

# Miscellany

## **Coordination of technical assistance in statistics to the countries of the former Soviet Union**

### *Introduction*

The rapidly growing market orientation of the countries of the former Soviet Union (FSU) in the past two years has generated vast technical assistance needs requiring an unprecedented effort by all donors, both with respect to the scale of technical assistance activity and the speed of response. In the area of statistics, the large number of prospective donors, comprising both international organizations and national statistical agencies, has required a major effort of coordination to ensure an appropriate level and composition of technical assistance that meets the needs of the FSU countries.

In November 1991, following consultations by the Managing Director of the International Monetary Fund (IMF) with the chief executives of the United Nations (UN), the European Community (EC), the Organization for Economic Cooperation and Development (OECD), and the World Bank, agreement was reached to establish an interagency body chaired by Mr. Jean Ripert, a former Director-General of INSEE and former Assistant Secretary-General of the UN, to coordinate technical assistance in statistics provided to countries of the FSU. This forum, the Steering Committee on Coordination of Technical Assistance in Statistics to Countries of the Former Soviet Union (the Steering Committee), is comprised of representatives of the statistical agencies of the following organizations: EC (EUROSTAT), Food and Agriculture Organization (FAO), International Labor Office (ILO), IMF, OECD, UN (UNSTAT), and Statistical Division of the UN Economic Commission for Europe (ECE), World Bank, and European Bank for Reconstruction and Development (EBRD). Administrative and logistical support is being provided by the IMF.

The Steering Committee has followed a two-track approach to setting objectives for its work in coordinating technical assistance, focusing on institution building for the redevelopment of statistical systems and on more immediate objectives in support of policy advice. In pursuit of these objectives, it has held five meetings to date (March, June, and November 1992, January and June 1993). The meetings have aimed at:

- (1) developing a process to keep member organizations informed of each other's technical and training activities in FSU countries;
- (2) identifying subject areas in which organizations are willing to play an active role in the provision of training and assistance;

- (3) exchanging views on how best to coordinate the provision of statistical training and assistance between international and national statistical agencies;
- (4) reviewing avenues for the promotion of statistical legislation that will serve the needs of the move to a market economy;
- (5) assessing ways in which needs for computer and related equipment might be met; and,
- (6) developing a data base that would include available information on technical assistance in statistics and training.

The Steering Committee recognized at the outset that the activities of the international organizations would need to be closely coordinated with those of national statistical agencies, given that a number of those agencies have begun to undertake technical assistance in statistics to FSU countries on a bilateral basis.

Overall, the coordination process has worked well and has justified both the initial selection of subjects, the prominent role of international organizations in the delivery of technical assistance, and the development of the concept of focal point organizations (defined in section 3 of this paper). With regard to national statistical agencies, there has been only a limited number thus far of independent bilateral technical assistance programs. Many of the major bilateral donors have integrated their programs with those of the international organizations. Initial concerns that this approach might lead to a lack of focus have not been borne out, and the resulting emphasis on institution building and the prioritization of work plans in macro-economic statistics has been broadly appropriate.

#### *Coordination with recipient countries*

The member organizations of the Steering Committee have already developed close ties with statistical agencies in FSU countries. In July 1992, the Steering Committee organized a mission to the Russian Federation, the Ukraine, and Kazakhstan, led by Mr. Ripert, to discuss how statistical assistance might best be coordinated to meet local needs. During the course of this mission, it became increasingly evident that the statistical authorities of the FSU countries, in order to facilitate the adoption of international standards, were interested not only in the methodologies that international organizations have developed but also in the practical implementation of these methodologies by national statistical agencies. Strong interest was also expressed in the organization of statistical work in industrialized countries and in statistical training initiatives launched by several national organizations.

Subsequently, some member organizations of the Steering Committee held meetings with representatives of FSU countries within the statistical areas of each organization's concern, both in the context of developing their own technical assistance programs and in connection with their responsibilities as a focal point organization.

