

# en breve



WORLD BANK

A regular series of notes highlighting recent lessons emerging from the operational and analytical program of the World Bank's Latin America and Caribbean Region.

## MAKING POVERTY REDUCTION COUNT Celebrating 10 Years of the Program for the Improvement of Statistical Information

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Access to reliable and relevant information is a fundamental requirement for the development of policies aimed at poverty reduction. Knowing who the poor are, where they live, and how they live, is critical to determining how best to pull them out of poverty. In recent years, the need for quality information has become more pressing, in part due to the commitments made by the international community to attainment of the Millennium Development Goals (MDGs). In addition, the increasing recognition of the critical role of transparency and accountability in public policy design and resource allocation has spurred demand for access to comprehensive, timely, high quality information. This is essential to allow citizens greater oversight of government actions and policies and to improve the quality of decision-making at all levels of government.

Recognizing the challenge of meeting these demands in the Latin America and Caribbean (LAC) region, the World Bank, jointly with the Inter-American Development Bank (IDB) and the United Nations Economic Commission for Latin America and the Caribbean (ECLAC) developed the Program for the Improvement of Surveys and Measurement of Living Conditions in Latin America and the Caribbean (MECOVI in Spanish) in 1996. The program was initiated with the objective of facilitating improved living conditions for the people of Latin America and the Caribbean through the production of relevant, quality and timely data. Ten years later, the MECOVI program continues to pursue this goal with new and innovative strategies for statistical development.

### The Early Days

The MECOVI program began in response to the typically poor quality of the household surveys produced in the region. Statistical errors were widespread, thematic and geographic coverage was incomplete, and dissemination of results was persistently behind schedule. Many of the LAC countries have found themselves in a chronic vicious cycle – the lack of importance given to statistical information as demonstrated by the prohibitive budgets allocated to the National Statistical Offices (NSOs) resulted in the low quality of information and the consequent limited use of statistical data. The donor community further contributed to this problem by pushing for short-term solutions to meet their individual data needs, at times by-passing the NSOs, rather than coordinating with other development partners.



The MECOVI program sought to consolidate efforts to improve the quality of information on living conditions by:

- Diagnosing the state of the household surveys;
- Harmonizing technical assistance for statistical capacity building from multi-lateral agencies; and,
- Promoting awareness for concerted efforts to mobilize financial and technical resources to conduct living conditions surveys.

The assistance provided through the MECOVI program focused on strengthening the institutional capacity of the NSOs in the participating countries with various technical and financial resources. This included provision of resources for consulting services, upgrading

technological capabilities, offering workshops and training courses on technical and methodological aspects of household surveys and poverty measurement, and supporting research activities.

## Improvement of Household Surveys

What began in 1997 with four countries (Argentina, El Salvador, Paraguay and Peru) has evolved into an extensive program that has provided direct support for the improvement of information systems in much of Latin America and the Caribbean (11 countries in Latin America – Argentina, Bolivia, Colombia, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Paraguay, Peru; and 16 countries in the Caribbean). Household surveys have been established and regularized in most of the participating countries. The MECOVI program has made substantial contributions to the design and implementation of the surveys, processing of survey data, and dissemination of the results. Particular attention has been given to better informing and documenting poverty analysis. Surveys have been improved and broadened to include new and more in-depth thematic and geographic content. Some of the new topics included in the surveys include crime, ethnicity and race, disability and family remittances. (see Box 1)

A regional database has been established to serve as a resource for Bank staff conducting analytical work, including poverty assessments and socio-economic studies. More than 400 household surveys are now available through the database, dating from 1980 to the

### Box 1

#### *Understanding Gender Roles as Opportunities for Development*

The differences in the needs, attitudes, preferences and expectations between men and women directly impacts decision-making for policies in sectors such as education, health and poverty reduction. Knowing the roles and responsibilities of men and women in the household, in the workplace and in their communities provides valuable insight to the needs and priorities for economic development and social welfare. Consequently, the MECOVI program has offered assistance to the countries in the LAC region to better formulate the household surveys to solicit the information required on gender roles. Asking the right questions is the most fundamental aspect of acquiring accurate data. Questions such as, “Who has the last word in making the most decisions for your household?; How long does it take to carry water to your home?; In whose name is your home registered?”, help to identify socio-economic conditions that shape the process of development.

present. In addition, another database of processed data from the household surveys has been made available to countries and international donors through the Center for Distributive, Labor and Social Studies (CEDLAS) at the National University of La Plata in Argentina. This information is available through the CEDLAS website (<https://www.depeco.econo.unlp.edu.ar/cedlas/>) and the World Bank intranet. The Institutional Development Fund (IDF) and the Bank-Netherlands Partnership Program have been important contributors to these activities.

