



Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 06-Nov-2019 | Report No: PIDA26509



BASIC INFORMATION

A. Basic Project Data

Country Pacific Islands	Project ID P168122	Project Name Statistical Innovation and Capacity Building in Pacific Islands	Parent Project ID (if any)
Region EAST ASIA AND PACIFIC	Estimated Appraisal Date 04-Nov-2019	Estimated Board Date 11-Feb-2020	Practice Area (Lead) Poverty and Equity
Financing Instrument Investment Project Financing	Borrower(s) Pacific Community - Statistics for Development Division	Implementing Agency Statistics for Development Division - Pacific Community	

Proposed Development Objective(s)

To improve the quality of welfare data collection and accessibility to comparable welfare data in the Pacific Island Countries.

Components

Support to the Pacific Statistics Methods Board
Institutional Strengthening and Implementation Support
Alternative data collection methods

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	4.40
Total Financing	4.40
of which IBRD/IDA	4.40
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	4.40
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IDA Grant	4.40
Environmental and Social Risk Classification	
Low	
Decision	
The review did authorize the team to appraise and negotiate	

Other Decision (as needed)

B. Introduction and Context

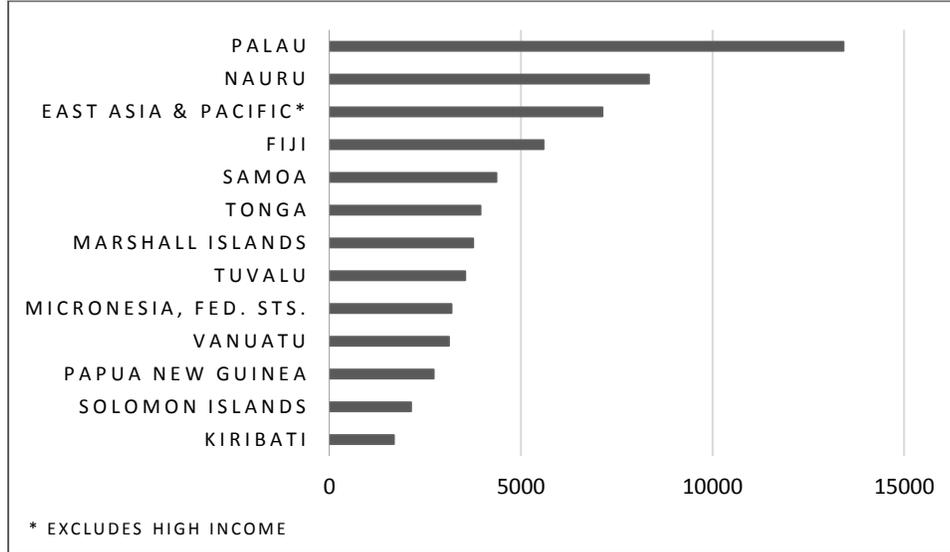
1. The Pacific Island Countries (PICs) are characterized by small populations spread across vast areas. There are twelve Pacific Island Countries that are members of the World Bank: Papua New Guinea (PNG), Fiji, Kiribati, the Republic of the Marshall Islands, Federated States of Micronesia, Nauru, Palau, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu. Excepting PNG, whose population estimates range between 8 and 12 million, these countries have a combined population of about 2.5 million spread across 640 inhabited islands over an ocean area of more than 30 million square km, equivalent to 15 percent of the globe’s surface and approximately the same as the combined area of China, Canada, and the United States. Each of these countries share similar challenges and opportunities as small and remote island economies. They are small in size with limited natural resources, narrowly-based economies, large distances away from major markets, and vulnerable to external shocks; all of which can affect growth and have often led to a high degree of economic volatility.

2. Within the Pacific region, there is substantial heterogeneity between countries. Buoyed by tourism from Asia and the United States, Palau is the wealthiest country in the region, with a higher GDP per capita than the average for developing countries in the East Asia and Pacific (EAP) Region (see *Figure 1*) and similar to countries in Central Europe. In contrast, Kiribati, an atoll country increasingly impacted by climate change, has the lowest GDP per capita in the region with a value closer to those found in sub-Saharan Africa. There are also differing access to opportunity. Though the total number of Pacific-born migrants living in OECD countries is now more than 400,000, nearly all (79 percent) come from three countries: Fiji, Samoa, and Tonga.¹ An additional 15 percent come from countries with open access agreements to the USA through their Compacts of Free Association (FSM, Marshall Islands, and Palau).

¹ Curtain, Richard Leigh; Dornan, Matthew Selwyn; Doyle, Jesse Jon Gerome; Howes, Stephen. 2017. *Labour mobility: the ten billion dollar prize* (English). Pacific possible series; background paper no. 1. Washington, D.C.: World Bank Group. <http://documents.worldbank.org/curated/en/171661503669342316/Labour-mobility-the-ten-billion-dollar-prize>



Figure 1: GDP per capita 2018 (Current USD)



3. More and better data is required to explore the heterogeneity within countries. There are often important differences between the populations living on the “outer islands” compared to those living on the main island. Those living on the outer islands typically do not have the same access to public services, infrastructure, and economic opportunities, and are therefore more vulnerable and more likely to suffer hardship compared to people living on the main island. There has also been substantial international and inter-island migration in response to climate change and in search of economic opportunities. However, movement to the main island does not necessarily improve quality of life, due to higher costs of living and reduced access to subsistence farming and fisheries in urban areas. Thus, in some countries, poverty rates in urban areas are higher than rural areas. However, the long gaps between survey rounds and data quality issues within the surveys hinder further analysis into the patterns of poverty between urban and rural areas.

4. More comparable data is also needed to understand deprivation between countries as well as identify and monitor regional trends. A lack of a central coordinating body tasked with establishing guidelines for the measurement of welfare and socio-economic statistics has led to a lack of comparability between countries and even within countries over time. Technical assistance for collections has come from varying sources, including regional organizations and bilateral and multilateral development partners. Welfare measurement has similarly been outsourced to consultants to undertake this analysis. This has often left little in terms of documentation, which is then often lost by National Statistics offices (NSOs), which leaves little to guide analysts in later rounds. The result is that it is often difficult to use poverty and welfare statistics to do cross-country comparisons or to monitor regional trends.

