



Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 26-Mar-2021 | Report No: PIDA31054



BASIC INFORMATION

A. Basic Project Data

Country Tajikistan	Project ID P173977	Project Name Modernizing the National Statistical System in Tajikistan	Parent Project ID (if any)
Region EUROPE AND CENTRAL ASIA	Estimated Appraisal Date 29-Mar-2021	Estimated Board Date 21-May-2021	Practice Area (Lead) Poverty and Equity
Financing Instrument Investment Project Financing	Borrower(s) Ministry of Finance of the Republic of Tajikistan	Implementing Agency Agency for Statistics under the President of the Republic of Tajikistan	

Proposed Development Objective(s)

The PDO is to enable the Agency for Statistics to modernize statistical production, dissemination, and improve user engagement.

Components

Strengthening the Institutional Capacity of AS and Improving ICT Infrastructure
Enhancing the system of statistical production, dissemination and data use
Project Management

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	10.00
Total Financing	10.00
of which IBRD/IDA	10.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	10.00
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IDA Grant	10.00
Environmental and Social Risk Classification	
Moderate	
Decision	
The review did authorize the team to appraise and negotiate	

Other Decision (as needed)

B. Introduction and Context

Country Context

1. **Despite notable accomplishments in poverty reduction over the past 20 years, Tajikistan remains a low-income IDA country with a large proportion of the population vulnerable to poverty and shocks.** Tajikistan borders China, Afghanistan, Uzbekistan, and the Kyrgyz Republic, and has a population of 9.3 million.¹ In the economic recovery after the 1992-97 civil war following the collapse of the Soviet Union, the country's economy grew by 7.6 percent per annum between 1998 and 2020, and the national poverty rate declined from 82 percent in 1999 to 26.3 percent in 2019. However, Tajikistan still has the lowest GDP per capita in the Europe and Central Asia (ECA) region (US\$3,520 in PPP terms and US\$870 in current US\$ in 2019). Seventy-three percent of the population is rural and heavily reliant on agriculture. Service delivery to most Tajiks is challenged by a mountainous terrain, which is 93 percent of the landlocked country. The country is prone to flooding, earthquakes and mudslides, which have a significant impact on social and economic development. Tajikistan is one of the countries in the region most vulnerable to adverse impacts from external economic shocks, seasonal food insecurity, and climate change. From 1992 to 2016, disasters in Tajikistan are estimated to have caused economic losses in excess of US\$1.8 billion, affecting almost 7 million people. Limited economic and employment opportunities and poverty have contributed to substantial labor migration overseas.

2. **Even before the COVID-19 pandemic, Tajikistan faced a challenging economic outlook due to large fiscal and external imbalances.** Economic conditions have been volatile due to both external and internal factors. Tajikistan is heavily dependent on remittances (primarily from Russia), the somoni-denominated value of which has fluctuated between one-quarter and one-half of GDP in recent years. Fiscal revenues, heavily reliant on import-related value-added taxes, have also fluctuated considerably. For instance, following the commodity price shock in 2014, and subsequent stagnation of the Russian economy, Tajikistan went through a cumulative 45-percent decline of both remittances and imports. The construction of the Rogun Hydropower Plant (HPP) is a high priority of the government and dominates public investment outlays. Private investment is quite low, at around 4 percent of GDP. Financial sector performance is recovering but is still struggling from the fallout of the bank bailout in 2016 precipitated by earlier excessive directed and subsidized lending by banks, which cost the budget 6 percent of GDP. SOE losses are also an additional source of fiscal pressures. According to the most recent World Bank-IMF assessment, Tajikistan remains at high risk of debt distress, with total public and publicly guaranteed debt estimated at over 50 percent of GDP in 2020.

¹Official data of the Agency on Statistics under the President of the Republic of Tajikistan, 2020.



3. **The COVID-19 pandemic has led to a sharp slowdown in the economy in 2020 and has been particularly hard on the poor.** Tajikistan's economy experienced substantial economic slowdown due to the adverse impact of COVID-19 pandemic-related production and travel disruptions and trade challenges with its major trading partners (China, Uzbekistan, Iran, Russia, and Kazakhstan) and a drop in remittances. COVID-19 slowed economic growth to 4.5 percent in 2020 from 7.5 percent a year earlier. Export of precious metals supported GDP growth, whereas domestic demand suffered from declining investment and private consumption. Disruptions to supply chains, higher food prices, and pass-through from the exchange rate depreciation hiked yearly inflation to 9.4 percent. The plunge in foreign earnings slashed household consumption and fiscal revenues. Across sectors, the pandemic mostly hit hospitality and tourism industries. Wage arrears in the private sector and SOEs (incl. Rogun HPP and TALCO), appear to be growing. The authorities' estimates suggest more than US\$2 billion in damages to the Tajik economy.² According to the Listening to Tajikistan Survey, at the peak of the pandemic two of out five households reported reducing their consumption of food, far above reported levels in 2019. Moreover, 20 percent of families reported being unable to obtain medical care and only 5 percent of families reported receiving any official aid by August 2020. Migrant remittances fell by about 6.3 percent year-on-year (y/y) by end-2020³. Remittances dropped because of (i) the closure of air-traffic at the start of migration season, which prevented Tajik laborers from traveling abroad;⁴ and (ii) the economic fallout in Russia, which curtailed migrant earnings.⁵

