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Items for discussion and decision: regional statistical development in Asia and the Pacific

### Regional statistics development in Asia and the Pacific

#### Note by the Secretary-General

In accordance with a request of the Statistical Commission at its thirty-ninth session, the Secretary-General has the honour to transmit the report of the Economic and Social Commission for Asia and the Pacific. The report provides an overview of the recent progress in statistics development among countries in the Asia and Pacific region, including the key trends in the institutional and technical capacity development of national statistical systems. It identifies the main challenges and opportunities for statistical capacity-building and highlights the important role of bilateral and multilateral statistics development partners. The Commission may wish to comment on the ongoing efforts towards the advancement of statistics development in Asia and the Pacific and provide guidance on the proposed regional initiatives to improve cooperation among development partners.

<sup>\*</sup> E/CN.3/2009/1.



# Regional statistics development in Asia and the Pacific

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#### I. Introduction

- 1. At its thirty-ninth session (26-29 February 2008), the Statistical Commission requested that the Economic and Social Commission for Asia and the Pacific (ESCAP) submit at the fortieth session of the Commission (24-27 February 2009) a report on regional statistics development in Asia and the Pacific.<sup>1</sup>
- 2. The present report is prepared in response to the request of the Statistical Commission. Focusing on regional experience over the past decade, the report provides an overview of recent progress in statistics development among countries in the Asia and Pacific region. It describes, based on existing assessments and indicators, where the developing countries in the region stand in terms of their overall statistical capacity and the participation of the region in recent global statistical programmes.
- 3. The report underscores the importance of strengthening the legal and institutional arrangements of national statistical systems. It draws attention to a number of achievements and challenges in technical capacity development in the region, including the ability of countries to provide basic development statistics for measuring progress towards national and internationally agreed development goals, particularly the Millennium Development Goals.
- 4. The report identifies a set of priority issues that may define the course of future statistics development in the region. It also emphasizes the opportunities for statistical capacity-building, enhanced by the region's vast diversity, particularly through the sharing of good practices and the promotion of technical cooperation.
- 5. The report also highlights the important role played by many bilateral, subregional, regional and international partners in the statistics development of the region and outlines a recently proposed ESCAP strategy for technical cooperation in statistical capacity-building in the region.

## II. Significant progress despite enormous challenges

- 6. At a special session in 1994, the Statistical Commission adopted the Fundamental Principles of Official Statistics, which defined the role of official statistics and provided guidelines for national statistical systems. Official statistics have since gained prominence, spurred by the unprecedented process of rapid globalization, the expansion of the information society, the growing demand for transparency and evidence-based policymaking and the pressing need to track progress towards time-bound national and global development goals, including the Millennium Development Goals and targets.
- 7. Promoting statistical capacity-building, especially in developing countries, has consequently become a top priority on the global development agenda. The ongoing national development process and support from bilateral and multilateral statistics development partners have led to visible advancements in the national statistical systems across Asia and the Pacific.
- 8. As diverse as are their economic development, demographic attributes or geographic make-up, countries of the Asia and Pacific region also differ

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<sup>&</sup>lt;sup>1</sup> See Official Records of the Economic and Social Council, 2008, Supplement No. 4 (E/2008/24).

considerably in their level of statistics development and in their specific needs for capacity-building. The more developed national statistical systems of such areas as Australia, Hong Kong (China), Japan, the Republic of Korea, Singapore and New Zealand, have continued to evolve over recent years. Many have sought to further strengthen the leadership role of national statistical offices and improve the overall effectiveness of national statistical systems. They have also explored innovative use of information and communications technology (ICT) to develop central national data networks or integrated systems of official statistics that make full use of data from censuses, surveys and administrative sources. Still others have taken the initiative to promote easier public access to data, including microdata, and the effective use of statistics for policy debate and discussions (see country papers submitted at the twelfth East Asian statistical conference, available from http://www.stat.go.jp/english/info/meetings/eastasia/page05.htm).

- 9. Despite enormous political, financial and technical challenges, most developing countries in the Asia and Pacific region have made important progress towards a stronger national statistical system. Many have strived to address the legal provisions for national statistical systems by establishing new or amending existing statistical laws and acts; they have also made tremendous efforts to improve the technical capacity in both data collection and dissemination. While Central Asian countries have confronted the demanding institutional and methodological requirements for shifting from a centrally planned system to a market economy, some least developed countries have started to build (e.g., Timor-Leste) or rebuild (e.g., Afghanistan) their basic national statistical capacity. Pacific island countries have also made impressive strides in the positive direction under some of the most unique constraints (see E/ESCAP/CST/INF/5).
- 10. Paragraphs 11 to 14 below discuss where developing countries in the Asia and Pacific region currently stand in terms of their overall statistical development.

#### A. Looking through the statistical capacity indicator

- 11. Despite its shortcomings, the statistical capacity indicator, developed by the World Bank, is a useful tool for assessing national statistical capacity across the world (see E/ESCAP/CST/2). As a composite indicator, it summarizes three dimensions of a national statistical system: (a) statistical practice, measured by the availability of statistics and the ability to adhere to the internationally recommended standards and methods, especially in the economic and financial sectors; (b) data collection, composed of the periodicity of agricultural and population censuses as well as poverty and health surveys, and the completeness of vital registration coverage; and (c) indicator availability, referred to as the availability and frequency of key socio-economic indicators, namely, selected Millennium Development Goals indicators and gross domestic product (GDP) growth.<sup>2</sup>
- 12. As suggested by the average statistical capacity scores for each developing region (see figure) the countries of the Asia and Pacific region (with a score of 64 out of 100) are slightly behind the countries of the Latin America and Caribbean

<sup>&</sup>lt;sup>2</sup> The statistical capacity indicator covers only countries that borrow from the International Development Association or the International Bank for Reconstruction and Development. The average level of capacity in a developing region could therefore be biased lower.

region (with the highest score of 67), but ahead of Africa (with the lowest score of about 55). When Pacific countries are considered separately, the rest of the Asian countries come out ahead of the countries of the Latin America and Caribbean region, with a score of 72.

