

Strengthening the Statistical Capacity of Central Asian Countries To Monitor the Progress toward the Millennium Development Goals (MDG's)

Project Document

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1. Executive Summary

The objective of the project is to strengthen the statistical capacity of member countries of the UN Special Programme for the Economies of Central Asia (SPECA) to monitor demographic, social and economic progress toward the implementation of the Millennium Declaration. Beneficiary countries are Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan, and partially Afghanistan.

The project will focus on three statistical areas, namely population and social conditions, health status of the population, and economic development. These areas are critical for the monitoring of the MDG's. Moreover, they are among the cornerstones of any statistical system. In the specific situation of Central Asian countries, it has been observed that difficulties faced over the past two decades have impacted the ability to produce the required basic statistical information in these areas. There is a need for building the statistical capacity of these countries in the three above listed statistical areas.

The total budget of the project amounts to US\$385,000 and will be conducted over the years 2006 - 2008. The project will be implemented by the Statistical Division of the UN Economic Commission for Europe (ECE), in close collaboration with the Statistics Division of the UN Department for Economic and Social Affairs (UNDESA), and the Statistical Division of the UN Economic and Social Commission for Asia and the Pacific (UNESCAP). The Interstate Statistical Committee of the Commonwealth of Independent States (CIS) will be involved as far as possible.

2. Background, Link to MTP and MDG's

Statistical indicators have been identified for the monitoring of the implementation of goals and targets set out in the Millennium Declaration. The availability and reliability of data to compile these indicators are essential to monitor progress towards the achievement of the Millennium Declaration's goals and targets. Over the past two decades, Central Asian countries have faced a particularly difficult set of circumstances. This has impacted their ability to routinely produce the required statistical information. Serious problems exist in terms of data availability, accuracy, and consistency over time. Substantial efforts are being made by national statisticians. However, there is still a need for strengthening the statistical capacity.

Building on lessons learned from previous capacity building projects, it appears that Central Asian countries need now concrete knowledge management tools to implement new

methodology and technology in strategic statistical areas. A network of national experts will be created in national statistical offices, working in partnership together.

The project will focus on three statistical areas that are critical to the monitoring of the MDG: population and social conditions, health, and economic development. There is a demand for improvement in these areas in Central Asian countries. The project will build upon (i) the work carried out by ECE from 2004 to 2006 on the new ECE recommendations for the 2010 round of population censuses; (ii) the surveys conducted in 2001 - 2002 and in 2005 by ECE on national practices in measuring the non-observed economy in national accounts; and (iii) the preparation of guidelines for improving the comparability of health status statistics in the ECE region by ECE in cooperation with the World Health Organisation (WHO) in 2004 and 2005.

The project will support the overall objectives of UN SPECA – promotion of sub-regional cooperation and integration in world economy – and the projects activities will be carried out within the framework of the Programme. The project will be executed by the Statistical Division of ECE in close collaboration with the Statistics Division of DESA and the Statistical Division of UNESCAP. The Interstate Statistical Committee of the CIS will also be involved. The project will also build on the work that ECE is carrying out with other partners in the region in the areas related to the project, i.e., WHO, UNDP, UNFPA and national statistical offices of more advanced countries.

The project is linked to ECE subprogram 3 (Statistics). It is linked to Millennium Development Goals 1, 4, 5, and 7.

3. Problem Analysis

The monitoring of progress toward the Millennium Development Goals is a major task for national and international organisations. In its resolution A/RES/55/162, the General Assembly of the United Nations “reiterates the call to assess, on a regular basis, progress toward implementing the Millennium Declaration”. Moreover, in its resolution A/RES/56/95, the General Assembly “requests the Secretary-General to prepare, drawing upon the road map (...) an annual report and a comprehensive report every five years on progress achieved by the United Nations system and Member States toward implementing the Millennium declaration (...)”.