4. **To help mitigate the impact stemming from COVID-19 shock, the WBG has been supporting the Government of Tajikistan** through technical and financial assistance: an Emergency Covid-19 response project, provision of emergency cash transfers using the TSA program, regular monitoring of the situation based on high-frequency survey of Listening-to-Tajikistan covering the issues of household wellbeing, information system via SMS-dissemination to population with key health messages under the Mobile Engage project to inform about government interventions. Fiscal situation has become more difficult due to lower than projected budgetary revenues. The fiscal deficit for 2020 rose to 3.3. percent of GDP from 2.7 percent in 2019, and was covered with emergency budget support from the IMF (US\$190 million RCF), ADB (over US\$100 million), and EFSD (US\$50 million). The authorities amended the 2020 state budget in mid-summer, which envisages increasing of healthcare expenditures by more than 80 percent and roll-out of the targeted social assistance program (TSA) nationwide. Eligible families will receive TJS 464 (roughly US\$45) per annum. To support the population, the government also provided tax relief to the private sector, increased public sector wages and pensions by 10–15 percent since September, and postponed tariff increases for electricity and municipal water from 2020 to 2021. In total, the government allocated TJS 2.2 billion (US\$220 million, or 2.8 percent of GDP) for COVID-related expenditures.⁶

Sectoral and Institutional Context

5. **The National Development Strategy 2016-30 (NDS) of the Republic of Tajikistan envisions improving the living standards of the population** in four main areas: (i) energy security; (ii) transport and communication connectivity; (iii) food security and access to good quality nutrition; and (iv) productive employment. To achieve higher economic growth, Tajikistan needs to implement a deeper structural reform agenda: reduce the role of the state and enlarge that of the private sector, through a favorable business climate for private investment and more productive jobs; modernize and improve the efficiency and social inclusiveness of basic public services; and

² The figure was stated by the President at the 75th Session of UN General Assembly held in September 2020.

³ National Bank of Tajikistan estimates

⁴ Tajikistan officially closed air-traffic on March 20, 2020.

⁵ As of end-September, Tajiks without Russian citizenship cannot travel which is building a domestic social pressure as people run out of savings and cannot find jobs locally.

⁶ In Tajik somoni terms: health 1.6 billion, TSA 400 million, SME support 180 million and agriculture seeds 20 million.



enhance the country's connectivity to regional and global markets. Addressing these development challenges, poverty reduction and strengthening shared prosperity, requires timely evidence-based policy decisions supported by a well-functioning statistical system.

6. **Recent reforms and significant adjustments of the public administration necessitated reforms of the National Statistical System (NSS)**, which along ministries, committees and agencies includes the Agency for Statistics under the President of the Republic of Tajikistan (AS), a central statistical office that plays a leading role in the NSS. AS and its regional and local offices collect, process and disseminate statistical data, and take a coordinating role within the NSS. The Government and other users of statistics recognize the importance of statistics to: design policy; support decision-making; and, monitor and evaluate the impact of policy implementation. This is especially true during the COVID crisis, which has had a significant negative impact on the country and its fiscal situation. The long-term National Development Strategies (NDS) of 2006-2015 and of 2016–2030, and the Poverty Reduction Strategies (PRS) confirm the importance of obtaining relevant and reliable statistical data. Better statistics also include the capacity to analyze and interpret statistics. AS plays an important role in timely dissemination of reliable statistics to support and enable decision-making on socio-economic development, investment climate, and achievement of the SDGs.

7. **Since reform started the Government has taken important steps to modernize the NSS:**

- i. In 2000, the AS announced a 3-year “Integrated Reform Program” for statistics. Some of the activities in the reform program were partially fulfilled, but **many of them were not completed due to lack of funding**. This was followed by TAJSTAT I project (USD 5.7M), supported by WB for a 5-year strategy (Multi-Year Integrated Statistical Plan (MISP) for 2006-2010) to improve: legal framework for statistics; staff skills development; and IT equipment. A key outcome of the TAJSTAT I project was the development of a National Strategy for the Development of Statistics (NSDS) for the period 2013-2018, whose main strategic objectives were to (a) upgrade methodological skills of AS and other producers of official statistics, (b) automate its work across the board, (c) improve monitoring of the macroeconomic situation and poverty, and (d) fulfil the criteria for IMF's SDDS standard.
- ii. Despite all of the progress achieved within the TAJSTAT I project, there was still a need (a) for funding the maintenance, upgrading and replacing of old equipment; (b) to continue the program of statistical surveys in order to provide so much needed statistical information and time series in order to provide basic social indicators; (c) to carry out a big scope of work related to the availability of statistical data; as well as for supporting and further developing the capacity of the Agency on Statistics under the President of RT and other producers of official statistics in line ministries and regions. It was necessary to further develop the dialogue between users and producers, as well as among different producers of statistical data. These processes were planned in the second multi-year integrated statistical program which was called the National Strategy for the Development of Statistics (NSDS) to reflect its broad coverage of the National Statistical System. Implementation of the NSDS required both national and international resources.
- iii. The TAJSTAT II project (USD 2.5 mln) was a follow-up on the NSDS implementation, which aimed at (a) strengthening data collection and establishing the Household Budget Survey (HBS) as the primary source for poverty monitoring; (b) better-aligning production of GDP estimates to international standards, and achieving SDDS membership; and (c) introducing e-reporting to support the private sector and decrease the burden on respondents. The project also included the development of a new NSDS up to 2030 that aligns with and supports the country's NDS 2030 goals.