13. The disparity in statistical capacity among developing countries in the Asia and Pacific region is glaring, with the following statistical capacity indicator scores: 26 for the Marshall Islands, 38 for Afghanistan and 93 for Armenia. Among countries included in the assessment, the level of statistical capacity is as follows: for the majority of North and Central Asian countries, it is considered to be high (with statistical capacity indicator scores between 76 and 100); for the two countries in East and North-East Asia, it is considered to be high or medium (between 51 and 75); for five out of nine South-East Asian countries, it is considered to be medium (between 51 and 75); and for most of the South and South-West Asian countries, it is considered to be either medium or low (between 26 and 50). Except for Fiji, Samoa and Tonga, which have medium-capacity scores, most Pacific countries fall in the low-capacity category.

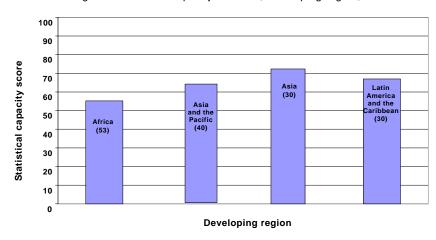


Figure 1 Statistical capacity indicator, developing region, 2007<sup>a</sup>

Source: Based on data from the country statistical information database of the World Bank (available from http://go.worldbank.org/0EZU159C70).

Note: Statistical capacity score refers to the average score for countries covered in each region (number of countries is shown in brackets). Only countries that borrow from the International Development Association or the International Bank for Reconstruction and Development are included in the assessments.

#### B. Regional participation in global programmes

14. Progress in statistics development in the Asia and Pacific region is also reflected in the region's participation in recent global programmes, especially the 2005 round of the International Comparison Programme and the 2010 round of population and housing censuses.

<sup>&</sup>lt;sup>a</sup> Asia and Pacific includes the developing members and associated members of the Economic and Social Commission for Asia and the Pacific; Africa includes both North Africa and sub-Saharan Africa.

#### The 2005 round of the International Comparison Programme

- 15. The International Comparison Programme, a global statistical project set up pursuant to a recommendation of the Statistical Commission, is crucial for cross-country comparisons of living standards as measured by such economic aggregates as GDP, price levels and purchasing power of currencies. Covering 146 economies from all geographic regions, the scale of the recent round of ICP for the benchmark year 2005 was unprecedented. Compared to the participation of only 13 economies in the 1993 round, the contribution of the Asia and Pacific region for 2005 was more impressive: 23 economies from all subregions took part in the programme, under the Asia and Pacific "region", including, for the first time, both of the two most populous and fastest-growing economies, China and India. Another five Asian countries (Australia, Japan, New Zealand, Republic of Korea and Turkey) participated in the programme, under the Organization for Economic Cooperation and Development/Eurostat "region".
- 16. The success of the 2005 round in Asia and the Pacific, coordinated effectively by the Asian Development Bank, is unparalleled among developing regions, especially considering the large demographic variation, economic diversity and geographic dispersion in the region. It is commendable that all participating economies worked concertedly to generate broadly comparable price and national accounts data. Through the project, the region managed to develop the technical know-how and institutional requirements that would support future International Comparison Programme rounds.<sup>3</sup>

#### 2010 round of population and housing censuses

- 17. For the more developed statistical systems in the Asia and Pacific region, population censuses are conducted as regularly and frequently as every five years. Some countries, such as Singapore, have already moved to register-based censuses. But for many developing countries, particularly those that are war-torn or going through civil strife or economic transition, it has been financially and technically challenging to ensure regular and proper census undertaking at least once every 10 years. Cambodia, for example, conducted its first population census in 1998, after a gap of 36 years, and still required substantial support to manage the 2010 round of censuses successfully.
- 18. At the moment, almost all of the countries of the Asia and Pacific region have committed to conducting, or have already conducted, the 2010 round of population and housing censuses. With Afghanistan, Bhutan and Myanmar<sup>4</sup> taking part for the first time in the world programme, the coverage of the 2010 round of population censuses in the Asia and Pacific region is going to be a new record. Most remarkably, Pacific island countries are well on their way to achieve, once again, 100 per cent census coverage in the subregion, despite serious financial and other constraints.<sup>5</sup>

<sup>&</sup>lt;sup>3</sup> Asian Development Bank, Purchasing Power Parities and Real Expenditures (Manila, 2007).

<sup>&</sup>lt;sup>4</sup> There is no fixed date, but it is expected that a consensus will be conducted in Myanmar during the period 2005-2014.

<sup>&</sup>lt;sup>5</sup> The Pacific region is the only subregion in the world that achieved 100 per cent census coverage in the 2000 round of population and housing censuses.

- 19. However, given the increasing cost of census undertaking, the deterioration of response rates, and the persistent need to improve data accuracy, national statistical offices in the region are working intensively to explore new ways, including with the use of new information and communications technology tools, to ensure the coverage and quality of the upcoming censuses and to improve census data documentation and dissemination.
- 20. Under the guidance of the 2010 world population and housing census programme managed by the United Nations Statistics Division, in 2006 ESCAP proposed a regional census programme to address the needs expressed by countries in the region. It aims to support the implementation of the global principles and recommendations, promote the collection of data on emerging issues, including migration and disability, and to facilitate the effective use of information and communications technology.

