
DESIGN FOR A PROGRAM TO
STRENGTHEN STATISTICS IN THE
PACIFIC

BY
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THE AUSTRALIAN BUREAU OF STATISTICS
AND
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ACRONYMS AND ABBREVIATIONS

ABS	Australian Bureau of Statistics
ADB	Asian Development Bank
AusAID	Australian Agency for International Development
CRGA	Committee of Representatives of Governments and Administrations of the Pacific Community
FEMM	Forum Economic Ministers' Meeting
FIC	Forum Island Country – These are Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.
HIES	Household Income and Expenditure Survey
HOPS	Regional Meeting of Pacific Heads of Planning and Heads of Statistics
M&E	Monitoring and Evaluation
MOU	Memorandum of Understanding
NSO	National Statistics Office
NZAID	New Zealand International Aid and Development Agency
Ten-Year Strategy	A Pacific Island Region Plan for the Implementation of Initiatives for Strengthening Statistical Services through Regional Approaches 2010-2020
PIC	Pacific Island Country
PFTAC	Pacific Financial Technical Assistance Centre
ROU	Record of Understanding
SSC	Statistical Steering Committee
SNZ	Statistics New Zealand
SPC	Secretariat of the Pacific Community
TA	Technical Assistance

1. EXECUTIVE SUMMARY

Australia provides funding and other forms of assistance to build the capacities of Pacific Island Countries' (PICs) to produce quality statistics. It does this through bilateral and regional programs and through international organisations. This design relates to two regional mechanisms:

- program support to the Secretariat of the Pacific Community (SPC) Statistics and Demography Programme; and
- funding to the Australian Bureau of Statistics (ABS) to provide technical assistance to countries.

1.1 Background and context

The goal of Australia's overall support for PIC statistics is:

Better evidence-based decision making by Pacific Island Governments and their peoples, better tracking of development progress and improved aid effectiveness.¹

The rationale for aid program involvement in improving PIC statistics is that reliable and timely statistics are a core component of good governance. They are:

- the basis for good planning, decision making and evidence based policy formulation;
- essential to managing the delivery of basic services;
- essential to ensuring accountability and transparency of governments;
- essential to tracking development impact and measuring aid effectiveness.

Through the Pacific Plan and subsequent decisions, PICs have acknowledged the importance of statistics. They commissioned two studies to review the status of PIC statistics, to identify priority statistics datasets, and to develop a regional strategy to improve their statistics. These studies concluded that the limited quality and range of statistics available across the Pacific inhibit effective monitoring, analysis, policy-making and effective planning. The range of problems facing PICs in producing quality statistics is summarised.

Based on this work the Region has adopted a strategy and regional coordination mechanisms for improving statistics and PIC statistics capacities, and is developing a regionally agreed priority statistics dataset.

The SPC has a mandate at the regional level for the coordination of work to improve statistics. In this role it is developing a Pacific Statistics Strategy Action Plan to define the priority objectives, outputs, activities, timing and monitoring and evaluation arrangements. (This plan is referred to as the Strategy Action Plan in this document.) This plan will be approved by the Region's newly established Statistical Steering Committee, and its implementation will be reviewed annually.

1.2 Design

This design adopts the goal of Australia's overall support for PIC statistics above, which aligns closely with the Goal of the Region's Strategy Action Plan:

¹ AusAID Draft Concept Paper: *Better Data for better development policies - AusAID's strategy to strengthen statistical services and data collection in the Pacific*

To strengthen the capacity of national statistical systems and social and economic planning agencies to ensure that the region's policy-makers and analysts have a wide range of key demographic, economic and social indicators to support evidence-based decision-making.

This design recommends that both the ABS implemented support and the program funding of the SPC Statistics and Demography Programme should be directly linked to the Strategy Action Plan and its coordination and planning mechanisms. The identification of work to be implemented by the ABS and by the SPC will be determined by the priorities of the Strategy Action Plan, and reporting, monitoring and evaluation will be integrated with monitoring and evaluation of the Strategy Action Plan. The advantages of this approach include that it:

- Builds on a plan and planning process which have significant ownership at regional and national levels;
- Aligns AusAID support with national and regional priorities and activities;
- Reinforces a single regionally owned planning process to set standards and priorities;
- Enables monitoring and evaluation (M&E) of AusAID's regional support for statistics in the Pacific to be integrated with M&E of the Region's Strategy Action Plan;
- Facilitates harmonisation of programs of other financial/technical partners and international organisations, including the M&E for those programs;
- Improves the efficiency of planning and M&E for PICs, regional organisations and AusAID.

Under this arrangement AusAID's influence over the work to be implemented will be through engagement in the planning process primarily through its participation in the newly formed Statistical Steering Committee (SSC), rather than by approving the detailed activities in separate funding proposals presented by the SPC and ABS as is now the case.

The design recommends ways in which AusAID could play a greater role in coordination of support for PIC statistics capacities, including to improve internal coordination, whole of government coordination and donor harmonisation. This was recognised as particularly important to the design at the peer review stage.

The proposed approach, taken together with recent PIC decisions on ways to improve their statistics², provides a basis for sustainability from both technical and organisational viewpoints and, from a financial perspective, provides an efficient means to improve PIC statistics and PIC statistics capacities.

The design identifies and responds to lessons from recent support for statistics by AusAID and others.

The design recognises the potential value of quality statistics to tracking and addressing key policy issues of importance to the aid program including poverty, the Millennium Development Goals, corruption, environmental changes, disabilities and gender equality. It

² PICs endorsed a recommendation from the Benchmark Study which provided for PICs to contract out, to SPC, ABS, Statistics New Zealand or other PICs, some statistical services. This is in-line with the Pacific Plan's concepts of regionalism including 'Regional Cooperation' and 'Regional Provision'.

identifies how AusAID through its engagement, and the SPC and ABS through direct support, can influence the production of relevant high quality statistics.

Key risks are identified, the most significant of which relate to PIC commitments and capacities to utilise improved statistics in national policy and decision making. The SPC and ABS will undertake activities which will build this capacity. AusAID and others must also play an active and substantial role through engagement with PIC governments and communities.

1.3 Funding

AusAID has proposed that funding for the ABS for work in support of the Region's Strategy Action Plan should be up to AUD 1 million per year for the next five years. It has proposed that program funding for the SPC's Statistics and Demography Programme should be up to AUD 2.75 million per year until at least 2012/13.

1.4 Management

The management of the Region's Strategy Action Plan and its monitoring and evaluation will be by the SPC in consultation with the Statistical Steering Committee, of which AusAID is a member. The identification of work to be implemented by the ABS will be undertaken cooperatively between the SPC and ABS in consultation with relevant PICs. AusAID, the SPC and the ABS will meet at least annually to review and make adjustments to the management arrangements for ABS implemented work. The arrangements for funding the ABS will be documented in an Annexure to the existing Record of Understanding (ROU) between AusAID and the ABS. The arrangements for funding the SPC will be documented in a Schedule to the existing MOU between AusAID and the SPC.

1.5 Monitoring

AusAID will be able to monitor the implementation of both the SPC and ABS supported work through annual reporting by each organisation. More importantly it will be able to assess progress toward the identified goal and objectives from the coordinated reporting the SPC will provide against the monitoring and evaluation framework which is an integral part of the Strategy Action Plan. In this way AusAID will gain a view of the development of statistics capacities more broadly than just the elements which Australia is financing – although it should be noted that Australia is by far the majority funder of statistics in the region.

1.6 Whole of government

Providing longer term resources to the ABS to work with PICs and with the SPC, will enable relationships which the ABS has already established with PICs and regional organisations, to be consolidated and extended, while working to achieve the outcomes which PICs and the Region have identified. A range of benefits which can potentially flow from these relationships are identified.

2. BACKGROUND

The Australian aid program provides funding to improve statistics about Pacific Island Countries (PICs) and to build PIC governments' capacities to produce quality, timely statistics. It has done this via several mechanisms:

- Program funding to the Statistics and Demography Programme of the Secretariat of the Pacific Community (SPC);
- Core funding to the SPC, a portion of which the SPC allocates to its Statistics and Demography Programme;
- Core funding to the Pacific Financial Technical Assistance Centre (PFTAC),
- Bilateral aid projects and contributions to PIC government activities in particular censuses, demographic health surveys and household income and expenditure surveys;
- Project funding to the Australian Bureau of Statistics (ABS) to provide specified technical assistance to countries;
- Funding of other regional organisations including the University of the South Pacific, Forum Fisheries Agency and the South Pacific Regional Environment Programme which provide statistics support in their areas of specialty;
- Funding of international organisations including the United Nations Development Program, the World Health Organisation, the United Nations Population Fund and the United Nations Children's Fund.

AusAID has prepared a Concept Paper, *Strategy to strengthen statistical services and data collection in the Pacific*, which outlines AusAID's strategy for managing current and proposed new activities to strengthen statistical services in the Pacific through regional bilateral and international program funding and by direct engagement. It includes a proposal for ABS support to be expanded and funded on a multi-year basis and be planned and implemented in close coordination with the SPC Statistics and Demography Programme.

This design details the rationale and arrangements for only the following two elements of the above mentioned AusAID support for statistics in the Pacific:

- Program funding to the Statistics and Demography Programme of the SPC;
- Funding to the ABS to provide technical assistance to countries.

2.1 Region's commitments to improve statistics

As part of Pacific Forum Leaders' vision to strengthen regional cooperation and integration, they developed the Pacific Plan. The Goal of the Pacific Plan³ is to:

Enhance and stimulate economic growth, sustainable development, good governance and security for Pacific countries through regionalism.

Pacific Leaders recognised the importance of improved statistics to this goal, and approved Strategic Objective 12 of the Pacific Plan:

³ Pacific Islands Forum Secretariat (November 2007) *The Pacific Plan for Strengthening Regional Cooperation and Integration*.

Improved transparency, accountability, equity and efficiency in the management and use of resources in the Pacific,

and Initiative 12.4 for implementation in the period 2006 – 2008 of:

Upgrade and extend country and regional statistical information systems and databases across all sectors⁴.

The 2009 Pacific Islands Forum Communiqué noted that Leaders agreed on a number of key commitments and priority areas in order to advance the Pacific Plan over the three years from 2010 including:

Achieving stronger national development through better governance by (amongst seven actions):

..... committing to sustainable and appropriate:

- *collection and compilation of statistics;*
- *information management; and*
- *records-keeping;*

to ensure the development and implementation of better-informed national policy.

In the context of the Pacific Plan, the Finance and Economic Ministers' Meeting (FEMM) commissioned a study, *Strengthening Statistical Services through Regional Approaches: A Benchmark Study and Way Forward⁵* (Benchmark Study) which provides an assessment of Pacific statistics and options for improving national statistics through regional approaches. Subsequently the Asian Development Bank (ADB) at the request of SPC commissioned a further study, *A Pacific Island Region Plan for the Implementation of Initiatives for Strengthening Statistical Services through Regional Approaches, 2010 – 2020⁶*, which set out a ten year strategy. (This document is referred to as the 'Ten-Year Strategy' in this design.)

At the July 2010 Pacific Heads of Planning and Heads of Statistics meeting (HOPS) new coordination structures were put in place, based on the recommendations of these studies. The SPC has a mandate at the regional level for the coordination of work to improve statistics and is supporting the Region progress action on the Ten-Year Strategy with the aim of greater harmonisation of statistical standards, concepts, collections and procedures including a priority set of statistics and minimum development indicators.

⁴ The monitoring & evaluation framework for the Pacific Plan notes dependence on this initiative for monitoring elements of every strategic objective of the Plan.

⁵ Pacific Islands Forum Secretariat (2009) *Strengthening Statistical Services through Regional Approaches: A Benchmark Study and Way Forward*.

