Economic and Statistical Observatory for sub-Saharan Africa

United Nations Department of Economic and Social Affairs

United Nations Development Programme

REFERENCE FRAMEWORK AND COMMON MINIMUM METHODOLOGICAL GUIDELINES FOR DESIGNING A PRSP AND MDG INFORMATION TRACKING SYSTEM

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Contents

Acronyms and abbreviations

AFRISTAT	Economic and Statistical Observatory for sub-Saharan Africa
AIDS	Acquired Immune Deficiency Syndrome
BCG	Bacille de Calmette et Guérin
CAD	Development Assistance Committee of the OECD
CFC	Chlorofluorocarbons
CWIQ	Core Welfare Indicators Questionnaire
DIAL	Développement, Institutions et Analyses de long terme
DTaP3	Diphtheria, Tetanus and Pertussis 3rd dose
ERE/TES	Equilibre ressources-emplois / Tableau entrées-sorties
GDDS	General Data Dissemination System
GDP	Gross Domestic Product
GPHS	General Population and Housing Census
HIPC	Heavily Indebted Poor Country
HIV	Human immunodeficiency virus
IDEA	Institut de développement en économie et en administration
IMF	International Monetary Fund
LDC	Least Developed Countries
MDG	Millennium Development Goals
MICS	Multiple Indicator Cluster Sample Survey
MTEF	Medium-term Expenditure Framework
NHDR	National Human Development Report
NIS	National Institute of Statistics
NSC	National Statistical Council
NSDS	National Statistical Development Strategy
NSS	National Statistical System
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
PHS	Population and Health Survey
PPP	Policies, programmes and projects
PPPa	Purchasing Power Parity
PRIS	Poverty reduction information system
PRS	Poverty Reduction Strategy
PRSP	Poverty Reduction Strategy Paper
SHLC	Survey on household living conditions
SMART	Specific, measurable, attainable, realistic, time-bound
SMO	Specifically Measurable Objectives
SNA93	1993 System of National Accounts
UNDESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme

FOREWORD

This document outlines a complete framework for designing a PRSP and MDG information monitoring and evaluation tracking system. Monitoring and evaluation are two indispensable yet complementary management tools used in identifying and gauging the performance of projects, programmes or policies through: i) evaluation and adjustment of strategies and activities; ii) accountability to stakeholders, clients, taxpayers, public opinion, etc.; iii) identification and sharing of best practices and lessons learnt and iv) programming of new actions and strategies.

They are two distinct yet complementary approaches driven by timely production as well as by consistent and organized collection and analysis of statistical information. The structured approach to information systems emerges as a new methodological challenge in statistical production.

PRSP and MDG information monitoring and evaluation tracking systems are central to AFRISTAT activities. The target is to address ever-increasing requests from the member states in respect of developing operational information monitoring and evaluation tracking systems for poverty reduction strategies in sub-Saharan African countries.

It is in this context that the United Nations Department of Economic and Social Affairs (UNDESA) and UNDP, in collaboration with AFRISTAT, launched a PRSP and Millennium Development Indicator monitoring support programme for the purpose of developing appropriate, coherent, comparative and efficient information systems in beneficiary States. To achieve this objective, AFRISTAT has designed a Reference Framework and common minimum methodological guidelines for designing PRSP and MDG information tracking systems.

The proposed Reference Framework and Common Minimum Methodological Guidelines (REFCOMG) for designing PRSP and MDG information tracking systems were prepared after a long brainstorming process.

The proposals contained in this document were presented and validated during a workshop gathering representatives from a score of sub-Saharan African countries, UNDESA, UNDP, PARIS21, PARSEP and AFRISTAT experts. The AFRISTAT Scientific Board also made invaluable contributions to these proposals.

The Management of AFRISTAT would like to express gratitude to all those who contributed to the finalization of this document. Special appreciation goes to UNDESA, UNDP, and DIAL for the quality of their contributions on information systems. Management would also like to thank Jacques Loup, former deputy director of the UNDP Africa Regional Office who employed his experience to improve and organize this document.

The Director General of AFRISTAT

Martin BALEPA

SUMMARY

Since the launching of the HIPC Initiative by the Bretton Woods Institutions, several States have embarked on the formulation of PRSPs. On the strength of successive reviews, it has been clearly established that the monitoring and evaluation system of these strategies are a core issue that deserve special consideration. There was an urgent need to establish coherent and efficient information systems with a view to facilitating result-based management.

Need for a new approach
The "information system" approach builds on various country experiences on data production. It should be thoroughly analysed to comply with the strategic thrusts of each country or group of countries.

The *structured information system* approach constitutes a new methodological challenge for the production of statistics. The concepts and objectives, which are applicable to PRS as well, would specifically seek:

- to develop an *integrated* framework for *coordinating* requests (and data) and proposing applications that meet the needs of current and potential users/decision-makers;
- to design current and future information structures while building on country achievements and opportunities;
- to preserve the simplicity and efficiency of the system by profiling potential interferences to subsystems that may be identified;
- to back such changes with a communication policy reflection between the appropriate stakeholders for the purpose of achieving *sound information flow*;
- to consider particular factors which, in the case of poor African countries, typically relate to lack of human and financial resources.

Gradual and iterative approach based on continuous learning
Depending on the planned structure, requisite changes will be more or less difficult to achieve, expensive and seldom optimal at the initial stage (the process is basically iterative). The political (commitment of decision-makers) and technical (qualified human resources) dimensions will make all the difference. The daunting nature of the challenges vindicates the need for a methodology that recapitulates requisite resources and determines the scope of interventions as well as covers the full range of information needs.

AFRISTAT identified four dimensions and three sub-systems for implementing an operational Poverty Reduction Information System (PRIS).

The dimensions include:

i.   Human resource dimension: the aim is to mobilise technicians and promote an operational capacity-building programme in the context of scarce qualified human resources. First, it is necessary to envisage a multiple role (from basic data collection to the final validation of analysed findings) for statistical or administrative services involved in PRS/MDG monitoring and evaluation. Second, there is a need to specialize the various structures.

ii. Institutional dimension: it entails coordinating a network of institutional players to ensure "optimal" information flows. Issues related to short and medium-term financing of the system should be handled at this level to ensure sustainability of tools developed. These activities should be initiated by a coordination unit like the National Statistical Council with the support and approval of national authorities.

iii. Spatial dimension: it outlines the "specifications" of the information system (database on poverty) which should specify the data to be collected and organization of information for each of the priority sectors, sensitive geographic zones, type of population, etc. as well as appropriate disaggregation levels.

iv. Temporal dimension: policies implemented under PRS target the most vulnerable segments of the population. It is therefore necessary to ensure that they have actually benefited from the implemented policies. It seeks to put in place an impact assessment system of actions. The underlying rationale of this fourth dimension relates to accountability and gauging the pace of reform in respect of set objectives. This implies periodic production of progress reports to be circulated to all stakeholders, including any feedbacks from them.

The three information subsystems have the following objectives:

I. Poverty and household living conditions tracking sub-system: it involves systematic production of household living condition indicators and/or basic information on each priority area identified in PRS/MDG. It mainly reports findings and impact indicators based on approaches to monetary poverty, basic needs poverty, capacity or opportunity poverty and poverty by social exclusion.

II. PRSP/PRSF programme and project implementation tracking subsystem: It mainly deals with input and output indicators of concrete and financial outcomes to be compiled at central and local levels based on Medium-term Expenditure Frameworks (MTEF) and programmes budgeting system to be prepared by the Ministry of Economy and Finance.

III. Policy or programme impact assessment sub-system: these are mostly specific studies. These studies have a more limited scope and seek to determine if actions directed at target groups actually produced the expected results. This last sub-system ensures coherence between the first two and fits properly into the PRSP/PRSF reform process.

The link between the three sub-systems stems from the logical matrix programme or project outcomes.

Methodological guidelines for attaining set objectives
To attain economic policy tracking objectives and enhance accountability, PRSPs address issues pertaining to requisite information systems and monitoring and evaluation or PRIS. PRIS further outline a list of indicators and a number of statistical operations to be used in designing the selected indicators. The specific objectives of the PRIS include inter alia (i) enhancing knowledge on the concept of poverty, (ii) achieving harmonization, consistency and coordination of systems of data collection, processing, analysis and dissemination at all levels, (iii) adopting core indicators to accurately measure progress made in the area of poverty reduction and human development, (iv) gauging outcomes, effects and impact of interventions periodically, (v) easing access by all stakeholders to reliable information, (vi) strengthening the monitoring and evaluation capacities of national bodies.

An appraisal of the strategic areas outlined in PRSP/PRSF reveals that there is hardly any consensus on this issue and it is worth clarifying the key dimensions in respect of:

- the scope of interventions (macroeconomics, health, education, governance, rural development, housing, employment, etc.);
- the scope of objectively verifiable indicators (input, products, outcomes, impact);
- the reference values (starting point) of selected indicators and their sources;
- the level of specifically measurable objectives (SMO) and available budget data details (appropriate classification of purposes) ;
- the scope of expected results, stating the type of analyses and defining the institution;
- the timelines for achieving expected results and resources to be mobilized to meet such timelines.

Consideration of four dimensions: this is based on the preliminary audit of the existing information system in each country according to various dimensions.

Furthermore, an evaluation of NIS and/or NSS in countries with a functional PRSP/MDG monitoring and evaluation information system will engender new guidelines. The definition of indicators, core component of the information system, must be implemented in a realistic manner. To this end, the practical country-specific approach should take precedence over theory.

Synergy and links between the three information sub-systems: The aim is to develop a single information system fed by all stakeholders, which implies identifying levels of information duplication by sorting out redundant or otherwise complementary activities.

Indicators should be defined using a methodological approach that ensures their relevance to PRSP targets and objectives and that includes available human, material and financial resources. About forty indicators based on objective criteria (rated as relevant, observable and operational) are sufficient.

The following steps are necessary to build an adequate set of indicators:

i.   naming and defining the indicator clearly. SMOs are a key element in this process;
ii.   identifying the reference framework: outside PRSP and SMO, other frameworks of agreement with bilateral and multilateral partners may be listed;
iii.   indicating the type of indicators (input, process, product, outcome, impact) and their designing method;
iv.   listing sources that clearly indicate the timelines.

It is advisable to present monitoring indicators in tables. This can be done according to fields of intervention (health, education, employment, macroeconomics, rural development, etc.), or strategic component. It provides the requisite consistency for establishing an information system.

The role of the National Institute of Statistics (NIS) is vital in defining the core components of the information system (sample frames and data validation process, for instance). The issue of the mandate and role of NIS to afford support to PRS strategies should be clearly raised, including defining new roles with PRSP/PRSF units, poverty observatories, research centres, etc.

Operationalizing PRIS falls in line with the process to design and implement a National Statistics Development Strategy (NSDS). In the coming years, AFRISTAT is expected to gear its interventions towards these aspects to first, consolidate the gains of PROSMIC, and second, to support countries in taking full ownership of various PRIS components. This will certainly revitalize national statistical systems and strengthen technical and management capacities.

I. General introduction

I.1 Background

The PRSP, a new approach for heavily indebted poor countries
Since the launching of the enhanced initiative for heavily indebted poor countries (HIPC) by the World Bank and International Monetary Fund (IMF) in 1999, many States have embarked on preparing PRSPs. These documents aim to outline strategies and actions envisaged for implementation by these States with a view to reducing poverty.

Poverty monitoring and evaluation: a major concern expressed by PRSPs
In end-2001, some development partners, notably the World Bank and IMF, conducted preliminary reviews on PRSP formulation and implementation. The reviews mainly established that the system of monitoring and evaluating strategies is a key component that deserves special consideration in the coming years. This fact was reasserted by many African countries which, in conferences and seminars,[1] drummed support for the establishment of PRSP and MDG monitoring and evaluation systems through the reorganization of existing information systems,.

Observatories, tools for enhancing statistical information, on condition that…
On the strength of these findings, development partners, notably the UNDP, embarked on developing databases and putting in place poverty and human development observatories. There is a prior intermediate phase that seeks to cross check data quality, ensure data comparativeness and harmonization. Observatories were set up in number of countries (Benin, Burkina, Mali, Mauritania, Rwanda and Senegal) to use existing information for the sake of improved poverty reduction strategy monitoring and evaluation and assessment of sustainable human development trends at country level, in keeping with commitments made by States at the Millennium Summit in September 2000. There is a need to review the pioneer poverty observatories before replicating the experience to other countries. In this regard, the review should thoroughly analyse the objectives assigned to these bodies, their institutional scope and sustainability requirements.

