now, to have been carried out by statisticians in DECDG, statisticians in the various Regional Offices in HQ and, in some cases with officers in the country offices. TTLs have been appointed from the same basic

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sources. Supervisory costs of project implementation are the responsibility of the Country Management Unit.

78. Given the mixed history of aid agency relationships with NSOs (a tendency to what has been called an 'extractive' approach of funding work on statistics required by the agency for its own activities) and the known variation among senior aid officials' interest in statistics, it was perhaps unfortunate to found TFSCB on a formula that made its operations so dependent on such combined support. The original calculations⁸ estimated the costs of handling a \$5 million fund over two years at \$700,000, which would be divided, on somewhat unrealistic assumptions, between the Regional Offices (\$400,000) and an overhead charge to the contributing donors of 6% of principal (\$300,000), which would accrue to DECDG. This, plus the provision - that was standard at the time - of a 3% overhead fee to cover the Bank's central legal and accounting costs for handling the funds, was the basis of the 9% handling charge deducted from donor contributions at the time of their deposit. Since the 6% fee is transferred to DECDG only as funds are disbursed to ultimate beneficiaries, it is unlikely that transfers to date have covered more than a portion of the department's costs.

79. The evaluation team understands that the overhead charge on the TFSCB has been set centrally and agreed by donors. The secretariat should re-examine, in the light of experience to date, what are the actual costs of running the Trust Fund and carrying out adequate work on grant preparation and supervision, and review with the CG the most appropriate division of these costs between the TF and the various concerned departments of the World Bank.

80. Under reforms adopted by the Bank as of July 2002 with a view to standardizing and simplifying trust fund arrangements, Trust Funds not exceeding \$30 million in size and financing technical assistance, as in the case of TFSCB, are supposed to move to a standard 5% overhead fee (of which 2 percentage points to cover central legal and financial handling costs and 3 percentage points for the managing department), with any other costs being transparently charged to TF principal. Though it is not entirely clear whether they exclude or include costs covered by such overhead fees, the annual management costs of TFs longer established, and with larger programs, than TFSCB run from about 12% of activities financed in the case of CGAP and 15% for Infodev to about 20% for ESMAP and PPIAF. Grants provided by the very successful PPIAF, which has functions in several ways most comparable to those of TFSCB, include custom-drawn mark-ups, normally of about 10-12% of the costs of the technical assistance contract to be financed, to cover CMU costs for supervision of the work. While there is merit in requiring this contribution from the WB as an indication of commitment, there are cases where a commitment has been made on paper to cover supervisory costs, but the resources have not materialised when needed.

81. The evaluation team has been given to understand from the management team that the TFSCB will not be affected by this change in administration fee charged by the Bank, and will continue to charge the 9% fee. Moreover, it might be expected that support from among the Country and Sector Management Units in the Regions will become more even as recognition of the importance of

⁸ Initiating Brief for a Trust Fund: Trust Fund for Statistical Capacity Building (TF 021846) approved by World Bank Managing Director April 13 1999.

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statistical improvement spreads and the STATCAP program of lending specifically for this purpose takes off.

82. Although proposal approvals have been relatively quick, there have been some delays in reaching grant agreement, particularly for countries that have not previously had established lending agreements with the WB. Of the twelve projects on which information is readily available on the time elapsed between approval and grant agreement, only half reached agreement within three months. Most of the rest took between 3 and 6 months. In one case, the problems proved so intractable that the project became WB executed (South Africa).

83. To date, grant approvals have presented fewer problems than grant implementation. A few grants, mainly some of those to WBI for major training programs and many of the smaller ones to countries and regions for single jobs (such as preparing a statistical master plan or introducing a new type of survey), have disbursed close to planned schedule. But this has been more the exception than the rule. Data from the Bank's SAP system indicate that, after more than two years of execution, only 30% of the commitments made to countries and regions in the first year of operation (FY01) have been disbursed. Since policy is to accept projects with a maximum implementation period of 36 months, this is particularly worrying. On the other hand, the initial disbursement performance of grants approved in FY02 indicates a significant improvement, with 24% of commitments being disbursed by the end of the next financial year. However, of the 34 projects approved by July 31 2002, as many as 9 have still not started disbursement.

84. Table 5 gives details of individual project disbursement records for those projects where disbursements have taken place. It can be seen that only three small country projects have fully disbursed at present, one of which disbursed late, and another of which, which was WB executed, disbursed early. Three other country projects that should have virtually completed disbursement by now are late, as is the SADC project. It is difficult to assess disbursement of other ongoing projects, but certainly the project visited in Chad is unlikely to disburse according to its original schedule. The evaluation team has been informed that the grant amount for this project has been reviewed and reduced. However this appears to have happened since the field trip. Certainly no one in Chad appeared aware of this in August 2003.

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Table 5 TFSCB Projects on which Some Funds were disbursed before June 30 2003

Serial No. & Country	Approval (date)	Gr. Agre't (date)	FY02 (\$)	FY03 (\$)	Total (\$)	Gr. Am't (\$)	Disbt %
Country Projects							
1. Chad	28/11/2000	23/02/2001	77,524	30,031	107,555	295,000	36
2. Angola	24/01/2001	14/03/2001	-	103,908	103,908	362,500	29
3. Mongolia	10/01/2001	25/06/2001	36,700	75,326	112,026	367,000	31
5. Philippines	14/03/2001	15/11/2001	38,000	80,842	118,842	376,900	32
7. Paraguay	12/07/2001	04/04/2002	-	87,777	87,777	200,000	44
8. India - Karnataka	27/07/2001	26/03/2002	-	61,812	61,812	195,000	32
11. Peru	15/01/2002	01/02/2002	-	50,000	50,000	49,600	101
14. Russia	24/09/2001	FIAS	38,000	8,036	46,036	49,200	94
17. Kosovo	26/10/2001	22/03/2002	-	39,178	39,178	45,150	87
20. Albania	07/11/2001	10/05/2002	50,000	94,884	144,884	375,000	39
21. Nepal	20/02/2002	29/04/2002	-	121,911	121,911	340,314	36
22. Uganda	15/01/2002	Bank	56,000	50,446	106,446	350,000	30
23. Equ. Guinea	15/01/2002	17/02/2002	5,600	48,029	53,629	397,000	14
24. Indonesia	30/01/2002	12/07/2002	-	36,000	36,000	356,400	10
26. China	03/04/2002	21/07/2002	-	40,000	40,000	400,000	10
34. Kenya	10/07/2002	Bank	-	25,326	25,326	47,700	53
35. Philippines	31/10/2002	Bank	-	39,729	39,729	47,500	84
Total					1,295,059	4,254,264	30
Regional Agency Projects							
9. UNECA: Africa	16/07/2001	workshop	49,824	-	49,824	49,824	100
13. SADC: So. Africa	24/09/2001	15/03/2002	-	80,000	80,000	393,050	20
16. UNECE: Trans'tn.	24/10/2001	workshop	133,000	-	133,000	133,000	100
19. FAO: Africa	26/10/2001	workshop	41,500	-	41,500	41,500	100
27. UNICEF: Africa	05/04/2002	workshop	49,392	-	49,392	49,392	100
36. Balkans Stat'ns.	18/12/2002	workshop	-	50,000	50,000	50,000	100
Total					403,716	716,766	56
World Bank Institute							
10. Poverty Analysis	30/07/2001	WBI	397,302	342,497	739,799	796,000	93
15. Local Govts.-ECA	24/09/2001	WBI	77,030	221,473	298,503	320,250	93
Administrative							
4. PARIS21 Coord'r.	01/01/2001	Bank	63,856	40,063	121,548	200,000	61
TOTALS			1,113,728	1,727,268	2,858,625	6,287,280	45

Notes:

1. The only disbursement from the Fund in FY01 was \$17,629, for the PARIS21 Coordinator (Item 4)
2. Regarding item 16, UNECE, all funds were disbursed in FY02 although the workshop was ultimately split into two separate sessions, one in FY02 and another in FY03 and some funds appear to be due back to the Fund.

85. There appear to be three main categories of reason for disbursement delays:

(a) Unexpected larger country problems preventing project implementation: Côte d'Ivoire (civil war) and Angola and Dominican Republic (prolonged suspension of all Bank financial operations, now lifted). This has had the unfortunate consequence, in view of overall shortage of resources, that other countries that might have been able to benefit from the funds have had to have their projects pushed off to the future.

(b) TFSCB start-up problems, and delays due to Bank efforts to improve standards and procedures: small inconsistencies among agreements with

different donors that had resulted from inter-departmental misunderstandings prevented disbursements for some 6-9 months in CY 2001, until they were rectified. Measures to ensure more consistency among Bank operations in disbursement percentages (the share of a bill for which the Bank would reimburse), and between donor and grant agreements in regard to procurement rules to be applied by international agencies using TFSCB grants, caused delays ranging between 6 and 15 months in the signature of six grant agreements. The requirement that Implementation Summary Reports be filed on SAP since last December appears to have added significantly to the number of these reports not filed when due. These problems have had very unfortunate consequences for certain grantees, as well as for the TF's broader reputation, but, as they are resolved (and this has already been completed in most cases), the program should benefit from increased efficiencies.

(c) Over-optimism of projections in regard to a wide range of matters such as the time required for signature of grant agreement (especially, inadequate allowance for local legal requirements, such as parliamentary approval), feasible pace of project execution, inter-relations with other sources of finance which would complement or substitute for grant funds, and Bank staff time available for assistance and supervision. These have been the most widespread problems, though less serious in individual cases than those mentioned above. They should also be more preventable than the difficulties mentioned in (a) and (b), and hence need careful scrutiny by the Secretariat and IMC in the effort to improve future performance.

86. Some of these problems could have been foreseen, possibly not at the beginning of the TF operation, but certainly at an early stage. In some specific cases inadequate supervision may have contributed to delays in project disbursements. However, there are currently no effective mechanisms in place to identify these problems as they occur. Implementation summary reports are not always filed when due, as indicated above, and the IMC has focused on project submissions, rather than reviewing implementation progress. The team recommends that the secretariat carry out a survey, for example covering FY03, of the staff-time and travel expenditures that departments responsible for supervising on-going grants have actually incurred and examine how these expenditures compare with those which the department undertook to provide when the grants were approved. Better monitoring tools have been put in place recently with the SAP system, and TTLs are now required to complete a training course and to pass a test in trust fund management. Proper advantage should be taken of these changes to ensure better monitoring.

87. While most TFSCB project proposals make a serious attempt to specify output targets, normally in measurable form, as well as to discuss the risks involved in the project, we have found little systematic follow-up information or related coverage in ISRs. The attention given to these matters does not seem consistent with the stress placed on them in Chapters 7 and 8 of the Bank's Trust Funds Handbook. Implementation Completion Reports are still lacking on a number of operations completed well over six months ago. Some of the WBI programs on which large disbursements have been largely completed would already merit independent *ex post* evaluation to assess the strengths of this approach to capacity building in statistics, compared with others, and review of some of the larger country projects will be an important task in the coming two years as they reach closure; the Technical Advisory Panel should be able to play a particularly valuable role in this work, as the corresponding bodies do in others of the Bank's Trust Funds, such as PPIAF.

88. The absence of information on output targets, and the fact that few projects are near completion, makes it difficult to assess efficiency in achieving outputs. IMC members found it difficult in general to comment on their perceptions of the efficiency of the TFSCB. However, they pointed out that a significant number of proposals are sent back to have their budgets reconsidered. Proposal budgets are said to be carefully scrutinised. Administrative costs for the IMC have been virtually zero and turnaround relatively quick. However, this is an area that should be highlighted in the evaluation process. The advisory panel could be asked to identify issues as implementation completion reports come in.

89. The evaluation team was also asked to look at the issues of execution mode, and whether this affected the efficiency of projects. Out of 31 country and regional projects, 8 were WB executed. Bank executed projects do not require the process of signing a grant agreement, so will always have an advantage of being less bureaucratic and less likely to be held up by ignorance of WB procurement procedures. That said, the ability to manage a project efficiently is an important element of capacity building, and also should help to build ownership.

90. There is limited time available from WB staff with appropriate professional experience and capacity to execute projects, and WB execution does not promote capacity building in project execution in the recipient country. Some projects (Congo and Equatorial Guinea) have been set up under split execution, with the first stage, usually the development of some variant on an SMP, carried out under Bank execution to achieve quick initial results, and the second stage, some form of implementation, under national execution. The success of this approach will have to be assessed. The example of Chad, where AFRISTAT executed the first phase of the project, threw up problems of continuity and ownership, though in a situation of extreme staff turnover, which exacerbated the continuity problem.

Box 1 Project implementation and supervision in Albania

TFSCB is supporting a project in Albania for Capacity Building and Sustainability of Agricultural Services. To facilitate project implementation, the TTL persuaded the local implementing agency to enter into an agreement with one of the project management units responsible for a number of other Bank funded projects. This has led to cost savings, and at the same time ensured a smooth implementation of the project in line with Bank requirements.

The TTL is based in Albania and this has facilitated effective Bank supervision in accordance with the project proposal. More general information on the project in Albania is given in Annex A.

91. There are two areas of concern to the evaluators, which have been touched on already; the capacity at project design level to fully comprehend and address individual country constraints in developing projects which are likely to have a sustainable impact on country statistical systems: and the level of supervision which may be necessary, particularly in countries with the poorest statistical systems to keep projects on track and give suitable support and momentum. To address the first issue, we suggest that, where there are not suitably qualified and available WB statistical staff to assist the weakest countries in the definition and presentation of proposals, that PARIS21 could, in some way, be involved in assisting project proposal development. Consideration might be given to the

appointment of an adviser specifically for this purpose who would be headquartered at the PARIS21 Secretariat, benefiting from the contacts and philosophy which characterize that program

92. The second issue could be addressed either by ensuring more involvement of country office staff, where they have appropriate experience, or by appointing TTLs who have other project responsibilities in the country. It will not always be efficient to fund multiple supervisory visits for relatively small projects at \$10,000 a time. However, if supervision could be piggy-backed on to other mission, or could be formally shared with country office staff, then some of the delays which have characterised the worst performing projects could be reduced.

e) Effectiveness and sustainability

93. It is too early to assess the effectiveness of projects to improve statistical capacity, as none of the larger projects have reached their concluding stages yet. Some assessment can be made on the basis of the interviews with TTLs, as to the effectiveness of project design, and the likelihood of the projects achieving their objectives, but this will inevitably have an element of bias.

94. Of the twelve country projects where the evaluation team had contact with the TTL, in six it was felt that the project targets were appropriate and achievable. In one other case, it was thought that the targets were achievable but within a slightly longer time frame. In two cases it was felt that the targets might have to be revised because of changes in circumstances, in particular where a project had taken a long time to get off the ground. In two cases the TTL was dubious as to whether the targets would be met, and in the remaining two there was no response to this question. In five of the projects, the TTL felt that the project had addressed the real constraints facing statistical development in the country. This was particularly the case where there has been an important emphasis on producer-user dialogue and involvement.

95. In five cases, the TTLs thought that the project, and the involvement of the TFSCB, had positively increased donor support for statistics in the country. In no case was the project felt to have displaced donor spending.

96. Effectiveness can also be examined through the appropriateness of distribution of resources to achieving the TFSCB's objectives. The distribution of resources between subject areas has been addressed above in the description of the TFSCB portfolio. Table 2 shows that the largest component of country grants taken as a whole has gone to the two areas of poverty data and dissemination and use of statistics. Strategic plan development has received only about a tenth of the overall resources allocated. However, in some cases, TFSCB resources are tied to aspects of implementation of existing strategic plans. While this distribution is consistent with the broad concept of capacity building used in the TFSCB Guidance notes, and, as far as the evaluators can tell, responds to demand by countries and the concerned WB staff, the question has to be raised as to whether it will be either easy or desirable to shift the balance of resources towards a much greater emphasis on the development of SMPs.