8. **The TAJSTAT II project specifically helped:**

- to strengthen relationships with relevant policy-making bodies through meetings and high-level seminars to improve understanding of the role of official statistics;
- to review the existing legislation governing the statistical work in Tajikistan and provide recommendations to further improve the Law on State Statistics;
- to develop the professional knowledge of AS staff to support NSDS objectives.
- to develop an integrated and harmonized statistical information source for NSS and standards for exchange of statistical data (SDMX);
- to complete five surveys, including the Labor Force Survey, Water-users survey, Survey of Energy consumption, Survey of Microenterprises and Time-use Survey, which in turn helped produce gender disaggregated indicators that were previously not available;
- to initiate the process of transition to SNA 2008 standards;
- to implement an introductory package for the Generic Statistical Business Processing Model (GSBPM);
- AS to take further steps to comply with IMF Special Documentation and Dissemination Standards (SDDS);
- to implement a system for the production of standardized meta- and micro-data documentation and establish a National Data Archive (NADA) server (<http://nada.stat.tj/index.php/home>);
- to improve AS staff's IT capacity (hardware and software) for operations, printing facility and other equipment used for statistical data production and dissemination;
- to improve statistical reporting forms and helped shift from paper reporting to electronic reporting for 8 reporting forms;
- to develop a data-entry system for household books maintained at municipal (jamoat) level. The system was tested and introduced in the 3 districts of Tajikistan. Further resources will be required to roll-out this system to the whole country. This initiative was a major first step towards establishing an electronic Population Register;
- to establish a Press Center to enhance the image of AS, disseminate news and articles relating to the statistical development

9. **Due to constraints outside the control of the AS**, such as for example transition to latest standards of Public Finance Statistics by the Ministry of Finance, and review of the recommendations to the State Statistics Law by the Ministry of Justice and relevant stakeholders, **some of the objectives under TAJSTAT II project were partially fulfilled**. Also some outputs set (for instance, full transition to SNA 2008 and full transition to the new Household Budget Survey that is based on electronic data-collection and allows for the monitoring of poverty and employment indicators on a quarterly basis) were not realistic to be completed with available resources and within the limited time-frame of the project.

10. **The Tajikistan NSS is in transition and faces significant challenges**, including: adapting to the data revolution and new requirements and demands; devising new approaches to data collection during the COVID pandemic; demand for open data, expanded access to data for researchers, academia, and a robust citizen engagement on statistical data; transparency in data compilation and aggregation methodologies; measurement of SDG's; better utilization of administrative data; and "big" data generated by the private sector. Other *obstacles to effectively using evidence to improve economic governance include low technical capacity, misaligned incentives, and weak accountability*. Underinvestment in the data collection, processing and dissemination has led to *large gaps both in timely data availability and the skills needed to use it in public policy implementation*. Low pay continues to undermine recruitment and retention of newly trained talents in the statistical system.



11. **NSS institutional reforms and strengthening of the legal framework are needed to overcome these challenges.** This will entail amendments and additions to the current “On State Statistics” law, including the Regulations on AS and its regional bodies; legislation on protection of personal data and access; and, use of administrative and other data. Changes to these legal acts will impact the institutional structure of AS and the NSS, statistical reporting processes in the AS and ministries, as well as affect distribution of workload among the Main Computer Center (MCC), district and central levels of the AS. These changes should be reflected in the NSDS plan for 2024-2027. Modernizing the ICT infrastructure through newer methods of data collection, processing, dissemination, and data exchange using the SDMX standard, will fully integrate the MCC and AS and transform the NSS. Envisaged reforms include: improving surveys; modifying samples and questionnaire design; use of Computer Assisted Personal Interviewing (CAPI) technology to replace paper questionnaires; replacing, where possible, data generated by surveys with administrative sources and big data; improving statistical infrastructure by using registers, such as, judicial and tax registers; digitalizing statistical materials and introducing modern business processes such as Generic Statistical Business Processes Model (GSBPM) and Generic Activity Model for Statistical Organizations (GAMSO).

12. **Timely dissemination of statistical outputs is another major function of AS that needs serious improvement.** Statistical outputs should be presented in an *open and accessible format to promote greater use*. Metadata should also be easily accessible to help users understand what the statistical information means, and how it was collected and compiled. A core set of financial, socio-economic, trade, and other such core indicators should also be disseminated, similar to the Bank’s WDI indicators, using a query system for data discovery and visualization. Improving access to data and improving data quality will help spur greater data users’ satisfaction and promote greater citizen engagement.

13. **The statistical system lags in the implementation of the latest international statistical standards and methodologies, which affects the quality of statistical information and its use for policy making.** Implementation of the 2008 System of National Accounts (SNA 2008) is necessary to ensure the quality of key macroeconomic indicators and other economic statistics. In recent years several improvements were introduced in the System of National Accounts (SNA) with the help of the IMF, WBG, and ADB, including revision of national accounts indicators with new data and improved estimates of non-observed economy, quarterly compilation of GDP by production and expenditure methods, initiation of compilation of supply and use tables. Despite these laudable achievements, further improvements are needed in the processes of other economic statistics to come to achieve a full implementation of SNA 2008 standard.

