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A Critical Review of the Development of Indicators in the Context of Conference Follow-up

Report of the Secretary-General to the
ECOSOC Informal Meeting on Development Indicators
10-11 May 1999

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EXECUTIVE SUMMARY

Accurate, timely and unbiased information is crucial to sound public policy decisions. In particular, in the context of conference follow-up statistical indicators are indispensable. It is possible to conduct an objective assessment of the extent to which goals have been achieved only if benchmark data and reliable indicators are available.

Among international organizations, there remains room for improvement in the coordination of data collection. Such coordination can promote efficient use of resources, and can contribute to easing the burden on statistical programmes of countries. The report argues that there are many instances of inconsistencies between data disseminated at the international level. Inconsistent definitions and methodologies lead to a loss of credibility when two or more agencies produce different indicators of the "same" concept.

The major problems, however, are the serious gaps in the international data bases. These are, in most instances, a direct consequence of the lack of basic statistical data at the country level. There is an enormous mismatch between the demand for information - a demand which has increased as a result of the global conferences - and the ability of most countries to supply the required information. The report gives examples of how the sheer volume of data requests on a country is overwhelming, even for developed countries.

The report also reviews means of implementation. It finds that ODA for the implementation of conference goals has been diminishing. In general, ODA fell to 0.22 per cent of the combined gross domestic product of DAC member countries in 1997, far below the target level of 0.7 per cent. Additional work is needed to improve monitoring tools in this area.

The report concludes that possible next steps fall into two broad categories: (i) to improve partnerships at the international level and (ii) to strengthen statistical capacity at the national level. Continued coordination at the international level regarding data collection, development of concepts and methods, will go a long way to address the various problems related to inconsistencies. A common development indicator platform on the Internet is suggested in this context. Coordination is also necessary to focus the information demands placed on countries. The report does not propose new coordination structures, but rather recommends that efforts build upon the present mechanisms. It emphasizes however, that improved coordination will require, both a genuine commitment and the necessary resources to carry it out.

The only way to ensure the provision of statistical information on a routine basis is to build national statistical capacity. In order to strengthen this capacity the report recommends the formation of a high-level working group consisting of major donor agencies and DESA to more effectively coordinate data collection and statistical capacity building programmes in countries. In

addition, a targeted international programme to build national capacity in the areas of censues and sample surveys is proposed.

Given the cross-cutting nature of development indicators, with both normative and operational dimensions, ECOSOC is the appropriate forum to review the implementation and follow-up on this issue.

A Critical Review of the Development of Indicators in the Context of Conference Follow-up [1]

I.   INTRODUCTION

1.   Indicators and statistics[2] are important tools for countries in their policy making processes. First, they permit an assessment of the prevailing situation. Second, they permit the quantification of specific policy objectives. Third, and perhaps most importantly, they become yardsticks of the progress towards the formulated target. Countries determine their own needs for indicators and statistics, depending on their degree of socio-economic and statistical development and on their policy priorities.

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[1]   The first draft of this report was reviewed by an Expert Group on Development Indicators, convened by the United Nations Statistics Division, New York, 8-10 March 1999. The list of experts is in Annex 2. The same draft was also discussed during the thirtieth session of the Statistical Commission, 1-5 March 1999, New York.

[2]   While there are technical differences between statistics and indicators, the two are intrinsically linked and therefore for the purpose of this report they are used interchangeably.

2.   Indicators are also essential prerequisites for world wide review of progress towards the implementation of UN conference resolutions as well as for decision making, including decisions on funding. The conferences and summits[3] of the past decade have resulted in the formulation of concrete policy goals. In many cases these were general in nature, but in some specific cases they took the form of quantified targets.[4] Consequently, the conferences called on countries and international organizations to develop and improve the requisite statistics and indicators.[5]

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[3]   A list of major conferences and summits is attached in Annex 1.