5. The Pacific is a region with substantial gender inequality. The World Economic Forum’s 2017 Global Gender Gap includes reporting on Fiji, which was ranked 125th out of 144 countries. Various national surveys point to a large incidence of violence against women, with over half of women in Fiji, the Solomon Islands, Vanuatu, Kiribati, and the Marshall Islands ever experiencing physical and/or sexual



violence by an intimate partner during their lifetimes. Establishing regional guidelines on questionnaire design and data collection methodologies to facilitate gender disaggregated analysis is key to understanding the economic and social impacts of gender inequality as well as being able to compare between countries.

B. Sectoral and Institutional Context

6. Data deprivation in the PICs hinders evidence-based policy design. Data collection in the Pacific Island countries lags many regions in the developing world in terms of data quality, frequency of collection, and the timeliness of results. This lack of data limits options for a data-driven approach to the design and monitoring of national, regional, and sub-regional development strategies. At the country level, policymakers must consider a range of complex trade-offs regarding service delivery and national investments and must identify priorities in the context of the challenges they face. At the regional and sub-regional levels, development partners attempt to direct limited budgets to the areas of highest need or towards programs with the largest expected impacts. Similarly, efforts at greater regional cooperation and integration are dependent on having sufficient, comparable, and credible information on which to base dialogue. The evidence base for these decisions, however, is very thin.

7. Public access to the collected data is another challenge facing the region. Data collection in and of itself is not enough: to maximize the benefits of the data, it must be made accessible to various stakeholders in the government, donor, academic, non-government organizations (NGO), and civil society sectors. Before this can occur, NSOs must first anonymize the data sets to protect the identities of the surveyed households and people. However, anonymization is much more complex in countries with small and highly dispersed populations, as it becomes easier to uniquely identify people based on a broader range of variables. Thus, this process is costlier and more time-consuming in the Pacific, and data sets are often only available several years after the surveys are conducted, if they are made available at all.

8. Data deprivation hinders the effort to track progress on gender inequality over time and design policies to address it. The World Economic Forum's 2017 Global Gender Gap only includes reporting on Fiji – which ranked 125th out of 144 – and no other PIC. Sex-disaggregated data on labor force participation is only available in five PICs: Fiji, Samoa, Solomon Islands, Tonga, and Vanuatu, as can be seen in Table 1 below. Thus, any effort to improve the monitoring of gender outcomes and design of gender-specific policies must include improvements in data collection.



Table 1. Presentation of sex-disaggregated data in reporting based on latest Household Income and Expenditure Survey (HIES)

Country	Latest HIES/ poverty report	Sex-disaggregated indicator					
		Poverty rate by gender of HH head	Education & poverty, by sex	Health access or outcomes by sex	Labor force stats, by sex	Mobile phone ownership or use	Total # of disaggregated indicators in document
Fiji	2013/14	N	N	N	N	N	0
FSM	2013/14	Y	N	N	N	N	1
Kiribati	2006	Y	N	Y	Y	N	5
Nauru	2012/13	Y	Y	Y	Y	N	6
Palau	2014	Y (expenditure)	N	N	N	N	3
RMI	2002	Y (income)	Y	N	Y	N	8
Samoa	2012/13	Y	Y	N	Y	N	3
Solomon Islands	2012/13	Y	N	N	N	N	1
Tonga	2015/16	N	N	Y	Y	Y	5
Tuvalu	2015/16	N	Y	Y	Y	N	11
Vanuatu	2010	Y	Y	N	Y	N	6

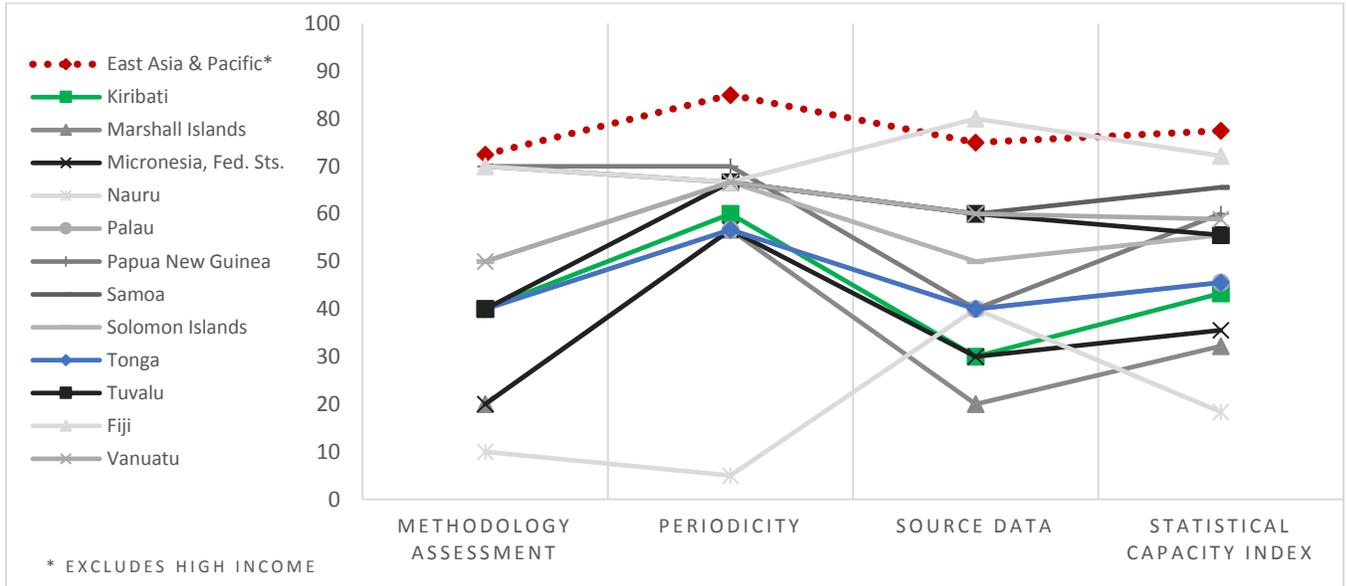
9. National Statistics Offices (NSOs) lack funding to meet the prohibitive costs of data collection in the Pacific. The per-interview costs of data collection in the Pacific are some of the highest in the world. These outcomes are partially the result of systemic issues common to the region, including sparse populations and high travel costs due to the island geography. However, these issues are compounded by outdated methodologies and inefficient use of technology. Although the systemic challenges will remain a significant factor in data collection costs in the Pacific, there is scope to substantially reduce costs by integrating proven methods from other parts of the world. One example is switching from a diary method for collecting consumption data to a recall method, which can reduce the number of days required at each location, thereby decreasing personnel costs, a significant component of the survey budget. In addition, integrating new technology, such as Computer Assisted Personal Interviewing (CAPI), reduces the need to print and transport paper questionnaires, which has decreased the costs of data collection in certain contexts despite the upfront cost of hardware investment.

