

**INDIA: PREPARATION OF STATE STRATEGIC STATISTICAL PLANS
(P110338)
NON-LENDING TECHNICAL ASSISTANCE COMPLETION NOTE**

I. INTRODUCTION

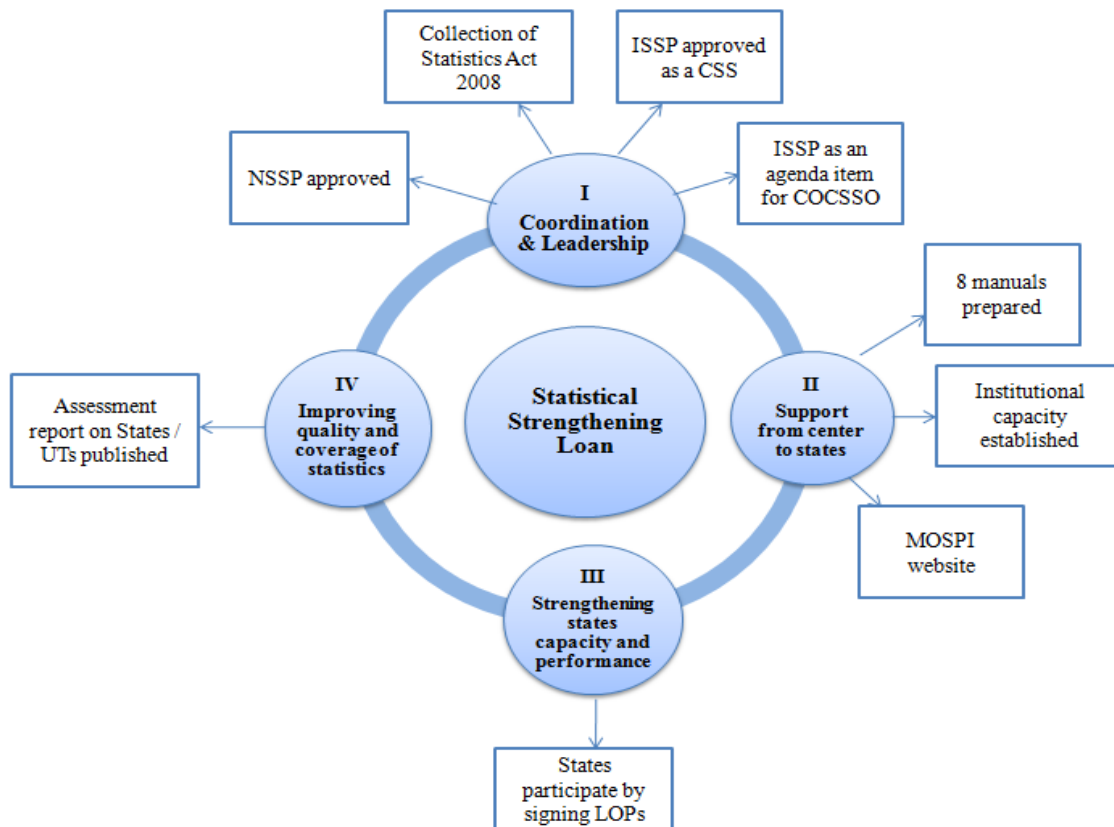
1. Non-lending Technical Assistance: This note reviews the non-lending technical assistance (NLTA) provided to the Ministry of Statistics and Programme Implementation (MOSPI) in FY10 under a grant from the Trust Fund for Statistical Capacity Building (TFSCB) (P110338) which followed up on a previous NLTA for the preparation of a National Strategic Statistical Plan (P091361) and supplemented the preparation of the India Statistical Strengthening Loan (SSL) approved by the Bank on June 1, 2010. This technical assistance supported: (i) consultative workshops involving all states and other stakeholders; (ii) an international consultancy to develop State Strategic Statistical Plan (SSSP) guidelines and spearhead the process of providing the necessary hand-holding for the preparation of the SSSPs in the states; (iii) provision of local consultants to the states in need of additional support for the preparation of the SSSPs, (iv) developing a single and common monitoring framework for preparation of the SSSPs, and (v) drafting the template of the Memorandum of Understanding (MoU) .