*Development of focal point responsibilities*

The Steering Committee agreed to designate *focal point organizations* as a means of facilitating the coordination of technical assistance in key areas of statistics. As specified by the Steering Committee, focal point organizations are appointed to collect information on the actual and planned activities of all donors in each organization's designated focal point area (as shown in the Appendix) and to identify, with the assistance of the recipient countries, issues of technical assistance and cooperation that need to be addressed. This information is stored in the database established by the Steering Committee. Focal point organizations also assess, in relation to the needs of FSU countries, the compatibility of these activities between donors. In order to put the planned technical assistance activities in each FSU country into perspective, account is taken of the absorptive capacity and related issues in each FSU country. As a result of this process, focal point organizations are able to identify the statistical cooperation needs still to be met and to inform the recipient countries of the scope for multilateral and bilateral cooperation.

Through the collective reports of all the focal point organizations, the Steering Committee, assisted by the Secretariat, has been able to assess the status of activities and statistical issues in each of the FSU countries.

*Technical assistance by bilateral donors*

In December 1992, the Chairman of the Steering Committee wrote to national statistical agencies of the industrial countries and some of the advanced developing countries – 28 in number – most likely to contribute to the objectives of the Committee, setting forth the coordination objectives of the Steering Committee. Similar letters were sent to several regional development banks. Early in 1993, the Chairman visited statistical agencies in the United States, Canada, the United Kingdom, Germany, France, the Netherlands, and Sweden.

In addition, several focal point organizations have held meetings within their areas of concern to brief interested donors on the statistical issues in these areas in FSU countries, to determine the needs of donors in these areas, and to determine the availability of resources and finance for technical assistance. Specifically, meetings of this type were organized by the OECD for national accounts statistics and by the IMF for balance of payments statistics.

Since then, national statistical offices in donor countries have contributed technical expertise and finance to the technical assistance programs developed by members of the Steering Committee, while some have developed bilateral technical assistance programs aimed mainly at institutional development for targeted countries. Many of the national statistical offices in donor countries have been assisted in this endeavor by central banks. A number of bilateral donors have also taken the view that their programs of assistance should concentrate on one country and should focus on the institution-building objective across as broad a front as possible.

Within these programs of assistance developed by bilateral donors the scale of

activity to date has been limited, reflecting in part the expanding role of the organizations participating in the Steering Committee. To ensure the maximum involvement by bilateral donors, the international organizations have taken into account in their planning/coordination efforts the special bilateral interests of donor countries. More generally, the technical assistance programs developed by international organizations have already drawn heavily on technical resources provided by the more active bilateral agencies. This has proven to be an effective cooperative arrangement under which an international organization, as lead agency in a technical assistance project, has been able to assemble a range of qualified individuals from other national as well as international agencies.

#### *Technical assistance by international organizations*

The following summaries elaborate on the current technical assistance programs of some of the member organizations of the Steering Committee in providing and coordinating technical assistance to FSU countries.

*EUROSTAT* has concentrated much of its effort to date on missions of high-level advisors and a series of technical seminars and pilot training courses, to be followed by an integrated program of assistance and training. The main components of the program (TACIS) are institution building (support and assistance for top management), technical assistance (seminars and operational programs to establish work plans in recipient countries), and training of trainers. Although *EUROSTAT* has concentrated its activities to date in three focal areas – foreign trade, enterprise statistics, and business registers – its intention is to design the general framework for the entire statistical system and to require monitoring of the overall situation in each recipient country. Steering groups provide coordination with members of the EC, and sectoral working groups for each focal point provide coordination with other international and bilateral organizations. *EUROSTAT* relies on visits by high-level advisors and general consultants to the 12 republics to provide the necessary guidance and coordination.

By the first half of 1993, *EUROSTAT* completed technical seminars on European statistical classifications, business registers, foreign trade statistics, price statistics (in cooperation with the IMF), national accounts (in Moscow, in cooperation with the OECD), and training courses in enterprise statistics.

In addition, high-level meetings were held with representatives of the FSU countries in December 1992 and March 1993 with the objective of informing top management of FSU statistical offices about the challenges related to the rebuilding of statistical systems, the prospects for and priorities of international cooperation, and the establishment of the structure of *EUROSTAT*'s statistical cooperation program. This program has been developed along three independent axes: assistance in institution building, technical assistance, and training. The institution building segment has focused on strategic issues, including the establishment of viable statistical systems by 1995–96, and the technical assistance segment has focused on the collection, processing, and dissemination of external trade and business indicators. The training program comprises short- and medium-term courses in *EUROSTAT*'s focal areas and other priority fields of statistics.