⁶ SPC (2010) *A Pacific Island Region Plan for the Implementation of Initiatives for Strengthening Statistical Services through Regional Approaches, 2010 – 2020*

3. ANALYSIS AND CONTEXT

3.1 Problem analysis

3.1.1 Importance of statistics

Reliable, timely statistics are crucial to designing evidence-based policies, improving and tracking development, and measuring aid effectiveness. They are also a key tool for communities to use in influencing their governments' policies and priorities. The PARIS21⁷ document *Making the Case*⁸ summarises the argument:

Good statistics provide a basis for good decision making, help governments to identify the best courses of action in addressing complex problems, are essential to manage the effective delivery of basic services, and are an indispensable, core requirement for accountability and transparency. Good statistics are a core component of good governance. They also provide a sound basis for the design, management, monitoring, and evaluation of national policy frameworks such as Poverty Reduction Strategies and for monitoring progress towards the Millennium Development Goals. Good statistics, therefore, are part of the enabling environment for development: they measure inputs, outputs, outcomes, and impact, providing reliable assessments of key economic and social indicators, covering all aspects of development from measures of economic output and price inflation, to the well-being of individuals.

3.1.2 Status of Pacific statistics

The quality and availability of statistics in the Pacific is less than adequate, and most national statistical capacities are weak. The World Bank's statistical capacity indicator shows that the region scores poorly by international standards. Fiji, Samoa, Tonga and Vanuatu perform relatively well compared to other countries in the region, but even they lag behind African and low income country averages⁹.

The 2009 Benchmark Study noted:

There is a strong perception amongst regional policy makers, technical agencies and development partners that there is a substantial gap between the official statistics needed and the statistics actually available in the Pacific region. Our stock take and observations confirmed these perceptions. The limited quality and range of statistics available across the Pacific inhibits effective monitoring, analysis, policy-making and effective planning¹⁰.

and

Despite recent progress on census, household surveys and data dissemination, the conclusions are stark. No data category of the priority dataset¹¹ is met by all Forum

⁷ Partnership in Statistics for Development in the 21st Century. PARIS21's goal is to develop a culture of evidence-based policy making and implementation which serves to improve governance and government effectiveness in reducing poverty and achieving the Millennium Development Goals.

⁸ PARIS21 Secretariat (November 2004) *Making the Case: National Strategy for the Development of Statistics*. pp2

⁹ AusAID (2009) *Tracking development and governance in the Pacific*.

¹⁰ Pacific Islands Forum Secretariat (July 2009) *Strengthening Statistical Services through Regional Approaches: A Benchmark Study and Way Forward*. Page 3.

¹¹ This refers to the priority dataset recommended by the Benchmark Study.

Island Countries. The areas requiring the greatest improvement are: GDP, labour market, BOP, trade, population and health. Clearly Forum Island Countries are a long way from meeting priority user needs in these areas¹².

3.2 Sector issues

3.2.1 Current support for Pacific Statistics

Many organisations provide technical assistance to PICs and/or are interested users of PIC statistics. The two regional organisations with a major focus on statistics are:

- SPC's Statistics and Demography Programme, which provides technical assistance for surveys and censuses, the collection and dissemination of social and economic statistics including the regular compilation of national accounts and re-basing of CPIs, general and specialised statistical training. The technical and other assistance also aims to strengthen the capacity of national statistical systems and social and economic planning agencies; and
- PFTAC which provides advice and capacity building on the technical aspects of financial and economic policy formulation and management, including economic and financial statistics.

It is important that future technical and financial support by Australia is provided in ways that harmonise with support from other sources.

The key providers of technical assistance for statistics are¹³:

Organisation	Main focus of assistance provided
ADB	Bilateral TA in economic statistics. Analysis of national statistics.
SPC	Demographic, social and economic statistics; capacity development of National Statistics Offices (NSOs).
PFTAC	Economic and financial statistics ¹⁴
UN agencies (ILO, UNICEF, UNDP, UNFPA, UNIFEM, UNESCAP, WHO and others)	TA for sector- or issue-specific surveys and analysis (e.g. health, poverty, gender violence) and administrative databases. STEPS surveys for chronic disease risk factor surveillance. Demographic health surveys. Sexual and reproductive health surveys. Labour market surveys.
Private firms (e.g. technical specialists such as MACRO, or donors' managing contractors)	Project-specific TA e.g. MACRO provides assistance for Demographic and Health Surveys; managing contractors often provide assistance for statistics in the context of broader institutional strengthening projects in non-statistical sectors e.g. education

¹² Pacific Islands Forum Secretariat (July 2009) *Strengthening Statistical Services through Regional Approaches: A Benchmark Study and Way Forward*. Page 26. Additional information has been added based on advice from SPC.

¹³ From NZAID (2008) *Review of completed assistance for statistics in the Pacific*, with additional information from SPC.

¹⁴ PFTAC's budget for financial and economic statistics for FY09-11 is approximately USD1.7million. From: [http://www.pftac.org/Annex%204 Budget%20January%202010.pdf](http://www.pftac.org/Annex%204%20Budget%20January%202010.pdf)

ABS and Statistics New Zealand	Attachments of NSO staff to Canberra or Wellington; training; capacity development (e.g. assistance with statistics strategies; institutional strengthening projects funded by AusAID or NZAID); census and surveys assistance; etc.
PARIS21	National strategies for development of statistics. Advocacy.

The key providers of funds for statistics capacity development are¹⁵:

Organisation	Funding provided with some statistics component for:
AusAID and NZAID	SPC PFTAC ABS and Statistics New Zealand bilateral and regional projects, including in other sectors
France, USA	SPC
Japan	PFTAC
ADB	PFTAC Other regional and bilateral technical assistance Projects - executed by National Statistics Offices (NSOs), SPC and other organisations/firms
IMF	PFTAC
World Bank	Accelerated Data Program. Statistical Capacity Building.

3.2.2 Estimated annual costs of Pacific statistics services¹⁶

The 'Benchmark Study'¹⁷ estimated that funding for statistics in Forum Island Countries (FICs) in 2009 comprised USD 9.3 million, of which almost 70% is provided to National Statistical Offices, and 30% to regional organisations SPC and PFTAC.

The 'Benchmark Study' made estimates¹⁸ of the cost of implementing its recommended option for improving Pacific statistics, which was adopted by the FEMM. It estimated the additional cost would increase to USD 5.5 million per annum by year 5, including USD 1.7 million for NSOs. (It recommended government budgets should fund this latter component).

¹⁵ From NZAID (2008) *Review of completed assistance for statistics in the Pacific*, with additional information from SPC.

¹⁶ The information from the Benchmark Study relates to FICs only, not to the territories which are also SPC members.

¹⁷ Page 63.

¹⁸ Pages 7 and 63.

Organisation	Funding Received 2009	Estimated Funding Required Per Annum
SPC statistics programme	USD 2.4 million	USD 4.5 million
PFTAC statistic programme	USD 0.5 million	USD 0.9 million
Capacity supplementation	USD 0.0	USD 1.3 million
FIC NSO costs, including bilateral donor funds	USD 6.4 million	USD 8.1 million
Total	USD 9.3 million	USD 14.8

The costs exclude costs incurred in the Ministries and Central Banks outside of the NSO. Implementation costs of the population censuses and household surveys, which are considerable, are also excluded.

3.2.3 AusAID's proposed funding

AusAID's Concept Paper, '*Better Data for better development policies*'- *AusAID's framework to strengthen statistical services and data collection in the Pacific*, proposed allocations to the two elements of its support which are the subject of this design of:

Up to AUD7.75 million over three financial years (2010/11 – 2012/13), for the SPC's Statistics and Demography Programme; and

Up to AUD5.0 million over five financial years (2010/11 – 2014/15), for work to be undertaken by the ABS.

3.2.4 Regional coordination

The SPC has a mandate at the regional level for the coordination of work to improve statistics. The Benchmark Study considered the issue of regional coordination and concluded that the governance of the SPC statistics programme and the direction from PICs needed to be tightened. It suggested:

- Plenary meetings every two years of a new Pacific Statistical System¹⁹ Consultative Committee.
 - The July 2010 HOPS meeting decided that it already fulfils this role.
- A Statistical Steering Committee comprised of countries, and technical and funding agencies, with delegated authority to review and take decisions on the regional statistics work programmes between plenary meetings.

¹⁹ "The coordination of the work at regional level would be helped by the creation of the concept of a Pacific Statistical System (PSS). Such a system could be built on agreements for cooperation and for agreed statistical standards in "modules of statistics" covering all topics, not just those that are traditionally the responsibility of the NSO. It could include minimum requirements for e.g. National Accounts, Labour Force Surveys, Demographic statistics, etc. The Priority Dataset for FICs presented in part 1.4 would be a starting point for development of the modules of the proposed PSS.

The PSS would not just be about the data to be produced and development plans for that data. It would also be the system of committees and meetings among members of the PSS, and a set of quality standards and codes of practice for producers of statistics in the region." (Strengthening Statistical Services through Regional Approaches: A Benchmark Study and Way Forward Page 42.)

- This was established by HOPS at its July 2010 meeting. Terms of reference are at Annex A).
- An Agencies Statistical Coordination Committee - meeting of development partners and relevant regional agencies, once per year.
 - This is occurring already through informal means including in association with regional meetings.

The effectiveness of these committees depends in part on the quality of the Strategy Action Plan for the Region which defines the priority objectives, activities, timing and monitoring and evaluation arrangements. The SPC prepared Plan and it was approved at the November 2010 meeting of the SSC – its first meeting.

National factors will also need to be addressed if regional coordination is to have its potential impact. Countries do not have adequate internal mechanisms for coordinating between their own agencies. National Statistics Offices (NSOs) are in many cases weak bureaucratically and have poor systems for consulting other agencies which produce or utilise (or should utilise) statistics. As a result national priorities are often not clear. This weakness also militates against effective national coordination of potential assistance from financial/technical partners. It also means countries are not well placed to resist pressures to be involved in collecting statistics which are not a priority for the country.

In relation to outside pressures the Ten-Year Strategy observes:

The build-up of the statistical infrastructures that underpin all statistical sources of the Pacific Island is at risk of being undermined by the operation of stand-alone surveys by development partners and others, when they compete for scarce statistical resources, and operate in comparative isolation of the common strategies being developed in the region.²⁰

