

Improving the Effectiveness of Support to Statistics



Briefing
Paper

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Introduction

This paper provides a summary of the results of the first phase of a thematic study of Support to Statistical Capacity Building, which has been commissioned as part of the evaluation of the Paris Declaration on Aid Effectiveness. The first phase has been conducted by a team from Oxford Policy Management under the supervision of a Management Board, and a synthesis report will be available soon. The Management Board has produced this summary note based on this study, intended to inform the discussions at the High Level Forum on aid effectiveness in Accra, Ghana, September 2008.

The primary objective of the first phase of the study was to develop an evaluation framework for statistical capacity building for future use. The study included field work in three countries, desk research on a further five, and two donor organisation case studies¹. While this evidence base is far from comprehensive, it does nevertheless provide some useful insights into what has worked well and what has been less successful in improving the capacity of statistical systems in partner countries. Improving interventions in this area is an important component of managing for development results, where, according to the synthesis report² of the evaluation of the Paris Declaration, “relatively little progress is being reported.”

Good statistics are essential for managing for results

Managing for development results can only be done on the basis of objective evidence derived from statistical systems and from other sources. Quantitative information is needed so that citizens and taxpayers of all countries can assess for themselves the results of development efforts. This kind of information is also needed to improve policies, to measure their impact and to make adjustments as needed. National capacity to produce, analyse, and use high quality statistics, therefore, is critical to the entire results process. This has been recognised from the start of the Results agenda and was highlighted at the second international roundtable held in Marrakech, Morocco in 2004. At this meeting it was agreed that improving statistics required coordinated action at both national and international levels. In partner countries it was recognised that improvements in national statistical systems should be based on

comprehensive national statistical development plans integrated within poverty reduction strategies.

While substantial progress has been made in putting this recommendation into effect, especially in helping countries to prepare national strategies for the development of statistics, the study indicates that more still remains to be done. It is still the case, for example, that some programmes supporting statistics focus mainly on short-term data production, without addressing the systemic problems facing statistical systems in low income countries or the full results agenda in country. While this approach does address some immediate data needs, and there have been some successes in improving data quality and availability, the long-run impact on statistical capacity in countries is limited and may, in some circumstances, even be negative. A more integrated approach, based strongly on Paris Declaration Principles, to supporting managing for results is needed and this implies making further improvements to efforts to improve statistical capacity. In support of this process three questions need to be addressed: What aspects of statistical capacity building programmes have worked well, what has been less successful, and what else needs to be done?

What aspects of support to statistical capacity building have worked well?

The study notes several positive developments in statistical capacity in the last decade; many can be linked to specific statistical capacity building programmes. Here we detail three major positive developments, and suggest which types of support have helped.

Improvement 1

Statistical production has improved in the countries studied. More statistics are available to national policymakers, citizens in partner countries and around the world, and bilateral and international organisations.

Role of support:

- Providing funds and equipment to statistical offices that have effective management and accountability systems.
- Investment in training and skills development.
- Improving statistical production and data accessibility.

¹ Strode, M. et al (2008) “Evaluation Framework for Statistical Capacity Building Synthesis Report” and case study reports. The study conducted field research in three case study countries and two bilateral partner organisations, and undertook desk research on five other countries and on previous evaluations and studies. The study will be available for download from <http://www.dfid.gov.uk/aboutdfid/evaluation.asp> and <http://www.oecd.org/dac/evaluationnetwork>

² Wood, B. et al (2008) “Synthesis Report on the First Phase of the Evaluation of the Implementation of the Paris Declaration.” Copenhagen.

- Providing appropriate technical support to the development of specific data series or to address other technical concerns. The most effective support seems to have been:
 - Medium to long term where specific data series (e.g. Consumer Price Index), systems (e.g. computer systems), or methodologies (e.g. designing poverty surveys) have needed updating;
 - Short term where a precise technical problem (e.g. introducing Geographical Information Systems) has been identified.

Improvement 2

Many statistical systems now have statistical development strategies that help to strengthen alignment, planning and coordination.

Role of support:

- Specific support to the preparation of comprehensive national statistical strategies.
- Designated lead donor statistics representatives who advocate the importance of strategies and coordinate donor support to them in the long term.
- Enabling the provision of multi-donor funds to support strategies, monitored against measurable strategic objectives.

Improvement 3

Statistics have become more important to policy debates in most countries.

