

# Statistics in development cooperation - improving statistical capacity

Statistics Explained

This article is part of a [set of background articles](#) providing an '*outline of knowledge*' of international statistical cooperation between the [European Union \(EU\)](#) and developing countries, for non-statisticians needing to deal with statistics in development programmes and projects. The outline serves as an entry point and introduction to the much more detailed [Eurostat](#) publication 'Guide to statistics in European Commission development cooperation', downloadable in [PDF format](#) in English, French and Spanish (further down referred to as '*the Guide*').

Many developing countries have weak statistical systems and mechanisms for measuring results. Good, reliable statistics are essential for measuring progress in reaching development goals and provide essential information about the effectiveness of policies and programmes. They help governments improve their policies and to be transparent and accountable about the delivery of development results. Reliable statistics are a key element towards better measurement, monitoring and management of the results of [development assistance](#).

A country's statistical capacity is the ability to collect and disseminate reliable and up-to-date statistics that meet users' needs. All aspects of statistical capacity may be brought forward through dedicated assistance; the key is to focus on which aspect(s) are critical in the specific national (or regional) setting.

## Why is strengthening statistical capacity important?

A country's statistical capacity is the ability of statistical producers to produce reliable and up-to-date statistics that meet users' needs. Most donor intervention in statistics aims at sustainability and therefore contains an element of capacity building. The provision of key statistics and indicators should be assured long-term to monitor progress, evaluate effectiveness and for defining future strategies for:

- [Millennium Development Goals](#) ;
- Poverty reduction strategy or national development strategy;
- Country aid programme, including [Budget support](#) .

**Strengthening of statistical capacity should be focused on priority areas of the poverty reduction strategy or the national development strategy.**

Correspondingly, the [National Strategy for the Development of Statistics \(NSDS\)](#) should emphasise capacity building to support the evidence base for the national development strategy and the poverty reduction strategy.

A performance assessment framework (PAF) is the core tool for the joint assessment by government and development partners for monitoring the implementation of the national strategy and reform programme. It is a set of input, output, outcome and possibly impact indicators to assess the results in the priority sectors set by the development strategy.

The support to capacity building is set as an element for EU coordinated action by the [European Com-](#)

Using a performance assessment framework requires that one considers the national capacity to inform the selected indicators; it might thus require support to strengthen the national capacities in planning, implementing, monitoring and evaluating the country's programmes.

mission Communication ' [Increasing the impact of EU Development Policy: an Agenda for Change](#) '

#### Guide examples and practical information

- B.1.3 *Managing for Development Results*
- B.2.3 *National statistical systems: who does what*
- Box 3.7 *Comparison of sets of key indicators*
- Box 4.3 *Examples of indicators used in the Kenya poverty reduction strategy paper (PRSP)*

## How can statistical capacity be strengthened?

Statistical capacity building often includes:

- Reform of the legal framework;
- Improving dialogue with the political level, within the [national statistical system \(NSS\)](#) and with other users of statistics (see the article ' [Advocacy](#) ');
- Adapting the organisational structure of the national statistical institute;
- Human and financial resources management;
- Training;
- Ensuring that materials, buildings and equipment are adequate.

This can be summarised as 'human', 'technical' and 'organisational' capacity building. Training is an important aspect of capacity building, given the importance of technical and managerial knowledge in organising statistics operations. Another vital aspect is the appropriate [information and communication technology \(ICT\)](#) , both with respect to the hardware and the required software applications.

In order for a statistical process to be efficient and sustainable, the necessary organisational framework must be in place; this involves not only the legal framework, but also the support of and cooperation with other actors, such as line ministries, holders of administrative information, business federations and key enterprises, key statistics users, and so forth.

The ideal framework for planning capacity building is a sector-wide statistical strategy such as an NSDS. This will lead to capacity building actions being planned as part of the strategy implementation. In other situations such as existing stand-alone sector programmes with a statistical component, the programme planning should ensure that the capacity will be available when it is needed. Building an effective national statistical system takes a long time.

Correcting widespread deficiencies in statistics requires an understanding of their causes, direct and indirect. This involves in-depth analysis of issues such as:

- How is the national statistical system functioning? Are roles clearly defined and accepted? Is cooperation within the NSS smooth and coordination efficient? How are human resources managed, what is the recruitment policy, what career and training possibilities are offered? How are financial resources managed? (see the article on the ' [national statistical system](#) ')
- Is the quality of the statistics adequate for the users? What are the main quality challenges and their sources? Is there a strategy to improve the statistical quality? (see the article ' [Data quality](#) ')

Support at the political level is essential for an in-depth assessment, including recognition of the human and financial resources required for an effective statistical system (see the article ' [Advocacy](#) ').

