



African Development Bank Group

# The Bank's Contribution to

## *“Managing a Statistical Organization in times of Change”*

*AfDB Statistics Department*

*Pretoria, South Africa*

*7-9 October 2019*

# Outline

1. Introduction
2. The approach
3. Selected activities of note
  - ❑ The Africa Information Highway (AIH)
  - ❑ Responses to user demand for CAPI.
  - ❑ The International Comparison Program (ICP)
  - ❑ The development of HCPIs in the COMESA and SADC regions.
4. Strengthening engagement as a process of attracting funding
5. Practical challenges and possible ways of managing them.

# Introduction

- ❑ The Bank provides technical and financial support to Regional Member Countries (RMCs) strengthen and sustain their statistical capacity to produce reliable and timely data to inform the **national, regional, continental, and international development agendas.**
- ❑ Special focus is on monitoring progress towards the SDGs, **Agenda 2063**, the Bank's **High 5s** and **national development plans** (national priorities).
- ❑ The second phase of the Strategy for the Harmonization of Statistics (SHaSA.2) attempts to harmonize the production of statistics in Africa.
- ❑ One key tenet of (SHaSA.2) is the development of the National Strategies for the Development of Statistics (NSDS); **the Bank has successfully supported 48 RMCs develop their NSDS.**

# The Approach

- ❑ **The Bank's SCB approach recognizes,**
  - ❑ **Statistics as international public goods that transcend national boundaries with multifarious strategic purposes as well as national, regional and global impacts.**
- ❑ **There is merit in the use of uniform standards in data production and management to facilitate *regional* and *global comparisons*.**
- ❑ **The International Comparison Program (ICP) and the Harmonized Consumer Price Index are perfect practical examples of harmonized statistical domains.**
- ❑ **The implementation process is at best through collaboration to minimize duplication of effort – given the international public good characteristics of statistics.**

# Success stories (selected)

## The Africa Information Highway (AIH)

- ❑ **Through the Africa Information Highway (AIH) initiative, the Bank has been instrumental in revolutionizing data management and dissemination systems in RMCs.**
- ❑ **The AIH has also been adopted by other development partners like the IMF for own data needs in Africa.**
- ❑ **The collaboration on the use of the AIH has evolved consistently with the development agenda.**

# Popular requests

**We have witnessed growth in the demand for use of CAPI to ease data collection across RMCs.**

- There is no question about the practical utility of shortening the time frame between data collection and data dissemination.**
- The Bank has witnessed significant growth in requests for technical assistance in this area.**

# Success story (selected)

**The development of HCPI in the COMESA and SADC Countries;**

- Regional integration requires harmonized statistical frameworks.**
- As a practical example the Bank worked closely with the RMCs in SADC and COMESA regions to develop internationally comparable Consumer Price Indices.**
- The initiative also produced Technical Guidance Notes (TGNs) that are recommended for the national Consumer Price Indices.**
- *However, the dissemination of the same indices remains weak across countries and the RECs.***
- *What is the problem?***

# Common Challenges

**The strengths of National Statistical Systems remains uneven across the continent;**

- Some NSS are not able to under regular surveys as and when they are due. This is common with economic statistics – National Accounts.**
  - *The usual recommendation is that national governments allocate adequate resources for statistical purposes from the national budget.***
  - *Countries that have accessed significant resources from the Bank processes through the Ministry of Finance are encouraged to keep trying as and when possible.***
  - *When statistical support resources are secured, it is important to make a positive impression across the board to attract additional funding.***



# Taking advantage of cross country programs

**They provide a platform for knowledge sharing;**

- **The ICP in particular is useful in connecting countries; and elevates the level of national accounts and price statistics at country level.**
- **It also plays a complementary role to the CPI.**

# Consistent and compelling arguments as a catalyst for possible funding.

**Not everyone understands the importance of timely/predictable survey programs to the quality of statistics in general;**

**We need to take the initiative;**

- **Generate knowledge products with hard evidence for policy makers considerations to sway their mood accordingly;**

***Exploit realities like the following for positive results;***

- **“Delayed rebasing of GDP understates the size of the economy”**
  - **This distorts the decision making process and many derived statistics like DEBT/GDP ratio.**
  - **The Bank made a comprehensive assessment across 44 countries and the lessons remain valid to date.**
- **“Delayed general rebasing of the national CPI overstates the rate of inflation” -----see the Tunisian study.**

# Consistent and compelling arguments as a catalyst for potential funding.

**Demonstrate the importance of specific statistical domains which may not necessarily be obvious to the policy makers at country level;**

**Realities like the following provide a case for internationally comparable GDP and its principal components; *(Use them!)***

- **“Official market exchange rates understate the real size of African economies yet the PPPs provide the real size of African economies”**
- **“The Official market exchange rates widen the gap between poor and developed countries, yet the PPPs narrow the gap”**

# Consistent and compelling arguments as a catalyst for potential funding.

**Practical experience shows that unless there is a common methodological framework across relevant countries, it is not easy to obtain internationally comparable data.**

- **National CPIs measured independently are not necessarily good for international comparison of inflation and the Harmonized Consumer Price Index provides an efficient alternative.**
- ***Practical experience from Kenya where inflation rate fell from what would have been reported as 17.5% (October 2009) using the Chained Dutot to 6.6% (October 2009) reported using the geometric mean justifies the strength of harmonization of methods across countries.***

**Thank You**