

**Multi-Donor Trust Fund to Support Statistical Capacity  
Building in Eastern Europe and CIS Countries**

**ECASTAT**

**Report and Work Plan**

as of June 2015

ECASTAT Project Team

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## I. Highlights

Established in 2012, the Multi-Donor Trust Fund to Support Statistical Capacity Building in Eastern Europe and CIS Countries (ECASTAT)<sup>1</sup> is a recent addition to the World Bank's suite of funding instruments for statistical development. ECASTAT provides medium sized grants to support statistical capacity building in countries, and support to regional projects aimed at improving the statistical capacity in areas relevant for a larger set of countries. All member countries of the World Bank in the Europe and Central Asia ("ECA") region are eligible to be recipients of grants under the ECASTAT, although priority is given to low and lower middle income countries.

As of May 2015, ECASTAT supports three regional projects. The Development of Agricultural and Rural Statistics, as well as the Development of Labor Statistics projects are under implementation. The grant agreement for the Improvement of the Websites of the Commonwealth of Independent States (CIS) Statistical Offices and Creation of CIS Statistical Committee Web Portal is about to be signed and the project should be effective shortly.

ECASTAT's two country projects, in Kyrgyz Republic and Tajikistan, focus on implementing priority areas under the countries' National Strategy for Development of Statistics (NSDS). Both projects are effective as of June, with project implementation expected to begin in summer/early autumn 2015.

A second call for project proposals was held at the end of 2014. Armenia and Moldova exhibited interest in ECASTAT funding for improving their statistical capacity and implementing selected areas of their NSDS, and are currently develop full proposals and concept notes.

As ECASTAT is not yet fully committed and continues to accept new grant proposals, the closing date needs to be extended to ensure new projects are given enough time to be completed. It is suggested to extend the project from December 31, 2018 to June 30, 2021.

Total grant commitments, funds allocated for projects, including project preparation and supervision, and trust fund administration amounts to approximately USD 8.4 million, leaving about USD 6.7 million available for new projects.

## II. Objectives and Background

ECASTAT is a programmatic regional trust fund established for assisting countries to improve their statistical systems, increase their capacity to produce reliable, timely and accurate data in line with internationally accepted methodologies and best practices that meet user needs, and inform decision-making process within the government and community.

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<sup>1</sup> For more on ECASTAT: <http://www.worldbank.org/en/data/statistical-capacity-building/ecastat>

The overall objectives of the ECASTAT trust fund are to address the capacity and financial constraints of the statistical systems of countries in Eastern Europe and the CIS region, and, thereby support their development outcomes by strengthening the production of reliable and relevant data on a timely basis for evidence-based decision making at all levels of their governments.

To achieve its objectives, the ECASTAT trust fund supports both regional and country specific projects and is organized as a two-window programmatic trust fund. Window 1 comprises regional projects and focuses on the development of materials in the Russian language on methodologies, and technical assistance and training in specific thematic areas. Window 2 comprises country specific projects aiming at implementing NSDSs. Activities taking place under the two windows aim to be complimentary, while care is taken to harmonize support with other donors and organizations.

Although ECASTAT is established as a multi-donor trust fund, to date only the Russian Federation has pledged funding in an amount of USD 15 million. ECASTAT works closely with UNECE and CIS Statistical Committee for well-coordinated international efforts to improve statistics in the region.

### III. Progress Achieved

#### Status of Approved Projects

As of June 2015, ECASTAT supports three regional projects. The Development of Agricultural and Rural Statistics project and the Development of Labor Statistics project are under implementation. The project for Improvement of the Websites of the CIS Statistical Offices and Creation of CIS Statistical Committee Web Portal is in the final stage of preparation and the grant agreement is ready for signing.

ECASTAT has as so far provided funding for two country projects, one in Kyrgyz Republic and one in Tajikistan, for implementation of priorities set out in the respective countries' NSDS'. Both projects have recently become effective, and project implementation is about to start.