14. **HR policies need to be updated to enable recruitment of high caliber statisticians, economists, and IT specialists, and by creating a more enabling environment for professional growth.** Continuous development and maintenance of capable human resources is a must to ensure sustainability of described improvements. Training and retraining programs have to be introduced and meticulously followed. Staff mobility between AS’ Central and Regional/sub-Regional offices, as well as between the AS and MDAs where official statistics are created, needs to be encouraged and followed through. A modern HR management system would be necessary to manage staffing, careers and skills requirements.

15. **Finally, modernization of the NSS should be consistent with national programs and modernization priorities on e-government and digital economy.** The state program on ICT and e-government activities, including the rules on electronic services, lays the foundation for the development of digital government. Disclosure of information of activities of state bodies, through electronic information systems, is also prescribed in the decrees of the President. The Government is aware that to increase efficiency in public spending, it needs reliable and timely statistical information on service delivery by sector. Furthermore, the government considers enhancing capacity of the national statistical system, improving the transparency and



quality of statistical information are essential elements in improving the investment climate to support economic growth and private sector development.

C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

The PDO is to enable the Agency for Statistics to modernize statistical production, dissemination, and improve user engagement.

Key Results

16. The project will focus on strategic results included in the NSDS-2030 to strengthen the capacity of NSS and AS. Development results identified in consultation with AS and to be supported under the project include:

- (i) Updated Law on State Statistics meeting the recommendations of the Generic Law on Official Statistics developed by UNECE, improved organization structure and enhanced staff capacity to efficiently handle statistical production, dissemination and data analysis;
- (ii) Enhanced System of national accounts and other statistical operations based on 2008 SNA and other most recent methodologies;
- (iii) Enhanced data granularity, including from administrative registers, to support the monitoring of socio-economic indicators at sub-national and sub-provincial levels;
- (iv) Established electronic population register based on currently paper-based household books available in all *jamoats* (sub-district level of the government);
- (v) Strengthened dissemination system, including metadata system and enhanced access to anonymous household- and firm-level microdata collected by AS
- (vi) Reduced reporting burden and further transition to electronic reporting, and
- (vii) Improved website of the AS that is user-friendly and with accessible reports and relevant sectoral and anonymized survey micro-data all in open data formats.

D. Project Description

Investing in these areas will help: (i) consider and resolve discrepancies between data published by the AS and information received and used by other institutions; (ii) improve the quality of the system of statistical production in economic statistics, including implementation of SNA 2008; (iii) ensure accurate and timely publication of data; (iv) facilitate more sophisticated analyses using anonymized microdata, including by independent researchers engaged in policy-design, (v) in the integration of the various NSS databases, and (vi) to track NSDS-2030 indicators and SDGs-2030. The collection and dissemination of data of higher granularity will support monitoring of socio-economic indicators at subnational and sub-regional levels. Establishment of the electronic population register will be used to improve social and economic policy design. Regional statistics enhancement will be helpful to address spatial disparities as well. Similarly, having an electronic population register (with frequent updates and maintenance) will allow the design and implementation of social policies that minimize inclusion and exclusion errors.



PDO Level Indicators

17. Progress on PDO achievement will be measured by:
- Performance on the: Statistical Capacity Index (now) / Statistical Performance Index (when introduced)
 - User-engagement performance based on results of the regular user-satisfaction/user-engagement surveys
 - Performance on Open Data Inventory Index (ODIN)

Project Components

18. **The project will upgrade the country's system of state statistics to effectively support the Government's aim to develop better evidence-based economic and social policies by:** (i) providing reliable and high quality data; (ii) providing easy access to statistical data; and (iii) enhancing the use of administrative data resources and data developed by the private sector. Envisaged actions will, inter alia, help the government better align public spending to strategic priorities, open space for private investment, and strengthen market institutions. The proposed project will support the implementation of the NSDS-2030 over the next four years through three main components:

Component 1: Strengthening the Institutional Capacity of AS and Improving ICT Infrastructure (US\$ 4.16 million)

Sub-component 1.1: Strengthening Institutional Capacity

19. **This component will finance** the streamlining of the organizational structure of the NSS in accordance with modernized and changed data collection, processing and dissemination systems, the underlying ICT infrastructure, and the creation of institutional management systems. Activities under this component include, inter alia, updating the legal and institutional framework governing data provider relations, data exchange protocols (legal as well as technical) between AS and providers/recipients of data in the MDAs and external organizations (e.g. private sector, international organizations, researchers, NGOs, etc.), and individual data users.

20. **This sub-component will introduce improved HR Management systems at AS**, and will help modernize business processes and organizational structures across the AS and its provincial, district and sub-district offices, as well as provide training for staff to acquire the skills needed to perform their duties under the new structure. IT staff will be trained in using and managing the modernized Hardware/Software (HW/SW) and systems, including in cybersecurity and in learning modern programming languages to support the statisticians/economists. Also included is improvement of: personnel training and retraining within AS and NSS; user training strategy and development of relations with respondents and data users; and statistical data dissemination. HR management processes as they get modernized, would require an HR software system to manage and plan, (i) new staff induction to serve changing skill needs (ii) manage staff performance and careers (iii) manage staff training, (iv) time recording on projects to account for staff costs, and (v) provide AS managers the HR information they need. These are just a few illustrative requirements for a modernized HR system. This sub-component will also finance purchase of related vehicles, necessary for statistical work, e.g. for data-collection and monitoring purposes, in remote and difficult-to-access settlements.