Role of support:

- International advocacy through the results agenda.
- Designated donor representatives who advocate for the importance of statistics and coordinate donor support.
- Increased linkages of monitoring indicators to statistical activities and outputs.

What has been less successful?

The results of the study also suggest that some aspects of assistance to statistics have been less successful. Using the five DAC evaluation criteria, this section highlights those aspects of some aid programmes that have limited or even negative impact on the statistical capacity of recipient countries.

Relevance

- Where assistance has not been based on a comprehensive assessment of the problems and constraints facing partner country statistical systems.
- Where efforts are focused on short-term data needs, but where attention has not been given to improving analytical capacity or data use in country.
- Where the focus has been on household surveys, to the detriment of other areas such as

economic statistics or administrative systems.

- Where support has been driven by the availability of donor funds rather than national needs.

Effectiveness

- Where assistance has not been appropriate to capacity building needs. For example, the emphasis has been on data collection, where countries may already have good capacity, but has ignored critical capacity gaps such as technically qualified staff, management, or ICT skills.
- Where donor programmes have diverted scarce resources away from the priorities of national data users.

Efficiency

- Been poorly coordinated with other donors and has duplicated other donor support.
- Imposed significant transaction costs on the recipient organisation.
- Been poorly harmonised, delayed delivery of assistance, and delayed key statistical activities such as fieldwork.

Impact

- Been poorly timed to produce data for national policy cycle deadlines.
- Ignored building capacity in analysis or utilisation of results in policy processes.
- Unbalanced incentives by paying some staff salaries or allowance top-ups.
- Generated accountability of institutions to donors rather than to their governments.

Sustainability

- Has not led to recipient countries complementing donor spending on statistics or replacing donor funding, typically because donors have not focused on partner country priorities.
- Has been short-term and has not transferred skills.
- Has not addressed the management environment that can contribute either to staff attrition or to the supply of suitably qualified staff in statistics.
- Has not engaged seriously with the institutional and governance environment, especially the accountability of statistical systems and the results focus of governments.

What else needs to be done?

The study identifies two key drivers of successful support: 1) an explicit recognition of who the users of statistics are; and 2) an explicit recognition of the Paris Declaration principles in the design of capacity strengthening programmes. In order to design and deliver effective programmes that not only meet the immediate needs of data users, but which also

generate sustained improvements in statistical capacity, then both these aspects need to be addressed.

Statistical priorities should be carefully assessed

One of the key challenges in the application of the Paris Declaration to statistics is that statistical data are not used solely by partner countries, their governments or their citizens. National statistics are a public good used by a wide group of users ranging from the citizens of partner countries to the citizens of countries providing development assistance. The process of determining statistical priorities is therefore problematic. In the past there has been a tendency of donors to focus most on their immediate priorities, which may have left partner countries' needs unsupported. In designing new programmes of support a number of factors need to be taken into account.

- Partner country governments' statistical needs can be different from those of donors. For example, there will be more emphasis by governments on sub-national information for planning and monitoring.
- Much of the support to date has been about supporting the growing data needs of donors for monitoring development results; more attention needs to be paid to the results agenda in countries.
- In countries where large scale data collection exercises such as censuses and surveys are largely funded by donors it is important to ensure that national data priorities are given prominence. Need for governments to increasingly take over activities seeded by donors to ensure their sustainability.
- Donor programmes need to take into account not only current but also new and emerging needs. Where resources are limited, the ways in which priorities are set need to be explicit.

The Paris Declaration principles should be applied more systematically

To a large extent statistics is an area where support is needed but which has tended to be neglected in Joint Assistance Strategies drawn up with donors. As a result, much of the support countries have received has been small-scale, ad hoc and unpredictable. Applying the Paris Declaration to projects and programmes supporting statistics requires action under all five principles.

Ownership: Many countries have received support in the area of statistics from a large number of donors. There is an encouraging move towards system-wide programmes supported by a number of donors, but these are still the exception rather than the norm. Typically, there are many demands for statistics and very limited capacity, and government

priorities can easily be overlooked. Moreover, ownership of any national statistical strategy is very quickly lost when donors adopt an *à la carte* approach, for example, selecting components of a strategy, but leaving aside those which do not easily fit into pre-determined programmes. Statistical agencies often respond to this ad hoc approach and the associated insecure funding environment by preparing unrealistic strategies, which include all possible activities with little or no prioritisation just in order to maximise funding.