## III. Strengthening legal and institutional arrangements

#### A. Prerequisite for an effective statistical system

- 21. An effective system of official statistics, comprised of timely, relevant, reliable and easily accessible social, economic and environmental statistics necessary for development planning and monitoring, should ideally be the product of a functioning national statistical system established according to the Fundamental Principles of Official Statistics. The national statistical system should be led by the national (central) statistical office, with the full collaboration of Government agencies that collect data, mainly through administrative systems, which can be used for statistical purposes. Such a national statistical system would serve both the Government and the general public and support national development priorities and international data requirements.
- 22. Most national statistical systems in the Asia and Pacific region are evolving towards or being developed into such a desired system. Since being endorsed by the Statistical Commission, the Fundamental Principles of Official Statistics have been adopted and implemented, at least in part, by many national statistical offices in the region. For instance, a recent questionnaire survey conducted within the Commonwealth of Independent States indicated that all 12 countries had applied all 10 fundamental principles in planning their statistical activities, though the degree of and mechanisms for the implementation of the principles varied among the countries.<sup>6</sup>
- 23. The success of the more developed statistical systems testifies to the importance of proper legal provisions, along with political stability and government commitment, as necessary though insufficient conditions for the proper functioning of a national statistical system. In the Asia and Pacific region, 76 per cent of the countries have some form of statistical legislation. North and Central Asia is the only subregion in which all countries have passed a statistical law. In most of the

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<sup>&</sup>lt;sup>6</sup> Interstate Statistical Committee of the Commonwealth of Independent States, 2006 background note entitled, "Comments on existing strategic programmes for statistics development in the Central Asian CIS countries", prepared for the PARIS21/ESCAP high-level forum on strategic planning in statistics for Central Asian countries.

other subregions, just over 80 per cent of countries have similar legislation, with the exception of the Pacific, where few countries have a statistical law.<sup>7</sup>

- 24. Over 60 per cent of the countries with legislation for statistics had enacted their statistical laws prior to the endorsement of the Fundamental Principles of Official Statistics, while more than half of the North and Central Asian countries had passed their statistics laws after 1994, during the initial stage of economic transition.
- 25. Since 1994, a number of developed and developing countries in the region have revised or amended the existing statistical laws. The changes were in many cases intended to help expand the mandate of the central statistical office and strengthen the coordination with government data agencies, in particular taking into account the importance and potential of using administrative data for statistical purposes.<sup>8</sup> For example, the current Statistics Act of New Zealand charges Government statisticians with leading a coordinated system. In 2007, Thailand approved the new Statistics Act (amendment of the 1965 Statistics Act), which sets out to empower the national statistical office to play a strong coordination role for effective management of a quality national statistical system and to allow statistical data to be linked and used in an integrated fashion.<sup>9</sup>
- 26. Although statistical laws vary in content across countries, they should contain provisions that protect the independence of statistical offices, a condition extremely critical for the credibility of, and public trust in, official statistics. Inevitably, the extent to which those legal provisions are actually translated into practice determines the level of effectiveness of a national statistical system.

#### B. Charting a road map for development

- 27. The experiences of the more developed statistics systems are guiding many developing countries in Asia and the Pacific to chart a road map for their own statistics development. Taking into account of the level of development and other specific national conditions, many developing countries in the region are establishing various forms of strategic planning for statistics development.
- 28. As one of six priority actions, the Marrakech Action Plan for Statistics called for direct support to all low-income developing countries in developing a national strategy for the development of statistics by 2006. As of October 2008, of the 26 countries in Asia that are members of the International Development Association (excluding Yemen), 14 (54 per cent) are in the midst of a national strategy for the development of statistics process. These include 11 countries that are currently implementing a strategy and 3 in the process of designing one. Another 11 countries

<sup>7</sup> Information on statistical legislation is available for less than 60 per cent of the Pacific countries. For details, see the country statistical information database of the World Bank, available from http://go.worldbank.org/0EZU159C70 and the United Nations Statistics Division website http://unstats.un.org/unsd/dnss/SearchResults.aspx.

<sup>&</sup>lt;sup>8</sup> Dennis Trewin, "Administrative data: opportunities and challenges", available from http://www.unsiap.or.jp/completed\_prog/workshop/ms7/ms7\_index.htm.

<sup>9</sup> Vince Galvin and Jirawan Boonperm, presentations at the twelfth East Asian Statistical Conference. Available from http://www.stat.go.jp/english/info/meetings/eastasia/page05.htm.

in the region have neither implemented a strategy nor are designing one; 9 of those, however, have expressed plans to design one. 10

29. In order to be successful, statistics development needs to become an integrated part of the overall national development strategy. Statistics development is foremost the responsibility of national Governments; external support can only be effective if there is national commitment. In order for a statistics development strategy to be of real value, it should contain not only a long-term strategic vision but also strategic planning for human resource development. It should cover the entire national statistical system, engage users of statistics and promote the leadership role of a national statistical office in setting statistical standards and coordinating the national system. In some countries in the Asia and Pacific region, statistics development plans still address only the central statistical office, although the trend is now towards a system-wide approach. Other countries, such as the Lao People's Democratic Republic and Cambodia, face enormous funding gaps when it comes to implementing the plans set out in their strategies. <sup>11</sup> Lack of resources is a persistent challenge for many developing statistical systems in the region.