**Table 1. Status of approved projects, as of June 2015**

Project	Status	Grant Amount (USD million)	Disbursements (USD million)
Window 1, regional projects			
CIS: Development of Agricultural and Rural Statistics in the CIS Region	Active, under implementation	0.49	0.15
CIS: Development of Labor Statistics in the CIS Region	Active, under implementation	0.49	0.20

Project	Status	Grant Amount (USD million)	Disbursements (USD million)
CIS: Improvement of CIS Statistical Infrastructure and Development of CIS Statcom Web-portal	Under preparation. Grant agreement ready for signing	1.40	-
Window 2, country specific projects			
Kyrgyz Republic: Implementation of the National Strategy for Development of Statistics	Effective as of June 2015	2.50	-
Tajikistan: Implementation of the National Strategy for Development of Statistics	Effective as of May 2015	2.50	-

### *Window 1 (regional projects)*

ECASTAT's three grants for regional projects supporting the Development of Agricultural and Rural Statistics; the Development of Labor Statistics; as well as the Improvement of CIS Statistical Infrastructure and Development of CIS-Stat Web-portal are detailed below. All of the mentioned grants are being implemented by the CIS Statistical Committee.

To ensure smooth implementation of ECASTAT Agricultural and Rural Statistics and the Development of Labor Statistics projects according to the Bank guidelines and rules, CIS has hired consultants to provide procurement, accounting (financial management) and translation services for both. Subsidiary Agreements have been signed with all CIS countries (except for Russia), to secure the participation of statisticians from the CIS National Statistical Offices (NSOs) in regional workshops and international events.

#### **(i) CIS: Development of Agricultural and Rural Statistics in the CIS Region (USD 0.49 million)**

The objective of the Global Strategy to Improve Agricultural and Rural Statistics in the CIS Region project is to create a framework for national and regional statistical systems to collect and use statistical data in making decisions regarding the development of agriculture in the 21st century. The project aims to support implementation of this structure by developing and/or translating statistical standards and methodological guidelines for agricultural statistics; and providing technical assistance in developing the methodologies and tools to strengthen agricultural statistics at the country level. Further details are listed in Box 1.

Project start was initiated by a workshop in the Food & Agriculture Organization regional office in Budapest, Hungary in early February 2015, which also allowed for discussions on a broader range of issues related to the implementation of global and regional strategies on agricultural statistics. CIS Statcom

experts have also participated in several international events that support their role in executing the regional aspects of the global strategy of agricultural and rural statistics.

Under the project, CIS Statcom has started working on the development of conversion keys for major agricultural indicators in the CIS region; development of agricultural producers' price indexes; and systematization of the use of international standards and best practices in agricultural and rural statistics in CIS countries. The activities aim to develop consistent methodological recommendations, a coordinated set of indicators, and a unified database for producing agricultural and rural statistics in the CIS region; as listed under key results in Box 1.

To enable the establishment of a baseline to assess project outcomes, the CIS Statcom has developed and distributed a questionnaire to assess agricultural and rural statistics in the CIS countries.

With close to 30 percent of the project funds disbursed, and another 20 percent programmed/committed, project execution is well under way one year into the project-life.

#### **Box 1. Components of CIS: Development of Agricultural and Rural Statistics in the CIS Region**

Objective(s): Create a framework for national and regional statistical systems to collect and use statistical data in making decisions regarding the development of agriculture in the 21<sup>st</sup> century. Specifically, integrate agricultural statistics into the national statistical system to meet user demand for consistent and compatible data over time and place (territories); sustain the agricultural statistical system through improved governance and statistical capacity; and identify a minimum set of core data (to be collected by countries) meeting current as well as emerging needs.

Key results:

- a) Consistent methodological recommendations for producing agricultural and rural statistics in the CIS region.
- b) A coordinated set of indicators for agricultural and rural statistics in the CIS region.
- c) A unified database of agricultural and rural statistical data for the CIS region.