21. **Open Data implementation for the AS statistical system is an important aspect of modernization in this project.** Broadly, Open Data hinges on a few requirements that have to be in place, before it is ready for implementation, such as: the associated legislation and regulatory framework; data timeliness, accuracy, transparency; and wider data access. The purpose of opening up data is to promote use of official statistics for use and reuse by: Government Officials, Private



Sector (including for commercial purposes), NGOs, Academia (including faculty, students and researchers), Media, Civil Society, International Organizations and other data users.

22. **The new statistics law and associated regulations are expected to include the open data dissemination regulation for AS and its liability for the use and reuse by others.** This component would also develop a Data Policy for the AS and other data producing agencies regarding which data are to be 'Open' and which are to be restricted/confidential. Timely release of data and their accuracy are attributes that would improve as the business processes for data collection and production are re-engineered/streamlined, and the statistical methodologies get modernized and upgraded to international best-practice levels. Data transparency would be ensured through extensive metadata on the data itself, their provenance, notes on computation methodologies and on any interpolated data points.

Protection of Personal Data and Privacy. As official statistical activities transcend various subject matters, the relationship between the national statistical law and other laws, notably data protection law, must be reconciled, to assure respondents and to avoid conflict of laws. Official statistical activities (e.g., data collection, processing, transfer, access, storage), due to their sensitive nature, require heightened data protection in establishing trust (which promotes greater participation and data accuracy). To this end, Tajikistan's national statistical law will be updated with relevant provisions from UNECE Model for the Law of Statistics⁷ and aligned with the Law No 1537 of 3 August 2018 About Personal Data Protection, to give effect to the aforementioned elements.

Sub-component 1.2: Improving ICT Infrastructure

23. **This sub-component will modernize the ICT infrastructure in AS and in the Regional and sub-Regional Centers.** Using software tools, it will support and improve the re-engineered business processes of data collection, data processing, dissemination and data exchange. The ICT infrastructure upgrade (see Annex 2 for details) will be driven by the data requirements of AS, such as, censuses, household budget surveys, business enterprise surveys, agricultural, sectoral and administrative data. In addition, municipal statistics and Household Books in Jamoats would be reported electronically and brought within the central data warehouse in AS. It will also include setting up of a modernized Primary Data Center and its network connecting the Regional and sub-Regional offices of AS, and a Secondary Data Center (as a backup facility for Primary Data Center outages). Improvement of physical facilities of AS' Data Center, purchase of IT equipment, and software applications development for data processing, data website (dissemination), data exchange and visualizations are part of this component. The project will include measures to ensure backup and data recovery to prevent data loss in the event of natural disasters.

24. **Data security can pose major challenges in the current environment of internet-enabled and connected data systems.** Part of the ICT modernization effort would be geared towards strengthening the data and network security at the data center (primary, secondary, and backup storage/archiving sites). This would include bringing in a layered protection comprising modern firewall software, intrusion detection and prevention systems to protect the databases and the computational software from malicious programs, and other 'denial of service' intruders. The ICT modernization includes a two-way exchange of data between AS and other MDAs of government. Also, data collected in the field and transferred electronically to the servers at AS' data center would require secure data transfer channels using Virtual Private Network (VPN) and/or other secure authentication software. Apart from these ICT enabled security features, there would have to be in place an information security awareness and training for AS' staff, particularly for those handling sensitive official statistics. The information systems of the AS will be further integrated with the databases of other data collecting agencies through data exchange protocols and Application Programming Interfaces (API). A Call Center will be created to enable phone-based data collection, survey implementation monitoring, and to facilitate data quality control. This component also aims to assist the AS in modernizing statistical infrastructure in the territorial offices.

⁷ https://unece.org/fileadmin/DAM/stats/documents/ece/ces/2016/mtg/ECE_CES_2016_8-1601555E.pdf



Office network facilities will be improved, and outdated equipment will be replaced where required. While no new civil works are foreseen as part of this project, some re-furbishing of existing server room(s) may be undertaken to upgrade the air-conditioning, physical security, and safety measures against fire and other hazards, if and where required.

25. **Modernization of ICT infrastructure is an enabler for Open Data, i.e. data which should be accessible easily – both manually and programmatically.** This would be achieved through AS' revamped website. The open data sets would be downloadable in several commonly used data formats (Excel, CSV, etc.), including the international standard for Statistical Data and Metadata Exchange (SDMX) format. The metadata would be an integral part of the Open Data when it is downloaded. Aside from the manually downloadable features, the open data sets would also be made accessible in a secure manner, via APIs, for computer systems to programmatically access and extract data. Microdata (surveys) would also be accessible for download from the data website along with their metadata. The datasets that would be downloadable would depend on the AS' data policy, and the protection of personal data safeguards that would be in place to provide data anonymization of personally identifiable information (PII), as well as data from business enterprise surveys in which business' proprietary data would be anonymized by suppressing, masking or obfuscating such data.

Component 2: Enhancing the system of statistical production, dissemination and data use (US\$ 5.34 million)

26. **The improved statistical systems at AS is the first step towards an integrated national data system.** Component 2 envisages using administrative data (based on surveys or direct reporting by businesses/agencies of government) from other ministries in the compilation of, for example, GDP and other indicators. These data would be obtained programmatically across IT networks of different ministries, using protocols (IT formats for data and metadata, and MoUs between AS and its data counterparts) that provide the legal and technical basis for the data exchange. As the government moves to an e-Government platform that encompasses the data centers and computational needs of all ministries and agencies of government, the AS data center would be designed and implemented to integrate easily with the e-Government platform. Doing so will be synergistic for AS and would likely lead to cost savings.