2. India Statistical Strengthening Loan: The Ministry of Statistics and Programme Implementation (MoSPI) developed a centrally sponsored scheme to strengthen the national statistical system in line with the recommendations of the National Statistical Commission (NSC). This involves a program of reform and capacity building that is being implemented as the India Statistical Strengthening Project (ISSP), a centrally sponsored scheme under the Eleventh Five-Year Plan. A major component of this scheme is to improve the capacity of the statistical systems in each of the 35 states and Union Territories of India. The India SSL is a Development Policy Loan which supports the Government of India (GoI) centrally sponsored scheme to create an enabling environment for reforms to strengthen the state statistical systems. During the preparation phase of the loan, the non-lending technical assistance through the Trust Fund for Statistical Capacity Building (TFSCB) was used to facilitate: (a) the preparation of a Statistical Master Plan which in the context of India is called the National Strategic Statistical Plan (NSSP), (b) the preparation of SSSPs and draft guidelines for SSSPs, (c) the development of a draft MoU template to be signed between GoI and the state governments and (d) the preparation of a monitoring framework to assess the progress of ISSP during implementation. The SSL focuses on four main policy areas (Figure 1):

- **Coordination and leadership of the National Statistical System:** This policy area includes the development of the NSSP and the approval of ISSP as a centrally sponsored scheme (CSS) among other important steps.

- **Increasing support from the Center to the States:** This policy area include the preparation of statistical manuals and standard setting.
- **Strengthening the Capacity and performance of state statistical systems:** This policy area aims to build the institutional framework at the state level through: (i) signing of the letter of participation (LOP), (ii) preparation of the SSSP and (iii) signing of the MoU.
- **Improving the coverage, quality, timeliness and credibility of statistics generated by the states:** This policy area ensures the quality of the statistics generated through regular assessment and annual reports, state websites etc.

Figure 1.India Statistical Strengthening Loan: Key Policy Areas and Actions Taken



3. **NLTA for the preparation of the National Strategic Statistical Plan (NSSP):** The inputs to NSSP were supported by a trust fund grant – ‘Preparation of a Statistical Master Plan (P091361)’ which was approved by the Trust Fund for Statistical Capacity Building (TFSCB) in November 2007. The trust fund became active in March 2008 with an initial grant amount of US\$142,160. The initial work plan under the NLTA had three components:

- Component 1: Completion of a synthesis report on the capacities and requirements of the state statistical systems

- Component 2: Technical assistance for the preparation of the Statistical Master Plan (SMP) which in case of statistical system of India has been named as a National Strategic Statistical Plan (NSSP).
- Component 3: Support for the consultative process among all stakeholders regarding the preparation and launch of NSSP.

By end 2008, activities under components 1 and 2 were successfully completed. A detailed assessment of the statistical capacities and needs of all 35 states and UTs was conducted. This assessment was discussed and agreed with the state/UT governments and thereon, a summary report viz. synthesis report was prepared and disseminated. The NSSP was prepared and formally launched by the Prime Minister in September 2008. However, GoI met the costs for component 3 regarding the preparation and launch of NSSP itself.

4. NLTA for the preparation of State Strategic Statistical Plans (SSSPs): After the preparation of the NSSP, GOI submitted a request for technical assistance to the World Bank in October 2008 for additional funding from the TFSCB trust fund in order to support the work of preparing State Strategic Statistical Plans (SSSPs). The SSSP is a key first step in the reform program for statistics at the state/UT level and is considered instrumental in integrating the states into the national statistical system. Each SSSP would set out a sequenced program of reforms which would be implemented in the respective state/UT under the ISSP. The purpose of this request was to enable the Government to make technical assistance available to states for the preparation of their strategic plans, in line with the guidelines that had been prepared by MOSPI. This request was considered in November 2008 and additional funding of US\$197,000 was approved on December 9, 2008. The Bank subsequently approved the request for extension of the closing date of the trust fund from June 30, 2009 to June 30, 2010. The basic justification was to provide sufficient time to complete the work on the preparation of the state strategic plans while awaiting the cabinet approval for the centrally sponsored scheme.