97. Table 2 also shows that resources have predominantly gone to countries with statistical practice ratings of 5-6 and below, the exceptions being Peru, Philippines and Indonesia. This would imply that allocation has corresponded to need for capacity building. Two geographical and political areas which have been

given prominence in the TFSCB objectives are PRSP countries and SSA. Of the 27 countries that are recipients of TFSCB grants, ten of these are from SSA, six are transitional countries, four are Latin American, six are Asian and one is North African/ Middle East. About 40% are PRSP countries. If the TFSCB were to take a more proactive role in stimulating the demand for SCB, it would be advised to examine the possibilities for support in the 30-odd IDA-eligible countries as mentioned in para 26. Allocation of funds will always have to be a delicate balance between country demand, country capacity to execute projects and TFSCB capacity to provide adequate support and supervision. The TFSCB portfolio already contains a number of poor and low capacity countries, where projects are slow to implement because of existing country capacity constraints, and where, in some cases, the necessary levels of supervision have not been available.

98. A matter of some concern in terms of resource allocation is the amount of funding that has been disbursed to other global international agencies, such as the WBI, FAO and the ILO. This should be addressed on a case-by-case basis. An assessment of the finance to the WBI (see Annex 1) argues that it is probable that this funding could have had a positive impact on statistics production and use for anti-poverty programmes in a total of about 14 countries in its poverty analysis programme, and possibly another three in its subnational statistics and governance programmes. The focus on building understanding and capacity amongst the users of statistics is a welcome counterbalance to the heavy producer focus of many of the other projects in the TFSCB portfolio. However, although it could be argued that some of the global level programmes are an efficient way to reach a number of countries, in the current situation of unfilled demand for country level projects, and the potential for capacity building at that level, the TFSCB should only accept proposals from international agencies are likely to have impacts which directly further the objectives of the TFSCB and which are potentially a more effective way of building capacity than using the funds in country programmes. Some IMC members have indicated that the grants to the ILO and FAO may not, in retrospect, have been appropriate.

99. It is more difficult to assess the effectiveness of allocating grants to regional bodies. The SADC project has had considerable delays in effective start-up and the CARICOM project has not really started implementation. Regional bodies should be important partners in the process of building statistical capacity, and may have greater opportunity for engagement at country level than international bodies, but the effectiveness of funding proposals this way again comes down to the capacity of the organisation concerned, and the nature of the proposal.

100. A final issue related to effectiveness concerns the ability of TFSCB to increase the leverage of its resources by working with other agencies. There are very few projects where this has happened, (Angola, Uganda and Nicaragua) and we were unable to contact the TTLs for some of these projects. The Angola project was linked to another WB project, and was supposed to provide the framework for the statistical component of a larger WB loan. Because of financial issues between the Angolan government and the WB, this did not proceed as scheduled, and the two projects are now working in parallel. It is difficult to assess from the documentation of the other two projects whether the TFSCB support had any influence on the project's ability to raise funds from other donors, or whether this was simply a way of ensuring sufficient funds to implement the overall project.

101. The Albanian case study is an example of the opposite tendency. Here the World Bank is funding one project through the TF at the Ministry of Agriculture and another on household surveys at INSTAT. The two activities with different TTLs are neither linked nor coordinated. Far from working with other agencies, in this instance the WB is not trying to develop possible synergies between its own activities.

102. The TFSCB has two major ways in which it can attempt to achieve sustainable improvement in statistical capacity. It can promote investment in statistical systems directly, paying close attention to the institutional context to try to ensure that initial impact is not undermined by lack of ongoing government support and inadequate resources. Alternatively it can focus on stimulating investments by others through supporting the preparation of strategies and plans. Up until present the balance of TF resources have gone more towards the first approach.

103. The sustainability of the impact of either of these approaches is difficult to assess at this time. In two of the completed projects, where the TFSCB has promoted investment in statistical systems directly, those in Russia and Peru, the TTLs feel that these small projects have either assisted in developing a methodology or an area of statistical interest that has been taken on board by the main statistical system and/or social analysts and will continue to be used. In Kosovo, the TFSCB project focused on strategic plan development, the ICM for Kosovo also is cautiously optimistic that the plan developed in the course of the project has considerable national ownership, but much will depend on the availability of resources to start implementation.

104. Of the projects visited in the field, the project in Albania corresponds to the first approach. It also looks the most likely to achieve some level of sustainability, if staff in the Department of Statistics and Information in the Ministry of Agriculture and Food are not lost through poor pay conditions. The project in Chad developed a strategic statistical plan in its first phase. However, existing statistical capacity and staff turnover in Chad make it unlikely that the project will have any sustained impact, unless there is more commitment from government, which would include a commitment to hire and maintain more professional statisticians in key positions. Box 2 gives more detail.

Box 2 From Plan to Implementation – the Experience of Chad

In the first phase of the TFSCB project for Strengthening Institutional Capacity in Chad, AFRISTAT assisted the Department of Statistics (DSEED) to develop a strategic statistics plan. The second phase contained elements of training and knowledge transfer which would assist DSEED (now INSEED) to implement the plan, but it was clear from the beginning that meaningful progress would depend on commitments of funding both from government and from bilateral donors in Chad, many of whom have provided some assistance to statistical development.

This has not been forthcoming. Three changes in the directorship of INSEED, combined with failures in supervision of the project from the side of the WB, have meant that there has been little progress with the second phase. Although the donors are aware of the plan, there has been no effort on the part of government to promote this as a framework for support to statistics, and the prevailing, and probably accurate, donor perception is that the government is not prepared to provide the kind of support to the NSS, in terms of human and financial resources, which would encourage donors to believe that investment in this sector would provide lasting results.

105. The SADC project combines elements of both approaches in that its aim is to assist countries in building up coherent plans for addressing poverty statistics, but also contains elements of direct support to countries. It is difficult to assess, because of its slow implementation, and the open question as to whether the SADC Council of Ministers will approve the plan for building up the statistics unit into an executive agency. If this happens, and if the project is successful in building up and maintaining a network amongst country statisticians and local consultants, then it could contribute to a sustainable process of mutual support amongst its members, which would be an important element in building statistical capacity in the region.

106. What the experience in Chad indicates, and this is true more generally, that, while it is important for countries to have a roadmap for the NSS, which includes costings and needed development in physical and statistical infrastructure, it is equally important to build awareness of the function of such an SMP, and achieve commitment of government and donors to support the process. This will require active participation of stakeholders in developing the MSP, and the inclusion of follow-up activities, by the project implementer and the TTL, in promoting the SMP and assisting its progress into implementation.

107. The Peru and Russia projects share some characteristics which give some clues as to when TFSCB direct support to projects is likely to have lasting impact. In both these projects, there was considerable local demand and ownership, but difficulty in getting funding for what were seen as complementary activities to the mainstream. The TFSCB funding enabled pilot activities to be carried out, and their success has led to a high probability of adoption of the methodology in the mainstream. High levels of demand from the implementing agency, and the resources to take the results forward, have been crucial. The evaluation team would like to see the TFSCB retain the capacity to undertake relatively small projects such as these, while at the same time recognising the need for greater focus overall in the TFSCB portfolio.

5 Conclusions and Recommendations

a) Achievements

108. In the thirty months since the TFSCB came into being, there have been a number of significant achievements. The TF has:

- set up a financial instrument which provides grants for developing statistical plans and innovative statistical work for which governments might not be prepared to borrow
- considered and approved 45 projects, and rejected 5
- supported projects in 27 countries, covering all the major geographical areas in the developing world, including some of the poorest countries, with very limited statistical capacity
- defined a scope of activity which is considered important and relevant by TFSCB donors, and WB staff working with the TF

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- supported projects which might not otherwise have been funded
- enabled significant expansion of training and discussion efforts critical to creation of effective demand for statistics and supported various related PARIS21 initiatives
- identified bottlenecks, and looked for ways of overcoming them, for example by using Bank execution mode to overcome bureaucratic obstacles.
- modified its processes to become more effective
- achieved quick approval procedures, particularly compared to many WB trust funds
- is still working on ways to improve project identification and prioritisation procedures

b) Performance against logframe

109. The Terms of Reference for the TFSCB Evaluation request a broad Output-to-Purpose review of the programme, using the Project Framework attached to the TOR at Annex D. The following summarises the team's view on this, given that, on the one hand, few projects have been completed, and, on the other, the maximum length for a project under the TF is three years, and many should be within their final year.

110. The primary output envisaged in TFSCB's logframe is provision of an "easily accessible and responsive funding mechanism to allow countries access to, primarily catalytic, funding for projects related to statistical capacity building". The existence of the Fund has enabled the World Bank to channel significantly greater resources than previously into grants in support of statistical capacity building and to experiment with a greater variety of efforts in this direction than had been possible before. However, while a number of grants have certainly been made, it should not be forgotten that the indications from our PARIS21 interviews in Africa were that most of the countries, and at least some aid-agency regional statistical advisers, found the TF rather hard to access – in some cases, even to get a response from. Interviews during the evaluation indicate that these may have been exceptional cases. However, it is probably still quite difficult for countries to access the TF on their own initiative, unless they are working with WB staff in relevant areas. This is particularly true of countries where internet access is difficult.

111. The second output identified is "projects implemented in at least 10 countries per year," though it is not very clear whether this means 'completed' or 'under implementation'. Table 5 suggests that by the second quarter of CY 2003 there were 12 sizeable country projects under implementation, and five small country projects, some of which had reached completion.

112. The first, and most important, OVI against Outputs in the log-frame is "Statistical capacity of at least 30 participating countries increased within 5 years," and the statements about Purpose indicate that increase of Statistical capacity is intended to mean that the countries have better statistical information available for implementing and monitoring their development, and that the

statistical reports are widely used. There must be some doubt as to whether this goal will be realised.

113. Since a good deal of attention has been devoted by the programme managers to trying to ensure that the projects supported would be truly oriented to building up of capacity, the projects initiated are, for the most part, consistent with the purpose. But it would be very optimistic to assume in addition that all 12 of the main country projects already underway will prove successful in fulfilling their objectives, and that they will have got sufficiently far with them in another two-and-a-half years that regular statistical reports resulting from them will be being produced – and used. As regards older projects which may now beginning to disburse, let alone new projects yet to be approved and started, all the indications from experience to date are that time schedules at every stage tend to be longer than anticipated; it therefore seems doubtful whether new projects will be able to contribute to fulfilment of the five-year target.

114. To reach close to the aim of significant impact on statistics production and use in 30 countries within five years of programme commencement, the projects undertaken through WBI – with disbursements already in excess of \$1 million by 31 March '03 – may be critical. The subnational statistics project is focused on 5 E. European countries, and the Poverty Analysis Initiative project deals with a larger number of East Asian and African countries. As indicated earlier, our assessment of the impact of these projects is that perhaps 17 countries in total could be taken as contributing to the overall OVI.

115. Also to be considered, of course, is whether smaller projects can be expected to have sufficiently important effect that their results also would contribute countries helping to meet the target of 30. Table 5 includes the three smaller country-focused projects approved in the first 18 months of the programme: the Kosovo project which produced a good strategic plan, though no information is yet available as to whether the aid donors are helping to implement it, and the two important, but highly specialized, initiatives undertaken in Russia (business opinion surveys) and Peru (surveys of Afro-Peruvians).

116. The second OVI refers to projects that would follow up on the projects supported by TFSCB grants and that would be supported by WB or other donors. The only case where we are aware of such follow-up already having taken place is Angola, for which IDA approved a credit in March 2003 including important support for statistical capacity building. But it is clearly too early to expect most of the TFSCB-supported projects to already have follow-ons 'assimilated' into donor strategies. The proposed improved focus on SMPs should be expected to generate follow-up opportunities, but this depends both on the level of ownership by government, and the participation of donors in the SMP process. The use of the TFSCB as a possible entry into a STATCAP loan will increase these opportunities in some countries, but care must be taken that the TF is not seen simply as a precursor to STATCAP, but that it retains its independence so that links are maintained with other donors, particularly in poor countries that are unlikely to borrow for statistical development.

117. The last OVI refers to the number of TFSCB-supported projects that do not involve WB directly in implementation, and also to the speed of disbursements. What is meant by WB involvement in implementation is not clear; if it means cases where WB is not Executing Agency, then most of the main country projects so far undertaken would qualify (among those listed in Table 5, only in the case of South Africa and Uganda is the WB listed in the TFSCB table as Executing

Agent). As regards the speed of disbursements, the evidence presently available is quite worrying: without going into detailed comparison between projected and actual disbursements for each project (information that could not be collected within the time available for the evaluation), only four of the main country projects look as though they have reasonable initial disbursement performance (and even then almost certainly below forecasts in some cases): Karnataka, Albania, Nepal and Uganda.

118. In summary, although the TFSCB has had some positive results, there are concerns about the speed at which it is moving in implementation, and we feel that the goals it has set itself are rather ambitious for its size and the resources available for supervision and follow-up. It is likely that, depending on the decisions made by the CG on the future strategic direction of the TFSCB, that elements of the logframe will have to be revised, in particular the activities and the OVI.

c) Issues and Recommendations

119. Overall the TFSCB has performed a useful function in providing support to a number of projects which might not otherwise been funded, in areas important for statistical capacity building at country level. Although implementation has been slower than one would have hoped, making it difficult to evaluate output, there are indications of positive outcome in many of the projects that have been completed. The need and demand for the type of project (in content and country location) which the TFSCB was set up to address still exists. The evaluation team is unanimous in its recommendation that the TFSCB continue.

120. However, there are important strategic choices that the TF should make at this stage, and a number of areas where the team recommend a change in or tightening up of procedures.

121. Up until now the TF has operated an open-door procedure for approving projects. It has been reactive rather than proactive. It could continue as it is, or it could choose to be more focused on either the type of project or country it supports. To some extent, this will depend on the level of resources available to the TF, but also on the importance placed by the CG on increased focus, and the resources available to manage the TF. The more proactive the strategy, the more resources, both financial and human, are needed to manage it effectively.

122. Were it possible to raise enough to permit, say, \$6 million of grants per year, it would probably be possible to sustain a program of the present open and relatively fast-acting nature, assessing each proposal on its own merits as soon as submitted. If, on the other hand, the program had to be limited to annual grants not exceeding, say, \$3 million, up-front choices would probably have to be made to define the particular types of project for which grants would be considered. Choice would have to be made among widely different alternatives, such as:

- provision of assistance to any developing (or transition) country, but only for preparation and management of NSS strategic plans and planning processes,
- openness again to all developing (or transition) countries but specifically for assistance in the generation of sound data on the MDGs and related Development Indicators that the international aid community is converging on (including, in this case, assistance to the subnational systems and MIS's which

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are essential tools to enable the governments to manage their own efforts in support of those goals), or

- concentration of effort entirely on those among the 60 countries with weaker statistical systems (i.e., below the score of 3-4 on the rating scale quoted in Table 2) which are genuinely interested in bringing about improvements. These countries are mostly but not entirely IDA-eligible. The existing fully open approach for types of projects (SMP support, technical assistance on methods and procedures, user training and workshops, etc.) could then be maintained, but only for these particular countries

123. Under any of these alternatives, the Fund could probably maintain support for regional and international projects, but only ones which would contribute to the dominant objective chosen (such as the existing SADC project, and possibly some management seminars, in the case of the first alternative, a selection of seminars and related technical assistance from WBI and regional agencies in the case of the second, and programs with regional agencies such as SADC and AFRISTAT in the case of the third).

