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The State of Human Development Data and Statistical Capacity Building in Developing Countries

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CONTENTS

SUMMARY AND CONCLUSIONS

During the past decades, strengthening the statistical capacity of developing countries has been, and still is, an important area of assistance for the institutions of the United Nations (UN) family. Many UN agencies have also been collecting and disseminating data in their own field of expertise. More recently, with the global Human Development Report (HDR) and then the National Human Development Reports, the UN Development Program (UNDP) has also become a user of statistics, as well as a recognised producer of development indicators, the best known being the Human Development Index.

In contrast to the UN family's interest in development statistics, this field has not been considered a priority in the past by most donors and, arguably, by many developing countries. For various reasons, however, there are now indications that this situation might be changing and that recipients and donors have become more aware of the importance of reliable statistical data for development. In particular, there is at present a growing interest in data on poverty and human development.

The traditional interest of the UN system in development data and the changing perception of their importance on the part of donors and recipients make it now appropriate to raise the question of the desirability and opportunity of an international initiative, that the UN Development Group (UNDG) could propose and lead, to strengthen the statistical capacity of developing countries. This report analyses the various facets of this question. The changes that have taken place in the approach to development over the recent decades have had significant implications for data requirements and for the demands addressed to the producers of statistics. The most relevant changes in this regard are that development approaches have become more people-oriented, more result-based, more global and more decentralised, as indicated in the following paragraph.

The new approach, pioneered by UNDP with its Human Development Reports and now largely accepted by the development community, puts human beings at the centre of development, much more explicitly than before. The increasingly recognised importance of ownership leads to a shift from a conditionality based on policy measures to a partnership based on monitorable results; this move has been furthered by a growing demand in donor countries for evidence of aid effectiveness. There is also a growing understanding that certain issues can be better addressed at the global level, and that aid has an important role as a provider of "global public good". Symmetrically, a far-reaching move has taken place in developing countries towards decentralisation and a growing involvement of the non-governmental organisations (NGOs).

These changes in development approaches have created a growing demand for data on human development and a premium on simple, quantified information to monitor the results of the policies implemented. More important than these new demands are their origins. Nowadays, the policy makers are not the only users of statistical information: private sector and civil society organisations, NGOs and international organisations are increasingly making use of this information.

Over the last few decades, a remarkable extension of the statistical coverage in developing countries has taken place: today much more statistical information is available on these countries than existed even thirty years ago. Data availability nonetheless remains a problem – including the data used by UNDP for the calculation of the HDR indicators. For instance, some 110 countries have no recent data on the incidence of income poverty.

With regards to the available data, their quality is in general mediocre. For the poorest countries, inconsistencies among the data are relatively frequent and even data apparently consistent can be faulty at times. Comparability is another problem: precaution must always be taken in comparing apparently similar data over time or across countries. Lack of a clear and constant definition, and differences in methodologies are the main reasons comparisons can be risky.

The capacity for analysing existing data is, in the poorest countries, even weaker than their capacity to produce this statistical information. Donors have contributed to this problem by systematically entrusting to their own experts most of the economic work based on these data. An illustration of this situation is the fact that the most widely used (including by the countries themselves) economic analyses on sub-Saharan Africa have been carried out by non-Africans.

While the shortcomings of existing data in the developing world are readily acknowledged by all actors involved, establishing a consensus on the priorities to remedy this situation might not be easy. It is important, in particular, to recognise that what the donors, bilateral or multilateral, see as priority requirements may not be what the recipient countries consider the most important – and that there might not be a united view on these priorities within any given recipient country! A programme to strengthen the capacity of developing countries would have to strike a compromise among these at times conflicting interests; it should in any case not be predicated on the sole requirements and priorities of the donor organisations.

No information exists, at the global level, on the financing provided by donors and by recipient countries for statistical activities. It is therefore not possible to form a precise idea of the importance of this financing, much less of its evolution over time. Over the recent years, the World Bank financing in this area was presumably of several hundred million US dollars per year, while the annual contribution of the UN family was in the tens of million US dollars. With regards to bilateral donor assistance, however, there are indications that some of the bilateral donors have somewhat decreased the volume of their support in the course of the last two decades.

The picture concerning the support provided by the recipient countries themselves is even patchier. In the case of sub-Saharan Africa, there are nonetheless reasons to believe that support given by the countries to their statistical systems has somewhat diminished during the same twenty-year period, in spite of significant differences among the countries. Not surprisingly, these countries' capacity has apparently deteriorated over the last two decades (as far as can be ascertained by the scanty available evidence).

In spite - or because - of this deterioration, the same period has seen no shortage of initiatives in the area of statistics. New surveys have been devised to measure different aspects of human development, such as the Living Standard Measurement Study (LSMS) and the Core Welfare Indicators Questionnaire (CWIQ) surveys supported by the World Bank, the Demographic and Health Survey (DHS) mostly financed by US-AID, the Multiple Indicator Cluster Surveys sponsored by UNICEF and WHO. The costs (total or per household) of these surveys has varied largely. The Social Dimension of Adjustment (SDA) programme, was launched in 1987 by the World Bank, UNDP and the African Development Bank (ADB), with the objective of assisting African countries to integrate poverty and social concerns in the design and implementation of their adjustment programmes so as to mitigate the burden on the poor in the process of structural adjustment. The SDA programme, which lasted until 1992, has been instrumental in collecting data on poverty in many African countries. It has however been criticised for not contributing much to strengthening the statistical capacity of these governments. Concerns over the insufficient capacity of African governments with regards to economic management has also led the World Bank, UNDP and the ADB to establish in 1991 the African Capacity Building Foundation (ACBF). The mandate of this Foundation is to strengthen the capacity of African countries in this area, but ACBF has shown little interest for the field of statistics so far.

Efforts have also been made to establish common frameworks for the supply of assistance to developing countries. The UN system has proposed to organise its assistance to each country through a common assessment, the Country Common Assessment (CCA) and a common document, the UN Development Assistance Framework (UNDAF). The World Bank has suggested that each developing country present its development programme in a unified document, the Comprehensive Development Framework (CDF). More recently, the Bretton Woods institutions have agreed that the countries requesting the benefits of the enhanced HPIC initiative and/or of the financing of the newly established Poverty Reduction and Growth Facility (PRGF) should prepare a Poverty Reduction Strategy Paper (PRSP) presenting their mid-term programme for poverty reduction and growth.

Initiatives have also been taken that aim at, or have a direct bearing on, the harmonisation of data. The most important has been the adoption in 1996 by the development ministers of the OECD of International Development Goals (IDGs) for the following twenty years, based on the decisions of several UN conferences. Building on these IDGs, experts have now defined, and agreed on, a set of core development indicators to be used to monitor progress towards these goals. The IMF has established in 1996 and 1997 two standards for the dissemination of data. The UN Statistical Commission has adopted detailed principles for technical assistance to statistics. Finally, a Joint Senior Expert Meeting on Statistical Capacity Building was held in November 1999 under the auspices of the UN, the OECD and the Bretton Woods institutions. It led to the establishment of the "PARIS21 Consortium", with the objective of encouraging and co-ordinating capacity building for statistics.

Three of these initiatives are particularly important. First, the recently defined PRSP will now be the main instrument for the assistance of the Bretton Woods institutions, and

possibly of other donors, to low-income developing countries; as such, it should also constitute the framework for each of these countries' development strategy over the medium term. Each PRSP should have a monitoring and statistical component, including explicit steps to collect data to monitor progress towards poverty reduction and development. In the coming years, these documents will thus provide a framework that will organise the efforts of the recipient country and the assistance of the donors in the statistical area – as they are meant to do, more generally, for all areas related to poverty reduction and growth.

Second, the IDGs, whose international legitimacy stems from the resolutions of several UN Conferences, now provide concrete, quantified goals for the development efforts. The adoption of a set core of development indicators related to these goals gives the international community the instruments required to monitor these efforts. The resulting importance of these indicators justifies that steps be taken to improve the quality of the data required for their computation.

Third, the PARIS21 Consortium has now a mandate to co-ordinate international efforts in statistical capacity building. The Consortium will work through three task forces that will organise international efforts in different areas (addressing the data requirements of policy frameworks, building strategic statistical master plans, best practice and effective technical co-operation). The Consortium will prepare an annual report to the UN Economic and Social Council (ECOSOC).

An analysis of the different initiatives underway indicates that gaps and weaknesses might still exist. There is a risk that PRSPs give too much importance to data collection, at the expense of statistical capacity building. With regards to statistics on poverty and human development, there is a need to harmonise methodologies, norms and standards, as has been done in other statistical fields. The idea of preparing statistical master plans, adopted by the PARIS21 Consortium, should be implemented carefully because of its potential pitfalls. The IDGs, and the development indicators selected to monitor them, are not widely known outside of development circles; they should be disseminated to encourage policy debates.

The State of Human Development Data and Statistical Capacity building in Developing Countries

Capacity building for statistics in developing countries has traditionally been an important area of support for the United Nations family, particularly UNDP. To this traditional role as a provider of assistance in this field, UNDP has added more recently the function of user and provider of statistical data at the global level for the preparation of the Human Development Report and its indicators. At the country level, the National Human Development Reports now also require quantitative data and, in turn, supply indicators as part of their role in the monitoring of human development. At both the global and the national levels, however, Human Development Reports have had to contend with the unavailability and the poor quality of some of the data. For all these reasons, the UN and especially UNDP can be said to have a vested interest in the quality of the statistical data in developing countries.

This interest of the UN family has not always been shared by other donor organisations, be they bilateral or multilateral. It can also be argued that, over the last few decades, the developing countries have not given the required priority to the production of high-quality statistics. This seems to be changing, however, and recent initiatives might indicate a renewal of interest in this topic.

This report examines the state of development data, and the status of statistical capacity building in developing countries. To do that, we looked at several issues. We first tried to analyse the changes that have taken place over the last two decades in the approach to development, and their implications with regards to the demand for statistical information in developing countries (Chapter I). We then reviewed the situation of existing statistics in and on developing countries – their availability, quality, comparability, and utilisation – with the objective of identifying priorities for reinforcement (Chapter II). In the following chapter, we looked at past efforts – of donor and recipient countries - to strengthen statistical capacity (Chapter III). The various initiatives that have taken place in this area during the last two decades are then presented (Chapter IV). The last chapter looks at the existing gaps and deficiencies that need to be corrected (Chapter V).

I.   The changing development scene

Over the last decades, the international development scene has witnessed many changes.   Certain have been widely noticed: the decrease in official development assistance, for instance, or the arrival on the development scene of new recipient countries from Eastern Europe.   Equally important, but less frequently recognised, are the changes that have taken place in the conceptual approaches to development.   While it would be pointless to try to review them all here, some of these changes have important implications for the collection of statistical data.   It thus appears worthwhile to start our analysis by presenting them briefly.   In the course of the last decade, the prevailing approaches to international development have become, in a nutshell, more people-oriented, more result based, more global and more decentralised – all of which had, in turn, direct implications on the demand for statistical information.

I.1   More people-oriented

The first main evolution experienced during the last decade is the shift from narrower economic visions of development and policy making, centred on economic policies and reforms, to wider, people-oriented approaches that include economic, social and institutional concerns. The origins of this change can be found in the confluence of several factors: (i) the new focus put, especially by UNDP and the UN organisations, on human development and poverty in the international debate, (ii) the disappointment about the results in human terms of the first decade of structural adjustment, privatisation and liberalisation, (iii) the recognition that, in several countries, the main economic reforms have been implemented and that the problem is now much more one of governance than one of economic regulation (or deregulation).

The first consequence of this move to people-oriented issues has been the strengthening of strategic sectoral (or thematic) approaches, particularly in the social areas, and the diversification of the actors involved in the development process. Because of the resulting risk of fragmentation, the tendency might be now to reintegrate the diversity of sectoral and thematic programmes and the multiplicity of actors into wide frameworks, based on a mid-term vision and "owned" collectively by a coalition of development actors.