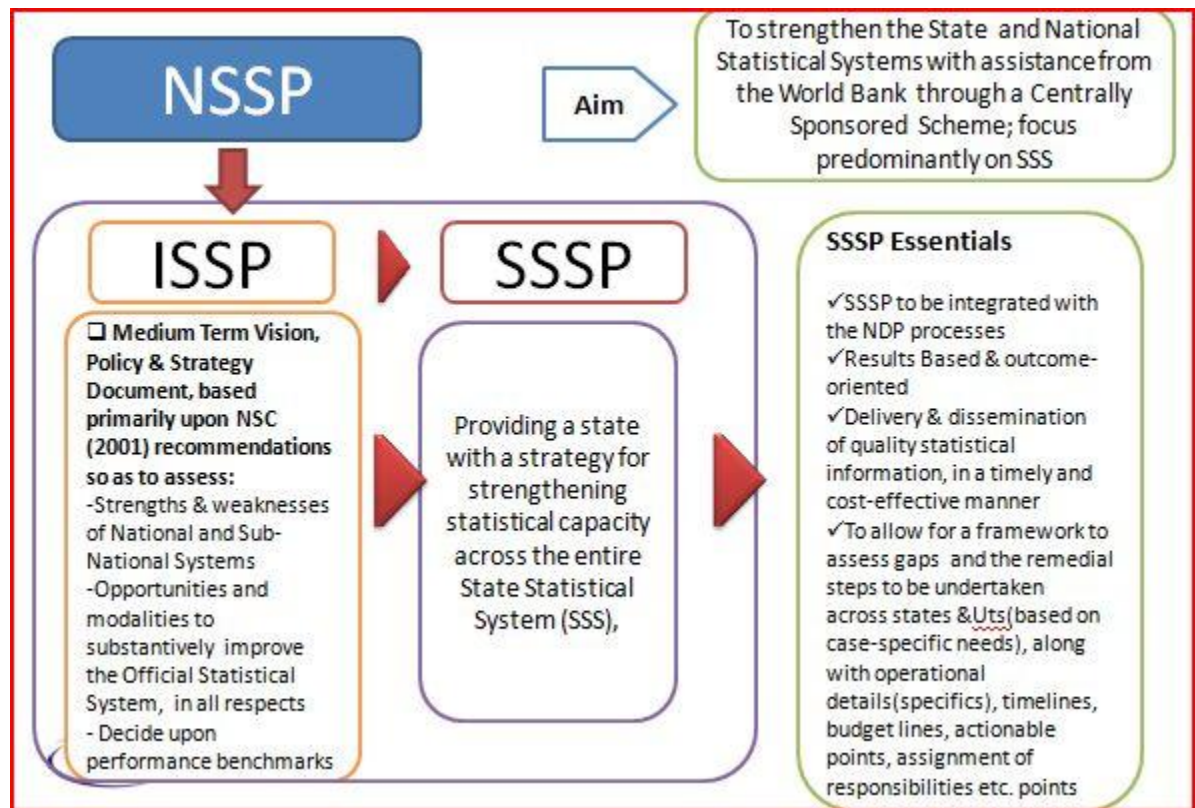
5. Till June 2009, a total of 27 states/UTs had indicated their interest and willingness to participate in and benefit from ISSP by signing letters of participation (LOPs) with MOSPI. The NLTA was envisaged to support: (i) consultative workshops involving all states and other stakeholders; (ii) an international consultancy to develop State Strategic Statistical Plan (SSSP) guidelines and spearhead the process of providing the necessary hand-holding for preparation of the SSSPs in the states; (iii) provision of local consultants to the states in need of additional support for the preparation of the SSSPs, (iv) developing a single and common monitoring framework (or system) for preparation of the SSSPs, and (v) drafting the template of Memorandum of Understanding (MoU). A national ‘SSSP Guidelines Sensitization Workshop’ was organized in January 2009 for all the participating states where technical aspects involved in preparation of SSSP and the first draft of the guidelines to develop a State Strategic Statistical Plan in the states/UTs were discussed.