124. The view was presented to the evaluation team that the TFSCB should carry on funding proposals for the development of SMPs on a first-come first served basis, up to a certain proportion of the overall funds available and to consider other proposals on a twice-yearly basis. The evaluation team feels that this might be rather restrictive, and that much could be achieved by targeting certain types of activities: SMPs, introduction of effective financial and human resource management processes and institutional reforms. These roughly correspond to the three prongs of SCB presented above (paras 37-40)

125. The team appreciates the importance and benefits of a focus on SMPs. These provide a road map for NSSs and a framework for donor cooperation. However, it is important that these are seen as tools for the country, and not for the donor community, and in particular the World Bank. It is also important that the TFSCB remains accessible to poor countries, who may already have a strategic plan, but require grant assistance in implementing key aspects. The TF should not exclude itself from being one of the donors supporting the implementation of SMPs

126. This links to another important strategic issue for TFSCB – its relations with other development partners. During the evaluation of PARIS21, a number of members of its Steering Committee expressed the view that PARIS21 should not try to strengthen its links with TFSCB as that would damage its role as a neutral space, particularly in the eyes of developing country statisticians. However, there is a danger that, if TFSCB focuses on SMPs without engaging a broader set of development partners at country level than it appears to have been able to do so far, then it will be seen primarily as an entry point to STATCAP. This is not consistent with the original concept of TFSCB, and would reduce its scope somewhat. Therefore, the team feels that it is important that the TFSCB explore ways of working with PARIS21, not only in promoting and developing SMPs, but in advocacy at the country and international level, to encourage countries and donors to use them as a mutual planning tool, as is happening with PRSPs in the most promising PRSP countries. This would also imply that, at global level, there needs to be wide agreement amongst all statistical donors on the form of a SMP and its relation to a broad concept of statistical capacity building, and at country level, potential donors should be fully involved in the development of country SMPS, so that they are acceptable as a basis for financing. This would increase

the value of SMPs and maximise the impact of the relatively small amount of funding available through the TFSCB.

127. The representation of developing countries in the governance structures of TFSCB is another area of concern for the evaluation team. Some developing country representatives could be invited to attend CG meetings in an observer status. An expanded role in the advisory panel could also be considered.

128. The choice of strategy will have implications for the management of the TFSCB and its projects. The following issues will be relevant under all the approaches outlined above, but their importance will vary according to the strategic choices made.

- The guidelines issued for the scope of projects to be considered by the TF.
- Support for proposal design
- Prioritisation of projects submitted to the TFSCB
- Supervision of projects under implementation
- Evaluation of the completed projects and feedback to the IMC

Some of these areas are under consideration already by the TFSCB Management Unit. The following recommendations should be seen as adding to and reinforcing some of their proposals.

129. **Guidelines.** We have already indicated concern as to a lack of clarity both in the guidelines, and the way they are interpreted both in project preparation and by IMC members. We feel that time spent rethinking these might improve the focus of the TFSCB and lay a more robust foundation for project success. In particular we think that the guidelines should contain a more precise definition of statistical capacity building.

130. **Proposal design.** This is linked to the previous issue, but also to the ability of project proposals to identify the real constraints to statistical development, and provide a better assessment as to likely project success. In some cases, WB staff who are heavily involved in statistical matters have provided assistance at country level for project preparation. However, we suggest that there may be cases where additional technical support would be beneficial. The TFSCB should explore with PARIS21 the possibility of establishing some joint position with a remit both in support for project development and possibly in project follow-up, particularly for SMPs, and fund part of the costs of this.

131. **Prioritisation of project applications.** Unless there is a much greater inflow of funds to the TFSCB, projects applications will have to be prioritised, to ensure that worthy projects are not turned away because of lack of resources. Even if funds are not an issue, applications should be assessed against a more rigorous set of guidelines (see above, para 129). There are arguments both for prioritising specific types of projects and poorer countries. The original brief for the TFSCB focused on poor countries with limited statistical capacity, and we feel there is a good case for targeting these proactively, understanding that this will have implications both for assistance in project design, and increased supervision needs. One of the virtues of the TFSCB so far has been the speed and flexibility of the approval process. This has had some negative outcomes, in terms of approval of over ambitious projects, or projects where institutional factors make

them less likely to succeed. However, an alternative to setting up regular competitions would be to invest more at the design stage, and for the IMC to develop a greater discrimination in project approval, based in part on feedback from previous experience.

132. **Supervision of projects.** This has been, for some projects, an unsatisfactory area. At present not all projects have implementation reports filled out on a regular and timely basis on the SAP system, and in some projects TTLs have not had funds available to make supervisory visits. As we suggest above (para 91) there are opportunities for cost sharing in supervision, and these should be exploited as much as possible. The Management unit should be encouraged to undertake a short survey on the actual costs of supervision relative to the costs proposed in project proposals. The poorer a country's existing statistical capacity, the more important supervisory input is likely to be. Realistic supervisory costs must be identified in project proposals, and borne by the relevant CMU as an indication of commitment.

133. **Evaluation and feedback.** This is not, at present, a major issue, because few projects have been completed. However, there appears to be little provision for reviewing the results of project evaluation, and feeding back to the IMC, and the management unit. This seems an area where the Advisory Panel could be asked to take some responsibility, and provide input into the project design and assessment process. They should be adequately recompensed for this input.

134. **Budget.** Some of the recommendations above have budgetary implications, for TFSCB as a whole and for individual projects. The evaluation team understands the pressures on the TFSCB management to run a low cost and lean management process, particularly for what is by World Bank standards, a small TF. However, we feel the potential for improved use of TFSCB resources is such that ways of funding some of these inputs, in particular for project design and project preparation, should be seriously considered. If the TFSCB is extended beyond the current closing date of December 2005, as the evaluation team recommend, then the possibility of restructuring the financial arrangements should be considered.

Recommendations

Overall

- a. The evaluation team recommend that the TFSCB be extended for another three years.

Strategic Project Prioritisation

- b. The CG should decide whether projects should be prioritised on the basis of content (SMPs, or other), country of application or a more rigorous application of tighter guidelines. Grants to international and regional organisations should only be considered if they are likely to be a more effective way of improving SCB than direct country grants. (para 56, 68, 97, 119-124, 130)

Guidelines

- c. The TFSCB guidelines should be revised, to give a more focused definition of Statistical Capacity Building, and to reflect any other procedural changes agreed on. (paras 37-40, 68, 128)

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Project Design

- d. Possibilities for giving greater assistance in project design should be explored, such as establishing a joint position with PARIS21 to work with countries in developing projects. (para 55, 91, 129)

Project Supervision

- e. Supervision of projects must be given more emphasis (para 86, 131)
- f. The Management Unit should undertake a short survey, for 2003, to assess the extent to which the supervisory commitments given in project proposals are actually being fulfilled. (para 86, 131)
- g. Cost sharing in supervision and the use of country office staff in supervision should be explored at project design stage. (para 91)

Evaluation and feedback

- h. Structures should be put in place for feedback of project evaluation to the IMC to enable lesson learning (para 66, 132)
- i. Consideration should be given to asking the Advisory Panel to play a lead role in feedback for lesson learning (para 63, 66, 88, 131)

Relationship with development partners

- j. There should be greater coordination with PARIS21, and with statistics donors, over the development of SMPs (para 65, 125)
- k. In particular, where TFSCB is supporting the preparation of SMPs, it should work with PARIS21 in building support for the SMP both within government and among donors. (paras 55, 58, 125)
- l. Representation of developing countries in governance structures should be increased, by inviting attendance at CG meetings as observers and increasing representation on the Advisory Panel (paras 59,69,126)

Funding TFSCB management

- m. The funding arrangements for the TFSCB should be reviewed by the CG in the light of the recent reforms adopted by the World Bank to standardise and simplify TF arrangements. Particular attention should be paid to covering costs of experienced review, appraisal and supervision of projects. (para 79, 81, 132)

Annex A Case Study Reports

- 1. Albania**
- 2. Chad**
- 3. SADC**
- 4. WBI projects**

ALBANIA

Capacity Building and Sustainability of Agriculture Statistical Services in Albania

I: BACKGROUND

The primary goal of the Trust Fund for Statistical Capacity Building (TFSCB) is help build overall statistical capacities that are sustainable. In most instances funding from the TFSCB is directed towards aiding the National Statistical office (NSO) of a country in developing a balanced national statistical system that is responsive to meeting the needs of a mix of users made up of governmental agencies, the private sector and international agencies. NSOs take the lead in formulating overall work programs, in promoting national standards based on international recommendations and in coordinating all statistical operations in instances where the statistical system is decentralized. Line ministries and other agencies engaged in statistical work, for their part, look to the NSO for guidance and direction in the development of their respective sector specific data systems. It is against this background that TFSCB funding has largely been channelled to NSOs.

The decision to support the *Capacity Building and Sustainability of Agriculture Statistical Services in Albania* is therefore a deviation from the norm in that the support is being extended to a line ministry, the Ministry of Agriculture and Food (MOAF). The Department of Statistics and Information (DSI) of MOAF is a highly specialized entity with responsibility for a relatively narrow spectrum of statistics. However, the rationale for the assistance extended to MOAF needs to be seen in context.

Albania is a largely agricultural economy. The World Bank lending program in Albania has focused on lending for the agricultural sector, a sector with a high degree of concentration of the poor. Given the high importance of having accurate and timely data, the Ministry of Agriculture and Food (MOAF) has a long established Department of Statistics and Information (DSI) that is responsible for collection, compilation, analysis and dissemination of data pertaining to the agricultural sector. To this extent, the DSI is a key player in the overall national statistical system of Albania. Developing the capacity of DSI therefore represents an important initiative not inconsistent with the objective of strengthening the statistical system.

Between 1993-2001, USAID provided support to MOAF in strengthening its overall capacity, including the field of statistics. In its final report, USAID recommended that DSI be assisted in the development of a comprehensive system of national and regional agricultural statistics with emphasis placed on i) upgrading the of accuracy and reliability of data; ii) training DSI staff in analysing and reporting of statistical indicators, iii) introduction of new techniques of collecting, processing and publishing statistical information. Improved flows of data were seen as critical to the adoption of evidence-based decision making. In mid 2001, the Government of Albania submitted a request to the Trust Fund for Statistical Capacity Building managed by the World Bank for a grant of US\$ 374, 500. For its part, the Government committed a sum of US\$105,500 as its contribution.

The assistance requested by the MOAF dove-tailed with the World Bank's operations in Albania. IDA has taken a lead role in the development of the agriculture sector. The Bank is therefore a major stakeholder in the availability of comprehensive, reliable and timely statistics which underpin its policy dialogue and sector work. For

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these reasons, the Resident Mission in Tirana worked closely with the MOAF in the preparation of the grant application.

The justification for TFSCB funding rightly emphasized institutional capacity building with stress placed on:

1. Strengthening national and regional agricultural offices through the improvement of six ongoing specific surveys during the life of the project;
2. Creating networks in six other districts and extending the coverage of statistical services to regions; and
3. Training personnel in charge of agricultural statistics and policy analysis on the use of indicators and increasing their capability in the application of statistical techniques, further development of indicators, and strengthening analysis.

More specifically, the proposal called for improved data accuracy and an expansion in the coverage of statistical information. These goals were to be met through measurable outputs in the following areas:

- Improving the coverage and the quality of statistical indicators to describe land use, crop and livestock production at national and district levels.
- Improve cost efficiency through the rationalization of the surveys on labour and rural development and employment.
- Improve cost efficiency of survey services on vegetable production, agro-processing.
- Improve skills in DSI staff to analyse statistical data and draft interpretive reports and forecasting in crop and livestock production.
- Provide annual reliable statistics at the national and regional levels and improve the analysis and evaluation of prices and other key indicators of the economy.
- The project will strengthen DSI/MOAF commitments and responsibilities in agricultural information services to the agricultural sector as well as will provide quality information to decision makers to other ministries and related sectors

The grant, in the amount of US\$ 374,500, covered three broad components: (i) Development of survey services; (ii) Development of reporting services and (iii) Training and technical assistance for capacity building.

Under the first component (**US\$ 72 000**) the focus is on improving data collection by upgrading the application of sampling methods to existing surveys. New sampling methods are to be tested and adopted. In addition, DSI would continue the development of annual and seasonal surveys to collect information on land use; area planted and harvested; capacity, production and costs; as well as disposition and utilization of crop and livestock products. The surveys would provide the basis for yield forecasts for major crops, cost of production and processing, and farm labour use and wages. Surveys of product utilization will also be conducted to estimate quantities of farm products that move into different uses on and off farms. Reports from quarterly surveys on agribusinesses will provide information on products, location, processing capacity, production amounts, and costs. Other data collection efforts would focus on price data.

The second component (US\$ 15,000) will be largely concerned with data dissemination, data use in decision-making and analysis. The range of **current agricultural statistical indicators**, the content, the types, and the frequency of basic statistical reports will be upgraded. DSI would work closely with the Institute of

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Statistics (INSTAT) and with international agencies such as EUROSTAT, FAO, etc in applying appropriate concepts and standards. In addition, DSI will make efforts to provide MOAF's extension services and policy units with to its data sets. DSI would also develop new sampling frames based on the recent census of the population and the household listing provided by INSTAT.

The third and largest component (**US\$ 287 500**) provides financing for the acquisition and installation of IT equipment and software at the HQ, 12 regional, and 36 district level offices to facilitate data entry, data transmission, processing and storage. Under this component provision has been made for training of staff in survey techniques, data analysis and the use of IT equipment.

The GoA contribution, in both cash in kind, to the project was set at US \$105,000 and covered local costs, funds for payment of import duties and VAT chargeable on equipment purchases. In addition, a modest amount was set aside as a contribution to a sinking fund to cover replacement costs for IT and transport equipment.

The disbursement schedule for the project was front loaded to enable early purchase of equipment. Table 1 sets out the schedule.

Table 1: DISBURSEMENT SCHEDULE

	US \$
2002	213, 150
2003	99, 600
2004	61,750
TOTAL COST	374,500

The DSI was designated as the executing agency. A Project Management Unit in the MOAF, responsible for other World Bank financed projects in the agricultural sector was assigned responsibility for managing the project.

II: REVIEW

Project Relevance

There is no denying that the project was relevant to the needs of the Albanian Government and to the World Bank in the context of its operations in Albania. Creating enhanced flows of data and improved capacity to use the data in evidence-based decision-making covering an important sector of the economy represented priority activities. Although the project was largely designed and formulated by World Bank staff, MOAF and DSI staff were deeply involved and assured country ownership. INSTAT, as the national statistical agency and one responsible for preparation of national accounts, was consulted. However, these consultations do not appear to have appreciably influenced the scope of the project. While the data to be collected through the various surveys are likely to satisfy MOAF needs, there was

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insufficient attention paid to the types of data required for national accounts estimation. As a consequence, INSTAT is engaged in independent collection of data.

Project Implementation

The Task Team Leader (TTL) was knowledgeable, given his previous work experience in Albania's statistical system, and thus he has played a vital role in not only the preparation of the project, but he has enthusiastically involved himself in the project execution stage. These contributions, sustained and significant, go towards explaining the progress achieved. The project has thus proceeded largely according to plan. DSI for its part has exerted strong efforts to implementing the various activities. It has now a trained team in place to carry out the planned surveys, introduce new survey methods and organize data management and dissemination. It is currently working with INSTAT to modify the sampling approach with the object of harmonizing its area sample frame with the population based sample frame managed by INSTAT that has been developed with the aid of the recent census of population. A pilot exercise is underway.

To facilitate project implementation, the TTL was instrumental in getting the DSI to enter into an agreement with one of the Project Management Units responsible for a number of other Bank funded projects. This has led to cost savings, and at the same ensured a smooth implementation of the project in conformity with Bank requirements.

