



Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 13-Jul-2022 | Report No: PIDC32786



BASIC INFORMATION

A. Basic Project Data

Country Southern Africa	Project ID P175731	Parent Project ID (if any)	Project Name SADC Regional Statistics Project (P175731)
Region EASTERN AND SOUTHERN AFRICA	Estimated Appraisal Date Dec 12, 2022	Estimated Board Date Jul 28, 2023	Practice Area (Lead) Poverty and Equity
Financing Instrument Investment Project Financing	Borrower(s) African Union, Democratic Republic of São Tomé and Príncipe, Republic of Madagascar, Republic of Malawi, Republic of Mozambique, Southern African Development Community	Implementing Agency Southern African Development Community	

Proposed Development Objective(s)

The project seeks to strengthen regional harmonization, dissemination, and use of core economic and social statistics for beneficiary countries, aligned with the Strategy for Harmonization of Statistics in Africa 2017-2026 (SHaSA2).

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	185.00
Total Financing	185.00
of which IBRD/IDA	185.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	185.00
IDA Credit	87.00



IDA Grant

98.00

Environmental and Social Risk Classification

Moderate

Concept Review Decision

Track II-The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

- 1. With only moderate growth, Sub-Saharan Africa has made only some progress in reducing poverty with an uncertain outlook for the future.** The poverty rate in Sub-Saharan Africa was 40.2 percent in 2018, using a poverty line of US\$1.90 per day. No other region comes close to this level, with poverty rates for all other regions remaining in the single digits.¹ Sub-Saharan Africa is also of particular concern as the region with the highest absolute number of poor people at 433.4 million. Growth is a major driver of poverty reduction, and throughout the 1990s and early 2000s many poor managed to escape poverty also thanks to relatively high growth rates. However, GDP per capita growth in Sub-Saharan Africa has been weak and erratic, averaging around 2 percent and has been falling in recent years.
- 2. These regional trends are also seen in this project’s focal countries, which comprise the member states of the Southern African Development Community (SADC).** The SADC is a Regional Economic Community (EC) comprising 16 member states: Angola, Botswana, Comoros, Democratic Republic of Congo, Eswatini, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Tanzania, Zambia, and Zimbabwe.² The project will also include São Tomé and Príncipe, which is an International Development Association (IDA) country, and which has a similar statistical development status to that of SADC countries. In addition, its official language is Portuguese, which make is similar to Mozambique and Angola – both of which form part of the SADC. In fact, SSA broadly (and, within it, SADC specifically) remains one of the most unequal regions in the world. Overall, these challenges suggest there is an important role that data can play to better advance the region’s development objectives.
- 3. Sub-Saharan Africa is highly vulnerable to economic and climatic shocks, making frequently collected and good-quality data important for monitoring impacts and informing policy responses.** The COVID-

¹ World Bank. 2020. Poverty and Shared Prosperity 2020: Reversals of Fortune. Washington, DC: World Bank. Detailed data are not available for South Asia, but estimates for the regional poverty rate do not exceed 10 percent.

² Of the 16 SADC member countries, 10 are IDA countries, and 6 middle- and high-income countries.



19 pandemic has exacerbated poverty and inequality. The pandemic is projected to have contracted global per capita GDP growth by between 5 percent and 8 percent in 2020, a result of its adverse impact on the economy and public health. This has led to a reversal of gains made in poverty reduction, leading to the first increase in global poverty since the 1998 Asian financial crisis. Estimates suggest an increase in the additional extreme poor in SSA of between 26 million and 40 million in 2020 due to COVID-19. Besides the recent shock from the pandemic, SSA is highly vulnerable to climate risks and shocks, adversely impacting development in the region. The recent Russia-Ukraine war also presents an economic shock to the subcontinent, evident in increased food and fuel prices.