[4]   The following are some examples of explicit numerical targets contained in conference documents: "By the year 2000 provide universal access to basic education and ensure completion of primary education by at least 80 per cent of primary school-age children" (Beijing Platform for Action); "Reduce infant mortality rate by 1/3 of 1990 level by 2000 and below 35 per 1,000 by 2015" (World Summit for Children).

[5]   See for example Report of the World Social Summit , A/CONF.166/9, Commitment 9 (d) and *Platform for Action and the Beijing Declaration*, Strategic Objective H.3, para 206.

3.   In its deliberations on the 'Integrated and coordinated implementation and follow-up of major United Nations conferences and summits' the ECOSOC recognized the importance of the issue of statistics and indicators[6] and decided to dedicate an informal meeting of the Council with panels of experts to this topic. The present report was therefore commissioned, which is to "consider in a comprehensive manner the work being carried out by the United Nations system, and other relevant international and national institutions, on basic indicators to measure progress towards the implementation of the integrated and coordinated follow-up of all aspects, including means of implementation of the major United Nations conferences and summits in the economic, social and related fields at all levels, with a view, as a first step, to taking stock and identifying overlapping duplication and gaps".[7]

4.   **Attempts at defining what an indicator is have as yet not yielded a single definition which has widely been applied. From several of the definitions reviewed, an indicator can generally be characterized by two basic elements:**

> **(a)   It is a statistic, fact, measurement, statistical series, etc., (i.e. quantitative) or some form of evidence, perception (i.e. qualitative);**
>
> **(b)   It has a purpose of clarifying and defining objectives, assessing present and future direction with respect to goals and values, evaluating specific programmes, demonstrating progress, measuring changes in specific condition or situation over time, determining impact of programmes, conveying messages.**

While it is recognized that both quantitative and qualitative information are required for some types of development analyses, this report focuses on quantitative indicators which cover a wide spectrum of development information ranging from simple statistics to indices[8].

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[6]   "In order to effectively monitor progress in the implementation of conferences at the country level there is an urgent need for the multilateral system to develop a coherent set of basic indicators as well as the need to strengthen the capacity of the UN system and of countries to collect and analyze statistics." (Summary of the ECOSOC president, May 1998).

[7]   ECOSOC decision 1998/290 (31 July 1998).

[8]   A more detailed presentation of the criteria to apply in the selection and dissemination of

5.   Section II of the report describes ongoing international indicator initiatives and highlights some problems in terms of gaps and inconsistencies among indicators. Section III describes the prevailing situation in many developing countries and analyzes the impact of the activities of international organizations at the country level. The main problems at international and national levels are summarized in Box 2, at the end of section III.   Section IV addresses the means of implementation. Section V discusses some possible next steps, including proposals for building statistical capacity at the country level and for improving partnerships within the UN system and beyond.

II.   INDICATOR PROGRAMMES AT THE INTERNATIONAL LEVEL

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indicators is presented in Annex 3.

6.   The United Nations Secretariat, international agencies, funds and programmes have always contributed to the dissemination of indicators through regular publications and analytical reports. These indicators are based largely on data obtained from countries by specialized agencies (such as UNESCO, ILO, FAO, WHO, and UNIDO) as well as departments of the Secretariat and Regional Commissions. Through longstanding arrangements, agencies have clearly defined areas of responsibility to collect data from countries[9] and share them with other agencies and organizations. These data are disseminated in electronic media or yearbooks, and are the main sources for the "flagship" publications of agencies. Other initiatives, such as the UNDP *Human Development Report* and the World Bank *World Development Indicators* that provide an important vehicle for the dissemination of development indicators, also draw from these databases.

7.   An Inventory of Statistical Data Collection Activities[10], conducted in 1995, revealed a total of 312 data collection activities reported by international organizations. While 195 collection activities were carried out by organizations that cover only selected countries such as UN Regional Commissions, European Union, and OECD, 117 were carried out by global organizations involving all countries. A list of organizations collecting data from countries with the number of questionnaires is presented in Annex 4.