Project supervision by the Bank has been in accordance what was specified in the project plan and two supervision reports have been prepared. These reports are comprehensive and rate the project as highly satisfactory. DSI has for its part acted on recommendations and suggested actions in a reasonably prompt manner.

Sustainability

There is substantial evidence to indicate that the new collection systems and approaches are taking root. Indicative of this are that data users within the MOAF are using the data; DSI is engaged in a more systematic dissemination of data through a redesigned Year Book of Agricultural Statistics. It has increased the print run with financial support from DTZ, the German aid agency. Price data are now being disseminated through the Radio and are thus widely available for use by farmers. This said, it must be noted that DSI has yet to provide INSTAT, the national statistical agency with full access to the detailed data. At present INSTAT is in receipt of aggregated tables.

The project has received budgetary support from the Government budget as envisaged in the project document. However, the additional amounts allocated are modest and largely for meeting expenditures connected with the payment of VAT and import taxes. The downside risks are that staff trained under the project may be lost because of poor pay conditions.

Contribution to Overall Capacity Building

It is appropriate to relate the TFSCB funded project to the wider issue of general statistical capacity building in Albania. INSTAT has been attempting to restructure the statistical system of Albania to meet the needs of a market economy. It is attempting to adopt European Union and international standards in a phased manner. The EU, through EUROSTAT, has extended help in training INSTAT staff and providing modest amounts of consulting services. A new statistical law has been drafted and is

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likely to be enacted in the near future. The law incorporates aspects of the UN Principles of Statistics, empowers INSTAT to play a more dynamic role as the central statistical agency in Albania in coordinating statistical work and setting standards via a National Council. INSTAT has also drafted a medium term national plan for statistics which it hopes to see endorsed by the Council of Ministers. The nature and scope of the plan was not disclosed. However, it was disconcerting to note that DSI has neither been consulted nor made a contribution to the drafting of the plan. This lack of interaction between DSI and INSTAT is indicative of tensions between the two agencies. It further points to a less than full recognition on the part of INSTAT that if it is to play a full and meaningful role as the central statistical agency in the country, it needs to take account of all statistical activities conducted in the country. It cannot afford to ignore the various components of the broader statistical system, of which DSI is a vital part. It is evident that overall capacity building and strengthening of the statistical system demands the preparation of work plans that embrace the entire range of statistics, and are inclusive of work done in other Ministries and agencies. Generally, developing an effective and comprehensive system of data demands a broader approach than a narrow focus on what the NSO itself generates. A statistical system that has a narrow focus inevitably leads to duplicative data collection efforts, resource misuse, the use of inconsistent standards, and the emergence of a generally weak system with attendant implications for credibility of the data. INSTAT does not appear to have taken account of these considerations. The Bank clearly has a responsibility to provide appropriate advice on how best Albania can achieve a sustainable statistical capacity. The current TF project provides the Bank with an opportunity to intervene by flagging these issues. Indeed, the Bank has additional leverage because of its support to INSTAT.

The Bank is providing INSTAT with financial support in carrying out a LSMS survey which entails the delivery of technical assistance for the conduct of household surveys. It is puzzling why support for this particular program of household surveys is not being coordinated with the household based surveys carried out by DSI. It should be recalled that the LSMS approach incorporates a modular approach and certain data on agricultural activities can easily be incorporated thereby making somewhat redundant the information DSI is collecting. The lesson that can be drawn is that the Bank needs to better coordinate its assistance if it is to make a serious and maximum impact in helping Albania develop its statistical capacity. As a first step, the Bank should use its leverage with INSTAT to get the latter to engage in an open dialogue with other agencies, including DSI, in the preparation of a truly national all embracing national statistical plan.

Republic of Chad

Strengthening Institutional Capacity

1. Background

Chad is, in terms of the UNDP Human Development Index, amongst the ten poorest countries in the world. It has recently completed its first PRSP, which was adopted by government in June 2003. It is generally agreed by the various bilateral and multilateral agencies operating in Chad that its statistical system is weak, poorly resourced, centralised and does not respond to the needs of its users. This has been documented in mission reports from the World Bank and UNDP in the 1990s.

Oil has been discovered in the South of the country, a pipeline is being built through Cameroon, and petroleum revenues are expected to come on line in the next few years. It is expected that there will be considerable change and opportunity in the Chad economy, but that the statistical system as it stood in 2001, the year at the beginning of which the proposal for the project to Strengthen Institutional Capacity in Chad was presented to the Trust Fund for Statistical Capacity Building, the national statistical system was not in a position to track effectively these changes, nor to monitor the impact of either increased government revenue or the implementation of the PRSP on the incidence of poverty in the country.

Chad only carried out its first population census in 1993, with funding from a donor consortium. Since then there have been a Household and Informal Sector survey in 1996, with support from the UN, and a Demographic and Health Survey with World Bank support in 1997. Donor support has also helped the Ministries of Education and Health to strengthen their administrative systems, though in the case of Education at least, these efforts do not appear to have been sustained once donor assistance came to an end.

2. The project

The Project in Chad was the first to be accepted by the Trust Fund for Statistical Capacity Building. It was presented in November 2000 and accepted the same month. The grant agreement was signed in February 2001. The project was designed in two phases. The first phase, of \$84,500 and lasting 6 months, was to be executed by AFRISTAT. This was funded by DGF (the Development Grant Facility). DSEED, the Department of Statistics in Chad, had already started to formulate a long-term multi-sector statistics plan, and the first phase of the project was to provide technical assistance to DSEED and the sector ministries to evaluate and consolidate this plan. The main outputs of the first phase were to be the establishment of structures to facilitate better operation of the statistics sector, including the implementation of the Statistical Law adopted in 1999, and the finalisation and adoption of the long-term statistics plan.

The second phase of the project provided support to the DSEED and the various sectors in implementing activities as identified in the long-term plan. This was not intended to finance the plan as a whole, but to support key elements, through consultancy and training and the provision of equipment. Activities included elements to support strengthening the institutional framework, improved methodology for data

collection and data processing, storage and dissemination, data analysis and advocacy for data utilisation. This phase was to be implemented by the Department of Statistics and would be funded by a grant of \$295,000 from the Trust Fund and \$50,000 from government funding, mainly in kind. Of the Trust Fund money \$82,900 was allocated for consultant services, \$138,000 for training and seminars and \$74,100 for equipment. The project was to run from February 2001 until June 2004.

3. Review

3.1 Project Relevance

On paper, this looks like a project which should be in the mainstream of the types of projects the TFSCB wishes to finance. It is supporting the design and implementation of a long-term statistical development plan, and doing so in a way which includes all the sector ministries' statistics divisions, supporting the implementation of an autonomous statistical organisation, and doing it in a way which focuses on coordination between different elements of the national statistical system, and between producers and users of statistics. The project document addresses most of the issues which PARIS21 and its supporters advocate.

The project was also relevant to the needs of the country, as identified by numerous donor assessments in the 1990s. However, donors were funding individual projects in the absence of any overall country plan. Most of these projects were driven by specific donor needs. The project itself actually originated with an idea developed during the 2000 IMF-led multi-sector statistical mission and the long-term plan was intended to provide a framework within which sector statistical strategies could be implemented and donor assistance, if necessary, coordinated. However, it was hoped that the long-term plan would present realistic options for ways of increasing self-sufficiency in statistical production in Chad. The project was discussed with government during the 2000 mission, and, though it was not possible to interview the then head of statistics, it is our impression that the then head of DSEED, M. Gognin Gomdigue, was heavily involved in the development of the project.

Unfortunately, the results of the project so far do not live up to what was anticipated in the project document.

3.2 Project Implementation

The first phase of the project appears to have been carried out as intended in the project document. AFRISTAT took part in a preparatory mission, with the World Bank, and in conjunction with work on the Project for Management of the Petroleum Economy, which also has a strong statistical component, in February 2001. The mission resulted in a reorientation of the outputs of Phase 1, to focus on the long-term plan and a study on users' needs⁹. The length of Phase 1 was extended to December 2001.

AFRISTAT helped DSEED assemble the sectoral statistical strategies, assessed these and synthesised them into a national statistical programme, which contained a number of elements: a programme on administrative statistics, one on surveys, on

⁹ Rapport d'Execution de la letter d'accord entre la Banque Mondiale et AFRISTAT sur le renforcement institutionnel des capacite statistique au Tchad. Mars 2002.

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censuses, on training and on equipment needs. A needs assessment of users was carried out, involving government ministries, civil society, development partners and decentralised services. As far as we could tell the sectoral strategies included were developed in close collaboration with the relevant ministries¹⁰. Priority activities were identified for the first two years of the multi-annual plan, and these were costed. The resulting document was validated by government officials from the relevant sectors at a workshop in November 2001.

The responsibility for implementing the second phase of the project moved to the government of Chad and specifically the Director General of INSEED. There was a hiatus, to a large extent caused by a change in the management of INSEED (formerly DSEED). During 2002, the division of statistics became an autonomous institute, INSEED, in accordance with the Statistical Law of 1999. A new Director General was appointed in June 2002. The previous director had been involved with the project, but the new director did not move the process forward for some time. There appears to have been confusion as to which elements of the project budget could be disbursed by INSEED and the then director apparently did not realise that he could disburse for training and consultants until November 2002, when he met the TTL in Paris.

The equipment element of the grant was disbursed between August 2001 and November 2002, reaching 119% of the amount allocated. This was spent on computer equipment, a four by four vehicle and running costs of the Institute. 13% of the training budget has been spent, primarily on sending staff to an IMF seminar, and sending the administrator to Yaounde for training in World Bank procedures for fund management. Overall, as of June 2003, around 35% of the grant had been disbursed¹¹.

Plans have been made for a programme of training activities, and two workshops are currently being planned for later this year, one on national income accounting and the other on poverty indicators for PRSP monitoring. There has been another change at the head of INSEED, and a director appointed at the beginning of August 2003 whose experience is in management rather than statistics.

There seem to have been two major issues in the implementation of the project. One is the frequent changes in the head of INSEED, three directors in the course of the project so far. This has created delays while the new director orients himself in his new office. During this period the division of statistics became an autonomous institution, a process that is still not fully implemented, as certain key elements such as salary scales and a proposed organogram still have to be approved by the board of Administration. This process also has occupied time and effort of INSEED staff. A second issue has been the level of supervision possible by the World Bank TTL. According to INSEED staff, it was difficult to contact the WB TTL who was based in Paris for most of 2002, and who has recently returned to his institutional base in INSEE, Paris. Whatever difficulties there may have been at times with communication, there have been no supervisory visits to the project, although four

¹⁰ Frequent changes in personnel meant that it was not always possible to identify the people with whom AFRISTAT had worked in the various ministries. However, it was clear that in some ministries this work had been done jointly by ministry and AFRISTAT, and it seems likely that this was true for all the main ministries.

¹¹ This figure comes from an auditor's report on the grant commissioned by the then Director of INSEED in June 2003. The figure on the Trust Fund's reporting system (SAP) is slightly lower, 32%.

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were envisaged in the project document. Budget provision has not been made. A video conference was held in June 2003, which helped clarify some outstanding issues, in particular the use of the funding allocated under consultancy service, but since then the director in Chad has changed, as has the TTL.

The grant is not large, and it would not be an efficient use of funds to visit Chad simply to monitor this one project. However, there are other World Bank projects in Chad, and they have statistical elements to them. Three statisticians in INSEED are currently being funded by GEEP, the petroleum management project. A TTL could have been chosen who had reason to go to Chad with this project. There is a qualified statistician working as a project officer in the World Bank office in Chad. He used to work for DSEED and would have been well placed to act as TTL, and has been acting as an occasional intermediary for the project. Either of these options would not necessarily have counteracted the problems arising from personnel change, but could have provided a stimulus to keep the project more on track.

3.3 Contribution to Capacity Building

At this stage it is difficult to say whether or not the project will have any beneficial impact on the level of capacity in the statistics system in Chad. The DGF grant has funded a long-term statistical plan, which was developed involving the different organisations in the national statistical system. However, there is considerable disillusionment with this process in the sector statistical sectors, as they have seen little outcome from the process. We met with officials from six sector ministries, and only two appeared to have a copy of the long-term plan, though a number remembered their involvement in the process¹².

All the sector ministries that we met indicated that capacity building has to be a priority to achieve an effective statistical system, and a good monitoring system for the PRSP. However, there has been no serious effort to implement the activities identified for the first two years of the long-term plan. Expectations had been raised that the plan would be used as a basis for generating donor funding, and that this would be directed not just to INSEED, but also to line ministries. However, nothing had materialised.

Capacity building requires a core of professional staff who can be trained, as well as the means to carry out their professional duties. Statistics in Chad are under-financed and most divisions have no more than one or two trained statisticians. When the last director of INSEED took office, he had no professional statisticians in position. He managed to recruit three Chadians who were working with AFRISTAT in Abidjan, using funds from GEEP. At present it is hoped that INSEED can attract statisticians on to its permanent staff, once salary scales have been ratified by the Administrative Board. However, there is no indication of when this will take place, and whether there will be sufficient financing to cover improved salaries and provide the necessary funding and equipment to allow staff to carry out their work. Unless there is a stable core of professionals in place it is unlikely that, even if the full training and consultancy budgets are disbursed and the training plan implemented by June 2004, in itself unlikely, that the project will have any significant impact on capacity, other than the provision of computers.

¹² This may not be representative of the actual process, as there appeared to be significant turn around of staff in sector ministries, as there had been at INSEED.

3.4 Sustainability

The issue of sustainability of the impact of technical assistance and funding for statistics in Chad is one that faces all donors in this area. At present, almost all statistical production in the country is dependent on donor assistance. For example, the Ministry of Education used to produce regular statistical reports, with assistance from UNDP. They pulled out in 2000, because they felt that the production process was slow and unsatisfactory, and the production of statistical reports stopped. They are now working on the data for 2001 and 2002, having received a grant from the EU for this purpose, but are not in a position to produce their report for 2003 unless they identify another source of funds.

There is a lack of professional statisticians and resources. We were told that the best statisticians have left government, not just because of the level of salaries, but because they did not have the means to carry out the necessary work. There is concern, both in the sector ministries and among the donor community, that the newly appointed director of INSEED is not a statistician by training, and therefore that he may not be able to provide the leadership necessary to pull the statistical system together effectively to meet the challenges of both producing the basic statistics necessary to track the impact of the oil pipeline opening up and substantially increasing government revenue, and of designing and implementing a monitoring system for the PRSP.

There have been efforts by government to improve the environment for statistical development. The statistical law passed in 1999 has the potential for creating an autonomous body which could set employment conditions which are more attractive to good statisticians. However, the supporting bodies, such as the National Statistics Committee, have not yet met, three years after the law was passed. A statistical tax has been proposed, of 3% of total import duties, which would provide a major increase of resources into the statistics system. This was mentioned to us by a number of government divisions, who hope that it might provide a sound basis for funding core activities. One estimate was that this would provide about 3 billion FCFA, the same as the total budget for Education. The initial proposal was that this would be kept in a separate account. However it appears that the IMF has insisted that all revenues pass through the Treasury, and there is a perception that if this happens there are unlikely to be substantial increases in funding for statistics. We were told by all the organisations that we spoke to outside of government that they do not feel that statistics is a priority for the present government.

Against this background of poor government funding, frequent personnel changes and inability to retain professional staff, it is difficult to assess what impact a relatively small grant can achieve, far less how sustainable that impact will be. If the statistical law is fully implemented, and government funding to the statistical system is increased significantly, and if this results in more continuity in statistical staff, then the long-term plan offers a framework for a more integrated approach to the national statistical system. Then the funds available for consultancy and training could provide the means for starting implementation. However it appears unlikely that many of the measurable outputs identified in the project document will be achieved by June 2004.