To this end, a system of monitoring and reporting was developed to track progress made over time. The reporting system is based on a set of goals, targets and indicators, defined as the Millennium Development Goals framework. The global monitoring is based on aggregate figures and is used at the global level to inform and help focus the global discussion on the development goals. At the national level, the framework is adapted to national circumstances and policy priorities and is used to track progress made within the country. The availability and reliability of data to compile these indicators are essential to monitor progress toward the achievement of the Declaration’s goals and targets at the national and international levels.

It has been generally recognised by international and national agencies over the recent years that a significant gap exists between the demand for information and the ability of most countries to routinely supply this information, including Central Asian countries. Shortcomings have been identified in terms of data availability, accuracy, and consistency over time. Although substantial efforts are being made by all agencies concerned to reach the

desirable level of reliability, interpretability and coverage of indicators available at the national level, there is still a strong need for strengthening the statistical capacity at the country level to produce basic data necessary to compile the indicators related to the Millennium Declaration, as well as to prepare the broad range of statistics that are required for the basic economic and social planning of governments.

For the countries of Central Asia (including Azerbaijan), the end of the Soviet Union reduced the quality and availability of statistical data. National statistical offices experienced a decrease in their financial and human resources. At the same time, many of the statistics produced earlier for central planning became less and less relevant to the new social and economic environment. Building the capacity to produce timely and reliable statistics in compliance with international statistical standards is a major challenge still today, even as the extent of difficulties varies across countries. As a result, the recently published Human Development report on Central Asia emphasises that “one of the serious problems confronting any analysis of economic and human development and human security trends in Central Asia (...) is the great weakness of the statistics. Many economic and human development statistics are highly unreliable (...). The available data (...) need to be interpreted with considerable caution. Indeed, one of the big challenges that the Central Asian countries face, and where regional cooperation, mutual support and learning from best practices would be very helpful, is in improving official statistical data-gathering and analytical capacity”¹.

Afghanistan, which is also covered by the overall SPECA framework, is in a worse situation than the other Central Asian countries. Before 1978 it was one of the poorest countries in the world. Twenty-five years of wars have completely devastated the country’s economic and governmental structures. As explained in the national 2005 MDG report, “The state lost the capacity to collect even basic information about the society it supposedly governed, so that much of this report is based on crude estimates or is awaiting better data for the formulation of more concrete benchmarks”². For this reason, including Afghanistan from the beginning in this project on statistical capacity building in the three areas to be covered is likely to be beyond the limits of the present absorption capacity of the rudimentary statistical system of the country. Furthermore, no synergies could be expected from the inclusion of Afghanistan in this project. However, parts of the project will be open to Afghanistan should it express its willingness to be included.

To meet the needs expressed by users of statistical data in national and international organisations, it is necessary to strengthen the statistical capacity of each country. The expected outcome of the project is not only the production of one new set of statistical data. It is more ambitious. It consists of the development of acquaintance of national statisticians with most recent international statistical standards, the establishment of best practices, and the implementation of new technologies. Statistical capacity building is an investment that will produce a sustainable improvement.

To this end, and in order to be consistent with available resources from the UN Development Account, the project will be focused on the strengthening of the statistical capacity of Central Asian countries in three statistical areas that are critical to the monitoring of the progress toward achievement of the Millennium Declaration. These areas are (i) population and social conditions. (ii) health status of the population; and (iii) economic development.

¹ “Bringing down barriers: Regional cooperation for human development and human security - Central Asia Human development Report”, UNDP, 2005

² “Afghanistan Millennium Development Goals Report 2005 - Vision 2020”, UNDP, 2005

The population census is the cornerstone for demographic and social statistics. It provides a complete picture of the country at small detailed territorial levels, which is of special importance for Central Asian countries that have experienced in the recent years major social and economic changes. For the 2000 round of population censuses, five countries have conducted a population census for the first time as independent states, namely Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, and Turkmenistan. Uzbekistan did not carry out a population census since 1989.³ The five countries that carried out the census initiated the process to adopt standard definitions and classifications; however, difficulties still remained for example in the adoption of new technologies and in the collection of economic data. There is a need to build on the efforts made during the 2000 round and to support the countries to continue their efforts to appropriately use new census methodology and technology and to fully adopt international standards. This is the good time for launching the project, because ECE is finalising the update of standards for population censuses in view of the 2010 round. Updated standards are expected to be adopted by the ECE Conference of European Statisticians in June 2006.