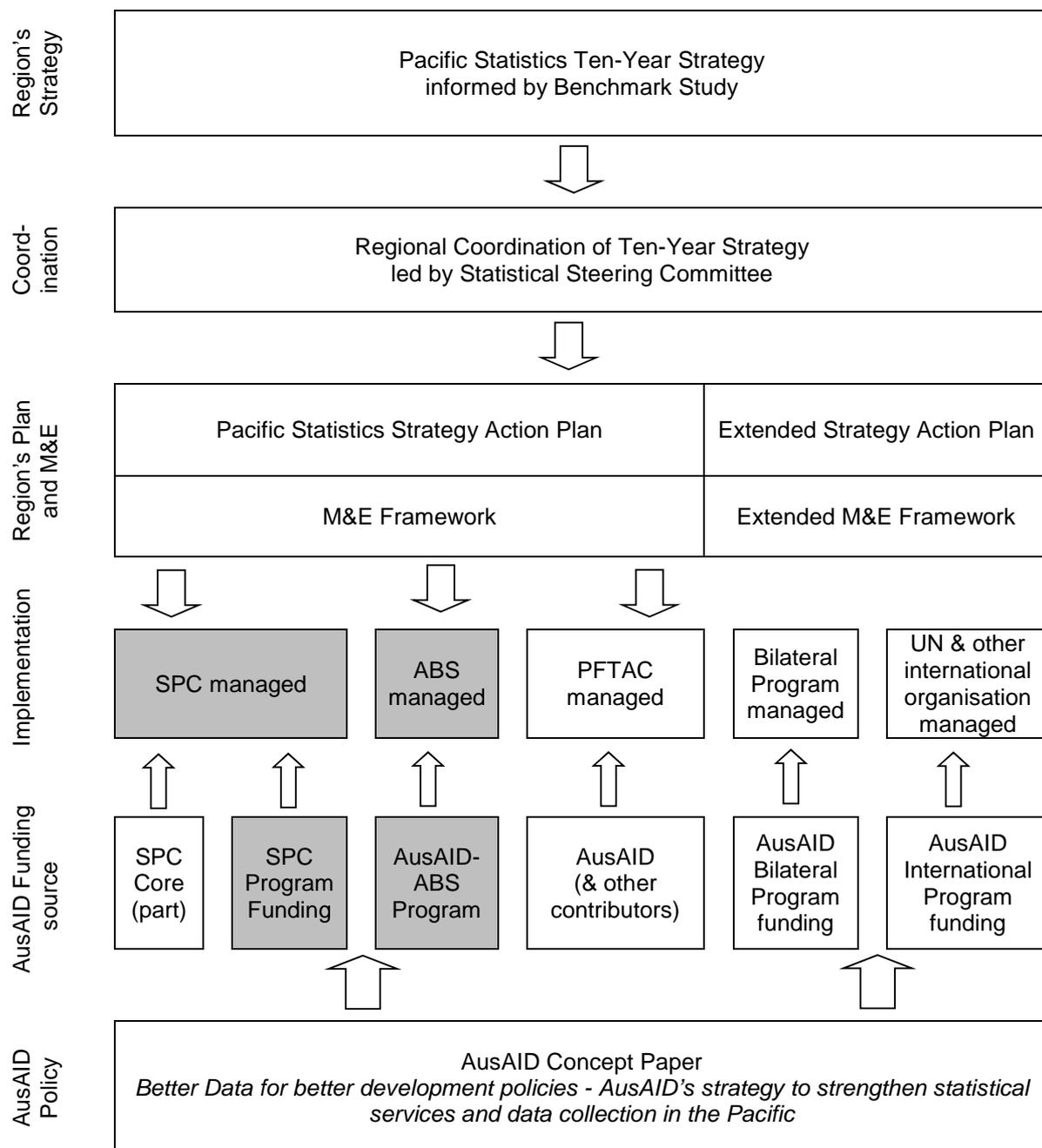
Building national institutional capacities to coordinate the planning and management of statistics is one important element of improving statistical capacity where the SPC and ABS will assist.

If AusAID is to rely on regional planning and coordination processes to set the priorities for the use of aid program funds, it will need to be confident that coordination processes are working effectively.

Diagram A below sets out the relationships between the Region's Ten-Year Strategy and Strategy Action Plan, and Australia's funding for statistics within the policy context of AusAID's Concept Paper: *Better Data for better development policies - AusAID's strategy to strengthen statistical services and data collection in the Pacific.*

²⁰ SPC (2010) *A Pacific Island Region Plan for the Implementation of Initiatives for Strengthening Statistical Services through Regional Approaches, 2010 – 2020*. Page 47.

Diagram A: Relationships between the Region’s strategy and planning documents and the implementation work which AusAID is funding, through several mechanisms, under the strategy detailed in its concept paper.



Notes to Diagram A:

- The shaded boxes are the funding and implementation elements described in this design document.
- The 'Ten-Year Strategy' comprises initiatives for strengthening statistical services through regional approaches. It does not focus on national work supported under national or bilateral funding.
- The Pacific Statistics Strategy Action Plan has been developed by SPC and with an integrated M&E framework. It will be approved by the Statistical Steering Committee. At this stage it only covers work in which the SPC, ABS and PFTAC are involved in implementing. Ideally it will be extended to cover all support for PIC statistics to enable coordination, monitoring and evaluation across all statistics work.
- AusAID's concept paper relates to all support it provides in support of PIC statistics.

3.2.5 Coordination within AusAID

Given AusAID funds statistics through several mechanisms including bilateral programs, it is very important that AusAID has systems in place for good internal coordination to ensure it does not support activities which are inconsistent with either regional plans and regionally agreed standards, or inconsistent with partner government national policies standards or priorities. To achieve this AusAID should consider nominating a position within the Pacific and PNG Branches with responsibility to take proactive action to encourage coordination between all relevant Canberra and overseas staff and programs. This could involve: tracking current and planned support to statistics; sharing information on regional progress in establishing standards with AusAID and program staff; reviewing proposals, facilitating SPC and PFTAC comment on proposals and participating in peer reviews; and making SPC and others aware of statistics work AusAID is supporting, particularly through bilateral or international funding.

3.2.6 Coordination within Whole-of-Government

AusAID also needs to play a role to ensure that engagement with PICs by other government departments is consistent with the Region's needs and capacities and with donor supported programs. There is a risk that other departments' well intentioned actions could skew statistics priorities of PICs and the region or introduce policies or systems which are inconsistent with regional or national standards and policies. The engagement of ABS with the SPC led coordination, will provide influential assistance to AusAID in this role. The position proposed above for internal coordination could work with the relevant Directors and Branch Heads to encourage harmonised action and policies in other departments.

3.3 Rationale for aid program involvement

There are clear development reasons for PICs to improve their statistics. These are discussed in detail in both the Benchmark Study and the Ten-Year Strategy. In summary, reliable and timely statistics are a core component of good governance. They are:

- the basis for good planning, decision making and evidence based policy formulation;
- essential to managing the delivery of basic services;
- essential to ensuring accountability and transparency of governments;
- essential to tracking development impact and measuring aid effectiveness.

Statistics are thus critical to PIC development and to the Australian Government improving the effectiveness of its development support. This is the rationale for the aid program to work with PICs to improve their statistics.

Many PICs do not need all the complex statistical data sets that larger countries require but, as noted above, all PICs currently have less than adequate statistics available to them, and less than adequate capacities to collect, analyse and utilise statistics. The Region is working to define and prioritise the statistical data sets and services that each country needs. This will inform regular updating of the Strategy Action Plan.

3.4 Partnership and whole of government engagement in the aid program.

The aid program recognises that making use of the wide range of expertise available through the Australian Government enables Australia to develop more comprehensive and effective responses to the significant development challenges faced by fragile states. This

includes the establishment and maintenance of partnerships between Australian agencies and PIC agencies and/or Pacific regional organisations. A range of potential benefits are envisaged from direct engagement of Australian agencies with PIC development, including benefits for PICs, benefits for Australia and benefits for the effectiveness of the aid program. An outline of these potential benefits is included in Annex B. In recognition of the value of ABS expertise being available to PICs (and other developing countries) AusAID and the ABS have signed a Record of Understanding to underpin their strategic partnership.

The ABS has had a long involvement with many PICs and with the SPC and has well established relationships with some countries. Providing longer term resources to the ABS to work with PICs and with the SPC, will enable these relationships to be consolidated and extended, while working to achieve the outcomes which PICs and the Region have identified.

3.5 Lessons learnt

A 2008 New Zealand International Aid and Development Agency (NZAID) Review of completed assistance for statistics in the Pacific examined 33 completion, evaluation or mid-term review reports on national or regional activities implemented by ABS, AusAID, IMF, NZAID, PFTAC, SPC and Statistics New Zealand (SNZ). It identified a number of lessons relevant to identification and design of capacity development assistance for statistics:

- More efforts should be directed to the broader institutional environment in which the statistical system operates—technical assistance that focuses narrowly on technical statistical skills is unlikely to have a significant sustainable positive impact;
- Assistance for statistics should not neglect dissemination of short, simple, digestible statistical products for wide audiences;
- Providers of technical assistance—donors and technical agencies—should coordinate better;
- Designs must be realistic, flexible and prepared for assistance to be provided over a long period;
- Good practice project management such as risk management, monitoring and evaluation is as important in statistical capacity development as elsewhere in aid ;
- Basic to medium training in computer skills, word processing and spreadsheets is an important pre-requisite for higher level statistical training and such training in these skills can be outsourced relatively cheaply;
- Attachments of National Statistics Offices staff to host organisations need to be carefully structured for the person to get the greatest capacity development benefit.

The Review had been made available to the team preparing the Benchmark Study.

3.6 Consultations

This design was developed by a team comprised of representatives from AusAID, the ABS and SPC assisted by a design consultant. The TOR for the design work are in Annex C. The design was prepared in parallel with AusAID's preparation of its concept paper for supporting PIC statistics capacities, through bilateral, regional and international mechanisms. Specific consultations related to the design were not undertaken with PIC governments, PIC communities or other stakeholders. The design relies on the substantial work undertaken by

the Region in developing its own planning including through meetings in which all PIC governments and many development partners were involved. Three members of the design team attended the July 2010 Heads of Planning and Heads of Statistics meeting at which many relevant issues were discussed and important decisions were made on coordination of statistics support.

NZAID and SNZ were consulted regarding possible inclusion in the design. This was not deemed feasible at this stage. However, NZAID advised that they wished to receive a copy of the design and may consider providing funding on a similar basis.

4. PROGRAM DESCRIPTION

This design proposes that AusAID funding of the SPC and ABS to support PIC statistics should be linked directly to the Region's Strategy Action Plan and its coordination and planning mechanisms. The advantages of this approach include that it:

- Builds on a plan and planning process which have significant ownership at regional and national levels;
- Aligns AusAID support with national and regional priorities and activities;
- Reinforces a single regionally owned planning process to set standards and priorities;
- Enables M&E of AusAID's support for statistics in the Pacific to be integrated with M&E of the Region's Strategy Action Plan;
- Facilitates harmonisation of programs of other financial/technical partners, including the M&E for those programs;
- Improves the efficiency of planning and M&E for PICs, regional organisations and AusAID.

4.1 Goal

The goal of Australian support for statistics is:

*Better evidence-based decision making by Pacific Island Governments and their peoples, better tracking of development progress and improved aid effectiveness.*²¹

This is consistent with the aim of the *Region's Strategy Action Plan* which is:

*To strengthen the capacity of national statistical systems and social and economic planning agencies to ensure that the region's policy-makers and analysts have a wide range of key demographic, economic and social indicators to support evidence-based decision-making.*²²

4.2 Purpose

The purpose of the expenditure and work described in this design is:

To strengthen implementation of the Region's Strategy Action Plan through the provision of a range of technical, management, systems, organisational and training

²¹ AusAID Draft Concept Paper: *Better data for better development policies - AusAID's strategy to strengthen statistical services and data collection in the Pacific.*

²² SPC (2008) Corporate Plan 2007-2012. page 33.

support by the SPC and the ABS, coordinated by the Statistical Steering Committee and the SPC.

4.3 Objectives

The Region's objectives as set out in the Pacific Statistics Strategy Action Plan are listed below, followed by an outline of the key types of activities which will be supported via regional approaches, including by the SPC and ABS, to achieve the objective.

Objective 1: PICTS are undertaking key statistical collections as scheduled.

Key activities:

- TA and training to support planning and budgeting for implementation of regular censuses and scheduled HIES.

Objective 2: PICTS are producing the agreed core set of statistics across key sectors.

Key Activities:

- Managing Regional endorsement of a National Minimum Development Indicator dataset.
- TA and systems support to improve collection and use of data from administrative sources, in particular economic statistics, civil registration statistics and data on education and health.

Objective 3: PICTS have their own capacity or are accessing regional capacity to undertake agreed core and some specialist statistical functions.

Key Activities:

- Periodic skills audits as basis for initial professional development planning and regular review.
- Development of long-term training and professional development strategy.
- Targeted training for basic skills and where needed, specialised skills.
- Manage and further train a pool of regional statistical experts across key sectors who can assist other PICTs.
- Senior NSO staff management training and support.

Objective 4: Pacific national and regional statistics are accessible and are being utilized.²³

Key Activities:

- Systems upgrade and development.
- Development of and training in statistical advocacy strategies and materials.
- Conduct regular data user workshops after completion of major statistical collections.