A daunting challenge amid numerous constraints
However, these initiatives have prompted overwhelmingly huge statistical requests demands, without giving consideration to the human and financial resources constraints in national statistical systems (NSS). This explains the huge delays in publishing survey findings as well as poverty indicators and profiles. These constraints have brought to bear the sustainability problems facing such information systems.

PRSP support programme and millennium development indicators: a UNDP initiative promoted by AFRISTAT

To support these initiatives in a score of Sub-Saharan Francophone African countries, the United Nations Department of Economic and Social Affairs (UNDESA) and UNDP initiated the PRSP Monitoring Support Programme and Millennium Development Indicators, in conjunction with AFRISTAT. The current situation marked on one hand by the emphasis on poverty reduction strategy monitoring and evaluation, and on the other hand, by the weakness of national statistical systems,

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[1] Forum on MDGs (Dakar, February 2003),
    PRSP Monitoring and Evaluation Seminar (Ouagadougou, February and August 2003),
    PARIS21 Workshop on the use of Statistics in Poverty Reduction and Development Policies (Dakar, January 2003).

justifies the implementation of such a programme that ultimately seeks to improve these information systems.

The objective of the PRSP Monitoring Support Programme and millennium development indicators is to build appropriate, coherent and efficient information systems in beneficiary countries with a view to responding to needs for timely production and analysis of relevant PRSP and MDG monitoring and evaluation indicators. In Sub-Saharan Francophone African countries, the programme targets national institutes of statistics, other producers from national statistical systems involved in poverty monitoring and evaluation (education, health, etc), PRSP monitoring units and poverty monitoring observatories, as appropriate.

It is worth mentioning that the programme does not replace ongoing country activities; on the contrary, it is expected to play a complementary role as a good number of multilateral and bilateral development partners already support the development of statistics and databases in many countries. The main objective of the programme is to help countries organize such initiatives in a coherent manner based on available financial and human resources.

This programme aims to address numerous requests from States on the development of operational information systems to monitor and evaluate poverty reduction strategies (PRS). The needs assessment and system design should be premised on a diagnosis of the prevailing situation that takes on board the specificities of States (caterization, constraints, needs) and maintains a pragmatic and across-the-board approach. This experience pooling approach was thoroughly analyzed in specific countries, before "moving to the operational phase".

One of the main expected outcomes of the programme is the development of a reference framework and common minimum methodological guidelines for designing a PRSP and MDG information tracking system.

Diagnosis of existing initiatives as the cornerstone of the programme approach
To achieve this objective, a review[2] was conducted on the strength of a documentary review and AFRISTAT experts reports subsequent to information system design evaluation missions fielded in ten countries[3] between February and July 2004.

The review on designing PRS and MDG information tracking systems generate the following findings:

- quasi-general lack of data recording and valuation;
- inadequate institutional coordination within NSSs;
- monitoring and evaluation systems are generally separate and complex. They make no room for spontaneous and systematic feedback from various users, especially policymakers, for the purpose of making necessary adjustments;
- links between monitoring and evaluation and budget programming are still vague;
- impact assessments that seek to match performance with development targets are solely planned, in most States, under long-term planning;
- except in a few cases, current and, to some extent, potential capacities are inadequate. The relevant institutions lack qualitative or quantitative resources to conduct monitoring;

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[2] Review on designing PRSP and MDG information tracking systems in Sub-Saharan francophone African countries.
[3] Burkina Faso, Burundi, Cap-Vert, Congo, Comores, Guinea, Mauritania, Madagascar, Chad, Togo.

- templates of annual PRS progress reports are not clearly defined and vary from one country to another. Moreover, the existing tools cannot adequately ensure timely production of various monitoring reports (National Human Development Report (NHDR), PRS Implementation Report, MDG Progress Report, etc.);
- most countries do not have capacity building plans.

I.2. Reference framework objectives

This document seeks to propose a reference framework for an enabling PRSP and MDG information tracking system, including tracking of poverty and living conditions of the population, project and programme implementation, impact assessment and data dissemination.

The specific objectives include:

- proposing components of the reference framework and methodological guidelines;
- identifying and profiling all the dimensions of the information system;
- defining criteria to gauge progress in the design of the information system;
- reviewing alternative solutions to be implemented in a consistent manner with available resources in various countries;
- formulating a strategy to operationalize the information system.

Accordingly, the document outlines major guidelines to guide States in implementing these activities in a specific and coherent framework based on available financial and human resources with a view to developing a coherent PRSP and MDG information tracking system. In this respect, the adopted strategy hinges on three central dimensions:

- participatory approach: it will be prioritized in the institutional arrangements that will be developed for monitoring indicators;
- building the capacities of States: the implementation of this process will further strengthen institutions supervising PRSP, NISs, and all stakeholders involved in the process;
- harmonization of measurement, monitoring and evaluation tools used in the collection, analysis and dissemination of socio-economic data in each country.

This document is structured as follows:

- definition and objectives of a PRSP and MDG information tracking system;
- content of a PRSP and MDG information tracking system;
- recommendations and general guidelines for implementing the reference framework.

The following elements are to be found in the annexes:

- proposed list of minimum performance and impact indicators for each area;
- definitions of proposed indicators;
- matching MDG indicators with proposed indicators;
- presentation of major statistical operations for tracking poverty and household living conditions;
- intervention areas of technical and financial partners;

- medium-term expenditure framework (MTEF);
- classification of expenditure for tracking project and programme implementation and cost assessment methods;
- main impact assessment methods.

II. Definition and objectives of a PRSP and MDG information tracking system

II.1. PRSP and MDG implementation monitoring and evaluation system

The PRSP monitoring and evaluation system seeks to fully grasp poverty variables, trends and impacts. In this respect, special consideration should be given to some criteria which are assessed collectively. These criteria include relevance, coherence, effectiveness, efficiency and sustainability. All assessments and analysis will be based on priorities retained in the PRSP of various States.

The overarching objective of PRSP monitoring and evaluation besides enhancing knowledge on living conditions of the population is to appraise the outcomes and impacts of poverty reduction strategies. This initiative aims to crystallize MDGs, to which all the States have subscribe, that lays the groundwork for a global development partnership.

The major specific objectives include:
- improving economic, financial and social data collection systems;
- achieving harmonization, coherence and coordination in data collection, processing and analysis systems as well as in the dissemination of findings;
- assessing and reporting intervention results, outcomes and impact in a timely manner;
- building the capacities of national monitoring and evaluation bodies;
- defining core relevant indicators to objectively measure progress in poverty reduction and human development efforts;
- providing reliable and complete information to all stakeholders.

To achieve this goal, it is vital to set up an information system.

II.2. Definition of an information system

An information system is defined by its components, interactions among its components and links with other systems. It may comprise several subsystems. The statistical information system is a data collection and reporting system providing information social, economic, cultural and development trends. It is a set of closely related variables and reporting procedures comprising compiled quantitative and qualitative data. It contributes to improved administration and management of political, social and economic life. It is designed to guide strategic decisions through greater visibility, scientific objectivity and efficient design and implementation.

The information system, a tool for accessing and using information
An information system is a key component of the decision-making process. Statistical information systems have two key functions: (i) production of information through database management and (ii) communication and advocacy by reporting and analyzing findings. Data compilation highlights the activities of the NSS composed of NIS and other bodies compiling sectoral statistics. Communication warrants the development of a network of producers/users and a common language that entails harmonizing concepts and methodologies, and promoting the use of information.

Structures and channels used in the production and management of consistent flows of statistical information form the architecture of the information system. This includes the hardware, data processing and institutional procedures, stakeholders network (producers and users) and data. An

information system receives data from specific sources (statistical or administrative surveys) which is converted into information or indicators, for interpretation and wide dissemination.

Information systems are manifold and varied. They are defined according to their set objectives. Examples include social information systems (education, health, employment), geographical information systems, poverty reduction information systems, etc

Objectives of a poverty reduction information system (PRIS)

The main objective of an information system is to provide information, specifically statistical information, used to understand and monitor, in a timely manner, the economic and social trends of a country. Thus, a poverty reduction information system (PRIS) enhances knowledge on the living conditions of the population and helps in gauging outcomes and the impact of poverty reduction policies in general.

More specifically, PRIS seeks to:

- improve the statistical data production system for tracking household living conditions;
- achieve the harmonization, coherence and coordination of data collection, processing, analysis and dissemination at all levels (national, regional, county, local government, etc.);
- periodically gauge policy, programme and project results, outcomes and impact;
- strengthen the monitoring and evaluation capacities of national structures;
- provide full access by all relevant stakeholders (including civil society) to information and address subsequent requests.

The medium-term objective of PRIS is to improve statistical information production and management capacity to monitor and analyze the living conditions of the population for the purpose of redefining PRS objectives.

II.3. Information system-related concepts

II.3.1. Database

A database is a collection of information and indicators organized methodically to facilitate access and use for analytical purposes. The information contained in a database is quantitative and/or qualitative. Information stems from the conversion of data into variables of relevance to decision-makers. Such data should appear as meaningful and relevant to users. Data are objective yardsticks to profile people, places, events, etc.

Raw findings are generally not useful to the lay man. However, the ensuing indicators better describe a situation. Indicators are barometers of change. They are used to review outcomes and progress. They are benchmarks for checking, decision-making, consultation and evaluation [UNDP, 1999].

The information system, common database tool

Databases are an integral part of an information system. While it is advisable for each sector (agriculture, health, education, etc.) to manage its own database, it is essential to have a single database at national level, composed of sectoral databases. This resolves inter alia the problem of multiple values for the same indicator and establishes an information management unit that underpins an efficient monitoring/evaluation system.

The United Nations promotes the development of national databases providing all requirements for preparing various documents on monitoring the living conditions of the population.

II.3.2.Stakeholders' network

A harmonized consultation framework for data producers and users
Information producers and users are stakeholders of the information system. Users include intermediate or end-users. The information system commands synergy and consistency between information needs, data, collection methods, processing methods and indicators. This entails permanent consultation of stakeholders at each level of the system design: (i) assessment and formulation of information needs, (ii) design of collection tools, (iii) development of a processing and analytical plan and, (iv) dissemination of information.

Common directories and survey frames, as well as nomenclatures and structural identifiers constitute the vital toolkit.

II.3.3. Production of a poverty reduction information system

A policy monitoring and evaluation tool
A reliable information system is characterized by the timely production of quality policy, programme and project (PPP) monitoring and evaluation documents, including accurate data to guide sound decision-making. This includes PRSP implementation and progress reports, reports on MDGs, policy, programme and project impact assessment reports, as well as revised PRSPs and national human development reports (NHDR). All these documents are inter alia *sine qua non* to social dialogue and national economic management.

PRSP implementation and progress report
The implementation report reviews measures and resources adopted or allocated by government to undertake various actions envisaged for PRS implementation. It is periodic and should become an annual publication.

MDG report
This instrument should help in raising public awareness, publicizing activities, establishing partnerships and renewing political commitments, as well as building national capacities to assess development objectives. The MDG report is basically a document on public affairs. It mainly aims to build an enabling operational environment as an incentive policymaker and stakeholder intervention[4]. It is basically an advocacy tool. It is published annually.

Policy, programme and project (PPP) impact assessment report
The policy, programme and project (PPP) impact assessment report is a thorough analytical document that seeks to identify PPP with positive impacts on the living conditions of the population. It also enables the assessment of efficiency, relevance and sustainability of poverty reduction interventions. It can therefore prompt policy shifts, better programme and project choices, institutional reforms, as well as better resource allocation. It samples target populations exclusively. Ideally, they should be published every three years to coincide with PRSP review.

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[4] UN Development Group: National reports on Millennium Development Goals: Directives. December 2001. pp.2-3.

A progressive and iterative approach

The PRSP process is progressive and iterative. Hence, the complexity of the concept of poverty. Monitoring and evaluation findings which report objective achievement levels may warrant the adjustment of targets, objectives and even programmes and projects, without necessarily modifying the overall poverty reduction strategy. This is known as the review process. Reviews are conducted on the basis of accurate statistics thereby justifying the need for a coherent information system. The PRSP that has undergone such review is called the revised PRSP. It is formulated at the end of a PRSP round, serves as the PRSP of the following round and marks the different generations of the process. Some PRSPs are now in their second generation. A PRSP usually lasts three or four years.

II.3.4. Managing an information system

Managing an information system relates to updating process, accessibility, consultation, dissemination and reporting. Sometimes, access and dataflow protocols, notably by the media, are established. Information system management impacts positively on future data collection.

II.3.5. Indicators and metadata on indicators

Indicators

An indicator aims to measure temporal and spatial progress in achieving a set objective.