Technical assistance by EUROSTAT to the Baltic republics is financed out of EUROSTAT's PHARE program. This program commenced in May 1992 and has proceeded rapidly. A key feature was the appointment by EFTA of country and project coordinators for each recipient country. The program includes seminars, study visits and consultancies, computer equipment, and finance for attendance at international meetings. The seminars cover all the main areas of economic and social statistics, including national accounts, prices, agriculture, finance, and labor force statistics.

The *ILO* program gives priority to the areas of employment and wage rate and earnings statistics and comprises regional seminars, general advisory missions to develop labor market information systems, technical assistance in the design and conduct of sample labor force surveys (including the training of supervisors), and the attachment of staff of FSU statistical offices to statistical offices abroad. The ILO has also provided technical assistance in consumer prices and in the development of occupational classifications. The ILO's priorities are, firstly, to introduce sample labor force surveys, secondly, to introduce sample labor cost/wage surveys, and, thirdly, to introduce occupation/employment classification surveys.

The *IMF* has directed a large part of its technical assistance effort to on-site assistance (missions) and to an expanded program of training courses. The missions, following an assessment of institutional arrangements and needs in the transition period and beyond, are designed to establish work plans for recipient institutions, primarily in the areas of balance of payments, money and banking, government finance, external trade, prices, and national accounts. These work plans have followed two tracks, one to develop a macroeconomic database, oriented towards the needs of policy in the short term, and the other to assist the IMF's new members of the FSU in establishing over the medium term statistical systems that conform with international guidelines. In order to improve the implementation and monitoring of these work plans, the IMF intends to establish resident statistical advisors in some of the FSU countries.

The IMF's commitment to the provision of technical assistance missions in statistics to FSU countries rose sharply from about four staff in 1991/92 to sixteen staff in 1992/93, reflecting an enhanced allocation of resources earmarked for technical assistance in statistics to FSU countries. In 1992/93, the FSU absorbed about two thirds of total technical assistance provided by the Statistics Department. A similar scale of effort is expected in 1993/94.

In support of its technical assistance program, the IMF is also offering training courses on statistical methodology and compilation methods at both its Institute in Washington and the newly established Joint Vienna Institute, a special facility established by several international organizations to serve the training needs of transitional countries. The Joint Vienna Institute has courses scheduled in 1993 for balance of payments, money and banking, and government finance statistics; a course on macroeconomic statistics for transition economies is being designed.

The *OECD* program comprises a combination of conferences, seminars, and operational programs to establish work plans in recipient countries, for which a significant increase in resources has recently been allocated. The OECD has given

priority to the completion, within a twelve-month period in most of the FSU countries, of basic national accounts tables (GDP by main industries and expenditure in current and constant prices), short-term indicators, purchasing power parities, and related price statistics. In all of these statistical areas, the OECD is conducting a series of technical assistance missions to individual FSU countries to help establish work plans for the national statistical offices. In national accounts, this will build on the work, recently completed with the assistance of the Statistical Committee of the CIS, of developing national accounts for the Russian Federation. In addition, a program to establish business tendency surveys is being established jointly with EUROSTAT.

By the first half of 1993, the OECD completed technical seminars on statistics for a market economy, price statistics for the Baltic countries, and Belarus, statistics for the Asian republics, national accounts (Moscow, jointly with EUROSTAT), and business tendencies (jointly with EUROSTAT). The OECD will be conducting seminars on SNA for transition economies and constant price national accounts later in the year.

The *World Bank* is currently negotiating for a number of FSU countries, Institution Building Technical Assistance loans, all of which have a statistical component that includes the design and implementation of integrated household surveys and the provision of computer equipment in statistical offices. In addition, the IBRD has initiated a number of projects in the area of external debt statistics.