10. Low statistical capacity is another major challenge in addressing data deprivation. According to the World Bank’s Statistical Capacity Index², the PICs rank below the EAP developing country average. In particular the scores for Source Data, which measures if a country meets international recommendations for collecting five key data sources (agricultural census, health survey, population census, poverty survey, and vital registration system coverage), are well below the EAP average (see *Figure 2*).

² The World Bank’s Statistical Capacity Indicator is a composite score assessing the capacity of a country’s statistical system. It is based on a diagnostic framework assessing the following areas: methodology; data sources; and periodicity and timeliness. Countries are scored against 25 criteria in these areas, using publicly available information and/or country input. The overall Statistical Capacity score is then being calculated as simple average of all three area scores on a scale of 0-100. See datatopics.worldbank.org/statisticalcapacity for more detail.



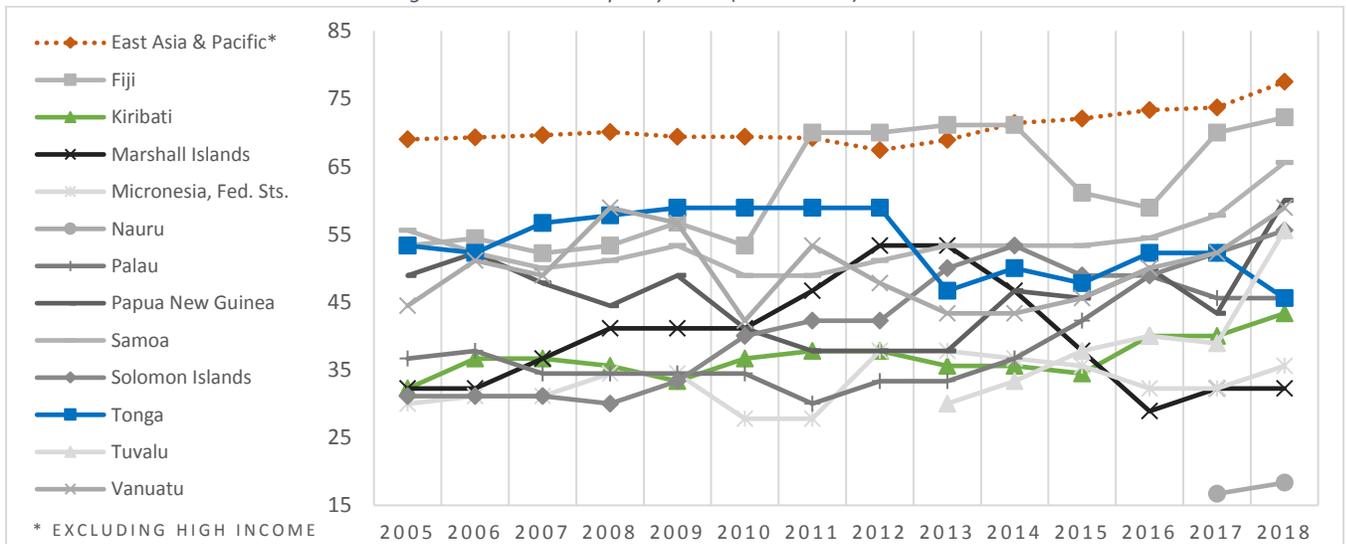
Figure 2: Statistical Capacity Index (2018)



Source: World Bank, datatopics.worldbank.org/statisticalcapacity

11. There has been some improvement in statistical capacity over time, but results have not been sustained. Figure 3 below shows the overall SCI rating for the twelve PICs from 2005 to 2018, where countries have shown uneven progress. Since the measure depends on the periodicity of data collection, countries will improve immediately after completing a survey, but because funding is irregular and often sourced from development partners, the periodicity cannot reliably be maintained, and the SCI score falls again as the data ages. To break this cycle and increase sustainability, data collection must become more affordable.

Figure 3: Statistical Capacity Index (2005 - 2018)



Source: World Bank, datatopics.worldbank.org/statisticalcapacity



12. Given the shared challenges and small size of the countries, a common approach is needed.

While implementing harmonized methods and exploiting economies of scale have benefits in many parts of the world, the approach is particularly crucial in the Pacific context. Countries are small and NSO capacity is thin, limiting the opportunities for domestic initiatives. Pacific Island countries also have many similarities, while being very distinct compared to other contexts globally. This situation limits the applicability of importing international best practice without careful consideration and customization. However, it can provide immense opportunities for rapid adoption and scale-up within the Pacific region after local best practices are identified and tested. Considering these conditions, the most impactful approach to promoting regional and national data-driven policy is to empower a credible and established regional partner to lead the agenda.

13. This Project will thus be part of a new IDA Regional Program that seeks to address the considerable challenges of data deprivation and poor quality of statistics across the PICs.

In the first phase, the Pacific Community – Statistics for Development Division (SPC-SDD) will work with two IDA small states - Kiribati (also a Fragile and Conflict-Affected Situation) and Tonga - to initiate the Regional IDA program. It is expected that additional countries will join the Program, with the ultimate objective of improving the comparability, accessibility, sustainability and overall quality of statistics across the Pacific.

14. SPC-SDD is a key stakeholder in addressing the statistical capacity gap in the region, but it too suffers from resource and capacity issues.

SPC-SDD's primary goal is to "strengthen access to and use of development statistics in policy development and monitoring progress." SPC-SDD is charged with providing direct support to NSOs in the PICs in conducting data collection, including household surveys, censuses, administrative statistics, price measures, etc., for their 21 member countries and territories (12 of which are World Bank members)³. SPC-SDD has a six-member Statistical Collection team which provides technical assistance on household survey and census rounds, as well as in cleaning and compiling the data. As the complexity of surveys and frequency of data collection has increased in recent years, SPC-SDD has found itself lacking the human and financial resources, as well as the technical capacity, to provide this retail support to its member countries in an adequate manner, particularly regarding improved methods and data analysis. Therefore, the Pacific region lags other parts of the world in adopting new surveying methods and implementing technological improvements.