This orientation to inscribe policy making in people-oriented, medium-term, participatory strategic frameworks is particularly noticeable in the last initiatives that the World Bank proposes to its partners (see IV.3 below), the Comprehensive Development Framework (CDF) and the Poverty Reduction Strategic Paper (PRSP)

I.2   More result-based

The second consequence of the disappointing human results of conditionality-based policy lending has been to highlight the importance of the local ownership of reforms and programmes. "Money can't buy reforms" states a recent World Bank report.[1] We could say, in the same manner, that money is not sufficient to design programmes or to fill

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[1] World Bank, *« Assessing Aid : What Works, What Doesn't and Why »,* 1998

gaps in a sustainable way, if there is no political and institutional commitment towards the financed actions. The recognition of the central importance of ownership has led to a shift from the old-style, constraining conditionality to a result-based partnership, which leaves to the local institutions the choice of the means to reach the jointly agreed objectives.

This evolution concerns not only the governments involved in an international partnership, but also the aid agencies themselves. Most of these agencies are indeed moving from an approach based on the need to comply with financial procedures and to follow up process indicators (say, for instance, the number of schools built or number of training courses organised) to result-based management.

Public opinion and local constituencies in donor countries have provided an added impetus to the move in this direction. Even though public opinion polls in rich countries do not bear out the idea that some kind of "compassion fatigue" is now settling in, doubts about the effectiveness of official development aid are growing. As a result, monitoring and communicating the results achieved – in terms of impact on the lives of the poor - appear as a necessity for the aid agencies, if they want to be able to maintain in the future their present levels of official development assistance.

I.3   More global and more decentralised

A third relevant evolution of the approaches to development is the division of the formerly centralised responsibilities of the states among various actors, at different levels. Over the years, it has been progressively recognised that certain issues are more effectively dealt with at the global or the regional levels. This understanding presumably first happened with regard to environmental issues. Since then, however, a broad range of areas, including among others knowledge and information, has been understood as depending at least in part on a collective global responsibility, thus giving rise to the concept of global public goods. At the same time, efforts at the regional level have been consolidated in many parts of the world particularly for the management of economic issues: economic policy co-ordination, trade agreements, etc.

The evolution has been even more remarkable at the infra-national level, with a wide move towards decentralisation and the growing involvement of non-governmental organisations. In developing countries, the emergence, or at least the development, of civil society, which is increasingly getting into a widening range of local responsibilities especially in the social areas, is one of the major changes of the last decade.

In part, this diversification of actors is an ad hoc application of the principle of subsidiarity - dealing with each issue at the most effective level. As important as this apparition of new actors dealing with issues at their own levels are the interactions among these. For instance, the role of civil society is no less important at the national level, where it will put pressure on the government and participate in policy making, than it is in exercising local responsibilities. The same could also be said of international organisations.

I.4 Resulting changes in the demand for statistical information

The demand for statistics and information has evolved in conformity with the above-mentioned factors. The first consequence has been a growing concern for people-oriented information: the demand for data addressed to the information systems has been increasingly focused on poverty, in all the dimensions of the concept, and more generally on household living standards. This evolution is in fact the result of the reorientation of policies, the new prevailing concern with final outcomes, and the diversification of the users of statistical data.

The demand of these users is for simple, debatable and significant information that enables them to monitor the policies implemented and to assess the progress achieved. This has entailed an increased demand for selected indicators, which would translate in a simple manner complex evolutions into a set of measurable and significant results observed from people's life. The design and monitoring of a set of outcome indicators is becoming a requirement in most of the thematic or sectoral programmes. At the global level, substantial efforts are under way to define harmonised indicators, that would permit a common assessment of the results achieved, feed into the national and international public debate, and promote emulation through comparison.

Several illustrations of this new, international interest for indicators can be given. The first one is the success of the composite, people-oriented indicators designed by UNDP, especially its Human Development Index (HDI) but also the Human Poverty Index or the Gender-related Development Index. This success can be measured by the world-wide interest given to the Human Development Reports but also, more importantly, by the use of HDI in public debates at the national, regional or even municipal level. Global conferences have also endeavoured to mobilise the international community around specific targets for selected indicators. In a similar manner, the Development Assistance Committee (DAC) of the OECD has agreed on targets for a common strategy for co-operation in the 21st century, and defined a set of jointly agreed indicators to monitor this strategy (see IV.4 below).

The most important evolution in the demand for statistics, however, is to be found not in the nature of the information requested, but in the diversification of the sources of this demand. No longer are policy makers the only users of social and economic statistics. The private sector, NGOs and international organisations are increasingly becoming direct users of information. They are also indispensable intermediaries between the producers of information and the policy makers.

The experience of the last decade has shown that, after the decline of planned economies, the direct demand for statistics from the policy makers has often been low. Also low has been the level of national priority given by governments to their statistical systems, the political commitment towards the improvement of quantitative data and, above all, the responsiveness of policies to the data flow.

For non-governmental actors, a key role has been to use statistical information to feed the public debate, thus providing an incentive for governments to react to this data and,

if necessary, to modify its priorities or policies. A lively national or local debate might well be an indispensable ingredient of well-informed and responsive policy making. This, perhaps, is the main argument in favour of simple, composite indicators as elements of the democratic debate.

To sum up, over the last two decades the demand for statistical data has gone from large systems of economic reporting, designed for the use of planners and policy makers, to sets of people-oriented indicators aimed at feeding the public debate, measuring progress and assessing public policies.

II.   Gaps and deficiencies of development data

The existing information currently suffers from several shortcomings. First, data are not always available and important gaps exist, in spite of undeniable progress. Second, the quality of the existing data leaves much to be desired, with regard to both the locally available statistics and the information contained in international databases. Third, the comparison of data, across countries and over time, is frequently difficult and/or risky. Fourth, the capacity for analysing the existing data is deficient in developing countries. It is also important to be aware that each of the different actors concerned would see these priorities differently.

II.1 Data availability

The 1980s and 1990s have seen a considerable extension of the areas covered by statistical investigation: surveys of the informal sector, environmental data, living standards and poverty measurements, indicators of gender equality, income inequality indexes, and now governance indicators. These new requests for statistical information have not replaced, but have been added to, the previous demands for statistical data. National accounts, prices indexes, censuses and population data, statistics on education and health, business registers and enterprise surveys remain as relevant and useful today as they were before – and as much in demand.

Before trying to identify existing gaps in the data collecting systems, it is necessary to underline here the remarkable enlargement in data collection and production that has happened in the course of the last few decades in developing countries. Nowadays, one third or more of all countries (representing more than 70% of the world population) have statistics on poverty and inequality, three quarters of them have data on the ratio of girls to boys in primary and secondary education and four fifths are able to estimate their carbon dioxide emissions. This is a remarkable achievement, particularly if we compare it with the situation that was prevailing in the sixties or even the seventies.

Not all countries have progressed significantly, however. The more recent demands for development indicators have not always been met, especially in the poorest countries. Table 1 on the next page indicates the availability of the DAC core indicators (see IV.4 below).

Table 1: *Overview of the coverage of core indicators (1990-1995)*

	No. of countries with data (out of 171)	Proportion of countries with data (out of 171)	Percentage of population represented
Economic well-being			
Reducing extreme poverty			
1. Incidence of extreme poverty: population below 1$ a day	**59**	**35%**	**79%**
2. Poverty gap ratio: incidence times depth of income poverty	51	30%	72%
3. Inequality: poorest fifth's share of national consumption	74	43%	85%
4. Child malnutrition: prevalence of underweight under 5	117	68%	93%
Social development			
Universal primary education			
5. Net enrolment in primary education	102	60%	61%
6. Completion of 4th grade of primary education	101	59%	79%
7. Literacy rate of 15 to 24 year-olds	77	45%	84%
Gender equality			
8. Ratio of girls to boys in primary and secondary education	126	74%	87%
9. Ratio of literate females to males (15 to 24 year-olds)	77	45%	84%
Infant and child mortality			
10. Infant mortality rate	126	74%	87%
11. Under-five mortality rate	77	45%	84%
Maternal mortality			
12. Maternal mortality ratio	162	95%	100%
13. Births attended by skilled health personnel	163	95%	100%
Reproductive health			
14. Contraceptive prevalence rate	159	93%	99%
15. HIV prevalence in 15 to 24 year-old pregnant women	124	73%	98%
Environmental Sustainability and Regeneration			
16. Countries with national sustainable development strategy	171	100%	100%
17. Population with access to safe water	115	67%	91%
18. Intensity of fresh water use	133	78%	100%
19. Biodiversity: land area protected	135	79%	100%
20. Energy efficiency: GDP per unit of energy use	136	80%	96%
21. Carbon dioxide emissions	136	80%	99%

Source: *"Measuring development progress", Brian Hammond, INTERSTAT*, October 1998

As can be seen in the above table, the gaps in the coverage are quite significant and represent a serious obstacle to the implementation and monitoring of poverty-reduction policies. Some 110 countries have no recent data on the incidence of income poverty. They represent only 20% of the developing world's population, but a larger proportion

(estimated at about 40%) of the poor population. This proportion would in fact reach 84% of the poor population if China and India were excluded! The same is also true for a "simple" and more traditional data like net primary enrolment. Some 40% of the developing world's population apparently live in countries (69 in total) with no data on primary school enrolment. These countries also represent a larger proportion of the children living in developing countries, since the countries without data (the poorest) are those with the largest proportion of children.

Data gaps thus seem pervasive in the poorest countries. One should however be careful not to draw any premature conclusion. First, these apparent gaps are not necessarily an indication of a lack of effort on the part of the national statistical systems and the international community. For example, more than 70 household income and expenditure surveys, concerning 35 countries, have been conducted in Africa since the mid-80s. During the last two decades, the developing world has made very important strides in the area of statistics, which have actually plugged some of the previous gaps. Yet all these efforts have not been able to keep up with the expanding data needs.

Second, certain of these gaps result more from an ineffective process of data collection by international organisations than from the non-existence of the data. Statisticians carrying an in-depth effort to collect existing data in poor countries are frequently surprised by the "discovery" of data whose existence is hardly known, even in the country. It is, for example, difficult to believe that close to 70 countries have no enrolment statistics at all; it seems more likely that certain of them have these data, but have not communicated them. Gaps in international databases are often due to the non-existence of the information, but they can at times be attributed to poor dissemination and communication. There is therefore room for improving these databases by ameliorating the process of collecting data that already exists in the countries.

II.2 Data quality

In all likelihood, the weak quality of existing data in poor developing countries is a more significant problem than the lack of data itself. This problem is however difficult to document and analyse. One would, as a rule, decide on the quality of a particular set of data by comparing it to another one, known as being reliable. But how could one appreciate the magnitude of the errors, if there is no "good" reference with which such a comparison can be made?

At the national level, the extent of the problem may be seen through incoherencies within a data source or among sources. In poor countries, such a lack of coherency is generally frequent and quite significant. As an example, comparisons between export and import data of trade partners show large discrepancies. In the same manner, the level of per capita consumption derived from household surveys is often radically different from the corresponding data obtained from national accounts. Another illustration of the poor data quality is found in the deficiencies of the data collecting systems. Many poor countries, for example, produce agricultural statistics on a regular basis; yet they do not have regular agricultural surveys on which these data could be

based. More than 40 countries have not had a population census for more than ten years. In these countries, the quality of existing household surveys appears dubious, to say the least, since there is no reliable data on which the samples for these surveys could have been established!

This problem of data quality also concerns the DAC core development indicators mentioned above. Several of them are difficult to measure. This is the case for instance of the measurement of income poverty, but also of HIV prevalence or maternal mortality and, to a lesser extent, of data based on age observation like prevalence of underweight children or infant mortality.

To a certain extent the international databases have been able to correct some of the major shortcomings of the existing data, in particular by rectifying certain numbers and trying to establish some coherence among the data. This solution is not without its own problems, however. First, even the international databases are not exempt of contradictions and incoherencies (see Box 1 below). Second, this approach raises a legitimacy issue. National data sources in many poor countries are not perceived as very reliable. International sources are usually considered more trustworthy and legitimate, and are accordingly of general use in cross-country or even at times in country-specific studies. This mistrust of local data is in fact part of the overall ownership problem. Third, the patient and laudable work of the international statisticians, who put together these development databases, conceals more than it solves the problem of data quality. Even if they are more coherent and polished, international data are no better than the original field observations.