## Strengthening of Institutional Capacity

Principally through grant funding from the Trust Fund for Statistical Capacity Building (TFSCB) and the IDF, the MECOVI program has provided technical assistance to develop the capacity of the NSOs to serve as leaders in shaping and managing the national statistical systems. This support has included a diagnostic of human resources and their expertise, physical and technological resources, and a profile of the NSO within the government hierarchy. Based on these analyses, the MECOVI program has offered additional assistance to strengthen areas of weakness, and better position the NSOs as the focal point for statistical information. As part of that process, the MECOVI program is supporting the NSOs to strengthen their convening power with both producers and users<sup>1</sup> of statistical information. To that end, various countries in the region are developing new strategies for coordination and consultation among relevant stakeholders (See Box 2).

## Looking towards the Next Decade

In February 2004, the Second Multilateral Development Bank’s “Management for Development Results” Conference set forth a new vision for statistical development. The new agenda, known as the Marrakech Action Plan for Statistics (MAPS), included the following recommendations<sup>2</sup> :

- Prepare strategic plans for statistical development
- Prepare for the 2010 population census round
- Establish an international household survey network
- Improve the monitoring of the MDGs
- Increase financial support to strengthen statistical capacity
- Enhance accountability of international statistical systems

Many countries in the LAC region have explicitly expressed their interest and commitment to strengthen their statistical capacity, and have subsequently requested the support of the MECOVI program to realize that goal. In recognition of the MAPS priorities, the MECOVI program has begun to expand its vision of statistical

### *Box 2: Breaking Down the Numbers*

In order to better facilitate the analysis and use of statistics for policymaking, Guatemala has developed sectoral offices (Oficinas Sectoriales de Estadísticas) to coordinate relevant actors in the different sectors. The Sectoral Office for Health was the first such entity created in Guatemala, and includes the Ministry of Public Health and Social Assistance, the Guatemalan Social Security Institute, the Pan-American Health Organization, and the National Statistical Office (NSO). Their principal responsibility is to coordinate the different interests within the sector for the effective implementation of the NSDS. By doing so, the sectoral offices can better identify the information demanded by the users of statistics and disaggregate data by sector to promote their more effective use. Several other countries in the region have initiated similar mechanisms for the coordination of specialized interest for statistical information.

development from principally strengthening the NSOs, to also providing greater support to the National Statistical System. Central to this more comprehensive approach is the need for improved coordination among the key stakeholders of the national statistical system, with the NSOs continuing to play a pivotal role. Consequently, in addition to the continued support for the improvement of household surveys and institutional capacity building, the MECOVI program has embarked on several new initiatives to broaden the reach and impact of statistical development. The TFSCB and the United Kingdom's Department for International Development (DFID) have been key contributors in this regard.

### ***National Strategy for the Development of Statistics***

A National Strategy for the Development of Statistics (NSDS) will consolidate the various interests into a concrete action plan for statistical development and dissemination. The development of the NSDS will focus on addressing three areas that are critical to achieving better evidence-based policies (See Figure 1: Strategic Roadmap-Strengthening of the NSS). The first is to advance the systems of statistical production to ensure that the data that is needed is that which is collected. With an understanding of the demands for statistics from the various user groups, strategies will be identified to respond to these demands with the goal of providing opportune, relevant and high quality statistical information. This may be through redesigning or enhancing the surveys and questionnaires, better training of surveyors, or expanding the reach of the surveys. The second area focuses on the strengthening

