

## TECHNICAL ASSISTANCE COMPLETION REPORT

Division: ERDI

<b>TA No. and Name</b> TA 4454 PRC: Developing a Poverty Monitoring System at the County Level			<b>Amount Approved:</b> US\$ 300,000	
			<b>Revised Amount:</b> –	
<b>Executing Agency</b> Rural Survey Department <sup>1</sup> of National Bureau of Statistics		<b>Source of Funding:</b> PRF	<b>TA Amount Undisbursed</b> \$40,104	<b>TA Amount Utilized</b> \$259,896
<b>Date</b>			<b>Completion Date</b>	
<b>Approval</b> 01 December 2004	<b>Signing</b> 13 January 2005	<b>Fielding of Consultants</b> 10 April 2005	<b>Original</b> 31 March 2007	<b>Actual</b> 31 December 2007
			<b>Closing Date</b>	
			<b>Original</b> 31 March 2007	<b>Actual</b> 31 March 2008

### Description

1. The demand for county-level information in the People's Republic of China (PRC) has been rising for at least four reasons. One, poverty in the rural areas is dispersed in relatively small areas such as counties, townships and villages. Two, poverty reduction projects are increasingly designed to target the poor directly. Three, there is an increasing demand for data to monitor and evaluate the outcomes and impacts of projects at the sub-national level. Last but not least, sub-national statistics has increasingly been used to allocate scarce resources.

2. The current rural poverty monitoring system in PRC still tends to focus on producing statistics at the provincial and national levels. Thus, there is a dearth of county-level data. The lack of county-level data can be mainly attributed to the lack of capacity of county offices of the Rural Survey Department (RSD) to produce the required poverty-related indicators. Moreover, these county offices were not included in reforms in recent years to enhance the capacity of RSD and its provincial offices to collect, process and disseminate data. In 2003, on the request of the PRC Government, the Asian Development Bank (ADB) included in its country strategy and program for 2004-2006 a technical assistance (TA) project to assist the RSD of the National Bureau of Statistics (NBS) improve the compilation of poverty indicators at the county level.

### Expected Impact, Outcome and Outputs

3. The TA aimed to help RSD develop a county-level poverty monitoring system that provides timely, relevant and quality statistical information which is useful for poverty-related analysis to support policy- and decision-making processes. The emphasis was on strengthening the capacity of RSD county offices in supplying the required statistical information for poverty monitoring.

4. To achieve the objectives, the TA supported: (1) the selection of county poverty-related indicators; (2) the conduct of a pilot survey in two Dayao county villages to test the chosen indicators; (3) a visit to the Philippines to study its community-based poverty monitoring system; (4) the conduct of a census in Dayao county as a rider to the Agricultural Census to collect data for the poverty monitoring system; and (5) training and dissemination workshops.

### Delivery of Inputs and Conduct of Activities

5. The objectives were met by providing a combination of advisory services, training workshops, study visit, equipment procurement, support for the conduct of a census in Dayao county, and the dissemination of outputs through workshops.

6. The TA engaged one international consultant and one national consultant. Both consultants performed satisfactorily and worked to determine the list of poverty-related indicators for Dayao county through regression techniques and a participatory approach involving consultations with various stakeholders. The national consultant was also re-engaged to assist in the conduct of the census to collect data for the poverty monitoring system and to train the various government agencies in Dayao county on various topics such as data checking, processing and analysis.

7. The census in Dayao county to collect data for the poverty monitoring system involved some 65,000 households. Conducting the census in Dayao county as a rider to the Agriculture Census was a good decision as it helped to reduce the costs of data collection and respondent burden. Equipment purchased for the TA included 3 desktop computers, 3 laser printers, 3 notebook computers and 3 network cards. The equipment was used in the implementation of the TA.