Subcomponent 2.1: SNA-2008 and statistical infrastructure

27. **This component will finance systemic measures to improve the quality of statistical production, in particular improve the compilation of national accounts in line with SNA 2008 requirements,** improve data collection and sample surveys, compile a statistical register of enterprises and individual entrepreneurs, introduce a unified system of classifications, nomenclatures, harmonize registers and related changes in the legislative base of statistics and relevant ministries, and develop a methodology to incorporate "big data" into the statistical system. Implementation of SNA 2008 requires several improvements in processes of production in all fields of economic statistics, including:

- i. Implementation of recent statistical standards in NSS such as BPM6, GFSM2014, labor statistics (ICLS) as well as introduction and use of international recent classifications (such as ISIC rev 4, COICOP, COFOG, COPNI, COPP). Several of these standards and classifications have been introduced (e.g. ISIC rev 4 introduced in AS but needs to be extended to the whole NSS) but their full implementation has not yet been completed.
- ii. Application of scientific statistical data collection methods to ensure full data coverage of all production in the country. Despite national legislation requiring all companies engaged in production to present statistical reporting forms, data coverage is not fully consistent nor complete, as the current system of attempting to collect information from all units is highly cumbersome and inefficient (large human and technical resources needed, data collection and processing extremely time-consuming). New systems of data collection will be introduced using e-Reporting and Sampling procedures with corresponding techniques to estimate non-response and refusals to improve efficiency and quality and consistency of received data.



- iii. Introduction and maintenance of a statistical business register to improve data collection in the NSS. While AS maintains some functions of an administrative business register, a fully functional Statistical business register has not been established to provide an updated sample frame for statistical business surveys. Periodically updated statistical business register is needed to ensure full coverage of statistical information from companies, regardless of data collection methods. Unlike administrative business registers, statistical business registers usually serve only the needs of production of statistics.
- iv. Sound methodology of quarterly GDP according to SNA 2008 will require collection of data on discrete periods (months, quarters). Currently, almost the entire data collection system in AS is based on cumulative period data collection, which reduces the quality of monthly/quarterly statistical indicators.

28. **The improvements noted above are required for proper implementation of SNA 2008 in Tajikistan.** Full implementation of SNA 2008 according to UNSD has 6 milestones. While National accounts compilation in Tajikistan currently produces data that correspond to milestones 1-4 of SNA implementation, these milestones are not fully reached due to partial correspondence to SNA 2008 requirements. Particularly, data requested by milestone 1 (basic indicators of GDP) are compiled but several SNA 2008 requirements are not followed mainly due to non-availability of key data sources, including R&D expenditure estimates, treatment of military expenditure, informal sector estimates and others. Milestone 1 also assumes use of complementary data tables such as supply and use worksheets. Milestone 2 includes compilation and dissemination of quarterly GDP. While AS recently started to disseminate quarterly estimates of GDP, these do not follow requirements on timeliness of dissemination and are still based on cumulative data sources. Planned improvements aim to assist AS to fully reach correspondence with milestone 4 of SNA 2008 implementation. Milestones 5 and 6 (financial account, other changes in assets accounts and balance sheets) require full correspondence of milestones 1-4 to SNA 2008 requirements, but also require larger consolidation of resources of all administrative sources.

29. **The subcomponent will also help improve the quality and timeliness of the following statistical surveys, statistical work, and statistical areas:** (a) sample household surveys (HBS, LFS); (b) integration of annual and quarterly statistics on enterprises; (c) periodic statistics data by economic activity; (e) price statistics; (f) foreign trade statistics; (g) demographic statistics; (h) municipal statistics; (i) agricultural, climate and environmental statistics; (j) social statistics and (k) statistics on social marginalization and others. The project will help streamline data collection processes by integrating administrative and “big” data and also improve where needed data collected through surveys and censuses. These activities will not only optimize data flows but will also reduce data collection costs and respondent burden.

30. To enhance the System of National Accounts, it will be important to ensure close cooperation and coordination of AS with the Ministry of Finance (on government finance statistics), the National Bank of Tajikistan (on monetary and banking statistics and on balance of payment statistics) and the Customs Committee (on foreign trade statistics).

Subcomponent 2.2: Electronic data collection and improvements in data dissemination and use

31. This component will help close key methodological gaps identified in the NSDS. Classifications and standards will be further revised and modified to align with international best practices. Questionnaire design and sampling methods will be improved. Statistical production will be modernized by thoroughly updating national accounts and improving the well-being monitoring system, agricultural production statistics, and statistical methods, standards, and registers. The resulting data will include new indicators to enable disaggregation among subpopulations including women/men, age groups, disability, and other groups. The project will support the expansion of existing indicators related to gender, as well as the development and introduction of new gender indicators. The ICT-related activities that support the data collection and dissemination are described in Sub-Component 1.2 above (for more details see Annex 2).

