PROJECT INFORMATION DOCUMENT (PID)  
APPRAISAL STAGE

Report No.: PIDA2414

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<th><strong>Project Name</strong></th>
<th>Statistical Capacity Building Project (P144139)</th>
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<td><strong>Region</strong></td>
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I. Project Context

Country Context

The Republic of South Sudan is the world’s youngest nation. After decades of civil war and strife, a Comprehensive Peace Agreement (CPA) was signed between the Government of Sudan and Sudan’s People’s Liberation Movement (SPLM) in 2005. As part of the peace agreement, a referendum on self-determination was held in January 2011 in which a vast majority of the people of South Sudan chose secession and independence. The Republic of South Sudan became a reality on 9 July 2011. The total population of South Sudan was estimated at 8.3 million people in 2008 with most people (83 percent) living in rural areas and dependent on subsistence agriculture. The new Government of the Republic of South Sudan (GRSS) constitutes a decentralized system comprising of the Central Government and ten state administrations. The Central Government exercises authority in respect of the people and states of South Sudan, while each state government exercises authority within its respective region and renders services to the people within the state through local government authorities (LGAs). The administrative units of the lower level government comprise of county, payam and boma.

South Sudan is highly dependent on oil resources. About 75% of former Sudan’s oil resources are
within the territory of South Sudan close to the border with Sudan. A pipeline through Sudan enables export of oil from landlocked South Sudan. In 2012, the GRSS decided to shut down oil production over transit fee disputes with Sudan. The oil shutdown in 2012 reduced GDP by an estimated 54% within one year and forced the government to impose harsh austerity measures across government and the civil service. A resolution to the dispute was reached in early 2013 and oil production is slowly resuming; however the fiscal situation for most government ministries, departments and agencies remains depressed. Before the oil shutdown, oil revenue made up almost 98 percent of government of South Sudan’s budget.

The GRSS desires evidence-based policies and programs. Since gaining independence in July 2011, the GRSS has formulated a program of public policies and investments aimed at building the foundations of a viable, prosperous and democratic state with the main objectives of spurring economic growth, reducing poverty and improving public service delivery. The Government is pursuing these projects and programs using a results-based agenda outlined in the South Sudan Development Plan (SSDP) and other national and sector development frameworks. While some programs have been halted due to austerity measures, the goal to use data and statistics to monitor and assess performance remains.

Sectoral and Institutional Context

The National Statistical System (NSS) of the Republic of South Sudan has its roots in the Database and Monitoring unit of the Sudan Relief and Rehabilitation Association (SRRA), the humanitarian wing of the Sudan People’s Liberation Movement (SPLM). Following the CPA in 2005, the South Sudan Centre for Census, Statistics and Evaluation (SSCCE) was established through a Government of Southern Sudan Presidential Decree. Subsequently, the South Sudan Transitional Constitution renamed SSCCE as National Bureau of Statistics (NBS). The NBS and its preceding organizations have carried out a number of important statistical operations since 2005, including the 2008 Population and Housing Census, 2009 National Baseline Household Survey, 2010 Welfare Monitoring Survey, 2006 and 2010 South Sudan Household Health Surveys, 2009-11 Gross Domestic Product, 2009 Business Survey, and Monthly CPI for urban areas.

The South Sudan statistical system faces many challenges and constraints. The foundation of a national statistical office has been established and the contours of a statistical system headed by NBS and comprising users and producers as well as financiers have been outlined. But to develop the system further, NBS and other statistics producers have to address a host of issues. While the statistical system of South Sudan has come a long way since its beginning in 2005, numerous challenges remain. Some of the challenges and constraints include, but are not limited to:

(a) a weak legal framework for statistics and a lack of appropriate regulations and policies;
(b) a fragmented and uncoordinated institutional environment resulting in a lack of coordination and collaboration between data producers;
(c) sparse and unsystematic dialogue with users of statistics;
(d) a need to align the organizational structure of NBS with the its corporate objectives;
(e) a large number of unfilled vacancies, high staff turn-over and a gap in technical and managerial skills;
(f) a lack of a standards and protocols such as a compendium of concepts and definitions; and manuals, guidelines and handbooks describing and documenting processes and products including sources, methods and quality assurance frameworks;
(g) outdated and insufficient ICT resources including lack of AV-equipment and computer hardware, software and networks;
(h) outdated sampling frames for statistical sample surveys;
(i) lack of funds for statistical operations especially for field work activities;
(j) inadequate dissemination infrastructure, policies and practices; and a
(k) dilapidated physical work environment with insufficient buildings, work space and facilities.