8. The TA completion date was extended by 9 months due to a reorganization in the executing agency (i.e., RSD) and the need to conduct the census in Dayao county together with the Agriculture Census from January to April 2007. The TA was financially closed on 31 March 2008 to allow time to verify outstanding financial transactions. Four missions were undertaken during the implementation of the TA. These missions were successful in resolving issues related to the implementation of the TA. The successful monitoring of the implementation of TA was also achieved through numerous and frequent email messages between ADB, RSD and the consultants. RSD also showed its commitment to the project by ensuring that the various components of the TA were carried out according to the timetable so as to ensure that the TA was completed by the

<sup>1</sup> Previously known as Rural Survey Organization.

revised completion date. The overall performance of ADB and RSD was satisfactory.

### **Evaluation of Outputs and Achievement of Outcome**

9. The capacity of the various government agencies in Dayao county to process census data was enhanced through their interaction with the national consultant and the training he provided. In particular, the Dayao County Bureau of Statistics reported that the TA had improved its capacity to organize and conduct large-scale surveys, check data quality and process and analyze data. The study visit to the Philippines also provided the participants with some practical knowledge of how a community-based poverty monitoring system is developed.

10. The Dayao county poverty monitoring system was probably the first one of its kind in PRC to be developed using scientific methods. The data which were collected will be useful in identifying and understanding the non-income causes of poverty in Dayao county. Such information is particularly useful as it will help to improve the targeting of poverty alleviation projects and resources at specific poor households. The system will help to streamline the indicators system under the comprehensive framework for poverty monitoring which was developed by the United Nations Development Programme and Leading Group on Poverty Alleviation and Development. It will also complement ADB TA3610 PRC: Preparing a Methodology for Development Planning in Poverty Blocks under the New Poverty Strategy of PRC, People's Republic of China, which aimed to develop a multidimensional poverty planning methodology for county poverty reduction planning and develop guidelines on how to make such poverty plans as one of the activities in the TA involved the development of a methodology to identify poor villages.

11. The TA also produced a number of papers written by the various government agencies in Yunnan province on the applications and uses of the poverty monitoring system. These papers were discussed at the dissemination workshop in Chuxiong prefecture and the concluding workshop in Beijing. The national consultant has also informed ADB that the International Fund for Agricultural Development has adopted concepts and methodologies which are similar to those of the TA in the development of its Multiple Poverty Analysis approach. In addition, he was invited by the Leading Group on Poverty Alleviation and Development and the Ministry of Civil Affairs to present the key findings of the TA at two recent conferences and most of the participants were highly interested in the approach and results of the TA.

### **Overall Assessment and Rating**

12. The TA was successful in producing a poverty monitoring system which will serve as a useful tool to improve the understanding of the non-income causes of poverty in Dayao county. The strong spirit of cooperation between RSD and the various government agencies contributed to the timely implementation of the various components of the TA. To date, feedback from the national consultant indicates that the system has been applied at the county and township levels and a few villages for planning purposes. With appropriate modifications such as changes to the indicators, it may be possible to replicate the system in other regions of PRC.

### **Major Lessons**

13. The commitment and strong ownership of RSD and other related sub-national government agencies and the high level of cooperation between them contributed significantly to the smooth implementation of the TA activities.

14. The regular review missions conducted in the last few months of the TA helped to ensure that the activities of the TA were completed according to the time table and that any outstanding issues were resolved quickly.

15. It may be useful to conduct a census rather than a sample survey to gather data for a poverty monitoring system of this nature. This is because a census will ensure that no household is left out of the system and will help to provide complete information on every household in the target area. This way, it will be possible to identify every single household which is poor so that appropriate resources can be channeled to assist them.

### **Recommendations and Follow-Up Actions**

16. RSD can consider extending the system to the other counties in Yunnan province or counties in other provinces. In addition, due to the changing dynamics of poverty, RSD should consider updating the data in the system by conducting the census regularly (for example, once in five years as recommended by the national consultant) by incorporating the census into the Agriculture or Population Census. This will help to provide a better picture of the poverty situation in Dayao county.