#### **(ii) CIS: Development of Labor Statistics in the CIS Region (USD 0.49 million)**

The overall goal of the Development of Labor Statistics project is to improve the capacity of the NSOs in the CIS region to collect labor data on a regular basis based on a uniformed methodology; enhance knowledge exchange at national and international levels; and upgrade CIS and ILO statistical databases on labor. Further details are listed in Box 2.

Under the project, CIS has started preparing methodological recommendations to measure labor activities, employment and under usage of labor forces; improving statistics on labor costs based on international best practices; reviewing international experiences in using sample surveys for measuring labor migration; and developing innovative approaches in conducting socio-demographic surveys and censuses. These methodological activities correspond to the NSOs requests and aim to strengthen institutional capacity and enhance technical capacity. Project outcome indicators include the development of tools for labor statistics and the establishment of employment indicators.

Representatives from international organizations and members from the CIS participated in a project launch workshop that took place in Minsk, Belorussia in early December 2014. Likewise, CIS Statcom experts have attended several international events related to labor statistics. Key results and project outcome indicators are elaborated in Box 2.

As of June, the Bank has transferred just over 40 percent of the total project funds, of which close to 15 percent has been disbursed and the remainder committed. Being one year into its three year project life, this indicates the project being on track.

### **Box 2. Components of CIS: Development of Labor Statistics in the CIS Region**

Objectives: Strengthen country capacity in collection of labor statistics based on a uniform methodology; enhance knowledge exchange at national and international levels; and upgrade CIS and ILO statistical databases on labor. Specific project objectives include modernizing current labor statistics systems in CIS countries by increasing the use of modern data collection tools, internationally agreed methodologies, definitions, standards and classifications; upgrading currently conducted surveys such as household-based labor force surveys, enterprise-based surveys, and/or population census; and developing methodologies for implementation of labor force surveys on a regular basis, including modules on labor migration and informal sector employment.

Key expected results:

- a) Strengthened institutional capacity and expertise in data collection, analysis and dissemination of labor market statistics as needed for development, implementation and monitoring of labor policies and programs.
- b) Enhanced technical capacity in the use of modern methodology and advanced data collection practices.

Project outcome indicators:

- a) Tools for introduction of advanced international standards in labor statistics are developed, including a methodological framework for organizing labor force surveys on a regular basis.
- b) Employment indicators are developed and accessible.

In parallel to the ECASTAT funded activities parallel, CIS Statcom is also developing a set of questionnaires on labor statistics and living conditions, aiming for harmonization of these measures within the CIS countries.

### **(iii) CIS: Improvement of CIS Statistical Infrastructure and Development of CIS Statcom Web-portal (USD 1.40 million)**

The Improvement of CIS Statistical Infrastructure and Development of CIS-Stat Web-portal project is in its final stages of preparation, and the grant agreement about to be signed. Thus, project activities are expected to start shortly. Objectives for and key expected results of the project are detailed in Box 3.

### Box 3. Components of CIS Statistical Infrastructure and Development of CIS Statcom Web-portal

Objectives: Improvement of CIS statistical infrastructure; and development of a CIS Statcom web-portal.

Key expected results:

- a) Creation of a central database and web-portal for CIS Statcom to maintain and disseminate statistical information and knowledge.
- b) Introduction of advanced information technologies enabling more automated statistical data collection, processing, and transfer between CIS Statcom and the NSOs.
- c) Harmonized content of the Commonwealth NSOs websites through introduction of common

#### *Window 2 (country specific projects)*

ECASTAT's two grants for country specific projects, in Kyrgyz Republic and Tajikistan respectively, are described below.

##### **(i) Kyrgyz Republic: Implementation of the National Strategy for Development of Statistics (USD 2.50 million)**

The Implementation of the NSDS in Kyrgyzstan project became effective in June 2015. The project aims to advance the availability and quality of information and statistics as part of the government's development goals, as well as improve the capacity of the National Statistical Committee and other data producing agencies. Key expected results include improved organization of statistics; strengthened technological capacity, information and communication technologies (ICT), and upgraded and expanded infrastructure; modernized production and dissemination of statistical data; and strengthened statistical intellectual capacity. Objectives and key expected results are listed in Box 4.