32. **The project will finance the modernization and improvement of the methods for presenting data and dissemination tools.** Dissemination practices will be improved by compliance with international standards in



dissemination, collecting user feedback, supporting 'Open Data' principles for data & metadata access, implementing an open micro-data library, and producing analytical reports and visualization software tools. Improved statistics and processing systems will allow decision makers and researchers to use data for analytical purposes as well as for new models for short-term and medium-term forecasting.

Component 3: Project Management (US\$0.5 million)

33. This component will finance operating costs, i.e. reasonable costs for goods and services needed for effective administration and supervision of the project by AS. This includes project coordination, procurement and financial management, a professional audit of project costs, operating expenses, and the purchase of necessary equipment.

34. Project planning and management will be through technical advisory services, training, operation costs, and the acquisition of goods. Successful implementation of the project requires a dedicated Project Management Unit (PMU) staffed with a project coordinator and specialists in financial management (FM), procurement, ICT, human resources, and monitoring and evaluation. The M&E specialist will also be responsible for dealing with social and environmental aspects of data or risk management. This component will provide funding for those functions and their implementation.

35. **Citizen engagement.** The project will support citizen engagement under the project's components. The AS will make statistical data publicly available to improve transparency and accountability, encourage public debate on economic, financial and social issues, and enhance citizen engagement in policy development and allocation of public resources. Periodic administration of web-based 'User Satisfaction Surveys' targeting the various users of official statistics will be another vehicle for citizen engagement, which also would provide an indication of the progress and success of the activities in this project. Support will be provided to strengthen the Statistical Advisory Council, to facilitate semi-annual consultations between data producers and data users to share their needs, ideas, recommendations, and feedback. The project will rely on this platform to directly engage with citizens in the process of the strategic planning, implementation, monitoring of statistics and activities supported by the project. The project will adopt innovative civic technologies to conduct a user satisfaction survey on a rolling basis on the AS website, which is an official statistical online platform. In the context of COVID -19 this will provide a resilient approach to the consultations. The platform will be improved to ensure that survey results and complaints can be posted as well as feedbacks received. Consultations will be held with a diverse and inclusive group of citizens representing the socio-economic picture of the country including CSOs and other relevant groups. The mechanism of the online user-satisfaction survey will seek user feedback on key dimensions of statistical data services: (i) importance, relevance, accessibility, visibility and readability of data products and services; (ii) user-friendly features of the AS website (relevance of the content, ease of navigation and search); (iii) transparency, independence, credibility and reliability of the AS; and (iv) professionalism of AS staff. The AS will monitor and discuss citizens' feedback with the Statistical Advisory Council with the purpose of adapting processes, implementing given recommendations and will post survey results and actions taken in response on the AS website semi-annually.

36. **Gender.** The NSDS-2030 gives particular attention to the role of gender statistics as an important means of observation and assessment of development in implementation of the policy of gender equality, such as gender strategy, gender programs and gender goals of social – economic development strategies of the country. At the same time, considering the inter-sectional character of gender problems and general relations in development of gender equality in national and global strategies, it is necessary to incorporate gender relations into regulatory documents of obligations of various departments of AS and regional structures.

37. **The government recognizes the importance of the gender equality agenda and has tasked the AS to develop a coordinating plan on the systematic production of gender statistics through institutional cooperation mechanism with the main partners and producers of information.** President of the country also considers the gender equality agenda as



one of the many government priorities. Considering the implementation of the new gender goals of NDS and SDG almost in all fields and areas, it is necessary to improve coordination mechanisms not only with Committee of Women, Ministry of Education and Science, Ministry of Health and Social Protection, but also with the Agency of State Service under the President, Ministry of Interior Affairs and other producers of information. As an institutional mechanism, the project will support establishment of inter-departmental gender work group with experts from ministries and department and regularly hold consultations about provision and collection of gender indicators, including the role of administrative statistics in gender statistics development. The project will contribute to the enhancement of the role of the AS as the coordinating government body in the production of gender statistics.

38. **The official website of AS shows that gender-disaggregated data are missing in some key areas such as employment, unemployment, and self-employment as well as female-headed households.** Some other gender statistics such as mortality rate among infant girls or under the age of five, or maternal mortality seem to be sparsely recorded, making it a challenge to examine trends over years. Therefore, under the project AS in close cooperation with key partners will determine the list of gender indicators in accordance with the decisions of the United Nations Statistical Commission in its 44th Session in 2013 (E/CN.3/2013/33), will collect and produce and disseminate those indicators in order to monitor and assess implementation of SDG. Improved sub-national and sub-provincial statistics will also provide policy makers with gender disaggregated data.

39. **A rapid assessment of gender disparities at AS shows that a gender gap exists in favor of men: Only 37.3 percent of all staff at AS headquarters and territorial offices are female.** The gender gap also exists for managerial positions where only 23.3 percent of managerial positions are occupied by women. The project will address this gender gap through HR development program. The program of HR development and capacity building will pay attention to gender sensitive employment and training policies to reduce gender disparity in existing AS staff and new staff hired during the lifetime of the project. Implementation of capacity building is expected to benefit AS staff at all levels.