A. Description of indicator programmes related to conferences

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[9]   International organizations sometimes produce estimates and projections by using statistical models. Examples are population estimates calculated by the United Nations Population Division, estimates and projections of the labour force prepared by the ILO, and the average years of schooling calculated by UNESCO.

[10]   "Inventory of Statistical Data-collection Activities", United Nations Statistics Division, 1995.

8   In response to the recent global conferences and summits, the demand for indicators has increased in the international arena. A large number of indicators, ranging from 18 to 134, is required for the follow-up of some of the recent conferences (see Annex 5). Some of these indicators have long been collected nationally and compiled internationally by the United Nations Secretariat and related organizations[11]. In fact, some conference goals were established in cognizance of the existence of data in the respective areas. Still many of the international organizations have expanded their work to include the compilation of additional indicators for assessing progress towards conference goals. These initiatives fall into two broad categories: (1) those carried out by international organizations in response to a single conference, and (2) those undertaken to monitor in an integrated way a group of conferences.

1.   Indicator initiatives responding to specific conferences

9   Annex 5 presents detailed information about some of the initiatives that were launched in direct response to a particular conference. This list of initiatives (which does not include many other sectoral and regional indicator initiatives[12]) and the corresponding number of indicators, clearly illuminates the potential burden these pose to countries. Programmes of indicators developed in response to specific conferences vary from agency to agency. Three types of initiatives can be distinguished.

(i) Recommendation of a core set of indicators: The agency disseminates a suggested list of indicators with guidelines on its implementation. These initiatives do not entail new collection of data by international organizations from countries. They aim to help the countries to make relevant indicators available to national decision-makers and encourage greater use of data within countries. Examples of these initiatives are the Education for All Year 2000 Assessment (see Box 1), the Work Programme on Indicators of Sustainable Development, and the Food Insecurity Vulnerability Information and Mapping System (FIVIMS) to be established at country level as a follow-up to the Food Summit.

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[11]   For example, at the international level the United Nations Population Division/DESA has for decades produced estimates of life expectancy at birth, infant mortality, and more recently child mortality.

[12]   For example ILO programme on Key Indicators of the Labour Market (KILM), WHO task force indicators on reproductive health, ESCWA's work on the integrated follow-up to conferences, ECLAC work on poverty indicators, and ESCAP programme for updating of *Statistical Indicators for Asia and the Pacific*.

Box 1. Example of an indicator initiative for a conference follow-up: Education For All Year 2000 Assessment

The Education for All (EFA) Year 2000 Assessment was planned by an inter-agency Technical Advisory Group composed of the five main EFA-sponsoring agencies : UNESCO, UNICEF, the World Bank, UNDP and UNFPA. Based on the EFA goals, the group selected 18 core EFA indicators and developed the general and technical guidelines, together with model tabulations for national reports. Originally 47 indicators were proposed but this was reduced because of concerns about the reporting burden.

The Technical Advisory Group also requested that the 1999 UNESCO statistical questionnaires be adapted and used as the main instrument for collecting national aggregate statistics needed to produce the global report on EFA 2000. The UNESCO questionnaires regularly gather statistics needed not only for deriving 14 of the 18 core EFA indicators, but also statistics on secondary and tertiary education that extend beyond the scope of EFA 2000 Assessment.

Each country has been requested to form a National EFA Committee to carry out the assessment and prepare the national EFA report. These committees have been asked to systematically involve the education statistical services within the Ministry of Education and the National Statistical Office in collecting and producing the required EFA statistics and indicators. These services are often those that are responsible for responding to the UNESCO annual statistical questionnaires.