²³ A variety of organisations should play a role in this including Australian and other governments, regional organisations, international organisations, national and regional civil society organisations and the media.

Objective 5: New and innovative statistical tools and systems have been introduced.

Key Activities:

- Trialling and introduction of more efficient HIES survey.
- Manage Regional agreement on core census questions.
- Introduction of new technologies for survey collection including GPS and automated data capture.

Objective 6: National and regional statistics governance is functioning effectively.

Key Activities:

- TA and collaboration with Paris 21 to support effective national statistics steering committees and National Statistics Development Strategies.
- Secretariat and technical support to the Pacific Statistics Steering Committee.

The Goal, Objectives and planned work are consistent with the Goal and Strategic Objective of the Pacific Plan discussed above, and with the endorsed strategy detailed in the Ten-Year Strategy.

While SPC and ABS will give priority to support focused toward the production of the regionally agreed priority statistics, this does not preclude assistance being provided to assist PICs to achieve other objectives of their National Strategies for Development of Statistics including extending the range of statistics they produce.

What will success look like?

- Regionally agreed priority statistics will be produced for each PIC to internationally accepted standards.
- Each PIC will take responsibility for producing its priority statistics and will provide the political leadership and resources to enable this.
- Each PIC will be using the most efficient combination of national and regional service provision to produce and disseminate their statistics.
- Each PIC will have the capacity to perform its essential roles in producing its priority statistics.
- Each PIC government will use statistical information in program and policy making.
- Each PIC will have constituencies in government and civil society which demand and utilise quality statistics.
- Financial/technical partners and other stakeholders will rely on PIC statistics because their quality standards are high.

4.4 Assessing success

The precise measures to be used in assessing progress towards the outcomes above are defined in the M&E framework of the Region's Strategy Action Plan. This includes joint review with PICs of key achievements and processes including:

- Regular assessment of the priority statistics datasets produced for each PIC, measured²⁴ in terms of quality, timeliness, accessibility and the cost effectiveness of collection, analysis and dissemination.
- Periodic assessments of who is using the datasets and for what purpose.
- Assessment of changes in the capacities of each PIC, which identify the constraints including whether these are under national control or not.
- Regular assessments of the quality of implementation and of outputs

4.5 Form of aid proposed

Two forms of aid are proposed:

- Support to a Partner Program: Funding will be provided to the SPC for the implementation of the Region's Strategy Action Plan, which will define the outcomes and outputs to be achieved and the monitoring, evaluation and primary reporting processes.
- Support by a Government of Australia Agency – in this case the ABS: Funding will be provided to the ABS for the implementation of selected elements of the Region's Strategy Action Plan. The elements which ABS will address will be determined jointly by the ABS and SPC in consultation with PICs as appropriate.

4.6 Components

The SPC and ABS will support work defined in the Strategy Action Plan, and the Government of Australia, through AusAID, will have ongoing input to that plan as a member of the Statistical Steering Committee. The work which the ABS will support will be developed cooperatively between the SPC and the ABS and in consultation with the relevant PICs. While the SPC has a mandate to support all 22 of its island members, support by the ABS will be limited to the Forum Island Countries.

The types of support which the ABS and SPC may provide include:

ABS

- Technical support and capacity building through medium-term (3 – 4 weeks) in-country assignments in statistical areas complementing existing SPC capacity.
- Design and implement statistical training.
- Provide opportunities for ongoing professional development of senior Pacific Island NSO staff through short-term work attachments with ABS, including its regional offices.
- Providing support and capacity building to strengthen the management of NSOs.

²⁴ The SPC uses the terms quality, timeliness, accessibility and user relevance. The ABS considers seven dimensions of quality: institutional environment, relevance, timeliness, accuracy, coherence, interpretability and accessibility. Definitions can be accessed at: <http://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/1520.0Main%20Features2May%202009?opendocument&tabname=Summary&prodno=1520.0&issue=May%202009&num=&view=>

SPC

- Continue its provision of technical support and capacity building associated with major statistical collections (regional population census and household survey program), including data analysis and dissemination.
- Accord greater strategic priority to (re)development of administrative statistical databases in key sectors identified by Ten-year Strategy, to contribute to gradually filling existing data gaps.
- Strengthen data accessibility and utilisation for evidence-based policy development and planning, and the regular monitoring of policy performance and development progress.
- Strengthen statistical planning and delivery capacity at national level, through development of NSO statistical plans and National Strategies for the Development of Statistics.
- Strengthen regional harmonisation of standards, pertaining to statistical processes (e.g. collections, questionnaires) and products (e.g. regular reporting on core set of statistics across sectors).

Some PICs may seek support for substantial organisational development of their statistics offices and statistics functions. It is unlikely that the funding and mechanisms envisaged for this program would be the appropriate way to provide such support. In such cases countries may consider seeking support under bilateral programs. Such support may also be able to include involvement by the ABS.

4.7 Financing arrangement

Funds will be provided by two distinct means:

- For the work SPC will implement, funds will flow to the SPC²⁵ in advance and will be acquitted direct to AusAID. Funds provided each year will be up to the maximum allocations shown in Section 4.6.1 below, less any funds expected to be carried over. These arrangements will be established via a Schedule to the existing MOU between AusAID and the SPC.
- For the work which ABS will implement, funds will flow internally within the Government of Australia from AusAID to the ABS. Funds will be provided in advance and will be acquitted by ABS direct to AusAID. Funds provided each year will be up to the maximum allocations shown in Section 4.6.1 below, less any funds expected to be carried over. These arrangements will be established via an Annexure to the existing Record of Understanding (ROU) between AusAID and the ABS.

To facilitate effective planning, AusAID will provide the SPC and ABS with a three year commitment to funding, subject to satisfactory performance against the MOU and ROU respectively and to parliamentary appropriations.

²⁵ This funding will be one element of Australia's Program Funding as defined in the MOU between AusAID and the SPC.

4.7.1 Estimated allocations

The estimated maximum allocations (AUD) which AusAID will provide are shown in the following table. The amounts are subject to financial approval and periodic review.

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
ABS implemented work	1.0 million	1.0 million	1.0 million	1.0 million	1.0 million
SPC implemented work	2.25 million	2.75 million	2.75 million	TBC	TBC

5. IMPLEMENTATION ARRANGEMENTS

5.1 Governance

The Region is refining its structures for oversight of regional cooperation and regional support to improve statistics. These structures are described in the section on Coordination above.

These structures provide for PIC leadership in all decisions. They also provide for donor and technical agency involvement in decisions. Through these structures AusAID, together with other Australian Government agencies, are engaged in the development, updating and oversight of regional strategies and plans and their monitoring.

The conditions which need to be in place for AusAID to link its allocated funding to the Region's Strategy Action Plan are:

- Continuing policy and technical engagement by Australia in the planning processes;
- Governance of the planning system in line with the recommendations of the Benchmark Study with engagement in the planning process by all FICs and major financial/technical partners;
- Regular review and updating of the Strategy Action Plan, priorities and cost estimates;
- Implementation of the monitoring and evaluation framework, which is an integral part of the Strategy Action Plan, including quality reporting against the framework and Plan.

The rationale for the funding arrangements proposed in this Design is dependent on continued active engagement at policy and technical levels by Australia, led by AusAID.

5.2 Strategy Action Plan and its M&E Framework

The Region has undertaken some excellent work towards defining its needs and agreeing a strategic framework within which to improve statistics and statistical capacities in individual countries and collectively in the Region. This has included:

- Pacific Plan's goal, strategic objectives and initiatives;
- Toward a New Pacific Regionalism report²⁶;

²⁶ ADB (2005) Toward a New Pacific Regionalism.

- SPC's Statistics 2020 – a statistical development strategy;
- Benchmark Study;
- Ten-Year Strategy;
- Some countries have national statistics development strategies²⁷.

The Statistical Steering Committee has approved the Strategy Action Plan, which drew on the above documents. It links strategies to priority actions and has an integrated M&E framework to support analysis and reporting at impact, outcome, output and activity levels. It provides the basis for the planning, monitoring and reporting for AusAID funded support to the Region through both SPC and ABS. The plan will be revised annually for consideration by the Statistical Steering Committee in October each year.

5.3 Management

The SPC, in consultation with relevant PICs and partners will identify the most appropriate method for implementation of each objective or activity in the Strategy Action Plan.

5.3.1 SPC supported

For those objectives or activities which SPC will support the responsibilities of each organisation will be:

SPC

- Prepare an activity work plan including personnel costs, in consultation with the relevant country.
- Arrange recruitment, contracting and procurement to implement the activity.
- Report on activity implementation to the country annually and on completion.
- Request funds annually from to AusAID.
- Acquit funds six-monthly to AusAID²⁸.
- Provide an annual summary report to AusAID on implementation of activities.²⁹
- Report annually against the M&E framework of the Strategy Action Plan to Committee of Representatives of Governments and Administrations of the Pacific Community (CRGA) and the Statistical Steering Committee.

Countries

- Participate in the development of the activity work plan.
- Actively facilitate implementation of the activity work plan, including by making available personnel and facilities as agreed and making necessary decisions within the timeframes agreed.
- Consider reports on implementation and respond as needed, in particular to any identified lessons learnt.

²⁷ The Benchmark Study has suggestions for how these should be developed. page 37.

²⁸ Paragraph 7.5 of the MOU between SPC and AUSAID requires six-monthly financial acquittal statements in CFP and annual overviews of all funding in AUD and CFP.

²⁹ Paragraph 8.1 of the MOU between SPC and AusAID requires annual progress reports against strategic plan goals, objectives and performance indicators.

- Cooperate with and assist SPC to report annually against the M&E framework of the Strategy Action Plan.

AusAID

- Approve and provide requested funds.
- Cooperate with and assist SPC to report annually against the M&E framework of the Strategy Action Plan.

5.3.2 ABS supported

For those objectives or activities which ABS will support the responsibilities of each organisation will be:

ABS

- Consult SPC about which objectives or activities ABS should support.
- Prepare an activity work plan in consultation with the relevant country and SPC. This should include proposed personnel and costs and evidence that plan has taken account of relevant lessons learnt from similar activities.
- Work directly with the country on implementation, keeping SPC informed of progress.
- Provide a report on implementation to the country and SPC annually and on completion.
- Request and acquit funds annually to AusAID.
- Provide an annual summary report to AusAID on implementation.
- Cooperate with and assist SPC to report annually against the M&E framework of the Strategy Action Plan.

SPC

- In consultation with the ABS, identify the objectives and activities which ABS is best placed to support.
- Participate in the development of work plans as needed.
- Liaise with ABS and countries about implementation.
- Report annually against the M&E framework of the Strategy Action Plan to CRGA and the Statistical Steering Committee.
- Countries and AusAID
- As above for SPC implemented activities.

5.3.3 Tripartite management meetings

AusAID, ABS and SPC will meet annually to review the operation of the planning and implementation of, and reporting on the ABS supported work. This meeting should be held in association with the Statistical Steering Committee when possible. Additional meetings should be held if a need is identified by any of the three organisations.

In addition to these formal arrangements there should continue to be regular engagement between the staff in AusAID responsible for overseeing implementation of the work and the relevant SPC and ABS staff. AusAID's annual approval of funding requests from both SPC and ABS are just one opportunity for this engagement.

AusAID’s bilateral program staff should also actively establish links with both SPC and ABS staff in relation to the work planned and the issues affecting the countries with which they work.

5.3.4 Annual cycle of planning funding and reporting

The timing of the annual cycle is expected to be:

September	Annual review of Strategy Action Plan
October	SSC approval of Plan
October/November	SPC and ABS plan work in consultation with individual PICs
November	SPC and ABS each request funds from AusAID – up to proposed allocations less funds expected to be carried over.
December	AusAID provides funds to SPC and ABS.
February	ABS and SPC each acquit previous year funds to AusAID. ABS and SPC provide summary reports on implementation in previous calendar year to AusAID. Reports are also shared between SPC and ABS.
April	SPC provides annual M&E reports to Statistical Steering Committee.
October	SPC presents annual M&E report to CRGA with commentary from SSC.
Periodic	SPC and ABS provide report to countries on completed work, one month after completion.