15. The SPC-SDD 2018-2020 Business Plan marks a shift in SPC-SDD's role to a "statistical system leader."

The Statistics for Development Program (later Division) was created in November 2012 based on the recommendations of an independent external review of SPC's engagements, citing the cross-cutting importance of statistics for policy development and investment decisions. At that time, it was recognized that most member countries would struggle to conduct major collections in the absence of the support provided by SPC-SDD. The 2018-2020 Business Plan revisits those conditions considering the advances

³ The Pacific Island Countries and Territories that are SPC members include: American Samoa, Cook Islands, ***Federated States of Micronesia, Fiji***, French Polynesia, Guam, ***Kiribati, Marshall Islands, Nauru***, New Caledonia, Niue, Northern Mariana Islands, ***Palau, Papua New Guinea, Samoa, Solomon Islands***, Tokelau, ***Tonga, Tuvalu, Vanuatu***, and Wallis and Futuna. Highlights indicate WB member states, with underlines indicating IDA countries. SPC membership also includes Australia, France, New Zealand, Pitcairn Islands, and the United States of America.



that some countries have made since 2012. Going forward, SPC-SDD will shift from its retail approach to a role as “coordinator, broker, convener, promoter and system leader” for statistics in the PICs. Rather than providing technical assistance on its own, the Business Plan calls for SDD to leverage the technical expertise of other development partners and international experts through ‘partnership arrangements,’ while also playing a leadership role in the harmonization and modernization agenda through improved documentation and coordination, while shifting their retail technical assistance to the small member states.

16. The Pacific Statistics Methods Board (PSMB) has potential to accelerate the adoption of new methods for data collection and statistical analysis as well as promote regional harmonization and comparability. The PSMB is a recently-formed body that illustrates the changing role of SDD. The PSMB was formed in 2017 as a technical body under the Heads of Planning and Statistics (HOPS) meeting and the Pacific Statistics Standing Committee (PSSC), reporting its key decisions, progress, and achievements to PSSC during their annual meetings. The purpose of the board is to “ensure that relevant best practice standards are developed and are fit for purpose for use in Pacific Island countries and territories for a suite of core censuses and surveys.” The terms of reference for the PSMB charge the group with promoting standardization and harmonization in the methodologies adopted by NSOs in the PICs, seeking out opportunities to incorporate the latest innovations in data collection, and conducting rigorous assessments of feasibility and suitability of these new methods to the Pacific context. The members include Statistics New Zealand (chair), the Australian Bureau of Statistics, UN agencies, and one NSO representative from each of the four Pacific regions: Micronesia, Melanesia, Polynesia, and the small island states, with the World Bank holding observer status. The 2017 HOPS meeting tasked SPC-SDD to provide secretariat support to the PSMB.

17. SPC has a substantial role to play in improving the availability and comparability of gender statistics in the Pacific. As the main counterpart for statistical capacity building and retail support in data collection and analysis, SPC is able to influence the design of HIES questionnaires and the analytical work published in the subsequent HIES reports and poverty assessments. Beyond the retail support to NSOs, SPC can also improve the accessibility of gender statistics by producing and publishing gender statistics from available datasets in their data portal and other dissemination platforms, as well by establishing best practice guidelines for the measurement of sometimes sensitive gender issues.

C. Relevance to Higher Level Objectives

18. Closing data gaps is a corporate priority for the World Bank Group and for the region. The World Bank Shared Strategy for Household Surveys in 2015 identified the need to address data deprivation globally and committed the WBG to support the 78 IDA countries in the production of multi-topic household surveys every 3 years between 2016 and 2030. In the region, Country Partnership Frameworks (CPF) of Papua New Guinea (WB report no. 128471), Fiji (report no. 139509) and the Solomon Islands (report no. 122600) and the Regional Partnership Framework (RPF) for the nine smaller Pacific Island countries (PIC9)⁴ (report no. 120479) highlight significant gaps in socio-economic indicators in most of the

⁴ PIC9 countries: Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Palau, Samoa, Tonga, Tuvalu, and Vanuatu.



PICs. All three documents emphasize the necessity of having a solid foundation for evidence-driven policymaking. In addition, the fact that the nine PICs are evaluated together under a single SCD underscores the need for increased comparability in addition to more frequent data to facilitate regional prioritization and decision-making.

19. The RPF for the PIC9 emphasizes the need to address persistent knowledge gaps. The RPF highlighted the lack of concrete information on the prevalence and severity of poverty and the specific nature of constraints faced by the poor, as well as the uneven quality and inconsistent methodologies in HIES implementation and poverty analysis. As such, the RPF explicitly lists addressing knowledge gaps as Objective 4.3 and states the need to: 1) provide technical assistance to NSOs and SPC to enhance their data collection and analysis capabilities, and 2) develop and pilot low-cost survey approaches that are financially sustainable.

20. Operationalizing the WBG Gender Strategy requires a data-driven approach. The WBG Gender Strategy document for FY16-23 calls for improved country-level diagnostics on gender gaps in Systematic Country Diagnostics (SCDs) and CPFs, to “highlight how closing the key gender gaps in endowments, economic opportunities, and voice and agency would boost the attainment of the twin goals.” Improving the quality of country-level and regional-level data are prerequisites to that improvement. Not only should the frequency of data collection be improved for better tracking of progress over time, but the types of data collected and reported should also be improved on issues that disproportionately affect women and girls, such as land rights, access to education, family planning, or health care, and collected in such a way as to facilitate regional comparisons.

C. Proposed Development Objective(s)

Development Objective(s)

To improve the quality of welfare data collection, and accessibility to comparable welfare data in the Pacific Island Countries.

PDO Level Indicators

- (i) Number of PSMB guidance notes produced and circulated to PIC NSOs.
- (ii) Number of experiment reports produced and submitted to PSMB.
- (iii) Number of regionally comparable welfare indicators published on SPC platforms.
- (iv) Number of harmonized micro datasets published on SPC platforms.