### IV. Improving technical capacity

#### A. Building sustainable data collection programmes

- 30. Building sustainable national data collection programmes is clearly a challenging priority for many developing countries in the Asia and Pacific region. While some of the more developed statistical systems in the region, such as Singapore and New Zealand, are already on their way to developing an integrated data system with advanced statistical methodology and ICT applications, many developing countries are still struggling to establish regular censuses and household survey programmes and to make better utilization of the existing administrative and vital registration data.
- 31. Administrative and vital registration systems, often better established in more developed countries, continue to remain inadequate in many developing countries in the region. As shown in table 1 (the last two columns), the majority of developing countries in the region (that borrow from the International Development Association or the International Bank for Reconstruction and Development) do not have complete vital registration coverage: close to 80 per cent in South-East Asia and 70 per cent in South and South-West Asia and the Pacific.
- 32. Besides population and housing censuses, most Governments place high importance on developing economic censuses, agricultural censuses and other sector-specific censuses for collecting basic economic statistics. During recent years, many developing countries have undertaken their first agricultural or economic censuses and have in the process received technical support from more

PARIS21 Secretariat, 2008. "National strategies for the development of statistics: worldwide report on progress and emerging issues", available from http://www/paris21.org/documents/3323.pdf.

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See, for example, "Statistical master plan for Cambodia" (National Institute of Statistics, Ministry of Planning, Cambodia) and "Strategies and measures for the official statistical system development of the Lao People's Democratic Republic 2006-2010" (National Statistical Centre, Lao People's Democratic Republic).

developed countries. For example, while undertaking an economic census is a regular activity carried out in Indonesia every 10 years and in Malaysia every five years, Cambodia is currently preparing to conduct its first agricultural census in 2009 and an economic census in 2011. Both developing and developed countries, however, face the common issue of obtaining adequate business registers for producing quality economic statistics.

 $\begin{tabular}{ll} Table 1 \\ National and international household surveys and vital registration coverage, \\ Asia and the Pacific, 1999-2007^a \end{tabular}$ 

	Countries with at least two national household surveys (1999-2007)		Countries with at least two international household surveys (1999-2007)		Countries with complete vital registration coverage (2007)		
Region/country groupings	Number	Percentage	Number	Percentage	Number	Percentage	
Asia and the Pacific	22	55	18	44	18	45	
East and North-East Asiab	2	100	1	33	1	50	
South-East Asia	5	56	5	56	2	22	
South and South-West Asia	5	50	5	50	3	30	
North and Central Asia	8	89	6	67	9	100	
Pacific	2	20	1	10	3	30	
Low-income	6	46	9	64	3	15	
Medium-income	16	59	9	33	23	56	

Sources: Based on data from the country statistical information database of the World Bank (http://go.worldbank.org/0EZUI59C70), the MEASURE DHS site (http://www.measuredhs.com/aboutsurveys/dhs/start.cfm) and the ChildInfo website of the United Nations Children's Fund (http://www.childinfo.org/).

*Note*: Including only countries that borrow from the International Development Association or the International Bank for Reconstruction and Development.

33. Household surveys have in the recent decades become a major instrument for data collection, especially for social statistics. For a long time, production of social statistics used to be largely dependent on periodical population censuses and administrative records that were often inadequate. Though rapidly growing, international standards for social statistics have not been as prevalent as they have been for economics statistics. <sup>12</sup> To address the serious lack of social statistics on such essential topics as health, education and poverty and the need for monitoring internationally agreed development goals, bilateral and multilateral donors have in recent years focused on investing in household surveys, including the internationally sponsored surveys, as a means to obtain data in many developing countries. That

<sup>&</sup>lt;sup>a</sup> National household surveys considered here include household income and expenditure surveys, household budget surveys, labour force surveys, economic activity surveys or integrated surveys; international household surveys refer to surveys sponsored by international agencies, including demographic and health surveys, multiple indicator cluster surveys or living standards measurement surveys.

<sup>&</sup>lt;sup>b</sup> The Democratic People's Republic of Korea is included in the international household surveys analysis but excluded from national household surveys and completeness of vital registration coverage.

<sup>&</sup>lt;sup>12</sup> Dennis Trewin, "The evolution of national statistical systems: trends and implications" (draft, 1 February 2007).

approach has doubtlessly helped to increase the availability of social statistics but has also raised concerns over the sustainability of national survey programmes.

- 34. As shown in table 1, countries (that borrow from the International Development Association or International Bank for Reconstruction and Development) in North and Central Asia appear to have, on average, a better national capacity to implement household survey programmes than countries in other subregions, and few Pacific countries have a regular survey programme. One striking observation is the contrast between low-income and medium-income countries: many low-income countries rely on internationally sponsored household surveys for data collection, with about 64 per cent of them having conducted at least two international surveys between 1999 and 2007, whereas the majority of medium-income countries have more regular national survey programmes, with nearly 60 per cent of them having conducted at least two national household surveys during the same period.
- 35. As elsewhere in the world, both the developing and developed countries in the Asia and Pacific region are confronted with the issue of how to develop a more integrated system of official statistics that would make the most efficient use of data from censuses, surveys and administrative sources so as to reduce response burden, balance costs and increase sustainability.

#### B. Implementing international standards

36. With the introduction and continuing refinement of the System of National Accounts, economic statistics over the years have become much more integrated under a unifying framework than have most social statistics. Many countries in Asia and the Pacific have developed significant national capacity to produce economic statistics in accordance with established international standards, though many challenges remain. In assessing national capacity in the area of economic statistics, subscription to the General Data Dissemination System (GDDS) and Special Data Dissemination Standard (SDDS), as well as compliance with System of National Accounts milestones and other guidelines, can be considered as indicators.