II. DELIVERABLES

STATISTICAL MASTER PLANS

6. **National Strategic Statistical Plan (NSSP):** As part of the preparation process, MOSPI developed a National Strategic Statistical Plan (NSSP), a vision document that was formally approved by National Statistical Commission and launched by the Prime Minister of India in September 2008. The NSSP sets out a framework for the development of the Indian statistical system, with a specific focus on strengthening the capacity to compile, disseminate and use statistics at the state level. This GoI reform program is embedded in the implementation of NSSP and will improve the coverage, timeliness and quality of data especially with respect to a set of twenty core statistical activities (figure 3). By signing the Letter of Participation (LOP), the states/UTs enter the first stage of participation in the ISSP. By signing the Memorandum of Understanding (MoU) they launch the implementation of the SSSPs to improve statistics at the state level.

Figure 2. National Strategic Statistical Plan



7. **Letters of Participation (LOP):** As a first step, the states/UTs commit to participate in ISSP through signing a letter of participation with MOSPI which mentions a core set of principles for the organization and management of their statistical systems. Signing the LOP indicates the acceptance of the national framework for statistics as set out in NSSP by the states/UTs and indicates their agreement to apply national standards for core statistical activities. The LOP commits the states/UTs to prepare a State Strategic Statistical Plan (SSSP)

whose purpose is to set out an agreed program of reforms over the medium term resulting in improvements in the coverage, timeliness and quality of official statistics compiled and published in the states/UTs.

8. State Strategic Statistical Plans (SSSPs): The formulation of the State Strategic Statistical Plans (SSSPs) represents a crucial first step in the implementation of the India Statistical Strengthening Project. The SSSP is expected to provide a state with a strategy for strengthening statistical capacity across the entire State Statistical System (SSS). The preparation of a SSSP provides the opportunity for all stakeholders to (i) assess the current status of statistics and identify the main constraints affecting statistical activities in the State, largely based on the baseline assessment prepared in 2006/07¹, (ii) review data needs of all users, (iii) provide a vision for where the SSS should be in five to ten years setting out agreed medium-term goals for improving the quality, coverage and timeliness of official statistics, (iv) set out the most appropriate strategies to address the constraints and achieve the goals, and (v) set out a viable, technically sound, and user-oriented detailed implementation plan, with annual targets, work plans and actions to put the strategies into effect covering capacity building for the institutions, data production, dissemination and other reforms aimed at achieving the desired improvements.

9. Memorandum of Understanding (MoU): The MoU is an operational document laying out an agreed program for (a) the detailed implementation of the SSSP which will reflect statistical priorities of both the State and national Government and (b) the resources that will be made available by MOSPI and the state. In return for both financial and technical support from MOSPI, states will agree to improve the coverage, quality, timeliness and credibility of their official statistics. The MoU commits the State to a medium-term strategic framework for five years detailing specific agreed outcomes and the mechanisms for reaching the agreed outcomes within the period mentioned, which will help the State to adhere to its implementation plan for sustaining the broad policy framework available in the NSSP.

TECHNICAL SUPPORT FROM THE INTERNATIONAL EXPERT

10. Outputs from the International Expert: The international consultant hired through the trust fund assisted MOSPI in developing: (i) specific guidelines for preparation of SSSPs (please refer to paragraph 10), (ii) a monitoring framework to track the progress of preparation of SSSPs (paragraph 11) and (iii) a Memorandum of Understanding (MoU) template to be signed between MOSPI and the states representing the plan of action devised by the states to carry out the statistical activities as drafted in their respective SSSPs (paragraph 12).