The National Strategy for Development of Statistics (NSDS) 2014-19 is a coordination framework and strategic business plan. Previous initiatives to develop the statistical system have sometimes been patchy, uncoordinated and partly driven by availability of external resources. There have been few opportunities to develop a long-term, sustainable, coherent and realistic strategy for the development of the NSS to address the above-mentioned constraints in a coherent and systematic manner. In response to the above-mentioned challenges and constraints, in 2011-12 the GRSS, in collaboration with key stakeholders, developed a National Strategy for the Development Statistics 2014-19 (NSDS) as an attempt to bring structure and medium-term strategic planning to the statistical service. The NSDS sets out a comprehensive strategic and policy framework for the development of the NSS over a five-year period. The vision is to establish an integrated, professional, efficient and effective national statistical system, which will serve all stakeholders and provide the statistical foundation for sustainable social and economic development of South Sudan.

The NSDS contains five main components: A) Legal Reforms and Institutional Development, B) Human Resource Capacity Development, C) Development of Statistical Infrastructure, D) Data Development and Dissemination, E) Physical Infrastructure and Equipment/Software and F) Project Management and Coordination. The implementation of the NSDS will establish NBS as the apex organization of the South Sudan statistical system. NBS will be the custodian of official statistics in South Sudan with the responsibility of setting standards and policies and coordinating all official statistics production. Furthermore, NBS intends to become a one-stop shop for users of official statistics in South Sudan with easy access to micro-data and aggregated socio-economic time-series with metadata as well as in-depth thematic reports and regular statistical abstracts.

The NSDS was adopted by the Council of Ministers of the Government of the Republic of South Sudan (GRSS) in February 2013 and represents official GRSS policy and strategy for the statistics sector. A further sign of the importance GRSS assigns to statistics is underscored by statistics being listed as an important priority under the governance programmatic area of the South Sudan Development Plan (SSDP), which is the government’s medium-term strategic development framework. Because of the austerity measures due to the recent oil shutdown, NBS has not been able to obtain any firm commitments of additional funding for statistics from the central government budget. It is expected that once the fiscal constraints are eased more resources for the statistics sector will be forthcoming from the government.

A US$58 million strategy with multiple financiers and supporters. NBS estimates that full implementation of the NSDS 2014-19 work plan will require financial resource of US$58 million, excluding NBS’ current annual allocation from the central government budget. NBS is currently being allocated approximately US$3 million annually through the central government budget for core operations mostly related to staff salaries and other recurrent expenditures. However, actual disbursements usually fall short of this. The NSDS work plan has been divided into two phases of approximately US$30 million each.
In June 2013, a Development Partner Conference was held in Juba, with the aim of raising funds for phase 1 of the NSDS. The following DPs were represented at the conference: African Development Bank (AfDB), the German International Cooperation Organization (GIZ), the UK Department of International Development (DfID), United Nations Population Fund (UNFPA), United States Agency for International Development (USAID), Statistics Norway (SN) and the World Bank (WB). It is expected that these organizations will be the main development partners supporting implementation of the NSDS. Other potential partners who have expressed an interest in supporting statistics include the Japanese International Cooperation Agency (JICA), United Nations Children’s Fund (UNICEF) and the United Nations Development Program (UNDP).

An IDA-credit of US$9 million will contribute to the implementation of phase 1 of the NSDS. Through this operation, the World Bank will be contributing an US$9 million IDA-credit to help support the implementation of the NSDS. As part of this operation, the World Bank has already approved advance funding for the NSDS in anticipation of successful preparation and approval of the main IDA-credit. The proceeds of the project advance of US$1.97 million will support scaling up of implementation and coordination capacity in NBS and carrying out key reviews and assessments, which will guide the development of reform areas within the legal framework for statistics, HR and organizational issues, and ICT and training. Furthermore, the project advance is financing priority operations such as the Labor Force Survey (LFS) 2014 and strengthening of national accounts. While the IDA-credit of US$9 million is only one source of financing for the NSDS, the World Bank-financed activities are designed as self-contained activities that do not rely on other partners contributions to succeed.