Southern African Development Community (SADC)

Statistical Capacity Building for Poverty Reduction Strategies

o Background

SADC, which evolved from the Southern Africa Development Coordinating Committee in 1992, currently has 14 members, from the Southern Africa region. When the project proposal was prepared, six SADC members were HIPC countries. Four countries had prepared interim PRSPs, and one, Tanzania, had prepared a full PRSP. At the present time, Malawi, Mozambique and Zambia have also finalised their PRSPs. One of the main objectives identified in the SADC treaty is poverty alleviation and improvement of well-being of the people in the region. SADC Institutional Reform for Poverty Reduction through Regional Integration was the theme of the 2002 Consultative Conference.

Currently SADC has a statistics unit, based at SADC headquarters in Gaborone. It is very small, only one professional statistician, though recently this has been increased by four additional full time statisticians working on specific projects. However, these staff are employed as project managers, so there is still effectively only one regular member of the unit. Attempts to fund an increased statistical unit had donor support but were sidelined by the restructuring process undertaken in recent years by SADC. Currently SADC is in the process of finalising its Regional Indicative Strategic Development Plan (RISDP), which will set the Framework for its future activities, including statistical work.

The first regional workshop held by PARiS21 was in Lusaka in 2000. This was attended by 130 participants and focused on “Developing partnership for information needs of Poverty Reduction Strategies”. The workshop identified the need to promote the exchange of information between SADC countries on information strategies, the PRSP process and training programmes. This project was developed as a direct outcome of the Lusaka workshop.

2. The Project

The project, which supports the development and implementation of evidence-based poverty reduction strategies in SADC member states, was presented to the TF in August 2001, and approved in October 2001. The grant agreement was signed in March 2002, and with a start date of mid-March.

The original application was for a grant of \$798,800, which is almost twice the maximum limit of \$400,000 for a TF grant. It was decided to split the proposal into two phases, with the same components but roughly half the budget in each phase. A grant of \$393,050 was approved for an implementation period of a year, with the approval of the second phase dependent on satisfactory completion of the first phase.

The project has six components.

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- Project management, the provision of a full-time project manager and an administrative assistant. This component also provides for an external evaluation.
- Regional workshops to monitor progress on the development of national statistical strategies and poverty monitoring activities. One workshop a year is anticipated.
- Assistance to SADC members to develop and implement information strategies and statistical plans, technical assistance to be provided on demand.
- Technical support to SADC members to develop and implement poverty monitoring systems, provided by short-term expert missions.
- Support to improved evaluation of poverty reduction strategies, providing short-term technical assistance on demand.
- Establishment and management of a regional information network and development of technical capacity in member states. The information network will focus on identification and dissemination of good practice, and a database on the main surveys, projects and publications related to poverty reduction in SADC countries. The development of technical capacity will take place through a “mentoring” system that will enable suitable individuals to participate in some of the short-term mission financed under components 3,4 and 5.

By the end of the second phase, the project aims to have information strategies developed and approved by governments, with regular user/producer consultations and consultations with donors in ten countries by the end of the project. It also aims to have comprehensive poverty monitoring systems and systems for policy evaluation in place in all PRSP countries, and in 3-4 other countries. Harmonised methodologies and available recent data for main poverty indicators should also be achieved in ten member states by the end of the two years.

3 Review

3.1 Project Relevance

This project addresses one of the main concerns raised in the recent PARIS21 evaluation by African statisticians, the weakness of regional institutions to provide support to country statistical systems. It is providing support to address many of the main concerns of countries trying to ensure that their statistical systems can cope with the demands of policy-makers for appropriate information to develop poverty reduction strategies, and monitor and evaluate the implementation of those strategies. It has been designed so as to cover the needs of countries at different stages in the PRSP process, and countries, such as South Africa, who are not PRSP countries, but who are seriously addressing poverty reduction issues. It is demand driven, provides an opportunity for sharing experience, which was much valued by PARIS21 workshop participants, and is in line with both PARIS21 and TF goals.

The IMC supported the proposal but raised concerns of the capacity of the SADC statistical unit to manage a project of this size, given the size of projects it is currently managing from the EU, the World Bank, and, potentially, SIDA. This risk was also identified in the project proposal, and the concern has unfortunately turned out to be justified.

3.2 Project Implementation

The initial stages of project approval and signing of the grant agreement went smoothly. The Task Team leader, from the Regional Integration and Cooperation section in the Africa Region division of the Bank, had good working relations with SADC officials, and had recent experience of working on an IDF grant with SADC. The person responsible in the SADC statistical unit commented on the assistance and support he had received both from the TTL, and from PARIS21, in preparing the project. The TTL had ensured that the proposal was in the correct format, and it had gone very smoothly.

However, there was a long gap before the project manager was appointed. Although the grant had been signed in March 2002, the project manager only started at the beginning of June 2003, and she was in position then only because she, and her former employers, had been very flexible about releasing her from her previous position in the Botswana civil service.

The delay was entirely on the SADC side. Terms of Reference for the position were prepared, and the WB raised no objection to them. However, the administration in SADC failed to act on the recruitment process, and the position was not advertised until 2003. SADC officials told us this was because of lack of office space¹³. The SADC Secretariat has been trying to find an additional office building for some time, to complete its restructuring and it has only recently found a building at a price which its member states find acceptable. There also appear to have been issues over the remuneration package included in the proposal budget, though whether these had actually delayed recruitment was not clear.

Perhaps more tellingly, no one in SADC submitted a request for extension of the project in time, once it had passed its closing date of February 28, 2003. When this came to the attention of the Executive Secretary of SADC, he responded with a letter committing SADC to certain actions, and an extension was approved until December 2004.

In the period before a project manager was appointed, in order to do some preparatory work, a seminar was organised in Tanzania in September 2002 for managers of statistical agencies and government PRSP officials on Statistical Development and Poverty Reduction in SADC countries. This was co-financed with WBI. The TF grant financed the participation of the statistical managers.

The workshop came up with a number of recommendations, and four case studies were prepared. Once the project manager came on board, another workshop was held at the end of June 2003. This was felt necessary, given the lapse in time since the Tanzania workshop. The main aim of the Malawi workshop was to launch the project, and develop a demand driven work programme for the remaining 18 months. The two workshops have, between them, used \$80,000 of the TF grant.

As an input into the work programme, the project manager is preparing an e-mail questionnaire to be sent to directors of statistics, as a poverty information audit. This is still being finalised, but should be sent out within the next few weeks. She is also developing a form for requesting TA under the project, and working on how to build up a consultancy roster. She is starting to build up a document base for the

¹³ The project manager has still not been formally allocated an office, though she has moved into a vacant room recently.

information network. On the basis of the response to the poverty information audit, she will develop a work plan for the period until December 2004, to be presented to the SADC Statistics Steering Committee, which is meeting in October for the EU training project.

3.3 Contribution to Capacity Building

It is too early to say whether the project will achieve sufficient of its objectives in the time remaining for phase one, and then go forward to the second phase. It is, to some extent dependent on what use the various Department of Statistics make of it. The targets are very ambitious given the time and funds available. A quick calculation indicates that there may be funding for not much more than one fairly short consultancy mission per SADC member country.

However, the various components of the project are appropriate, as is the emphasis on the elements of the project being demand driven by country members of SADC. If the project succeeds in identifying a roster of local consultants who can respond to country requests, that in itself will be of great use in developing regional capacity.

The more problematic question is that of SADC capacity to manage these kinds of projects, and the commitment of the SADC Secretariat to statistical development. The problems with administration of this project are by no means unique. An EU project on statistical training started in 2001, but the company providing technical assistance was not contracted until early 2003. French cooperation have also rethought their strategy of support to the Statistics Unit, because of a general lack of capacity, and an unwillingness of the Secretariat to provide more resources. They replaced a position attached to the Statistics unit with a position focused on economic monitoring, which should support both the unit and the Trade, Investment, Finance and Investment Directorate.

In the RISDP, there is a proposal to set up an executive agency for statistics in SADC, along the lines of AFRISTAT, but with three statisticians, and presumably the various staff on projects. If this is approved by the Council of Ministers, then recruitment could start after April next year. SIDA has approved a project for support to the Statistics unit, but this has been put on hold until after restructuring and the approval of the RISDP.

3.4 Sustainability

Sustainability is a big issue for all SADC projects, not just in the area of statistics. One consultant expressed the view that most SADC permanent staff spend much of their time absorbed in the SADC bureaucracy, because of the cumbersome levels of governance. The EU training project is supposed to be taken over by the statistics unit at the end of its five- year time period, but little has been done to strengthen the unit to enable it to do this.

With good management, the TF project could achieve at least some of its objectives and provide useful assistance to country statistics offices. However, there is no indication at present that this could be maintained after the project end, unless another donor were prepared to take the process over. Present budgetary allocations to statistics within the SADC Secretariat are not adequate to continue this work.

TFSCB Grants to World Bank Institute

Much the largest single beneficiary of TFSCB financing to date has been the World Bank Institute, for a number of training programmes addressed to developing countries. The grants in question, and the disbursements made from them, are summarized in Table 1.

Table 1. TFSCB Grants (in US dollars) in support of WBI Programmes

Date Grant Approved	Programme Name	Amount Committed	Disbursements up to June 30 2003		
			FY 2002	FY 2003	Total
7/30/01	Poverty Analysis	796,000	397,302	342,497	739,799
9/24/01	Subnational Statistics	320,250	77,030	221,473	298,503
4/22/02	Governance	399,900	-	-	
	Totals	1,516,150	474,332	563,970	1,038,302

The Poverty Analysis programme was virtually worldwide in application. The Sub-national Statistics work was focused specifically on 5 Eastern European countries. The Governance work was intended to be concentrated on a variety of countries, to be selected according to the interest that they manifested.

No substantial information appears to have been provided to TFSCB regarding the use that has been made of these funds, though the team understands that those responsible for the Sub-national Statistics programme are expecting to prepare an implementation completion memorandum. The following is based on conversations with the respective Task Team Leaders, and documentation they provided. The main purpose of the assessment has been to try to establish whether the programmes look like fulfilling the objectives described in the proposals on the basis of which the grants were approved, and to what extent the work may be expected to contribute to the TFSCB Log-frame purpose of "Better statistical information available [within five years] to at least 30 developing countries to plan, implement and monitor their own social and economic development."

With the expansion of its programmes in recent years, WBI has begun to give much more serious attention to evaluation of the effects of its courses. Unfortunately this work has not so far covered any of the activities assisted by TFSCB. However, it is a reasonable presumption that the main findings of a large-scale study carried out in 2002 would also apply to these courses. That study covered more than 1,000 participants in a randomly selected set of courses in six major WBI theme areas. The key questions posed concerned their perceptions, a year or so after the course they had attended, as to the activity's effectiveness in providing Knowledge and Skills and developing Strategies and Approaches for solving issues, and the extent to which they had actually been

able to use the learning gained. On the basis of the end-of-course evaluation questionnaires that have long been used, the Institute had set as a normal standard the choice of medium-high or high ratings of the value of its courses by 85% of participants. In the follow-up study, however, only about 60% of the participants rate course effectiveness at the medium-high or high level. And only about 40% of participants indicated medium-high to high use of learning. Though the findings are too new to have yet been validated by further studies, they do not seem particularly surprising but they quantify, for the first time, the erosion effects that one would expect. Another interesting finding was that African participants tended to give a significantly higher rating than people from other regions with regard to course effectiveness and a somewhat higher score on the extent to which they had been able to use what they had learned.

1. Poverty Analysis Initiative

This program had started in December 1999, in support of the Comprehensive Development Framework that the Bank was promoting and countries' preparation of their Poverty Reduction Strategy Papers. It focuses on four areas: analysis of household surveys to measure and diagnose poverty; monitoring of the different dimensions of poverty; evaluation of the poverty impact of policies, programs and projects; and strengthening of information systems for poverty assessment. A first set of courses had been delivered around the world in FY2001, largely supported by financing from the Bank's Development Grant Facility. The TFSCB financing was sought to enable substantial expansion of the program.

The program objectives on the basis of which the grant was approved were as follows:

- To support Governments in the PRSP process with a sustained capacity-building effort in the areas of poverty measurement and diagnostics, poverty monitoring and poverty impact assessment.
- To build the analytic capacity of a variety of groups closely involved in the PRSP process which include government officials at central/regional/local level, NGOs and civil society representatives, and the research community.
- To promote close collaboration among producers of information (statisticians and government bureaucrats), and technical analysts (economists and social scientists), policy makers and other users of poverty data.
- To develop regional networks of communities of practice and provide a platform for exchange of experience and knowledge.

Monitorable targets were established simply in terms of the courses and other products listed.

The work delivered has corresponded closely to the coverage outlined in the proposal. 22 courses, normally ranging between 3 and 10 days in duration, have been delivered with the aid of TFSCB financing – about one-third more than originally envisaged. They were all held between March 2002 and May 2003. The majority, as shown in Annex Table A1, are basic poverty analysis courses, while other important categories are Training of Trainers Seminars (some for poverty analysis, others for a more advanced syllabus of poverty monitoring and evaluation) and Seminars for Managers of Poverty Reduction Strategy monitoring systems (normally combining senior statisticians with PRSP unit heads). A few

seminars have also been mounted for high-level policymakers. Preparation of training materials and development of the program's website have taken place much as planned; the training manual on poverty diagnostics has been extensively used, and another on poverty dynamics completed and is now ready for use. The needs assessment envisaged for Africa in the original TFSCB plan was carried out and used for directing efforts but it was financed from other sources. Cofinancing secured for the program (from CIDA, the Netherlands and DGF) somewhat exceeded forecasts in the proposal.

As regards the program's fulfilment of the broad objectives listed above, the following remarks can be made:

- It is a reasonable presumption, consistent moreover with the general evidence of steady improvement of the analysis contained in PRSPs, that such an extensive and concentrated program has made a significant contribution to the first two objectives outlined. For a program reaching people from more than 70 countries (the African and Asian countries which have participated are listed in Annex Table A2), it is virtually impossible for program managers to know how widely results visible in some countries (e.g., statistical offices extending their work from production of poverty related statistics into analysis of them) have been replicated. Unfortunately, WBI's 2002 impact evaluation work did not extend to the impacts on use of learning that result from country team attendance and from mutually supporting attendance of people of different hierarchical levels in a country at related seminars, but it would be consistent with past impressions to expect greater impact from such diversified involvements in WBI activities. Results on the ground are probably more than proportionately larger for countries which attended three or four different program events, as a few did, than for those represented only at one course.
- As regards closer collaboration between producers and users of poverty-related statistical data (the third objective), a number of the courses have had very extensive participation of statisticians (mostly from national statistical offices, but some from other ministries): most particularly, those on management of Monitoring and Evaluation systems, several of the Bangkok courses, and a few regional and national basic courses. Overall, as shown by Annex Table A2, statisticians have accounted for 20-25% of the total number of participants from the Asian and African countries. Since they never accounted for more than half of the participants in a course, and national delegations often included both statisticians and non-statisticians, there is every reason to believe that there were frequently positive effects in terms of mutual understanding of one another's needs. On the other hand, the fact that as many as 70% of the African countries and nearly 60% of the Asian, apparently had only one or zero statistician participations in the whole program means that this effect would have been largely absent for them and that the program could at best have had a rather gradual, largely indirect feedback effect on what the statisticians would be producing in those countries.
- The strongest hopes for significant impact from the program relate to the emergence in select regional groups of countries of the kind of policy analysis networks, and communities of interest, referred to in the fourth objective listed above. Such a network, named Poverty

Analysis and Data Initiative (PADI), has been growing well among 10 East Asian countries over the last three years, organized around the Philippine Institute for Development Studies and benefiting in particular countries such as Vietnam, Cambodia and Laos. PAI training efforts of the last two years laid sufficient foundation for the emergence of an East African PADI, associating eight countries, earlier this year, and additional financing has been obtained to support its activities, centring around applied policy research. There is much hope that, with continued effort, the base could be laid for the emergence of a similar network among some of the francophone West African countries. There appears to be interest from many aid agencies in providing financial support for PADIs, and the expectation is that these initiatives would over time generate sufficient local interest to be largely self-supporting. But their key contribution is in generating greater motivation and commitment from all participants to greater interaction, and improvement of work on poverty.