5.4 Monitoring and evaluation

The primary monitoring tool for the proposed funding should be the M&E framework which is part of the Strategy Action Plan. The main responsibility for implementing that M&E Framework and reporting against it should lie with the SPC, but others including NSOs, PFTAC, ABS and AusAID will also have roles. The M&E Framework has been assessed as adequate for AusAID to rely on to assess the development effectiveness of its funding and to inform implementation, based on the following:

- It is integrated with the Strategy Action Plan;
- It includes monitoring at activity, output and outcome levels and provides the basis for assessments at impact level;
- It specifies what is to be measured, how, when and by whom, including baselines;
- It is not be overly complex
- It focuses on priority information needs to inform implementation, planning and identification of lessons;
- It identifies reporting responsibilities and timing.

There are two important weaknesses in the M&E framework:

- The cost of monitoring is not presented. This should be rectified in the annual revision of the Strategy Action Plan.
- There is a need for an in-depth review of the achievements through the Strategy Action Plan after Phase 1. Ideally this should be undertaken for the Region under the oversight of the Statistics Steering Committee. This review should be included in the Strategy Action Plan and AusAID should ensure this occurs via its place on the SCC. AusAID should be prepared to provide the majority of the funding for this review.

The ABS will be responsible for providing reports to PICs and the SPC on implementation of activities for which it is responsible. It will also be well placed to assist SPC in collecting information required for monitoring more broadly and distilling lessons. The SPC should coordinate with the ABS to ensure this is identified as part of the ABS role.

AusAID, in coordination with other Australian government agencies, needs to be engaged at a technical and a political level in the program including by responding to the information flowing from M&E systems and reporting. At a technical level this engagement will be facilitated by membership of the SSC and participation in the HOPS meetings but may also be achieved by direct relationships with NSOs and others, by AusAID's posts. At a political level, AusAID should continue to seek to influence the Region and PICs to implement effective and efficient means to produce quality statistics, and to use them in decision making. Some of the issues which AusAID³⁰ should engage on are:

- Priority statistics which each country adopts;
- Appropriate balance between regional cooperation and regional provision of statistical services;
- Quality of the regional planning and monitoring systems, including their continuous revision;
- Pressures for inclusion of unsustainable datasets into PICs priorities;
- Increased use of statistical information by governments and other stakeholders in the region;
- Level of national political support for the production, dissemination and use of statistics;
- Attention to the value of quality statistics to the understanding of gender inequalities and the potential actions which can address these.

5.5. Procurement arrangements

Procurement by the ABS will be in accordance with the Commonwealth Procurement Guidelines as for all ABS procurement. Procurement by the SPC will be in accordance with the SPC's policies which the Australian Government has endorsed through its membership of the Pacific Community³¹.

³⁰ The definition of AusAID's role and the arrangements to carry out that role should be specified in more detail in the Concept Paper which AusAID is preparing.

³¹ The SPC's records are available for inspection by AusAID and, by virtue of Australia's membership of the Pacific Community; AusAID receives copies of SPC's Annual Reports, Annual Accounts and Audit Report.

5.6 Sustainability

The Pacific Plan recognises three³² different concepts of regionalism of which two are the most relevant to the production of statistics.

- Regional Cooperation where the service is provided nationally but with policy coordination between countries; and
- Regional Provision of Public Goods/Services where the service is provided through a regional organisation or other regional mechanism.

In the light of the analysis provided in *Toward a New Pacific Regionalism*³³ and the Benchmark Study, the Region, through SPC's biennial Conference and the FEMM, (both held in October 2009), made a decision to expand the support provided by the SPC and PFTAC to improve national service provision but with an option for PICs to contract out all or part of their statistical services to the SPC or other statistics producers in the Region. This approach significantly enhances the likelihood of the improvements brought about as a result of the SPC and ABS support, being sustained.

5.6.1 Financial sustainability

All PICs, with the possible exceptions of Fiji, Samoa and Vanuatu, are very likely to need considerable external financial and technical support for their statistics functions for at least ten years. The need for external assistance will be minimised if the most cost efficient means are used to produce statistics. A combination of Regional Cooperation and Regional Provision in line with the approach which PICs have endorsed, based on the recommendations of the Benchmark Study, is expected to be the most efficient but achieving this efficiency will require careful ongoing assessment of many policy and implementation issues at national and regional levels.

5.6.2 Organisational sustainability

Each NSO faces challenges to build its capacity, to establish its role in government and to develop a demand for and understanding of the value of the information it produces. They will need support to do this through policy, technical and financial assistance. The SPC and PFTAC have a role to assist NSOs build their capacity but they are also an essential element of delivering statistical services to PICs. Each has been established for a substantial period, is respected by the PICs and has the support of financial/technical partners to continue to provide these services. The partnerships which have been established between the ABS and SPC, and between the ABS and individual PICs, will be further strengthened with the longer term funding for and engagement by ABS which AusAID proposes.

The improved systems of governance and planning of support for statistics which the Region is putting in place should enhance the effectiveness and organisational sustainability of these arrangements.

5.6.3 Technical sustainability

The Benchmark Study and the Ten-Year Strategy recognised that some PICs may never have the capacity to undertake certain higher level statistical activities themselves. It noted the views of NSOs and national users of statistics, that the lack of skills and technical know-

³² The third concept, Regional Integration, relates primarily to the policy and legal environment for business.

³³ ADB (2005) *Toward a New Pacific Regionalism*.

how of local statisticians is a major constraint. The small staff numbers in NSOs and the turnover of staff are relevant factors. Given these longstanding constraints, the model of providing specialist skills through SPC and PFTAC to supplement NSOs capacities, and to develop a cadre of Pacific Island statistics specialists who work for their national NSO and are loaned on a regular basis to other PICs to provide technical capacity supplementation, is a sensible approach. Together with long term partnerships with the ABS, this provides the best possible technical sustainability within the Region. The production of many of the statistics the PICs need will be dependent on this approach for the foreseeable future.

5.7 Policy issues

The availability of quality statistics is necessary to inform policy and action to address a wide range of critical development challenges. The management of the economy and the planning of education and health services are obvious examples. Addressing gender inequality and disabilities, tracking environmental changes, detecting corruption and understanding poverty and its causes, all depend on good information grounded in relevant, reliable, timely data. The monitoring of progress against the Millennium Development Goals is also dependent on this data. Most basic data needed for the above purposes are included in the Region's proposed priority statistics.

The improvements in the quality and availability of data, which the specialist services the SPC and ABS will enable, will establish the information base on which these issues can be addressed. The improvements in the capacities of PIC organisations to collect, analyse, disseminate and utilise statistics will similarly, but over a longer time-frame, improve the basis for good decision making and policy in PICs.

Whether PICs place priority on collecting the statistics which can inform action on issues such as gender, poverty or corruption cannot realistically be controlled though Australia's funding, but the technical support and capacity building by SPC and ABS can influence government policy. Australia can also use its engagement with PICs, through bilateral and regional mechanisms, to encourage the inclusion of the relevant datasets in national data priorities. AusAID's participation in the HOPS meetings and the Statistical Steering Committee provide obvious opportunities, but a more comprehensive engagement strategy is also needed, which should include direct engagement with PICs at political, bureaucratic and civil society levels. Annex D lists possible objectives of an engagement strategy which AusAID may consider.

There are actions which SPC and ABS must take in planning and delivering support, to comply with the Australian aid program's policy on gender equality. Gender must be considered in designing activities, in selecting participants in courses, in selecting staff to deliver services and technical assistance.

A simplistic rule of equal numbers of men and women is not viable, given the small numbers of staff in NSOs and the existing gender imbalances. The SPC and ABS need to plan support to avoid any impediments to men or women's participation, to identify opportunities to increase opportunities for women, to be aware of imbalances in nominating staff for participation which may arise from senior NSO staff biases. In selecting staff to undertake technical assistance assignments consideration should be given to the value of having women provide career role models for junior women in NSOs. SPC and ABS must ensure

they are familiar with AusAID's policy on gender equality³⁴ and that their staff involved in the program is familiar with the policy and briefed on its implications for their work.

An example of good practice incorporating a range of gender issues into statistics work was identified from the AusAID supported HIES in PNG:

The Household Income and Expenditure Survey has included a focus on gender equality at all stages. Gender is mainstreamed in human resources, management and training for survey teams and data collectors. Gender has been considered in the survey practices such as gender balancing field collection teams, increasing the number of women in field team leadership roles, designing the survey to include collection of data on violence against women and children in the home, designing for greater sex disaggregation of data, safety plans for all female field workers and a code of conduct for gender practices. The approach taken in the Household Income and Expenditure Survey demonstrates good practice in collection of disaggregated data, sex targeted questions and training of enumerators that should be used in other surveys.³⁵

Both SPC and ABS should show in their reporting that gender equality has been a consideration in the provision of assistance and be able to document how this was done and the lessons learnt. Relevant gender disaggregated data should of course be reported.

As most of the data collected is already sex-disaggregated, SPC should also consider running workshops for policy makers on how to use statistics on gender issues in policy making.

5.8 Responses to lessons learnt

Of the seven lessons identified in the NZAID Review referred to in the Lessons Learnt section above, four are addressed in this design. These are:

- more efforts should be directed to the broader institutional environment in which the statistical system operates—technical assistance that focuses narrowly on technical statistical skills is unlikely to have a significant sustainable positive impact;
- providers of technical assistance—donors and technical agencies—should coordinate better;
- designs must be realistic, flexible and prepared for assistance to be provided over a long period;
- good practice project management such as risk management, monitoring and evaluation is as important in statistical capacity development as elsewhere in aid.

This design addresses these lessons by:

- identifying the importance of support for PICs' planning and the need for capacity building to be provided for PIC organisations, systems and individuals;
- explicitly supporting the coordination and planning systems which the Region has established and by recommending engagement by Australian Government agencies,

³⁴

http://www.ausaid.gov.au/publications/pubout.cfm?ID=39_3102_3439_6270_8533&Type=PubPolicyDocuments&FromSection=Publications

³⁵ Annual Program Performance Report - PNG. AusAID 2009

led by AusAID, in the operation of those systems. This facilitates and encourages coordination, and enables flexibility and responsiveness to needs and lessons learnt, and provides a long term framework within which funding commitments can be made.

- recommending annually renewed three year commitments to funding;
- setting out requirements for monitoring and evaluation to be incorporated in the Strategy Action Plan and providing for expenditure to implement M&E activities.

The other three relate to detailed activity design and will need to be taken into account in the design of specific activities by SPC and ABS.

5.9 Risk management

The risk matrix in Annex E details the main risks to be monitored and managed. Four in particular are highlighted:

- The Program's emphasis is on the production of quality statistics and the building of capacity to produce those statistics, but the impact of the Program is also dependent on statistics being used by national governments to inform better policy making and planning and by civil society to present evidence based arguments in support of their interests. Support is provided to PICs to build these capacities through a number of SPC Programs, through bilateral aid programs, by other regional organisations, by international organisations and by some international non-government organisations, and this program can also direct support to this issue. The regional planning of support for statistics should take account of the work underway and should include monitoring of national capacities to use statistics. This would facilitate appropriate responses to identified weaknesses.
- National statistics systems are generally inadequate and NSOs generally do not have sufficient skilled staff or institutional support to produce the quality statistics countries need. Each PIC is seeking to address this in part by finding the right balance between providing services nationally and by regional provision by SPC and PFTAC. An unsustainable, unaffordable emphasis on building national capacity will waste resources which could be better used to provide services regionally. When it is apparent that national capacity improvements are not being sustained it will be important to reconsider the balance aimed for, with perhaps a greater emphasis being given to regional provision of services. Getting the balance right is crucial to the sustainability of the model of operation of statistical services which the Region has adopted, and thus to the support proposed by AusAID. Periodic assessments by each country, supported by SPC, PFTAC and ABS, should inform regional planning. AusAID should be engaged in encouraging decisions which enhance a sustainable regional system.
- PICs have limited capacities and even with regional support cannot produce quality statistics for all factors that developed countries and larger developing countries produce. They have sought to address this by identifying core datasets that each PIC will give priority to producing. NSOs will nevertheless be under pressure to produce a wider range of statistics. This pressure will likely come from their own sector agencies, from domestic interest groups, from donors and from international organisations. If these pressures are not dealt with rationally, the resources of NSOs will be diverted from producing the core datasets. NSOs and the Region need to

make and defend decisions about the datasets to which they give priority having consideration to sustainability and available resources. AusAID, SPC and ABS should support PICs in making these decisions including by engaging with organisations which may have unrealistic expectations of the Region's needs and capacities.

