

ORIGINAL: ENGLISH

SECRETARIAT OF THE PACIFIC COMMUNITY
THIRTY-NINTH MEETING OF THE
COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS
(Nuku'alofa, Tonga, 6–9 October 2009)

AGENDA ITEM 3.4.1 – Statistical benchmarking study
(Paper presented by the Secretariat)

SUMMARY

1. This paper provides a summary of the recently completed statistical benchmarking study (*Strengthening statistical services through regional approaches: A benchmark study and way forward*), and recommendations for future statistical developments in the Pacific Island region. This consultancy was commissioned by the Forum Economic Ministers Meeting (FEMM) in 2006. It was managed by the Pacific Islands Forum Secretariat (PIFS) in association with SPC, and the final report was presented to PIFS and copied to SPC in August 2009. In addition to being tabled at CRGA, the report will also be tabled at the upcoming FEMM in Rarotonga, Cook Islands, on 26–28 October 2009, given its obvious implications on future activities by the SPC Statistics and Demography Programme.

Recommendations

2. CRGA is invited to:
 - i. note the comprehensive statistical benchmarking study;
 - ii. further note the countries' unanimous support for a strengthened SPC and PFTAC (Pacific Financial Technical Assistance Centre) role in statistical development across the region;
 - iii. endorse SPC concurrence with countries' support for an expanded SPC/PFTAC programme plus optional contracting of selected statistical series/services by Forum Island Countries (Option 2) as the preferred way forward to strengthen statistical services and capacity across the region, which also reflects the majority view of the regional consultations held in Nadi;
 - iv. approve SPC's engagement in strategic discussions with PFTAC and a core group of development partners to plan for the gradual implementation of Option 2, and in the process address three key outstanding issues that were inadequately covered in the final consultants' report and recommendations:
 - a. the undertaking of a comprehensive gap analysis across key sectors, which will be guided by a core set of common development indicators addressing both PFTAC (General Data Dissemination System) and SPC (Minimum National Development Indicators) concerns;

- b. a comprehensive costing of Option 2 that also addresses additional budget requirements for national statistical offices and the costs for optional outsourcing of specific statistical services; and the
- c. development of a long-term strategic vision and plan positioning statistics and statistical development over a 10–20 year horizon in the context of fostering and sustaining a climate of evidence-based decision-making.

STATISTICAL BENCHMARKING STUDY

Purpose of this paper

1. The purpose of this paper is to inform CRGA on the results of a recently completed statistical benchmarking study (*Strengthening statistical services through regional approaches: A benchmark study and way forward*) and its implications for SPC – both regarding its Council of Regional Organisations in the Pacific (CROP) agency mandate pertaining to statistical coordination under the Pacific Plan, and regarding the future work and responsibility of its Statistics and Demography Programme (SDP).

Background to study

2. Undertaken by a team of international consultants, this study was managed by the Pacific Islands Forum Secretariat (PIFS) in association with SPC, following on from a decision taken by the Forum Economic Ministers Meeting (FEMM) in 2006 and building on Pacific Plan initiative 12.4, which recognises the need to ‘upgrade and extend country and regional statistical information systems and databases across all sectors’. The study was financially supported by an Asian Development Bank (ADB) technical assistance grant to PIFS.
3. During the 2007 Regional Heads of Planning and Statistics conference in Noumea – SDP’s triennial governance meeting – PIFS approached SPC with draft terms of reference (TOR) for this consultancy. The terms were finalised over the following months, tenders were called for by PIFS in late 2007/early 2008, consultants were selected in April, and the regional consultation process started in October 2008.

Implementation of consultancy and production of final report

4. This process comprised a very ambitious schedule of country-level discussions with key national stakeholders (national statistical offices [NSOs], planning agencies, central banks, sectoral ministries), as well as regional and international agencies with a vested interest in statistics and statistical developments across the region. It culminated in a comprehensive regional consultation in Nadi, Fiji Islands, on 21–22 April this year, which brought together heads of all Pacific Island NSOs or their representatives, senior staff from the Australian and New Zealand national statistical agencies, development partners (ADB, the Australian Agency for International Development [AusAID], EU, the New Zealand Agency for International Development [NZAid], Partnership in Statistics for Development in the 21st Century [Paris21], World Bank) and other key stakeholders in regional statistical activities and developments (International Labour Organization [ILO], United Nations Development Programme [UNDP], UNDP Pacific Centre, United Nations Population Fund [UNFPA], United Nations Children’s Fund [UNICEF], University of the South Pacific [USP]).
5. Proceedings in Nadi were co-chaired by PIFS’s Deputy Director-General, Mr Peter Forau, and SPC’s Director, Social Resources Division, Mr Bill Parr. Plenary discussions on draft review chapters and recommendations resulted in critical and constructive feedback being provided by four working groups, which reviewed the report’s main findings and recommendations from their

own specific strategic and operational perspectives.¹ The final report reflects many of the proposed amendments and changes.

