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The Statistical system of Lao PDR – the present situation and challenges in the years ahead

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Introduction

The National Statistics Centre (NSC) and the National Statistical System of Lao PDR has undergone a fundamental transformation since their establishment in 1975. The paper briefly describes the development work. The present statistical system is outlined in general terms. The legal basis and the role and the function of the statistical system are described. The rest of the paper deals with the future prospects of the system. Starting out from the Strategic Plan 2005-2010 the paper discusses the challenges and problems facing the statistical system and the National Statistics Centre in the years ahead.

1. The History: The Transformation of the National Statistical System of Lao PDR

The Start

The first national statistical system of Lao PDR was established after the revolution in 1975. The system was at that time characterized by collection of primary data at local levels aggregated by the different administrative levels to national sector statistics. The system was decentralized in the sense that each line ministry was responsible for statistics in its own field. Statistical units of 2-4 persons were assigned the task at ministry level. The provincial and district departments of the ministry served as the data collection units.

The *State Planning Committee* through its planning units in provinces and districts also compiled statistics received from sector ministry departments. On central level the statistical department compiled national statistics received from the sector ministries.

The system was from the start essentially an administrative report system, mainly serving government central planning. The coordination and standardization within the system was poor. The staff was not well trained in modern statistical methods.

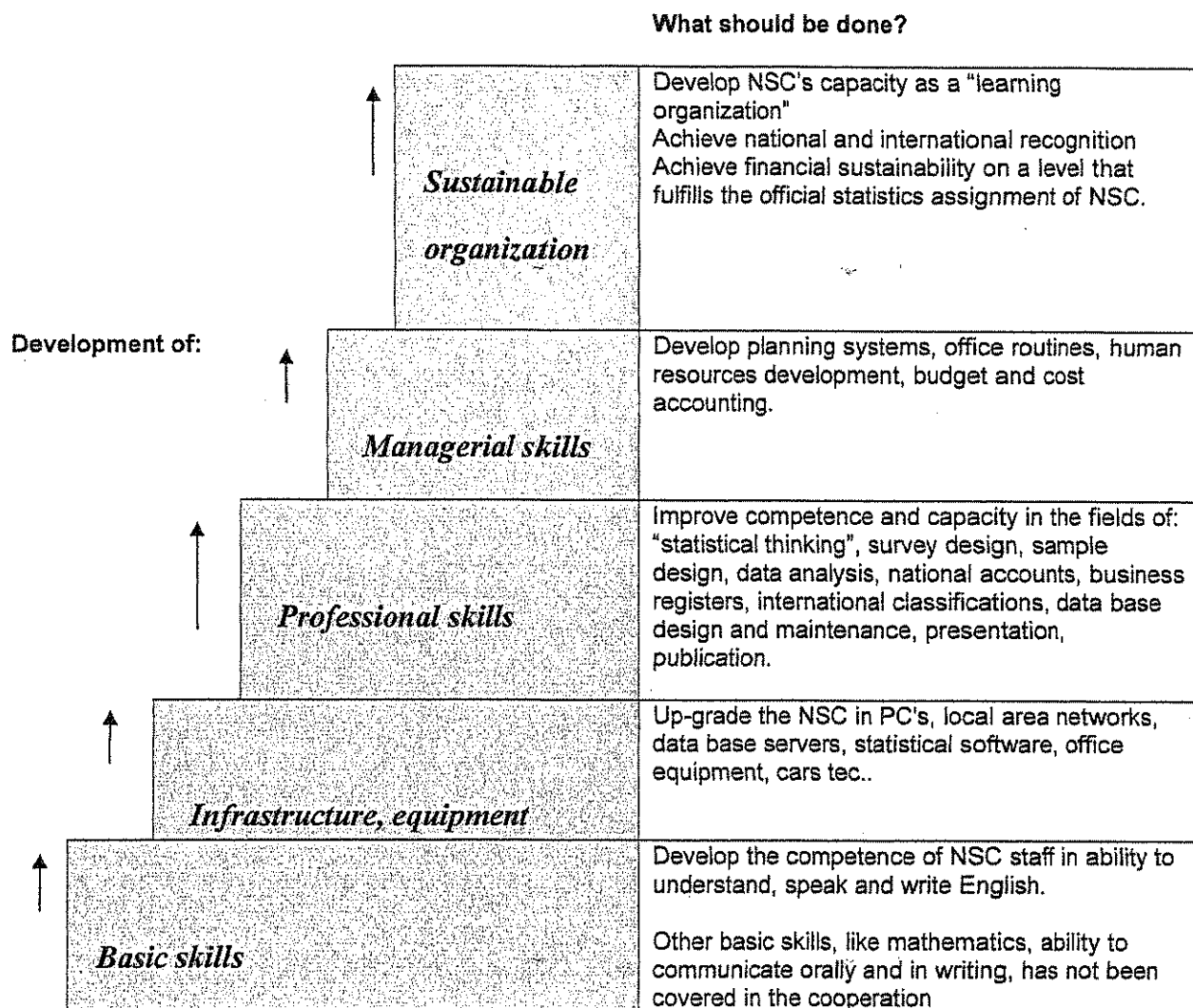
Long-term Development Work

In 1992 NSC initiated cooperation with Statistics Sweden in a development project that aimed at strengthen the capacity at NSC and promote the capability to produce official economic and social statistics. The ultimate objective was to make NSC the strong center in a well functioning national statistical system, capable of producing statistics in the different areas required. To fulfill the ambitions NSC has to:

- Develop the capacity to produce and to co-ordinate the production and dissemination of relevant, accurate and timely statistics to meet the needs of information from the Government, governmental institutions and the society at large,
- Improve the capacity and capability to advise and supervise the production and dissemination of statistics within other departments, provincial governments and other organizations or enterprises,
- Increase the capability to develop and improve the Lao statistical system to meet new demands of information.

The project is designed as a broad cooperation between NSC and Statistics Sweden in a "twinning" partnership. The strategy for the twinning cooperation could be described as in figure 1. Together the two partners should climb the stairs and eventually reach the top of the stairs where NSC emerges as a self-sufficient organization capable of fulfilling its role as the national statistical office. (See figure 1).

Figure 1: The stairs to a self-sufficient NSC