¹ State-wise Study reports on identifying specific requirements for strengthening of State Statistical Bureaus (http://mospi.nic.in/Mospi_New/upload/issp_states_reports.htm)

11. Guidelines to prepare a SSSP: The international consultant engaged under the NLTA provided necessary technical support and guidance to the participating states/UTs and also provided advice to the national consultants assisting the states in formulating their SSSPs. The Program Support Group (PSG) at MOSPI received significant assistance from the international consultant in providing the much needed technical support to all the states. A well laid-out guideline for the preparation of SSSPs was developed in close consultation with MOSPI which was disseminated to the states/UTs through the workshops. The guidelines were also made available to the states and all stakeholders through the MOSPI official web-site². A brief summary is mentioned below:

- The SSSP has two parts: (i) Strategic Elements and (ii) Implementation Plan.
- The Implementation Plan sets out a comprehensive work program with a detailed budget.
- Each line department writes its own assessment according to a standard structure that may be developed by DES or the Project Management Team (PMT) in the state/UT which includes production, quality, coverage, definitions, methods, district level statistics, human resources (HR), information and communication technology (ICT), physical infrastructure, statistical infrastructure, coordination, etc.
- The SSSP sets out the vision, goals and priorities of the state statistical system (SSS) clearly.
- The Implementation Plan contains the details of how to monitor progress and what kinds of reporting should be followed.
- SSSP to be discussed in Stakeholders Meeting and approved by the state high-level steering committee (SC).
- State governments, in consultation with MOSPI, to develop a MoU with GoI with regard to implementation of the SSSP within the limits of the ISSP.
- States should make use of the experience of other states in developing their SSSPs and take account of municipalities and other sub-state agencies.

12. Monitoring Framework: Discussions with MOSPI were carried out to develop a single monitoring system to track the progress of preparation of SSSPs which would meet the needs for reporting to the state Project Management Team, state high-level steering committees and state government and to MOSPI, the Program Support Group, high-level steering committee at the center, COCSSO, and the NSC. Subsequently a draft monitoring template was developed by the international consultant after a comprehensive review of the indicators listed and implied in the Government of India (GoI) program matrix, the relevant Recommendations of

² Detailed guidelines are provided in the official website of MOSPI (http://mospi.nic.in/Mospi_New/Site/Details.aspx?pid=1&id=21&pages=on¶mid=11&tab=2).

COCSSO, the Synthesis Report of 35 States on identifying specific requirements for strengthening of State Statistical Bureaus, the LOP, GoI Concept Note, the NSSP and the Guidelines for Preparing a SSSP. The monitoring indicators thus developed are common to all states and cover five important aspects of a State Statistical System which are:

- Indicators of the performance of the statistical system as a whole, relating to processes to ensure the integrity and credibility of statistical data, including the extent to which the national statistical principles have been put into effect.
- Indicators of the availability of data for the key statistical activities observing national standards, and the availability of priority state-level data.
- Indicators of the quality of statistical data released.
- Indicators of overall user satisfaction with the statistical system, and the serviceability of the statistical data made available, based on periodic user satisfaction surveys or other feedback/complaint mechanisms.
- Indicators of data accessibility, including whether or not an advance release calendar is in place and whether a data warehouse has been established.

13. Memorandum of Understanding (MoU) template: Once states and union territories have signed the LOP and have a SSSP formally approved by the state government, they will enter the second stage of participation in ISSP, the implementation of SSSP through preparing and signing a MoU with MOSPI. The MoU will be an operational document laying out an agreed program for (a) the detailed implementation of the SSSP which will reflect statistical priorities of both the state and national government and (b) the resources that will be made available by MOSPI and the state. In return for both financial and technical support from MOSPI, states/UTs will agree to improve the coverage, quality, timeliness and credibility of their official statistics. A draft MoU template was designed by the international expert in collaboration with MOSPI. The key features of the MoU template are:

- The MoU commits the specific state/UT to a medium-term strategic framework (MTFP) up to March 31, 2012, detailing specific agreed outcomes, outputs, results and the actions for achieving them over that period (for sustaining the broad policy framework set out in the National Strategic Statistical Plan (NSSP)).
- The MoU lists the sets of data/statistics that the specific state/UT agrees to collect, compile and disseminate in accordance with the norms and standards as may be issued from time to time by the Government of India for 20 key statistical activities.
- The MoU sets out the program of specific reforms, operational improvements and capacity building that the state/UT proposes to carry out to strengthen the State Statistical System.