# Subscription to the General Data Dissemination System and the Special Data Dissemination Standard

37. The General Data Dissemination System and the Special Data Dissemination Standard, both initiatives of the International Monetary Fund (IMF) created in response to the emerging market crises of the mid-1990s, are international standards for the dissemination of economic and financial statistics. The two differ, however, in focus and scope as well as in membership requirements.<sup>13</sup> With improved linkages between GDDS and SDDS, subscription to SDDS could be integrated as an end goal for GDDS members.<sup>14</sup> Countries that subscribe to GDDS could therefore be regarded as having made a commitment to improving the quality of the relevant statistics, whereas countries that subscribe to SDDS could be considered as having a

<sup>13</sup> See "Differences between the SDDS and the GDDS", available from http://dsbb.imf.org/applications/web/gdds/gddsdiffbw/.

<sup>14</sup> See "Assessing the General Data Dissemination System: what has been accomplished after 10 years and where do we go from here?". Available from www.imf.org/external/pubs/ft/sdds/gdds-assess-08/pdf.

relatively higher statistical capacity than countries that only subscribe to GDDS or not at all.

Table 2 Subscription to the General Data Dissemination System and the Special Data Dissemination Standard, world region and Asia-Pacific country groupings, 2008

Region/country groupings	Number of International Monetary Fund members	General Data Dissemination System (per cent)	Special Data Dissemination Standard (per cent)	Combined subscription (per cent)
Africa	53	77	2	79
Asia and the Pacific	48	38	31	69
East and North-East Asia	6	50	50	100
South-East Asia	11	27	45	73
South and South-East Asia	10	50	20	70
North and Central Asia	9	33	44	77
Pacific	12	33	8	41
Low-income	13	54	8	62
Middle-income	27	33	33	67
High-income	8	12	63	75
Europe and North America	42	10	79	89
Latin America and the Caribbean	32	63	32	95

Source: General Data Dissemination System site, available from http://dsbb.imf.org/ Applications/web/gdds/gddscountrylist/, and the Special Data Dissemination Standard site, available from http://dsbb.imf.org/Applications/web/sddscountrylist.

Note: For the purpose of this analysis, Hong Kong, China, and Macao, China, are counted as individual International Monetary Fund members.

- 38. According to table 2, among the regions that comprise the developing world, Latin America and the Caribbean has the highest combined GDDS and SDDS subscription rate (95 per cent of IMF member countries), followed by Africa (79 per cent), largely a result of their high subscription rates for GDDS. When it comes to SDDS subscription, Europe and North America lead the way (with 79 per cent), while Asia and the Pacific and Latin America and the Caribbean are on a par (31 per cent and 32 per cent, respectively). As is the case in the Asia Pacific region, the higher the level of income of a country, the more likely it is to subscribe to SDDS.
- 39. Among countries in Asia and the Pacific, the SDDS subscription rate is the highest for East and North-East Asia (50 per cent), followed by South-East Asia (45 per cent) and North and Central Asia (44 per cent). The Pacific subregion, at 8 per cent, has the lowest subscription rate to either of the systems.
- 40. Most of the 15 SDDS subscriptions in the Asia and Pacific region were made between 1999 and 2001, soon after the launch of SDDS. In 2003 and 2004, Armenia, Kazakhstan and Kyrgyzstan "graduated" from GDDS into SDDS. In 2005, the Russian Federation became the latest country in the region to subscribe to the

system. At present, 15 countries that are members of both ESCAP and IMF do not yet subscribe to either system.

#### **Compilation of national accounts**

- 41. National statistical capacity is also reflected in the content and quality of national accounts a country can compile. For the implementation of the 1993 System of Nations Accounts, the United Nations Statistics Division, which leads the development and implementation of international standards for economic statistics and statistics in other important areas, monitors the content of national accounts in countries. The assessment is based on information collected through questionnaires on country compliance with important milestones, as well as with the minimum required data set (MRDS) and other recommended and desirable data sets (see E/CN.3/2004/10).
- 42. National capacity to compile national accounts statistics varies greatly among countries in the Asia and Pacific region. Among countries that had reported to the Statistics Division at least once between 1999 and 2007, 49 per cent produced at least six tables and 27 per cent produced all the tables required for MRDS. East and North-East Asia has the highest proportion of countries (83 per cent) that can provide at least six MRDS tables, followed by South and South-West Asia (70 per cent). The Pacific lags far behind, with only 13 per cent of countries producing at least six tables.
- 43. Considering milestones 1 and 2, which are easier for a country to satisfy than to meet the MRDS requirements (see E/ESCAP/CST/2), 75 per cent of countries in the Asia and Pacific region can satisfy the requirements of milestone phase 1 and 63 per cent the requirements of phase 2. While all East and North-East Asian countries and over 90 per cent of South and South-West Asian countries meet the benchmarks of both phases, only 31 per cent of Pacific countries can produce the basic GDP indicators and 25 per cent can produce the gross national income and other primary indicators.
- 44. To address the quality of national accounts, the data quality assessment framework for national accounts contained in the reports on the observance of standards and codes is informative. Though the reports are only available for 17 countries in the Asia and Pacific region (six of the countries are from North and Central Asia and five are from South and South-West Asia), the assessments are revealing. While all 17 countries satisfy milestones 1 and 2 and 15 of them produce six or more MRDS tables, significant challenges remain. In nine countries, the standards for statistical techniques are not observed. In six countries, the source data do not provide an adequate basis for compiling statistics or resources, including staff, facilities, computing resources and financing, and are deemed incommensurate with the needs of the statistical programme. In five countries, the scope of national accounts is not in accordance with internationally accepted standards, guidelines or good practices.
- 45. Efforts to support countries in the Asia and Pacific region to develop stronger statistical capacity for producing better economic statistics clearly remains a top regional priority, particularly considering the severe impact of the ongoing global financial crisis and its implications for more timely and comparable statistics across all countries and economies.