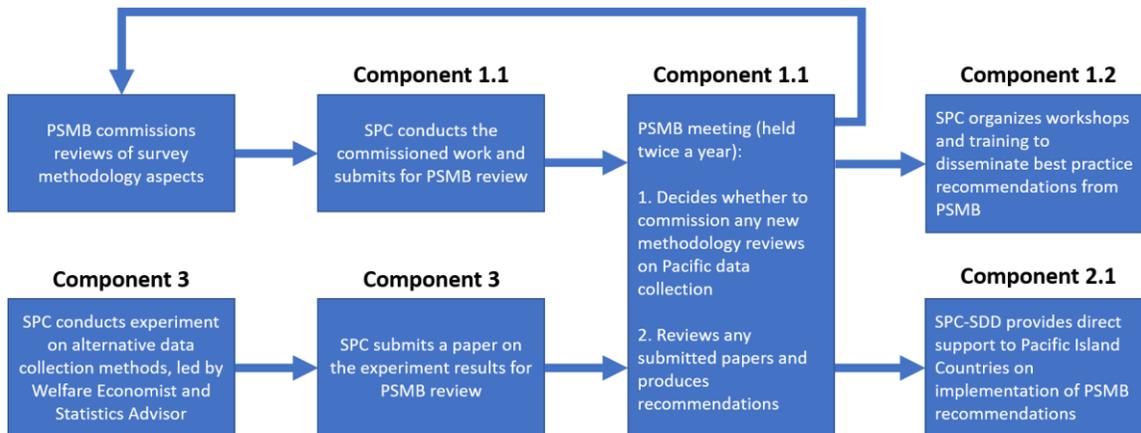
D. Project Description

21. The SPC project will provide USD 4.4 million in grant financing to the Statistics for Development Division of the Pacific Community (SPC-SDD) across three components: 1) to support the administration of the Pacific Statistics Methods Board and the dissemination of its recommendations (USD 1.164 million); 2) to strengthen SPC-SDD’s ability to play a “statistical system leader” role and provide technical assistance on data collection methods (USD 1.662 million); and 3) to promote context-appropriate innovation in the



region (USD 1.574 million). The components and detailed activities are elaborated below, with the linkages between these three components are illustrated in the following flowchart:

Figure 4. SPC project flowchart



22. The key feature of the SPC project is two long-term consultant positions that will be hired to execute the majority of the work across the three components. The two positions are one Welfare Economist and one Statistics Advisor. The two consultants will be financed proportionally from each project component. In addition to the two long-term consultants, a medium-term consultant, a Harmonization Advisor, will be hired under component 2 to initiate microdata harmonization processes to facilitate the production of comparable welfare statistics.

23. The core responsibilities of the Welfare Economist will include supporting analysis for and dissemination of national poverty statistics as well as producing regionally comparable statistics. This goal would be further supported by technical workshops to increase capacity in NSOs and consequently, the quality of data and statistics they produce. The technical advice and analysis, for up to nine Pacific Island Countries, may include sample design and poverty estimation, among others. These rarely required but technically demanding skills are more efficiently supported centrally rather than through thinly resourced NSOs for whom it would not be cost effective to invest in their development. In the past there have been issues with poverty estimation, such as the creation of inconsistent consumption aggregates, due to varying technical recommendations and the uncoupled processes for the data cleaning and analysis. By joining these activities under a harmonized set of regional guidelines, it would be possible to increase efficiency and quality in the production cycle of national and regional statistics. To support this kind of integrative work, the Welfare Economist will conduct workshops on topics such as poverty assessments, outliers, non-standard units (NSU) conversions, and time use. The desired outcome is an increase in the institutional capacity of SPC-SDD and the technical capacity of country NSOs.

24. The Statistics Advisor will act as the chief advisor on survey methodology for the region and as the main source of technical advice to country-level Resident Advisors. The selected candidate will bring extensive knowledge of the survey methods literature, which will be used to inform both the activities of



the PSMB (Component 1) and the innovation experiments (Component 3). The focus of this consultant's work will be on the development, documentation, and dissemination of context-specific best practices, as well as skills transfer to current SPC-SDD and regional NSO staff. In addition, the Statistics Advisor will serve as the focal point for operationalizing the PSMB regional guidelines and will be the first point of contact for the Resident Advisors embedded in the NSO under the country-level projects within this Series of Projects (the first phase of which includes Tonga and Kiribati). Linking the country-level Resident Advisors to a single centralized source of advice will eliminate the heterogeneity in technical assistance that has historically hindered comparability and promote regional harmonization.

Component 1: Pacific Statistics Methods Board (PSMB) (USD 1.13m equivalent)

25. Supporting the running of the PSMB will significantly accelerate the identification and adoption of improved methods by NSOs in the PICs. The PSMB is seen to be a vital component in the new regional statistics governance framework recommended by the 2017 HOPS meeting. The PSMB is tasked with undertaking literature reviews and field experiments to test the viability of new statistical methods in the Pacific context, as well as making recommendations to NSOs based on the results. This approach has benefits to the region on several levels: 1) it introduces a culture of academic rigor in the process of statistical innovations while remaining mindful of the local context and the need for local credibility, 2) it promotes harmonization in the Pacific region by replacing bilateral recommendations from development partners – which can sometimes clash with one another – with a more streamlined process, and 3) it shifts the burden of investment in experimentation from resource-constrained NSOs to a regional body with higher capacity, which also introduces economies of scale.

26. The project supports SPC-SDD to provide secretariat functions to PSMB due to its role as the main regional development partner. SPC-SDD's role in PSMB was decided in the 2017 Heads of Planning and Statistics (HOPS) meeting, as described in Paragraph 14 above. However, SPC is also the regional development partner that is best placed to liaise with all members of the board and organize annual meetings in the Pacific.

Sub-component 1.1: PSMB Technical Support & Administration

27. This project will finance SPC-SDD to provide a secretariat function for PSMB. Under this sub-component, the project will finance the secretariat functions, including: (1) the organization and logistics for PSMB meetings to take place twice a year (either live or by videoconference), (2) setting the meeting agenda and inviting appropriate international experts, as needed, (3) coordinating the papers and reports on Pacific data collection to be reviewed at the PSMB meeting, (4) identifying priorities for further review, and (5) summarizing the meeting discussion into formal minutes and recommendations to be circulated to regional NSOs. A meeting will require a quorum of three of the four regional NSO representatives (Micronesia, Melanesia, Polynesia, and the small island states) and two of the three technical partners (Australia Bureau of Statistics, Statistics New Zealand, and the UN system). This subcomponent does not, however, finance the logistics costs (venue, travel for participants) of the Methods Board meetings themselves.



