

**OECD World Forum – Measuring and Fostering the Progress of Societies
“Challenges of Data Collection – with special regard to developing Countries”**

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Data collection here is understood as all activities involving collecting data from respondents or from secondary sources for the purpose of producing official statistics. Data collection may or may not coincide with data entry and data editing and checking. Data collection may be done traditionally “in the field” by enumerators or interviewers or through other media like mail, telephone or internet .Data collection in the developing countries is generally undertaken by the state institutions because of lack of capacity in the private sector. In Pakistan, though there are provincial bureaus of statistics but they are weak in terms of infrastructure and capacity to be able to play an effective role in data collection. Therefore, most of the data collection work is handled by Federal Statistics Division through its three departments viz FBS, ACO and PCO. The Central Bank and some Federal Government Ministries too have small statistical cells.

2. In almost all relevant issues of data collection developing countries face different sets of problems as compared to industrialized countries. These difficulties in most countries are:

- Endogenous lying within official statistics itself on grounds of weaknesses of institutional and organizational set-up, of lack of resources and infrastructure or of poor performance of work:
- Exogenous lying outside of official statistics perceived as inability of the civil society, establishments or even of the administration to part reliable and timely data.

3. Weaknesses External to the Statistical Offices.

- 3.1 Level of literacy and lack of appreciation of importance of data collection as a national activity mixed with general cultural ethos of not sharing personal information.
- 3.2 Law and order situation in some areas rendering these areas inaccessible for data collection.
- 3.3 Cultural constraints in rural/tribal societies.
- 3.4 Remote and thinly populated areas (problems from the logistical point of view as well as from the technical point of view as, for example, application of area sampling)
- 3.5 Infrastructural deficiencies (insufficient postal services, inadequate transport, road networks, telephone and internet facilities)
- 3.6 Large informal economy, especially relevance of subsistence economy (not easy to measure)
- 3.7 Even in formal economy especially in the small and medium enterprises (SMEs) low standard of bookkeeping, low standard of administrative

coverage and low standards of social performance. Thus, there are few formalized phenomena statistical observation can refer to.

- 3.8 Lack of political will and administrative support discourages development of a vibrant and autonomous statistical structure which tend to support the perception that the production of statistics is a task of minor importance and that the lack of credibility and transparency of data with some feeling that the governments tend to utilize statistics for window-dressing of its policy failures. Consequently it leads to resistance to cooperate with the statistical offices
- 3.9 Socio-cultural inhibitions towards giving out personal information affect filling of questionnaire by the civil society. Business and industrial class in some economies avoid sharing data for fear of being sued for tax fraud. As a result, even official classes also have a low propensity to deliver data for statistics.
- 3.10 Developing countries are rapidly changing their structural and administrative set-up. Consequently, scope, items and concepts of statistics and last but not the least their questionnaires have to be adjusted more frequently. This hampers to get civil society acquainted with carrying a certain statistical burden.
- 3.11 Quality of enumerators and quality control/vigilance of enumerators need improvement to ensure that the enumerators and interviewers are applying their instructions appropriately
- 3.12 For a lot of variables the variance within a developing country is much larger than in an industrialized one. Prices pertaining to agricultural commodities differ a lot between the various provinces and districts due to lack of an organized marketing chain system and due to the fact that many of these commodities are neither graded nor branded. Their prices are very volatile. The baskets of price indices in industrialized countries are much more determined by branded goods of industrial production which makes collection of prices and compiling price indices much easier. The same might be true for the statistical observation of wages and salaries or of private households consumption
- 3.13 The administrative density in industrial countries normally is very high. This enables these countries to collect and compile statistics very efficiently out of secondary sources such as taxation, customs, movements of ships, building licenses and the like. Statistics out of secondary data may replace costly surveys or may at least allow for additional benchmark estimates. In developing countries the option of using secondary sources is limited.