# C. Meeting the data demand for assessing progress towards the Millennium Development Goals

- 46. Since the early 1990s, the calls for monitoring progress towards the internationally agreed development goals, most prominently the Millennium Development Goals, have had an increasing influence over what basic social and environmental statistics national statistical systems should produce. Internationally sponsored household survey programmes, such as the Demographic and Health Survey and the Multiple Indicators Cluster Survey, have contributed to the increasing availability of social statistics in many developing countries.
- 47. Information on the availability of data for trend analyses for selected Millennium Development Goal indicators (see table 3) indicates that, despite recent improvements, the capacity of many developing countries to produce data for some of the most basic social and environmental indicators remains poor. For example, only 63 per cent of developing countries in Asia and the Pacific have sufficient data for assessing trends (since 1990) in primary school enrolment (measured by the primary net enrolment ratio), a proportion that varies from 82 per cent in South-East Asia to only 37 per cent in the Pacific.

Table 3

Data availability for selected Millennium Development Goal indicators, developing region and Asia-Pacific subregion, since 1990

Region/country groupings	Underweight children under 5 (per cent)	Primary net enrolment ratio (per cent)	,	Access to sanitation: rural areas (per cent)
Sub-Saharan Africa	80 48	84 72	74 57	
Latin America and the Caribbean				
Asia and the Pacific	51	63	47	90
East and North-East Asia	43	71	29	57
South-East Asia	73	82	64	82
South and South-West Asia	90	80	70	100
North and Central Asia	67	78	89	89
Pacific	_	37	_	84

Source: Based on data contained in the global Millennium Development Goal database, as of 12 December 2008, available from http://mdgs.un.org/unsd/mdg/.

*Note*: Data availability is defined as having two data points, at least three years apart, during the period 1990 to the latest year for which data are available for a given indicator.

# D. Making innovative use of information and communications technology

48. The advancement of ICT has contributed immeasurably to the improved effectiveness of national statistical systems in recent decades. Innovative use of ICT has facilitated new forms of data collection, increased the productivity of data processing and editing, enabled more effective management of information,

promoted easier access to data, including microdata, and improved the management and communication of national statistical offices, both within and externally. 12

- 49. The level of national capacity able to make use of existing ICT varies remarkably across countries in the region. While some countries, such as the Republic of Korea, Singapore and New Zealand, have moved to internet-based data collection or have started developing integrated national data systems, many developing countries have just started to use geographic information system mapping technology and optical data capturing devices.
- 50. The conducting of population censuses is perhaps one of the areas which has seen the biggest impact of ICT. A 2007 ESCAP information survey on the past practices and future plans of countries with respect to ICT applications for population and housing censuses helped identify country expertise and specific needs for support in different areas of census operation. It formed the basis for establishing a regional network of national experts and for facilitating technical cooperation among countries in the region.<sup>15</sup>
- 51. The national capacity to apply new technologies in conducting population censuses varies greatly among countries. According to responses from 40 countries to the survey, in the 2000 round of population and housing censuses, 17 countries used project management and tracking software; 22 applied geographic information system technology; 15 used digital maps; and 20 used automated data capture tools (including internet-based). For the 2010 round of censuses, 24 countries requested assistance with cartography and mapping; 20 with tabulation and database design; 19 with data quality assurance; and 16 with census output dissemination.
- 52. As part of the 2010 World Population and Housing Census Programme, the United Nations Statistics Division, with the support of ESCAP, conducted regional workshops in 2007 and 2008 in Asia to provide training and to share good practices in the areas of census cartography, mapping, data capturing and editing. Other workshops are planned for 2009 on census data compilation and dissemination.

## V. Challenges and opportunities

#### A. Defining future development

- 53. Despite recent progress, the Asia-Pacific region still faces daunting challenges in pursuing greater statistics development in many countries. The future of statistics development in the region depends on how some of the priority issues are addressed.
- 54. For example, national statistical systems in many developing countries, especially those least developed or small island developing States, are still struggling with the persistent lack of political support for statistics development and the consequently severe shortage of financial and human resources. Those statistical systems are often dependent on external support, which is not sustainable in the long run. Furthermore, in spite of the increasing existence of statistical laws in the

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<sup>15</sup> See "Use of information technology in population and housing censuses in the ESCAP region: past practices and plans for the 2010 round". Available from http://www.unescap.org/stat/meet/egm2007/index.asp.

region, the autonomy and independence of some national statistical offices continues to be threatened, which can easily lead to the erosion of trust in official statistics by both national and international users. <sup>16</sup>

- 55. With growing recognition of the need to develop more integrated statistical systems, including the better use of data from administrative sources, the need to strengthen the leadership role of national statistical offices in setting statistical standards and coordinating the national statistical system has become ever more pressing. A well-coordinated national system will not only enhance the development of an integrated national system of official statistics, which reduces response burden and increases the overall efficiency of the system, but will also reduce data inconsistencies, in particular between national and international sources. Such data discrepancies could seriously hamper the policy discussions within countries and undermine both the national and international statistical systems.
- 56. While the national statistical capacity to implement international standards in the area of economic statistics needs to be further strengthened in many countries, the urgent need to develop better international standards in many areas of social and environmental statistics should receive adequate attention and investment. At the same time, countries need to be properly supported in developing sustainable capacity to produce data for some of the most essential social and economic statistics, including through the innovative use of existing administrative data.
- 57. Many countries in the Asia and Pacific region lack the adequate quality assurance and evaluation mechanisms that help to ensure that the production of quality statistics meets evolving user needs. At the same time, promoting easier data access and supporting the effective use of statistics remain an enormous challenge for many national statistical offices.
- 58. Basic statistical training and the updating of statistical skills continue to be in large demand in many developing countries in the Asia and Pacific region. Currently, few developing countries in the region have established regular national statistical training programmes. Most basic statistical training continues to be funded and organized by international and regional organizations, which are not always able to respond adequately and in a timely manner to the specific needs in a country. As for other kinds of capacity-building, statistical training activities should be planned and organized in close collaboration among development partners (donors and recipients) and involve the relevant national institutions.