(ii)   Repackaging of existing indicator series with the aim of producing new publications or data-bases to follow up on the conference. Examples of this type of initiative include: *The World Employment Report 1997-98* published by ILO, which addresses the concern about "sustainable livelihoods" of the World Social Summit; the two issues of *The World's Women* (published in 1991 and 1995) and a third issue which DESA is preparing for the Beijing + 5 review. Of the same type, but which does not respond to any particular conference, is the compilation of indicators by the Office of the Special Coordinator for Africa and Least Developed Countries (OSCAL), to monitor the achievement of priority programmes of the United Nations Special Initiative on Africa (UNSIA).

(iii)   Development of a new data collection activity: The agency, in accordance with its mandates, selects a set of indicators which are addressed specifically to measuring progress toward achieving the conference goals and undertakes to collect from countries the underlying data to compile these indicators. These indicators are then compiled and disseminated on a regular or ad hoc basis. Examples are: the set of indicators which WHO collects every three years from countries to guide the evaluation of Health for All Strategies; the multiple indicator cluster survey sponsored by UNICEF to assist countries in obtaining data for reviewing the implementation of the Mid-Decade Goals of the World Summit for Children; and the compilation of a list of indicators by the United Nations Commission on Human Settlements (UNCHS) as a continuation of the work which began

as part of the preparation for Habitat II conference.

2. Cross-conference initiatives

10   Recently, initiatives have been undertaken to take a more integrated approach by considering several conferences[13]. This work generally involves interagency collaboration and aims to define a common set of indicators for goals from four or more conferences. The most recent of these initiatives are the Common Country Assessment Indicators of the United Nations Development Assistance Framework (UNDAF-CCA), the Minimum National Social Data Set (MNSDS), adopted by the Statistical Commission, the indicators for Basic Social Services for All (BSSA) of the Task Force of the Administrative Committee on Coordination (ACC), and the OECD-DAC indicators, developed in collaboration with the United Nations and the World Bank. Annex 6 presents these initiatives describing their purposes and the number of indicators included.

11   There have been attempts at harmonization of these core sets. In particular, the recent process of revising the UNDAF-CCA indicator framework has significantly improved the match between the CCA indicators, the largest list, and other indicator sets. Only three indicators of the MNSDS[14], and one out of the 21 core indicators in the OECD-UN-World Bank set, are not included in the UNDAF-CCA list. (See Annex 7.)

B.   Gaps and Inconsistencies in indicators at the international level

12   The various indicator related activities undertaken by international organizations have been beneficial in several ways. They have promoted the use of statistics not only for reviewing progress towards conference goals, but also for designing agency programmes and interventions at country level. In addition, they have generated discussions on data requirements and the needs for improvement in definitions, methods and estimation procedures. Moreover, as a result of the increased demand for indicators and for their dissemination, problems with respect to coverage, reliability, intertemporal and inter-country comparability of the statistical series have been exposed. Two major problems with international compilations -- gaps and inconsistencies among indicators[15] -- are discussed in this section. Some ways to address these problems are suggested in

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[13]   See for example the Report of ECOSOC for 1997 where ECOSOC urges to consider gender mainstreaming in the integrated follow-up to global United Nations conferences, A/52/3 E.

[14]   These three indicators were found not to be compiled at the international level. See "Harmonization and Rationalization of Development Indicators in the United Nations System", E/CN.3/1999/14, para. 7.

[15]   See also Srinivasan, T. N. "Data Base for Development Analysis: An Overview ", *Journal of Development Economics* 44 (1994) pp. 3-27; and Mauldin, W. P. "Maternal Mortality in Developing Countries, Comparison of Rates from Two International Compendia", *Population and Development Review*

section V.

    1. <u>Gaps</u>

13   Gaps in statistical information at the international level, are due to (i) lack of data at the national level, (ii) non-response by countries or (iii) absence of a systematic international effort to compile indicators and statistics on specific topics, which may exist at the country level. Non-response is no doubt a function of the reporting burden put on countries, with over 100 questionnaires being sent to each country (see para.7).[16] An analysis of the international data base of the UN Statistics Division in 1998 concluded that for 66 UN Member countries official national data on Gross Domestic Product (GDP) and its standard breakdown were not available for any year since 1992. Only 82 of the 185 UN member states reported the full set of major macroeconomic aggregates in the last five years.[17] This is despite the fact that economic statistics, and in particular national accounts, are well established statistical areas, with internationally agreed upon standards and methodologies and with a history of data collection. Similar problems exist in the area of demographic statistics.

