

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: ERDI

TA No. and Name TA 3582 - BAN: Strengthening the National Accounts and the Poverty Monitoring System			Amount Approved: US\$600,000	
			Revised Amount: ---	
Executing Agency: Bangladesh Bureau of Statistics		Source of Funding: TASF	TA Amount Undisbursed US\$379,597.58	TA Amount Utilized US\$220,402.42
Date			Completion Date	
Approval 14 Dec. 2000	Signing 1 August 2001	Fielding of Consultants 31 March 2002 ¹	Original 31 March 2004	Actual 31 December 2004
			Closing Date	
			Original 31 March 2004	Actual 30 June 2005
Description				
<p>The Bangladesh Bureau of Statistics (BBS) is the central statistical agency responsible for collecting, compiling, and disseminating a wide range of socio-economic statistics in Bangladesh. ADB provided TA 2682 to improve the capacity of the BBS staff and the country's national accounts statistics (NAS) during 1996-2000. The TA was able to achieve its objectives. This TA 3582 was provided to BBS to continue and accelerate the momentum gained.²</p> <p>Objectives and Scope</p> <p><u>Objectives:</u> The original TA's main aim was to help BBS strengthen its national accounts (NA) and poverty monitoring system. Specifically, the TA aimed to help BBS (i) build its capacity to compile more reliable, relevant, and timely NAS; and (ii) improve the poverty monitoring system. At a later stage, after the inception mission, it was decided that the TA would only concentrate on the NA, in particular on quarterly national accounts (QNA).³</p> <p><u>Scope:</u> The TA covered activities, including (i) a number of workshops and training courses; (ii) the development of methodological approaches for estimating QNA; and (iii) the production of the QNA handbook and the corresponding QNA estimates.</p> <p>Evaluation of Inputs</p> <p>Given BBS's absorption capacity, the original TA objectives were ambitious. The objectives and TA activities were then reduced. The TA engaged four international consultants for about 7 person-months and one domestic consultant for 11 person-months. It defined the terms of reference of the five consultants clearly. To increase cost-efficiency, one staff from the United Nations Statistics Division was also recruited (for about 1 person-month) as a non-fee resource person with his travel and daily subsistence allowances paid. The consultants and the resource person worked satisfactorily. Two consultants (one international and one domestic) and one resource person provided five intensive in-country training courses on NA and QNA. In addition, they conducted on-the-job training courses. The courses improved the BBS's capability in NA. One data producer's forum was conducted. Two BBS staff participated in two international seminars.⁴ Equipment bought included 20 personal computers, three printers, one server, one fax machine, and one scanner. The equipment was useful for the project implementation. Four (inception and review) missions were fielded and solved some implementation problems.</p> <p>Evaluation of Outputs</p> <p>The TA produced six important NA publications, namely <i>Provisional Estimates of Gross Regional Product, 1995-96 to 1999-2000</i>; <i>Report on Integrated Business Enterprise Survey, 1998-1999</i>; <i>Preliminary Report on Household Investment Survey</i>; <i>Estimates of Investment: Methods and Data Sources</i>; <i>National Accounts Statistics (Provisional Estimates of GDP, 2003-04 and Final Estimates of GDP, 2002-03)</i>; <i>Handbook on Sources and Methods of the</i></p>				

¹ There were a staff transfer at ERDI and a general election in Bangladesh in 2001, leading to delayed TA implementation. The inception mission was to be fielded in the second half of 2001, but it was postponed twice. The mission was fielded in January 2002.

² The TA also considered that the poverty monitoring system required improving.

³ This was due to the fact that BBS, especially the NA division, was considered to have a low absorption capacity and BBS was found to have sufficient capacity in poverty statistics. Nevertheless, one international consultant on poverty was fielded to review BBS's poverty statistics and suggest improvements.

⁴ On QNA and on official poverty statistics.