#### B. Building on diversity

59. The vast diversity in statistics development among countries in Asia and the Pacific reflects the amount of challenges facing the region. It also defines the scale of the region's potential and offers unique opportunities for further development, particularly through sharing of good practices and the promotion of technical cooperation.

<sup>16</sup> Dennis Trewin, "Summary of discussion on evolution of national statistical systems". Available from http://unstats.un.org/unsd/statcom/statcom\_seminar/Summary%20-%20Evolution%20Seminar.pdf.

#### Engaging in high-level, strategic regional discussions

- 60. The regional diversity in statistics development has been an inspirational force guiding high-level, strategic discussions of issues that are of regional concern and require collective action. Through dedicated regional statistical forums, leaders of national statistical offices engage with each other to share experiences, identify priorities and explore options. Through the processes they also form common regional positions and influence global discussions and decisions on critical statistics development policies and programmes, in particular through the Statistical Commission.
- 61. The ESCAP Committee on Statistics, a subsidiary body in the conference structure of the Commission, is such a dedicated forum. It had served the region up to 2002 and, after six years, was re-established by the Commission at its sixty-fourth session. During the interim, countries in the region had sought to continue the regional dialogue through an informal arrangement, the Forum for Asia/Pacific Statisticians, and had met twice during 2005 and 2006. With the upcoming first session of the re-established Committee on Statistics (4-6 February 2009), leaders of national statistical offices are expected to gather in Bangkok once again to set out a new direction for regional cooperation and collaboration in statistics development in the current fast-changing environment (additional information available from http://www.unescap.org/stat/cst/1/index.asp).
- 62. In addition, the Statistical Institute for Asia and the Pacific/ESCAP senior management seminar for the heads of national statistical offices, designed to strengthen statistical capability in the area of leadership and management, has offered another opportunity for regional strategic discussion and exchange of experiences. The seven seminars conducted since 2003 have covered a broad range of priority issues, from the use of information and communications technology to the management of population censuses to the potential and challenges of using administrative data; all have strong bearings on long-term statistics development in the region.

#### Strengthening subregional support

- 63. The existing regional diversity has also fostered a subregional approach to statistics development. Over the past decade, many subregional organizations, including the Association of South-East Asian Nations, the Interstate Statistical Committee of the Commonwealth of Independent States, the South Asian Association of Regional Cooperation and the Secretariat of the Pacific Community, have become increasingly active in promoting national statistical capacity-building in their respective subregion (see E/ESCAP/CST/INF/19, E/ESCAP/CST/INF/17 and E/ESCAP/CST/INF/23).
- 64. While the Association of South-East Asian Nations, with strong support, including from the IMF, the European Union and the United States Agency for International Development, has focused on harmonization of standard classifications for economic statistics among countries in South-East Asia, the Interstate Statistical Committee of the Commonwealth of Independent States has provided strong methodological and institutional support to many Central Asian countries during their transition to new statistical systems under a market economy. The Secretariat of the Pacific Community has been a critical player in promoting statistical capacity development in the Pacific, particularly in the area of population and housing

censuses, and has forged strong partnerships, including with Australia and New Zealand. The South Asian Association of Regional Cooperation has recently committed to giving high priority to regional cooperation in statistics development and has constituted a permanent group on statistics to help pursue the goal. Such subregional initiatives should be strongly supported and coordinated with other international and regional programmes to maximize impact.

#### Increasing triangular and South-South cooperation

- 65. The existing diversity in national statistical capacity in the region is a strong basis for technical cooperation among countries, not only through bilateral cooperation, with support from more developed statistical systems being provided to less developed ones, but also through triangular and South-South cooperation among developing countries.
- 66. For example, while continuing to contribute to a broad range of region-wide statistical initiatives, Australia and New Zealand have been focusing on the Pacific, providing direct technical support to many countries, often with funding from the national development aid agencies. Japan, another important donor actively supporting statistical capacity-building in the region and beyond, has also been engaged in bilateral technical cooperation in many countries. In preparing its 2008 population census, Cambodia has benefited from extensive technical support provided by the Japanese Statistics Bureau, including in mapping, editing, coding and tabulation, with funding from the Japanese International Cooperation Agency.
- 67. A number of developing countries have been active in sharing technical expertise through South-South or triangular cooperation. The national statistical office of Turkey, for example, has offered training, consultancy services and equipment to many countries in Central Asia since 1994, with financial support from the Turkish International Cooperation Agency. The Philippines has become one of the most active countries in the region when it comes to technical assistance: its national statistics office, with facilitation and funding from regional and international agencies, has provided assistance to more than 20 countries in a broad range of areas, including civil registration, agricultural censuses, household survey designs, data processing and statistical computing.
- 68. The potential of South-South and triangular cooperation is visibly recognized by the Secretary-General. The Asia and Pacific region needs to tap further into that potential, especially considering the fact that only a small proportion of the current \$550 million of worldwide financial disbursements for statistics development flows into the region.