Measured against TFSCB's core purpose of improving the statistical information available to countries for managing their development, it would be reasonable to expect that at least the countries actively participating in PADI networks would have benefited sufficiently from the program to demonstrate such improvement: Indonesia, Philippines, Thailand, Tanzania, Kenya, and probably Cambodia, Vietnam and Malawi. Other countries which, judging by the numbers available, might be hoped to have benefited sufficiently for significant results to become visible on the ground would be: Burkina Faso, Gambia, Mali, Mauritania, Niger, Senegal and Sudan in Africa, and Azerbaijan, Bhutan, Kazakhstan, Mongolia and Tajikistan in Asia. If one-half of these countries were to show such results, then the TFSCB-supported program as a whole could be expected to improve statistics production and use for purposes of anti-poverty policies in a total of about 14 countries. It would seem reasonable for TFSCB to request an assessment in the field of the practical results on the ground that may be emerging in a sample of these countries (especially the non-PADI participants) before providing further large support for a program of this nature.

2. Sub-national Statistics

The WBI Public Finance and Decentralization Group had been organizing training activities on intergovernmental fiscal relations and local government expenditure management in various parts of the world. The Bank more generally had been deeply involved in assisting the major efforts of the Eastern European countries in the 1990s to decentralize authority and strengthen local governments. It had become clear that a major effort was needed to improve the supply to local governments of statistical data about all aspects of the areas for which they were responsible. WBI agreed to join with OECD and the Soros Foundation on a project focused in this direction. The TFSCB grant was to pay the participant costs for the workshop and training activities, and some consultant expenses. The objective of the project was to promote subnational-level demographic, social, economic and fiscal data collection efforts in participating countries, as a contribution to strengthening evidence-based policymaking at this level of government.

The five target countries agreed among the sponsoring institutions were Bulgaria, Romania, Slovakia, Slovenia and Ukraine. Work was to proceed in several phases: first, a needs assessment for each country carried out largely by local

consultants under a steering committee combining representatives of the national statistical office, central government and local government, with a one-day national workshop assembling all interested parties to review the results and seek consensus; second, preparation of a regional seminar addressed to statisticians, analysts and trainers from all the countries on the skills required for collecting sub-national statistics; and finally, preparation of national action plans, again largely by local consultants.

The programme proceeded much as planned, and the intensive five-day training seminar for all the countries took place in Romania in October 2002, though focusing much more on general planning, management and budgeting of sub-national statistical work than the more technical questions of statistical technique envisaged in the proposal. There was considerable evidence that programme activities did genuinely help to bridge the gap between statisticians and local government officials. The discussions led to resolution of small but important issues, like the type of statistics most important for local governments, correspondence between data breakdowns and the geographical areas of local government responsibility, and access of local governments (and the public) to central ministry MIS data, for instance on educational facilities, expenditures and enrolments. The most clearly visible results have been the publication of very large amounts of data about all local government areas on official websites in Romania and Bulgaria. The needs assessment and action plan prepared by Slovakia have been used as the basis for an EU Phare project to implement further improvements.

The grant funds provided have not yet been totally exhausted. WBI envisages further follow-up work on the fiscal side (in connection with USAID- and WB-assisted projects) in the three countries not yet accepted for EU membership. It would be desirable to undertake a brief evaluation or assessment, country by country, of the extent to which country action plans are being implemented and what difference the project has made to sub-national statistical work. In the absence of such empirical work, it seems reasonable to conclude that the project's ultimate impact on supply of statistical data for policy purposes will probably be sufficient, at least in Romania and Bulgaria, for them to be numbered among the countries where TFSCB is successfully bringing about such changes.

3. Governance

The Governance Data Capacity Building and Monitoring Initiative was put forward by WBI's Global Governance Unit. Over the preceding years the Unit had developed support for programs to improve governance and control corruption in about two dozen countries, spread over all regions of the developing world and transition economies. The project for which TFSCB support was requested was to assist with the intensive work required to lay the foundations for, execute, and interpret, the first round of governance-related surveys in six countries, and to make that experience available to further countries. Specifically, the project was

- (i) to establish capacity, including the required infrastructure, skills and expertise and financial resources to develop, collect, analyse, interpret and disseminate governance indicators in the six pilot countries,
- (ii) to disseminate best practices and new statistical methods emerging from the work of the six countries to other

countries participating in subsequent WBI workshops,
and

- (iii) to promote coalition building among stakeholders in terms of a participatory and transparent process of statistical dissemination and input to the policymaking process.

The WBI experience had shown that the diagnostic tools that it had developed, in cooperation with other research groups, were often key to effective anti-corruption effort. The main tools are in-depth, country-specific surveys – carried out by a local consortium of organizations – of large numbers of households, of firms and of public officials. These surveys emphasize questions about respondents' actual experience as users or providers of public services (rather than perceptions of the broader situation) and thus gather specific information about vulnerabilities within the country's institutions. The "self-assessment" responses of the three groups of stakeholders are compared for consistency and pooled to facilitate in-depth analysis and identification of priorities for action. Beyond the kind of support that was given to national statistical offices for institutionalisation of living standards measurement surveys, attention had to be given to (a) long-term partnerships between NSOs and civil society, (b) use of electronic communications and participatory workshops to foster wider data dissemination, and (c) action learning activities. The experiences of countries such as Bolivia, Georgia and Latvia had shown how it was possible successfully to progress from diagnostics to concrete, participatory action plans, while improving local statistical capacity in the process.

Initiation of the proposed activity in a country would require a written request from the highest levels of government asking for help in addressing anti-corruption issues, and clear up-front commitments (a) to form a joint government-civil society body to lead the work, (b) to have all activities carried out in a fully transparent way and have all results published, and (c) to implement the policy reforms that would be recommended in the resultant report. The phases for subsequent work were carefully planned:

- 0 – Preparatory: form team and work program in country
- 1 – Partnership-promoting: team facilitates stakeholder coordination
- 2 – Development: diagnostic instruments adapted and staff trained
- 3 – Fieldwork: sample design, data collection, data capture and coding
- 4 – Analytical: analysis, and preparation of governance policy report
- 5 – Dissemination: data-sets to local and central governments, research bodies and NGOs
- 6 – Monitoring: - governance performance assessed by periodic quick, targeted surveys.

By July 2003, some 15 months after project approval, substantial progress had been accomplished in two countries, and the foundation laid in a third. The surveys had been carried out by a local private organization (with much cooperation and design advice from the NSO whose director is an important

member of the Steering Committee) in Sierra Leone, and a first draft of the report had been prepared, so that it was hoped to complete Phase 4 of the above-displayed schedule this autumn, and to proceed to Phases 5 and 6 (including the execution of future surveys by the NSO, and incorporation of selected governance indicators in its regular reports). Much work (and three national workshops) had brought about eventual progress in government – civil society cooperation in Guatemala (the larger supervising body that was formed, the Council of Representatives, includes the NSO) in Guatemala. The surveys were expected to be carried out by a private survey firm this autumn, and Phase 4 would be completed by the end of the year. Preparatory work (with some financial support from the US State Department) had been carried out in Benin, including completion of the survey instrument (with NSO collaboration) and a survey firm was about to be selected, so that Phase 3 should be completed within 2003. Initial work had also been undertaken in Mozambique, and DFID had set aside some funds to support the effort, so that there was a possibility that Phase 3 might be started there later this year.

Despite these important advances, no funds from the TFSCB grant have yet been used, partly because TFSCB's Internal Management Committee had indicated its preference to see its funds used for the more statistically related parts of the work (i.e., after Phase 1) and partly because it had proved possible to raise substantial funding from other sources (DFID and UNDP in Sierra Leone, and IADB and the Canadian Government in Guatemala). TFSCB funds are however expected to be essential for the forthcoming Phase 5 in Sierra Leone and Phase 3 in Benin. While the expectations held out in the original proposal were thus clearly overoptimistic and too ambitious for work in such a politically sensitive area, the early TFSCB commitment to back the project was significant in enabling it to get going and generate support from others. However, in retrospect it would probably have been better to insist on a more phased experimental approach, with much smaller initial financial commitment, or agreement in principle to provide, if needed, say \$60,000 whenever a country fulfilled the preconditions for participation in the programme, instead of tying up \$400,000 for six, at that time largely unidentified, countries.

While the pace of progress that it will in fact prove possible to achieve in these delicate undertakings must obviously remain uncertain, present indications are that sufficient progress should be accomplished over the coming year or two in Sierra Leone and Guatemala to warrant including those two countries among those where TFSCB would have contributed to improvements in the regular supply of statistical information important for policy making and implementation.

Annex A

Table A1. WBI Poverty Analysis Initiative: Activities financed by TFSCB

WBI Courses

Basic Poverty Measurement and Diagnostics

March 2002	Nairobi, for 5 countries	\$18,750
March 2002	Dakar, for 5 countries	18,750
April 2002	Moscow, for 8 countries	17,111
June 2002	Bangkok/Manila (video) for 4 countries	75,114
June 2002	Almatey, for Kazakhstan	11,893
July 2002	Accra, for 4 countries	18,750
July 2002	Dhaka, for Bangladesh	20,765
July 2002	Libreville, for 7 countries	18,750
Sept. 2002	Jaipur, for India	16,000
Dec. 2002	Xian, for China	10,900
May 2003	Jakarta, for Indonesia	14,884
May 2003	Baku, for Azerbaijan	<u>20,363</u>
		262,030

Training of Trainers Courses on Poverty Analysis

Feb. 2002	Bangkok, for 8 countries	44,230
May 2002	Dar es Salaam, for 7 countries	12,000
June 2002	Cairo, for 7 countries	34,449
Feb. 2003	Nairobi, for 9 countries	<u>48,959</u>
		139,638

Seminars for Policymakers

Feb. 2002	Dar es Salaam, for African Policymakers	75,825
Jan. 2003	Cairo, for Egyptian Economic Cabinet	<u>7,774</u>
		93,599

Management of M & E for Poverty Reduction Programs

April 2002	Lima, for 7 countries	32,867
Sept. 2002	Dar es Salaam, for 15 SADC countries	39,338
Oct. 2002	Bangkok, for 21 countries	56,910
March 2003	Ouagadougou, for 5 countries	<u>10,310</u>
		139,425

Annex A

Training Materials/Publications

Poverty Measurement Handbook	46,218
Manual on Poverty Impact Evaluation	18,050
Website Development and Distance Learning	<u>26,195</u>
	90,463
Expenditures for Courses which had to be dropped/postponed	21,645
	<hr/>
Total Expenditure ^A	746,800

^A This figure differs slightly from the overall disbursements recorded from the SAP system, as of early July 2003, which are shown in Table 1.

Table A2. WBI Poverty Analysis Initiative: Participants in TFSCB-financed Courses from African and Asian Countries^A

	Statisticians	Policy and Research	Total		Statisticians	Policy and Research	Total
African Countries				Asian Countries			
Angola	1	-	1	Armenia	1	3	4
Botswana	1	2	3	Azerbaijan	5	21	26
Burkina	4	13	17	Bangladesh	1	38	39
Burundi	-	4	4	Bhutan	2	1	3
Cameroon	1	1	2	Cambodia	2	5	7
CAR	-	2	2	China	1	63	64
Congo (B)	-	2	2	East Timor	-	3	3
Congo, D.R.	1	5	6	Georgia	1	3	4
Cote d'Ivoire	2	8	10	India	1	32	33
Djibouti	-	1	1	Indonesia	18	15	33
Ethiopia	-	9	9	Kazakhstan	4	2	6
Gabon	-	4	4	Korea	1	2	3
Gambia	2	3	5	Kyrgyz Rep	1	4	5
Ghana	-	9	9	Laos	-	3	3
Kenya	3	15	18	Malaysia	2	3	5
Lesotho	1	-	1	Maldives	1	1	2
Malawi	3	8	11	Mongolia	4	2	6
Mali	2	8	10	Nepal	1	3	4
Mauritania	3	1	4	Pakistan	1	2	3
Mauritius	1	2	3	PNG	-	1	1
Mozambique	1	3	4	Philippines	11	22	33
Namibia	1	5	6	Russia	1	4	5
Niger	4	3	7	Sri Lanka	1	1	2
Nigeria	-	15	15	Tajikistan	2	5	7
Rwanda	-	2	2	Thailand	12	32	44
Senegal	3	4	7	Vietnam	4	9	13
Seychelles	1	-	1				
Sierra Leone	1	6	7	Total	78	281	359
South Africa	1	1	2				
Sudan	2	4	6				
Swaziland	1	2	3				
Tanzania	5	15	20				
Uganda	-	5	5				
Zambia	1	3	4				
Zimbabwe	1	2	3				
AFRISTAT	1	-	1				
SADC	2	-	2				
Total	50	167	217				

^A The only TFSCB-financed courses (serving these countries) for which participant lists were unavailable were an African Policymakers Seminar (Feb. 2002), the Indonesian participation in the June 2002 course that used video-conferencing, and the Kazakhstan national course also of June 2002.

Annex B

People interviewed by Evaluation Team

Questionnaires Used

People interviewed during Evaluation¹⁴

Internal Management Committee

Misha Belkindas
Tariqul Khan
Graham Eele
Kinnon Scott
Haeduck Lee
Mustafa Dinc
Neil Fantom
S. Patel
Fred Vogel
Tim Marchant (E, T)

Advisory Group

Chandrakant Patel
Jean Louis Bodin (E)

Task Team Leaders

Misha Belkindas – Equatorial Guinea
Tariqul Khan – SADC
Graham Eele – South Africa
John Ngwafon – Angola (E)
Josefina Stubbs – Peru (E)
Salman Zaida - Karnataka
Haeduck Lee – Paraguay (E)
Gregory Kisunko – Russia
Marina Wes – Kosovo (E)
Bahjat Achibache – Chad (E,T)
Ronnie Hammad – Kenya (E)
Shahidur Khandker - WBI project
Francesca Recanatini – WBI project
Serdar Yilmaz – WBI project

Consultative Group

Roger Edmunds, DFID (T)
Sarah Hennel – DFID (T)
Fritz Meijndert – Netherlands (E)
Philippe Pommier – France (E)
Gabrielle Zeller - Germany (E)

¹⁴ Where there is no indication to the contrary, individuals were interviewed in person. An (E) following an individual's name indicates that they were sent an email questionnaire. A (T) indicates that there was a telephone interview. All the potential clients of the Trust Fund were approached through email questionnaires.

Annex B

Potential Clients

Email responses were received from World Bank or government officials in regard to Nigeria, Rwanda, Georgia, Kosovo and Yemen.