Box 1: *Which maternal maternity?*
(Excerpt from the Africa Poverty Status Report, 1999, prepared for the SPA Working Group on Social Policy)

"…different numbers can be given for the same series. Maternal mortality, which for Ghana jumped from 400 to 1 000 from one issue of the World Development Report to the next, is often mentioned in this regard. Mauldin (1994) showed that, although they both used the same source, the WDR reported for 56 developing countries and the HDR for 55 of these and a further 48. Counting differences of less than 50 points as the same, HDR gave higher values than WDR for 26 countries, lower for 12 and about the same for 17. Some differences are substantial e.g.; Benin at 800 and 161, Mali at 850 and 2 325 and Malaysia 120 and 26. The correlation coefficient between the two sets of figure is only 0.7, dropping to only 0.4 for high mortality countries."

Unsatisfactory as they are, data of poor quality might at times be considered better than no data at all. The risk of misleading policy makers, however, might often appear as potentially dangerous as the risk of not informing them.

II.3 Data comparability

Incoherencies in the comparison of data are not always linked to problems of quality. Data comparability is a larger problem, which can even concern good quality data. Two aspects of this issue can be distinguished: cross-country comparability, and over-time comparability within a given country.

Cross-country comparability depends first on the establishment and adoption of international norms and on the elaboration of conversion systems. Important progress has been achieved in this area. The development of purchasing power parity (PPP) measures, the establishment or improvement of international norms in different areas (national accounts, indicators, financial statistics, etc.), the growing role of statistical harmonisation played by regional organisations (such as WAEMU[2] or SADC in Africa), and the development of international databases have all contributed to a better spatial comparability of statistics.

The adoption of the core set of indicators presented above is one of several international initiatives aimed at improving the cross-country comparability of data. The process of building and selecting similar indicators is still ongoing at the national and international levels. Certain indicators, like access to safe water or births attended by skilled health personnel, suffer definitional difficulties; this in turn may raise difficulties with regard to their comparability across countries.

While it might appear obvious that, for the quality and comparability of data, having a clear definition is a necessary condition, this is not a sufficient one. The adoption of common methodological norms for collecting data is no less important. One can, for instance, be dubious about the cross-country comparability of a widely used indicator like infant mortality rates, since it is calculated from registration data, censuses or different types of household surveys – different methods depending on the country. A dose of methodological harmonisation thus appears as a necessary ingredient of cross-country comparability. A well-known example is the Demographic and Health Surveys (see IV.1 below), which propose a set, uniform methodology to answer a steady demand for data and provide highly comparable results.

From this last example, we can however perceive that there might exist a potential trade-off between the requirement of cross-country comparability and the need of local ownership of methods and definitions, which would lead to more country-specific approaches.

Over-time comparability raises the same kind of questions, but with the additional problem of the stability of the norms over time. This is a serious problem, for two main reasons.

First, one of the main aspects of the institutional fragility of statistical institutes in developing countries (see Chapter III below) is the high level of staff turnover and the difficulty to "capitalise" methods into a "stock" of experience and establish routine procedures for data collection. A new survey is often seen as a new start – from a clean slate. Only long-established and stable activities might escape this rule: this might be the case of population censuses, of the already mentioned DHS and, in certain countries, of agricultural surveys. Only a fraction of developing countries - and even fewer among the poorest, often through the LSMS programme - have built a sustainable "methodological capital" in the measurement of poverty or human development.

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[2] West Africa Economic and Monetary Union

Second, the requests for information relayed by international organisations and donors are not stable, neither in the type of data required nor in the recommended methods. One programme succeeds another, with different approaches, and the need for stability and comparability in time is not as a rule given sufficient priority (see Box 2).

Box 2: *Comparability of income poverty measures in Mali*

The statistical institute in Mali carried out three measurements of household incomes and expenditures in 1989, 1994 and 1996. One could thus expect to have a good record of the evolution of income poverty over this period. Unfortunately, however, the three surveys adopted different approaches.

The 1989 survey was specially designed for the needs of the national accounts. It was based on a very small sample (2 300 persons), on which a highly detailed investigation of incomes and expenditures was conducted in the course of four visits by unit surveyed, spaced over a year.

As it was dominated by national accounting priorities, the survey was essentially concerned with collecting high-quality data on national averages. From this approach, certain particularities follow. One is the small size of the sample, which does not allow the disaggregation of results. In addition, the units surveyed were not households but consumption units (defined as a community eating together) and it was not possible to reconstitute the more traditional concept of household from the questionnaire. Finally, the survey was not intended to go in any depth into causal analysis and very few questions were asked on the characteristics of individuals.

The 1994 survey was a priority survey focused on an income poverty line assessment and on a rapid analysis of the impact of the CFA franc devaluation. The survey was carried out with a large sample (83 000 people), visited only one time, and it covered a range of qualitative and quantitative concerns. Expenditures were reviewed in a two-page questionnaire limited to the main items.

The survey succeeded in identifying characteristics of the poor population. It did not however register the expenditures in any detail. The analysis of this 1994 survey shows that the average expenditure per capita is supposedly 30% lower (in current terms) than in the 1989 survey - a result that does not appear plausible in view of the evolution of the country during this period.

The 1996 survey was intended to supply the information required for the elaboration of a new consumer price index in all WAEMU countries. This survey was limited to the capital, Bamako, and touched 7500 people in a one-visit, detailed questionnaire centred on expenditures and living standards.

These three surveys adopted each a specific approach. Each of them did provide responses to the question it was meant to answer

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These obstacles, combined with the weaknesses of price indexes frequently calculated only for the capital city, lead in practice to great difficulties in the monitoring of poverty over time, both for the analysts and for the policy makers.

II.4 Data analysis

Monitoring indicators, and more generally statistics, is an appropriate method to evaluate the progress achieved in the implementation of policies; it is not, however, in itself an appropriate tool to assess and modify these policies. To give an example, an increase or decrease in the level of income or well-being is not sufficient information to measure the merits of a policy: other factors than the policy itself might be at play, and other elements might have caused this particular outcome. Assessing policies therefore requires in addition an analysis of the causes and impacts, possibly using simulation models.

The lack, and/or the weaknesses, of local capacity for analysis appear to be often as big a problem as the lack and/or the weaknesses of the data. The capacity for analysing data and assessing policies is especially weak in the poorest developing countries, particularly within the institutions in charge of statistics, which are frequently almost exclusively concerned with data production. As a result, a "division of labour" is now taking shape: while statisticians in the poor countries carry on with data production, data analysis and policy assessment are largely carried out (sometimes in parallel with a local structure) by teams directly responsible to the donors. Even more than the local data, locally prepared economic and social analyses lack credibility in the international community. This, again, raises the issue of ownership in the policy-making process.

In-country data analysis is not only needed for mastering the policy-making process. It is a necessary element - as are people-oriented indicators - to inform the civil society and feed the public debate, all required ingredients of an endogenous, participatory policy definition. It is also part of the process of improving data quality. A permanent dialogue between users and producers of data - particularly experts and researchers, the most demanding among the users - is a central element for discovering, analysing and overcoming data weaknesses. As it is, however, this dialogue is frequently hampered by the low level of in-country data analysis.

Another requirement of policy monitoring is the existence of permanent and quickly delivered flows of data. To take one example, policy makers in developing countries, as a rule, make use of the information provided by provisional national accounts, budget forecasts and estimations of the balance of payments, all figures that are put at their disposal rapidly. They do not use much, on the other hand, the figures of final national accounts, ex-post budget statistics and detailed balance of payments, figures that are released much later, after lengthy data gathering and verification. It appears very likely that poverty monitoring will require the same kind of information, provided in real time. In

poor countries, for instance, living standard surveys should take place every three years at the very most, and their results should be published within six months. If not, the risk exists that the information provided arrives too late to meet the demand of the policy makers. As has been the case of economic accounting systems, it now appears necessary to devise quick, nimble systems to update regularly the poverty and human development data. These systems should rely on the monitoring of a few "leading indicators", and on methods of data analysis using estimates and simple models, to build real-time human development and poverty "dashboards" for the policy makers.

II.5 Where you stand depends on where you sit

The above diagnosis of the shortcomings of the statistical information in and on developing countries would presumably not appear controversial to the different actors involved (international organisations, policy makers and statisticians in developing countries, civil society both in donor and recipient countries, aid agencies) and most would agree on its analysis of the existing shortcomings. But if this diagnosis is likely to be widely shared, it does not follow that an agreement could easily be reached on the priorities to rectify the present situation. Here, as often, where you stand depends on where you sit. For the design of a programme to strengthen development data, it is important to note that the priorities of international organisations and those of bilateral aid agencies might differ from those of developing countries – and that, within the latter, the priorities would be different depending on the actor concerned.

For lack of time, it has not been possible for this study to hold in-depth interviews with the different institutions concerned with this area. It is fair to assume, however, that the respective positions of the different actors would be more concerned by the shortcomings closest to their needs; the following analysis is thus based on this view as well as on our own past experience with some of these players.

International organisations appear as a rule particularly concerned with the problems of data gaps and cross-country comparability. Because of their role as providers of global public knowledge, and of their responsibility to measure and assess the achievement of the international community vis-à-vis the development agenda, they would be particularly preoccupied with these aspects. From this standpoint, their priorities would concern the extension of data collection according the new international requirements, particularly on the poorest countries, as well as the improvement and dissemination of international norms for development statistics.

The priorities of the policy makers in developing countries would in turn derive from the requirements of the policy process. They are – or should be - concerned by the lack of permanent and rapid information and by the dearth of good in-country analyses to confront those of the donors. Policy makers, particularly in HIPC countries, are also becoming aware of the necessity of defining and organising poverty monitoring processes, and of the new statistical needs associated with them. In this respect, policy makers should often see a priority in the development of real-time information systems – similar to the famine Early Warning Systems - and in the reinforcement of national capacities for analysis.

The views of the local statisticians and the national statistical institutes (NSI) might well be different. They are the most concerned with problems of data quality and comparability over time. They are also likely to perceive the risk for them to become simple providers for an ever-changing demand and to be unable to build their capacities, administrative routines, methods and knowledge. From this standpoint, it would appear premature to move to new actions when current activities still need improvement and strengthening. The issues of controlling their own agenda and of the sustainability of their activities are also presumably central for the NSIs. Institutional stability, capacity building and, above all, durable commitment to statistics from the international community – and, even more so, from their own national governments – are thus likely to feature among the priorities of statistical institutions in developing countries.

More difficult to assess are the needs of civil society and non-governmental actors. In donor countries, one would expect civil society - including taxpayers - to be looking for results in the aid programmes, and thus to demand data for monitoring the progress achieved. In this sense, the concerns of the international organisations only reflect this demand of the developed countries' civil society. In developing countries, civil society would presumably have the same concern - to measure progress and assess policies. More generally, the desire to have national, good-quality debates requires the openness of the information process, from the choice of relevant information to data analysis. This demand for greater openness in fact highlights the issues of data accessibility and dissemination.

Last but not least of the actors are the donor aid agencies. They are, in fact, a unique actor in the sense that they could, depending on the agency or even on the person in each agency, share the viewpoint of any of the other players (international organisations, local policy makers and statisticians, the civil society either in the donor or in the recipient country). It would be naive to think however that aid agencies are perfectly neutral and do not have their own priorities. As indicated above, they are in fact the main conduit through which the changing priorities of the development community are conveyed in the form of new demands to the local statistical institutions.