Given that the National Statistical Committee has never implemented a donor-funded project of this magnitude, project preparation took longer than expected and thus delayed effectiveness. With the Parliament's recent approval of the grant agreement and the President's signature secured, implementation is now expected to begin in the summer of 2015.

To maximize impact of project activities, the project team will work in close cooperation and harmonize activities with other donors, in particular, Statistics Norway, DfID and UNFPA.

#### **Box 4. Components of Kyrgyz Republic: Implementation of the National Strategy for Development of Statistics**

Objectives: Support implementation of the NSDS, i.e., strengthen the information and statistics backbone of the government's development goals, as well as improve the capacity of the National Statistical Committee and other data producing agencies.

Key expected results:

- a) Improved organization of statistics.
- b) Strengthened technological capacity, ICT, and upgraded and expanded infrastructure.
- c) Modernized production and dissemination of statistical data.
- d) Strengthened statistical intellectual capacity.

#### **(ii) Tajikistan: Implementation of the National Strategy for Development of Statistics (USD 2.50 million)**

The Implementation of the NSDS in Tajikistan project became effective in May 2015. Project implementation is expected to begin in the summer of 2015 once the statistical agency has finalized the hiring of the staff (consultants) for the project implementation unit. The project will build on achievements of a previous World Bank project (TAJSTAT) by strengthening the capacity of the statistical system of Tajikistan. As a result, the institutional capacity of the statistical agency and the national statistical system (NSS); the production of statistical data; the user-producer dialog; and the physical infrastructure, IT and automation of data processing will be improved. Project objectives and key expected results are specified in Box 5.

To enhance the outcome, project staff will work closely with other development partners, particularly with Statistics Norway, to ensure activities are harmonized and executed in a well-sequenced manner.

#### **Box 5. Components of Tajikistan: Implementation of the National Strategy for Development of Statistics**

Objectives: Further improve the capacity of the statistical system of Tajikistan to produce and disseminate relevant, reliable and timely statistics in a cost-effective manner in line with international standards and responsive to user needs. The project will build on achievements of a previous World Bank project on statistics (TAJSTAT).

Key expected results:

- a) Strengthened institutional capacity of the Statistical Authorities and the overall national statistical system (NSS).
- b) Improved production of statistical data.
- c) Improved user-producer dialog.
- d) More up to date physical infrastructure and IT, and improved automation of data processing.

## Second Call for Proposals

A second call for proposals was made in late fall 2014. Based on the call for proposals, the National Statistical Service of Republic of Armenia expressed strong interest in applying for an ECASTAT grant, and submitted a formal letter of request for ECASTAT funds. Subsequently, a World Bank team is working closely with the NSO to develop a full application in the form of a standard World Bank concept note, and an identification mission is scheduled for July 2015.

Likewise, the newly appointed management of the National Bureau of Statistics of Republic of Moldova also expressed strong interest in participating in the ECASTAT program. The Bank team is expecting a formal letter of request from the Director General of the NSO shortly.

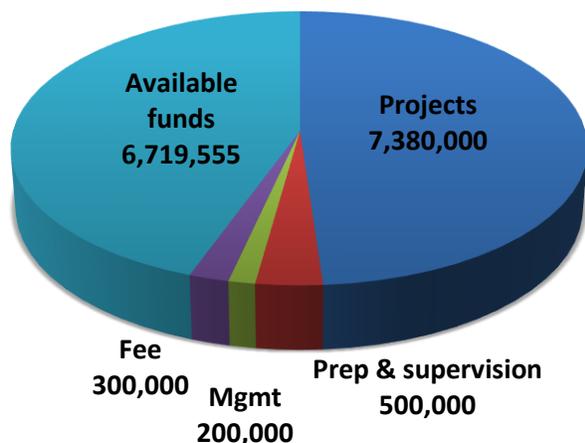
## IV. Financial Situation

ECASTAT has received a total of USD 15 million from the Russian Federation as of June 2015. Total grant commitments, funds allocated for project preparation and supervision, and trust fund administration amounts to approximately USD 8.4 million, leaving about USD 6.7 million available for new projects. More details on the ECASTAT's current financial situation can be found in Table 2.