Health statistics in Central Asian countries have been traditionally based on records of health institutions. However, the recording system has been deteriorated because of the increased participation of the private sector and the reduced capacity of national institution to monitor the standard recording in the field. At the same time, international organisations and national institutions that are active in the area of health statistics in ECE region have recognised the need to shift the measurement of health status from morbidity to functional status. It is therefore necessary to strengthen the capacity of national statistical offices to carry out health surveys and to improve their content. Central Asian countries also need to be more espoused to international activities related to the development of standard methodology to measure health status, such as the Washington Group on Disability Statistics and the ECE-WHO-Eurostat work programme on the measurement of health status. The project will address these issues and will build on the work carried out by ECE, WHO, and Eurostat to prepare guidelines for improving the comparability of health status statistics in the region.

The assessment of economic development requires good quality national accounts and exhaustive estimates of the Gross Domestic Product (GDP). In Central Asian countries, a lot of attention is paid to the possibility of missing economic activities, which often suggests that the GDP figures published by national statistical offices exclude large parts of the economy. It is hard to achieve exhaustiveness since there are great difficulties to account for certain types of productive activities that cannot be observed and measured directly by the official statisticians when the national accounts and GDP are compiled. The group of activities that are often “non-observed”, in the sense of not being directly observed and measured, are those that are underground, illegal, informal, or undertaken by households for their final use. Furthermore, some activities may be missed because of deficiencies in the basic data collection systems. All these activities comprise the so-called non-observed economy. Despite the difficulties, the goal of most national statistical systems is to ensure, as far as possible, that the non-observed activities are appropriately measured and included in the GDP estimates. ECE has conducted in 2001 - 2002 and in 2005 two surveys on the current practice of countries in the ECE region in measuring non-observed economic activities to ensure the exhaustiveness of their national accounts. These surveys refer to the work of OECD and

³ Afghanistan’s first attempt to carry out a population census was interrupted by the outbreak of war in 1978, and no other attempt has taken place since then. UNSD is currently involved in a joint activity of many organisations to assist Afghanistan in setting up a first population census.

Eurostat in defining the non-observed economy and developing the appropriate framework for producing exhaustive estimates of GDP. The material produced by ECE surveys provides unique information on methods used to estimate the size and importance of the different types of non-observed activities. The project will build on this material to implement best practices for exhaustive estimates of GDP.

4. Objectives, Expected Accomplishments and Strategy

4.1. Overall Objective

As explained above, the overall objective is to allow Central Asian countries monitoring their demographic, social, and economic progress toward the implementation of the Millennium Declaration. Indeed, this objective will not be achieved by the project alone. Other projects and programmes will also be required. However, the project is recognised as the core component of achievement of the overall objective.

4.2. Expected Accomplishments

The expected accomplishment represents the specific purpose of the project, i.e., its contribution to the overall objective. For the current project, the expected accomplishment is to strengthen the statistical capacity of Central Asian countries in three key areas, namely (i) population and demographic statistics; (ii) statistics of health status of the population; and (iii) national accounts statistics. The availability of relevant, timely and reliable statistical data in these three areas is a prerequisite for the appropriate monitoring of progress toward the implementation of the Millennium Declaration. To be more concrete, it is necessary to specify which accomplishments are expected in each of the three above mentioned areas.

In the area of population and demographic statistics, two expected accomplishments can be specified:

- EA1: Increased capacity of the Central Asian countries to strengthen statistical services for tracking progress towards the Millennium Development Goals, including the organisation of their next population censuses using regional ECE standards with specifications that are relevant to their national economic and social situation;
- EA2: New ECE guidelines for the 2010 round of population censuses implemented in Central Asian countries.

In the area of health statistics, the expected accomplishment is the following:

- EA3: Strengthened capacity of Central Asian countries to produce and use statistics on the health status of the population.

In the area of national accounts statistics, the expected accomplishment is the following:

- EA4: Development and implementation of common methodologies for better coverage by national accounts aggregates of the informal sector (grey and black economy) and other forms of non-observed economic activities in Central Asian countries.

