

**Expert Group Meeting on
Setting the Scope of Social Statistics**
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Social Statistics in the World Bank *

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Social statistics in the World Bank
The Development Data Group
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The increased demand for social data and indicators to monitor development progress has focused increased attention on the various systems and processes that produce the numbers. Monitoring progress can only be achieved with efficient and effective national and international systems to compile, process, and disseminate reliable statistics. The World Bank has therefore joined with its development partners to improve the capacity of national and international systems to provide a wide range of timely and reliable data.

Overview of the international statistical system

National, international, and transnational data are needed for social policy formulation and evidence-based decision making at national and international levels (Figure 1). Most data are collected through national processes supported by the infrastructure—human, physical, and organizational—of the national statistical system. At the global level are transnational data that transcend national boundaries in their production or coverage, such as the purchasing power parity statistics produced through the International Comparison Program and many environmental health indicators. National data enter the international statistical system in a process through which specialized agencies review and further standardize national data to produce consistent, international data sets. Transnational and international statistics support global policy formulation, decision making, and analysis by international agencies, businesses, researchers, the press, and private citizens.

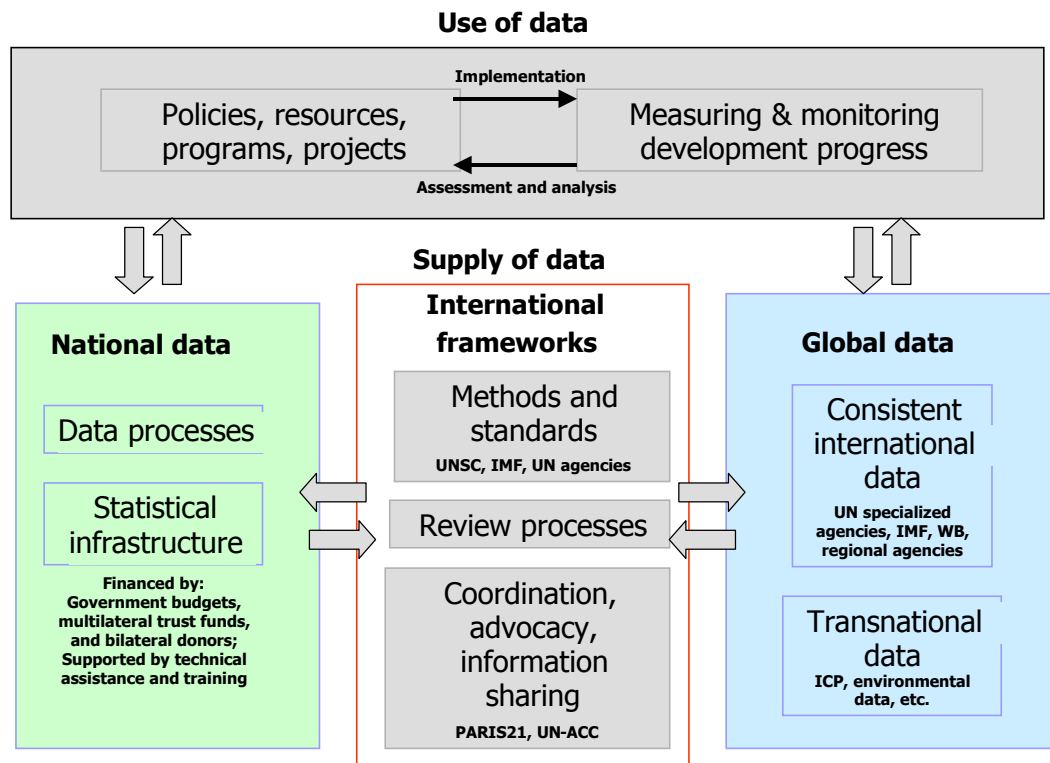
Statistics produced and financed by governments have a dual role. They must serve the need of government for efficient administration and management and longer-term policy making. They must also serve the need of the public to monitor the activities of government and the changes in public well being. To be effective, statistical systems must have legitimacy backed up by legislation that provides both the safeguards of confidentiality for the providers of raw data and assurances of integrity and accessibility for users.