Major report findings and recommendations

6. The report's main findings are contained in a comprehensive final report, which we understand has been widely distributed by PIFS to member countries and regional and international stakeholders. An executive summary describing its main findings and recommendations is provided as Annex 1 to this working paper.
7. The report is divided into two parts. Part 1 comprises a stocktake of current and historical statistical practices and developments across the region, drawing from published reports and documents, and various forms of consultative meetings described above. The consultants' key findings are summarised as follows (extracted from executive summary):
 - Resources are very restricted, especially for staff. There is in particular a very serious shortage of qualified statisticians.
 - Statistical outputs are very limited and their dissemination is often late and poor, and documentation seriously lacking. This is especially true for economic statistics.
 - Coordination and cooperation of statistical work in countries is often poor.
 - Longer and more sustained statistical TA [technical assistance] and training are required, but there is no strong desire to see the SPC and PFTAC statistics programme replaced.
 - All FICs [Forum Island Countries] we consulted believe that it is necessary and possible for them to have a comprehensive statistical system, no matter how small their populations. However the study visits did not cover the very small countries of Nauru or Niue with a staff of one or two.
 - Users do recognise that poor management of NSOs is a problem in some cases and that it is up to the national authorities to do something about it.
 - There were mixed views on a special minimum core set of statistics for the Pacific.
8. Part 2 contains the consultants' proposals for change. It highlights recommended actions and reforms at the national level – including additional tasks required from NSOs and systems, and at the regional level it spells out additional support tasks recommended and it describes three options for organisational change, and how these might work in practice. The three recommended options are as follows:

Option 1: an expanded SPC/PFTAC statistics programme, including capacity supplementation (regional experts), stronger management control by FICs², and clearer demarcation of roles with PFTAC.

Option 2: an expanded SPC/PFTAC programme as above, plus optional contracting of selected statistical series/services by FICs. Such contracting might be with SPC, but it could also be with other statistical producers in the region such as Australia's or New Zealand's statistical services or indeed to the statistical service of a neighboring FIC.

¹ These four working groups comprised: (i) representatives of large island countries and big NSOs; (ii) small island states with small NSOs; (iii) representatives of regional agencies (PIFS, PIFTAC, SPC, USP); and (iv) representatives of all major international stakeholders and development partners attending this meeting.

² This consultancy report being commissioned by PIFS, the report makes reference to FICs. The Secretariat believes a more inclusive reference to PICTs would be helpful, considering SPC's larger membership.

Option 3: a new Pacific Regional Statistical Service (PIRSS), taking on existing NSO staff and working under contract to national governments.

9. All countries – and the vast majority of agencies – present at the consultation in Nadi expressed their **support for Option 2**, with countries in particular acknowledging their satisfaction with the services provided by PFTAC and SPC. While everyone acknowledged that there are problems in certain areas of statistics (economic statistics being specifically mentioned by the report), the consensus was to acknowledge and retain what works well, and improve (with better resources for countries and agencies) what doesn't, rather than changing the system altogether.
10. The Secretariat fully endorses these sentiments, and supports Option 2, seeking expanded and better resourced and coordinated roles for PFTAC and SPC.
11. The Secretariat also echoes the sentiment expressed at the Nadi consultations that given the present global financial and economic crisis, creating a new regional institution would send altogether the wrong signals to our development partners, and would also be completely incongruous with recent political developments leading to the rationalisation of regional agencies (RIF process).

Limitations of the consultancy report from the Secretariat's perspective

12. While the Secretariat endorses the overall findings and recommendations contained in the final report, there are three critical shortcomings that the consultants were not able to adequately analyse due to time constraints. These will need to be addressed prior to the implementation of any recommended option, as they have serious implications on the effective and efficient implementation of sustainable solutions – thus impacting the work to be undertaken by every agency involved in the implementation of recommended options.
 - a. Overall lack of benchmarks

We see the lack of a comprehensive gap analysis and concomitant documentation of benchmarks as one of the key shortcomings of the report. SPC, in discussions with PFTAC and key development partners, agreed that an in-depth gap analysis across key sectors ought to be undertaken as a key preparatory activity, irrespective of the type of option considered, and that this should be undertaken after CRGA and FEMM.
 - b. Lack of detailed costings of policy options, and cost-benefit analysis

The Secretariat believes the report and recommendations can be substantially strengthened by including detailed costs of option 2, with a cost benefit analysis and multi-year budget requirements for NSOs, and options for funding the cost of optional outsourcing of certain statistical services. Countries, development partners and technical agencies will need this specific information pertaining to additional budgets required at national levels in order to make informed decisions about the budget implications for option 2.
 - c. Lack of strategic guidance and implementation plan

The Secretariat believes the report could have benefitted from developing the the stocktake findings into clear and strong strategic medium- to long-term objectives to guide future statistical development and sustain a political climate of evidenced-based decision-making across the region. In its present form, the report, and particularly Part 2, lacks such a long-term strategic vision.

**Annex 1:
Strengthening statistical services through regional approaches: A benchmark study and way forward**

To follow – and **NOT TO BE EDITED**