28. The Statistics Advisor will play a key role in providing technical expertise to the PSMB. As part of PSMB's function to promote academic rigor in its recommendations for standardizing data collection methods, it may commission additional research to understand and tailor recommendations to the Pacific context. The terms of reference for the Statistics Advisor will require knowledge of both current international best practices in the collection of official statistics as well as contact within the wider survey methodology academic community. The Statistics Advisor will deploy these skills to either perform requested research on priorities for further review, including conducting literature reviews and compiling information on regional norms, or identifying the appropriate experts in the field to provide recommendations. The project will finance SPC-SDD to contract external expertise to produce these recommendations.

Sub-component 1.2: Dissemination & Training

29. The project will support SPC-SDD to lead the dissemination of best practice recommendations from the PSMB to regional NSOs. The project will support dissemination and training for PSMB recommendations in IDA-eligible countries, with a strong emphasis on implementation as opposed to theory. The activities under this sub-component will take two forms: large-scale regional trainings and country-level and small group workshops.

30. Regional trainings will focus on issues common to all countries. Large regional trainings will bring together technical personnel from NSOs across the Pacific region, with project financing limited to IDA-eligible countries, on topics that are of universal interest. An early request is for SPC-SDD to arrange a regional training on the forthcoming PSMB recommendations on monetary poverty measurement related to SDG 1.1.1 and 1.2.1. These trainings will include both theory and practical applications but are not centered on producing country-specific outputs. Since regional trainings are costly, both in terms of financial cost and time of technical staff away from their NSO, these are envisioned to be rare, occurring only 2-3 times during the lifetime of the project.

31. Workshops will be conducted at the level of the country or in small groups of neighboring countries. The focus of these workshops will be on applying PSMB recommendations to specific issues that are timely to where the countries are in the survey process. For example, during the planning stage, countries may construct a sample design or receive training in programming advanced checks into the Computer Assisted Personal Interviewing (CAPI) program. In both cases, the participants would leave the workshop with a concrete output, a sample design and CAPI program, respectively, in the case above. Other proposed topics include anonymization, addressing outliers in the data, converting non-standard units, etc. In all cases, economies of scale will be sought to conduct joint trainings, subject to countries being in similar places both in terms of the survey calendar and technical expertise.

32. This sub-component also includes the work to improve the analysis and publication of gender statistics in the region. Beyond the skill transfer from the consultants to permanent SPC-SDD staff, the expanded human resources will be utilized for training workshops, dissemination activities, and technical



advice to improve the way statistics are reported and consumed among client countries of SPC. It is anticipated that this deeper engagement with the NSOs in relation to analysis and reporting, beyond data collection, will have lasting impacts on SPC-SDD's evolving mode of operation in the region, building its role as a regional knowledge leader and coordinator, as well as for the production of comparable and better-quality statistics.

Component 2: Institutional Strengthening and Implementation Support (USD 1.7m equivalent)

33. The second component of activities will support SPC-SDD in its transition to a regional knowledge producer and a leader in the dissemination of data. To fulfill its mission of strengthening access to and use of development statistics in policy development, SPC-SDD would benefit from expanded analytical capacity, provided through the recruitment of the two long-term consultants. In addition, this component includes funding for existing SPC staff to support the technical and administrative implementation of the project as well as funding to strengthen SPC-SDD's ability to provide remote training to NSOs and other office related costs essential to the administration of the project.

Sub-component 2.1: Expanding Technical Capacity of SPC-SDD

34. This sub-component will build SPC-SDD's technical capacity to support Pacific Island Countries on welfare data collection, analysis, and dissemination. This capacity building will be provided through a Welfare Economist, who will (1) provide direct support to build country capacity on data collection and analysis, which includes the implementation of PSMB-recommended methodological innovations and the production of comparable statistics for key indicators, and (2) provide training and day-to-day mentoring to SPC-SDD staff in these methods. In addition, a Harmonization Advisor will be hired to create comparable indicators and micro-datasets to promote data use in the region. Additionally, the Welfare Economist's job description includes developing a network of academics and consultants in the region with the relevant experience and skills to provide ad hoc and short-term technical assistance to NSOs in the Pacific. Maintaining an updated roster of consultants will speed up the recruitment process in response to urgent requests for support from NSOs in the Pacific.

35. The sub-component additionally funds a Harmonization Advisor to support SPC-SDD in expanding the accessibility of comparable welfare data in the region. Currently the SPC-SDD archives include 96 HIES and census datasets, but only a small number are available to data users. To promote greater access, the project will fund a Harmonization Advisor long term consultant to develop a set of comparable indicators from these datasets to populate the new Pacific Data Hub. The Harmonization Advisor will also produce guidelines, covering topics such as harmonization and anonymization, for the SPC-SDD to ensure that indicators from newly collected data can be added to the Data Portal. In addition, to date SPC-SDD has received permission from NSOs to disseminate the anonymized microdata for approximately one-third of the 96 datasets, subject to a data license agreement, and expects this number to continue to grow. For those surveys which SPC-SDD has permission to disseminate, the Harmonization Advisor will construct harmonized micro-datasets for dissemination. The additional step of harmonization is included to promote use in a capacity constrained region.



36. This sub-component also targets the expansion of the number of gender statistics than can be comparably calculated in the region. The ToRs for both the Welfare Economist and the Harmonization Advisor hired under the project will also explicitly include training on the production of gender indicators, so that a higher number of gender indicators can be published in the Data Hub, SPC-SDD website, and other dissemination platforms used by SPC.

Sub-component 2.2: Current Staff Support

37. The project will finance technical and operational support needed to implement and manage the project. The project will finance SPC's resources – including FM, procurement, human resources, safeguards, monitoring and evaluation, and senior management – that are required for the successful implementation and management of the project. This support will be provided under two modalities: Recurrent Technical Staff and Corporate Support. The Recurrent Technical Staff modality will be based on the arrangements outlined under the PREP II project while the Corporate Support modality is unique to this project. Recurrent Technical Staff will be limited to a list of six technical positions: Director of SPC-SDD; Manager, Data Analysis and Dissemination; Economic Statistics & Microdata Specialist; Finance and Administration Officer; GIS, Innovation and Dissemination Lead; and Procurement Officer, which will provide direct support to the technical activities of the project, including supervising consultants and providing strategic leadership. Corporate Support refers to those functions which are performed at a corporate level for all of SPC but that nonetheless benefit the project activities. Examples include corporate travel, payroll, etc. The specifics of these modalities will be detailed in the Project Operations Manual (POM). World Bank approval of the POM is a condition for disbursement within this sub-component.