These different priorities cover a large range of themes, which might be at times unrelated to each other, at times at variance among themselves. For instance, strengthening the ongoing activities, as preferred by the local statistical institutions, might well be in competition, in a context of scarce resources, with responding to demands for new types of information or with the rapid delivery of people-oriented data required for the monitoring of poverty. Such trade-offs among the different priorities of the various actors will exist, which it would be counterproductive to ignore. In fact, co-ordinating the requests and establishing priorities will be central issues in the definition of an effective strategy for improving the quality and the quantity of statistical data in developing countries. In this process, international institutions and bilateral donors must keep in mind that what they see as the priorities in this area are not necessarily those the recipient country would have identified.

III. Past experience in statistical capacity building

Any judgement, even tentative, on the adequacy of past and present efforts to build capacity for statistics and/or to collect data in developing countries would have to be based in part on data on the financing efforts of donor and recipient countries. Unfortunately, no such data exist, neither on the magnitude of the financing of the donors, nor - much less - on the contribution of the developing countries to these activities.

With regards to the assistance given by donors to statistics and statistical capacity building, no aggregate figure of the financial amounts provided is available. The OECD DAC only started this year to isolate "Statistical capacity building" as a sub-item of the larger category "Other social infrastructure and services" and the DAC secretariat does not have any figure on present or past aid expenditures in this field. It is thus impossible to measure, even in an approximate manner, the total financing that is or has been devoted to these activities. Given this lack of data, it is of course impossible to reach any hard conclusion on the adequacy of the current financing.

Turning to individual donors, it has also proved difficult to obtain reliable figures on their financing in this area. Donors do not collect this information as a matter of course.[3] One major difficulty is that, while they might be able to provide financial amounts for projects directly aimed at statistical capacity building, aid agencies cannot readily give figures for the statistical components of the other projects that are ostensibly concerned with other sectors, even though the total of these components might be quite significant. We were nonetheless able to obtain some figures for a few international donors, albeit for recent periods only. In its 1999 fiscal year, the World Bank committed US $ 250 million in loans to statistical capacity building projects (and US $ 0.45 in grants). Over the 1992-1999 period, UNDP budget allocations for projects in the area of general statistics amounted to US $ 94.5 million (out of which US $ 54.9 million from core resources), corresponding to an annual average of some US $ 11.8 million[4]. UNICEF estimates it committed some US $ 15 to 20 million over the last two years for statistics, an annual average of US $ 7.5 to 10 million.[5]

There are nonetheless indications that donors' interest might have slackened in the course of the last two decades. This is the case for instance of English and French aid in this area: in both cases, the assistance provided has apparently decreased in the eighties and in the first half of the nineties.[6] By way of an example, France had traditionally been active in this area in francophone sub-Saharan Africa, during the first two decades after these countries' independence. French aid in this field was, and still

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[3] This is not surprising, since most donors have geared their data reporting system to the requirements of the DAC. Several donors indicated that to retrieve that kind of information would be very time-consuming: support to statistics is at times provided through components of projects of a non-statistical nature and gathering the information would require looking at the content of many individual projects.

[4] Not all projects in this particular area qualify as capacity building. The total corresponding to this more limited sub-set is US $ 51.3 million, out of which US $ 30.4 million financed from core resources.

[5] This figure relates to statistical work at the end of the decade and is significantly higher (about twice) than the figure of the mid-decade.

[6] In both cases, this decrease might have bottomed out around the mid-nineties.

is, mostly provided in the form of technical assistance. The number of French expatriate technical assistants has however been divided by three in the course of these two decades.

More analysis of the support provided by individual donors would have to be carried out to confirm this impression of a diminishing interest. If it is real, this decline might have been caused in part by the waning of the idea of planning as a necessity for developing countries, since this concept implied that obtaining the statistical information required for the planning process was a priority.

An assessment of the support provided by donors to statistical activities would also have to take into account the nature of this support. As indicated in a recent report on poverty in Africa (see Box 3 below), support to statistical activities and capacity building are not synonymous. An important component of this assistance has concerned the implementation of surveys, a form of support that may or may not have contributed to capacity strengthening. Even though the absence of any hard information makes it impossible to reach any firm conclusion, one might wonder, in this regard, whether the implementation, with donor support, of an important number of household income and expenditure surveys in African countries in the past decades has had much of an impact on the capacity of these countries' statistical institutions.

Box 3: *Institutional development or getting the job done?*
(Excerpt from the Africa Poverty Status Report, 1999, prepared for the SPA Working Group on Social Policy)

"Donors may support the development of the poverty monitoring systems in similar ways to previous support for the collection and processing of statistics. Such support has followed three models. The traditional model has been technical support to the statistics office through training and the provision of expatriate assistance. Within this context support could be given to initiate or sustain specific survey activities. A second model is to provide the expertise to undertake and process specific surveys. The Demographic Health Surveys (DHSs) have come closest to this model, where a standardised questionnaire and report format are used across countries, produced by Macro International in Maryland. Finally support may be given for a specific survey though the responsibility for the survey rests with the local institution: the SDA and subsequent assistance to household income and expenditure surveys have been of this form. The LSMS questionnaire is a prototype, but there have been far more variations between countries than has been the case for DHS. These three approaches can be characterised as (1) support to institutional development, (2) doing the survey, and (3) survey-specific institutional development, although this characterisation is a bit extreme as in practice the second model has involved local institutions.

> Two trade-offs are at work in determining the appropriate form of support: institutional development versus getting the job done and adapting to local circumstances versus maintaining inter-country comparability. With respect to the first of these, the completion of surveys in most African countries has tilted the balance in favour of developing local capacity. The position with respect to the second depends upon the nature of the data being collected. However the trade-off may not be as great as imagined since adaptation to local circumstances may make data more comparable rather than less: modifying questionnaires to embrace diversity in systems of production and consumption will result in overall welfare indicators (such as consumption) which are comparable in a way they would not be if important elements of local livelihood strategies were missed by surveys."

Trying to assess the developing countries' own efforts, during the last few decades, to strengthen their capacity in the area of statistics, is even more difficult. There is no comprehensive information on the financial and human resources devoted by these countries to this particular field. The only existing survey we know of was carried out by Afristat, a regional statistical organisation covering francophone sub-Saharan countries, in 1996 and concerns the statistical institutes of these countries. The report on this survey's results concludes that while the situation has varied widely depending on the country, the overall trend is one of decreasing human resources (see Box 4).

> **Box 4: *Human resources in statistical institutions in francophone sub-Saharan Africa***
> *(Excerpt of a 1998 Afristat report.[7])*
>
> "Wherever information is available, there appears an overall decreasing trend in the number of staff, professional and total. This decrease is linked to the economic crisis, to the constraints of the structural adjustment programmes, and to staff leaving for more lucrative sectors. This is the case in Benin (total staff divided by 1.4 in fifteen years), in Cameroon (staff divided by 3 in ten years; number of professionals decreased by 25 %), in Mali (total staff divided by 2 in fifteen years; number of professionals decreased by 60 %), in Togo (respectively, division by 1.6 in fifteen years and decrease of 30 %,the latter already effective by 1985). On the other hand, for certain countries (Central African Republic, Gabon, Equatorial Guinea) where the numbers of professionals were very limited until the beginning of the 80s, there was a slow but regular increase in the number of professionals and of Statisticians Economists in particular."

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[7] Afristat, « ETAT DU SYSTEME STATISTIQUE DANS LES ETATS MEMBRES D'AFRISTAT. Rapport de synthèse de l'enquête réalisée en 1996 », 1998. The survey covers thirteen zone franc countries.

This deterioration is unfortunately not limited to staffing. To quote from the same report: "[the] insufficiency of the human, material and financial means is obvious and these means have tended to diminish, at times in an important way".

We do not know of a comparable survey of anglophone Africa (or, for that matter, of other developing countries); however, the situation in these countries does not seem prima facie very different from what it has been in French-speaking Africa.

Not surprisingly in view of the above, there are indications, of an anecdotal nature, of a deterioration of the poorest developing countries' statistical capacity, at least in Africa. Many of these countries, which in the course of the sixties and seventies, had been able to publish series of basic statistics (such as prices or national accounts) have only managed to produce them in an irregular manner in the eighties and nineties. As indicated above, several reasons would explain this deterioration. First, the budget restraints linked to the stabilisation and adjustment processes of the last two decades have affected, at times disproportionately, the statistical services of these countries' administrations. Faced with the necessity to curtail expenditures, governments have found it easier to cut the budgets of services whose visibility and immediate usefulness was not always obvious to them. Second, the salary freeze that has been frequently associated with these budgetary restraints has led to the departure of skilled statisticians to other institutions, public or private, offering more generous remuneration. This has been somewhat easier to do for statisticians than for other civil servants, since there was a demand for their training and skills outside of the governments' statistical services. Third, the enlargement of the demand for information going to the statistical institutions (see Chapter I above) has also compounded the problem, since the increase in their workload has not been accompanied by a parallel augmentation of their budgetary and human resources

The deterioration that took place in the course of the last two decades has left the statistical apparatus of many developing countries with a capacity insufficient to produce the basic statistics necessary for monitoring the evolution of the economic and social situations. It is however important to emphasise that no blanket judgement should be made, since the situation varies widely from one country to the next. While there appears a need for a general strengthening of the developing countries' capacity in the field of statistics, it is only on a country by country basis that an analysis of the actual requirements could be made.

Side by side with this general deterioration, there is nonetheless a marked improvement in the quantity of data available on incomes and living conditions, at least in Africa. As indicated earlier, many surveys of household incomes and expenditures have been carried out in this region over the last fifteen years. This improvement is mostly an offshoot of the concern of African and donor countries with regard to the social impact of adjustment. Starting in 1987, an important effort was made, in particular under the auspices of the UNDP / World Bank Social Dimensions of Adjustment programme, to collect data on incomes and consumption in sub-Saharan Africa (see IV.2 below). As a result, there now exists, in these countries, much more data in this area than was available twenty or even ten years ago.

The overall picture of the last couple of decades nonetheless remains one of a deteriorating situation. Aside from this discouraging fact, however, other elements appear more positive. The first one, already referred to above, is the broadening consensus that poverty reduction must be the ultimate aim of development policies and aid efforts. More recently, this shared concern has been accompanied by a growing realisation that existing data is insufficient to provide a solid basis for monitoring the policies implemented. In the eighties and nineties, various initiatives have been taken, which show the widening concern of the donor community with regard to the deficiencies of statistics in this regard (see Chapter IV below).

Another positive element has been the increasing recognition of the importance of capacity building for the development process. Following the lead taken by UNDP on the evaluation of technical assistance,[8] the World Bank and other aid agencies have made capacity building one of their priorities. This concern has not been just academic; there are indications that lessons have been learned and that the development community has a better understanding today of the policies required in this area.[9] An example in this regard is the adoption by the donors of the DAC guidelines on technical assistance in 1991.[10]

IV. Past and current initiatives

As indicated in the previous section, the last two decades might have seen – as far as can be assessed – a decrease in the resources allocated by donor and recipient countries to statistical activities, at least in the poorest countries, accompanied by a diversification and an increase in the demand for statistical information. The predictable result has been a deterioration of these countries' capacity in this area. In spite - or because - of this, there was during the same period a flowering of initiatives in this and other related fields. Various surveys were proposed and carried out that collected data on income, expenditures and standard of living. Funding was provided to finance the collection of such data and strengthen the capacity of the poorest countries in the management of their economies. Various frameworks were proposed for developing countries to marshal and co-ordinate the use of their resources (including aid), which should have direct implications for the statistical requirements of these countries. Finally, several proposals were made to harmonise and standardise the statistical data produced by developing countries. This section presents these various initiatives in turn.