14   Another example concerns adult literacy. A look at the UNESCO 1998 Statistical Yearbook reveals that out of 164 countries and territories covered, the only data available for some 55 developing countries are either estimates or data referring to 1985 or earlier.[18] An assessment of availability of data on 12 socio-economic indicators (included in the MNSDS) showed other examples of serious gaps in some indicators and paucity of recent data for even the traditional topics e.g., life expectancy and employment-population ratio (see Annex 8) where a systematic process of data collection has long been established.

15   The gaps are even more serious for areas where there are no established mechanisms for collecting data from countries, such as average number of years of schooling completed, monetary

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[16]   Many countries have stated that the burden of reporting is great. For example, two developed countries have specified that one full-time member of staff is assigned the task of simply coordinating the reporting of statistics to international organizations. Additional staff time has to be allocated to completing the questionnaires.

[17]   'Milestone assessment of the implementation of the System of National Accounts 1993, by member States', E/CN.3/1999/3 presented to the Statistical Commission meeting 1-5 March 1999.

[18]   UNESCO Statistical Yearbook 1998.

value of the basket of food needed for minimum nutritional requirement, and household income per capita (level and distribution). Other examples are primarily for 'new' policy issues for which there are no agreed concepts and measurements, as is the case with governance, violence against women, and unremunerated work. But even for those issues that have been discussed for some time, (for example, the informal sector, poverty, or the environment) definition and measurement problems persist.

2. Inconsistencies among indicators

16   There are overlaps in the international organizations' work on indicators, which result in duplications either in the collection of data from countries or in the dissemination of the indicators. There are obviously degrees of seriousness with regard to duplication -- duplication in the dissemination of data may well be justified to make them as widely available as possible or as two distinct international organizations look at similar phenomena from different angles.[19] Equally, parallel efforts in the selection and definition of new indicators e.g. in the field of the environment, may lead under certain circumstances to stimulating debate within the UN system, and lead to more relevant and widely acceptable sets. On the other hand, duplication in the collection and processing of basic data, can hardly be justified. These not only lead to inconsistencies in published data and confuse the audiences, they cause distortions in national resources and overtax countries needlessly.

17   Annex 9 presents illustrative examples of inconsistencies in indicators provided by different international organizations. There are several reasons for which seemingly identical indicators appear with different numerical values in international publications:

    (a)   Indicators may in fact reflect distinct phenomena even though they seem to be the same. An example is per capita GDP in US dollars. The market exchange rate based indicator and the "purchasing power parity" (PPP) based indicator serve two different purposes. Careful labeling of the indicators in question helps to avoid confusion or misinterpretation.

    (b)   Different definitions may be applied to the same indicator. For example access to safe drinking water is an important health indicators, but there is as yet no single or commonly agreed definition for "access". In some cases the criterion used is waking distance from household to the water source, in others it is time from household to the water source.[20]

    (c)   Data discrepancies may have been inherited from the national level where there are inconsistent national sources. Different international organizations tend to have different

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[19]   United Nations Research Institute for Social Development (UNRISD), "Review of United Nations Social "Flagship" Reports", 1997; para . 34.

[20]   World Health Organization et al. *Water Supply and Sanitation Sector Monitoring Report 1996*; Sector status as of 31 December 1994. WHO/EOS/96.15.

contacts at the national level from which data are obtained. That is sometimes the case with national accounts figures which could come from the national statistical office or from the central bank.