Other donors, including DfID and Government of Norway, have important engagements in the statistics sector in South Sudan. DfID is financing the South Sudan High-Frequency Surveys (SSHFSs), which are implemented by NBS with supervision and advice from WB. DfID is also supporting economic and financial statistics through an IMF-managed TF for Macroeconomic Statistics and Policies. Government of Norway has been supporting statistics in South Sudan since 2005 through provision of technical assistance from Statistics Norway. Norway’s cooperation with NBS has entered its third phase with an emphasis on the following areas: Consumer Price Index (CPI), Agricultural Statistics, and Welfare Monitoring Survey (WMS), statistical training, Statistical Business Register, ICT investments and support for database development and management and dissemination.

Development partners are coordinated and aligned with government objectives. The group of development partners engaged in the statistics sector in South Sudan has discussed issues of coordination and collaboration on several occasions since 2011. The group comprises SN, JICA, AfDB, DfID, IMF USAID, WB, GIZ and a number of UN funds and programs. The cooperation between DPs has not been formalized, but all DPs have agreed to align with the priorities in the NSDS and harmonize their support to the extent possible. It has also been agreed to establish a joint monitoring forum for GRSS-DP consultation and dialogue about statistical plans and budgets, performance reports and other issues requiring consultation between GRSS and DPs. This forum will also be a useful venue for new development partners to join the sector and for existing partners to reaffirm their commitments to the NSDS. The Joint GRSS-DP Monitoring Forum (JMF) will meet quarterly.

II. Proposed Development Objectives
The development objective of the project is to strengthen the capacity of statistics producers in South Sudan to produce and disseminate official statistics.

III. Project Description

Component Name
Legal Reforms and Institutional Development
Comments (optional)

Component Name
Human Resource Development and Training
Comments (optional)

Component Name
Information and Communication Technology and Statistical Infrastructure Development
Comments (optional)

Component Name
Data Development and Dissemination
Comments (optional)

Component Name
Project Management
Comments (optional)

IV. Financing (in USD Million)

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V. Implementation

Institutional and Implementation Arrangements

NBS will be the main agency responsible for implementation, coordination and management of the project. NBS has been the lead agency in the development of the NSDS and NBS will also be in charge of overall management, reporting and coordination with partners and stakeholders during the implementation. To facilitate the daily tasks, NBS has appointed an NSDS Coordination Team (NCT) with members from among NBS’ own staff and management. The NCT is headed by an NSDS Coordinator (team leader), an IT specialist, procurement and financial management
specialists and an expert on human resource management. Initially it will also be necessary to recruit external assistance to fill gaps in skills and experience and to train and build capacity of NBS’ own staff primarily with procurement and financial management. The NCT will be responsible for coordinating NSS activities, including those of NBS and statistics producing units in government ministries, departments and (MDAs); and assist MDAs with coordination and alignment of their work and training programs. The team leader will report directly to the NBS Chairman. The team will also assist the NBS Chairman by compiling summaries of sector working groups’ reports, and preparation of quarterly NSS/NBS progress reports to the Joint GRSS/DPs NSDS Monitoring Forum (JMF).

NBS/NCT will execute all project funds on behalf of the government. The fiduciary and reporting arrangements will be a key distinguishing feature of this project. The flow of funds from the WB to project activities and the reverse flow of financial and progress reports will differ from many other externally financed projects in South Sudan by being the responsibility of the recipient, NBS. This is likely to pose special challenges in the beginning, and a focused effort will have to be made to reinforce NBS’ current financial and administrative capacity. This will be done by recruiting financial management and procurement experts, who will train NBS staff and assist in developing detailed manuals and protocols for the fiduciary functions. Furthermore, an accounting system will be established, which can be used for planning and budgeting, recording and tracking expenditure and producing regular financial reports. WB controllers, financial management specialist and procurement specialists will play an important role in ensuring that finance functions operate satisfactorily before the credit is declared effective. A project preparation advance has been extended to NBS to initiate work in this area.

A high-level National Statistics Steering Committee (NSSC) will be established to oversee implementation. The South Sudan Statistics System suffers from poor coordination and communication between data producing units in government. This could potentially lead to the emergence of different standards, concepts and definitions, duplication of efforts and a waste of scarce resources. To address this, it has been agreed that a National Statistics Steering Committee will be formed with the overall responsibility for oversight of the NSDS program implementation. Specifically, the steering committee will be responsible for: (a) providing support and resolving any constraints that may hamper development and operations of the national statistics system, and which will require intervention from other ministries or arms of Government; (b) providing policy direction on matters relating to project implementation; (c) reviewing and endorsing work programs and progress reports; and (d) promoting inter-agency collaboration, coordination and cooperation with regards to standards, concepts and definitions and statistical activities; and supporting external assessments and evaluations as needed. The NSSC will primarily consist of senior managers from participating MDAs.