Chad

Joel Tokindang, Economist World Bank Country Office
Djidengar N'Djendi Bassa, Directeur General de la Planification, Ministere de L'Education Nationale
Ahmat Mahamat Bachir, Directeur General, INSEED (National Institute for Statistics and Economics and Population Research)
M. Harbakanis, Directeur General Adjoint de Ressources et de la Planification, Minstere de Sante Public
Dr Palkoubou Issakha, Direcetuer des Etudes et de la Planification, Ministere des Tavaux Public et de Transport
Ali Hisseine, Chef de Division Administration, Finances et Juridiques, INSEED
Doumde Ngadande, Steering Committee, PRSP
Mr Mugabe, Chef de Division, Statistique Agricole, Ministere de l'Agriculture
Nboukar Abdou Afar, Division Statistique, Ministere de l'Elevage
Sozo Djono Ngoske, Division Statistique, Ministere de l'Elevage
Dr Bambe, Division du Systeme de l'information sanitaire
Ouman Abdallah Lebine, Directeur du Commerce
Djimadouboumbaye Madibaye, Chef Division du Commerce Exterieur
Ouman Abdemamane, Chef Adjoint de la Division du Commerce Exterier
Djimadoum Madekor, Chef de Service des Balance des paiements, Banque des Etats de l'Afrique Centrale
Forent Munkeni Lakup-Tier, Senior Economist, UNDP.

Botswana/ SADC

Elliott D. M. Odirile, Statistician, SADC Secretariat
Helena Nthibe, Project Manager, Statistical Capacity Building for Poverty Reduction Strategies
Albert Muchanga, Deputy Executive Secretary, SADC Secretariat
Ackim Jere, Project Manager, Statistical Training
Christopher Lefranc, French Technical Assistant, Statistics and Economic Monitoring, SADC Secretariat
Lollo Darin-Ericson, Economic Attache, Delegation of the European Commission in Botswana

Albania

Mr. Ibrahim Hackaj, World Bank Resident Mission, Tirana (Task Team Leader)
Mr. Serri Allushi, Director of Statistics & Information, Ministry of Agriculture and Food
Mr. Olav Christensien, Deputy Head/Country Manager, World Bank Resident Mission in Albania
Mr. Ismail Beka, GTZ Coordinator/ Country Representative
Mr. Arben Molla, Director of Agriculture Program Office/Rural Development
Mr. Vjollca Muhaj Financial Management Specialist, PMU of Irrigation Project of World Bank
Director, Economic Statistics, INSTAT (Statistical Office of Albania)
Field Staff of Lushnja District Department of Statistics and Information
Director of Rural Market in Lushnja District

I. Questions for Task Team Leaders

1. To what extent do you think the concept of the Trust Fund (TF) meets the needs of improving policy and performance in developing countries? In what ways do the projects financed by the TF differ from statistical projects financed by other donors?
2. Do you think that the project for which you are task team leader reflects the priorities of the country receiving the grant? Does implementation of the project involve the country authorities taking reforms measures that would not have been undertaken in the absence of TF support ?
3. Does the country have priorities for statistical development and strengthening of evidence-based policy making which the TF-assisted project does not cover? Would it have been preferable to include other dimensions of capacity building within the scope of the project?
4. Were statisticians in the country concerned aware of the Trust Fund? Did you have to give much information?
5. Who originated the idea of the project and who worked up the proposal ? Was the process for getting from the idea to the signed grant agreement (or beginning of Bank execution) efficient, in the sense of introducing improvements commensurate with the time and resources spent to bring the project into being?
6. Are there other donors or World Bank funds involved in the project? How easy has it been to coordinate these funds?
7. Do the specified targets of the project (as listed in Monitoring section) capture well the main improvements in (a) statistics generation and (b) use of statistics for policy formulation and monitoring that could have been expected? Do they still seem realistic, and when would you now expect them to be reached? Will the improvements be sustained?
8. If the targets have realistically to be scaled back, or phased over a longer period, what are the main reasons? Could anything have been done, with better foresight, to reduce these obstacles?
9. If inadequacy of government budgetary support to statistics is one of the main reasons for likely shortfall or delay in reaching project objectives, please indicate whether the original proposal clearly identified the support that would be needed for the project, in addition to regular NSS funding, and why the support has fallen short of needs.
10. Has the process of TF disbursement gone smoothly?
11. Has the technical assistance and equipment procured with the grant funds been of appropriate quality?
12. Has the project addressed the real constraints on developing more user-driven and more effective statistical processes in the country?
13. If the TF-assisted project involves support for the development of a strategic or Master Plan for development of the NSS, do you consider that the planning process introduced, or being introduced, properly covers the various dimensions

Annex B

of institutional and personnel development, investment and recurrent spending required, and sets priorities appropriate to the country's particular needs for statistics to improve the management of development? What are the prospects for government acceptance and fulfilment of the plan?

14. Do you believe that the TF project and grant have contributed to increasing support from other external sources for statistical development in the country, whether directly in support of the TF-assisted project or more generally?
15. Do you think that the Trust Fund resources have displaced government spending on statistics?
16. Were any provisions built into the project proposal for evaluation of results, whether mid-term or at completion, are the provisions being fulfilled, and what reports have been produced so far?

II. Questions for Members of the Internal Management Committee

1. To what extent is the concept and approach of the trust fund relevant to the needs of improving policy and performance in developing countries?
2. Do you think the Trust Fund meets the needs of the stakeholders?
3. Has the TF reached appropriate definitions and standards regarding what constitutes capacity building and is eligible for its financial support ?
4. Do you feel that the activities carried out under the Trust Fund reflect the priorities of countries? Could this be improved?
5. Is the current governance structure of the trust fund appropriate and effective and does it adequately support achieving its objectives?
6. Are the views of the different stakeholders adequately represented?
7. Do you believe that the TF has achieved an appropriate balance in use of alternative project-execution mechanisms: country-execution, WBI-execution, other Bank execution, other international organization execution?
8. Have the resources of the trust fund been used efficiently to achieve the outputs?
9. Are the resources adequate and have they been allocated appropriately both geographically and between subject areas?
10. Has the trust fund been able to work effectively with other agencies at the regional and global levels?
11. How well do donors collaborate in countries that have received trust fund assistance?
12. Are there specific problems that you have identified in the processes of proposal identification, approval, implementation and fund disbursement?
13. Do you think the Trust Fund has been adequately marketed? Is it your impression that the statistical community in developing countries is aware of the Fund and how to access its resources ? Have you any suggestions as to how this could be improved?
14. Should the Trust Fund be targeting any particular categories of country to a greater extent that it now is, and if so how should it seek to promote appropriate project proposals from such countries?
15. Do you believe the TF's links with PARIS21 should be altered or strengthened, and if so in what particular ways?
16. Do the projects financed by the TF have sufficient provision for built-in evaluation of results?
17. The TF has remained extremely dependent on its two principal donor supporters (UK and Netherlands). What angles might be developed to attract more significant support from other donors?

III Questions for Project Implementing Agency Head

1. Has your country set priorities for statistical development? What was the process for setting these priorities?
2. Could you give a brief summary of what these priorities are?
3. Are donors in your country in agreement with these priorities and have they supported them with resources?
4. How did you find out about the Trust Fund?
5. Did you find it easy to access Trust Fund resources? If not, what were the particular problems you encountered?
6. Did you get the technical or any other support you needed to prepare proposals?
7. Who have been your main contacts in the World Bank with respect to statistical activities? Has it been easy to contact them? Have they responded appropriately to your queries and requests?
8. What contact have you had with PARIS21? Is the proposal you prepared for the Trust Fund linked to PARIS21 activities?
9. Did you encounter any problems in the preparation, approval and post-approval processes?
10. Was your proposal approved? If not, did you get an explanation as to why not? Has any other donor funded it or has it received government finance?
11. If the proposal was approved, how easily has the implementation process been? Have other donors been involved in funding the activity?
12. Has the proposal led to any other initiatives or strategies being developed? If so, have these been followed up?
13. Do you think that Trust Fund support has led to increased demand for and utilization of statistics by users, such as policy makers, civil society and the private sector, in your country?
14. Would the activities funded by the Trust Fund have been financed by government in the absence of Trust Fund resources?
15. Do you think that the activities funded by the Trust Fund will be sustainable in the future?

IV. Questions for Trust Fund Donors

1. Are you generally satisfied with the evolution of the Trust Fund and its work since 2000?
2. Do the financial supporters of the programme get adequate reports on Trust Fund activities?
3. Do you think that Trust Fund activities have contributed to improved donor coordination at international or country level?
4. Have the projects that the Trust Fund has supported contributed, in your opinion, to building statistical capacity in some of the developing countries?
5. The projects that the Trust Fund supports are intended to be catalytic, with follow-up activities assimilated into WB or other donor country strategies. In your experience, is this happening?
6. Is the current governance structure of the trust fund appropriate and effective for achieving its objectives?
7. Do the meetings of the governing Consultative Group have appropriate representation of the stakeholders that you believe should be involved at that level ?
8. Do you feel that your views as a donor are adequately represented through the existing governance arrangements?

V Questions for Statisticians in Potential TFSCB client countries

1. Are you aware of the World Bank Trust Fund for Statistical Capacity Building?
2. If so, where did you hear about it?
3. Have you any intention of applying for funding under the Trust Fund?
4. If yes, have you contacted anyone in the World Bank? If so, who?
5. If not, is this because you do not have enough information about the Trust Fund, or have you adequate other sources of funding?
6. If you have contacted the Trust Fund about an application, were you happy with the response you got? If not, why were you unhappy?
7. Have you proceeded to develop a proposal?
8. Did you get technical support from World Bank staff members in developing this proposal?
9. Are there any positive or negative aspects of the process of applying for Trust Fund support that you would like to bring to the attention of the evaluators?

Annex C

Concept Note on Statistical Capacity Building

Concept Note on Statistical Capacity Building

Assessing Country Capacities

Despite increased attention to the issue of statistical capacity building in recent years, there is as yet no universally recognized definition of what constitutes an adequate capacity. Statistical capacity can be described either from an input or an output perspective vis-à-vis the production of statistical information. Generally, the input perspective, traditionally favoured, examines “statistical capability” from the viewpoint of the resource inputs that are needed for statistical production, such as the institutional arrangements and human and financial resource inputs. On the other hand, the output approach emphasizes “realized statistical capacity”. From that perspective, the statistical capacity of a specific country would be described in terms of the quantity and quality of statistical output generated by the statistical system in a given country. The availability of specific time series meeting quality standards would represent a certain level of statistical capacity.

The conventional approach has been to opt for the input approach focusing on the following five elements:

- (a) *Institutional effectiveness:*
- (b) *Adequacy of physical or capital resources:*
- (c) *Quantum of human resources:*
- (d) *Knowledge resources:*
- (e) *Management effectiveness:*

The input approach appears to largely ignore the several “externalities”, in particular the demand for data. These externalities are represented by factors such as who are the major clients and the clout they exercise, the public-private sector divide in the economy, openness of the economy, and the extent to which “good governance” with its attendant emphasis on transparency and accountability are a feature that pervades the functioning of the economy. For instance, a statistical system in a given centrally planned economy may have been deemed fully capable, so long as it met the data needs of central planners. However, that same statistical system (with the same resource endowment as previously) would in the transition phase be deemed to lack the capacity to meet new data demands, because of rigidities, the reluctance to change and adapt new methods and priorities, including the need for greater data transparency and accessibility. Much the same circumstances and issues apply in developing economies that are moving towards greater openness, with markets playing a more critical role in decision-making concerning investment choices and marketing. In these circumstances, the notion of capacity changes over time. What constituted capability at one stage, may not be adequate in the face of new data demands and the relative role of different data users.

The process of globalisation has brought forth new and added demands for data. To the list of traditional major users of data – governments, domestic businesses, researchers and international agencies – we must now add a new class of users made up of financial markets, foreign investors and risk analysts. Their demands are similar in many ways to those of the International Financial Institutions (IFIs)

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but much more punishing if the data are not perceived to be credible. The 1997 East Asian Crisis demonstrated how these downside risks, once in play, can destabilize economies if such flows are not appropriately monitored and managed. Hence, in the aftermath of the crisis, the IMF placed greater emphasis on new standards and approaches, some of which came to be embodied in the Special Data Dissemination Standards (SDDS).

The use of the output side in the measurement of capacities is thus a somewhat more recent development. In recent years the global statistical community has begun to encourage use of the output approach as a tool for assessing capacities based on:

- The data: coverage, periodicity, and timeliness;
- Access by the public;
- Integrity of the disseminated data; and
- Quality of the disseminated data

Illustrative of the approach are the IMF's Data Quality Assessment Framework as a tool for evaluation of country capacities or by donors as a diagnostic tool to identify the critical areas in which assistance is most needed or how the greatest impact in enhancing capabilities can be made. The IMF's SDDS and the General Data Dissemination Standards (GDDS), with their emphasis on the availability of timely and comprehensive statistics and a more disciplined approach to the dissemination of economic and financial data, are being subscribed to by an increasing number of countries.

Both the GDDS and the SDDS incorporate monitorable elements--good practices and greater transparency that can be observed, or monitored, by the users of statistics. These standards are aimed at:

- Encouraging member countries to improve data quality;
- Providing a framework for evaluating needs for data improvement and setting priorities in this respect; and
- Guiding member countries in the dissemination to the public of comprehensive, timely, accessible, and reliable economic, financial, and socio-demographic statistics.

It cannot but be emphasized that these elements have an important bearing on the issue of capacity. They provide a basis for assessing outputs generated by national statistical systems. The outputs in turn are reflective of capabilities. Even more significantly, they constitute frameworks that can be used by statistical offices in developing strategies and plans for future statistical development and capacity enhancement.

It is in this context that the national statistical agencies and donors providing assistance for capacity building need to adopt clear yardsticks for assessing capacities. The yardsticks need to go beyond an evaluation of input based considerations. Widening the scope in the manner suggested to cover the output dimension provides for more balanced and objective assessments. The TFSCB needs to be cognizant of these considerations and incorporate these in the yardsticks the TF uses.

A number of donors see assessment of current capabilities as a first and necessary prerequisite to effective capacity building. Assessments of existing capacities are thus critical in mapping strategies for strengthening and building capacities for the future that pay due heed to the issues of sustainability and the ability to renew and adapt the statistical system to changing circumstances. Simply put, assessments of existing capabilities is in the nature of conducting due diligence prior to deciding upon new investments.

A Strategic Approach to Capacity Building

Looking ahead, the key question that needs to be addressed by those responsible for formulating and charting strategies for statistical development over the medium term is: what package of measures will best contribute to capacity building and make statistical systems more responsive to changing global conditions which are changing the perceptions about development goals? There are no ready and simplistic answers. However, it is suggested that a broader strategy is needed. That strategy should encompass three prongs.

The first prong should deal with the need to changing the culture surrounding statistics. Statistical offices need to better understand the changed circumstances in which they operate. Globalisation has brought about a new set of users; and it has led to demands for data series that are linked to the functioning of markets. It is suggested that statistical offices begin the process of renewal and strengthening by recognizing and embarking on an understanding of these trends. Statistical offices also need to accept the demand for transparency and accountability. Equally important are efforts to educate major users about the nature, role and functioning of statistical systems in a market oriented environment. Users need to be disabused of the notion that good statistics are a free commodity.

The second prong should deal with the need to introduce management change by adopting better techniques of budgeting and costing operations as part of the overall programs of public sector reform and the adoption of better governance. Past technical cooperation and national reform efforts have largely side-stepped the management dimension. While the IMF initiatives touch on these issues directly and indirectly, a more focused approach is needed. It is suggested that other donors should not only be supportive but should incorporate these considerations into their technical cooperation efforts. Helping countries to better address management issues should be seen as a priority activity. The introduction of better management should be recognized as a prerequisite and a first step. Institutional strengthening should be seen as an essential element in the efforts at upgrading technical capacities

The third prong in a capacity building strategy must continue to emphasize the development of technical capabilities. However, the pace of development must take full account of the absorptive capacity of the national system. The absorptive capacity must be assessed in terms of available human resources and national budgetary finances. Past technical cooperation programs have paid insufficient attention to these issues and external user demands have introduced distortions, contributed to the non-sustainability of programs launched and generally led to less than satisfactory outcomes.