(d)   Different compilation or estimation techniques are used at the international level. International organizations often make their own estimates of country indicators, either because the base information is simply not available, not available in sufficient detail (e.g. country

coverage, periodicity), or needs to be standardized to ensure international comparability or to derive regional and global aggregates.

(e)   Base data may come from different points in time of the processing cycle. The country data may refer to provisional estimates or final estimates for a given reference period, depending on when the international organization requested the country data.

III. SITUATION AT COUNTRY LEVEL

18   The ability of countries to meet the challenges of development, reflected in increasing and/or changing demands for indicators depends most crucially on the existence of basic data collected through a well established national statistical system. Many countries have difficulties in meeting the demands for statistics emanating from both within their countries and from outside even without the extra demands placed upon them by the resolutions of conferences. Although international organizations have long supported data collection activities at country level, problems of quality, recency and availability of data persist.

A. Capacity of countries to produce indicators

19   The extent to which countries have responded to the demand pressures has depended very much on the degree to which the three major sources of data have been developed: (a) censuses, (b) sample surveys, and (c) administrative records.

(a)   The population census is the most common source of information on the size of the population, its geographical distribution, as well as basic characteristics such as age, marital status, and educational attainment. Yet, not all countries are able to conduct a census at the desirable interval of every ten years[21]. As many as 35 countries and areas did not conduct a census in the 1990 round of censuses (i.e., 1985 - 1994) and 19 countries have still not indicated any date for the 2000 round (1995-2004).[22]

(b)   In addition to population censuses, national sample surveys are indispensable for collecting information on economic, demographic, social, and a variety of other issues. Many

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[21]   As recommended in *Principles and Recommendations for Population and Housing Censuses Rev. 1*, United Nations publication Sales No. E.98.XVII.8.

[22]   "Progress report on demographic, social and migration statistics", E/CN.3/1999/9.

developing countries conduct such surveys as an integral part of their national statistics programmes. However, often improvement is required with respect to coverage of topics, relevance of concepts and definitions, coverage of specific groups, and timely dissemination of results. For some surveys e.g. for household sample surveys developing countries frequently depend on external support. Consequently, the timing of the surveys and the coverage of issues may not respond adequately to the data needs, for development planning in general, or specifically for the follow-up to the conferences. Moreover, some issues require surveys that are conducted at shorter intervals than many countries are currently able to support. For example, in order to capture the seasonality and intermittence of economic activities in predominantly agricultural economies, at least quarterly labour force surveys are needed.

(c)   Administrative records such as civil registration, education and employment registers, require substantial improvements in many countries in order to become a viable source of information. Civil registration, as the main source of data for indicators like maternal mortality, infant mortality, child mortality and fertility rate, is still weak in many of the developing countries and almost entirely lacking outside urban areas. In 46 out of 184 reporting countries registration covers less than 90 per cent of total births and in 45 out of 179 reporting countries it covers less than 90 per cent of total deaths[23] . When they are developed, administrative registers can provide, on at least an annual basis, information on vital statistics and on statistics in sectors such as education, health, labour, and for topics such as migration, refugees, and enterprise development.

20   The major problems of national data can be summarized in relation to: (a) availability of data, (b) comprehensiveness of coverage with respect to geographical areas or population subgroups; (c) relevance of concepts and methods of data collection, (d) timeliness of data, (e) comparability of different sources, (f) accessibility to the data.

(a)   Availability of data relates to the coverage of topics and issues within the statistical system and the years for which basic data are available. Data availability is often determined by both financial and historical factors. In general, since statistical activities are often inadequately funded, even in developed countries but particularly in developing countries, statistical systems rationalize resource constraints by limiting the number of issues covered and the frequency of data collection exercises. The coverage is limited in some cases to topics for which there is either national experience and international standards and recommendations which facilitate data collection, or for which external support is available. There are also situations where the demand for data on specific topics is relatively new and there is either limited experience on how data are to be collected (e.g., poverty, social exclusion, violence against women, environment) or relevant concepts and methods have been neither developed nor adequately tested.