An appropriate indicator should have the following characteristics[5]:
- measure progress in a direct and unequivocal manner;
- be relevant;
- vary over time, according to areas and groups and take on board changes in policy, programmes and institutions;
- transcend events not directly related to policies or programmes and adamant to manipulation;
- be realistic to ensure regular production at affordable costs;
- be easy to interpret.

Metadata

Metadata of an indicator includes all the requisite information for its regular production, namely:

- full name of indicator;
- clear definition of the indicator including all statistical variables necessary for its calculation;
- type of indicator;
- method of obtaining statistical variables;
- level of disaggregation;
- frequency of production;
- supervisory service.

Indicators can be grouped into four categories (they are referred differently from one institution to another):

- resource or input indicators or input variables *(Input);*
- operational results or direct delivery or activity indicators or output variables *(Output)*;
- performance indicators (*Outcome)*;
- impact indicators (*Impact).*

Statistical variables used in calculating each indicator and various data collection operations are identified.

The main types of household surveys conducted in sub-Saharan African countries include:
- population and housing surveys;
- social and health surveys;
- surveys on household living conditions with or without income component;
- multiple indicator cluster surveys;
- 1-2-3 surveys;
- CWIQ surveys; etc.

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[5] Sourcebook, Vol 1 chap 5, World Bank

Moreover, some social data can be obtained from administrative statistics through school and health surveys, etc.

The level of disaggregation, reference and target must be specified for each indicator.

The level of disaggregation indicates the indicator level:
- geographical area (national, regional, county, etc.);
- environment (urban, rural);
- gender;
- social group;
- level of income; etc.

The indicator monitoring timelines (month, quarter, year, two years, three years, etc.) should reconcile recent and regular data needs and cost of collection.

Oversight is exercised by the service calculating the indicator. This is the primary source.

Targets

A target is a predefined value of an indicator that a country seeks to achieve at a given date. The targets for each type of indicator can be defined (resources, operational results, outcomes, impact) and targets must be determined through a participatory process.

Three analytical methods are used to evaluate the technical feasibility of targets: comparative historical analysis, macrosimulation and microsimulation. Comparative historical analysis seeks to compare target indicator changes with the historical development of this indicator in the country or similar country. The macrosimulation method uses regressive techniques to determine relations between social indicators and growth, urban development, and other variables on overall national data. Microsimulation methods use the same technique as in the previous one though restricted to household survey data.

II.4. Structure of PRSP and MDG information tracking system

The information system can be broken down into three sub-systems to meet demand for information used in PRSP and MDG monitoring and evaluation. It is necessary to distinguish between:

    i   information needs to track poverty and household living conditions which relate to the systematic production of indicators and/or basic information for each priority sector identified in PRSP and MDG;

    ii   information needs to track programme and project implementation;

    III   information needs for assessing ongoing policy, programme and project impact with a more restrictive scope and aimed to determine if actions undertaken in target groups actually produced the expected results.

The establishment of an efficient and coherent information system is based on four dimensions: institutional, coverage, time and human resource. Thus:

    i.   the institutional dimension relates to managing the institutional stakeholders' network for the purpose of "optimal" data production and flow. Issues related to short- and medium-term financing of the system should be managed at this level to ensure the sustainability of tools. A coordination unit should pilot these activities.[6]

    ii.   the coverage dimension represents role sharing (specifications) between the various stakeholders of the information system (basic data on poverty) indicating the type of data to be collected and the organization of statistical information for each of the priority sectors, sensitive geographical areas, type of population, etc. as well as levels of disaggregation to be retained.

    iii.   the time-bound dimension refers to need to ensure regular accountability and to measure the rate of change that has taken place with regards to set objectives. This involves the periodic preparation of a management report to be distributed to all stakeholders including their possible feedbacks.

    iv.   the human resource dimension deals with mobilizing experts and promoting an operational capacity-building programme within a context of scarce competent and qualified human resources. First, it is necessary to envisage a multiple role (from the collection of basic data to the validation of results analysed) for statistical or administrative services involved in PRS/MDG monitoring and evaluation before proceeding to the second phase involving the specialization of services for the sake of greater efficiency.

II.5. Role of stakeholders in the production and use of indicators

A key component of the strategy: stakeholders' role classification
In setting up an efficient information system, the roles and duties of the stakeholders or players must be clearly spelt out. This means defining responsibilities for producing data used to feed the

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[6] By revitalizing existing bodies like the National Statistical Council.

information system as well as management of such data. Stakeholders' roles definition outlines the scope of action, the nature of what they would have to monitor and the products they should deliver as their input to the feeding and management of the information system. Such roles include:

- data and information production;
- analysis of findings made from such data and information;
- design and maintenance of sample directories and frames;
- dissemination and use of analyses in the form of reports;
- coordination of the whole system.

These roles are defined and clarified through statutory instruments and provide answers to questions such as: Who needs what? When? How? What should be done? Inadequate of sheer lack of clarity may cause conflict in information management.

II.6. Notion of continued learning in an iterative process

The learning process is capital in setting up an information system
The information system is the core instrument of the monitoring and evaluation system which is result-oriented. It is one of the central elements of the PRSP and MDG processes. A basic aspect of this system is the learning dynamics of the processes. Such learning should be appraised at all levels. The iterative nature of the processes highlights the need for such learning dynamics. In fact, the operationalization of an information system should be considered as a painstaking exercise. It is advisable to start off with a small reduced number of indicators and gradually implementing an information system improvement plan [World Bank, 2004; Ferragu, 2003; IDEA Institute, 2003]. Such plan will be an opportunity to draw lessons from previous experience and practices, improve future programming and factor in changes over time in the living conditions of the people and poverty. This approach will be a learning process for all stakeholders, a lever to boost stakeholders' efficiency and the performance of their bodies thereby strengthening technical capacities in data collection, processing and analysis and information dissemination.

To achieve this objective, national statistical systems must be equipped with a coherent framework to guarantee the production of quality statistics in the medium- and long-term.

II.7. Statistical development strategy

Information strategy comprises four main elements:

- identification of the strategy starting point, i.e. a review of the national statistical system, as described above;
- setting of objectives and goals to have an idea of progress made during a given period;
- choice of priority action areas to achieve the set objectives;
- putting in place systems to track progress and report to all stakeholders.

An important decision which needs to be taken at the very beginning of the process concerns the time-limit for this strategy. First, emphasis should be placed on short-term needs, because the PRSP sets a specific implementation period. Furthermore, many statistical activities require longer timelines, such as population censuses, which are generally conducted every ten years and other surveys conducted every five years (PHS, MICS). To handle both aspects, States must develop an information production strategy which comprises both short- and long-term elements.

In the short term, emphasis shall be on PRSP and MDG immediate data needs. This entails making efficient use of the existing data production systems and contributing to the improvement of data dissemination and analysis. In the medium term, focus will be on investments to be carried out to develop new data production systems (impact analysis) and handle constraints relating to human resources, equipment and management systems.

Short-term priorities and actions

In this context, short term is construed as a period of one year. It is unlikely that the statistical system will successfully prepare, produce and disseminate information churned out by a new large information system during such a period. Therefore, it is necessary to pay special attention on improving the functioning of existing data production processes rather than introducing new comprehensive data collection processes (coordination, institutional issues, ownership of tools).

The key concern is first, to meet immediate PRSP progress tracking indicators needs and second, to improve existing data systems, notably by increasing production turnaround time, enhancing analysis and widening dissemination. This can also contribute to improving the image and prestige of the statistical system and laying the groundwork for increased long-term investments.

The NSS of many countries are impeded by lack of resources. Nowadays, they can hardly mobilize more resources owing to poor statistical production. Striving to improve the quality of a small number datasets may be an efficient means to tip the boat over and contribute to transforming the vicious circle into a virtuous circle. In such a scenario case, the statistical system responds to needs and improves quality and efficiency which explains increased support for scaling up investments.

The following short-term actions may be undertaken in many countries:

- improving the processing of administrative data in key sectors such as health, education and employment in order to reduce delays in data production and improve reliability;
- increasing statistical publications to ensure greater user accessibility and provide better analyses and interpretations for unspecialized users;
- disseminating data on the Internet and in electronic formats to save time or costs of printing reports and write-ups;
- publishing preliminary findings of surveys and other data collection methods to disseminate important information more rapidly;
- designing and developing a database to pool core data from various sources;
- reporting further on data sources and methods used (metadata) and actions taken to ensure that users are informed of any changes to method and scope;
- disseminating survey data to provide easy access to researchers and thereby, enable them to provide answers to key issues like targeting, impact assessment and resource allocation.

Long-term investments

In the long term, the strategy will have a wider scope and cover most aspects of statistical development. The strategy is expected to cover the following areas:

- Improving data collection and processing systems and methods

States should run a common data collection programme that clearly outlines priority areas applicable to censuses, sample surveys and other statistical studies in the field. The objective is to establish a programme which reflects the priorities of stakeholders, and not only those of donors. Such a programme may thus build requisite capacities for the design, implementation and processing of data for the sake of publication and dissemination according to well defined schedule. While it is desirable to have a back-up capacity in the programme to handle one-off requests, the overarching objective is to inform stakeholders of planned activities and ensure that national priorities are not pushed to the back seat while those of donor agencies or others take the front seat simply because they provide immediate funding.

- Enhancing strategic organization, management and planning
  Priority should be given to improving the management and organization of the statistical system. The objective is to correct the shortcomings identified during the evaluation of the organizational set-up and internal management. Improved management will be achieved primarily by strengthening the financial and budget management system.

- Human resource development
  This implies defining an appropriate human resource development plan to make the most of scarce skills and expertise and sharpen their skills on a regular basis through continuous training. Human resource development should be integrated into the strategic plan and management process.

- Improving infrastructure and equipment
  This component seeks to develop a programme for upgrading the facilities and equipment of all the stakeholders of the statistical system to strengthen capacity and use information technologies (computers, communication networks and systems), software and staff capacity to install, operate and maintain equipment.

- Improving statistical products and public relations
  Emphasis will be laid on improving relations with users by way of easy communication with a view to improving products and performance. The objective is to improve the format and design of products, improve user access and simplify the use of data for planning and decision-making.

- Institutional arrangements
  As the statistical system becomes complex, it may be necessary to review its institutional structure. The proposed guidelines should also include specific objectives concerning institutional development. Many States are currently implementing reforms to shield the central statistical body from direct political control. This is a positive development as it leaves very little room for doctoring statistical findings and increases public confidence in the various products. Such changes may equally contribute to flexibility and accountability in the system, for instance, by introducing independent audit and reporting. However, it will be worth providing the requisite human and financial resources to the central statistical body for the production of public statistics.

International support and technical and financial partners
Generally, the community of technical and financial partners is increasingly interested in supporting data collection activities, particularly for PRSP and MDG monitoring. Many have developed specific programmes to support capacity building in the area of statistics (see annex 5). In the past years there has been renewed interest in measuring the impact of poverty reduction activities as evidenced nowadays by funding, support programmes and projects for statistical development.

III. Content of a PRSP and MDG information tracking system

This part revisits the various components of an information system and outlines minimum requirements to operationalize an information system. The responsibilities of each stakeholder are set out as well as guidelines for each of the three components based on the identified four dimensions.

III.1. Sub-system on "tracking poverty and household living conditions"

III.1.1.Objective

The objective of the sub-system is to systematically produce and manage indicators on the living conditions of households and/or basic information for each of the priority sectors identified in PRSPs and MDGs.

III.1.2. Content

III.1.2.1. Methodology

Indicators
A set of minimum performance and impact indicators is proposed in annex 1. It was based on the PRSP list of indicators of eighteen countries and from the list of 48 MDG indicators on account of their relevance and statistical operational capacity. It covers the twelve areas identified in the PRSPs: macroeconomics, poverty and social inequalities, health and nutrition, education, employment, living conditions, communication and information, agriculture, infrastructure, private sector, environment, governance and participation.

The list is restrictive in the sense that it does not take into consideration certain national specificities. Each indicator indicates the data source, expected timelines, implementing body and disaggregation level.

The data used to calculate the indicators are drawn essentially from three sources:

- national accounts;
- administrative records;
- statistical surveys.

Statistical data sources

National accounts

National accounts outline the vast majority of macroeconomic indicators. Macroeconomic indicators should be produced in a timely manner as applicable to all other indicators in keeping with international production (1993 System of National Accounting or SNA93) and dissemination (General Data Dissemination System or GDDS) standards.

Administrative records

Few of the proposed indicators are extracted from administrative records. The line government services are typically health, education, infrastructure and finance agencies.

In the short term, the statistical services of the relevant sector-specific ministries require support, particularly from NIS, to improve their statistical production which is vital in annual indicator tracking. In the medium term, such sources will become popular with improved reliability and timely dissemination of data.