4. **Weaknesses internal to the statistical offices**

- 4.1 Human resources usually are poor as in most countries official statistics is perceived as a government task of minor rank. As a consequence the salaries as well as the qualification and motivation of staff are low. Capacity building training and career potential is

accorded a low priority. Training is hampered by a lot of fluctuation of staff.

- 4.2 Infrastructure for internal information and communication is also poor. The main frame application, for example, is still the prevailing form of data processing. Micro computers and client-server systems have just started to intrude into the performance of work. Decentralized data entry is not yet the norm. Access to the internet as well as internal networks often have still to be developed.
- 4.3 Allocations of financial resources for statistics organizations are inadequate.
- 4.4 Information on the institutional setup of the economy lacks from comprehensive and up-to-date directories. This hampers drawing frames and applying elaborated techniques as, for example, stratified sampling.
- 4.5 Statistical organizations lack autonomy while the legal framework is outdated to meet requirements of a modern statistical structure.

What can be done to overcome the mentioned problems and weaknesses?

5. Of course, it is easier to amend or mitigate the difficulties we face from internal weaknesses as – in contrast to the external weaknesses – a lot of measurements are in our own hands. In my view the institutional setup of official statistics is a key issue to internal improvements. In Pakistan, the existing three organizations are being merged into an autonomous legal entity. The organization will be managed on the top by a professional management team led by a Chief Statistician and five members of international repute, steered by a Governing Council comprising of representatives of government and private sectors and supported by a Users' Council. Administrative and a degree of financial, autonomy will be given under the law. All stakeholders will be involved in what we are planning and doing in an organized and formalized way. We have prepared a new and modern statistical law which clearly defines the tenure, the tasks and the role of the Chief Statistician and the five Members of the Board of Directors as well as the duties of the supervisory body and the Users' Council. This will enhance the autonomy of official statistics and its management vis-a-vis the government. And there are many clarifications more as, for example, the utilization of secondary sources or the prerequisites to provide micro data in the form of public and scientific use files. With restructuring the revamped and modernized official statistics entity of Pakistan will emerge as a reliable, independent and credible institution in its perception amongst media, civil society and other stakeholders

6. It has been possible to initiate these changes due to very strong political commitment from both the Government and the opposition parties. Next year when we have finalized our new building equipped with modern infrastructure in Islamabad we will have all the three statistical organizations viz FBS, ACO and

PCO under one roof, we expect that the performance of the organization will also benefit from the fact that it is not scattered over various premises any more.

7. But while at the institutional level we merge and centralize, we go in opposite direction in modernizing workflow and organizational performance. With the help of donors we have entered into decentralizing data entry in our field organization. In order to cope with the above mentioned problems of poor infrastructure and illiteracy in remote areas we have strengthened and modernized 35 regional offices. All of these offices have now been equipped with computers. They now enter the data and simultaneously check them, and they transmit the files via electronic media to our data processing centre. Formerly the questionnaires had been sent as paper sheets. This was a big leap ahead. We started with price statistics and have now expanded decentralized data entry by and by to other surveys, also. We plan to develop institutional intranet to facilitate real time transmission of data for further processing at our data processing centres.

8. All institutional and structural changes and all achievements in the performance of work need human resources which are able to promote this change in a sustainable way. So, capacity building plays a major role in our efforts. In Pakistan we fortunately got several donors to help us in providing training and to adequately equip our staff with required qualification. Training, in my view, is the centre piece to the multi-dimensional process of modernizing and restructuring a statistical organization. In view of low wages it is difficult to attract top quality youth from the labour market. You normally have to rely on the staff which is given to your institution and to increase their skills is crucial. We improve and enhance training in two ways. We have established Training Institute as an integral part of the Federal Bureau of Statistics which is providing more and more courses not only for internal staff but for participants of related institutions like statistical offices of the provinces, government departments, State Bank or associations and the like, also. Secondly, we send persons abroad to attend courses which are offered by SIAP of UNESCAP, by the IMF, the Asian Development Bank, the World Bank and many more. A program has also been launched to send bright youth to Universities abroad for postgraduate education.