The development and use of frameworks, norms and standards for data collection and exchange of information between national and international statistical agencies support both the national and global statistical systems. This is an important function of the international statistical system and the UN Statistical Commission is the agreed forum for the coordination of these statistical activities.

Evidence of weak national statistical systems

Many countries find it difficult to maintain routine data collection exercises, let alone improve them. They lag far behind in the adoption of new statistical standards or in carrying out the underlying studies and data collection efforts needed to produce high quality statistics. Many systems cannot provide the basic information needed to monitor progress toward the MDGs or the goals and targets identified in countries' Poverty Reduction Strategy Papers. Figure 2 illustrates the principal findings of a recent review

Figure 1: The international statistical system



of information available for the major MDG indicators. Over 70 percent of the countries in East Asia and almost 90 percent of the countries in Europe and Central Asia have insufficient information on child malnutrition to measure trends over the past decade (however, countries with low malnutrition rates may not make regular measurements.)

Role of the Bank in social data and statistics

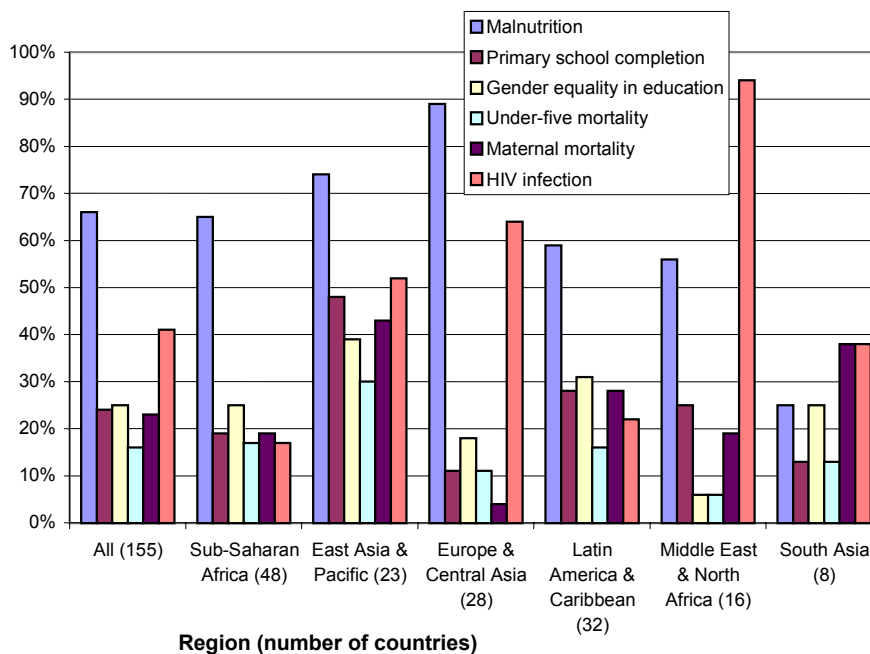
Strengthening international data systems

A high priority for the Bank is the data on poverty and inequality. To ensure that the Bank's data and tools for this purpose remain the best available, it has initiated the Comparative Living Standards Project, aimed at meeting the increasing demand for comparable poverty and inequality measures. The project will build on Living Standards

Measurement Survey databases and the Africa Household Survey Data Bank, but will expand to other surveys and provide an integrated, standardized database of cross-country comparable poverty estimates. The Bank is also reviewing the methodologies used for aggregating poverty and inequality measures to see how they can be improved. This will require new research on measurement issues, addressing data comparability problems between countries and discrepancies between data derived from household surveys and national accounts.