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[23]   United Nations, Commission on Population and Development, "World Population Monitoring, 1999: Population Growth, Structure and Distribution", ESA/P/WP.147. Thirty-second session, 22-31 March 1999.

(b) <u>Comprehensiveness of coverage</u> is most relevant to the data obtained from vital and civil registers, and administrative records, which do not as yet provide complete geographical coverage in many countries. In addition, sample surveys and qualitative studies, such as the rapid assessment approach, are common sources for data on a large number of economic, social and demographic issues. But they are not always large enough to provide reliable estimates on indicators for smaller population groups, such as indigenous populations, or on characteristics which affect a very small proportion of the population, such as people with disability.

(c) <u>Relevance of concepts and methods</u>: international standards on concepts and methods need to be tested and adapted to national circumstances to avoid biased estimates. For example, since women's economic activities in many developing countries tend to be seasonal or intermittent and many are in unpaid employment, enumerators need to be specially trained to capture women's participation.

(d) <u>Timeliness of data</u> relates to the time span between the actual data collection and the release of the results. This issue is more pertinent to some indicators than to others. Whereas structural indicators such as adult literacy rate, change only slowly over time, other indicators, for example GDP and food production, may change rapidly and therefore need to be measured frequently in order to remain relevant.

(e) <u>Comparability of different sources</u> is a problem when different sources are combined. Better coordination between producers of data at the national level can ensure that comparable concepts are adopted. When different sources are combined, users need to be alerted to the differences and their implications.

(f) <u>Accessibility to the data</u>: existing data are generally not fully utilized. Underutilization of data is due to the fact on one hand that users are not made aware of the full range of data available, including published and non-published forms of the data, and on the other hand data are not presented in formats that users need.

B. Impact of international actions at country level

21   For at least the past three decades, international organizations and bilateral donors have provided support to countries to improve the availability and quality of data. Programmes of support from organizations can be classified into two types: (i) internationally generated and standardized packages for the collection of data on specific topics and (ii) assistance aimed at strengthening the data collection capacity of a country or targeting a specific data collection effort within a country's regular statistical programme.

22   The first category includes: the Demographic and Health Surveys (DHS) a successor to the World Fertility Survey (WFS); the Living Standards Measurement Study (LSMS); the

Multiple-Indicator Cluster Surveys (MICS);[24] and the International Comparison Programme (ICP). Technical and financial support have been provided to ensure implementation of these programmes. Although the programmes may include a capacity building component, the primary objective is to generate data on the specific topic. Assistance is therefore often outside the regular programme of data collection already existing in the country. Although not a data collection exercise, the General Data Dissemination System (GDDS) is also included here as an internationally initiated programme that seeks to improve the dissemination of national data. Annex 10 describes these activities in more detail.

23   The second category includes the financial support that international organizations give to countries in direct response to their request. The support often aims to assist countries to collect data through one or more of the following means: a population census; specific types of household surveys; enterprise surveys; civil and vital registration; and other administrative sources. Many international agencies and organizations support developing countries in gathering the requisite baseline data needed for planning and monitoring development programmes, and to build national capacity to produce the necessary data regularly.

24   In addition to the financial support given to countries, several specialized agencies and the United Nations Secretariat provide technical guidance through handbooks and manuals. The purpose of these technical documents is to disseminate information on the concepts, definitions, and methods of collecting and analyzing data on different topics. Further technical support is provided through training workshops and direct technical cooperation programmes.

25   The international actions described above have certainly had a positive impact on the national statistical systems, increasing the availability of data on selected topics and building in some instances national statistical capacity. However, the resources and orientation of assistance programmes have not always matched the internal needs of and the external demands placed on countries. As long as the interests of international organizations coincide with national policy priorities, national data needs are met. But in cases where these interests and national priorities diverge there is a serious danger that scarce human resources will be diverted to lower country priority areas of statistical activity.