#### *Development of a database*

In December 1992, the Steering Committee decided to develop a database for technical assistance in statistics to FSU countries, drawing on the experience of the development of the database maintained by EUROSTAT on behalf of the Inter Secretariat Working Group on Technical Assistance in Statistics to the countries of Central and Eastern Europe and the development of the register of the OECD's Center for Cooperation with European Economies in Transition (CCEET). The database maintained by the Steering Committee, which will also serve as a subsidiary database for the OECD Register, has the following objectives:

- (1) to coordinate the technical assistance activities and plans of members of the Steering Committee and bilateral agencies;
- (2) to identify duplication and gaps in the provision of technical assistance; and,
- (3) to provide focal point organizations with a basis for establishing technical assistance programs with both recipient countries and potential donors.

#### *Future work of the Steering Committee*

The future work of the Steering Committee is expected to focus on the evolving role of focal point organizations, on developing relations with recipient countries and prospective donors, and on facilitating the provision of computer hardware and software in support of the programs that have been developed. Over the past year, there has been a growing realization in FSU countries of both their policy

needs and statistical priorities, which has been accompanied by an expansion in technical assistance. At the same time, statistical programs in FSU countries have reached a stage where a major effort is required by their statistical agencies and other government bodies involved. As the number of active projects and involved donor agencies grows, and as experience accumulates, the need for effective coordination to ensure that the benefits from this experience are shared, that overlap and duplication are avoided, and that a focus for providing further technical assistance is provided, is likely to increase.

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## Appendix

### Steering Committee on the coordination of technical assistance in statistics to the countries of the former Soviet Union

#### *Indicative list of areas of technical assistance*

	ORGANIZATIONS		
	Major Areas of Interest	Other	Focal Point
I. <i>Statistical Topics</i>			
1. National Accounts	IBRD UNSTAT OECD IMF EBRD ESCAP <sup>1</sup>	EUROSTAT	OECD
2. Agriculture, Livestock, Forestry, Fisheries	FAO	ECE	FAO
3. Household and Living Standard Surveys	UNSTAT, IBRD		IBRD
4. Prices			
Consumer	IMF	OECD, ILO, EUROSTAT	IMF
Producer	OECD/IMF		OECD
Foreign Trade	OECD/IMF		EUROSTAT
International Comparison (ICP) and PPP's	UNSTAT, OECD	EUROSTAT, EUROSTAT, IBRD, ECE	OECD
5. Money and Banking, Other Financial Flows	IMF		IMF
6. Government Finance: Revenue, Expenditure, Financing, and Public Enterprises	IMF		IMF

ORGANIZATIONS			
	Major Areas of Interest	Other	Focal Point
7. Balance of Payments External Debt	IMF IBRD	IMF	IMF IBRD
8. Foreign Trade Statistics	IMF, EUROSTAT	UNSTAT IBRD	EUROSTAT
9. Short-term Economic Indicators (including business and consumer opinion surveys, capacity utilization, etc.)	OECD	IMF, EUROSTAT	OECD
10. Demographic and Social Statistics	UNSTAT	UNSTAT	UNSTAT
11. Labor Force Statistics:			
Employment and Unemployment	ILO	IBRD	ILO
Wages and Salaries	ILO	ILO	ILO
12. Education	UNESCO		UNESCO
13. Health	WHO		WHO
14. Environment	ECE	UNSTAT	ECE
15. Energy	OECD/IEA	UNSTAT ECE	OECD/IEA
16. Enterprise Statistics	EUROSTAT		EUROSTAT
II. <i>Infrastructural and General Issues</i>			
1. Legal Foundation		UNSTAT IMF	
2. Statistical Organization	UNSTAT, IBRD, EUROSTAT ESCAP <sup>1</sup>	IMF	UNSTAT
3. Business Registers	EUROSTAT		EUROSTAT
4. Classifications	UNSTAT EUROSTAT	ILO	UNSTAT
5. Accounting Methods Banking	IMF		IMF
6. Administrative Records Statistical Byproducts		UNSTAT	
7. Census and Survey Methods			
Sampling	FAO, UNSTAT		
Questionnaire Design		OECD, ILO, UNSTAT	
Interviewing Techniques			
8. Data Processing, Storage and Communications	UNSTAT	IBRD, ECE	
9. Dissemination		IBRD, UNSTAT	
10. Training	IMF, UNSTAT, EUROSTAT	ILO	

<sup>1</sup>In area of regional interest only.