The international community has developed a comprehensive plan to strengthen

Figure 2: Percentage of countries without reliable data for Millennium Development Goals



data collection and analysis processes and tools, and, led by the World Bank, to establish a well coordinated and effective management structure to implement the International Comparison Program (ICP). As a result of these efforts, when the next round is completed in 2005, the dataset will include the most complete and timely set of PPP estimates ever assembled. A major social benefit of the new ICP price data collection process will be improved national price data and consumer price indexes and better measurement of poverty and its dynamics.

The international agreement on the Millennium Development Goals (MDGs) and their associated targets and indicators has drawn attention to the need for consistent, coherent international data sets. The Bank is active in compiling internationally comparable time-series social data for all countries and regions of the world, which it regularly disseminates through its statistical products.

Building demand and country ownership

Country ownership is a key to increasing the demand for statistics. So governments need to understand why statistics are important and recognize the value of an effective and efficient statistical system. The Bank is leading a PARIS21 task team to develop generic advocacy material on statistics. The material will be disseminated through PARIS21 regional workshops and used to help statistical managers in developing countries explain the need for good statistics to policymakers, politicians, and other data users.

Even when there is a clear demand for improved statistics, government decision makers are often unsure of which problems to tackle first or how to take advantage of available technical and financial resources. While there are a number of ways countries can gain access to limited, short-term financial resources, such as the IMF's General Data Dissemination System and the World Bank's Global Trust Fund, building capacity is a long-term process. The Bank's financial commitment will therefore need to be long-term, so that countries can focus on implementing long-term solutions. To address this need, a new lending facility, StatCap, will provide investment loans designed to support a long-term approach to statistical capacity building, integrated with a country's PRSP or national development plan. These and other collaborative efforts provide countries with information on best practices, and help with assessing needs, measuring existing capacity, identifying gaps in data production, and setting priorities linked to the national development plan.

If the data generated by national statistical systems are to be relied on for decision making, they must meet reasonable standards, and the closer these standards are to international guidelines, the more comparable will be the data across countries.

Promoting standards and implementing frameworks

Much of the work on standards and frameworks has been led by the UN Statistics Division and the IMF. The World Bank has been an active partner with the IMF in the development of the social and demographic components of the General Data Dissemination System (GDDS) and, more recently, the Data Quality Assessment Frameworks (DQAF).

The General Data Dissemination System provides a social framework for statistical development and capacity building in developing countries. It encourages countries to improve official statistics by documenting current practices and setting priorities for future improvements in statistical methods and dissemination. Its core output is a set of "metadata," documenting how the statistical system works, the principal agencies responsible for compiling and disseminating data, the methods used in calculating indicators, and rules governing public access and data integrity. The system has been particularly useful for countries preparing Poverty Reduction Strategy Papers, in documenting how different indicators are obtained and in preparing plans for improvement.

Another IMF initiative is the Data Quality Assessment Framework, which focuses on data quality, drawing from the UN Fundamental Principles of Official Statistics and from the rich literature on statistical quality. The framework has a cascading structure progressing from the general to the specific. The first level defines institutional requirements for good data, followed by five distinct dimensions: three that are common to all statistical programs and data-producing agencies: integrity, serviceability (including timeliness), and accessibility, and two that must be uniquely specified for the type of data being produced: standards of methodological soundness and accuracy and reliability. So far data quality assessment frameworks are being developed for income poverty and education, and work is ongoing for health demographic statistics.

Conclusion

The World Bank benefits from the work of national and international statistical agencies and plays an important role in the international statistical system: it has taken leadership in the measurement of income poverty; it manages the International Comparison Program, which produces global price indexes; it provides grants, loans, and technical assistance to improve the statistical capacity of member countries; and it compiles and disseminates data through its regular statistical products. In addition, the World Bank uses the social statistical information to analyze country socio-economic situation and trends; to design its most appropriate assistance policy for countries; and to track the progress of countries in reducing the vulnerability of its people.