Sectoral and Institutional Context

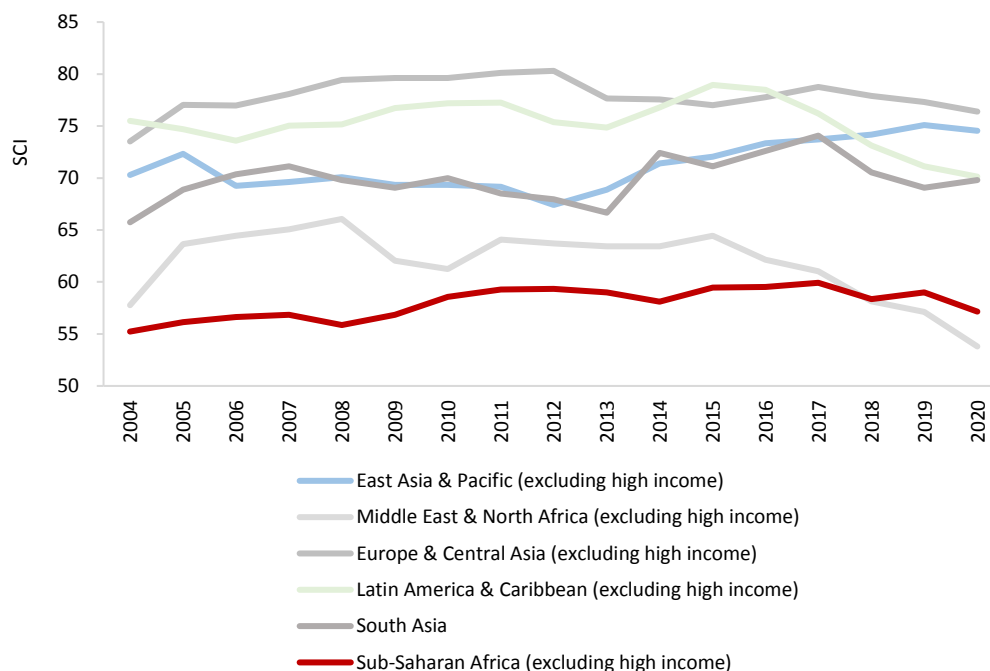
- 4. There has been progress in the production of statistics over the last 20 years in SSA.** From the early 2000s, strategic planning through National Strategies for the Development of Statistics (NSDS) has been adopted, with most African countries having implemented one or more strategies by 2020. These have helped countries improve their legal framework with new statistical laws and strengthen the status of their national statistical offices (NSOs). Several countries use the 2008 System of National Accounts (SNA). The geographic coverage and timeliness of the consumer price index (CPI) has also improved. External trade statistics are harmonized in many countries. The number of household surveys that collect data on monetary and non-monetary dimensions of poverty has increased, thanks to donor-funded programs such as the Multiple Indicator Cluster Survey and the Demographic and Health Survey.
- 5. The increase in the World Bank Statistical Capacity Indicator (SCI)⁴ confirms the overall progress in statistical capacity building in SSA, but the continent still lags other regions.** The SCI provides a grade for every country in the world on the methodology, data sources, and periodicity and timeliness of core economic and social statistics. The SCI for Sub-Saharan African countries (excluding high-income countries) increased from 55.2 in 2004 to 59.0 in 2019, albeit with a drop back in 2020 to 57 (a slight increase of 1.8 score points occurred in the 2004-20 period). Despite this progress, the SCI for SSA is still the lowest among developing regions. Best performers are Europe and Central Asia (see Figure 2).

³ World Bank (2020) Poverty and Shared Prosperity 2020: Reversals of Fortune. Washington, DC: World Bank.

⁴ The World Bank's SCI is a composite score assessing a country's statistical system based on a diagnostic framework assessing methodology, data sources, and periodicity and timeliness. Countries are scored on 25 criteria in these areas using publicly available information and country input. The overall SCI score is calculated as the average of all three area scores on a scale of 0 to 100.