9. Another object of possible modernization and improvement is, of course, our statistical program. As an effective institution we are not only modernizing our inputs – this is the traditional way of steering public entities – but also have to look at our outputs or, better to say, our outcome. For a statistical office this means to meet expanding data requirements of a rapidly growing economy which are up-to-date, timely and reliable in a transparent manner according to international standards and methodologies. The period of rebasing of indices and national accounts is also being reduced by undertaking regular surveys in major segments of economy. Regular annual surveys are being conducted on socio-economic sectors for monitoring implementation of MDGs. For professional standardization and credibility, our survey reports are reviewed and validated

from international experts in addition to monitoring and review by technical committees comprising of experts. In Pakistan we have to provide results in deep regional structure. In the spirit of promoting public-private partnership a joint report on Health Indicators has been compiled in collaboration with an NGO. Like many other countries, we are a federal state and our provinces have their own statistical agencies. But the provinces of Pakistan are not in a position to entertain deep and broad regional statistics. It is the federal office which is mainly doing this job. This has the advantage that regional statistics are harmonized and reconciled with the national results. However important plans are under implementation to strengthen their capacity. In Pakistan we meanwhile are improving our mouza-statistics which means that we provide a predetermined set of variables for each village in same content and same format. Thus, statistics supports processes of regional allocation of tax burden, of funds, of social benefits, of infrastructure investment. It also supports political processes of devolution.

10. The aforementioned problems with outdated frames and lack of directories, we presently try to tackle by installing a statistical business register for Pakistan through public-private partnership. This register will be established through coordination of data entries of different state departments viz taxation department, SECP, labour departments etc. try to unify the various directories which are available to us. We put them in a special format and intend to update this register regularly and within short time. This means we exploit all secondary sources and we involve a lot of different parties of the public as well as of the private sector in our attempts to improve things. We will open the results of the register for public use as far as the data of the register are classified as non-confidential. All this will hopefully create some perception of “ownership” with the concerned ministries, semi-public organizations, associations, chambers of commerce and the like. Statistics should more and more be perceived as a joint product of public and private partners. Our above mentioned problems with no or bad response might then be mitigated. But we have to make sure that involving secondary sources, and especially taxation and customs authorities, is a one way exercise not allowing confidential statistical data to be sent to the fiscal bodies. Dealing with secondary fiscal sources, of course, is a sensitive issue. We are also undertaking the exercise of setting up a modern health accounting system.

11. So far, ladies and gentlemen, I have tackled some Pakistan-related projects and plans. I confess that I am proud of them as I have launched and promoted most of these initiatives. I am deeply convinced that we are marching in the right direction. But I am also convinced that a lot of developing countries undertake similar efforts. So, I hope that our way to move forward is of interest for you, also. Let me finally mention some more general aspects, not so much related to my country alone.

12. Some ten years ago the then new government of Tony Blair in the UK published a so-called White Paper “Statistics: a matter of trust”. Trustworthy,

credible statistics, ladies and gentlemen, is most of all an issue for the civil society of a country. We should strive for autonomy of official statistics. In Pakistan we have intensified contacts to the media. This has helped to improve the public perception of statistics and its producers as such. This might also contribute to enrich a moderate and facts-oriented public discourse of political issues and to promote modern thinking as, for example, in gender issues. Effects in same direction have been generated by guest lectures by me and other staff of statistics at various forums including universities in order to involve the society at large in the process of data collection on vital issues..

13. Not only a matter of trust but also a matter of mutual benefit is involving of stakeholders of the public as well as of the private sector into the planning and the performance and the results of official statistics is in my view a must especially for developing countries. In Pakistan we have various technical committees and users councils. These groups incorporate a lot of institutions and persons and may at first glance be deemed oversized. But they are necessary to get the consent and for some crucial decision even the approval of various parts of the government of the provinces of statistics-related institutes and organizations and – last but not the least – of the civil society as a whole.