Sub-component 2.3: Implementation Support

38. The project also provides funding for goods and services to support the implementation of the project. Specifically, the project will upgrade two existing SPC meeting rooms in Nouméa to facilitate remote training with NSOs. Videoconferencing equipment, including projectors, screens, and microphones, will be added to the main large training room, allowing for remote participants at large regional workshops hosted at SPC, and the SPC-SDD meeting room will similarly be upgraded with videoconference equipment and other appropriate furnishings as to allow for SPC-SDD staff to provide small group training to NSOs remotely. The companion projects under this program, Statistical Innovation and Capacity Building in Tonga (P171377) and Statistical Innovation and Capacity Building in Kiribati (P171380), similarly include videoconferencing equipment to facilitate this dialogue. In addition to the goods purchases, the project will also fund the necessary ICT support for the long-term consultants (Welfare Economist, Statistics Advisor, and Harmonization Advisor) hired under the project and other office supplies and services necessary to support their work.

Component 3: Alternative data collection methods (USD 1.57m equivalent)



39. Beyond the HIES, the project will support experiments in alternative data collection methods.

There are several innovations in data collection that could potentially reduce the costs and complexity of collecting socioeconomic data in Pacific Island Countries, particularly by addressing the vast geography and sparse population constraints to traditional data collection. SPC will work with IDA-eligible NSOs, as agreed with the World Bank, to trial alternative data collection methods, based on what is deemed appropriate and most impactful for the specific contexts. This component includes financing for: (1) the costs of developing the experiments, (2) the costs of implementing the experiments, and (3) the costs associated with preparing the analytical reports, submitting them for PSMB review, and broadly disseminating the results across the Pacific. The work under this component will be undertaken by both the Welfare Economist and the Statistical Advisor, using a range of possible modalities as detailed below in Paragraph 42.

40. The innovation agenda is critical for the long-term sustainability of data-driven policymaking in the region.

Even with efficiency gains from improved methods, challenges related to geography will always lead to higher per-interview costs for household surveys in the Pacific region. The innovations agenda targets collecting policy relevant information in non-traditional ways, which could potentially reduce the need for or replace the current HIES system. For example, combining the HIES and census into a long form census conducted every five years, and then leveraging the cost savings to do annual estimates of key indicators with models built with satellite and administrative data, would increase information for policymakers while still lowering overall costs. Similarly, crowdsourcing and field-based enumeration is inexpensive compared to traditional surveying, and can provide near real-time information on certain indicators, if data quality issues can be adequately addressed.

41. The innovation experiments under this component will be informed by extensive consultations with IDA-eligible NSOs.

One key lesson from past data collection experiments is that experiments should be conducted in real-world conditions. Thus, experiments in this subcomponent will be conducted jointly with IDA-eligible NSOs. Securing this buy-in from counterparts requires an extensive process of consultation with country governments and NSOs. The consultation process is important to assess the appetite of potential NSOs to participate, ensure the right types of experiments are conducted, and build the legitimacy of the experiments and any recommendations that are produced, as well as broad community consultation where needed. An initial list of potential ideas has been prepared in conjunction with SPC-SDD, but this list does not limit the scope of experiments for discussion during the consultation process.

Sub-component 3.1: Innovations Technical Support

42. The key personnel to implement the innovations agenda will be the Welfare Economist and Statistics Advisor.

The expertise targeted in the recruitment of these two positions come together to provide the main technical experience for designing and implementing innovation experiments. The Welfare Economist brings an understanding of economics and economic indicators, including methodologies for their construction and analysis. The Statistics Advisor provides knowledge of survey implementation, sample design, and the generalizability of results.



Sub-component 3.2: Funding for Innovation Experiments

43. In order to build the necessary flexibility to ensure optimal results, the list of experiments conducted will be finalized through SPC-SDD’s annual work plan submission. Due to the consultation process detailed in Paragraph 44, it is not possible to identify, *ex ante*, what experiments will be carried out and in which countries. As such, following the consultations process, SPC-SDD will submit proposals for the innovation experiments on an annual basis through the annual work plan submission, which is detailed in the Project Operations Manual (POM). The annual work plans are subject to approval by the World Bank. World Bank approval of the POM is a condition for disbursement under this sub-component.

44. In funding the implementation of the experiments, this subcomponent incorporates the uncertainty of the consultative process and allows substantial flexibility in choice of modality. As the specific experiments and countries are decided on an annual basis through the work plan submission, it is also impossible to determine, *ex ante*, the most efficient way for SPC-SDD to allocate resources to conduct the experiments. In some contexts, it may be most efficient to provide a sub-grant to IDA-eligible NSOs in order to use country systems for the recruitment of enumerators or the payment of logistics expenses. In others, it may be most efficient for SPC-SDD to conduct all hiring and procurement directly, to hire an external consultant, or to utilize existing technical expertise within the organization. Therefore, this sub-component allows for the purchase of goods, consulting services (either through an individual or firm), use of existing staff time⁵, workshops, and sub-granting funding to NSOs (see paragraph 45 below). In order to allow this flexibility, the modality used for experiments under this sub-component will be determined on a per-experiment basis within the annual work plan submission, subject to approval by the World Bank.

45. In order to support the use of efficient implementation modalities, this subcomponent allows for the creation of sub-grants between SPC and IDA-eligible NSOs. The project will allow for the creation of sub-grants in order to allow for the use of country systems for experiment logistics, e.g., hiring enumerators or buying plane tickets, in cases where the use of SPC systems would be cumbersome and inefficient. In this case, the NSO must agree to enter into a legally-binding sub-grant agreement. The specifics of the sub-grant arrangement, such as fiduciary responsibilities and reporting requirements for the NSO and SPC-SDD, will be detailed in the POM. The use of a sub-grant agreement will be proposed as part of the experiment design in the annual work plan submission and is subject to World Bank approval.

⁵ The use of existing technical staff time will follow the arrangements set out in the Project Operation Manual for sub-component 2.2 under “recurrent technical staff costs”.