IV.1 Surveys and statistical instruments

Collecting data on incomes, expenditures and well-being is of course not a new statistical activity. In the last decades, several new types of surveys have been carried out in this area. For instance, UNICEF and WHO have been taking the lead in assisting partner countries to conduct tailor-made Multiple Indicator Cluster Surveys (MICS) to fill key data gaps; UNFPA and US-AID have been supporting Demographic and Health

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[8] See: UNDP Regional Bureau for Africa and Development Alternatives, Inc., Elliot J. Berg, Coordinator, « *Rethinking technical cooperation – Reforms for capacity building in Africa* », 1993.
[9] See, for instance: United Nations, New York, « *Capacity-building supported by the United Nations – Some evaluations and some lessons* », 1999.
[10] OECD-DAC, *« Principles for New Orientations in Technical Cooperation », 1991*

Surveys (DHS), and the World Bank has been promoting the use of the Living Standard Measurement Study (LSMS) survey. The cost of each of these surveys vary, depending inter alia on the questionnaire, size of the sample, and labour costs.[11] On average, however, aid agencies estimate that the costs per household of the LSMS and the DHS surveys are similar, in the order of US $ 200, while the corresponding cost of the MICS is about one tenth of this figure.[12]

While it is not possible to describe all of these innovative surveys in detail, two of them, the LSMS and the DHS, are presented briefly here, because of their predominance in this field.

a. The Living Standard Measurement Study

The Living Standards Measurement Study was started by the World Bank in 1980 to explore ways of improving the type and quality of household data collected by government statistical offices in developing countries. The objectives of the LSMS were to develop new methods for monitoring progress in raising levels of living, to identify the consequences for households of current and proposed government policies, and to improve communications between survey statisticians, analysts, and policymakers.

Twenty one surveys with several, if not all, of the hallmarks of the Living Standards Measurement Study have been conducted; to this figure should be added a similar number of surveys carried out in sub-Saharan Africa under the auspices of the Social Dimension of Adjustment (see IV.2 below). Although the first few LSMS surveys followed a very similar format, as time passed and countries with different circumstances were added, substantial variety arose in the surveys across the different countries

The World Bank, through its Development Economics Research Group, provides support to the LSMS. The emphasis put on the various lines of action in support of the LSMS has changed over time, as did the specific activities carried out under each. In the recent past, this support has included assistance in implementing new surveys; management, documentation and dissemination of existing data sets to researchers; training and preparation of written pedagogic materials; publications; and research on survey methodology.

b. Demographic and Health Surveys

The Demographic and Health Surveys (DHS) programme has assisted institutions in collecting and analysing data on population, health, and nutrition since 1984. The DHS

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[11] Cost comparisons are made difficult by the fact that total survey costs do not always include the same components. For instance, certain estimates do not take into account the salary cost of the statistical staff of the national statistical institute involved in the survey implementation.
[12] These differences in costs per household are reflected in the total costs of these surveys. Thus the cost of a LSMS survey has varied from US $ 120 0000 to US $ 1 000 000 and the cost of a DHS survey is of the order of US $ 500 000, while the cost of a MICS survey ranges from US $ 80 000 to US $ 150 000. Because the content of the questionnaires, and thus the information collected, is markedly different depending on the survey, one should refrain from over-hasty conclusions with regard to cost effectiveness. The difference in the costs nonetheless points to the need to include this criterion in the definition of strategies for statistical capacity building.

programme is funded by the US-AID and is implemented by Macro International, a firm located in Maryland. The programme has recently modified its name to DHS+, to reflect some broadening of its objectives under the MEASURE programme.

To date, DHS+ has provided technical assistance for more than 100 surveys in developing countries. It aims at providing decision-makers with information necessary to plan, monitor, and evaluate population, health, and nutrition programmes. DHS+ surveys collect information on fertility and family planning, maternal and child health, child survival, AIDS/STIs, and other reproductive health topics. Surveys are implemented by host-country institutions, usually government statistical offices. On average, 4,000 to 8,000 women of childbearing age are interviewed in a standard survey. Many countries also survey men on family planning and health issues.

Historically, the Demographic and Health Surveys programme has been best known for collecting national level survey data. Under the five-year MEASURE (Monitoring and Evaluation to Assess and Use Results) project, which began in 1997, the programme has been reconfigured to meet the demand for different kinds of data collection efforts.

DHS+ can assist with various data collection options, including:

- Demographic and health surveys

- Interim surveys

- Baseline and follow-up surveys

- Rapid data collection efforts

- Facility surveys

- Qualitative research studies

DHS+ can also assist in efforts to improve on-going data collection efforts (e.g. health information systems) to better meet information needs in a cost-effective manner. Macro International provides technical can support to host-country institutions at the various stages of the data collection process.

IV.2   Strengthening the capacity for economic management

Two initiatives concerning sub-Saharan Africa must be mentioned here: the Social Dimension of Adjustment and the African Capacity Building Foundation. Both were launched by the World Bank, UNDP and the African Development Bank, and were supported by bilateral donors. While their objectives were not, or were not primarily, the production of statistics, both initiatives had or should have an impact on the demand for, and the production of, statistics.

a.   The Social Dimension of Adjustment programme

The Social Dimension of Adjustment (SDA) programme started in 1987 and came to an end in 1992. Because of the multiplicity of sources of financing involved, the final cost of the programme is difficult to estimate; it went in any case much beyond the initial US

$10 million commitment of the three sponsoring international institutions.[13] Its objective was to assist participating African countries to integrate poverty and social concerns in the design and implementation of their adjustment programmes so as to mitigate the burden on the poor in the process of structural adjustment. Its mandate was to strengthen the capacity of African governments to design appropriate programmes and projects in this regard. It also aimed at strengthening the analytical capacity of governments to carry out empirical studies to assess the evolution of socio-economic conditions of population groups over time. Because of the general lack of data on household welfare, SDA launched national information systems to enhance policy and programme formulation. SDA was intended to achieve its objectives through four components: Improving Macro and Sectoral Policies; Strengthening National Information Systems; Social Action Programmes; and Institutional Building and Training.

The second component, Strengthening National Information Systems, is the most important from the present standpoint. Thanks to SDA and the funding it organised, surveys have been carried out in African countries that have greatly enhanced the available stock of information on poverty. By the end of the programme, data from household surveys had been collected from ten African countries and survey programmes were under way in approximately twenty-eight countries. SDA has also succeeded in conveying to donor and recipient countries the necessity of collecting statistical information to monitor the fight against poverty. Its record with regard to strengthening the capacity of African countries in this area is however less positive. Its focus has been too narrowly put on carrying out statistical surveys. Less emphasis was put on the long-term building of local statistical capacity, with the result that it is difficult today to recognise any improvement in this field that could be attributed to this programme. It can even be argued that, in certain countries, the influence of SDA on the local capacity has in fact been negative. There are cases, where the exclusive emphasis – and substantial financing – given to poverty surveys at the expense of the other tasks of a statistical office, might have led to a decline of the capacity to carry out these other activities. Also, the financing of one-off surveys, as opposed to long-term programmes of data collection, has at times led to a temporary mobilisation of the statistical services, followed by idleness and consequent disappointment. The main lesson to be derived from SDA in this regard is that strengthening the capacity of developing countries is a long-term effort that must be led by the country itself, that should include all priority statistical needs of the country, and that can not be achieved with the external financing of surveys only (see Box 5 below).

> **Box 5: *Strengthening National Information Systems under the SDA***
> *(Excerpt of the Summary and Conclusions of the interim evaluation of the SDA carried out in 1990)*

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[13] An interim evaluation of the programme carried out in 1990 fails to arrive at such an estimate and concludes that "…the judgement must be that readers of SDA material can only gain a very approximate notion of the full cost of the programme to the three institutions." UNDP Central Evaluation Office *"The social dimensions of adjustment project: An interim evaluation", 1990*, volume I, page 12.

1) "The true information priorities of <u>some</u> African Government may be administrative statistics or institutional surveys rather than Household Surveys. A country by country analysis is required to establish this. <u>No such analyses were made.</u>

2) In many critical areas the proposed Household Surveys – especially the Priority Surveys that are to be the short term monitoring device – in any event, <u>do not suffice to capture important changes in the social situation of target groups.</u> Thus the availability or lack of free medicines, of free books, paper, pencils, etc., for pupils in schools, of free vaccines for adults, are all missed by PS. Only reference to administrative statistics (ministries, etc.) will remedy this flaw.

3) The usefulness of such surveys to individual government agencies depends on whether their particular interests and needs are consulted in the design stage. <u>Little or no such consultation – and especially none with the line ministries – has taken place.</u> The establishment of Users Committees seems to be (a) an afterthought, and (b) an attempt to inform users rather than to consult them.

4) There is thus a "Mother Knows Best" air about the proliferation of relatively standardised Household Surveys. In some cases this reinforces an unfortunate traditional attitude which some Statistical Offices have to their own "clients" in Government; in others it is the Statistical Offices themselves that are being induced to undertake large scale activities of questionable value, at the expense of their routine activities.

5) Statistical Offices tend to be badly disrupted by the superimposition of large new programmes without a careful analysis of the existing programmes and of the absorptive capacity of the agency; <u>no such analyses are made</u>.

6) Programmes with substantial recurrent costs financed from abroad tend to cease when the financing stops. <u>No examination of the means of sustaining these programmes after SDA financing sources could be found</u>."

b.   The African Capacity Building Foundation

The African Capacity Building Foundation (ACBF) was established in 1991 as part of the African Capacity Building Initiative, a collaborative effort between the World Bank, UNDP and the African Development Bank. Based in Harare, it is financed through contributions of multilateral and bilateral donors. Its objective is to strengthen the capacity of African countries in the area of economic management.

Even though statistical information is a necessary tool of economic management, ACBF has not, to our knowledge, been involved in the support of statistical offices. It has however supported units, such as Economic Management Units, which are direct users

of statistical information.   It could presumably, if so directed by its Board, also get involved in the field of statistics.

The African Capacity Building Foundation will be the main implementing agency of the Partnership for Capacity Building in Africa (PACT). Its objective is to strengthen human and institutional capacities in sub-Saharan Africa, spur economic growth, reduce poverty, and improve living standards (see Box 6).

Unlike previous programmes, which were conceived by external donors, PACT is an African initiative, started by the African Governors of the World Bank. The Senegalese President Abdou Diouf submitted the *PACT Strategy and Business Plan* to the World Bank President for Bank and other donor support, at an African Heads of State meeting in Dakar in June 1998. This document essentially translated into operational terms the assessment of the problem of capacity in Africa contained in an earlier report - *"Strategy and Program of Action (1996)* presented by the African Governors to the World Bank President in June 1996. African leaders have asked Mr. Wolfensohn to co-chair the partnership for an initial period. The World Bank's Board has agreed to allocate an initial financing out of the Bank's net income for the last fiscal year.

IV.3   Development frameworks for resource use

Several propositions have been recently put forward by multilateral institutions. The United Nations has now decided that its aid would be channelled through a UN Development Assistance Framework. The World Bank has proposed in 1998 that each developing country presents its economic priorities within a Comprehensive Development Framework. More recently, the Bank and the International Monetary Fund have agreed to encourage these countries to prepare Poverty Reduction Strategy Papers.

a.   The UN Development Assistance Framework

In the future, the assistance provided by the UN system to developing countries will be organised through a common country document, the UN Development Assistance Framework (UNDAF). This document will present the programme of UN assistance in

the context of the country's own priorities. The UNDAF will be based on a prior joint analysis, the Common Country Assessment (CCA), which will analyse the country's situation and development priorities and identify priorities for external support. The CCA itself should include a list of 58 monitoring indicators; these indicators have however been selected without much involvement of the developing countries. The UN Statistics Division now intends to send missions to a couple of countries to test the use of these indicators.

If effective, the UNDAF should define and organise a common UN strategy for the country's development, in contrast to the past situation where little co-ordination existed among the strategies of the various UN agencies. The key stages in the preparation of the UNDAF include the following: a review of national measures to translate global conference commitments into country-level action plans, wide consultations on national implementation, monitoring and evaluation.   The provisional guidelines include a preliminary list of common country assessment indicators, most of which are in the list of indicators established under the auspices of the OECD DAC (see IV.4 below).

b.   The Comprehensive Development Framework

The World Bank President proposed two years ago that each developing country prepares a Comprehensive Development Framework (CDF).   This document would present an integrated programme for the country's development, taking account of all resources (internal and external).   The Bank presents the CDF as a document that "describes a development process that is:

- Country driven and country owned – and informed by a participatory process that includes all elements of society.