- For most PICs the financing of major statistical collection exercises is sourced from donors, generally through bilateral programs and often from Australia. If this funding is not prioritised, either by the country or donor, much of the basic data of interest and required for the analysis of other collections (e.g. total population) will not be available at all or at least on schedule. Maintaining policy support for this funding and appropriately programming funding in consultation with countries will be important in minimising this risk. There is an argument that quality core statistics should be considered a regional public good given their importance not only to PICs but to Australia and others in assessing the effectiveness of its funding in all areas of development.

TERMS OF REFERENCE
Statistical Steering Committee (SSC)

PREAMBLE

- Mindful of the endorsement of the Regional Benchmarking Study Option 2 by CRGA and FEMM in October 2009 as the way forward guiding future statistical developments in the region and the recommendation for a stronger participation by member countries in the management oversight of regional statistical activities,
- Recognizing the Pacific Regional Statistics Implementation Plan (PAR-SIP) emphasis that the time lag of three years between Regional Conferences of Heads of Planning and Statistics is not suitable to effective ongoing monitoring of regional statistical activities and developments,
 - 1.
- Recognizing the importance of regional cooperation in the Pacific to best use our scarce resources,
- HOPS, at its meeting in Noumea, 12 – 16 July 2010, propose the establishment of a **Statistical Steering Committee (SSC)**, to monitor and direct regional statistical activities and developments.

OBJECTIVES

To provide guidance and direction in the strengthening of the National Statistical systems to produce and disseminate quality and timely statistics within the context of PAR-SIP by:

- i. Guiding the establishment and development of a framework to achieve the implementation and regular monitoring of PAR-SIP,
- ii. Endorsing common definitions and standards that will underpin a greater harmonization of statistical processes and outputs as mandated by the Pacific Plan, and
- iii. Providing guidance to the statistical activities undertaken by the Secretariat of the Pacific Community, PFTAC and other statistical providers in the region.
- iv. To review the progress of implementation of the PAR-SIP, to consider and propose action to resolve implementation challenges including the periodic review and revisions to PAR-SIP based on operational experience.

OPERATING GOALS AND ACTIVITIES

- i. Ensure that variations in countries' positions and statistical developments are well understood, in the context of a needs assessment or Gap analysis.

- 2.
- ii. Initiate relevant, evidence-based actions which will ensure objectives and targets are met, where specified in the PAR-SIP.
- iii. Convene, as needs arise, technical working groups on particular topics involving experienced subject matter specialists from member states' national statistical systems, including recognized providers of official statistics, such as, but not limited to, other national statistical agencies and regional and international technical partners, operating for a fixed duration for the life of a specific project.
- 3.
- iv. These actions will focus initially on priority statistical areas as spelled out in the Pacific Regional Statistics Implementation Plan (PAR-SIP), which comprise the following 6 broad strategic priority areas.
 - a. *Regional statistical infrastructures*
 - Classifications (Occupation, Industry, Imports and exports, consumer prices, disease, areas)
 - Statistical frameworks (Business, Population)
 - b. *Statistical systems and tools*
 - Minimize the range of systems and tools that have to be learned, maintained and integrated with other systems and tools
 - Advocate all partners to adopt the Pacific Island tools and systems in funded activity
 - c. *Recommend statistical system models that have particular relevance to the Pacific Island*
 - d. *Increase accessibility to administrative records*
 - e. *Exploitation of global and regional infrastructures*
 - f. *Training and development of specialist and operational staff*
- v. Engage with members of HOPS when agreement to a significant course of action is deemed necessary for undertaking specific actions proposed by STAG; this would normally only apply to proposed new additions to the PRSIP framework.
- vi. HOPS members, including major financial and technical partners, will be kept fully informed by a written report within 4 weeks of each Statistical Advisory Group meeting.

MEMBERSHIP OF THE STATISTICAL STEERING COMMITTEE

Membership of the Statistical Steering Committee is open to Government or Chief Statisticians and representatives of key financial and technical partners. Initial membership shall comprise:

- 2 NSO representatives from each of the 3 Pacific islands sub-regions, with one member explicitly entrusted with representing the special needs of small island states statistical agencies;
- 2 representatives of the region's key development partners, one each representing key bilateral and multilateral agencies;
- 1 representative of the region's key technical partners, with the Chair of UNDAF³⁶ Monitoring and Evaluation Technical Working Group (currently UNFPA³⁷) representing an obvious choice;
- 1 representative from the University of the South Pacific, to ensure statistical training and education is adequately covered by the advisory Group.
- The Managers of SPC and PFTAC's Statistics Programs will be members *ex officio*, that is, they will have no voting rights.

The Committee may co-opt *ex-officio* members as appropriate.

The Steering Committee elects its own chair, who should be a member of the HOPS management structure (Chair, vice-chair) to ensure a close link to HOPS. The current Chair of HOPS 2010 will assume the position of interim chair of the Statistical Steering Committee.

SECRETARIAT

The Secretariat for the Committee will be hosted by the Pacific Community's Statistics and Demography Programme, with PFTAC providing technical support and guidance in macroeconomic statistics.

TERM OF OFFICE

The initial period will be for three years with effect from July 2010, and will be subject to review of both (i) its current terms of reference and (ii) for an extension for a further period of 3 years at the next HOPS meeting, scheduled for 2013, if the current triennial process is maintained.

Rotation of the Chair and at least two heads of NSOs must take place at the end of the first 3-year term of office.

FREQUENCY OF MEETINGS

Meetings will be held twice yearly, once at SPC headquarters, at once in a member country. To ensure cost and time management efficiency, it is proposed that the meeting at SPC headquarters will take place in October, to coincide with the meeting of CRGA or its Ministerial conference, normally attended by most, if not all financial and technical partners, as well as USP³⁸.

³⁶ United Nations Development Assistance Framework

³⁷ United Nations Population Fund

³⁸ The University of the South Pacific

FUNDING

Funding for the work of the Committee will be sought from member countries, and also from regional and international organizations.

Project funding, where required for the operation of specific technical working groups, will be accommodated, where possible, by the Statistic and Demography's four year technical assistance work programme budget, SDP's 2010-2013.

Noumea, 16 July 2010

Annex B: Potential benefits from direct engagement of Australian agencies with PIC development.

This annex is an extract from the 2008 independent completion report for AusAID's Pacific Governance Support Program.

Potential benefits to Pacific Island Countries

The involvement of Australian agencies in support of PIC agencies improving their governance has a number of advantages which may increase development impact, compared to more commonly used means of support. These include:

Similarity of roles of the organisations should mean there is a good understanding of the sector challenges faced.

Advice can be accessed across many technical or management areas, even on an ad hoc basis.

Continuity of relationships beyond project cycle timeframes means that broad organisational relationships may be developed enabling on-going interaction and support at many levels of the organisation.

PICs may feel more assured of confidentiality when working on sensitive policy issues, though where national interests may differ (e.g. trade), PICs may be less willing to trust Australian agencies than independent contractors or regional or international organisations.

Similar technical issues and technical language used.

Practitioner perspectives are more likely to be relevant to a practitioner working within a bureaucratic and political context, than the advice of external consultants.

Similar positions of power within government and bureaucracy mean methods to influence policy, shown to be effective in Australia, may be relevant.

In addition there are broader, less direct and in some cases longer term benefits for PICs in being engaged with Australian agencies through the mechanisms of development activities. These include:

PICs are affected by the policies of the Australian government across many areas not just aid policy, and Australian agencies are influential in setting those policies.

Greater understanding of PICs' political, economic, social and cultural circumstances may lead to Australia giving greater consideration to PIC perspectives in developing its own policies and in supporting PIC interests in international forums.

- Australian policy on trade, fisheries, forestry, immigration, and security – and many other areas - can have significant implications for PICs' economies, stability, health etc.

Better understanding by Australia of the challenges some PICs face in establishing a sense of nationhood amongst their diverse populations, and better understanding of the assertive positions of PICs in relation to their national sovereignty – and thus Australia's right to comment or intervene – may lead to more sympathetic or at least nuanced policy positions by Australia.

Potential benefits to Australian government agencies

The potential benefits to Australian agencies include:

Relationships enable influence. PICs are likely to turn to Australian agencies for advice first if relationships exist which have demonstrated understanding.

Early awareness of issues of importance to Australia which arise in PICs, and knowledge of the basis for PIC attitudes to those issues.

Access to key people is significantly improved when relationships are well established.

Less likelihood of misunderstandings of Australian views, positions or actions when the context is known or informal clarification can occur readily.

Potential benefits to Australian policy and to the aid program

Potential benefits to Australian policy include:

More effective Australian policies, more productive interactions with PICs and more effective interventions based on a depth of direct knowledge and understanding within the Australian bureaucracy of the:

- Challenges faced by PICs and of their capacity to address them.
- Views PICs have of their sovereignty, and thus understanding of matters such as:
 - their attitudes to external commentary and interventions.
 - regional governance and cooperation proposals.
- Reality of politics which PIC governments face, which constrains policy and implementation.
- Systemic weaknesses which limit the capability of good, honest, skilled and dedicated people from having the impacts that might otherwise be expected.
- Cultural contexts within which governance operates, which mean solutions appropriate in an Australian context may have little relevance in some PICs.

Deeper understanding of PICs, their views and what is happening in them, by a broader range of Australian organisations increases the collective insight into their relevance to Australia's interests. The importance of this is most obvious in relation to the Melanesian countries because of their size and proximity.

In relation to aid policy and the aid program there are potential benefits including:

Greater coherence of policy relevant to PICs, including:

- More consistent whole-of-government interactions with PICs.
- Consideration of the impacts of domestic policies on PICs.
- Better informed policy and influence in the international context.

Increased bureaucratic understanding of the potential role of aid.

Greater engagement by agencies bringing more intellectual and technical resources to address aid challenges.

Benefits of linkages considered more broadly

It is in Australia's interests and, assuming our intentions are good, in PICs' interests for Australia to be engaged broadly with them as they take on their development challenges. More involvement means better knowledge, greater understanding on both sides and more informed support. The aid program on its own is a very narrow means to achieve engagement. Leaders, government, the bureaucracy, academia, community and business all need to be involved. If all are involved then Australia has a wider range of mechanisms to sustain dialogue or influence policy and action – especially important in times of tension or disagreement.

If these links between government agencies are to be fostered then it would be sensible to analyse which agency links with which PICs should be given priority. Such analysis should consider the perspective of Australia's own interests and the perspective of PIC development.

Analysis should also examine how those links can be most efficiently established, nurtured and maintained. Bilateral links will be more effective but may not be cost effective in relation to smaller PICs. Links through regional organisations or with selected groups of PICs may be the best way for cost effective linkages with smaller PICs to be serviced.

