I. Introduction and Context

Country Context
Before 1991, the Mongolian statistical system was organized in a manner typical of command economies, with main reliance on compulsory submission of administrative reports by enterprises. In 1990, the Central Statistical Office was reorganized as the National Statistical Office (NSO), just at the time when Mongolia had begun to shift to parliamentary government and a market economy. According to the Law on Statistics, the NSO is a parliamentary institution that is in charge of producing official statistics for the entire country. Since its establishment, the agency has been building its capacity towards producing official statistics in line with international standards by developing the first NSDS in 2007. Currently, the Government of Mongolia is about to complete the implementation of the 2nd NSDS 2011-2015 that was approved by the Parliament of Mongolia in 2011. Simultaneously, the preparation and update of the next stage of NSDS is underway.

Sectoral and Institutional Context
In order to conclude the 2nd NSDS implementation, the NSO had global assessment (AGA) carried out by an international experts’ team of Eurostat, UNIDO, EFTA and UNESCAP in 2013-2014. The assessment is based on an extensive review and analyses of institutional and organizational aspects of the National Statistical System (NSS), including the compliance of Mongolian official statistics with international and European standards, norms, and recommendations. The Adapted Global Assessment process was coincided with conclusion of the MONSTAT project funded by the Bank. The assessment document serves as an input for NSO to develop an agenda for reform and
strengthening of the Mongolian statistical system. Following the global assessment, at the request of NSO the World Bank has provided technical assistance to prepare the 3rd NSDS. The 3rd NSDS is based on key findings and recommendations of the global assessment. The preparation of the 3rd NSDS consisted of 3 areas; a) diagnostic of Mongolian national statistical system; b) preparation of NSDS; c) implementation plan and preliminary budget. The consultancy service started in September 2014 and the national consultation meeting was held in late October 2014 with participation of key stakeholders and statistical users. For this account the current project is well grounded on needs of the Mongolian national statistical system and incorporates key recommendations of both global assessment and strategic goals outlined in the 3rd NSDS. The project supports the Government’s policies for evidence-based policy formulation, planning and monitoring at national and local levels.

**Relationship to CAS/CPS/CPF**

The project “Enhancing capacities of NSO and producers of official statistics for measuring progress of global and national development agenda” is fully aligned with the WB Country Partnership Strategy for the period of FY 2013-2017 to support economic development in urban and rural areas, and to address vulnerabilities. In particular, the project is line with the WB strategy to enhance Mongolia’s capacity to manage the mining economy sustainably and transparently which will eventually lead to an outcome to support the Government to design and implement policies and systems for a more robust, equitable and transparent management of public revenues and expenditures.

**II. Project Development Objective(s)**

**Proposed Development Objective(s)**

To enhance the capacity of the NSO and of selected state entities to measure the progress of the Recipient’s development agenda and impacts of its policies and programs.

**Key Results**

- Relevant staff trained in related fields.
- International standards adapted and applied in specific areas of economic statistics: conversion of GDP to constant prices by using double deflation method, IOT is constructed on annual basis, compiling energy account within System of environmental-economic accounts (SEEA)
- International standards adapted and applied and improved methodologies for estimation of poverty, unemployment and other relevant indicators in small areas;
- Increased openness, availability and accessibility of data at all administrative levels, in particular aimag and soum levels;
- Improved data quality at local levels.

**III. Preliminary Description**

**Concept Description**

The project will have the following four components:

Component 1: Further improvement of economic statistical domains by: a) improving constant prices at macro level; b) construction of environmental-economic accounts (energy account) and c) estimation of impacts of mining on economy.

Component 2: Measure economic growth and its impacts on household livelihood by developing
relevant methodologies for measuring impacts of economic growth on a) household livelihood; b) poverty; c) employment; and d) inequality at aimag and soum levels. Training and capacity building for enhancing skills and knowledge of staff at NSO and local levels.

Component 3. Enhance local statistical capacities through: (1) implement data quality policies at aimag and soum levels to ensure high quality local data sets in areas important for the Government; and (2) enhance analytical skills of local statistical officers as well as government officers in charge of local development policies and programs.

Component 4. Institutional development to ensure user-oriented service and enable open data by having technical assistance on improving metadata and developing policies on open data, non-traditional data use for statistical purposes; and by training the staff to enhance their skills to use metadata and expand open data.

IV. Safeguard Policies that Might Apply

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V. Financing (in USD Million)

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<td>Total Bank Financing:</td>
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VI. Contact point

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