Statistical surveys

The majority of indicators are extracted from the following statistical operations:

- general population and household survey;
- survey on household living conditions;
- population and health survey;
- multiple indicator cluster survey (MICS);
- 1-2-3 survey;
- CWIQ survey;
- agricultural survey;
- business survey.

It is worth noting that such statistical surveys are based on worldwide established and agreed methods. They are conducted in most African countries. They are recommended especially for tracking MDGs though their timeliness is dependent on funding which generally comes from foreign partners, and on the capacities of States to implement them on a regular basis. Appendix 4 sets out, for each of the statistical operations, the objectives and scope.

The table below shows a tentative five- year calendar for statistical operations. It is highly dependent on available funding which is difficult to programme as evidenced by previous experience.

	Year n	Year n+1	Year n+2	Year n+3	Year n+4
General population and household survey (GPHS)	Every ten years				
Survey on household living conditions (SHLC)	■				
Population and health survey (PHS)		■			
Multiple indicator cluster survey (MICS)				■	
1-2-3 Surveys (Phases 1 and 2 : employment, informal sector, education, subjective poverty, governance, democracy)	■		■		■
CWIQ Survey		■		■	
Annual agricultural survey	■	■	■	■	■
Annual business survey	■	■	■	■	■

Although the timeline of major statistical operations (MICS, PHS, SHLC) is often five years, it should however be pointed out that an indicator can be produced within a shorter timeline where its basic data may be derived from several statistical operations (e.g. net enrolment rate provided by GPHS, SHLC, PHS, 1-2-3 and CWIQ Surveys; infant mortality drawn from GPHS, PHS and MICS).

In a given year, the survey on household living conditions may be a combination of a CWIQ module on household living conditions and a module on expenditure on consumer goods akin to phase 3 of the 1-2-3 survey.

For real comparability between the values of an indicator calculated from different statistical operations, it is fundamental that the statistical variables and data collection methods, details and question formulation be standardized. In this connection, it is recommended that within each country, NIS should design a guide on concepts and nomenclatures used in the national statistical system.

One-off participatory surveys gather qualitative data that enhance knowledge on poverty thus enabling the adjustment of poverty reduction policies.

III.1.2.2. Products

Products of the sub-system include:

- basic data from one-off statistical operations;
- statistical reports;
- compilation of so-called routine administrative statistics;
- periodic 4- to 8-page memos on updated poverty tracking information;
- implementation reports of PRSP, MDG, GPHS, etc.

The above products should be fully.

The indicators and their metadata may be stored in any of the databases (such as DevInfo or 2gLDB) chosen by the country for establishment in the NIS.

Such information, including the above products, should be widely disseminated, specifically through websites, including NIS and PRSP Monitoring Unit website.

III.1.3. Institutional aspects

Producers of statistics

The compilation of statistics is overseen by many bodies belonging to different ministries. NIS is the central structure of the system.

Generally, NIS is responsible for compiling national accounts, business statistics, other economic statistics (pricing, foreign trade), population and social statistics.

The other major producers of statistics in the area of poverty and household living conditions monitoring are essentially services in charge of statistics in line ministries (Health, Education, Employment, Agriculture, etc.). The Central Bank (monetary statistics), the Department of Forecast (public finance) and other Departments of the Ministry in charge of finance produce statistics used mostly for calculating macroeconomic indicators.

The key line ministries classified under the subsystem on "tracking poverty and household living conditions" are respectively responsible for the following areas:

- health;
- education (primary, secondary, higher);
- agriculture, livestock, fisheries and the environment;
- labour/employment;
- telecommunications ;
- equipment;
- justice;
- territorial administration.

These structures produce administrative statistics. These statistics, apart from those on agriculture and employment, are specific because they are compiled after exhaustive data collection, that is, from all the statistical units under their control (schools and universities, health facilities, courts and prisons, telecommunication companies, local governments, etc.). Data collected from statistical units must be drawn from reliable and regularly updated databases.

Stakeholder coordination

Coordination of all statistical stakeholders generally rests with a body, namely the "National Statistics Council" (NSC). Such coordination is unfortunately lacking or moribund in most States. This explains the difficulty in using harmonized standards, methods and nomenclatures, which does not facilitate data comparability but causes duplication.

Coordination of the public statistical system requires a more active NSC, running several thematic groups and a full-time secretariat. It also entails regular interaction with statistical services of ministries to track their activities and manage officers placed on secondment by NIS.

Centralizing, storing, analyzing and disseminating information

Poverty monitoring information, generally produced by diverse administrative structures, should imperatively be centralized, validated and stored by a single structure.

The administrative structure responsible for such activities may be a unit within NIS or a poverty observatory. Where the observatory is not lodged within NIS, specific relations should be established to define roles and thus ensure sound monitoring.

It is desirable for the structure to be sustainable and have permanent staff. It may however receive special support at the beginning of activities. Such structure will be responsible for collecting data from producer services for the purpose of storage, analysis and user dissemination.

The unit will disseminate collected information primarily through its website or the NIS website and in small periodical publications of 4 to 8 pages. The unit will also play the key role of circulating information to users through an appropriate medium, primarily to PRSP and MDG monitoring units, but also, after the validation of such information, to all others. Moreover, the implementation of concrete activities, particularly data collection, will lead to improved coordination of all stakeholders of the information tracking system on poverty and household living conditions.

Capacity building needs

Capacity building needs are numerous and span many areas of the "Poverty and household living conditions tracking" subsystem, namely:

- definition of indicators;
- conduct and analysis of statistical operations;
- production of administrative statistics;
- database design and management;
- multiple data dissemination formats (publication, CD ROM, Internet, etc.).

III.2. "Programme and project implementation tracking" sub-system

III.2.1. Objective

The objective of this sub-system is to monitor the implementation of poverty reduction programmes and projects.

Such a tracking system which differs from the traditional statistical system seeks to appraise the outcome of implemented strategies based on funded actions.

According to PRSP and MDG monitoring requirements, each strategic component should indicate programmes, projects and planned actions. For these actions, it is required to set specifically measurable objectives (SMO and, to programme them using timelines and budget resources.

SMO is a key variable for improving the welfare of the population; indicators are used to measure quantities while specific values set the timelines. SMOs can be determined through strategic areas and sub-areas of the PRSP. A general PRSP bridge table highlighting such an allocation must be validated by the various PRSP monitoring stakeholders. Thereafter, there is need to estimate implementation costs and ensure that they match financial resources. This is a long and complex process that seeks to:

- identify the batch of potential indicators for each SMO and the corresponding statistical system;
- determine parametric costs to prepare current and forecasted financial figures;
- track detailed budget expenditure classified by their codes and nomenclature by function, such as the COFOG[7].

Unlike poverty and household living conditions monitoring, monitoring the implementation of policies, programmes and projects is conducted initially at sector level. However, some indicators used in monitoring poverty and household living conditions (which are generally performance indicators) will appear again at the end of this monitoring subsystem.

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[7] Classification of Functions of Government

III.2.2. Content

III.2.2.1. Methodology

In this sub-system, monitoring will involve calculating input and output indicators, bearing in mind that performance indicators are already dealt with in the "Poverty and household living conditions monitoring" subsystem.

Such indicators are financial and practical achievement indicators relating to the various strategic aspects of the PRSP.

Financial achievement indicators can also be calculated in relation to the action of a ministry (share of national education budget in the national budget, share of primary education budget in the national education budget, etc.).

A list of indicators of sub-system 2 is not proposed unlike sub-system 1, since the input and output indicators are directly linked to the programmes and projects implemented by each country.

To attain the poverty reduction objectives, it is necessary to align national budget preparation and management systems on PRSP needs.

The collection of reliable budget data, the codification according to targets and their disaggregation per scale contributes to feeding the poverty and social indicator database. This is essential in building national capacities to ensure timely tracking of poverty reduction policies.

This seeks to ensure that policy objectives and priorities stated in the programmes formulated by the government are well reflected in annual budgets and that the budgeting method explicitly matches targets of ministries with available resources.

In this respect, there is a need to make various expenditure classifications: Item Classification, Administrative Classification, Functional Classification, Economic Classification, Programme Classification, Geographical Classification (see annex 7).

This can be achieved either through the Medium-Term Expenditure Framework (MTEF)[8] established in ministries or through an objective-based budget expenditure tracking system using financial and non-financial indicators to be specified. This presupposes systematic cost assessment. The following four approaches can improve such cost assessment: full cost accounting, expenditure analysis per institutional structure, unit cost analysis, cost analysis by activity (see annex 7).

III.2.2.2. Products

This sub-system has several products:

- PRSP input and output indicators values per domain and sub-domain (employment, health, education, living conditions, etc.);

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[8] A Medium-Term Expenditure Framework (MTEF) is a coherent framework for the strategic planning of objectives aimed at a improving the allocation of financial resources to the various sectors (see appendix 6).

- Programme and project progress reports, budget implementation tracking reports of ministries and decentralized structures, institutions, NGOs, technical and financial partners, etc.

III.2.3. Institutional aspects

Directing the budgetary system towards PRSP activities in a participatory and ownership process requires the commitment and determination of priority ministries of the PRSP at all levels of the system (national, provincial, etc.). The active support of the ministry in charge of finance is instrumental throughout the process, as it determines the model fiscal incentive system to be used by other bodies in preparing their budgets.

The process operates in two ways:

- top-down, the ministry in charge of finance makes an estimate of all the available resources and the council of ministers decides on the allocation of resources between the sectors on the basis of priorities set by Government;
- the MTEF can also be described as a bottom-top process, whereby ministries estimate the inputs needed for achieving their sector objectives as set out in their strategic plans.

There are many stakeholders in this sub-system:

- structures of the sector-specific ministries (decentralized structures, projects planning and monitoring departments);
- central and decentralized structures of the ministry in charge of planning;
- central and decentralized structures of the ministry in charge of finance;
- the civil society through NGOs and their oversight structures;
- technical and financial partners.

Stakeholders coordination should be performed by the appropriate structures of the ministries in charge of finance and planning in conjunction with the PRSP unit.

Capacity building should take several forms:

- technical assistance for the definition and determination of SMOs;
- technical assistance for the definition of input and output indicators;
- support for designing MTEFs;
- support to the budget implementation tracking system.

III.3. "Impact assessment" sub-system

III.3.1. Objective

Tracking poverty and household living conditions provides information for an overall assessment of progress in achieving poverty reduction objectives and understanding various changes made so far. It is therefore necessary to have more targeted tools, such as impact assessments for the sake of reporting to decision-makers and the population, successful or unsuccessful government poverty reduction actions.

Like monitoring, evaluation is a tool that helps in identifying and measuring PPPs. While monitoring is a yardstick for continuously tracking output, assessment is periodic and seeks to measure the impact and efforts of PPPs. As such, monitoring is a set of performance indicators which provides regular information, while assessment is conducted over a period of time and requires more targeted and in-depth investigations.

Impact assessment seeks to identify changes in the well-being of individuals belonging to a specific group induced by a given programme or policy. The information obtained from impact assessment can influence decisions on the extension, adjustment or scrapping of a given policy or programme and serve in rating public policies by order of priority. It is a tool that guides decision-making which furthers programme visibility to the population.

The first two sub-systems are mechanisms for continued PPP output tracking, while the "impact assessment" sub-system measures PPP efforts.

Within the context of the implementation of the PRS, the major questions raised by impact assessment include:

- did the key PRS policies and programmes attain the set objectives?
- has poverty worsened as a result of the implementation of such programmes or as a result of combined factors?
- does the impact of key programmes vary according to the various beneficiary groups (men, women, indigenous peoples, etc.), target regions and timelines? If so, what are the cultural, economic and political factors that prevent the most disadvantaged groups from fully benefiting from programmes?
- are there unexpected positive or negative effects?
- what is the efficiency of key programmes compared with other types of interventions?
- are the outcomes of key programmes commensurate with the resources allocated thereto?

To sum up, impact assessment seeks to check the relevance, implementation and performance of programmes and policies by way of comparison with a set of explicit or implicit standards for the purpose of improving public policies.

III.3.2. Content

III.3.2.1. Methodology

There are four major assessment methods:

- assessment without control group through simple post implementation observation;
- assessment without control group with two observations before and after implementation;
- assessment by comparison with non-corresponding control group;
- assessment by comparison with corresponding control group.

Assessment by comparison with a corresponding control group is genuinely experimental and is the ideal method.