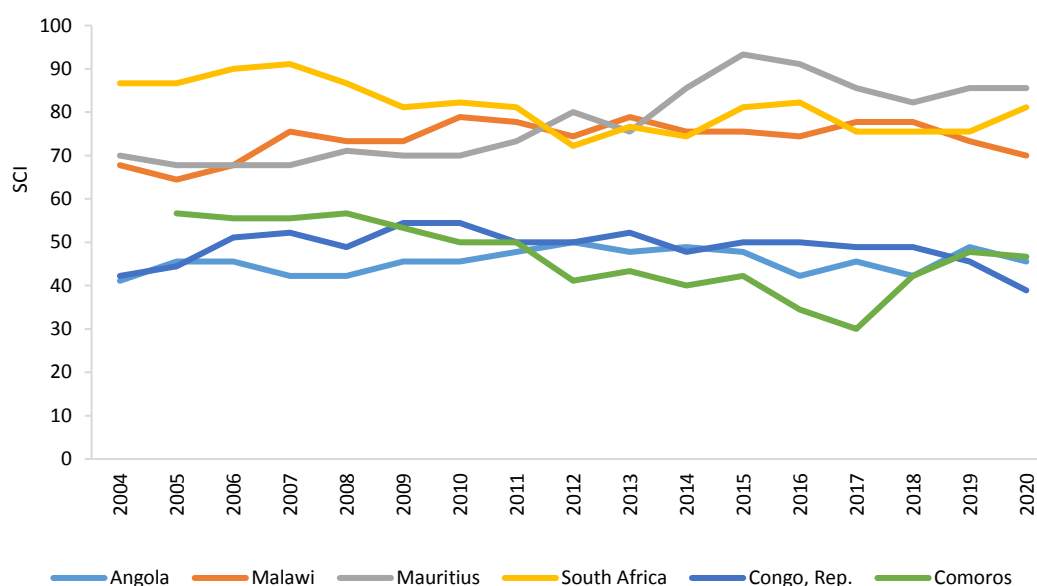


Figure 2: SCI score by regions 2004-2020



6. The SCI for the 16 SADC countries members increased from 55 in 2004 to 61.0 in 2019, showing a better performance than the average for SSA countries (an increase of 3.8 score points). That said, considerable variation exists between countries. Comoros, Angola, and Democratic Republic of Congo are the worst performers scoring 42.1, 46.7 and 47.1, respectively. The best performers are Mauritius, South Africa, and Malawi, scoring 82.2, 77.7, and 76.4, respectively (Figure 3).

Figure 3: Best and worst SCI performers in SADC countries



- Important data gaps remain in terms of availability, timeliness, quality and harmonization of data due to institutional weaknesses, capacity limitations and funding constrains.** Institutional weaknesses and inconsistent financing limit the quality of statistics in SADC and Africa as a whole. Lack of relevant gender statistics hinders the region’s effort to track progress on gender equality and to design relevant policies in response. Data standards are outdated, access to data is weak, and the use of data for policy making is limited. As across most of Africa, the national monitoring and evaluation systems (M&E) used in SADC have weaknesses, most of which relate to the timeliness and reliability of data.
- A regional approach is needed to close gaps in the availability, timeliness, quality, and harmonization of data at the national, regional, and international level.** Comparable statistics are instrumental in areas such as promotion of free trade and creation of a unique currency, as well as meeting the SADC priorities. A regional approach facilitates coordination among NSOs by introducing and expanding innovations, and by encouraging peer-to-peer reviewing and learning, all of which can generate positive externalities.

Relationship to CPF

- The regional approach of the project is aligned with SHaSA2, a continent-wide initiative that the African heads of state adopted to address the constraints faced by African statistical systems and promote the regional integration agenda.** SHaSA2 is one of the core commitments of the heads of state for the Minimum Integration Program. For that reason, its principles guide all African regional organizations, regional integration communities, and regional development organizations, such as UNECA and the African Development Bank, that support statistical development in Africa. It is also timely because in recent years African governments and the international community have called for an improved effort to monitor international and regional development commitments, such as the SDGs and the AU’s Vision 2063.



10. **The project supports the implementation of the SADC Regional Strategy for the Development of Statistics (RSDS) 2020-2030, which is also aligned with SHaSA2.** SADC RSDS has harmonization of regional statistics as one of its strategic intervention areas and can therefore be used as a regional body for this project's implementation. By harmonizing economic statistics, filling the gap on important data, and producing harmonized SDG estimates, the project will be a powerful means of implementing the SADC RSDS 2020-2030 strategy. Other intervention areas of the RSDS include institutional and organizational development, digital transformation of regional statistics, and statistical capacity building. The overall goal is to raise the living standards of its member country populations. Timely, well-harmonized statistics will be needed to gauge progress toward this goal.
11. **The project reflects priorities emphasized in World Bank country strategies.** Country Partnership Frameworks (CPFs) and systematic country diagnostics have identified weaknesses in statistics as a barrier to the effective monitoring of strategies of development and the SDGs. For example, under the fourth objective of the CPF FY17 – FY21, Madagascar puts availability of good data at the center of enhancing transparency and accountability. For Malawi, meanwhile, the CPF FY21 – FY25 states that the World Bank Group will invest in the country's D4P ecosystem. As for Mozambique, its CPF aims to address the need for basic data and statistics required to inform economic policy, monitor progress, and adapt strategies. The core goals behind this commitment are to enhance citizen engagement and produce better-quality data as important underpinnings of transparency and accountability, while simultaneously helping the country to operationalize the Right-to-Information bill.