A Joint GRSS/DPs NSDS Monitoring Forum (JMF) will be established for GRSS-DP consultation and dialogue about statistical plans and budgets, performance reports and other issues requiring attention. This forum will also be a useful venue for new development partners to join the sector and for existing partners to reaffirm their commitments to the NSDS. The NSDS Monitoring Forum will be co-chaired by NBS and a central development partner. The JMF will meet quarterly.

Statistics Sector Working Groups (SWGs) will be established to be the ground-level forums for producer-producer coordination and collaboration and technical discussions and for consultations between users and producers at the individual sector or thematic level. The SWGs will address the
need to align and coordinate statistical activities within the NSS in order to avoid duplication, and increase efficiency and harmonization across data producing entities in government. NBS will provide either the chair of the secretary to each SWG. Since 2007 NBS has been chairing an interagency group called South Sudan Information Management Working Group (IMWG), which has had as its primary task to develop capacity to produce, analyze and use spatial information and to develop the GIS database at NBS. The new SWGs will be modeled after the IMWG. The first new SWG to be established will be the Macroeconomic Sector Working Group, which will draw its membership from the Ministry of Finance, Commerce, Industry and Economic Planning (MoFCIEP), Bank of South Sudan, Department of Customs and Ministry of Petroleum and Mining (MPM). Other important SWGs to be established will focus on business statistics and social statistics and household conditions.

Results Monitoring and Evaluation

The NCT in NBS will be responsible for results monitoring and reporting. A core set of PDO level indicators and intermediate indicators with baselines, milestones and targets have been agreed. The results framework and detailed explanation of indicators are specified in Annex 1. Progress towards meeting the agreed targets for each indicator will be reported in the annual report of NBS. The PDO level indicators will focus on monitoring the increases in capacity of the NBS and other statistics producers to produce and disseminate official statistics. This will be done by applying specialized assessments of capacity and by reviewing the performance of the statistical system based on an internationally recognized Statistical Capacity Index Score, which is broadly correlated with compliance with data reporting requirements to international organizations.

Multiple sources of information for monitoring and evaluation. NBS will draw information to monitor and evaluate performance from a host of different sources. Some will be based on third-party assessments, some on direct feedback from beneficiaries. Others will be self-assessments. Examples include: a) direct feedback from the main users of statistical products and services through user consultations, b) assessments using publically available facts about the state of the statistical system, e.g. availability of mandatory and voluntary data submissions to international agencies, c) simple counts of data releases vis a vis agreed targets, and d) third party assessments of capacity within certain aspects of the statistical business processes and/or the quality of individual statistical sectors. Some performance indicators related to legal and institutional reforms will be based on objectively verified accomplishments compared to agreed targets.

Resources and support needed for results monitoring. Managing for results and reporting achievements is not a new concept to NBS. NBS is already producing annual reports, which are distributed to stakeholders as well as made available on NBS’ website. However, results reporting will be taken one step further during the implementation of the NSDS 2014-19. More emphasis will be put on outputs and results vis a vis agreed targets. Sources of information to verify that results have been achieved will be more diverse and include third party assessments and direct feedback from users of statistics. This will require additional resources. Additional staff-time will be needed by NBS to gather information and report on progress to stakeholders. To train NBS staff and support the development of reporting standards and formats, an M&E consultant will be hired for an initial duration of 12 months.

Sustainability
There is strong government ownership but fiscal constraints remain a challenge. As described above, the GRSS has demonstrated strong leadership and ownership by identifying statistics as a key priority sector in the country’s medium-term development plan and by developing and adopting a comprehensive and integrated strategy for the statistics sector as a whole. Multiple stakeholders from inside and outside of government have been consulted in the design phase and NBS has chaired the lengthy debates that resulted in the strategy and its accompanying work program.

However, the long-term sustainability of these efforts depends crucially on a continued flow of resources to the sector. Statistical service providers in South Sudan, like other government agencies, have been adversely affected by the ongoing revenue crisis and austerity budget. The situation has made it difficult for NBS to continue operations and to retain key staff and managers. While DP funding has played a key part in keeping NBS afloat at times of fiscal stress, this will not be a sustainable solution for the long term. For sustained improvements, GRSS will have to allocate more resources to the statistical service.

VI. Safeguard Policies (including public consultation)

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Comments (optional)

VII. Contact point

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