Ideal experimentation

Possibles causes

All other influences   Project or policy

Groups observed

Control group   Experimental group

Observation results   Control group results

Net results (from project or policy)   Experimental group results
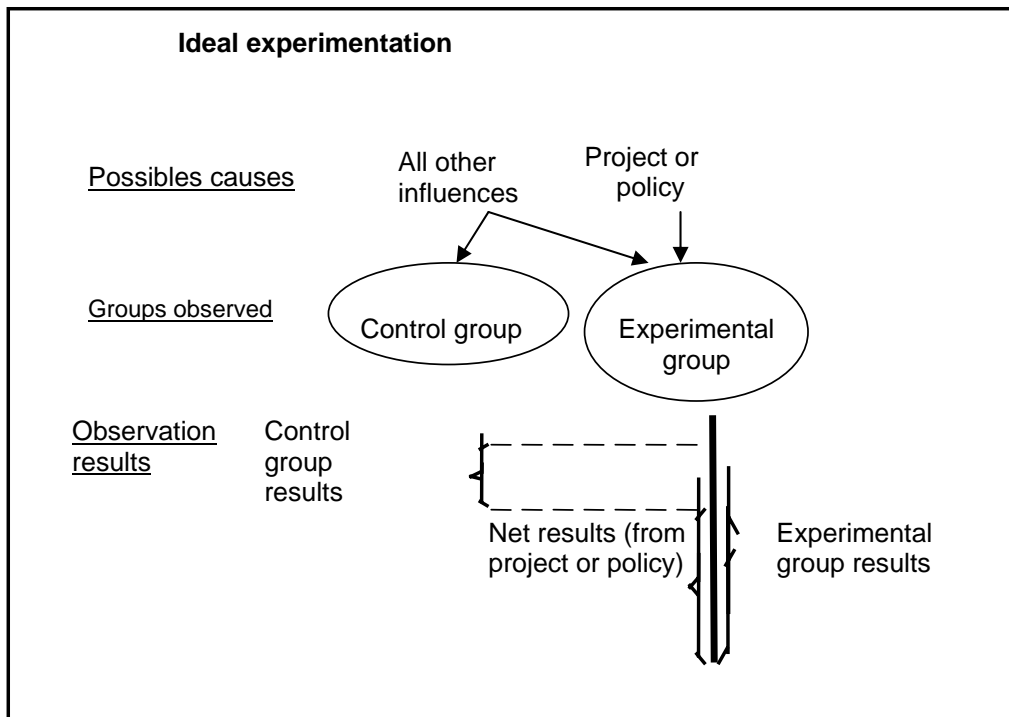
This method is ideal albeit quite cumbersome and raises ethical problems. It is described in annex 8 alongside the other three most common methods.

Other types of assessments (process and theory-based assessments for instance) also help to improve management capacities. Such methods would be used depending on the type of assessment. Meanwhile, it is important to point out that they neither measure the scale of the impact nor establish a causal relation. Cause analysis is essential in understanding the efficiency of other programmed poverty reduction interventions and hence tailoring poverty reduction strategies.

Selecting communities and/or specific programmes for impact assessment is based on a specific number of impact indicators contained in sub-system 1.

III.3.2.2. Products

Impact assessments are not conducted systematically. There is need to select policies and interventions for impact assessment. Such selection is based on the importance of the specific policies in terms of lessons to be drawn for poverty reduction. Generally, impact assessment aims to ascertain the relevance of implemented policies and guide future poverty reduction choices.

Policies or programmes selected for impact assessment should provide a positive answer to one of the following three questions:

- are they of strategic importance to poverty reduction?
- does the policy assessment fill a knowledge gap on successful and unsuccessful poverty reduction efforts?
- are the policies or programmes an innovative approach in poverty reduction?

Policy or programme impact assessment refers to specific operations and it is unlikely to assess all policies and programmes. They require a great deal of statistical data and technical capacities, as well as lengthy timelines and attendant funding.

Impact assessment, notably performance assessment, compares the welfare variables and indicators of communities affected by the programmes and those who are not. The numerous methods used engender manifold information needs.

Strictly speaking, the data needs and corresponding collection systems of potentially selected programmes should be defined before the implementation of the programmes for the purpose of adopting the collection tools in due time.

Small coverage programmes and projects which introduce monitoring and evaluation at beginning of activities will have little trouble in compiling appropriate information.

For nationwide programmes and policies, the core issues relate to:

- setting an appropriate time to conduct a national survey which is expected to provide evaluation data (appropriate time to conduct policy assessment);
- designing a national survey geared to select, at the end of the policy implementation, a cross section of the population to conduct an accurate study on performance indicator variations observed after policy implementation.

Considering the multiplicity of poverty reduction policies and programmes, designing such surveys are quite intricate. It is difficult to design a household survey that covers all cross sections of the target communities of such policies and programmes.

Household surveys conducted for the sake of poverty reduction policy assessment should therefore be designed according to the following criteria:

- provide monitoring information and include requirements on expected disaggregation indicator levels (geographical level, gender, etc.);
- include in the design, the requirements for selecting a cross sub-section of the target population from a restricted number of policies marked for assessment.

The ensuing products are PPP impact assessment reports. Such evaluation reports must be stored and widely disseminated, especially through the NIS web site.

III.3.3. Institutional aspects

In consideration of the multitude of poverty reduction policies and programmes covering all the sectors of economic and social life, the procedure to choose the policies or programmes to be assessed is absolutely important.

Since the role of impact assessments is to establish the relevance of poverty reduction policies and justify specific policy choices made by decision-makers for the sake of accountability to all partners, the selection of policies to be assessed must follow a clear process. In particular, the following institutional questions must be answered:

- choice of policies or programmes to be assessed: who chooses?
- choice of the body to perform assessment: is there any reason to believe that a permanent public body vested with the requisite powers can efficiently carry out all the impact assessments? Is it necessary to form ad hoc teams for each exercise? Can the appropriate services of the line ministries impartially assess policies implemented in their ministries?

The policies or programmes to be assessed must be chosen by sector-specific ministries under the coordination of the PRSP unit.

Impact assessment requires vasttechnical capacities; hence, they can be conducted only by institutions with such capacities. Such bodies may hail from the public sector (NIS, line statistical services, university, research institutes, etc.) or civil society (non-governmental organizations, consultancies, etc.).

Monitoring, centralizing and disseminating the gamut of evaluations should be under the responsibility of the PRSP unit.

Capacity building needs are critical in introducing these rather innovative techniques in Africa.

III.4. Relationship between the three sub-systems

The link between the three sub-systems is found in the logical performance matrix of a programme or project. In fact, there is a need to define a reference situation (sub-system 1) before setting targets. Thereafter, strategies are designed to meet the set targets. Such strategies are implemented through programmes and projects that require means (human, material, financial …) to run the activities (*constructing, training, organizing, treating* …) [sub-system 2] whose direct results (*buildings constructed, persons trained, laid down procedures, enacted legal instruments*…) must produce effects (*more children at school, more efficient public services, more efficient judicial system* …) [sub-system 1] and an impact on development (*increased literacy rate, longer life expectancy, improved rule of law* …) [sub-systems 1 and 3]. Such sequencing is based on a series of logical relations (*if … then*) known as "cause/effect." The effects represent the medium-term results achieved through a combination of direct results while direct results are the immediate and tangible products of PPP activities.

The impact assessment sub-system seeks to analyze consistency between the products of the "Projects and programmes implementation monitoring" and "Poverty and household living conditions tracking" sub-systems, particularly the links between input and output indicators on the one hand, and results and impact indicators on the other hand. Within the context of scarce resources, the relationship between the three information sub-systems falls in line with the PRSP review that aims to better target future policies, programmes and projects so as to achieve performance-based management.

III.5 Sub-system coordination

Information flow of PRSP and MDG tracking system : Spatial and iterative organisation : Baseline data for the system of indicators on poverty
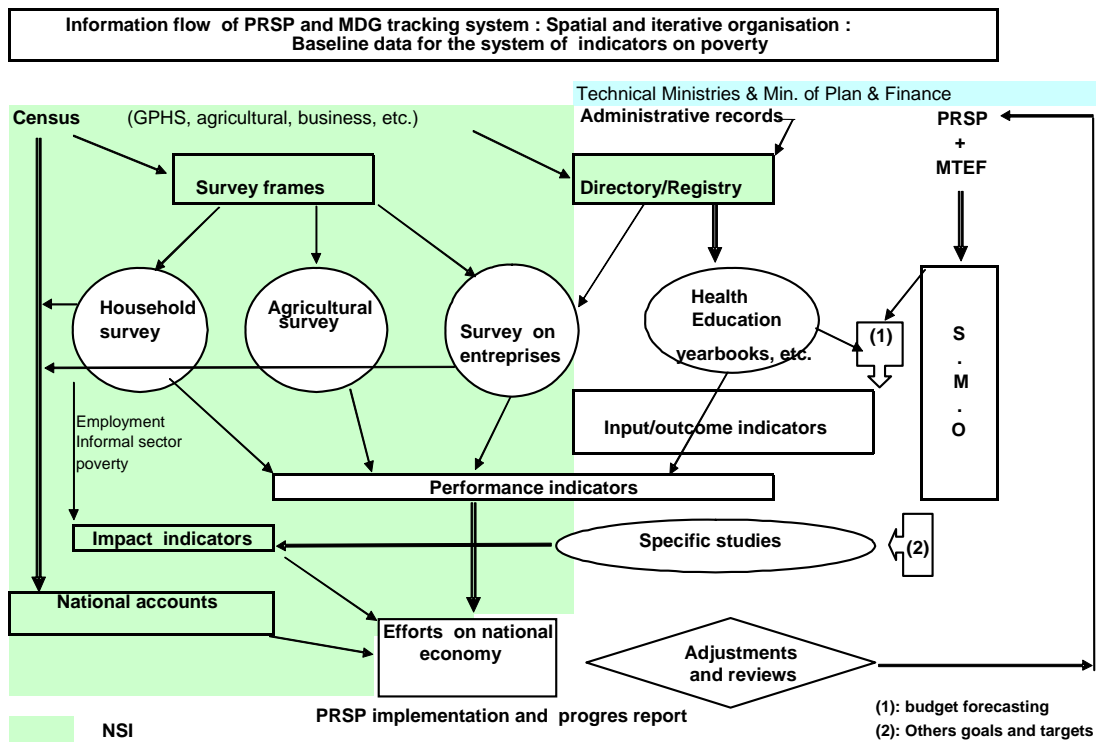
The diagram above shows the role of NIS (in green) in the iterative poverty monitoring process, as well as in designing and setting the macroeconomic benchmarks of the MTEF, in conjunction with the ministries in charge of the Plan, the Economy and Finance. The PRSP unit is responsible for initiating specific studies that will be used assessing the impact of poverty reduction policies and projects: the diagram highlights the need to include these three components in a single information system where each key stakeholder can collect data appropriately.

Each of the three sub-systems of the PRSP and MDG monitoring systems must be coordinated, as mentioned earlier:

- sub-system 1: "Poverty and household living conditions monitoring" by the NIS ;
- sub-system 2 "Project and programme monitoring" by the Ministries in charge of finance or planning in conjunction with the PRSP unit and other technical ministries;

The activities of the entire PRSP and MDG monitoring system should be obviously coordinated by a permanent structure.

The most appropriate coordination body is the National Statistics Board which is responsible for coordinating all statistical activities in a country.

IV. General recommendations and guidelines for implementation

The cardinal duty of an information system is to disseminate appropriate information to the various stakeholders and "users" in the country and local communities. Such information should relate to all the areas selected for monitoring PRSPs and MDGs.

At the institutional level

The efficiency of a poverty reduction information system is incumbent on the functional relationships between the statistical data producing and user bodies. In this respect, priority should be given to collaboration and synergy mechanisms with primary data collection and processing sources such as sector-specific ministries, regions and other institutions compiling data on poverty reduction trends in States. Such collaboration should obviously be envisioned to improve coordination as well as the data collection framework and method. In this light, emphasis should be laid on developing and strengthening the poverty reduction data production, processing and dissemination process.

Sound functioning of a poverty reduction information system requires the mobilization of substantial material, human and financial resources. Such resources must be evaluated thoroughly. As a matter of fact, the operation and sustainability of the system will depend on the quality of the human resources utilized and their ability to mobilize, in a timely manner, the requisite financial resources needed to implement the various planned activities. Human resource training emerges as a pillar of the system's efficiency and sustainability. It will fall specifically under human resource capacity building in all the bodies involved in the implementation of the poverty information and monitoring/evaluation system (line ministries, NIS and other sources) with a view to improving ownership of poverty-related data collection, processing and analysis methods.

At the level of data collection, production and dissemination

The overall objective in the coming years is to boost the efficiency of NSS in meeting the expectations of users, donors and decision-makers by delivering reliable and timely statistical data used in monitoring and evaluating poverty for the purpose of defining reduction strategies. To achieve this objective, the following specific objectives must be met:

- publishing statistics on a regular basis;
- reducing delays in preparing economic accounts at the level of States.