It is noted that these links should not be financed only from the aid program. There are legitimate reasons for many agencies to be engaged with PICs to achieve their own mandates using their own funding. To justify using Official Development Assistance funding to initiate, nurture and enhance these links and sustain relationships, there needs to be development impact for PICs. But it would be simplistic to require that those impacts all be immediate and concrete. Mature, meaningful, productive relationships will have development impacts in numerous and often subtle ways. In the short to medium term, evaluation of the effectiveness of resources dedicated to these links will primarily depend on assessments of the quality of the relationship. In the longer term more concrete development outcomes can be expected and processes to identify and document those outcomes should be put in place.

There will be significant challenges for agencies and the aid program in managing shorter term interests and differences which may arise in dealing with PIC governments and their agencies, while at the same time, developing and promoting productive relationships of trust between agencies.

Annex C: Design Terms of Reference

DRAFT TERMS OF REFERENCE FOR THE DESIGN OF A JOINT PROGRAM TO STRENGTHEN STATISTICS IN THE PACIFIC BY THE AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT, THE AUSTRALIAN BUREAU OF STATISTICS AND THE SECRETARIAT OF THE PACIFIC COMMUNITY

1. INTRODUCTION

Australia provides funding support to improve Pacific Island statistical capacities and production of statistics via the Secretariat of the Pacific Community (SPC), the Pacific Financial Technical Assistance Centre (PFTAC), bilateral aid programs, and other regional and international agencies. It also provides technical support by the Australian Bureau of Statistics (ABS). It is proposed that the ABS support be expanded and planned on a multi-year basis. This needs to be well coordinated with other support and it is proposed that this coordination be managed by the SPC. This is in line with decisions made by the region as detailed in the Regional Statistical Benchmark Study.

The work described in these terms of reference will result in a design which will document how ABS technical and other support can be planned and managed so that it addresses priority needs, is well coordinated with other support, and best utilises the ABS's capabilities. All relevant views and factors need to be taken into account. The design will set out the objective of the support, the intended outcomes and how achievement of the objective and outcomes will be measured.

The Design will be the basis for AusAID to ensure the approach is the best possible way to address the identified needs. AusAID will do this in consultation with the region and other government agencies as appropriate.

2. BACKGROUND

Importance of statistics

Reliable, timely statistics are crucial to designing evidence-based policies, improving and tracking development, and measuring aid effectiveness. The PARIS21³⁹ document *Making the Case*⁴⁰ notes:

Good statistics provide a basis for good decision making, help governments to identify the best courses of action in addressing complex problems, are essential to manage the effective delivery of basic services, and are an indispensable, core requirement for accountability and transparency. Good statistics are a core component of good governance. They also provide a sound basis for the design, management, monitoring, and evaluation of national policy frameworks such as Poverty Reduction Strategies and for monitoring progress towards the Millennium Development Goals (MDGs). Good statistics, therefore, are part of the enabling environment for development: they measure inputs, outputs, outcomes, and impact, providing reliable assessments of key economic and social indicators, covering all aspects of development from measures of economic output and price inflation, to the well-being of individuals.

Pacific statistics

But the quality and availability of statistics in the Pacific is not sufficient, and national statistical capacities are not strong. A 2005 Asian Development Bank (ADB)/Commonwealth Secretariat study noted: Analysis of economic growth in the Pacific is hampered by a lack of timely, comparable, and accurate statistics. ...For many Forum Island Countries⁴¹ (FICs), time series data stretching back a decade are rare, even for commonly cited statistics such as GDP. ...For inequality and poverty indicators, data are even more scarce and contested.⁴² The World Bank's statistical capacity indicator shows the region scores poorly by international standards.

³⁹ Partnership in Statistics for Development in the 21st Century. PARIS21's goal is to develop a culture of evidence-based policy making and implementation which serves to improve governance and government effectiveness in reducing poverty and achieving the Millennium Development Goals.

⁴⁰ PARIS21 Secretariat (November 2004) *Making the Case: National Strategy for the Development of Statistics*. pp2

⁴¹ The Forum Island Countries are: Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.

⁴² ADB (2005) *Toward a New Pacific Regionalism*. pp172

Region's planning to improve statistics

The Pacific Plan recognises this need under Strategic Objective 12: *Improved transparency, accountability, equity and efficiency in the management and use of resources in the Pacific*, and identified an initiative (12.4) for implementation in the period 2006 – 2008 of: *Upgrade and extend country and regional statistical information systems and databases across all sectors*^{43 44}.

In response to this, and in the light of the 2005 ADB/Commonwealth Secretariat Report *Towards a Pacific Regionalism*, the Forum Economic Ministers commissioned a Benchmarking Study⁴⁵ which was finalised in July 2009. The key regional level recommendation to improve statistical services was:

*An expanded SPC/PFTAC statistics programme including capacity supplementation (regional experts), stronger management control by FICs, and clearer demarcation of roles with PFTAC, plus optional contracting out*⁴⁶ of selected statistical series/services by FICs.

The Study's recommendations were approved by the Committee of Representatives of Governments and Administrations of the Pacific Community⁴⁷ (CRGA) and the Forum Economic Ministers Meeting (FEMM) in late 2009, and a ten year Regional Statistical Development Strategy including a staged and prioritized Implementation Plan was commissioned. This is being financed by the ADB and currently being finalised for consideration by the Regional Heads of Planning and Statistics at their triennial meeting in July 2010.

Current support for Pacific Statistics

Many organisations provide technical assistance to Pacific Island Countries (PICs) and/or are interested users of PIC statistics. The two regional organisations with a major focus on statistics are SPC's Statistics and Demography Programme, which provide technical assistance with survey planning and implementation and which aims to strengthen the capacity of national statistical systems and social and economic planning agencies, and PFTAC which provides advice and capacity building on the technical aspects of financial and economic policy formulation and management, including economic statistics. Other relevant organisations that provide technical advice and/or financial support to improve Pacific Island statistics and statistical capacities include the World Bank, the Asian Development Bank and UN agencies. It is important that future technical and financial support by Australia is provided in ways that optimise harmonisation with support from other organisations.

Planned joint program between ABS/SPC/AusAID

The ABS has provided a range of technical assistance and advice the PICs over many years, often with funding from the aid program (especially the Pacific Public Sector Linkages Program – PSLP). Examples are project management and strategic planning training programs with National Statistics Offices (NSOs) and the development of the Vanuatu Statistical Master plan.

The ABS, SPC and AusAID have agreed to extend this support through a broader, multi-year program, allowing for longer term planning, resourcing and management of ABS's technical advice and capacity building work.

The New Zealand International Aid and Development Agency (NZAID) and Statistics New Zealand (SNZ) have expressed interest in participating in a joint program and this possibility will be assessed in consultation with these agencies as part of the Design.

This program will be one part of a broader AusAID managed framework to strengthen statistics in the Pacific. The overarching goal of AusAID's support for statistics is improved planning and

⁴³ The monitoring & evaluation framework for the Pacific Plan notes dependence on this initiative for monitoring elements of every strategic objective.

⁴⁴ The 2009 Pacific Islands Forum Communiqué notes that Leaders agreed on a number of key commitments and priority areas in order to advance the Pacific Plan over the next three years from 2010 including: ... d. Achieving stronger national development through better governance by: ... ii. committing to sustainable and appropriate: collection and compilation of statistics; information management; and records-keeping, to ensure the development and implementation of better-informed national policy.

⁴⁵ Strengthening Statistical Services through Regional Approaches: A Benchmark Study and Way Forward. (July 2009). This study considered the needs and capacities of the 14 Forum Island Countries only.

⁴⁶ To other national statistical services or to SPC.

⁴⁷ The Pacific Island Countries and Territories are: American Samoa, Cook Islands, and Federated States of Micronesia. Fiji, French Polynesia, Guam, Kiribati, Marshall Islands. Nauru, New Caledonia, Niue, Northern Mariana Islands, Palau, Papua New Guinea, Pitcairn Island, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, Vanuatu, and Wallis and Futuna.

evidence-based policy making in Pacific Island countries, better tracking of development progress and improved aid effectiveness.

The primary support Australia currently (2010) provides for PIC statistics comprises:

- Core funding of SPC (\$12.6m) which in part supports SPC's Statistics and Demography Programme.
- Extra budget funding to SPC's Statistics and Demography Programme (\$2.25m) for their 2010 work program. This is the first component of a new \$10 million commitment over four-years.
- Funding of around \$3.2 million to support the roll-out of surveys in PNG, the Solomon Islands and Vanuatu through the Pacific bilateral programs.
- \$0.95m core funding to PFTAC a proportion of which is allocated for support for statistics.

For planning purposes AusAID has suggested that a rough estimate of the funds which may be available specifically to finance ABS provided support is up to AUD1 million per year (subject to financial approval by AusAID).

3. OBJECTIVE OF THE PROGRAM DESIGN

The program design objective is to document agreed processes for the multi-year planning, management, monitoring and resourcing of support to be provided by the ABS (and coordinated by SPC) to improve statistical information and statistical capacities of PICs.

The program design will also include support provided by NZAID and SNZ if consultations support this, and AusAID endorses this inclusion.

The design will take account of the range of other support available to SPC and PICs from Australia and others and how the program fits in with the broader regional statistics strategy.

The design will be prepared in accordance with AusAID's quality principles and will conform to AusAID's documentary standards⁴⁸.

4. JOINT PROGRAM OBJECTIVE AND OUTCOMES

The draft program objective is for the ABS and SPC jointly to provide effective and cost efficient support to improve the priority statistical datasets available to Pacific Island Governments and their peoples, and to improve national capacities to collect, analyse, publish and utilise statistics, to support evidence-based decision making. AusAID will provide funding for the program.

The program outcomes are expected to include:

- improved planning, coordination, management of, and predictability of resourcing for, ABS support to improve PIC statistics and statistical capacities.
- effective and cost efficient technical and other support delivered by the ABS.
- quantified improvements in the priority statistical datasets of each PIC, measured in terms of quality, reliability, timeliness, published availability, and cost of collection.
- assessable improvements in the capacities of PIC agencies and organisations to collect, analyse, publish and/or utilise statistics.

5. SCOPE OF THE DESIGN ASSIGNMENT

A. Design team

The design team will comprise the consultant (team leader), the manager of the AusAID Pacific statistics program, the manager of the SPC Statistics and Demography Programme and the director of the ABS Strategic Liaison and Risk Management Unit⁴⁹. The responsibilities of each team member are outlined in Section 7. The team will work closely to ensure all relevant views and information are considered in developing the design.

⁴⁸ as set out in Design Team Kit, registered #150 Effective from 17 July 2009 to 30 June 2011.

⁴⁹ plus nominated NZAID and SNZ personnel if included in program

- Direct consultation with PIC governments and national and international organisations is not expected. It is assumed that SPC can and will provide all relevant information including records of relevant regional meetings.

The team (lead by the team leader) will review the relevant documentation dealing with:

- analysis of needs for improved PIC statistics;
- planning undertaken by the Region to improve PIC statistics and statistical capacities of PICs, including under the Pacific Plan;
- relevant support provided and planned by all regional and international agencies and donors;
- analysis of past support provided and lessons learnt from that analysis.

The team (lead by the team leader) will prepare draft documents which, subject to AusAID approval, may be circulated to regional stakeholders for comment.

B. Scope of the design

It is anticipated that the key focus areas for the design will be:

- a) Analysis, and context of the program
This section will provide an overview of current situation of statistics in the Pacific and will define the needs and gaps in statistical capacity, which the new program is intended to address, taking into account existing documentation such as the benchmarking study implementation plan.
- b) Program focus
This will outline the type of activities the program is going to undertake and what types of technical support the ABS is best placed to provide to address the identified needs.
- c) Management and governance arrangements
Drafting agreed principles of operation of the program to guide its implementation and on-going management. A consideration of the most appropriate SPC-led processes for planning, coordinating and managing support by the ABS.
- d) Budget
An assessment of the appropriate processes for predictable allocation of resources by Australia to finance ABS's support for PIC statistics.
- e) Financial management of program
Consideration of processes for managing finances provided by AusAID for ABS support, including the appropriate role for the SPC and the need to demonstrate value for money in accordance with the Commonwealth Procurement Guidelines.
- f) Roles and responsibilities
Clarification of the roles and responsibilities of all parties.
- g) Risk management
Identification of risks, risk management strategies and responsibilities.
- h) Monitoring and Evaluation
Development of a monitoring framework which includes process, output and outcome indicators and, as far as possible, utilises existing regional information collection, analysis and reporting systems. In developing this framework the need for baseline information will be considered.