- Supported by partners who co-ordinate their efforts and shape their business strategies to support the country's development program.

- Based on a holistic view that gives equal weight to economic, social, institutional, and structural underpinnings of a robust, market economy.

- Is aimed at achieving long-term sustainable progress."[14]

For the time being, the CDF is still in a pilot stage. Twelve countries are participating in this exercise, which should be eventually evaluated.[15]   For the monitoring of the strategies embodied in the CDF, statistical data and indicators will be needed. The World Bank is preparing sets of indicators to assist the country's policy makers, while insisting that there is no prescribed list of indicators for these CDFs and that these indicators should be identified as part of the strategy definition process. The Bank also indicates that it will be necessary for the countries to establish, and include in the CDF, an information strategy to be able to satisfy its own statistical requirements.

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[14] From the World Bank presentation of the CDF at the November 1999 meeting on statistical capacity building.
[15] The pilot countries are : Bolivia, Côte d'Ivoire, Dominican Republic, Eritrea, Ethiopia, Ghana, Kyrgyz Republic, Morocco, Romania, Uganda, Vietnam, West Bank and Gaza

c.   The Poverty Reduction Strategy Reduction Paper

In September 1999, a Joint Meeting of the Interim and Development Committees adopted the idea that developing countries should prepare Poverty Reduction Strategy Papers (PRSP) to present their policies for growth and poverty reduction. It is proposed that PRSPs be shared with the World Bank and the IMF, as well as with the development community. PRSPs are now a required document of the Highly-Indebted Poor Countries (HIPC) debt reduction programme; they will also replace the Policy Framework Papers (PFP) as the main country document for future assistance of the Poverty Reduction and Growth Facility (PRGF) and of the International Development Association (IDA).

As in the case of the CDF, it is proposed that PRSPs include targets and indicators, which should be used for the monitoring of the proposed policies (see Box 7 below). The selection of these indicators should be the country's responsibility; the Bank and the IMF stress that the preparation of the PRSP itself as well as the selection of the targets and indicators should be made by each country in a participatory manner. In spite of this, it appears likely that the Bretton Woods institutions will advise the countries on the content of the PRSPs and on the selection of these targets. (A "Source Book" intended to provide guidance for the preparation of PRSPs is now under preparation in the Bank; it should be finalised before end April 2000). A document prepared by the Bank's and the IMF's staff, and approved by the Board of these two institutions in December 1999, presents in an appendix the "possible elements of a PRSP" outlining (in four pages) the typical content of such a paper, including the selection of targets and the monitoring systems.[16]

> **Box 7: *Targets and monitoring of the PRSP***
> *(Excerpts of "Poverty Reduction Strategy Papers – Operational Issues", a document adopted by the Bank's and IMF's Board, Appendix I)*
>
> **"Objectives and Policies**
> In the light of the analysis above, the PRSP could define medium and long-term outcome-oriented targets for the country's poverty reduction strategy, and set out the macroeconomic, structural, and social policies that together comprise a comprehensive strategy for achieving these outcomes.
> The PRSP could specify two sets of quantified objectives.
> First, long-term goals could be given for key poverty reduction targets. While these goals should be framed realistically in the country context, it would be helpful to the extent possible, if these goals could be compared to the IDGs [International Development Goals]. These goals could include measures of economic progress and material deprivation (e.g., per capita income growth, and measures of both the incidence and depth of poverty), and

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[16] *« Poverty Reduction Strategy Papers – Operational Issues »,* December 10, 1999. This appendix includes a box on the OECD/DAC International Development Goals.

measures of human capabilities (e.g. health and education measures broken-down by gender if possible). The selection of these outcome goals will obviously depend on the country's starting position, the analysis of poverty and the availability of relevant data.

Second, given the long lags—both in reporting and in effects—typically associated with these outcomes, and the need to ensure shorter-term monitoring of progress, these longer-term goals could be translated into annual (or six monthly) targets covering a three-year horizon for related intermediate and proxy indicators. Thus, for example, a long-term goal for improving the literacy rate could be translated into annual (intermediate) targets covering, for example, the primary school enrolment rate. Consistent goals and targets including poverty-related goals, intermediate targets and macroeconomic projections would be set out in an Annex to the paper.

……

Monitoring Systems

Systematic monitoring of implementation, allowing experience to be gained on the relationship between actions and outcomes, is crucial to the success of the strategy. The PRSP would describe the framework and mechanisms for monitoring implementation, including the extent and planned development of participatory processes designed to strengthen accountability, the indicators to be monitored and the planned frequency of reporting and monitoring. It is proposed that an annual PRSP progress report based on the outcome of monitoring processes and other information would be prepared by the national authorities and published.

……

As described above, the PRSP could include monitorable intermediate targets consistent with the strategy's longer-term goals for poverty reduction. In this context, where applicable, the PRSP should describe data deficiencies that hamper analysis and timely monitoring of performance, and how these factors have influenced the selection of indicators to be monitored. It is desirable that the PRSP describe the steps being taken to improve the quality, coverage and timeliness of data needed to track performance under this outcome-oriented approach. It should also describe the role played by national and international research agencies, donors and other international institutions, in helping in this regard."

The Bank is concerned about the availability of statistics for monitoring the implementation of PRSPs. They have established a global Trust Fund for Statistical Capacity Building, to be financed by bilateral donors, which could be used to strengthen the capacity of recipient countries to collect the necessary data. The World Bank is

proposing to have a pilot exercise carried in a couple of countries (still to be selected), where the two Bretton Woods institutions should make a joint effort to strengthen the country capacity in this area. The Bank also intends to establish a list of possible indicators, as guidance to the countries in their preparation of the monitoring component of their PRSPs.

There is at present an apparent overlap between the two recent World Bank initiatives (CDF and PRSP), which the Bank will presumably have to explicate. At this stage, the official Bank position is that the PRSP has a shorter term and is the instrument to implement the longer-range CDF. This explanation does not however appear perfectly coherent with the objectives given to each of these instruments. In any case, the momentum seems to be with the PRSPs: it is likely that there will be more PRSPs than CDFs in the immediate future since there are now 12 pilot CDF exercises only, whereas over the next few years, 41 countries that are candidates for HIPC debt reduction will prepare PRSPs (28 by the end of 2001).

An other potential area of conflict resides in the principle of "ownership", which underpins both the CDF and the PRSP, and the tightness of the time schedule envisaged. Ownership has now been elevated to a leading principle of the elaboration of CDFs and PRSPs, which must be prepared by the country themselves. They must however be approved by the World Bank and the IMF.[17] It thus appears likely that these institutions will get involved in the preparation of these documents, all the more since the time schedule (mentioned in the paragraph above) is rather tight.[18] There apparently resides a trade-off between ownership and "effectiveness" (or at least rapidity), which the Bretton Woods will have to address somehow.

IV.4 Harmonisation and standardisation of data

Several initiatives have been taken that aim at harmonising and standardising the data produced by developing countries, and at co-ordinating the assistance to its production. The Development Assistance Committee of the OECD has adopted International Development Goals and a set of core indicators has been agreed upon. The IMF has established Data Dissemination Standards to guide countries in collecting data, improving their quality and disseminating them. Within the United Nations, harmonisation work has been carried out under the auspices of the UN Statistical Commission, which has also adopted guidelines for providing assistance in the field of statistics. Finally, a recent meeting on statistical capacity building, sponsored by the OECD, the UN, the IMF and the World Bank, is being followed by a co-ordinated effort in this area.

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[17] This approval is formal in the case of the PRSP, which is one of the supporting documents for benefiting the enhanced HIPC initiative and/or tapping the new Poverty Reduction and Growth Facility. It will be informal in the case of the CDF, which is unlikely to be seriously considered by the Bretton Woods institutions as a framework for their assistance unless they are satisfied with its content.
[18] Because they are aware of the tightness of the preparation schedule, the Bretton Woods institutions now indicate that the countries will be allowed to prepare and submit for their consideration "interim PRSPs". These would not have to elaborate on all features of the proposed programmes, but could simply outline certain components and propose schedules for the finalisation of their elaboration.

a.   The OECD DAC International Development Goals

In May 1996, the meeting of development ministers of the OECD Development Assistance Committee (DAC) adopted a document, later published under the name "Shaping the 21st century: the contribution of development co-operation". This document presents the views of the ministers for development progress in the next century. Emphasising the need for a partnership approach, they propose a broad strategic framework, with a limited number of quantitative targets.   These International Development Goals (IDGs) are based on the experience of several decades of development and on the conclusions of major UN conferences of the nineties (see Table 2 below): education (held in Jomtien, Thailand, in 1990), children (New York, 1990), the environment and development (Rio de Janeiro, 1992), population and development (Cairo, 1994), social development (Copenhagen, 1995) and women (Beijing, 1995).

It was also recognised at the time that, in addition to the quantitative goals adopted in the fields of economic well-being, social development, and the environment, other, central elements in development (such as accountability, human rights or the rule of law) were very difficult, if not impossible, to measure. The DAC ministers' report nonetheless affirms their conviction that these qualitative underpinnings of development are essential for the attainment of more quantifiable goals and must remain integral parts of the development agenda.

As a follow-up to the adoption of the International Development Goals, joint work by the OECD, the World Bank and the United Nations led to the establishment of a limited list of indicators to be used for monitoring progress towards the IDGs (see Box 8).

Box 8: *The selection of the core development indicators*
(Excerpt from "Measuring Development Progress" by Brian Hammond, Head of Reporting Systems Division in the OECD)

"As a first step towards an integrated strategy for monitoring progress towards the goals, a joint OECD/UN/World Bank seminar on indicators of development progress was held at the OECD in Paris in May 1997. This provided a forum for DAC Members and development partners, as well as the host agencies, to review the concepts, methodologies and data issues in the field of development indicators.

The seminar agreed to establish working groups in each of the major fields covered by the goals. Over the following months, these working groups discussed in detail the indicators available in their respective fields of interest and consulted others about the most appropriate choices. They recommended which indicators should be included in a core set for monitoring development progress. The OECD Secretariat, the United Nations and the World Bank then collaborated to produce a synthesis of these proposals. The synthesis report became the base document for a second

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> broadly-based meeting, held at the World Bank Paris Office on 16-17 February 1998.
>
> Since that meeting efforts have concentrated on presentation and publication of the set and obtaining broad international endorsement, especially through having it considered in further co-ordination work within the UN system to follow-up the UN conferences."

At present, this list includes 21 indicators: to each of the IDGs selected in "Shaping the 21st century" corresponds several of these indicators (see Table 2 on the next page). In addition, work is still going on within the international organisations mentioned above to select indicators of participatory development and good governance.

Table 2: *The International Development Goals and the core development indicators*

Goals	Indicators
Economic well-being	
Reducing extreme poverty The proportion of people living in extreme poverty in developing countries should be reduced by half by 2015 *(Copenhagen)*	1. Incidence of Extreme Poverty: Population Below $1 Per Day 2. Poverty Gap Ratio: Incidence times Depth of Poverty 3. Inequality: Poorest Fifth's Share of National Consumption 4. Child Malnutrition: Prevalence of Underweight Under 5s
Social development	
Universal primary education There should be universal primary education in all countries by 2015 *(Jomtien, Beijing, Copenhagen)*	5. Net Enrolment in Primary Education 6. Completion of 4th Grade of Primary Education 7. Literacy Rate of 15 to 24 Year-Olds
Gender equality Progress towards gender equality and the empowerment of women should be demonstrated by eliminating gender disparity in primary and secondary education by 2005. *(Cairo, Beijing, Copenhagen)*	8. Ratio of Girls to Boys in Primary & Secondary Education 9. Ratio of Literate Females to Males (15 to 24 Year-Olds)
Infant & child mortality The death rates for infants and children under the age of five years should be reduced in each developing country by two-thirds the 1990 level by 2015. *(Cairo)*	10. Infant Mortality Rate 11. Under 5 Mortality Rate
Maternal mortality The rate of maternal mortality should be reduced by three-fourths between 1990 and 2015. *(Cairo, Beijing)*	12. Maternal Mortality Ratio 13. Births Attended by Skilled Health Personnel
Reproductive health Access should be available through the primary health care system to reproductive health services for all individuals of appropriate ages, no later than the year 2015. *(Cairo)*	14. Contraceptive Prevalence Rate 15. HIV Prevalence in 15 to 24 year-old Pregnant Women
Environmental sustainability and regeneration	

Environment There should be a current national strategy for sustainable development, in the process of implementation, in every country by 2005, so as to ensure that current trends in the loss of environmental resources are effectively reversed at both global and national levels by 2015. *(Rio)*	16. Countries with National Sustainable Development Strategies 17. Population with Access to Safe Water 18. Intensity of Freshwater Use 19. Biodiversity: Land Area Protected 20. Energy Efficiency: GDP per Unit of Energy Use 21. Carbon Dioxide Emissions

General indicators		
Other selected indicators of development *For reference: Population Gross National Product*	GNP per Capita Adult Literacy Rate Total Fertility Rate Life Expectancy at Birth	Aid as % of GNP External Debt as % of GNP Investment as % of GDP Trade as % of GDP

Source: *"Measuring development progress", Brian Hammond, INTERSTAT*, October 1998

After the adoption of these indicators in 1998, efforts have been made to disseminate them to donor and recipient countries (Box 9 below).