Accordingly, NIS should in the short term prioritize the following:

- disseminating information through their web sites;
- affording continuous training to NIS staff and those of statistical services of line ministries, particularly in the area of data-processing;
- disseminating information within the public statistical system on projects, methods, activities of NIS and more generally, on the national statistical system.

In the long term, each ministry should set up a statistical service with clearly defined production objectives and human, technical and financial resources to attain such objectives. Technical assistance to sector-specific ministries may be provided by NIS, especially for common directories and nomenclatures.

National authorities should display their political readiness to develop an efficient statistical system by strengthening human resources in all statistical services on the one hand, and on the other hand, by affording adequate material and financial resources to enable them produce statistics on a permanent basis.

Development partners should continue to lend collective financial assistance to comprehensive statistical activities (nationwide surveys such as the general population and housing survey, survey on household living conditions, PHS, MICS, surveys 1-2, etc.), which are the main data sources for calculating vital indicators to monitoring poverty reduction policies.

Annual programme and project implementation tracking should be mainly based on indicators from administrative statistics (input and output indicators).

The production of resource mobilization and use indicators should be an integral part of sector programmes and projects: the means (human, material and financial) needed for the production of such indicators must be included in programme costs.

Developing the MTEF

The development of a medium-term outlook in budget design referred to as Medium-Term Expenditure Framework (MTEF) increases the realistic profile of PRSPs.

ANNEXXES

Annex 1: Proposed list of minimum performance and impact indicators by area

		Indicators	Data sources	Time-line
Macroeconomics				
1		Inflation rate	Price statistics	Yearly
2		GDP per head	National accounts	Yearly
3		Real GDP growth rate	National accounts	Yearly
4		GDP export ratio	External trade, national accounts	Yearly
5		Debt service/export ratio	Autonomous amortization fund/ external trade	Yearly
6		Investment rate	National accounts	Yearly
7		Fiscal burden rate	National accounts	Yearly
8		Current expenditure/fiscal revenue ratio	Public finance	Yearly
9		Basic fiscal balance as percentage of GDP	Public finance	Yearly
Poverty and social inequalities				
10		Incidence of poverty	Surveys on living conditions	5 years
11		Depth of poverty	Surveys on living conditions	5 years
12		Severity of poverty	Surveys on living conditions	5 years
13		Proportion of the population living on less than one dollar as PPPa per day	Surveys on living conditions	5 years
14		Poverty disparity index	Surveys on living conditions	5 years
15		Share of the poorest fifth in national consumption	Surveys on living conditions	5 years
16		Gini index	Surveys on living conditions	5 years
Health - Nutrition				
17		Immunization coverage rate as per antigen (measles, DTC3, polio, BCG)	Health statistics	Year
			PHS	5 years
			MICS	5 years
18		Infant mortality rate	GPHS	10 years
			PHS	5 years
			MICS	5 years
19		Child mortality rate	GPHS	10 years
			PHS	5 years
			MICS	5 years
20		Maternal maternity rate	GPHS	10 years
			PHS	5 years
			MICS	5 years
21		Prenatal consultation rate	PHS	5 years
			MICS	5 years
22		Number of births attended by health personnel	Survey on living conditions	5 years
			PHS	5 years
			MICS	5 years
			CWIQ	5 years
23		Contraception use rate	PHS	5 years
			MICS	5 years
24		HIV/AIDS prevalence rate	PHS	5 years
25		Percentage of underweight children under five	Survey on living conditions	5 years
			PHS	5 years
			MICS	5 years

| | | CWIQ | 2 years |

	Indicators	Data sources	Time-line
Education			
26	Gross primary enrolment rate	School statistics	Yearly
27	Net primary enrolment rate	GPHS	10 years
		Survey on living conditions	5 years
		PHS	5 years
		1-2 Survey	2 years
		CWIQ	2 years
28	Primary school completion rate	School statistics	Yearly
29	Gender equality in education (primary, secondary, higher)	School and university statistics	Yearly
30	Adult literacy rate (aged 15+)	GPHS	10 years
		Survey on living conditions	5 years
		1-2 Survey	2 years
		CWIQ	2 years
		PHS	5 years
		MICS	5 years
Employment			
31	Activity rate	GPHS	10 years
		Survey on living conditions	5 years
		1-2 Survey	2 years
		CWIQ	2 years
32	Unemployment rate	GPHS	10 years
		Survey on living conditions	5 years
		1-2 Survey	2 years
		CWIQ	2 years
33	Informal business rate	Survey on living conditions	5 years
		1-2 Survey	2 years
34	Under-employment rate	1-2 Survey	2 years
35	Proportion of children aged between 6 and 14 with an economic activity	GPHS	10 years
		Survey on living conditions	5 years
		1-2 Survey	2 years
		CWIQ	2 years
36	Percentage of female wage-earners outside agriculture	GPHS	10 years
		Survey on living conditions	5 years
		1-2 Survey	2 years
		CWIQ	2 years
Living conditions			
37	Proportion of the population with access to potable water	GPHS	10 years
		Survey on living conditions	5 years
		1-2 Survey	2 years
		CWIQ	2 years
		PHS	5 years
		MICS	5 years
38	Proportion of the population with access to electricity	GPHS	10 years
		Survey on living conditions	5 years
		1-2 Survey	2 years
		CWIQ	2 years
		PHS	5 years
		MICS	5 years

		Indicators	Data source	Time-line
Living conditions (cont'd)				
39		Proportion of the population with access to improved sanitation systems	GPHS	10 years
			Survey on living conditions	5 years
			1-2 Survey	2 years
			CWIQ	2 years
			PHS	5 years
			MICS	5 years
40		Proportion of the population with access to secure occupancy	GPHS	10 years
			Survey on living conditions	5 years
			1-2 Survey	2 years
			CWIQ	2 years
			PHS	5 years
			MICS	5 years
Communication and information				
41		Percentage of households with a radio	GPHS	10 years
			Survey on living conditions	5 years
			1-2 Survey	2 years
			CWIQ	2 years
			PHS	5 years
			MICS	5 years
42		Percentage of households with a TV set	GPHS	10 years
			Survey on living conditions	5 years
			1-2 Survey	2 years
			CWIQ	2 years
			PHS	5 years
			MICS	5 years
43		Number of fixed telephone subscribers per 100 inhabitants	Administrative reports	Yearly
44		Number of mobile telephone subscribers per 100 inhabitants	Administrative reports	Yearly
Agriculture				
45		Cereal production (two main cereals)	Agricultural survey	Yearly
46		Tuber production (two main tubers)	Agricultural survey	Yearly
47		Production of two main export crops	Agricultural survey	yearly
48		Share of agriculture in GDP (crop and animal production)	National accounts	Yearly
Infrastructure				
49		Length of paved national roads	Infrastructure statistics	Yearly
50		Length of rehabilitated roads	Infrastructure statistics	Yearly
51		Number of newly electrified villages	Infrastructure statistics	Yearly
Private sector				
52		Micro-credit access rate	Survey on living conditions	5 years
			1-2 Survey	2 years
			CWIQ	2 years
53		Industrial production index	Business survey	Yearly

	Indicators	Data sources	Time-line
Environment			
54	Area of protected ecosystems	Environmental statistics	Yearly
55	Percentage of households using solid fuels (wood, charcoal)	GPHS	10 years
		Survey on living conditions	5 years
		1-2 Survey	2 years
		CWIQ	2 years
		PHS	5 years
		MICS	5 years
Governance and participation			
56	Percentage of female parliamentarians	Parliamentary statistics	Yearly
57	Public service user satisfaction index	1-2 Survey	2 years
		CWIQ	2 years
58	Percentage of the population belonging to an association	Survey on living conditions	5 years
		1-2 Survey	2 years
		PHS	5 years
		MICS	5 years
59	Average custody period	Judicial statistics	Yearly
60	Percentage of tried cases out of registered cases	Judicial statistics	Yearly
61	Percentage of public funds allocated to local governments	Public finance	Yearly

Annex 2: Definition of proposed indicators

	Indicators	Definitions
Macroeconomics		
1	Inflation rate	Annual average price increase rate measured in respect of the general price index (GPI) of the current year against the general price index of the previous year.
2	GDP per head	Real GDP in a given year divided by the population.
3	Real GDP growth rate	Real GDP of the current year compared with prices of a base year and the GDP of the previous year with prices of the base year.
4	Export/GDP ratio	Ratio between the value of commercial exports against GDP.
5	Debt service/export ratio	Ratio of the amount to be paid yearly by a country to its creditors, including amortization (partial repayment of borrowed capital) and interest, and value of commercial exports.
6	Investment rate	Ratio of gross investments in fixed assets and GDP.
7	Fiscal burden rate	Ratio of fiscal revenue and GDP
8	Current expenditure/fiscal revenue ratio	Ratio of current budget expenditure and fiscal revenue
9	Primary fiscal balance as a percentage of GDP	Ratio of primary fiscal balance [total revenue outside grants – current expenditure (including loans minus collections) – capital expenditure using own resources] and GDP
Poverty and social disparities		
10	Poverty impact	Number of persons living below the poverty line.
11	Depth of poverty	Average relative gap between the poverty line and average poor household expenditure.
12	Severity of poverty	Average disparities between the poverty line and average poor household expenditure.
13	Proportion of the population with a PPPA of less than a dollar a day	Percentage of the population living on less than $1 a day according to the adjusted 1993 international purchasing power price index.
14	Poverty disparity index	Average disparity calculated on a percentage of the poverty threshold below $1 per day as a parity of the purchasing power [poverty impact x poverty depth].
15	Share of the poorest fifth to national consumption	Proportion of national consumption of 20% of the poorest households.
16	Gini index	Measures the difference between distribution of actual consumer expenditure and estimated distribution where each individual receives an equal share (0 representing lack of equality and 1 as the greatest possible inequality.
Health – Nutrition		
17	Immunization coverage rate per vaccine (measles, DTC3, polio, BCG)	Ratio between the number of immunized children in a given age group and the total number of children in the same age group.
18	Infant mortality rate	Probability of death of infants between birth and their first year (calculated per 1000 live births).
19	Child mortality rate	Ration between the number of deaths among children after the first year and before the age of five per 1 000 births in a given period.
20	Maternal mortality rate	Number of deaths among mothers per 100 000 live births occurring during pregnancy, delivery or after 42 days (six weeks) as a result of childbearing during a given period.
21	Percentage of pre-natal consultations	Percentage of women with one live birth over the past five years to have undergone at least four prenatal consultations.
22	Number of births attended by health personnel	Number of women aged 15–49 assisted during childbirth by skilled health personnel out of the number of women aged 15–49 who delivered during the year.
23	Rate of contraceptive use	Percentage of women aged 15–49 using a contraceptive method.
24	HIV/AIDS prevalence rate	Number of adults (aged 15 to 49) living with HIV/AIDS.
25	Percentage of underweight children under five	Percentage of children under five with a body weight below 2 standard deviations compared with the mean weight of the reference population.

	Indicators	Definitions
Education		
26	Gross primary enrolment rate	Ratio between the number of pupils enrolled in primary school (regardless of their age) and the population of the official age group corresponding to this level of education.
27	Net primary enrolment rate	Ratio between the number of children enrolled in primary school belonging to the primary school enrolment age group and the total number of children belonging to the official age group corresponding to this level of education.
28	Primary school completion rate	Percentage of pupils to have attended primary school from the first to sixth year.
29	Gender equality in education (primary, secondary, tertiary)	Ratio of female pupils enrolled in the applicable cycle to male pupils.
30	Adult literacy rate (15+)	Percentage of persons above 15 years who can read, write and understand a simple and short essay on their daily activities in a given language.
Employment		
31	Activity level	Ratio of active population to working-age population.
32	Unemployment rate	Ratio of jobseekers (persons without gainful employment or who are not self-employed, who are willing to work and are looking for a job) to active population.
33	Informal activity rate	Ratio of jobs in the informal sector to the total number of jobs in the non-agricultural sector.
34	Urban under-employment rate	Ratio of urban unemployed and active persons who are overtly (employed persons, wage-earners and non wage-earners alike, who unwillingly work for less than the standard working period in their workplace and who were hunting for another job or a were willing to take up another job) or covertly (active persons earning lower than the minimum hourly wage) under-employed to the urban active population.
35	Proportion of children aged 6 to 14 with an economic activity	Ratio of children aged 6 to 14 carrying out an economic activity (production of merchant and non-merchant goods and services compensated by way of wages or payment in cash or kind, or for the purpose of earning profit or generating family income.
36	Percentage of female wage-earners outside agriculture	Ratio of female wage-earners in the non agricultural sector to the total number of wage-earners in the non-agricultural sector.
Living conditions		
37	Proportion of the population with access to an improved water source	Proportion of the population using one of the following sources to fetch drinking water: pipe water, public taps, boreholes or pumps, wells (protected or covered) or a covered source.
38	Proportion of the population with access to electricity	Ratio of persons with access to electricity to the total population.
39	Proportion of the population with access to an improved sanitation system	Percentage of the population with access to sanitation systems complying with the two following standards: should have a running system (sewer, septic tank, cesspool, latrines) and be covered.
40	Proportion of the population with access to secure occupancy	Proportion of the population with a document ascertaining occupancy rights to safeguard arbitrary eviction.
Communication and information		
41	Percentage of households with a radio set	Ratio of households with at least one radio set to total number of households.
42	Percentage of households with a TV set	Ratio of households with a TV set to total number of households.
43	Number of fixed telephone subscribers per 100 inhabitants	Number of fixed telephone subscribers compared with total population.
44	Number of mobile telephone subscribers per 100 inhabitants	Number of mobile telephone subscribers compared with total population.