In the beginning of the cooperation the effort was concentrated on developing infrastructure (computers, software, office equipment) and improve basic skills (English, elementary statistics, survey methods) among NSC staff. The next step was to gradually improve the professional skills of the staff. The survey and census work carried out 1992-1998 provided good opportunities for improvement of professional skills through hands-on training. Already in 1992 the first household survey (Lao Expenditure and Consumption Survey-LECS) was conducted and in 1993 the Social Indicator Survey was completed. A population census was done in 1995 and in 1998 an Agriculture census. The same year the LECS II was completed.

The production work and training (both hands-on and formal) has improved the NSC competence and capacity in the fields of survey design, sample design, data

analysis, national accounts, data base design and maintenance, presentation and publication.

In the final stages of the project the focus is on issues connected to a sustainable development of the statistical system of Lao PDR including organisational and management issues. The work includes development of planning systems, office routines, HRD, budget and cost accounting systems. It also includes developing NSC's capacity as a "learning organisation". A crucial challenge is to achieve financial sustainability on a level that fulfils the official statistics assignment of NSC

2. The Situation Today: the Statistical System and the Role and Function of National Statistics Centre

Today the National Statistics Centre is a department of the Committee for Planning and Investment. It is the central data producer and collector, and it collects data through surveys, censuses and the administrative reporting system. The capacity to conduct well-designed surveys is one of the strengths of NSC and a factor that gives NSC a good standing in the Government and in the society.

The role, function and responsibility of National Statistics Centre has been defined in the Decree of Prime Minister number 140/PM. This decree was approved in August 2002. It defines clearly the role, function, responsibility and mandate of the National Statistics System. According to the decree the National Statistics Centre is responsible for collecting, processing and analyzing socio-economic data and preparing official statistics reports on national economic development situation. NSC is also responsible for the coordination of the national statistical system. NSC is the focal point for providing technical guidance to all parties on data collection, survey design and statistical methods and standards.

The decree also specifies the responsibilities of the statistical organization under line ministries and ministry equivalent agencies. They are responsible for collecting, compiling, processing, analyzing and reporting of all statistics relating to their own area.

Today NSC is well on its way to become a modern national statistics office but there are still problems to overcome. In terms of number of skilled staff NSC is a very small national statistical agency. NSC has to struggle to keep up with the demands from Government and a number of donors. Most of the basic official statistics are produced by NSC. There are, however, areas that are not covered, e.g. environmental statistics and short-term economic indicators. Furthermore, the quality of some of the official statistics produced is not entirely up to standards. To build in quality in the statistics production is a resource-demanding task. It requires well-trained staff that has time to work with the quality problems. There is at present not adequate capacity available at NSC to deal with these tasks.