Alignment around country statistics strategies is occurring, encouragingly, but gaps in coverage remain. Overambitious national statistical strategies and poor prioritisation means that support to statistics is compromised. Moreover, many statistical strategies do not address how statistics are used. This situation could be improved by the inclusion of statistics as an explicit area for discussion in Joint Assistance Strategies. More focus and dialogue on systemic problems is needed here.

Failures in the coordination of aid programmes in statistics also impact on the results agenda. In many cases statistical outputs are not timed to coincide with policy and monitoring cycles. This results in data not being available to inform policy or for monitoring systems at critical points in the policy cycle. Policy makers routinely underestimate the lead time needed to produce data and much more dialogue between users and producers in a policy context is required.

Harmonisation has tended to be particularly weak in statistics, although the growing trend towards statistics 'sector' or 'basket' funds is having a positive impact on both statistical production and on meeting Paris Declaration commitments. Where common funds exist, evidence shows that gaps in support are more likely to be identified and acted upon by both governments and their external partners.

There are still very few joint missions, however and the use of government reporting systems remains neglected. This has had a negative impact on the accountability of statistics agencies to their own governments. Emerging plans for a joint donor in-country statistical or results adviser are encouraging, however. Such a person could provide critical inputs to help coordinate donor statistical support and to identify country priorities.

Managing for development results needs to be applied more systematically to statistical programmes. Until recently many aid programmes in statistics have focused on the data that have been produced and capacity building has less often been seen as an outcome in its own right. The quality of statistical series is improving and

development indicators are becoming more readily available and this is a major positive contribution to the management for results agenda. It is less clear, however to what extent these improvements will be sustained as and when donor funded programmes come to an end.

Mutual accountability is of particular importance in statistics because statistical agencies provide a service to users within and beyond government. Requirements on statistical agencies to deliver multiple reports to external development partners can crowd out reporting to government. Improving mutual accountability and harmonisation will reduce the demands on statistical systems.

This lack of accountability, accompanied by the unrealistic strategies noted earlier, often results in poor performance and can mean failure to meet the deadlines set by policy cycles. For example, the study found that very few poverty surveys delivered results in time to meet Poverty Reduction Strategy Paper timetables, but users noted an improvement in performance where statistical agencies were made more accountable to governments.

Unpredictable funding has a direct impact on both the performance and the behaviour of statistical agencies. Data collection is a process constrained by fieldwork schedules and seasonal factors. Development partners have often delivered their support late, delaying data collection. This adversely affects both the costs and timeliness of the statistics.

Conclusions

There is no doubt that the increased attention being given to statistics as part of the results agenda has improved data accessibility and has enabled key activities such as population censuses to be carried out. More however remains to be done and it is important to remember that improved statistical data does not necessarily mean that the information will be used. Much more effort is needed to integrate statistics into policy agendas and to assist users, and those designing policy to commission, access, analyse and use the information provided. The study suggests that four key challenges need to be addressed.

Challenge 1

How to align and include statistical strategies better within wider policy processes, including the monitoring of poverty reduction strategies? This includes ensuring that support to statistics reflects a balanced set of demands supporting economic growth, social development, and fiscal and monetary policy; and supporting the institutional context.

Recommendations

- *National statistical strategies to be fully integrated with PRSP processes.*
- *Statistics to be included in Joint Assistance Strategies or alternative mechanisms for improving donor harmonisation.*
- *System wide approaches to be used much more extensively in order to provide predictable funding.*

Challenge 2

How to broaden support to statistics to include support to the use and application of statistics in policy processes in partner countries?

Recommendations

- *Support to increasing analytical results-focused capacity in countries.*
- *Further support to improving data accessibility in countries.*

Challenge 3

How to balance and prioritise the demands and long term needs of statistical users in partner countries with the demands of the international community?

Recommendations

- *Work closely with partner country policy makers and representatives to ensure that their statistical priorities are met within the capacity constraints of the country.*

Challenge 4

How best to overcome resource constraints in the statistical systems of partner countries?

Recommendations

- *Ensure that national strategies for statistics identify and address resource constraints, including an assessment of current and future manpower needs, and ways of overcoming these.*
- *Ensure that donor supported programmes deal with both short-term data needs and long term capacity building and that implementation plans include a realistic and sustainable human resources development programme.*
- *Invest in increasing the supply of trained statisticians by supporting schools and funding students.*
- *Support capacity building among other national and regional organisations with statistical and analytical capabilities, including academia and research institutes.*

Ownership, Alignment, Harmonisation, Results and Accountability



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