**Table 2. Financial status as of June, 2015 (USD)**

<b>Donor contributions including investment income</b>	<b>15,099,555</b>
Donor contributions	15,000,000
Investment income	99,555
<b>Total allocations/commitments</b>	<b>8,380,000</b>
Projects	7,380,000
Preparations and supervisions	500,000
ECASTAT management	200,000
Fee	300,000
<b>Available funds</b>	<b>6,719,555</b>

### Financial Allocations (USD)



## V. The Need for Closing Date Extension

As ECASTAT is not yet fully committed and continues to accept new grant proposals, the closing date needs to be extended to ensure new projects are also given enough time to be completed.

Country specific activities such as NSDS implementation (window 2 activities) require on average six to twelve months for project preparation and four years for implementation. With December 31, 2018 as the closing date of the ECASTAT, it follows that new project will not have the needed time for implementation; thus, a two to three year extension of the closing date is suggested.

## VI. Work Program for 2015-16

As noted earlier, the overall objectives of the ECASTAT trust fund are to address the capacity and financial constraints of the statistical systems of countries in Eastern Europe and the CIS region, and, thereby support their development outcomes by strengthening the production of reliable and relevant data on a timely basis for evidence-based decision making at all levels of their governments. To achieve this objective, the ECASTAT supports both regional and country specific projects.

### Suggested Work Program Activities

The available balance as of end June 2015 is approximately USD 6.7 million (see table 2). The proposed allocations of funds towards the specific activities are listed below, and are in line with the priorities set in the prior year's work plan.

### *Window 1 (regional projects)*

It is proposed that approximately USD 1.0 million be allocated for regional activities. The stream of work suggested under this window is linked to economic statistics with a focus on national accounts and prices. It is expected that the UNECE will put forward a grant proposal for the Steering Committee's review in the second half of 2015.

### *Window 2 (country specific projects)*

Following the second call for proposal announced in late fall 2014, Armenia and Moldova are currently preparing their detailed proposals (concept notes). These proposals will be submitted to the Steering Committee for their review and decision in autumn 2015. Available resources should be sufficient to grant funding for the two country specific projects in a total amount not exceeding USD 5 million, or an average of USD 2.5 each. Both countries have been provided USD 70,000 for project preparations in the interim.

### **Suggested Budget Allocations**

The suggested work program allocates up to USD 1.0 million towards regional activities and USD 5.5 million for country specific projects, including costs related to project preparation and supervision (Bank staff time and travel). A small amount has also been allocated to ECASTAT management. A more detailed budget breakdown is presented in table 3.

**Table 3. Suggested budget allocations CY15 (USD)**

<b>Budget available as of end June, 2015</b>	<b>6,719,555</b>
<b>Suggested allocations</b>	<b>6,719,555</b>
Window 1, Regional activities	1,000,000
- Project grant	850,000
- Project preparation and supervision grant(s)	150,000
Window 2, Country specific activities	5,470,000
- Project grants	4,850,000
- Project preparation and supervision grants	620,000
ECASTAT TF management	249,555

## **VII. Conclusion**

The past year has been a year where we have seen projects move from preparation phase to implementation. Thus, more tangible results should be expected over the coming years. It is expected, and in line with set priorities, that ECASTAT will provide funding for three additional projects - two country

specific and one regional. Project proposals for such projects are currently being developed, and the Steering Committee should receive these proposals for their review and decision in the coming months.

Assuming that the mentioned additional projects be approved, ECASTAT will not be in a position to provide funding for further projects unless replenished. Thus, the World Bank will initiate discussion with current and potential donors to replenish the ECASTAT.

Regardless of whether the trust fund be replenished, there is a need to extend the closing date of the ECASTAT. Deciding on a closing date extension as soon as possible would greatly improve the functioning of the ECASTAT by allowing new projects to make plans that are realistic and reduce the need for projects to go through extensions at a later stage.