Although the project clearly intends to develop the statistical capacity at the country level, it also includes a regional dimension. This is demonstrated by the reference to SPECA, which

means that the project supports the overall objectives of UN SPECA, including the promotion of sub-regional cooperation. It is also worth stressing that the strengthening of statistical capacity in beneficiary countries will be better and sooner achieved through the development of a network of national experts, working in partnership together (see part 2 above), Therefore, one additional expected accomplishment is the following:

- EA5: Improved sub-regional cooperation among Central Asian countries in the area of statistics for tracking progress towards the Millennium Development Goals through regional meetings/workshops.

4.3. Indicators of Achievement

The progress toward the achievement of expected accomplishments is measured using indicators of achievement. Indicators have been selected for each expected accomplishment. The selection has been conducted against the background of the so-called “SMART” characteristics, which means that each indicator is Specific, Measurable, Achievable and attainable, Realistic, and Timely. They are introduced in the table below.

Expected Accomplishments	Indicators of Achievement
EA1 - Increased capacity of the Central Asian countries to strengthen statistical services for tracking progress towards the Millennium Development Goals, including the organisation of their next population censuses using regional ECE standards with specifications that are relevant to their national economic and social situation	IA1.1 - Number of Central Asian countries renovating the management of their next population censuses IA1.2 - Number of countries participating and establishing statistical series and enhanced information datasets for tracking progress towards the Millennium Development Goals
EA2 - New ECE guidelines for the 2010 round of population censuses implemented in Central Asian countries	IA2 - Number of Central Asian countries implementing ECE recommendations in the preparation of their next population censuses
EA3 - Strengthened capacity of Central Asian countries to produce, disseminate and use statistics on the health status of the population	IA3 - Number of Central Asian countries moving from administrative register-based data collection to household surveys in the measurement of the health status of the population
EA4 - Development and implementation of common methodologies for better coverage by national accounts aggregates of the informal sector (grey and black economy) and other forms of non-observed economic activities in Central Asian countries	IA4 - Number of Central Asian countries developing and disseminating harmonised and comparable estimates of non-observed (informal and unorganized sector) economy in their national accounts
EA5 - Improved sub-regional cooperation among Central Asian countries in the area of statistics for tracking progress towards the Millennium Development Goals through regional meetings/workshops	IA5 – Number of common statistical procedures involving upgrading the Millennium Development Goals statistical tracking and monitoring of indicators adopted by Central Asian countries

5. Monitoring and Evaluation

The monitoring and evaluation of the progress towards expected accomplishments will rely on the six indicators of achievement that are listed in the above table in section 4. Indicators will be collected by the ECE secretariat using a questionnaire sent to national statistical offices of Central Asian countries. The questionnaire will be sent at least once a year during the period covered by the project.

An additional evaluation process will be conducted during the process. It will be associated to a seminar and training workshops that will be held as the main part of activities of the project. By the end of each meeting or workshop, an evaluation questionnaire will be circulated to participants and collected before the closing of the meeting/workshop.

An external evaluation of the project will be also organised at the end of the period. A consultant will be appointed for this evaluation. Some funds have been foreseen within the budget for this external evaluation.

6. External Factors

The successful implementation of a statistical capacity building project is partly depending on factors that are beyond the control of the project management. These “external factors” are not influenced by the project but may affect its implementation and sustainability.

To develop their activity, national statistical offices of beneficiary countries will need a satisfactory institutional and financial environment. The institutional environment is important for the sustainability of statistical capacity building. The conditions for a satisfactory institutional environment are stated in the UN Fundamental Principles of Official Statistics that have been approved by the governments of ECE member countries in 1992 and extended at the world level by the UN Statistical Commission in 1994. Therefore, it is assumed that beneficiary countries will continue to comply with, or to move towards, the UN Fundamental Principles of Official Statistics.