	Indicators	Definitions
Agriculture		
45	Cereal production (the two major cereals)	Production of the two major cereals
46	Tuber production (the two major tubers)	Production of the two major tubers.
47	Production of the two major export crops	Production of the two major export crops
48	Share of agriculture to GDP (crop and animal production)	Ratio of added value of agriculture to GDP.
Infrastructure		
49	Length of national paved roads	Number of kilometres of paved national roads.
50	Length of rehabilitated roads	Number of kilometres rehabilitated road.
51	Number of newly electrified villages	Number of villages electrified during the year.
Private sector		
52	Micro-credit access rate	Percentage of households having received micro-credits
53	Industrial production index	Laspeyres volume index is the weighted value added to factor costs of the base year.
Environment		
54	Area of protected ecosystems	Area of natural reserves, pristine areas and national parks.
55	Percentage of households using solid fuels (wood, charcoal)	Proportion of the population depending on biomass (wood, charcoal, residue) and coal as primary source of household energy.
Governance and participation		
56	Percentage of female parliamentarians	Number of seats held by women expressed as a percentage of all seats available.
57	Public service user satisfaction index	Percentage of users satisfied by public service provision.
58	Percentage of the population belonging to an association	Percentage of the population belonging to an association.
59	Average duration of remand in custody	Average detention period of persons remanded in custody.
60	Percentage of tried cases compared with registered cases	Ratio of tried cases to registered cases.
61	Percentage of public funds allocated to local governments	Ratio of funds appropriated to local governments to State budget.

Annex 3: MDG indicators and proposed indicators

Indicators	Availability
1. Proportion of the population living on less than a dollar a day	Included in the list of proposed indicators
2. Poverty disparity index [poverty incidence x rate of poverty]	Included in the list of proposed indicators
3. Share of the poorest fifth of the population to national consumption	Included in the list of proposed indicators
4. Percentage of underweight children under the age of five	Included in the list of proposed indicators
5. Proportion of the population with inadequate minimum calorie intake	No available calculation method
6. Net primary enrolment rate	Included in the list of proposed indicators
7. Proportion of pupils attending primary school from the first year and completing the fifth year	Included in the list of proposed indicators
8. Literacy rate among the 15 to 24 age bracket	Calculated using the proposed statistical tracking system
9. Gender equality in primary, secondary and higher education	Included in the list of proposed indicators
10. Gender-based literacy rate among the 15 to 24 age bracket	Calculated using the proposed statistical tracking system
11. Percentage of female wage-earners in the non-agricultural sector	Included in the list of proposed indicators
12. Proportion of seats held by women in parliament	Included in the list of proposed indicators
13. Mortality rate among children under five years	Calculated using the proposed statistical tracking system
14. Infant mortality rate	Included in the list of proposed indicators
15. Number of one-year olds vaccinated against measles	Calculated using the proposed statistical tracking system
16. Maternal mortality rate	Calculated using the proposed statistical tracking system
17. Number of births attended by skilled health personnel	Included in the list of proposed indicators
18. HIV prevalence rate among pregnant women aged 15 to 24	Calculated using the proposed statistical tracking system
19. Contraceptive use rate	Included in the list of proposed indicators
20. Number of AIDS orphans	No available calculation method
21. Malaria prevalence rate and malaria-related mortality	No available calculation method
22. Proportion of the population living in malaria prone areas using effective malaria protection methods and treatment.	Calculated using the proposed statistical tracking system
23. Tuberculosis prevalence rate and tuberculosis mortality rate	No available calculation method
24. Number of TB cases diagnosed and cured as part of the direct surveillance short treatment programme	No available calculation method
25. Number of forest areas	No available calculation method
26. Area of protected land for biodiversity purposes	Included in the list of proposed indicators
27. GDP per unit of energy use (energy efficiency ratio)	No available calculation method

Indicators	Availability
28. Carbon dioxide emissions (per inhabitant) and consumption of ozone-depleting chlorofluorocarbons (CFC)	No available calculation method
29. Proportion of the population using solid fuels	Included in the list of proposed indicators
30. Proportion of the population with access to an improved water source	Included in the list of proposed indicators
31. Proportion of the population with access to an improved sanitation	Included in the list of proposed indicators
32. Proportion of the population with access to secure occupancy	Included in the list of proposed indicators
33. Net ODA, as a percentage of the gross national income of donor countries (target: 0.7 % in total and 0.15 % for LDCs)	Not applicable
34. Amount of ODA earmarked for basic social services (basic education, primary health care, nutrition, clean water and sanitation)	Not applicable
35. Amount of ODA bilateral pledges made by DAC/OECD donor countries	Not applicable
36. ODA received by landlocked countries	Not applicable
37. ODA received by small developing island States	Not applicable
38. Duty-free imports of developed countries from developing countries	Not applicable
39. Average customs duties and quotas applicable to agricultural produce, textiles and apparel	Not applicable
40. National agricultural and export subsidies in OECD countries	Not applicable
41. Amount of ODA allocated for building trade capacities	Not applicable
42. Number of countries to have reached the decision point and completion point of the HIPC initiative	Not applicable
43. Debt relief commitment under the HIPC initiative	Not applicable
44. Debt service as a percentage of goods and service exports	Included in the proposed list of indicators
45. Unemployment rate among the 15 to 24 age bracket	Calculated using the proposed statistical tracking system
46. Proportion of the population with sustainable access to affordable basic drugs	No available calculation method
47. Number of fixed telephone and mobile lines per 100 inhabitants	Included in the proposed list of indicators
48. Number of personal computers per 100 inhabitants and number of internet users	Number of personal computers: Calculated using the proposed statistical tracking system Number of internet users: No available calculation method

Annex 4: Presentation of main statistical operations for monitoring poverty and household living conditions

1. General Population and Housing Survey

Objectives
The aim is to update the demographic, social and economic profile of the population of a country.

Areas covered
- housing profile;
- socio-demographic profile including age, gender, disabilities, residence status, matrimonial status;
- activities;
- migration;
- etc.

Scope and sample
The scope is national and findings are disseminated to the smallest administrative unit owing to the comprehensive nature of collected data.

2. Household living conditions survey

Objectives
The overarching objective of the survey is to track and gauge household living conditions in general and the poverty reduction programme specifically.

The goals include:
- studying monetary poverty, poverty in terms of household living conditions, subjective poverty and poverty of potentials;
- building databases to improve various statistics, notably estimating household consumption in national accounts and updating price index weighting calculations.

Areas covered
- socio-demographic profile;
- housing profile;
- income and expenditure;
- health;
- education;
- employment;
- agriculture;
- access to basic services;
- etc.

Scope and sample

The scope of the survey is the entire national territory and findings profile each region[9] and area (urban/rural).

The size of the sample is about 10 000 households. (Depending on the size of the country)

3. Population and health survey

Objectives

PHS seeks to provide data on population and health.

Areas covered

- socio-demographic profile;
- housing profile;
- level of education and enrolment rate;
- fertility and contraception use;
- pre-natal care and birth attendance;
- immunization and treatment of infant diseases ;
- infant nutritional status and mortality;
- anthropometrics;
- HIV/AIDS knowledge and prevalence;
- health and fertility behaviour;
- availability of community services;
- etc.

Scope

The scope is countrywide and findings will be published by survey region and by area of residence (urban/rural).

The size of the sample is approximately 12 000 households. (depending on the size of the country)

4. Multiple Indicator Cluster Sample Survey (MICS)

Objective

MICS seeks to gauge progress in the achievement of the objectives of the national child welfare programme.

Areas covered

- population profile;
- housing profile;
- water, hygiene and sanitation;
- education and literacy;
- child labour;

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[9] Administrative divisions differ from country to country. The region covered here represents the first level below the country. It is assumed that there are about a dozen regions per country.

- women's and child health;
- immunization of women and children;
- contraception use;
- etc.

Scope and sample

The scope is national and findings are published by survey region and area of residence (urban/rural).

The size of the sample is approximately 5 000 households. (Depending on the size of the country)

5. 1-2-3 Survey

Objective

The specific objective is to track employment, the informal sector and household consumption which are key factors in tracking poverty and other socioeconomic areas like education, governance and democracy.

Areas covered

For each survey,

- profile of housing and household assets;
- enrolment and literacy.

Employment

- profile of employment, under-employment and unemployment in respect of training and personal goals
- conditions for exercising activities.

Informal sector

- modus operandi, labour force and employment;
- contribution of the informal sector to the economy;
- problems and prospects of the informal sector.

Household consumption

- household consumer spending;
- household living conditions;

Education

- enrolment and pass rate at various levels;
- school mobility, inequalities;
- differences in behaviour and prospects and household education needs.

Governance and democracy

- population's appraisal of government services;
- population's appraisal of the role of the State (on what it does or should do);
- links between democracy, its efficient functioning, social value systems and living conditions of the population.

The scope is national and findings are published by survey region and area of residence (urban/rural).

The sample size is about 9 000 households for the Employment phase and 5 000 informal production units for the Informal Sector. (Depending on the size of the country)

In a minimum system, the employment phase runs every two years, the informal sector every four years and the other phases upon requests.

6. CWIQ survey

Objective

The CWIQ survey has two major objectives:

- providing useful household statistics for the sake of designing and evaluating socioeconomic development policies;
- developing a system to easily track in a timely fashion key socioeconomic variables for different socioeconomic groups.

Areas covered

- population profile;
- housing profile;
- access to education and health and population satisfaction index;
- employment;
- nutrition;
- etc.

Scope and sample

The scope is national and findings will be published by survey region and area of residence (urban/rural).

The sample size may total 20 000 households. (Depending on the size of the country)

7. Agricultural survey

Objective
Permanent agricultural surveys have the overarching objective of evaluating yearly agricultural production for the purpose of compiling agricultural accounts.

Areas covered
- profile of holdings and farmers;
- farmland, enterprise, productivity;
- livestock and poultry inventory, production and by-products;
- population involved in agriculture ;
- farming practices, inputs, tools and equipment.

Scope and sample
The scope is national and findings are published by survey region.

8. Survey of modern companies

Objectives
The objective of the annual business survey (ABS) is to compile statistics on business undertakings, business diversity and development, factors of production used, economic performance and competitiveness in respect of investment and employment.

Areas covered
- inventory of businesses;
- jobs–wages;
- employment conditions;
- production.

Scope and sample
The scope is national and findings are published by major survey region. The sample size is dependent on the number of enterprises identified in the country.

Annex 5: Intervention areas of technical and financial partners

IMF rolls out technical assistance programmes and training on economic, financial and monetary statistics. It also promotes the use of GDDS as the framework to define development priorities.

The United Nations Department of Statistics coordinates work on international standards and ratings.

United Nations regional commissions contribute to the coordination of statistical development in their regions and promotion of best practices.

United Nations specialized agencies support statistical development in their spheres: the United Nations Population Fund (UNFPA), United Nations Education, Scientific and Cultural Organization (UNESCO), the United Nations Food and Agricultural Organization (FAO), World Health Organization (WHO), the United Nations Environment Programme (UNEP), United Nations Children's Fund (UNICEF), etc.

Statistical activities may qualify for the World Bank loan programme and other types of loans. The World Bank Institute offers training on a great deal of related fields, notably through the poverty analysis initiative.

The European Commission, whose statistical activities are coordinated by Eurostat, focuses on regional cooperation and the action potential under the Cotonou Agreement concluded with ACP (Africa, Caribbean, Pacific) states.

A number of bilateral donors provide support to statistical capacity building; leading donor countries include Germany, Canada, the United States, France, Italy, Japan, Norway, the Netherlands, the United Kingdom, Sweden and Switzerland.