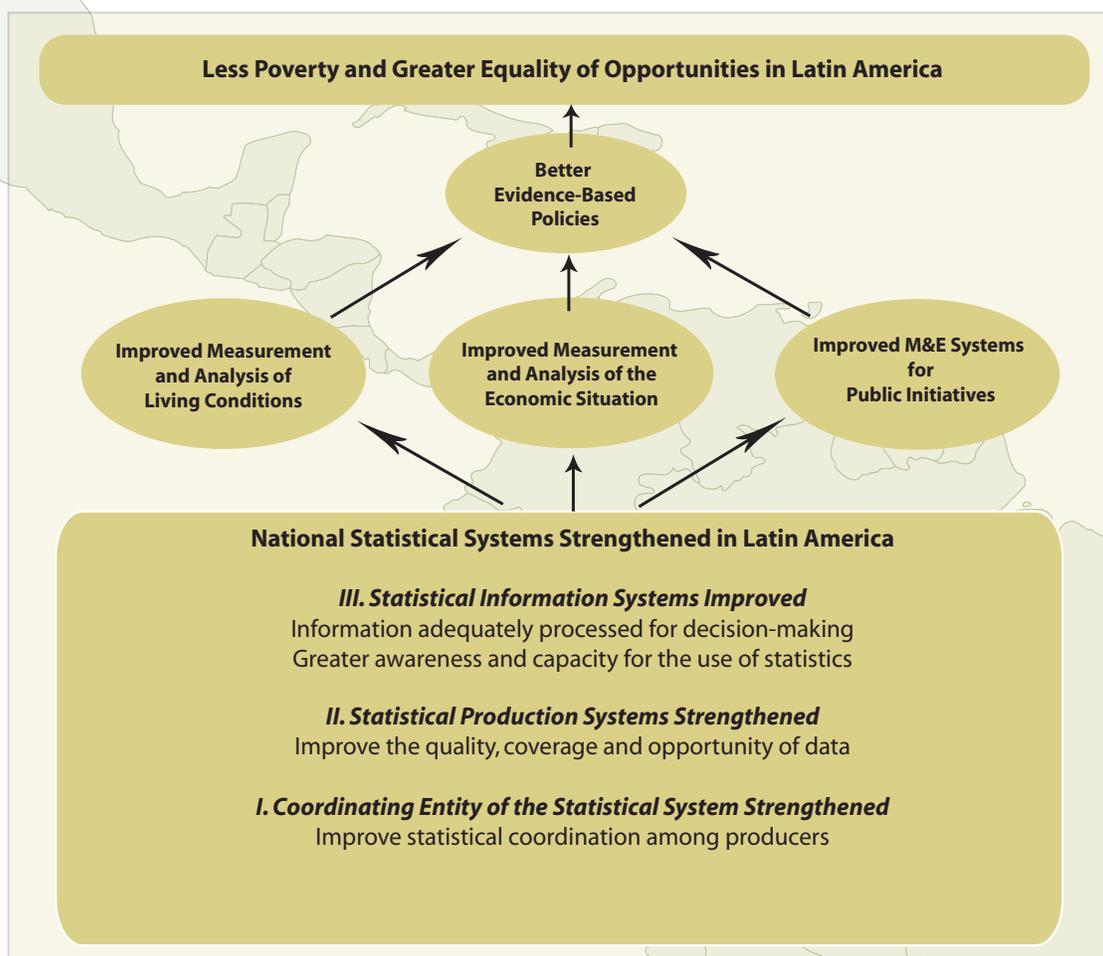
of statistical information systems. This will entail the appropriate processing and dissemination of data into a digestible and accessible format for users. Developing adequate information systems will significantly promote the greater use of the statistical information for policy decision-making. Finally, the NSDS will seek to improve the mechanisms of coordination among the producer and user agencies. Gaining a better sense of the needs for statistical information, while managing the strengths and limitations of the data producer institutions will ensure that supply more effectively meets demand. To that end, the NSDS will explore mechanisms to discuss and organize these various stakeholders. With improved systems in place for statistical development, policy makers can better assess the living conditions of the population, the economic situation of the country, and implement monitoring and evaluation systems to provide for more educated and wiser public decision-making, particularly for the alleviation of poverty in the country.

Again, with the support of the TFSCB, and in partnership with the Partnership in Statistics for Development in the 21st Century (PARIS 21), the MECOVI program piloted the development of the NSDS in Central America and Panama. Close collaboration among the countries, and with the MECOVI team has served to build networks for cooperative learning. Building on this experience, nine countries in South America currently are in the process of developing (Bolivia, Colombia, Ecuador, Guyana, Peru, Uruguay and Venezuela) or initiating (Argentina and Paraguay) their NSDS. Of particular mention is the work being implemented by the Secretary General of Andean Community of Nations to develop the NSDS of Bolivia, Colombia, Ecuador and Peru in a concerted fashion with close collaboration and mutual learning among the countries. Once the NSDS has been defined, the challenge then becomes one of implementation. Ensuring the financial resources, technical capacity, and consistent integration of information flows on the different realms of the public policy decision making process present the next phase of assistance required by the NSS, and some of the challenges the MECOVI program will support in the coming decade.

### ***Information Systems for Monitoring and Evaluation***

The value of statistical development stems largely from its use and impact in affecting public policies. In order to enhance this effect, there is a need to strengthen the links between surveys, censuses, administrative

• **Figure 1:** Strategic Roadmap - Strengthening the National Strategies for the Development of Statistics (NSDS)



records and monitoring and evaluation systems. This is particularly true with regards to the monitoring of the MDGs and poverty indicators. To that end, the right information should be presented in the right manner. In particular, data should be disaggregated by municipality, demographic groups, socio-economic levels, etc. It also needs to be presented in a user-friendly format, so that the information needed can be accessed and understood easily. Finding the ways to ensure that quality statistical data is not only available, but is utilized for the purposes of improving the formation and evaluation of public policy will guarantee its development impact.

Quality information is a critical building block for better and more effective monitoring and evaluation systems. By offering greater consistency and regularity of information, better analysis and comparisons can be drawn to provide oversight of the implementation of

public policies. The MECOVI program is continuing to lead the way for the region to count on quality information for informed decision-making and effective policy implementation.

**Notes**

- 1 - Producer agencies, in addition to the NSOs, include the Central Bank, relevant ministries (Finance Ministry, Ministry of Education, Ministry of Health, etc.), and decentralized government entities. User agencies can include policymakers, universities and academics, as well as civil society organizations.
- 2 - Moncada, Gilberto and Haeduck Lee. "Beyond the MECOVI Program: Strengthening Statistical Capacity in Latin America". November 2004. p. 4.

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