With regard to financial environment, it has been stated above that statistical offices of Central Asian countries have experienced a significant decrease of their human and financial resources over the last decades. It is assumed that Central Asian national statistical offices will have sufficient budgetary resources to create and /or maintain groups of statisticians with the level of professional background that will allow them (i) effectively participating in training activities organised in the framework of the project; and (ii) implementing new statistical standards and procedures in the three areas covered by the project.

Moreover, the project is not the only one to be conducted in the statistical area in central Asia. Several international and national agencies are providing technical assistance in statistics to Central Asian countries. This raises the issue of the absorption capacity of beneficiary statistical offices covered by the project. Too many statistical capacity building projects carried out at the same time in the same area can become counterproductive if there are not enough statistical professionals in the beneficiary agency. It is necessary that international and national donor agencies coordinate their technical cooperation activities, in order to comply with the absorption capacity of beneficiary statistical offices. This can be achieved only through a continuous joint effort of all donors, in close cooperation with beneficiary countries. It is worth noting that there is an ongoing work on the coordination of technical cooperation in statistics, under the auspices of the ECE Conference of European Statisticians, which will

result in concrete actions in this area. At the world level, the UN Committee on Coordination of Statistical Activities (CCSA) is devoting attention to this issue. Therefore, it is assumed that ongoing efforts towards a better coordination of technical cooperation in statistics will eliminate the risk of saturation in Central Asian countries.

7. Implementation Arrangements

The project will be executed by the Statistical Division of ECE, in close collaboration with the Statistics Division of DESA. The project will be conducted in the framework of the SPECA Project Working Group on Statistics. The Statistical Division of ESCAP will also be involved, primarily because Central Asian countries are also members of ESCAP, and also because ECE and ESCAP cooperate in the framework of SPECA. In addition, ECE will liaise with ESCAP on the inter-regional project “Interregional cooperation on the measurement of the informal sector and informal employment” that will be executed by ESCAP in the framework of the 5th tranche of the UN Development Account (biennium 2006 - 2007), and will address some of the issues that are in the background of the measurement of non-observed economy in GDP estimates.

Another important partner of ECE will be the Interstate Statistical Committee of the CIS, since all six beneficiary countries of the project are members of the CIS. The expertise of the Interstate Statistical Committee of the CIS in the development of statistics in CIS countries will be a valuable asset for the implementation of the project. The Interstate Statistical Committee will be invited to join the main activities organised in the project and will be consulted in the organisation of these activities.

In specific areas covered by the project, ECE is already cooperating with other international agencies: (i) in the area of population and demographic statistics, ECE is cooperating with Eurostat and UNFPA on the development of statistical standards for the 2010 round of population censuses; (ii) in the area of health status statistics, ECE is cooperating with WHO and Eurostat, as well as national statistical agencies that are members of the Washington Group on Disability Statistics; (iii) in the area of non-observed economy statistics, ECE is relying on the methodological work that has been carried out by OECD, Eurostat and ILO. The cooperation with all these international and national statistical agencies will be continued within the project.

ANNEX 1: LOGICAL FRAMEWORK

Intervention logic	Indicators	Source of verification	Risks/Assumptions
Objective: Allow Central Asian countries monitoring their demographic, social, and economic progress toward the implementation of the Millennium declaration			Satisfactory institutional (Fundamental Principles of Official Statistics) and financial (global budget) environment of national statistical offices during the whole implementation of the project
Expected accomplishment 1: Increased capacity of the Central Asian countries to strengthen statistical services for tracking progress towards the Millennium Development Goals, including the organisation of their next population censuses using regional ECE standards with specifications that are relevant to their national economic and social situation	IA1.1 - Number of Central Asian countries renovating the management of their next population censuses IA1.2 - Number of countries participating and establishing statistical series and enhanced information datasets for tracking progress towards the Millennium Development Goals	Country survey Country survey	Coordination of technical cooperation in statistics allows maintaining a sufficient absorption capacity at beneficiary national statistical offices
1.1 Main activity: Seminar on measurement of population and social conditions using population census			
1.2 Main activity: Training workshop for national statisticians on new technologies for population censuses			
1.3 Main activity: Advisory services to national statisticians			
Expected accomplishment 2: New ECE guidelines for the 2010 round of population censuses implemented in Central Asian countries	IA2 - Number of Central Asian countries implementing ECE recommendations in the preparation of their next population censuses	Country survey	Coordination of technical cooperation in statistics allows maintaining a sufficient absorption capacity at beneficiary national statistical offices
2.1 Main activity: Training workshop on implementation of new ECE recommendations			
2.2 Main activity: Advisory services to national statisticians			
Expected accomplishment 3: Strengthened capacity of Central Asian countries to produce, disseminate and use statistics on the health status of the population	IA3 - Number of Central Asian countries moving from administrative register-based data collection to household surveys in the measurement of the health status of the population	Country survey	Coordination of technical cooperation in statistics allows maintaining a sufficient absorption capacity at beneficiary national statistical offices
3.1 Main activity: Training workshop on health status statistics for users of health statistics			
3.2 Main activity: Training workshop for statisticians on disability statistics			
3.3 Main activity : Advisory services to national statisticians			