Table 4. Indicative distribution of project financing for SPC project

Component	Projected financing	%
Component 1: Pacific Statistics Methods Board	\$1,126,403	25.6%
<i>Sub-component 1.1: PSMB Technical Support & Administration</i>		
Statistics Advisor (60%)	\$468,000	10.6%
Statistics Advisor (travel)	\$19,639	0.4%
Other consultants	\$125,000	2.8%
<i>Sub-component 1.2: Dissemination & Training</i>		
Training & Workshops	\$513,764	11.7%
Component 2: Institutional Strengthening and Implementation Support	\$1,699,597	38.6%
<i>Sub-component 2.1: Expanding Technical Capacity of SPC-SDD</i>		
Welfare Economist (60%)	\$468,000	10.6%
Welfare Economist (travel)	\$49,097	1.1%
Harmonization Advisor	\$517,500	11.8%
<i>Sub-component 2.2: Current Staff Support</i>		
Recurrent Technical Staff	\$315,654	7.2%
Corporate Support	\$124,346	2.8%
<i>Sub-component 2.3: Implementation Support</i>		
Operating Costs (ICT)	\$75,000	1.7%
Operating Costs (copier + consumables)	\$100,000	2.3%
Goods (VC equipment)	\$50,000	1.1%
Component 3: Alternative data collection methods	\$1,574,000	35.8%
<i>Sub-component 3.1: Innovations Technical Support</i>		
Statistics Advisor (40%)	\$312,000	7.1%
Welfare Economist (40%)	\$312,000	7.1%
<i>Sub-component 3.2: Funding for Innovation Experiments</i>		
Innovation Experiments	\$950,000	21.6%
Total	\$4,400,000	100%

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

Impacts associated with the Project are expected to be largely positive. Increased access to anonymized data will

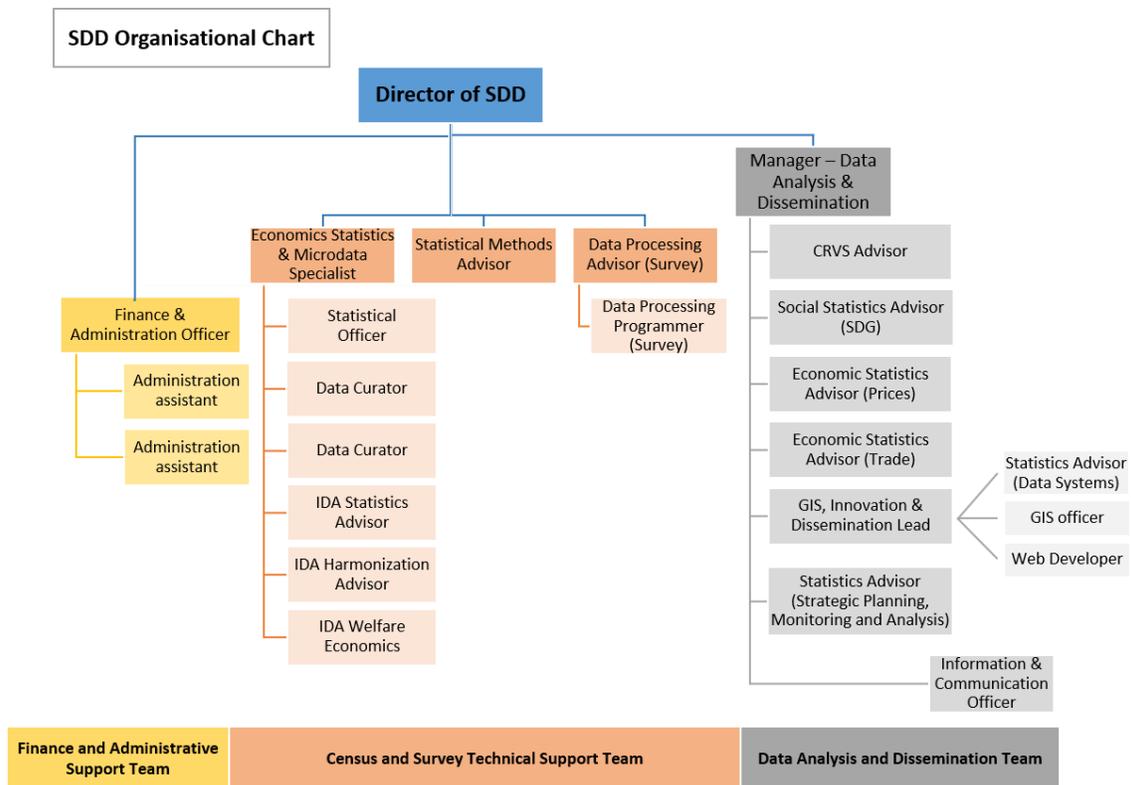


provide information and socioeconomic data to various stakeholders in the government, donor, academic, NGO, and civil society sectors, which will be used to improve planning and decision making. The E&S risks associated with Project activities are expected to be limited and easily managed through project design and effective implementation. A Labor Management Plan (LMP) and Stakeholder Engagement Plan (SEP) will be prepared in accordance with ESS2/10 respectively, at least 1 months prior to the engagement of staff or commencement of survey activities.

E. Implementation

Institutional and Implementation Arrangements

46. The implementing agency for this project is the Pacific Community – Statistics for Development Division (SPC-SDD). SPC-SDD is responsible for implementation of all components of the SPC project, including procurement and financial management of the project funds. The activities under the project will be managed by a team led by the Director of SPC-SDD. The two consultants hired under the project should be in place within six months of project effectiveness, and will work on each of the three components, with additional support from existing SPC-SDD staff, such as the Economic Statisticians and Microdata Specialist. Other consultants may be hired as necessary to supplement this support or for specialized tasks. SPC as an organization will provide implementation support in the areas of procurement, financial reporting, and environmental and social safeguards monitoring. SPC would set up a grievance redress mechanism (GRM) service, such as through a page on the SPC website or an NSO website, which would provide project information and an opportunity for the public to contact those managing the project.





47. A Project Operations Manual (POM) will be prepared and agreed with the World Bank no later than three months after project effectiveness. The POM will include a project description; key project implementation staff; a detailed description of the modalities of project implementation, including protocols for the selection of PSMB commissioned work and innovation experiments; budgeting; procurement guidelines; Financial Management procedures, including accounting, auditing, and charging existing SPC staff time to the project; and the Monitoring and Evaluation framework, including the timeline for the production of annual reports. In addition, SPC-SDD will prepare an Annual Work Plan, and accompanying budget, including staff costs, Operating Costs and Training and Workshops costs. The Annual Work Plan Budget should be received and approved by the World Bank no later than February, one month after the start of the SPC fiscal year.

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