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Box 9: *Dissemination of the core development indicators*
(Excerpt from "Measuring Development Progress" by Brian Hammond, Head of Reporting Systems Division in the OECD)

Since this set of core indicators was adopted as a working set by the meeting in February 1998, the sponsoring international agencies have sought commitment by their own institutions to use, support and develop the set more widely through:

- a presentation to the DAC High Level Meeting in April 1998 and an undertaking to use the core set in annual reporting on the implementation of the Development Partnerships Strategy, including to the OECD Ministerial Council in 1999;
- dissemination of the results of the meeting at the World Bank/IMF Annual Meetings and at a high-level ECOSOC meeting in April 1998;
- a joint presentation to a special meeting of ECOSOC in May 1998;
- presentations to staff in a number of bilateral donor agencies.

The core indicators have been made available to the widest possible audience, through introduction of a special home page on the OECD/DAC Web site at the end of April 1998. This includes a "guided tour" which provides an online version of the presentations given above. Links are being made to other relevant Web sites, such as the UN Statistics Division's Social Indicators and the World's Women and the World Bank's World Development Indicators.

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b.   The IMF Data Dissemination Standards

Since 1996, the IMF has been involved in an effort to harmonise and standardise data collected and disseminated by its member countries. Two Data Dissemination Standards have been established, one of interest mostly to advanced countries, and the other concerning all countries. Neither of the two is particularly centred on poverty data and indicators.[19]

The Special Data Dissemination Standard

The Special Data Dissemination Standard (SDDS) was established in March 1996 to guide countries that have, or might seek, access to international capital markets in the dissemination of economic and financial data to the public. The need for a standard had become apparent during the Mexican financial crises of 1994/95; the view emerged that

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[19] This section is based on the presentation of the IMF representative at the Paris meeting on statistical capacity building (18 – 19 November 1999).

an earlier indication of the underlying financial condition would have resulted in a more prompt and less severe adjustment. Nevertheless, as a result of consultations with country authorities and market participants in the design phase, it was clear that a "one size fits all" standard would not be suitable in all countries' circumstances, and, therefore, flexibility options and a transition period were built into the SDDS.

Forty-seven countries have subscribed to the SDDS up to this point, and all have provided metadata, or descriptions of the macroeconomic data covered by the SDDS, that have been disseminated on the Fund's Dissemination Standards Bulletin Board (DSBB). Eighteen countries (including Colombia) have also provided hyperlinks to national summary data pages that contain the latest data relating to the categories of data covered by the SDDS, and the SDDS calls for all subscribers to provide these hyperlinks by the end of this year.

The SDDS sets "best practice" requirements in four major dimensions. The data dimension has to do with data coverage and with timeliness and periodicity of dissemination. The public access dimension covers the dissemination of an advance release calendar providing dates of anticipated dissemination of all data categories covered by the SDDS, as well as the requirement that dissemination of data be simultaneous to all interested parties. The integrity dimension provides for published statements on the terms and conditions of dissemination and on the internal access to data afforded government officials prior to public release of the data, requirements to separate technical commentary on the data from ministerial statements about developments in the economy, and the provision for information on data revisions. The quality dimension requires the dissemination of summary methodologies and breakdowns, reconciliation, and statistical frameworks that allow the user to check data validity.

The General Data Dissemination System

The General Data Dissemination System (GDDS), which was formally established in December 1997, bears significant resemblance to the SDDS but is, in fact, a very different animal in terms of its basic construction and its modus operandi. Whereas the SDDS was designed to guide countries that have, or might seek, access to international capital markets in the dissemination of economic and financial data to the public, the GDDS was designed specifically to meet the needs of all member countries of the Fund. Its potential beneficiaries include countries that aspire to subscription to the SDDS but require significant effort in the strengthening of their statistical systems before they can realistically expect to be ready for subscription, as well as other countries for which subscription to the SDDS would be neither necessary nor realistic within their respective planning horizons.

The differences between the SDDS and the GDDS are in fact highly significant. The SDDS contains the implicit assumption that the underlying statistical systems of a country are basically sound. The GDDS, on the other hand, assumes that significant deficiencies may exist in the basic statistical systems of a country (in terms of the construction of the comprehensive statistical frameworks such as the national accounts,

the quality of statistical indicators, and the basic infrastructure for the production and dissemination of data). Thus the GDDS pays primary attention to developing the infrastructure and effecting improvements in the quality of the data, whereas the SDDS's primary concern relates to data dissemination. In terms of dissemination standards, the SDDS norms are more demanding with respect to timeliness and frequency than the good practices recommended for GDDS participants. The GDDS establishes general objectives for the development of national statistical systems of data production and dissemination, as opposed to the SDDS's focus on specific requirements based on the best practices of a limited range of countries. The explicit expectation of the SDDS is that subscribing countries will be able to be in observance of its requirements within a relatively short period of time. The GDDS, on the other hand, sets out a programme of statistical development for a country that includes short-term and longer-term objectives. Finally, consistent with its focus on countries that are in development, the GDDS extends the range of data covered from purely macroeconomic data to encompass also socio-demographic data.

c. The United Nations Statistical Commission

The UN Statistical Commission has developed a Minimum National Social Data Set (MNSDS), which provides a focus for achieving a manageable set of core indicators of progress in social development. The MNSDS includes 15 indicators, based on the 58 UN indicators selected for the preparation and monitoring of the Common Country Assessment (see IV.3.a above); these 15 indicators have been endorsed by the UN Regional Commissions. Within the Task Force on Basic Social Services for All, WHO, UNICEF and UNFPA have forged an interagency consensus around a short list of reproductive health indicators for global monitoring, including published guidelines for health managers and planners, field-testing of indicators for population and reproductive health programmes, and indicators for monitoring progress in reducing maternal mortality.

The UN Statistical Commission has also initiated the establishment of guiding principles for technical co-operation.   Statisticians of the UK Department for International Development and Statistics Netherlands have led a group of donor and recipient countries in a review of good practices in technical co-operation for statistics.   Draft guiding principles have been discussed at various regional meetings in 1998 and 1999, before being adopted by the UN Statistical Commission in February 1999.

These guidelines provide detailed principles for technical assistance in this area. They should be borne in mind when defining a programme to strengthen statistical capacity in developing countries (Box 10).

> **Box 10: *Good practices in technical co-operation for statistics***
> *(Excerpt from the guiding principles adopted by the UN Statistical Commission)*
>
> "[T]echnical co-operation should:

> - Be demand-led, based on assessments of user requirements and relative priorities, including national, regional and international needs.
> - Be set within a well balanced overall strategic framework and work programme for national statistical development.
>   ……
> - Be co-ordinated between donors and between different players in the national statistical system in a proactive way to avoid duplication of effort and encourage complementarity and synergy.
> - Recognise that developing a statistical system can take a long time."

d. The Paris meeting on statistical capacity building and Paris 21

A Joint Senior Expert Meeting on Statistical Capacity Building was held in Paris in November 1999 under the auspices of the UN/OECD/World Bank/IMF partnership on development indicators. The UK Secretary of State for International Development delivered a keynote speech.

The main results of this meeting are succinctly summed up in a paper sent later to the participants:

- "By the end of 2000 to initiate capacity building programmes in HIPC countries qualifying for enhanced debt relief, as part of their Poverty Reduction Strategy Papers and in other countries producing Comprehensive Development Frameworks and/or UN Development Assistance Frameworks.

- To create a PARIS21 [PARtnerships In Statistics for development in the 21st century] consortium to continue the dialogue of the meeting among organisers and participants to promote well co-ordinated, effective statistical initiatives at the national, regional and international levels and to provide an annual 'state of progress' report to the UN Economic and Social Council (ECOSOC)."[20]

Another important idea coming out of the meeting is to encourage the governments of developing countries to develop master plans for building their statistical capacity; these plans should guide the joint effort of the government and of donors for all activities in this area (see Box 11 below). A proposal was made, and presented again in the follow-up letter to the meeting sent to the participants by its co-chairmen, to initiate statistical capacity programmes in countries preparing Poverty Reduction Strategy Papers

> **Box 11: *Creating Strategic Statistical Master Plans (SSMP)***
> *(Excerpt from the minutes of the UN/OECD/World Bank/IMF meeting)*

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[20] The first report is due for July 2000. It is also proposed that a report be submitted every six months to the co-organisers of the PARIS21 initiative.

> "Encourage/assist governments to:
> - Develop a Strategic Statistical Master Plan for an integrated, coherent statistical service, in tandem with the national development framework.
> - Assess the resource requirements of the SSMP and the institutional systems to efficiently manage these scarce resources.
> - Incorporate funding for a SSMP in the medium term expenditure framework of the Ministry of Finance.
> - Create independent statistical commissions, enabling legislation and foster professional standards.
> - Develop appropriate cost-effective methodologies, through a process of continuous improvement and exchange of good practice."

Since the November 1999 meeting, the PARIS21 consortium had its first meeting on February 28th in New York and the second on March 9th in Paris. Its practical work will be handled through three task forces (see Box 12 below). It is envisaged that the findings of the task force will link with SPA-5 (the renamed Strategic Partnership for Africa), by feeding into the poverty monitoring activity of their technical group.

> **Box 12: *Possible Task Forces***
> *(Excerpt from the minutes of the UN/OECD/World Bank/IMF meeting)*
>
> *"1. Addressing the data requirements of policy frameworks*
> Work with the multilateral secretariats who are co-ordinating development framework initiatives (CCA/UNDAF, CDF/PRSP, etc.) and bilateral donors to ensure that the resulting common, integrated framework, which is locally-owned and produced, is supported by the required data and indicators to set the policies and monitor their implementation.
> *2. Best Practice and Effective Technical Co-operation*
> Review statistical aid activities, and document what works and what does not. Review delivery mechanisms for technical co-operation including regional support programmes, such as the SADC or Afristat models. Examine cost-effective approaches to replacing ad hoc surveys.
> *3. Building Strategic Statistical Master Plans*
> Develop a process for building a Master Plan, using. government policy frameworks, a coherent co-ordinated statistical service and outputs related to data standards. This process would also consider enabling legislation and professional standards."

V.   Improving development data: ongoing activities and necessary complements

The preceding chapters present an overview of the current situation of development statistics and describe various relevant initiatives ongoing or proposed. The present chapter puts these activities into a comprehensive picture, starting from the common objectives, with the objective of determining the complements required for the coherence of the whole. To this end, this chapter recapitulates the main initiatives presented in the preceding pages under five different headings:

- Collect data for poverty-focused development policies;

- Strengthen statistical capacity at the country level;

- Co-ordinate at the international level statistical capacity building;

- Monitor the progress achieved on the world development agenda;

- Improve and harmonise methodologies for collecting human development data.