C. Proposed Development Objective(s)

The project seeks to strengthen regional harmonization, dissemination, and use of core economic and social statistics for beneficiary countries, aligned with the Strategy for Harmonization of Statistics in Africa 2017-2026 (SHaSA2).

Key Results (From PCN)

12. **The achievement of the PDO level results will be measured by five high-level indicators.** The proposed indicators cover the strengthening of the statistical systems as well as the harmonization, production, timely dissemination, and enhanced use of statistics:
 - a. Improved statistical capacity: measured by the average of the Statistical Needs Assessment indicator, and the average of a composite score derived from the Statistical Performance Indicator (SPI) methodology.⁵ This indicator will define a composite index for SPI specifying the

⁵ The World Bank's 2021 report "A Review of ICRs and ICRRs of a Selected Sample of Statistical Capacity Building Operations" cautions that Bank indicators of statistical capacity should be within the projects' results framework. In particular, using indicators such as the SPI (and the Statistical Capacity Indicator before it) has proven problematic in earlier projects due to frequent volatility in the measurement of the indicator arising from changes external to the project itself. While the SPI will likely have lower volatility, there will still be some large annual changes (at the extremes, a 30 percent increase in Guyana between 2017 to 2018 and a nearly 20 percent decline in São Tomé and Príncipe between 2018 and 2019). Given the magnitude of these potential shifts in the overall SPI year to year, the report does not recommend the SPI for use in the



specific dimensions and elements directly involved with data production and statistical capacity activities under the project.

- b. Improved availability of harmonized statistics: measured by the number of core social and economic indicators harmonized across beneficiary countries. This indicator will consider the performance indicators developed under the SHaSA2 initiative organized by themes and strategic objectives.⁶
- c. Improved production and availability of statistics: measured by the average D4P index. D4P will be estimated at country level and a the year 2021 will be used as the baseline.
- d. Improved timeliness of dissemination resulting in improved access to microdata: measured by the proportion of releases within timelines as stipulated in advanced release calendars.⁷
- e. Improved use of statistics: measured by the number of downloads of datasets and reports⁸ supported by the project, and improved monitoring systems for public programs using higher-quality data derived from the project.

13. The project will enhance the production, dissemination, and use of harmonized high-quality statistics.

With the help of the project and coordination of the regional body of SADC, quality and harmonized D4P statistics will be produced and disseminated. The timely release of better disseminated statistics will lead to the enhanced use of statistics. This, in turn, will encourage more production of statistics, creating a positive feedback loop that strengthens the sustainability of the project objective. NSOs and specialized agencies from participating national governments will receive specialized training and capacity-building activities on national monitoring and evaluation systems in order to promote evidence-based policy making. At a national level, a wide range of technical assistance activities will close statistical capacity gaps based on specific country-by-country requirements. Figure 6 presents the results chain framework.

D. Concept Description

14. The proposed regional project will include three SADC IDA countries: Madagascar, Malawi, and Mozambique. A non-SADC state, **São Tomé and Príncipe** has expressed interest in being part of the project.

15. The project has three components: Component 1: Harmonization, quality, and dissemination of core social and economic statistics, which seeks to address the challenge of limited capacity to monitor economic progress and inform regional policy decisions. It aims to support the implementation of continental and regional agreements on statistics – specifically, the SHaSA2 initiative by the AU and SADC’s RSDS 2020-2030. It will also produce a common toolkit. This will have the effect of: improving the harmonization and quality of statistics; increasing human resource capacity of SADC Secretariat and

results frameworks of future statistical capacity building projects. Based on this, a composite SPI index will be developed identifying the specific dimensions and elements of the SPI directly linked with the project.