KNOWLEDGE EXCHANGES/ REGIONAL WORKSHOPS

14. In order to help states develop their strategy papers, it was agreed that the Project Support Group at MOSPI along with the international expert would hold four regional workshops, each covering 6-7 states, and work closely with the state Directorates of Economics and Statistics (DES) and the line ministries. The DES in each state is responsible for the collection, compilation and dissemination of statistics. The objective of these regional workshops is to organize states into working groups and provide guidance on the preparation of the strategic plans.

15. The workshops were funded by the trust fund and a management consulting firm was engaged to provide technical and logistical support to MOSPI. A set of actions were outlined that could help states and Union Territories (UTs) in the start-up of their work on drafting their State Strategic Statistical Plans (SSSPs). These included actions to be taken centrally, through specialized consultancies, to assist states/UTs on common aspects of their SSSPs (state-level statistical legislation, Information and Communications Technology, data quality, and capacity building in terms of human resource development including training.

16. The Bank's consultant participated in these workshops and familiarized the state/UT level staff with the draft Guidelines for SSSP which was prepared in consultation with MOSPI and provided a comprehensive break-down of the SSSP process into manageable steps to help start up the process. The schedules for the workshops are provided in the following table. Participants to these workshops included the Principal Secretary (Planning and Coordination), 5-6 representatives from each state comprising the Director (DES), Joint Director (DES) and officials from the line ministries and the national consultants hired for the preparation of SSSPs.

Regional Workshops	States	Venue
Southern States February 4-5, 2010	Karnataka, Tamil Nadu, Kerala, Andhra Pradesh, Maharashtra, Gujarat and Pondicherry	Chennai
DDGs Workshop February 10, 2010	Workshop for Deputy Director Generals (DDGs) of NSSO posted in the states	Trivandrum
Eastern States May 24-25, 2010	Orissa, West Bengal, Bihar, Madhya Pradesh, Chhattisgarh, Jharkhand, Assam and Andaman & Nicobar Islands	Patna
Northern States March 25-26, 2010	Himachal Pradesh, Haryana, Punjab, Delhi, Uttar Pradesh, Rajasthan, Uttarakhand and Jammu & Kashmir	Delhi
North-Eastern States and remaining states/UTs June 21, 2010	Dadra & Nagar Haveli, Assam, Sikkim, Goa, Chandigarh, Nagaland, Arunachal Pradesh, Mizoram, Meghalaya, Tripura, Manipur, Daman and Diu and Lakshadweep. During	Shillong

17. Workshop for the Deputy Director Generals (DDGs): An additional workshop was also organized to sensitize the Deputy Director Generals (DDGs) of the National Sample Survey Organization (NSSO), MOSPI, entrusted with the responsibility for statistical coordination with the states/UTs. The DDGs were informed about their roles and responsibilities in the preparation of SSSPs of their respective states/UTs in coordination with the DES and the SSSP guidelines and processes involved in the preparation of SSSPs.