Support for an assessment of the national statistical system and of statistics users' needs should be a precursor to medium term support for statistics capacity building.

Different approaches to assess national statistical systems, their functioning and capacity are presented in chapter C.5.2 of the *Guide* (see also the article on ' [national statistical systems](#) ').

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#### *Guide examples and practical information*

- C.5.2 *Assessing the capacity of the National Statistical System*
- C.6.2 *Capacity building in statistics*
- Box 6.6 *Logical framework for regional statistics training programme*

### **Which financial instruments are available to strengthen statistical capacity?**

The [Marrakech Action Plan for Statistics \(MAPS\)](#) Action 3 calls for increased investment in statistical systems. A set of financing instruments have been established to provide funding for development and implementation of National Strategies for Development of Statistics or similar strategies to improve statistical capacity:

#### **Trust Fund for Statistical Capacity Building (TFSCB)**

- The [TFSCB](#) is a multi-donor trust fund set up to improve the effectiveness and efficiency of national statistical systems in developing countries.
- Its objective is to strengthen national statistical systems in support of poverty reduction strategies and other development goals. This is done through sustainable improvement of the NSS's capacity to produce, analyse, disseminate and use timely statistics.
- TFSCB projects are relatively small and quick disbursing. Priority is given to countries eligible for support from IDA. TFSCB works closely with PARIS21.

TFSCB supports two major types of projects:

- Preparation and updating of [National Strategies for the Development of Statistics \(NSDS\)](#) ;
- Improving the statistical capacity in key priority areas within the framework of NSDS, regional or global strategies.

#### **Statistics for Results Facility Catalytic Fund (SRF-CF)**

To help scaling up investment in statistical capacity, the [Statistics for Results Facility \(SRF\)](#) has been created by a partnership of aid donors and institutions. It consists of a new system-wide approach and new funds.

- The Statistics for Results Facility Catalytic Fund (SRF-CF) is managed by the World Bank
- The SRF-CF provides finance for investment in statistical capacity in the poorest countries.
- It is specifically designed to support the implementation of NSDSs, and also provides funding for project preparation and supervision.

#### **STATCAP**

The Statistical Capacity Building Program [STATCAP](#) provides loans to finance system-wide or sectoral statistical capacity building projects, typically the implementation of a NSDS.

STATCAP provides flexible financing to meet recurrent costs, to finance investments and to make best use of technical support and advice. Each project is based on an assessment of the country's needs and existing capacity. Projects typically include actions to improve:

- institutional capacity (including statistical policy, regulatory and institutional framework, independence, confidentiality, dialogue with data users, statistical operations, statistical procedures and training),
- statistical infrastructure (such as business registers, sampling frames, classifications, database structures and geographic information systems),
- physical working conditions, including the use of information technology.

#### *Guide* **examples and practical information**

- C.6.3.1 *Co-ordinated financing for statistical capacity building*
- Box 1.9 *International financing instruments for statistical capacity building*
- Box 6.7 *Statistics for Results Facility Catalytic Fund: Principles and Objectives*
- Box 6.8 *Statistics for Results Facility Catalytic Fund: Key issues*

## **Other articles**

- [International statistical cooperation](#) (online publication)
- [Statistics in development cooperation](#) (online publication to which this article belongs)

## **Dedicated section**

- [International statistical cooperation](#)

## **Publications**

- [Guide to Statistics in European Commission Development Co-operation](#)

## **External links**

### **About international instruments to support statistical capacity building:**

- World Bank:
- [STATCAP](#)
  - [Statistics for Results Facility Catalytic Fund \(SRF-CF\)](#)
  - [Trust Fund for Statistical Capacity Building \(TFSCB\)](#)

### **About partners in statistical capacity building:**

- [PARIS21: Global Directory of Partners in Statistical Capacity Building](#)

### **About statistical capacity building:**

- EuropeAid: [Project Cycle Management Guidelines](#) (chapter on Institutional Capacity Assessment)
- [PARIS21: Statistical Capacity Building Indicators \(SCBI\)](#)
- World Bank: [Bulletin Board on Statistical Capacity \(BBSC\)](#)