Quarterly Series of Bangladesh System of National Accounts. The Government found these reports and the NA estimates useful. BBS did not publish the QNA estimates. It only compiled the estimates in an internal document titled *Pilot Compilation of Quarterly GDP of Bangladesh.*

Overall Assessment and Rating

The TA amount used was only close to 40% of the amount approved. This was due to the reduced TA scope and more efficient use of consultants' services (as stated)⁵; cancellation of overseas apprenticeship program, study visit, and dissemination workshop; and the low BBS's absorption capacity.⁶ BBS was very slow in implementing the work programs and was sometimes unable to implement them. There are different reasons for this. First are BBS's institutional and capacity weaknesses in implementing the TA.⁷ They include lack of vision, managerial and technical leadership, and proper organizational arrangement. For instance, the TA Project Director was changed three times during project implementation leading to unnecessary delays in the TA implementation. Second concerns the small number of existing NA staff. BBS only has two permanent staff working on NA. There are six 'project' (not permanent) staff who have been engaged since TA 2682 but they have not been appointed as permanent staff as was promised⁸, leading to their low work motivation. Third, as BBS is now under the Secretary of the Planning Division (it was previously under the Secretary of Statistics) of the Ministry of Planning (MOP), it has very little authority in deciding about statistical activity and development.⁹ For instance, the planned overseas apprenticeship did not materialize as MOP did not approve the candidates BBS proposed. As the Finance Minister suddenly had to attend to other matters, BBS had to cancel the dissemination workshop that had been well prepared twice. The study visit was not implemented as MOP (not BBS) submitted a proposal at the end of the TA and ADB found that the proposed study visit would not be useful to the TA and would not benefit BBS. Nevertheless, the TA is considered partly successful. It strengthened further BBS's capability to collect and compile NAS, particularly QNA estimates. All the trained staff still work at BBS. However, due to BBS's institutional weaknesses, sustaining TA results may be difficult. The TA completion date was about 1-year behind its original completion date. One reason was that the TA started 1-year late, as the Government signed the TA Agreement Letter more than 7 months after the TA approval and the inception mission was fielded 1 year after the TA approval. Another reason was the Government's request to finalize some activities (consultants' advisory services and in-country training courses).

Major Lessons Learned

- If there is a follow-up TA, these institutional and managerial problems should be solved to enable effective TA implementation and to ensure sustainability of the activities the TA initiates.
- The availability of email connections improved the communication flow between ADB and BBS. This practice needs to be continued.
- In the future, it is very important to ensure that the candidates the Government sends for overseas seminars/workshops are those relevant to the project and are not close to retiring from the office.

Recommendations and Follow-Up Actions

The Government has requested an additional TA for BBS. Based on experience, the Government's (particularly BBS's) commitment and seriousness in implementing the TA should be assessed carefully. It is important that the next TA focus on BBS's organizational reform. More importantly, it should be for a results-based Country Strategy and Program and for National Poverty Reduction Strategy. Some conditionalities for the Government to satisfy should be stated explicitly. For example, if NA will also be part of the next TA, then the Government should first appoint the existing project staff at the NA division as permanent staff. BBS should understand that the TA is for technical assistance and not for providing additional income to the BBS staff. In addition, overseas training should be given to the relevant staff. Finally, some monitorable outputs and their deadlines should also be stated explicitly and be agreed to in writing.

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⁵ Only focused on NA and QNA, the use of one UN Statistics Division staff as a non-fee resource person, instead of an international consultant, and more emphasis on a domestic consultant rather than on international consultants.

⁶ E.g. the international consultant on manufacturing statistics recommended some steps to improve the quality and quantity of manufacturing statistics. However, BBS did not respond to the recommendations.

⁷ For more details of BBS' institutional shortcomings, see para. 29 of the *ADB's Long-Term Operational Strategy for Advisory Assistance for Macroeconomic Analysis and Data Management for Bangladesh: Final Draft Report, 2001* (by Rezaul Karim Khan, Economist, BRM).

⁸ The request for this appointment has been submitted to the proper authority for more than 3 years.

⁹ BBS also does not have authority to release statistical information. For example, the QNA estimates were not published as it could not get an MOP's clearance.