III. ACHIEVEMENTS

18. Progress in preparation of SSSPs: As a result of the activities undertaken under the NLTA the states/UTs have made substantial progress towards the task of preparation of SSSPs and the current status could be summarized as follows:

- SSSP of Karnataka has been approved by the State Cabinet. It is ready for signing and implementation.
- Four states (Chhattisgarh, Gujarat, Haryana and Tamil Nadu) have prepared the first drafts of their SSSPs.
- Two states (Uttarakhand and Kerala) have made substantial progress towards the preparation of their SSSPs.
- In seven states/UTs, Andaman & Nicobar Islands, Himachal Pradesh, Kerala, Orissa, Punjab, Tamil Nadu and Uttarakhand, the Chief Secretaries concerned have taken meetings to issue necessary directions and review the course/status of progress concerning the preparation of the SSSP.
- Delhi, Lakshadweep and Nagaland have recently signed LOPs.
- In the remaining participating states/UTs the task of preparation of SSSPs is at initial stages.
- Deputy Director Generals (DDGs) of NSSO (FOD) posted in states were assigned the duty of coordination with the state governments, whereby they would provide support and assistance to the states/UTs in preparation and implementation of SSSPs, as required by the states/UTs.
- The experience of states like Karnataka, Gujarat and Tamil Nadu who have drafted their SSSPs may be utilized by other states/UTs in preparing their SSSPs.
- The states/UTs were intimated that the DDG, NSSO (FOD) posted in the states would be the representative of MOSPI in the high-level steering committee constituted by the state/UT on SSSP.

KEY FINDINGS

19. The regional workshops brought many issues to the forefront. Issues and findings which were common to all the workshops are mentioned below. Findings specific to each regional workshop are presented in the next section.

- In respect of some states/UTs, the new statistical areas identified are very large in number. The new areas include indicators on gender and disaster management which some state governments feel is the need of the hour and important in the context of the state. It therefore emerged that the state/UT governments may set priorities among the statistical areas identified.
- In the case of states like Tamil Nadu, since field officials face problems in the collection of information from the respondents, it was felt that legal provisions can facilitate collection of information in an effective and efficient way. The elements of legal provisions, if any added, may either supplement or complement the national Collection of Statistics Act.
- Since many agencies are involved in collecting information in the field, there is a need to develop integrated ICT (Information and Communication Technology) systems. It was felt that ICT can enable seamless transmission of uniform and compatible data across all levels viz. from the Panchayat to the central level.
- The inclusion of data relating to the private sector is a real challenge for the Directorate/Department of Economics and Statistics (DES), especially in respect of social sector activities. The SSSPs are also required to address issues related to the inclusion of private sector participation for information sharing and collection.
- Since the DES is usually the repository of a large amount and wealth of data concerning various sectors, an efficient marketing strategy for the data could be a potential/additional source of revenue for the state government.
- It was felt desirable that a common statistical cadre be established in all the states/UTs, as this would facilitate better and prompt coordination.
- In the context of strengthening the interface between academics and official statistical institutions, it was noted that the National Academy of Statistical Administration (NASA), which is the training and capacity building hub housed within MOSPI, should play a pivotal role in providing the necessary training required for state officials.
- All states were advised to consult the SSSP models of Karnataka and Gujarat. These states have adhered to the NSSP and the guidelines for the preparation of SSSPs. They have prepared an ideal strategic statistical plan representing a medium-term framework; taking into consideration all the state-specific issues and concerns.
- As a result of these workshops, different states developed different modes/strategies for the preparation of SSSPs. Some of the states decided to prepare their SSSPs in-house without hiring any consultants, whereas some other states wanted to use the technical assistance of the consultants and the academic/research organizations for the preparation of their SSSPs.
- All states participating in ISSP have to develop a set of 20 core statistical activities which includes district domestic product, labor and employment statistics, demographic statistics etc. Some of these activities come under the purview of the line departments

of the state and not DES. The workshops helped to convey the message that the SSSP is a vision document representing the future strategy for the state statistical system as a whole combining the DES and the line ministries together. A snapshot of the 20 core statistical activities is in figure 3 below.

- A major concern for the states participating in the workshops was lack of clarity on the procedures involving the hiring of national consultants. This was an issue primarily because the financial assistance through the trust fund can't be directed towards the state government budget and the consultant to be hired would be on contract with the World Bank rather than the state government. The Bank representative at these workshops, jointly with representatives from MOSPI, explained all the required procedures to the states which resolved the issue effectively and led to faster progress on SSSP preparation.