Expected accomplishment 4: Development and implementation of common methodologies for better coverage by national accounts aggregates of the informal sector (grey and black economy) and other forms of non-observed economic activities in Central Asian countries	IA4 - Number of Central Asian countries developing and disseminating harmonised and comparable estimates of non-observed (informal and unorganized sector) economy in their national accounts	Country survey	Coordination of technical cooperation in statistics allows maintaining a sufficient absorption capacity at beneficiary national statistical offices
4.1 Main activity: Two training workshops on best practices related to non-observed economy based on the compilation of national accounts			
4.2 Main activity: Advisory services to national statisticians			
Expected accomplishment 5: Improved sub-regional cooperation among Central Asian countries in the area of statistics for tracking progress towards the Millennium Development Goals through regional meetings/workshops	IA5 - Number of common statistical procedures involving upgrading the Millennium Development Goals statistical tracking and monitoring of indicators adopted by Central Asian countries	Country survey	Coordination of technical cooperation in statistics allows maintaining a sufficient absorption capacity at beneficiary national statistical offices
5.1 Main activity: Meetings of the SPECA Project Working Group on Statistics			
5.2 Main activity: Study tours on best management practices in official statistics			
5.3 Main activity: Evaluation of the project			

ANNEX 2: RESULT BASED WORKPLAN

Expected accomplishment	Main activity	Timeframe by output/activity			
		2006	2007	2008	2009
EA1: Increased capacity of the Central Asian countries to strengthen statistical services for tracking progress towards the Millennium Development Goals, including the organisation of their next population censuses using regional ECE standards with specifications that are relevant to their national economic and social situation					
	A 1.1 Seminar on measurement of population and social conditions using population census	X			
	A 1.2 Training workshop for national statisticians on new technologies for population censuses		X		
	A 1.3 Advisory services to national statisticians			X	
EA2: New ECE guidelines for the 2010 round of population censuses implemented in Central Asian countries					
	A 2.1 Training workshop on implementation of new ECE recommendations		X		
	A 2.2 Advisory services to national statisticians			X	
EA3: Strengthened capacity of Central Asian countries to produce and use statistics on the health status of the population					
	A 3.1 Training workshop on health status statistics for users of health statistics		X		
	A 3.2 Training workshop for statisticians on disability statistics	X			
	A 3.3 Advisory services to national statisticians		X		
EA4: Development and implementation of common methodologies for better coverage by national accounts aggregates of the informal sector (grey and black economy) and other forms of non-observed economic activities in Central Asian countries					

	A 4.1 Two training workshops on best practices related to non-observed economy based on the compilation of national accounts		X	X	
	A 4.2 Advisory services to national statisticians	X	X	X	
EA5: Improved sub-regional cooperation among Central Asian countries in the area of statistics for tracking progress towards the Millennium Development Goals through regional meetings/workshops					
	A 5.1 Meetings of the SPECA Project Working Group on Statistics	X	X	X	
	A 5.2 Study tours for members of the SPECA Project Working Group on Statistics concerning best management practices in official statistics	X		X	
	A 5.3 Evaluation of the project			X	