It is clear that NSC needs a substantial expansion of staff in order to fulfill all the duties of a NSO. However, an expansion is hampered not only by budget constraints but also by a too small recruitment base in the country.

3. Looking at the Future: the Strategic Plan for the National Statistics System

The Strategic Plan contains an analysis of the current situation and separate sections on "lessons learnt" and "weaknesses". These sections form the basis for an assessment of the development needs. The strategies and their related activities are summarized in a LFA-matrix. ("Logical Framework Analysis"). The matrix outlines objectives, results, verifiable indicators, means of verification and assumptions/risks. Some of the activities have funding but for many activities the funding is not yet secured. Some of the most important issues are discussed below.

Human resources development

The National Statistical Center needs to have a comprehensive HRD plan which involves providing training to statistics staff of ministries, provinces and districts. The training will not only focus on concepts and principles but will also try to transfer fundamental statistics knowledge to newcomers, as well as to transfer knowledge of macroeconomic management, analysis, and statistical probability analysis to all staff.

The development of statistical methodologies has become increasingly important; there is huge demand for international standard development techniques in all working aspects. This is true for example in using the 1993 national account system and in price index theory and in other areas such as environment statistics and in developing social indicator criteria. General statistical methodologies include sample selections for household and enterprise surveys, calculation and adjustment techniques, statistical inferences based on sample survey data, population projections, estimation of labor supply and demand, quality controls in statistics production, and the design and usage of international standard table of contents.

In conclusion, there is a need for human resource development planning in all levels of the statistical system, the size of which depending on the staff development in the future. The National Statistical Center as the coordinator needs to play the leading role and adopt appropriate coordination mechanisms for promoting smooth program implementation in each phase. The National Statistical Center also has to play the leading role of inviting development funds from both domestic and international sources to meet the actual need of the national statistical system.

Statistical decree.

The Decree needs to be converted into law so that National Statistical Center and other organizations in the national statistical system will have full rights in executing the national statistical system. This improvement will include making the national statistical system independent in technical operations and the adoption of international standards for data production and dissemination. National Statistical Center foresees that Decree 140/PM will become a law before 2010. NSC will coordinate with the authorities concerned in designing a detailed plan for drafting the statistics law and submit the draft to the government by 2007/2008.

Staff situation

The number of staff in all levels of the system has to be increased. Currently, NSC has only 41 civil servants and by 2010 its staff should be 100 persons. There are altogether 39 civil servants working on statistics in ministries, and by 2010 there must be around 90. At provincial level, there are currently 65 statistics officers and by 2010 there should be around 90. Currently there are 200 statistics officers in districts, and there must be 284 by 2010 (on average 2 per district). Each sector of a ministry and department of a particular province must have one to three statistics staff.

Dissemination of statistics

NSC has yet to take full advantage of the possibilities to disseminate statistics in digital form. There is much work to do to make the NSC statistics and data available in formats other than the traditional paper publication. Furthermore, there is also a need to improve the metadata. The strategic plan outlines the following activities:

- Develop official statistics dissemination policies and publication plan
- Continue to improve the dissemination system so that NSC will be able to meet the users' demand by disseminating statistics and datasets via various media.
- Moving to website solutions in dissemination of statistics
- Improve the metadata by further developing the GDDS.

International cooperation and coordination

NSC is becoming increasingly involved in international cooperation. There are basically two types of cooperation: cooperation projects where the main aim is to strengthen the NSC (capacity building) and cooperation projects and activities where the aim is coordination and standardization of statistics presented by national statistics offices.

The National Statistical Center has extended its international cooperation aiming at attracting financial and technical assistance that are needed for developing and

improving the capacity of the system. The cooperation is divided into different types such as the Lao-Sweden Cooperation Project on Statistics supported by SIDA, capacity-building in population science and planning supported by United Nations Population Fund, preparation of the Human Development Report supported by the United Nations Development Program, capacity-building on participatory poverty monitoring and evaluation financed by Asian Development Bank. Other international organizations also provide some technical assistance to National Statistical Center.

The demands on NSC from international coordination projects are steadily increasing. There are obligations relating to regional cooperation agreements like the ASEAN. There are also coordination/standardization activities like the ICP-project and the adaptation of ISIC to Asian countries. This work comes "on top" of all the other commitments NSC has, and it puts an additional strain on the organization. There is a need for NSC to secure sufficient resources for this kind of work.