For each of these headings, a similar presentation has been followed. The objectives, current situation and ongoing activities are briefly outlined; then the "critical conditions" for the success of the activities described are analysed.   The aim of these short paragraphs is to map out the main actions resulting from the ongoing initiatives and to identify possible lacunas or deficiencies, which might call for further action on the part of the international community, including the UN system. Whenever appropriate, these complementary activities are then briefly described.

V.1 Collect data for poverty-focused development policies

Objective:

Improve data collection and analysis, as required for the definition and monitoring of development policies centred on poverty alleviation.

Current situation:

In spite of the pioneering efforts of UNDP, the focus on poverty alleviation is recent in many countries. In this regard, the common approach proposed by the Bretton Woods institutions, centred on the PRSP, should be an important step in the reorientation of the developing countries' policies towards poverty alleviation. In many cases, however, national statistical systems will require an in-depth adaptation before they can respond to the new data requirements implied by this reorientation. Because the PRSP process will have a high priority both for the recipient countries' policy makers and for the donor community, it is nonetheless imperative that these systems meet this challenge successfully.

Ongoing activities:

- The preparation of PRSPs has begun in several countries, with the support of the World Bank and the IMF. The Bank has proposed, at the December 1999 SPA meeting, that UNDP participates in the process and discussions are underway between the two institutions.

- It has already been agreed that PRSPs will include a section on data and monitoring requirements, including a presentation on the steps proposed to improve the availability of statistics. Pilot exercises on the definition of this statistical component should start within the next few weeks.

- The first task force put in place by the PARIS21 consortium will be concerned with the issue of "[a]dressing the data requirements of policy frameworks" and will "ensure that a provision is made for every PRSP or strategic plan to contain a clear statement of the data required for monitoring and policy setting."[21]

- At the country level, efforts are made to establish permanent, early warning systems on poverty and human development.

Critical conditions:

There is, in the PRSP process, a built-in tension between the required ownership by the recipient governments of the policies presented, and the numerous political and technical constraints resulting from the implication of the donor community. There is a risk, in this regard, that the PRSP process be driven by the constraints of a tight time schedule and the necessity of rapid implementation, and that it appear in some countries as an exercise imposed by the donors. With regards to statistics, this would imply that new data collection might be initiated under this perceived external pressure, but without any long-term concern for sustainability and capacity building.

A second risk is that the national statistical institutions, under the influence of traditional approaches such as household surveys, might be ill-prepared for the building of permanent statistical systems, geared to the supply of poverty-focused information in real time.

Complementary activities:

- Endeavour to reconcile, at the country level, the information needs of the PRSP and the requirement of long-term capacity building.

- Carry out methodological work and support for real-time, poverty-focused information systems (for instance the definition of tools such as leading indicators or quick surveys).

V.2 Strengthen statistical capacity at the country level

Objective:

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[21] From the follow-up letter of the two chairmen of the November 1999 meeting on statistical capacity building.

Develop national statistical capacities over the long run, with the objective that the statistical institutions of these countries eventually "own" their programmes and are able to respond to the requirements of policy makers and civil society.

Current situation:

In the poorest developing countries, statistical capacities have apparently deteriorated in the course of the last decades, at times in spite – or because - of a broadening of the scope of the data collected. Data quality and comparability are serious problems. Support of the donor community has been uneven and, possibly, declining. Recipient countries' commitment has often been lacking and the project approach, which has been followed as a rule, has frequently given priority to obtaining the data at the expense of long-term capacity building. The situation is somewhat better in the middle-income countries; yet even there problems still remain with regards to the availability, quality and comparability of data.

Poor co-ordination among the various statistical services within a country, and among those and the donors, has been a source of financial waste. While many countries already have, in various forms, their own analysis of the statistical situation as well as a proposal for building over the medium term the capacity of their statistical system, these documents have rarely led to the implementation of well co-ordinated and properly-financed plan. The PARIS21 consortium has nonetheless recommended that statistical master plans be elaborated and supported at the national level. This might signal a renewal of donors' interest in, and commitment to, the idea of strategic planning for strengthening statistical capacity.

Ongoing activities:

- A task force, established by the PARIS21 consortium, will be dedicated to "Building Strategic Statistical Master Plans"

- Regional organisations (WAEMU/AFRISTAT, SADC) are now trying to co-ordinate the identification of statistical needs, to support the strengthening of national capacities, and to facilitate the financing of country statistical plans

- At the national level, various initiatives aim at strengthening national capacities

Critical conditions:

Strengthening, through co-ordinated financing, the statistical capacity of the recipient country over the long term will be a necessary complement to the more result-oriented PRSP process in many of the poorest countries [22]. There is a risk that, because of its policy orientation, the PRSP process will absorb most of the national and international attention and that institutional development will only take second place.

The joint elaboration and financing of master plans require a radical shift in the current practices of national institutions and donors. A strong national leadership and effective

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[22] As mentioned above (Box 3), there is a potential trade-off between getting the job done and institutional development.

co-ordination will be necessary for the success of this approach. In fact, a critical condition for the success of a master plan might very well turn out to be that it be financed from one single source (such as a common fund): failing that only high visibility activities would receive the necessary financing, to the detriment of the coherence of the whole. The previous experience of the Sector Investment Programmes (SIPs) and Sector-Wide Approach Programmes (SWAPs) promoted by the World Bank has shown the usefulness, but also the difficulty, of achieving such a co-ordinated approach. Co-ordination appears all the more necessary since most of the successes of the SIPs have been achieved in specific sectors (education or health), while statistics is an activity that cuts across sectors and ministerial responsibilities. For these various reasons, it appears necessary to experiment first with these master plans in a few pilot countries, with the idea of having a demonstration effect on neighbouring countries, before launching this activity on a wider scale. Pilot countries should be selected on the basis of their motivation for this exercise, as well as of their capacity to provide the necessary leadership.

Complementary activities:

- Support at the national level the co-ordination between the requirements of the PRSP and the longer-term needs of statistical institutional development.

- Assist a few pilot countries in the preparation and implementation of statistical master plans to strengthen their statistical capacities.

V.3 Co-ordinate at the international level statistical capacity building

Objective:

Increase the commitment of recipient governments and donor organisations to statistics and make statistical capacity building more effective

Current situation:

The recent PARIS21 initiative is one of the first attempts in this area; it indicates a renewal of interest in statistics at the international level. The fact that the main international organisations are co-leaders of the PARIS21 initiative is an encouraging sign of the possibility of achieving better co-ordination.

Ongoing activities:

- The PARIS21 Consortium will carry out its work through the three proposed Task Forces.

- An annual "state of progress" report should be presented to the UN Economic and Social Council (ECOSOC).

- One task force of the PARIS21 Consortium will be concerned with "Best practices and Effective Technical Co-operation" (now renamed "Best Practice and Example Projects"), with the objective of capitalising the collective experience in the statistical area

Critical conditions:

The condition for the success of the PARIS21 initiative will be the reality of the intention of international organisations and donors to move from words to action. The initiative will be useful if it is accompanied by an increase (at least in relative terms) in the external financing for statistical capacity building. In the same vein, while co-ordination among the main organisations at headquarters level is always useful, a real – and deeper – commitment will be required to bring about effective co-ordination in the field.

Complementary activities:

- The PARIS21 Consortium should cover most of the issues under this heading and no additional activities appear warranted.

V.4 Monitor the progress achieved on the world development agenda

Objective:

To establish and maintain, at the national and international level, a permanent record of the progress achieved towards long-term development objectives

Current situation:

An important step has been made with the adoption of International Development Goals for 2005 and 2015 and of a common core set of development indicators. A consensus apparently exists at the international level, even if everybody also agrees that the definition of indicators and targets is a continuous process and that improvements are always possible.

Recurrent UN global conferences can provide an adequate institutional architecture to monitor progress at the international level and propose policy modifications. International databases provide data on results achieved for most of the world. Problems of coverage and quality however remain for the poorest countries.

In developing countries, the knowledge of the existing commitments towards internationally agreed goals is weak at best, and, as a rule, no specific instruments exist to monitor the progress achieved vis-à-vis those targets. Certain of the internationally agreed goals and indicators are at times monitored at the country level, as part of the national policy process. This is done however in a country-specific manner and not in a systematic way.

Ongoing activities:

- Extension of the core set of indicators to include governance indicators
- Continuation of the cycle of global conferences (the next one will be on social development - Copenhagen +5 - in July 2000).
- At the country level, various activities aim at measuring progress, especially with regard to poverty and human development. These activities are either country

specific or, in certain cases, co-ordinated at the international level (like the National Human Development Reports). In the immediate future, the PRSP will increasingly shift the focus to poverty issues and the international development goals.

Critical conditions:

The core set of goals and indicators should become a flexible instrument, which can be adapted to changes of focus, data constraints and lessons of experience, even if the required adjustments are only limited. If the development agenda, as currently defined by the DAC document "Shaping the 21st century", is to remain alive until 2015, it appears desirable to put in place a permanent participative process to debate, and regularly improve on, the core international goals and their indicators.

In this regard, it would appear critical to bring the monitoring of development progress into the public arena, both in donor and in developing countries. Evidence of the results obtained has now become a demand from civil society in donor countries as well as a condition for the continuation of aid. The international development agenda is at present hardly known outside of the development microcosm; yet it seems difficult to communicate, in a simple way, the complex picture of 21 indicators collected on some 150 countries, in order to bring to public opinion the message of the successes and difficulties on the road to development.

The same is true for civil society in developing countries. There is a risk that the PRSP process will pay only lip service to the idea of informing civil society on the results achieved. Yet a lively public debate is in all likelihood a condition for an effective policy process.

Complementary activities:
- Encourage a broad debate about the development goals and indicators, with the objective of disseminating them and preparing future improvements in the development agenda.
- Make better use of the data existing at the country level to harmonise statistics and fill gaps in the international databases.
- Build synthetic and innovative indicators of the progress made towards development goals, to inform public opinion and prod policy makers.

V.5 Improve and harmonise methodologies for collecting human development data

Objective:

Share experiences to build progressively international methodological references and norms in the collection of human development data

Current situation:

There are currently no international methodological norms in the area of human development statistics (except possibly the DHS methodology for health and population surveys and the LSMS for surveys on living standards). In this regard, the situation differs greatly from most other statistical fields, where such norms exist. One can mention, for instance, the UN methodology for national accounts, the GDDS and SDDS standards of the IMF for financial and economic statistics or the EUROTRACE method for external trade statistics, among others.

In spite of this gap, there is at present to our knowledge no attempt to initiate work in this direction. This appears paradoxical, given the high priority now given to human development statistics as well as the existing problems of data quality and comparability. As it is, each country designs its surveys according to its own experience or that of particular donors (LSMS, priority survey, etc.).

Ongoing activities:

- None, to our knowledge

Critical conditions:

A risk involved in attempting to define methodological norms or references is defining only one standardised survey methodology for poverty and human development, to be applied in all countries and situations (as DHS has successfully done in its own area). Such a one-size-fit-all approach would be detrimental to local adaptation and ownership. The opposite danger also exists, however, and it should be the responsibility of donors and international organisations, not just to finance these surveys, but also to ensure methodological support, exchange of information and normalisation of quality. With regards to the human development statistics, therefore, a balance must be found so that data quality and comparability can be improved without imposing a rigid methodology from the outside.

It can be argued that the World Bank is the institution who has accumulated the largest experience in this area and that it should accordingly be given the mandate to co-ordinate an international effort to establish references and norms. It would however be difficult for this institution to be both co-ordinator and participant. The World Bank has its own methodologies (and is actively promoting them); it also finances and supports surveys in many developing countries. It might therefore not be in the best position to be the co-ordinator of an exercise aimed at capitalising the experience and defining norms in this area.

Complementary activities:

- Build a stock of experience (data bank) in the field of poverty and human development surveys, based on the best practices of recipient countries and donor organisations.

- Based on this stock of accumulated experience, elaborate in a participatory manner a norm that can ensure quality standards and comparability of human development statistics - without creating a straightjacket for the statistical institutions.