⁶ See Strategy for the Harmonization of Statistics in Africa – SHaSA (2017). African Union, African Development Bank and United Nations Economic Commission for Africa.

⁷ This project will consider existing statistical calendars and promote its development in countries that do not currently have them.

⁸ Along with counterparts, the World Bank team will define the list of relevant reports that will be released through NSOs’ websites.



African Union aimed to promote harmonization; and advancing the access, dissemination, and use of data and statistics to support evidence-based policy and decision making. This component, therefore, underscores statistics as a public good for regional integration. **Component 2: Close data production, infrastructure, and statistical capacity gaps at national level represent a country-level component** to address capacity constraints that are not necessarily common to all participants but that will enable NSOs to leverage regional activities, such as filling infrastructure and software needs. In the main, the country-level component seeks to extend the D4P package in beneficiary countries under the harmonizing guidelines, recognizing initial institutional and human resource capacities and acknowledging the amount of existing core statistics. The activities within this component, will therefore aim to close gaps in data production, infrastructure, and statistical capacity at a country level. **Component 3: Project Management** will oversee, supervise, and monitor the first two components. The World Bank’s support is planned for five years. The estimated cost is **\$185.0 million**, to be provided through a combination of IDA credits and grants from country-specific and regional windows. The structure of the project is summarized in Table 2.

Table 2. Project Structure

Component	Description
Component 1	Improve harmonization, quality, and dissemination of core social and economic statistics
1.1	Support implementation of SHaSA2 initiative by the AU and SADC’s RSDS 2020-2030
1.2	Improve harmonization and quality of statistics
1.3	Improve human resource capacity at the Regional Body (SADC) and country level to implement the harmonization guidelines
1.4	Improve access, dissemination, and use of data and statistics
Component 2	Close data production, infrastructure, and statistical capacity gaps at country level
2.1	Close data production gaps
2.2	Close infrastructure and statistical capacity gaps
2.2.1	<i>Upgrade physical, information and communications technologies (ICT), and statistical infrastructure</i>
2.2.2	<i>Enhance statistical capacity</i>
Component 3	Project management and monitoring and evaluation (M&E)
3.1	Establish project implementation units (PIUs) at regional and country levels
3.2	Monitor and evaluating project implementation



Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Screening of Environmental and Social Risks and Impacts

The environmental and social risk rating has been classified as Moderate. Key adverse environmental and social risks and impacts relate to ensuring that (i) minor civil works and installation of ICT equipment are managed adequately considering mitigation hierarchy, particularly in relation to construction waste generation and occupational health and safety issues; (ii) the replacement, transportation and disposal of old ITC equipment (e-waste) as well new acquired are undertaken properly; (iii) TA activities including face-to-face trainings, workshops and statistical survey follows prevention measure against COVID-19; (iv) the Terms of Reference for TA type-2 activities (review or development of new policies, plans & strategies) have been reviewed and approved by WB to ensure consistency with the ESF; (v) any statistical guidelines and frameworks established under the project include considerations of digital data protection and digital security; (vi) there is appropriate stakeholder engagement at the regional and national level with all stakeholders, including civil society and marginalized groups, in a manner that is understandable and transparent and explains the benefits and impacts of the activities; (vii) labor conditions, especially with regards to HR restructuring activities, salary re-adjustments and skills needs assessments, as well as occupational health and safety (minor cuts and injuries, road safety, etc. during work); (viii) ensuring that inclusion and data protection covers vulnerable and marginalized groups; and (iv) possible risks of sexual exploitation and abuse and sexual harassment (SEA/SH) at the work place and during the roll out of surveys/censuses.

Capacity of the PIU and respective implementing agencies to manage environmental and social risk is expected to be limited, however, as the nature of the proposed environmental and social risks are relatively low to moderate these risks and impacts should be manageable through known mitigation measures.

The following standards have been identified as relevant for the project; ESS1, ESS2, ESS3, ESS4, and ESS10. The project will be required to prepare a Code of Practices for e-Waste Management , COVID-19 Contingency Plan, Environmental and Social Commitment Plan, Stakeholder Engagement Plan and Labor Management Procedures.

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APPROVAL

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