Figure 3: Core Statistical Activities

State Domestic Product	Capital Formation and Savings	District Domestic Product	Contribution of Local Bodies	Major fiscal variables
Participation in conduct of ASI field survey, tabulation & pooling	Compilation of IIP	Crop area and production statistics	Compilation of WPI numbers	Compilation of CPI numbers
Health, morbidity and mortality and family welfare statistics	Education and literacy statistics	Labour and employment statistics	Housing statistics	Birth and death registration and population
Electricity production and distribution statistics	Environment and forest statistics	Participation in surveys of NSSO	Transport statistics	Statistics for local area planning

DISCUSSIONS AND RECOMMENDATIONS OF THE REGIONAL WORKSHOPS

Southern Regional Workshop

- Disaster Management Statistics are well established in Gujarat. It could be useful for other states like Tamil Nadu to learn from their experiences, as Tamil Nadu had also been struck recently by Tsunami.
- The representatives of DES of Karnataka mentioned that the direct involvement by top officials and quick approval processes has resulted in early preparation of SSSP and that this has also facilitated buy-in from all line departments.
- For monitoring of SSSP activities and data collected from various sources, some states like Tamil Nadu proposed the establishment of independent body/bodies to objectively monitor and evaluate the data collected by various line departments.

- Among the 20 proposed key indicators, wherever meaningful and feasible, for the common items, MOSPI may develop standardized software and provide the same to states/UTs, along with training (as is being done, for example, in the case of National Accounts).

Eastern Regional Workshop

- Andaman & Nicobar Islands signed the LOP in May 2009 and is involved in the process of hiring of a consultant for the preparation of the SSSP.
- Assam is involved in the process of establishing the State Steering Committee for the preparation of SSSP and other matters related to the development of the state statistical system.
- All the other states are at different stages of preparation of their SSSPs.
- During the eastern regional workshop, MOSPI intimated the states/UTs that an amount of one million rupees will be provided to each of the participating states as a start-up fund to be utilized for the preparation of the SSSPs.

Northern Regional Workshop

- All the states emphasized the need for training their statistical staff for efficiently conducting the data collection, compilation and dissemination process.
- Rajasthan officials visited three states viz. Andhra Pradesh, Maharashtra and Gujarat to discuss the best practices and innovations that could be introduced on the functioning of DES and the district statistical offices. Plans to publish a bi-annual/annual journal containing research papers and situational analysis of different issues is currently under discussion.
- Sensitization of the line departments was raised as a major concern by Uttar Pradesh.
- Most of the states mentioned the need for a common statistical cadre for their statistical staff which would enhance coordination among the DES and the line departments.

Workshop for the State Level Deputy Director Generals (DDG)

- The DDGs did not have a complete understanding of their roles and responsibilities in facilitating the process of preparation of the SSSPs by the states. It was decided that the Project Support Group at MOSPI would remain in close communication with the DDGs and facilitate knowledge transfer between the states and the DDGs.
- The involvement of the state-level DDGs throughout the project implementation period would be essential for the successful implementation of the ISSP.
- The DDGs would report to the Additional Director General (ADG), Field Operations Division (FOD), NSSO and the PSG about the status and progress of work concerning the preparation and implementation of the SSSPs of the respective states/UTs, along with details concerning their contribution to the process on a continuous basis.

- The DDGs would represent MOSPI at the state high-level steering committee meetings regarding preparation of SSSPs and would provide the necessary assistance to the State DES along with PSG.

V. NEXT STEPS

20. There is a likelihood that, as GOI implements the ISSP, there would be requests for similar non-lending technical assistance on capacity building in terms of training, assisting the process of preparation of SSSPs in the North-Eastern states, finalizing Memorandums of Understanding (MoU) to be signed between GOI and the states/UTs based on the approved SSSPs and capacity building of the PSG by providing them with experts and consultants.