The conventional approach in the design of donor assistance has been to stress transfer of know-how either by means of training or through consultancy services,

the supply of modest amounts of equipment and IT hardware. Support has been directed at improving particular series or developing new statistical series. A characteristic common to most donor funded programs of assistance is the absence of an approach that places emphasis on the development of a core work program supported by an adequate investment in both physical and statistical infrastructure, continuous skill upgrading, accompanied by a program of reforms that introduce better financial and human resource management. Beyond these inputs, it is imperative that steps are taken to introduce a greater client focus, effective dissemination and data transparency stressing data quality.

The recent development of a framework under the World Bank's STATCAP initiative addresses these strategic concerns. The existing guidelines for TFSCB should be revised appropriately to reflect the need to tailor interventions that are directed at strengthening physical and statistical infrastructure, upgrading management processes, and changing the general environment for the statistical system affecting both users and producers of data.

While institutional and organizational structures and resource endowments do matter and contribute to the vibrancy and effectiveness of an organization, they are not sufficient to achieving a fuller capacity to produce statistical outputs efficiently. It is against this broad background that attention needs to be directed towards creating a new management and institutional culture - a corporate culture that emphasizes team building, accountability and transparency, and quality enhancement. Plans for the revitalization of statistical systems can only be viable if they are accompanied by credible national resource commitments supportive of statistical work programs.

A further necessary condition that must be satisfied is that the information generated is not only readily available but is also trustworthy. To meet the latter objective, the statistical system should be impartial, operate at arms length from political interests, and contribute to the objectives of good governance based on transparency and accountability.

Defining a core work program should be a central element in capacity building efforts. Programs should be so designed that they lead to the generation of data to meet basic data needed for *Macro-economic management; Preparation of poverty reduction programs; Monitoring progress towards the fulfilment of the Millennium Development Goals; and the Promotion of private sector development*. These elements represent in a sense the demand side for data.

The determination of a core work program that satisfies the data needed to meet the above requirements presents challenges. The core work program needs to be balanced in scope and reflect the appropriate priorities of the main stakeholders made up of domestic public and private sector users. At the same time it should cater to the needs of external data users comprising the major development partners made up of the international agencies. The needs of a new class of international users made up of private investors cannot be ignored.

Given the variety of country circumstances and policy priorities, it is inappropriate to prescribe a single standard work program. However, countries may benefit from the availability of a framework for designing their very own national work programs. The guidance such a framework provides is likely to facilitate the development of an integrated, balanced and focused program that is effective and efficient in terms of costs and resource use.

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The broad organizing framework for economic statistics is provided by the 1993 SNA. A less formal framework for social data is provided by the MDG. These frameworks can be used in the formulation of a core work program utilizing a combination of Censuses; Enterprise and Household Surveys and the fuller exploiting of administrative data sources. For these reasons, the TFSCB guidelines should be expanded to deal with defining what constitutes capacity. The guidelines also need to incorporate appropriate guidance on the various elements requiring attention in the process of capacity building. The STATCAP framework offers the necessary ingredients. A harmonization of the TFSCB Guidelines with the STATCAP framework would greatly sharpen mechanisms for improved design and implementation of programs financed under the TFSCB.

Annex D

Terms of Reference for Evaluation

Terms of Reference for an Interim Evaluation of the Trust Fund for Statistical Capacity Building (TFSCB)

Background

Overview of the Trust Fund

1. The Trust Fund for Statistical Capacity Building (TFSCB) was set up by the World Bank in November 2000 to strengthen the capacity of official statistical systems in developing countries. It provides a global facility, managed by the World Bank on behalf of donors, to make investments at the national, regional and global levels to improve the collection, processing, analysis, storage, dissemination and use of timely, good quality statistics to support poverty reduction and economic and social development. TFSCB is part of the worldwide effort to reduce poverty by improving both the supply of and demand for statistical data and by fostering a culture of evidence-based decision making at all levels. The current project framework for the TFSCB is attached.
2. In conjunction with national governments, the programs of bilateral donors as well as other international statistical initiatives, TFSCB provides a practical mechanism to achieve the PARIS21 vision, that is, to develop effective and efficient national statistical systems and to promote a culture of evidence-based decision making. In line with the priorities identified by the contributing donors, the emphasis is on strengthening statistical systems in support of national poverty reduction strategies. Increasingly it is anticipated that most projects financed by the fund will be identified through PARIS21 processes, in particular regional and national workshops.
3. TFSCB aims to strengthen the capacity of statistical systems in all developing countries. In order to be approved projects need to demonstrate how they will address current weaknesses and should also set out specific targets for capacity development. The resources provided from the fund must be additional and cannot be used just to replace national budgetary resources. While it is possible to use funds to meet some of the costs of data collection activities, projects that are just concerned with maintaining existing systems are not considered priorities. In general, implementing agencies are required to demonstrate their commitment to a proposed project by providing some contribution to the overall costs, which may be in kind or in cash.
4. Most projects operate at the national or sub-national level, but TFSCB also supports regional and global statistical capacity building efforts. All projects are required to be compatible with national and regional development strategies and objectives, for example, as set out in the PRSP, the WB Country Assistance Strategy, the UN Common Country Assessment and other strategy documents. In line with the overall PARIS21 approach, the link to other development projects is required to be set out in detail. Projects should promote coordination and collaboration, should help to develop partnerships and should help to strengthen mechanisms to share knowledge and experiences.

TFSCB Projects

5. TFSCB projects are designed to be fast acting, relatively small and last for a limited period of time. The maximum budget is US\$ 400,000 and the maximum duration is three years. Project proposals may originate from a number of different sources, including staff from national statistical agencies and other actors in national statistical systems as well as staff and/or consultants from donor agencies. Applications are prepared using a standard format and are required to follow the guidelines and procedures prepared by the TFSCB Administration Unit. Proposals for \$50,000 or less use a simplified application and approval procedure and are dealt with under a fast-track process.
6. TFSCB financed projects are implemented by an appropriate national or regional agency that may be a government department, a civil society organization or other national or regional agency. Projects may also be implemented by third parties such as donor agencies or, in exceptional circumstances, by the World Bank itself. All implementing agencies must be able to sign legal contracts and should demonstrate financial soundness and a capacity to manage and account for funds. Implementing agencies are required to follow World Bank standard procedures for procurement, disbursement and accounting. For each project the bank nominates a Task Team Leader, who will take responsibility for liaison with the implementing agency, supervision and ensuring compliance with trust fund procedures.
7. As at September 30, 2002, a total of 36 statistical capacity building projects had been approved by TFSCB, 28 substantive projects and eight managed under the fast-track facility. Of the 36, one substantive and four fast-track projects had been completed, the others were either in operation or were completing the post approval processes. By the end of September 2002, TFSCB had committed more than \$8.7 million for the 36 statistical capacity building projects. This represents just over 52 per cent of the total investment of \$16.7 million, the remainder coming from a variety of other sources, including implementing agencies' own resources and other donors. In addition, the World Bank had allocated \$1.3 million from its own budget for supervision of projects, and additional \$250,000 for administration of the trust fund and related activities.

Administration

8. The overall governing body of the Trust Fund is the Consultative Group (CG). This is chaired by the Director of the Development Data Group of the World Bank and includes representatives from all contributing donors as well as representatives from the United Nations, the European Commission, OECD, the IMF and the PARIS21 Secretariat. The CG meets once a year, reviews operations and sets policy, in line with the agreed Trust Fund prospectus.
9. Day to day operations are managed by the TFSCB Administration Unit and all proposals are reviewed by the Internal Management Committee (IMC). The IMC reviews proposals virtually; they can approve projects as submitted or with minor revisions, return the proposal to the Task Team Leader with requests for more substantial changes, or may reject the proposal outright. The CG is advised by a small technical advisory group of eminent development statisticians, who provide an annual review of operations.

The Evaluation

Context

10. The Consultative Group, at its meeting in October 2002, reconfirmed the need for an external, independent evaluation of TFSCB to be carried out in the coming year. The CG requested that this should review all TFSCB activities and should be carried out in conjunction with the proposed evaluation of PARIS21 if possible.
11. A separate independent evaluation of the PARIS21 Consortium and its activities will also be taking place in the first half of 2003. This will be separate from the TFSCB review, but because of the close links between the trust fund and the Consortium, it is expected that the two activities will need to be closely coordinated. It is anticipated that they will take place sequentially and will make use of common sources of information. In particular the data collected from one evaluation may be made available to the other team to assist in their review.

Purpose

12. Because the trust fund will only have been in operation for just over two years at the time of the evaluation, it is thought unlikely that this will provide sufficient time to undertake a purpose to goal review or to make definitive statements about impact. At the same time, it is not envisaged that the evaluation will review individual projects in detail, since many of these are still in operation and most already have arrangements for their own individual evaluations at some later date. The main purpose of the broader evaluation, therefore, will be to review the activities of the trust fund as a whole, to undertake an output to purpose review and to examine the process whereby needs are identified, proposals prepared and projects implemented. It is anticipated in particular that the evaluation will focus on issues of relevance, governance, efficiency, effectiveness, sustainability and process.

Topics for the evaluation

13. The following list of topics is intended as a guide for the evaluators, other issues may also be considered.
 - **Relevance**
 - To what extent is the concept and approach of the trust fund relevant to the needs of improving policy and performance in developing countries?
 - Does the trust fund meet the needs of stakeholders?
 - To what extent have the countries receiving grants set priorities for statistical development and how inclusive was this priority setting process?
 - Does the coverage of the trust fund and the projects financed so far reflect the priorities of countries, to the extent that these have been defined?
 - **Governance**
 - Is the current governance structure of the trust fund appropriate and effective and does it adequately support achieving its objectives?
 - Are the views of the different stakeholders adequately represented?

- **Efficiency**
 - To what extent have the different arrangements for project execution: country-executed, third-party executed, and Bank executed, affected the efficiency of the projects? ?
 - Have the resources of the trust fund been used efficiently to achieve the outputs?
 - Are the resources adequate and have they been allocated appropriately both geographically and between subject areas?
 - Has the trust fund been able to work effectively with other agencies at the regional and global levels?
 - How well do donors collaborate in countries that have received trust fund assistance?

- **Effectiveness**
 - Have countries been able to follow up and implement strategies and other initiatives developed through the trust fund?
 - Has the support provided been able to meet countries' needs and to address real constraints?
 - Have there been specific problems in procurement or disbursement that have limited effectiveness?
 - Have countries been able to draw upon the required expertise at the right time?
 - Has the support from the trust fund helped to strengthen country ownership and improve donor coordination?

- **Sustainability**
 - To what extent are the investments provided by the trust fund likely to be sustained?
 - Is there any evidence of increased demand for, and utilization of, statistics by national governments — especially by key stakeholder groups such as planning and finance ministries — and by civil society and the private sector as a result of trust fund activities?
 - Is there any evidence of trust funds displacing regular government spending on statistics?
 - To what extent have the activities of the trust fund resulted in an increased commitment by other donors to help finance statistical capacity building?

- **Process**
 - How easy have countries and other agencies outside the World Bank found it to access trust fund resources?
 - Has the trust fund been adequately marketed and to what extent is the statistical community in developing countries generally aware of it and how to access the resources?
 - Have countries and other potential implementing agencies been able to get the technical and other support they need to prepare proposals?
 - To what extent has the link with PARIS21 been effective and what could be done to improve this?
 - What problems, if any have been encountered in the preparation, approval and post-approval processes?

Management of the evaluation

14. The same reference group established for the PARIS21 evaluation will oversee the evaluation on behalf of the Consultative Group. The reference group will maintain contact with the evaluators during the exercise and will provide guidance as required.

Evaluation methodology

15. The evaluation team will be responsible for deciding upon the approach to be adopted and the methods to be used. It is envisaged that the evaluation may use some or all of the following:
 - Consultations with key stakeholders, including donor agencies, users and providers of statistics in developing countries, international statistical agencies, World Bank staff, implementing agencies and others;
 - Review of relevant documentation, including project proposals and progress reports;
 - Review of a small number of current projects as case studies;
 - A survey of potential and actual beneficiaries and PARIS21 members
16. It is anticipated that information from the survey of PARIS21 members carried out as part of the PARIS21 evaluation will be utilized for the evaluation of the trust fund.

Timing

17. It is expected that the evaluation will be completed over a two to three month period, with preliminary results available by the end of August 2003. The timing will be coordinated with the PARIS21 evaluation and it is expected that work will commence in early July. The final report should be completed after the meeting of the Consultative Group in Paris in October 2003.
18. It is expected that the evaluation will be carried out by a team, led by an experienced evaluator. The team will need to include both development and statistical expertise.

Resources

19. The overall budget for the evaluation is \$80,000. It is anticipated that the evaluation will require inputs from a team of two or three specialists, including an expert on statistical development. It is also anticipated that the evaluators may need to visit some of the countries currently implementing TFSCB projects.

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Annex 1: Project Framework

Narrative Summary	OVIs	MoV	Assumptions
<p>Goal:</p> <p>Improved evidence based policy making and monitoring for poverty reduction in participating countries</p>	<p>1. Improved poverty analysis and monitoring frameworks in PRSs and other government strategy/policy documents.</p>	<p>1. PRS reviews and monitoring reports</p>	
<p>Purpose:</p> <p>Better statistical information available to at least 30 developing countries to plan, implement and monitor their own social and economic development.</p>	<p>1. Timely and relevant statistical reports and analyses published</p> <p>2. Statistical outputs accepted by Government and civil society and widely used to assess development needs and monitor progress.</p>	<p>1. Statistical publications and reports.</p> <p>2. Reports and publications of users, including PRSP reviews, monitoring reports, and annual budget documents.</p>	<p>1. National policy makers use better information to develop and implement pro-poor policies.</p> <p>2. National Governments provide acceptable level of resources to sustain improvements.</p>
<p>Outputs:</p> <p>1. Easily accessible and responsive funding mechanism to allow countries access to, primarily catalytic, funding for projects related to statistical capacity building.</p> <p>2. Projects implemented which contribute, directly or indirectly, to the development of statistical capacity building implemented in at least 10 countries per year.</p>	<p>1. Statistical capacity of at least 30 participating countries increased within 5 years.</p> <p>2. Follow up support and assistance projects assimilated into WB / other donor country strategies with appropriate funding.</p> <p>3. Number of projects approved without direct WB involvement in the implementation, and speed of disbursement of funds.</p>	<p>1. Project reports</p> <p>2. WB Country Assistance Strategies</p> <p>3. Other donor aid frameworks.</p> <p>4. Trust Fund progress reports</p> <p>5. IMF ROSC Data Modules</p> <p>6. GDDS metadata</p>	<p>1. WB trust fund activities correctly address constraints in statistical capacity.</p> <p>2. Countries are aware of, and make use of the Trust Fund.</p>

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<p>Activities:</p> <ol style="list-style-type: none"> 1. Management, of the Trust Fund by the Bank, and implementation of some the projects if necessary. 2. Trust Fund will fund some or all of these activities as needed in country: 3. Preparations to access further sources of funding for large statistical capacity building activities including STATCAP 3. Institutional strengthening, including the improvement of organization, management, human resource management and strategic planning 4. Fostering knowledge of international standards and methodologies 5. Improvement of data collection and processing systems 6. Improvement of statistical outputs and improvement of the dissemination of statistics and statistical analysis 7. Awareness-raising and other efforts to increase demand within countries 	<p>Inputs:</p> <p>Total fund: \$4 million per year over lifetime of project.</p>		<ol style="list-style-type: none"> 1. Donors are willing to make regular contributions 2. WB has sufficient capacity to provide appropriate technical assistance as required. 3. Sufficient number of expert consultants available within the development community.
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