The design should also make recommendations about whether ABS support should be limited to or focused on particular countries and territories, based on consultations. A key factor to be considered will be the possible focus of NZAID and SNZ support.

6. TIMING

It is expected that the development of the design will include the following steps at approximately the times indicated.

Key design activities	Outputs	Timing
Desk review of documents provided by AusAID. (team leader)		July
Draft outline of design to facilitate consultation within design team. (team leader)	Outline of design – dot points only.	July
Preliminary Consultation with NZAID and SNZ in Noumea (AusAID program manager)		July
Design team meeting in Canberra. (all team)		30 July
Consultations with NZAID and SNZ, PFTAC and other statistics stakeholders –by email and phone or if warranted face to face in New Zealand and Suva.	Possible summary of views of stakeholders	August
Draft design (team leader in consultation with team)	Draft Design Document	August
Seek comments on draft design from SPC, ABS and other stakeholders. (Managed by AusAID.)	Summary of feedback.	September
Identify proposed changes in response to feedback. (team leader in consultation with team)	Table of proposed changes in response to feedback.	October
Peer review. AusAID plus ABS, SPC and AusAID's Suva Post ⁵⁰ . to discuss and approve design	Peer Review minutes – prepared by AusAID.	October
Finalise design. (team leader in consultation with team)	Final Design Document.	October

7. DESIGN TEAM

The design team will comprise the consultant (team leader), the manager of the AusAID Pacific statistics program, the manager of the SPC Statistics and Demography Programme and the director of the ABS Strategic Liaison and Risk Management Unit⁵¹. They will work in a consultative and cooperative way to achieve the objectives of the design. Individual responsibilities of each team member are outlined below.

Team members	Responsibilities
Team leader (consultant)	Manage the design process. Prepare draft design. Prepare final design after receipt of comments.
Manager of the AusAID Pacific statistics program	Oversee the design process. Provide guidance on coordination with other AusAID activities, on AusAID policies, and on harmonisation with other donors and regional institutions. Coordination with the parallel preparation of AusAID's "Framework to strengthen statistical services and data collection in the Pacific".

⁵⁰ and NZAID if included in program.

⁵¹ plus nominated NZAID and SNZ personnel if included in program

Team members	Responsibilities
	Manage AusAID's feedback on the draft design and manage AusAID's internal quality and approval processes.
Manager of the SPC Statistics and Demography Programme	<p>Keep SPC members informed of the design process and liaise with them as necessary to facilitate the design.</p> <p>Provide advice to the team on the design process, especially in relation to regional consultations.</p> <p>Provide advice on SPC's knowledge of the needs of PICs and advice on lessons learnt from past assistance to PICs provided by the ABS.</p> <p>Provide relevant background information for the design, including on existing and planned activities and funding, existing and planned processes for planning, managing, implementing, monitoring and reporting on support.</p> <p>Provide technical and other comments on the design. Manage SPC's feedback on the draft design.</p>
Director of the ABS Strategic Liaison and Risk Management Unit	<p>Provide advice on lessons learnt from past assistance to PICs.</p> <p>Provide technical advice on the types of support ABS is best placed to provide.</p> <p>Provide advice on the ABS's rationale for supporting PIC statistics.</p> <p>Manage ABS's input to and feedback on the draft design.</p>

8. REPORTING REQUIREMENTS

The table below indicates the anticipated outputs and timing.

Name	Due Date	Comments
Outline design	29 July	This will be a dot point outline to facilitate discussion within design team. Responsibility of team leader.
Draft design document	31 August	This will be used to seek feedback and approval from all relevant stakeholders. (It may include draft wording for inclusion in MOUs between the parties.) Responsibility of team leader in consultation with team.
Summary of feedback on design and proposed responses	7 October	This should be a full draft and suitable for review by AusAID in an Appraisal Peer Review. A discussion draft should be submitted in early September. Responsibility of team leader in consultation with team.
Peer Review Minutes (AusAID)	October	Summary of issues raised and resolved and directions to make changes to finalise the design.
Final design document	November	The Design is finalized after incorporating comments from the Peer Review. Responsibility of team leader in consultation with team.

Annex D: Engagement by Australia

The strategy of supporting statistics by directly linking Australian support to the planning and coordination mechanisms of the Region assumes Australian Government engagement with the Region and other partners. AusAID should lead this engagement. The objectives of Australian Government engagement should be:

To ensure the governance structures are working well, meeting regularly, fulfilling their purposes, and operating cost effectively.

To encourage meaningful engagement by PICs in the planning and coordination processes, including engagement by appropriately senior and effective PIC personnel.

To encourage PICs to be realistic in identifying their priority datasets.

To encourage PICs to use the most efficient combination of national and regional service provision to produce and disseminate their statistics.

To encourage each PIC to allocate adequate resources to statistics production and dissemination.

To ensure the Region's Strategy Action Plan is of high quality, with clear priorities and an integrated M&E framework which can inform implementation, planning and policy, and is regularly reviewed.

To encourage engagement by other financial/technical partners in the Region's planning and coordination processes; and

to encourage alignment of their planning with the Region's Ten-Year Strategy; and

to harmonise their resource provision with the Region's or individual PICs' implementation systems.

To discourage unsustainable proposals for production of expanded ranges of statistics, including for specialised purposes.

To provide information about other relevant Australian support (e.g. bilateral or global programs) to PICs and regional organisations.

To facilitate PIC and regional organisation input to the planning and design of other relevant Australian support.

To ensure consultation and collaboration between implementers of other Australian support and regional program support for statistics.

To ensure lessons learnt from both monitoring and evaluation are communicated and to encourage adjustments to implementation and incorporation of lessons into planning in response.

To work with each PIC at political, bureaucratic and community levels to encourage use of statistics in policy, planning, service delivery, community consultation on policy, accountability, and assessment of development effectiveness.

To encourage the international community to make use of PICs' statistics, when their quality standards are adequate, to inform development policy and program decisions.

Annex E: Risk matrix

Risk event	Source of Risk	Impact on Program	L	C	R	Risk Treatment	Responsible
Design Risks							
The Region's Strategy Action Plan and associated M&E framework do not continue to provide an adequate basis for AusAID funding.	Lack of resources or expertise to update the Plan regularly.	No clarity about priorities to be implemented.	2	4	H	SPC to provide appropriate planning expertise. AusAID to monitor review of the Plan.	AusAID
	Lack of engagement by PICs in planning.	Only some PICs have prioritised plans.				Focus implementation on PICs which engage in setting priorities.	SPC and ABS
						Encourage engagement and provide support for national planning.	AusAID SPC and ABS
Planning and implementation do not incorporate lessons learnt from monitoring or from past evaluations.	Monitoring not undertaken.	It will be difficult to assess the effectiveness of the Program.	3	2	M	Focus attention on M&E.	SPC, ABS and other stakeholders. AusAID.
	Lessons learnt are not communicated.						
	Planning process ignores lessons.	Program outcomes less than optimal.	Engage in planning processes to raise awareness of lessons and encourage adjustments to plans and implementation taking account of lessons.	Statistical Steering Committee			

L = Likelihood (5 = almost certain, 4 = likely, 3 = possible, 2 = unlikely, 1 = rare)
 C = Consequences (5 = severe, 4 = major, 3 = moderate, 2 = minor, 1 = negligible)
 R = Risk Level (E = extreme, H = high, M = medium, L = low)

Capacity improvements in NSOs cannot be sustained.	High turnover of NSO staff.	Continuous demand for significant capacity building.	4	3	H	Reassess whether greater capacity provision should be provided, with lesser emphasis on capacity building in more specialised functions.	PIC with SPC and/or ABS
Government of Australia does not endorse priorities of Region and this affects funding commitments.	AusAID and other Government of Australia agencies do not engage with PICs in national and regional planning for statistics.	Reduced funding. Disruption to implementation as parties seek to resolve disagreements.	3	3	H	AusAID led re-engagement by whole of government in planning processes.	AusAID, SPC and ABS all have a responsibility to monitor this risk.
Coordination Risks							
Regional planning and coordination processes not used.	PICs or financial/technical partners do not maintain support for the processes. SPC is not able to service the processes.	Basis for setting priorities is lost.	2	4	H	AusAID engagement with PICs and financial/technical partners to encourage participation. Review with SPC the reasons and consider supplementing capacity or reallocating funding.	AusAID and Statistical Steering Committee. AusAID and Statistical Steering Committee.
PIC resources diverted from core datasets.	Pressures from sector or issue focused organisations – regional and international – to expand the range of statistics collected.	Core statistics not collected or quality of data produced is poor.	4	3	H	Support PICs in their negotiations. Engage with relevant organisations to develop understanding of limited NSO capacities. Ensure AusAID Posts and Programs are on message.	SPC SPC and AusAID AusAID's regional stats program person

L = Likelihood (5 = almost certain, 4 = likely, 3 = possible, 2 = unlikely, 1 = rare)
C = Consequences (5 = severe, 4 = major, 3 = moderate, 2 = minor, 1 = negligible)
R = Risk Level (E = extreme, H = high, M = medium, L = low)

Implementation Risks							
The quality of statistics collected and/or produced is not high and thus of little value.	PIC commitment. PIC capacity. Quality of TA and other support.	Poor data is of less value than no data because it is misleading.	2	5	E	SPC and PFTAC and the ABS will be good professional sources of information on the quality of data and analysis. The Region's strategy is built on the idea of producing a core set of statistics to a high quality.	SPC PFTAC ABS AusAID
Political Risks							
National resources not consistently committed to collecting, analysing, and disseminating statistics.	National political interest in acquiring or using statistics is weak or hostile to government performance being documented.	Essential national participation and leadership lacking. (Impact likely to affect only some PICs.)	3	3	H	Monitoring and withdrawal of assistance where situation is unproductive.	SPC and ABS
						Political engagement by AusAID and others to encourage committed participation.	AusAID and other stakeholders.
National or external resources, including Australian bilateral program funds, not provided to carry out key statistics collections especially censuses and HIES	For national – as above. For external –shift in priorities or failure to plan and budget appropriately.	Essential data not available or delayed. Value of a range of support substantially diminished.	3	4	H	Monitoring by SPC and by the AusAID officer coordinating statistics support across the programs for the Region. Greater use of administrative data will mitigate the effects of this risk to a limited extent.	SPC AusAID Regional Program AusAID Posts.

L = Likelihood (5 = almost certain, 4 = likely, 3 = possible, 2 = unlikely, 1 = rare)
C = Consequences (5 = severe, 4 = major, 3 = moderate, 2 = minor, 1 = negligible)
R = Risk Level (E = extreme, H = high, M = medium, L = low)

Available statistics not used in national policy development, planning or lobbying.	Lack of understanding of value of statistics to national economic and social planning and policy, in government and in civil society, or lack of skill in utilising statistics.	Potential value of program to national development substantially diminished.	4	4	E	Shift resources or provide additional resources to develop understandings and skills within government and civil society.	SPC, ABS, AusAID and other stakeholders.
Available statistics not used by financial/technical partners and other stakeholders to inform development assistance decisions.	Lack of trust in available data or lack of knowledge of available data.	Changes in development effectiveness not based on good information.	3	3	H	Promotion of data availability and explanation of data quality.	SPC, ABS and AusAID.

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