14. Modernization of statistical offices, of their infrastructure, their performance and their output primarily means to have more funds. Additional funds may accrue from their own economic activities, from government funds or from grants of international development aid. Own economic activities such as selling publications and the like is not significant. I am told that this is also the case for statistical offices in developed countries. And solicitation of public funds for official statistics is difficult in industrialized countries as well as in developing ones. Unfortunately all over the world, official statistics suffer from disregard and from lack of funds. This is at least my overall perception from various international meetings of statisticians.

15. For the developing countries grants from donor organizations can be a way out. Pakistan, as well as many other developing countries, benefits a lot from them. Last year Statistics Division of Pakistan, for example, got significant international aid but grants from donors vary based on their own financial and investment projects which are related to their own objectives which may not be according to the specific requirements of an NSOs. Moreover, it is not an easy job to acquire grants from donors and it is even a tougher job to promote coordination between them.

16. Nevertheless, I am very grateful to all organizations which have helped us. And in my view support to statistics is a good proposal to countries which are willing to enter into development aid or which are willing to extend it. Good official statistics by their very nature have to be neutral vis-à-vis politics. Statistics contribute to transparency, they enable analysis and thus they contribute to good governance.

17. Last but not the least, I should mention that especially for small or poor countries and it is a great help to submit to internationally agreed standards concepts, methods and classifications. Even if they did not give many inputs due to scarce resources they, nevertheless, harvest what a lot of countries who are better off have already contributed. But my recommendation for developing countries is to give inputs to international agreements, also. The benefit would be a mutual one as given inputs ensures participation and, most important, learning from others. Pakistan is aware of the importance of international commitments and comparability. It is more and more requested to fulfill or to approach international standards of statistics as, for example, the System of National Accounts. Pakistan will increasingly fill its place on the international landscape of statistics. For any country in the world, the contacts to international bodies and the participation in their statistical activities is essential for steering the performance, the harmonization and the modernization of official statistics.

18. Ladies and gentlemen, when it comes to international cooperation in statistics, we also have to consider declarations and ideas which have been outlined under the umbrella of the MDG – commitments. The Paris 21 Consortium’s goal is to develop a culture of evidence-based policy making and implementation which serves to improve governance and government effectiveness in reducing poverty and achieving the Millennium Development Goals (MDGs). Its purpose is: greater demand, availability, and use of better statistics and statistical analysis in national, international, and civil society decision-making. This initiative shows that the international community is aware that we have to improve official statistics in the developing countries and that official statistics is an important factor for achieving the MDGs.

19. Before I conclude let me suggest the following for improving the quality of statistical data collection in the developing world:-

- i) Capacity building of statisticians be accorded highest priority by strengthening and coordinating with both national and interregional training centres. Pakistan can share its experiences with the regional countries apart from offering its training institute as a regional training centre. A statistical capacity building fund be created under the auspices of UNSD to fund such programmes.
- ii) Under the Marakkish Declaration, countries are required to undertake strategic plans for modernizing their NSOs. However there is a long way to go in this direction. International support is required to provide knowhow and guidance in this regard. Paris21, ESCAP and UNSD need to play an active role by undertaking seminars and symposias at international and regional levels in this regard.
- iii) Developing countries need to be involved actively in the various technical groups on international statistical standards in order to

bridge the current gap in implementation of these standards between the developed and the underdeveloped groups of countries.

- iv) International financial institutions should rely on data generated by NSOs rather than indulging in self-imputation of data to develop capacity of NSOs. To meet the cherished goals, there is a need for appraisal both nationally and internationally. Strong database in each country can help in this regard through effective monitoring and appraisal. International community must build strong NSOs to achieve these objectives.
- v) Data collection need to be followed by strong analysis by respective functional arms of the Governments for policy formulation but this is generally not undertaken. Donors need to give due importance to the issue.

Ladies and Gentleman we are all citizens of the global village, different hues of one civilization and flowers of the beautiful bouquet of human race. Dispersal of knowledge leads to better understanding within and without in the overall international scenario leading to a better world. Statistical facts are the best source of truth and knowledge. We must strive in this direction.

Thank you