40. **Climate co-benefits.** The project will generate climate co-benefits by supporting further transition of the AS operations from paper to electronic data collection and dissemination and on-line document management. The document management and imaging system planned for e-library will considerably reduce paper usage at the AS. This will result in climate co-benefits in the form of energy saving due to decreased printing and copying of documents by the AS. In terms of adaptation, the project will include activities to ensure data recovery and backup to prevent data loss in the event of natural disasters. Moreover, the project will support further improvements in the environmental statistics to help in framing the Government’s environmental policies and enable the Government to take data-informed policy decisions and report to the citizens on the environmental outcomes of the implemented policies. Improvements in climate and spatial data might be used for the development of early warning systems that can inform adaptation measures in urban and rural development. The upgraded IT infrastructure at the AS would, in general, be more energy efficient. All these modernization initiatives would contribute to a reduced carbon footprint.

Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No



Summary of Assessment of Environmental and Social Risks and Impacts

Environmental risk rating is Low and the Social Risk is rated Moderate, making the overall risk Moderate. The project does not support civil works, and environmental risks are confined to minor rehabilitation for the installation of new ICT equipment, disposal/recycling of electronic waste when equipment is replaced/repared, and improvement of the physical infrastructure of statistical authorities. While none of the interventions per-se will have any adverse social impacts, setting up of appropriate management systems and procedures as well as reporting could have serious impacts on the outcomes.

The key social issues relate to data collection and collation; ensuring its accuracy; meaningful analysis and interpretation; data dissemination /disclosure; and data privacy safeguards. These issues have been addressed as a part of the overall project design through investments in the following: i) consider and resolve the issue of discrepancies between data published by the AS and information received and used by other institutions; ii) ensure accurate and timely publication of data; and iii) facilitate more sophisticated analysis using anonymized micro-data, including by independent researchers engaged in policy-design. Publication of anonymized micro-data and administrative data files will allow third-party analysis and verification. At the same time, it is very important to manage expectations with these triangulations.

During implementation key social challenges are related to interagency compatibility, institutional competency, and data privacy. The project will invest only into the AS, while other state data producers (local governments, civil registry etc.) may face challenges, as they have to comply with updated statistical methodology, formats and ICT modules. Besides, access to the AS sampling designs is to be provided to other data producers to avoid creation of parallel partial statistical data. Increased methodological complexity and ICT modules will require more competent staffing, but due to low salaries this might be an issue that affect the project results. Primary data is produced at the sub-regional level, it is therefore a major task of local statistical offices to store micro-data and to prevent any unauthorized access to, or, losses of confidential information.

A particular challenge will be addressing the country's currently limited public access to updated official data, which stifles broad engagement in prioritizing and developing effective policies, as well as accountability for implementing those policies. With increasing methodological complexity, the issues of substantive differences and release timing differences will appear as well. Timely access to the same publications and releases should be secured so all users not only the government agencies, particularly at the regional/sub-regional level.

Finally, since minor small scale repairs and rehabilitation and IT equipment installations will be implemented within the existing buildings only, no resettlement impacts are expected. Other risks such as labor influx and forced/child labor are low.

Overall, the environmental and social risk is rated Moderate.

E. Implementation

Institutional and Implementation Arrangements

41. **The project covers a four-year period and its implementation will require the establishment and coordination of a number of structures to ensure success.** These structures will include Inter-Agency Statistical Council (ISC), technical working group (TWGs) and the Project Management Unit (PMU). The AS has sufficient



experience in implementing World Bank-financed projects and this will ensure smooth implementation of the project. The ISC coordinates the statistical activity in the country and provides oversight and guidance for the implementation of the NSDS. The ISC is chaired by the Director of the AS and consists of the leadership of the AS and key government agencies involved in production and use of official statistical data. The project will help boost the activities of the Council.

42. **TWGs, which will include members of statistical departments of the relevant ministries and agencies will be established to provide technical advice and expertise on issues related to the implementation of the project (implementation of specific activities or different components).** These groups will report to the AS Director. Development partners with interest in specific areas of statistics and willing to contribute to the modernization of the NSS can become members of these working groups. A list of contributing development partners is being developed during the preparation phase of the project and will be updated regularly.

43. **AS will be the main implementing agency of the Project.** A project management unit (PMU) will be established to coordinate, monitor and support the overall implementation of the project. PMU will report to the Director of the Project, i.e. Director of the AS, and provide support to the ISC and TWGs. In addition to coordinating the implementation and monitoring of the Project activities, the PMU will also manage reporting and audit activities, and ensure compliance with procurement, payment and financial management policies and procedures. The PMU will hire a full-time project coordinator. The project coordinator will report directly to the AS director. The project coordinator will be responsible for all project activities, preparing the annual work plan and annual report, leading the PMU team, ensuring timely submission of required reports, organizing project audits, and preparing supervision missions. The exact scope and terms of reference of the PMU, including physical location, will be subject to further discussion, and tentatively will include specialists from the related areas of specialization: coordination, monitoring and evaluation, procurement, accounting and financial management, and secretarial/translation staff.

CONTACT POINT

World Bank

Alisher Rajabov
Economist

Saida Ismailakhunova
Senior Economist

Borrower/Client/Recipient

Ministry of Finance of the Republic of Tajikistan



Implementing Agencies

Agency for Statistics under the President of the Republic of Tajikistan
Gulnora Khasanzoda
Director
stat@tojikiston.com

Qiyomiddin Davlatzoda
Deputy Director
stat@tojikiston.com

FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: <http://www.worldbank.org/projects>

APPROVAL

Task Team Leader(s):	Alisher Rajabov Saida Ismailakhunova
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Approved By

Practice Manager/Manager:		
Country Director:	Jan-Peter Olters	26-Mar-2021