Annex 6: Medium-term Expenditure Framework (MTEF)

Institutional issues

The development of a medium-term framework for designing budgets, known as Medium-term expenditure framework (MTEF) increases the feasibility of PRSPs. Where such frameworks do not exist, its introduction should be considered a priority.

Where the MTEF has been introduced, two challenges have to be met:
- aligning measurement and control instruments at the political level (including PRSP) and operational level (budget);
- using the MTEF as a policy discussion tool within and outside government.

Developing a minimum reference framework to gauge public finance management performance seems critical to this process. Such a reference framework should include performance indicators on timely budget design, preparation of budget execution reports, accuracy, appropriateness and tracking of accounts, verification of accounting income.

Opening budget systems to public control by publishing information on budget design, execution and public accounting, may have a significantly influence policy discussions and accountability of public institutions. Aligning the budget system on the PRSP through a participatory and ownership process requires the commitment and resolve of each level of the system. The active support of the Ministry of Finance is vital throughout the process as it lays down the fiscal incentive scheme which guides other bodies in the preparation of their budgets.

Better resource planning is a long-term goal that requires appropriate accounting expenditure management systems, institutional and personnel capacity building. Sound resource planning should hinge on an institutional system that:
- redefines policy options based on available medium-term resources;
- introduces a financial bidding process among programmes and ensures that decisions are grounded on full reporting of medium-term expected impact and costs;
- translates long-term strategic priorities into sustainable programmes.

MTEF is a prioritized resource package consistent with macroeconomic stability and some overt strategic priorities. It ensures a graduated costing of short- and medium-term policies (ongoing and planned) and decision-making based on an iterative process matching costs with available resources.

Phases of the process

Step 1: Costing the resource package

Income estimates may be derived from three- to five-year projections on economic performance and development assistance flows. The MTEF method sets expenditure caps for major sectors of government, economic services, infrastructure, social services and public security. The authorized indicative ceiling for the three-year period covers all expenditure and is broken down into various cost heads (levels where the budget is prepared and run: departments, divisions, services).

The MTEF advocates the amendment of the budgeting method by migrating from an addition system to clear costing of activities and policies to be implemented. The method may be introduced initially

into pilot ministries, Health, Education or Infrastructure. Subsequently, the component will be extended to all ministries that will be trained in costing during the three-year period.

Step 2: Setting limits for medium-term sector resources
Trickle down resources depend on current commitments. As much as possible, they should be allocated to sectors prior to the setting of limits. Indicative expenditure limits will then be set in consideration of government and ongoing programme priorities during discussions with the sector-specific ministries. Such indicative limits are subject to the approval of the council of ministers, usually many months before the beginning of the annual budget cycle.

Step 3. Preparing sectoral plans
Sector-specific ministries prepare medium-term strategic plans setting main sector objectives and projecting performance, production and expenditure, in keeping with the limits set by the council of ministers. These plans should factor in the costs of ongoing programmes. Ideally, expenditure should be posted by programme and category (wages, overheads and investments).

Before MTEF enters into force, sector managers should use a strategic planning method to set their objectives, expected outcomes and programme their activities and not on the basis of mere extensions of previous programmes which are clearly inconsistent with the new PRSP guidelines.

Step 4. Revising sectoral plans
The Ministry of Finance revised sectoral programmes to check their consistency with all priorities and expenditure limits. It prioritizes comprehensive strategies at the expense of the envisaged detailed expenditure format. Where a sector's expenditure is projected to exceed the set limits, the Ministry of Finance helps the said sector to slash expenditure, or requests further information to review the limits.

Step 5. Submitting reviewed limits to the council of ministers
On the strength of such revision, the Ministry of Finance proposes new multi-year spending limits to the council of ministers. Such limits are the basis for designing more detailed budget estimates during the first year of MTEF.

Step 6. Preparing the annual budget and submission to Parliament
The annual budget, based on the MTEF proposal, is prepared by experts and submitted to the Ministry of Finance for compilation and onward presentation to the cabinet. It is later tabled before parliament for adoption. Appropriations of the previous year must be included in the final annual budget tabled before parliament.

Step 7. Review and rollover
Current expenditure projections (fiscal year and MTEF period) are updated as the need arises and according to changes in policy or key variables (inflation or growth). The new budget cycle opens with updated spending projections for the MTEF period, projections for the resource package of the previous year and new government strategic priorities.

MTEF design method

Designing a MTEF is an iterative process

A good number of global resource projections may be generated on the basis of different macroeconomic and fiscal policy options (step 1). Given the uncertainty of economic conditions and priorities, a contingent fund should be created before communicating the medium-term expenditure limits to the sectors. Part of the fund will be reallocated for the sake of adjusting spending limits after designing sectoral programmes (steps 3 to 5).

The expansion of poverty reduction programmes requires reallocation of resources generated by other public sectors. Considering the costs of current medium-term policies, including legal and contractual obligations (step 2), MTEF enables policymakers to assess the real expenditure trickle down margin. It guides sectors in long-term programme resource allocation planning to the extent of reducing gaps to the barest minimum (step 3).

Prerequisites to designing MTEF
While a significant number of developing countries have embarked on the road to MTEF, most others are still at the preliminary level of the process and a number of sectors need further attention to boost the efficiency of the instrument:

- Improving expenditure forecasting reliability
  Huge income cuts or increased contingent costs may erode the relevance of forecasting, as expenditure limits ought to be dropped substantially at the beginning of each fiscal year. This risk may be mitigated by according sustained attention to stabilizing macroeconomic balances. A contingency fund may be instrumental in cushioning the impact of uncertain revenue and expenditure forecasts of the previous years.

- Identifying key poverty reduction programmes
  Since it is impossible to completely forestall resource flow variations, it is worth identifying priority spending programmes in the context of the PRSP. Existing synergies between programmes also suggest the need for operational collaboration among government agencies.

- Assuring an appropriate analytic period
  Poverty reduction programmes may take years to be launched. While the MTEF is a major stride in annual budgeting on account of its medium-term coverage, extending the life of key programmes beyond the duration of the MTEF may be necessary for their comprehensive costing.

- Extending the scope of policy analysis
  Initially, MTEF forecasts outline global expenditure estimates by sector and programme and classified on economic grounds. Enhanced institutional capacity allows for more detailed forecasts which may include, for instance, regional resource allocation.

- Opening policy discussions
  Forecasts generated by the MTEF also serve as the basis for national policy discussions. In fact, poverty reduction programmes induce long-term commitments that are included in yearly appropriations. This explains why the publication of the MTEF should be considered a real priority.

- Using MTEF to set budget limits

Clear procedures are needed to ensure sound input of MTEF in budget design. If the MTEF estimates are not used as a base for designing annual budgets (step 6), they immediately become irrelevant. Hence, it is central to incorporate the MTEF as swiftly as possible into the budget process.

- Aligning expenditure forecasts on performance objectives
  Matching the resources with performance objectives should be integrated early in the MTEF process. Initially, the model relation between aggregate expenditure and performance ratings would at best be indicative. Ultimately, however, the model may be detailed and used as a basis for gauging future performance.

Many countries introduced macroeconomic forecasts long ago to determine significant budget cuts. MTEF is a major stride in this method as it lays emphasis on sectoral allocations and matching expenditure with performance.

The budget allocation process starts off with the formulation of the macroeconomic framework by the Ministry of Finance. Typically, the macroeconomic framework helps in estimating overall resource packages based on relevant variables such as GDP growth, inflation rate, money supply growth, etc. In practice, revenue flow allocations are based on growth projections generated by the Ministry of Finance. This narrow-minded interpretation of the macroeconomic framework yielded mixed results in respect of projecting expenditure ceilings for sector-specific ministries.

Annex 7: Classification of expenditure to track project and programme implementation and cost assessment methods

Classification of heads:

Expenditure by item based on categories used in administrative control such as wages, travel allowance, telephone expenses and office supplies.

Administrative classification:

Expenditure by officer of the organization for financial management. the model of administrative classification differs from country to country, number and administrative rank of the finance officer.

Functional classification:

Government activities and expenditure by target such as police, defense, education, health transport and communication.

Economic classification:

Government financial transactions by economic category, with a distinction between investment expenditure on one hand, and on the other hand, current expenditure and revenue ; subsidies, State allocations to families and other public institutions ; interests and financial transaction fees. This classification is used in *Government Finance Statistics Manual* (1996), prepared by the International Monetary Fund (IMF).

Programme classification:

Expenditure by programme (that is, by the overall activities undertaken to achieve the same goals). Classification by programme may be akin to breaking down administrative classification or lump up administrative units.

Geographical classification:

Revenue and expenditure by geographical impact area (rural/urban, province, etc.).

Full cost capitalization

To post full costs, appropriations and accounts of operational public bodies should include the following items:
- Goods and services utilized by the body but purchased and settled by another head, such as vehicles, drugs, school manuals procured in a centralized manner or maintenance services provided by a public works department;
- Goods and services funded by external budget sources such as external grants and non budgetary funds;
- amortization of equipment and infrastructure of the body during the fiscal year.

Expenditure analysis by institutional structure

To direct public body expenditure to poverty reduction, there is a need to determine the share of the budget earmarked for social service delivery. Breaking down costs by department ensures direct costing of service delivery on the ground in respect of administrative duties and support duties. More specifically, the cost share of the head office and operator support departments is apportioned as a proportion of field expenditure.

Unit cost analysis

This analysis seeks to set unit cost/performance for a given period. Performance is measured by production, as it indicates the activity level of the public body. In a health centre for instance, unit costs may be calculated based on the number of consultations. It is possible to calculate the unit cost for every body or each of its departments. In each case, unit costs should be posted by head – personnel costs and investment costs per production unit. General support service costs will be posted to determine total production costs.

Costs analysis by activity

Production implies resource-demanding activities. Hence, the need to determine general costs in detail in a bid to highlight the link between support services and final production of the body. This approach presupposes a detailed activity analysis, indicating the amount of resources needed by personnel to successfully implement each activity and cost drivers per activity or group of activities. By way of example, in a maternity, the cost driver may include the number of consultations, number of births, number of births attended by a doctor, or the duration of antenatal hospitalization. Costs of each activity are charged to each production unit incurring such costs.

Annex 8: Impact assessment methods

Post implementation simple observation evaluation

This method is the easiest to apply and appropriate for evaluating means and performance.

It seeks:
- to ascertain the mode of implementation of a policy;
- to measure immediate outcomes (outputs);
- to improve understanding behavioural patterns of appropriate groups and instruments or systems.

However, this method runs the great risk of subjectivity as it is difficult to isolate policy impact form other possible growth factors. It may be difficult to use in evaluating impact or providing explanations to the findings.. A cause and effect link may be established, but findings made at this level are shaky and replication in other contexts is restricted.

Techniques used
Consultation of files, direct observation, expert opinion, case studies, statistical surveys, data analysis, ratio calculations, standard comparison, etc.

Pre-/post-evaluation comparison

This method is very common. It is a standard evaluation method that attempts to ensure consistency between the policy implementation period and adjustment of some indicators. It gives a more detailed and quantified description of the impact.

However, this method has the same shortcomings as the above method although it is possible to use more specific indicators and to draw many commonalities to test the accuracy of findings.

Techniques used
Prerequisites: sound description of the initial situation for all project outcome indicators.

Consultation of files, direct observation, expert opinion, case studies, statistical surveys, data analysis, time series analysis, ratio calculations, standard comparison.

Evaluation based on non-corresponding control group comparison

This method compares a specific policy target group with a control group with similar characteristics to the target group. It helps in properly gauging the impact or external impact of a policy (without establishing the cause and effect relation) and establishing mechanisms and behaviours resulting from incentive policies.

This method does not appropriately and clearly establish the causal relation. An increasing number of control groups ascertains the findings. When a group is set up for the specific purpose of evaluating rather than comparing the use of complex statistical techniques to reduce bias accruing from lack of equivalence (in the case of virtual experiment).

Techniques used
Case studies, statistical surveys, data analysis, time series analysis, multiple analysis, modelling.

Evaluation based on equivalent control group comparison (genuine experimenting)

It is the only completely stringent evaluation method. It unequivocally identifies causal relations, hence, the real impact of a policy or project.

The principle of this method involves choosing randomly beneficiaries of a policy or project from possible beneficiaries. This random selection automatically generates a target group or control group of equal statistical value inasmuch as the sample sizes are appropriate. The programme impact is thereafter measured simply by the difference of average target group and control group sizes.

While this approach is often considered as optimal, it raises a number of practical problems. It may be difficult from an ethical or policy point of view to support one group rather than another for the specific purpose of impact assessment study.

Techniques used
Statistical surveys, data analysis, time series analysis, multiple analysis, modelling.

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