## VI. Supporting regional statistics development

#### A. Support by statistics development partners

69. Over recent years, many countries in Asia and the Pacific have continued to receive support for statistical capacity-building from various statistics development partners. According to the results of a recent survey on donor support by the Partnership in Statistics for Development in the Twenty-First Century, institutional development such as the design of strategic statistical planning, human resource

development and/or provision of technological resources for large activities, including population censuses and household surveys, have been some of the priority areas supported by multilateral and bilateral donors.

- 70. Among the international and regional organizations, the United Nations Statistics Division, as the leader of the United Nations statistical system in developing and implementing international statistical standards, has supported statistics development in Asia and the Pacific by working closely with national statistical systems through technical assistance and advisory services.
- 71. The World Bank has been focusing on, in addition to other activities, supporting the development of statistical development strategies; IMF, on technical assistance for national accounts and other economic and financial statistics; ILO, on technical assistance for labour force and enterprise surveys and other labour market statistics; and the Asian Development Bank, on financial and technical support for development of economic statistics and other statistical capacity. The European Commission provides significant support to Central Asian countries in their statistical institutional reform and to ASEAN with its statistical harmonization and statistical capacity-building efforts. While each manages a statistics subprogramme in a regional commission, ESCAP and the Economic Commission for Europe have established close collaboration in developing joint projects to serve the needs of Central Asian countries.
- 72. Japan, as one of the biggest bilateral donors, has supported statistical capacity-building in many countries across the region. The support it has provided to the Statistical Institute for Asia and the Pacific has also contributed to the region's statistics development through statistical training. In addition to Australia, Germany, the Netherlands, Sweden and New Zealand, the United Kingdom of Great Britain and Northern Ireland, as a major supporter of statistics development at both the national and international levels, has contributed to the strategic and institutional development of many national statistical systems in the region,
- 73. The PARIS21 survey results reiterated the need to improve partner collaboration in statistics development. A side event on coordinating support for statistics development in Asia and the Pacific is being organized in conjunction with the upcoming first session of the ESCAP Committee on Statistics. The event will bring countries and major international, regional, subregional and bilateral statistics development partners together to explore ways to improve coordination and cooperation. In particular, it will include discussion on the possibility of establishing an informal mechanism, such as a regional version of the Coordination Committee for Statistical Activities, to allow partners to regularly exchange information, identify opportunities for cooperation and address issues that require collective efforts, especially at the country level.

# B. Strategy of the Economic and Social Commission for Asia and the Pacific

74. Statistics development has traditionally been a main component of the ESCAP Statistics Division work programme. In recent years, however, ESCAP has sought to become a more proactive and stronger regional player. Its work programme is supported by the Statistical Institute for Asia and the Pacific (a subsidiary body of ESCAP) though the two have distinct roles to play: the ESCAP Statistics Division

focuses on technical cooperation, targeting areas with emerging international standards and methodologies, while the Statistical Institute provides and facilitates statistical training in the practical application of established international standards and methodologies. The clear division of labour also provides a strong basis for the training programme of the Institute and the statistical capacity-building activities of the ESCAP Statistics Division to complement each other.

- 75. As a regional organization, ESCAP is well placed to support global initiatives by addressing regional perspectives and country needs while focusing on priority areas, in which there are urgent policy demands for better statistics and where international standards have yet to be fully developed or implemented.
- 76. The statistical capacity-building initiatives of ESCAP are guided by the following principles:
- (a) Promoting international standards while incorporating regional perspectives;
- (b) Giving priority to areas with urgent policy needs for better data while international standards have yet to be fully developed;
- (c) Seeking synergy by linking up with other important global, regional and subregional initiatives;
- (d) Pursuing a strategic mix of activities whenever possible to maximize impact, including combining advocacy and awareness-raising activities with the development of standard measurements and regional guidelines, targeted training, advisory services and knowledge management, particularly focusing on establishing regional networks of national experts in given areas of statistics and, through them, facilitating triangular and South-South cooperation;
- (e) Aligning with national priorities and starting with a small number of countries during pilot phases, using their experience to derive good practices and lessons learned that can subsequently be applied beyond the initial project countries.
- 77. Over the past three years, under the new technical cooperation strategy, ESCAP has led the development and implementation of several technical cooperation projects, including an interregional cooperation project on improving the measurements on the informal sector and informal employment and a project on improving disability measurements and statistics in support of the Biwako Millennium Framework for Action towards an Inclusive, Barrier-free and Rights-based Society for Persons with Disabilities in Asia and the Pacific. Both projects are funded by the United Nations Development Account and are pursued in close partnership with leading international and regional agencies and expert groups in each area (see E/ESCAP/CST/3).
- 78. Through these projects and participation in other global initiatives, countries in the Asia-Pacific region contribute directly to the development of international statistical standards and further develop national technical capacity in selected areas.

### VII. Actions to be taken by the Statistical Commission

- 79. The present report provides a brief overview of the main achievements and remaining challenges in statistics development among countries in the Asia and Pacific region. The Commission may wish to:
- (a) Comment on ongoing efforts towards advancement in statistics development among countries in the Asia and Pacific region, particularly key achievements and pressing challenges;
- (b) Comment on the role of the newly established ESCAP Committee on Statistics in promoting statistics development in the region;
- (c) Comment on the proposed regional initiative to establish an informal coordinating mechanism among statistics development partners in the Asia and Pacific region;
- (d) Provide advice on the need to strengthen the linkages between the United Nations Statistics Division and the statistics offices of the regional commissions in order to improve regional support for the development and implementation of international statistics development programmes and initiatives lead by the Division;
- (e) Provide guidance on the proposed technical cooperation strategy of the ESCAP secretariat in promoting statistical capacity-building in the region.