26.   In general, there needs to be more emphasis on building the capacity of countries related to all stages of the information process, ranging from data collection to the analysis and dissemination of statistics and indicators. Capacity is not built when data are processed and analyzed outside the country or when the official statistical apparatus is not involved in the data collection. This may occur when as a result of an open bidding process, institutions outside of the official statistical system are awarded the data collection contracts.

27   Discrepancies between statistics and indicators from national sources and those from

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[24]   In 40 out of the 100 countries in which MICS was carried out at mid-decade, a module of the additional questions required was included in existing household surveys rather than do a separate survey.

international sources are another issue of concern. For example, an international agency estimated in a country that 51 per cent of the population were living below the poverty line. In contrast, according to a published government source, based on a national survey, the number for the same indicator was 20 per cent. Such discrepancies may result when organizations collect their own data at country level or make adjustments to basic data provided by countries or make their own estimates based on some models. While the need for adjusted international data series is widely recognized, confusion can arise for users of the data when the distinction between adjusted and underlying data is not made clear. Furthermore, discrepancies in published data which are significant and yet remain unexplained undermine the credibility of national statistics.

28   Indicator series developed for cross-national comparison sometimes use indirect or model-based estimates to fill in gaps in the underlying data. This is, on the one hand, frequently the best that can be done to get a consistent cross-national overview; on the other hand, it is always a poor substitute for having good data to begin with. Moreover, as countries are aware that international estimates are being produced and because of the widespread perception of internationally disseminated statistics being more reliable, this may in some cases create a disincentive for countries to report data or to undertake further efforts to improve their data collection.

Box 2:	**The main problems discussed in sections II and III can be stated as follows**:

- Lack of basic data. In too many countries basic information, in particular for 'newer' areas of policy concerns, (e.g. environment, gender, poverty) is not available.
- Proliferation of indicators The sheer volume of development indicators and the lack of information on how similar indicators are related often makes it difficult and confusing for analysts and decision makers to use them.
- Overburdening of national statistical systems. Competing demands and the proliferation of internationally formulated indicator sets increase the reporting burden on national statistical agencies.
- Ad hoc data collection efforts by some organizations to meet their own information needs crowding out limited financial and human resources and, thus, interfering with regular national statistical programmes
- Inconsistencies among indicators. Even when referring to seemingly identical indicators differences can exist in the definition and underlying concepts, in the use of data sources, in the compilation method, in the periodicity etc. which lead to different numerical values.
- Integrity of indicators. Sources, definitions and compilation/estimation methods are not always made explicit. The lack of adequate referencing and of technical notes deprives the user of making an informed quality assessment.

IV. MEANS OF IMPLEMENTATION

29   The conferences during the nineties set a large number of goals to be achieved over the coming years. The previous sections of this report have focussed on the indicators to measure progress towards these goals and in this context have analyzed the statistical capacity of developing countries. But, at the same time, conferences recognized that achieving these goals required the promotion of a favourable national and international environment. They recognized that ultimately each country bears primary responsibility for its own economic and social development. **But notwithstanding the importance of domestic policies, the conferences underscored the importance of a favourable international economic environment and of international cooperation for achieving conference goals.**

30   In this respect, developed countries at conferences pledged to support developing countries' efforts to achieve conference goals. The type of support pledged went beyond merely technical and financial cooperation to include working towards trade liberalization, enhanced financial stability and improved cooperation in the formulation of macroeconomic policies. The extent to which these support commitments are being met is also in need of review.

31   Monitoring progress towards promoting a national and international environment supportive of conference goals goes beyond the scope of this report, and is addressed in other reports before the Council, notably the World Economic and Social Survey. This section highlights a few issues related to the monitoring of commitments by developed countries in the area of resources.

32   Considerable financial resources are required to meet the conference goals and initial estimates were made at the time of the conferences[25]. Although it is generally recognized that the most important contributions for development have to be made by the developing countries themselves, in many countries external resources are needed. The 1998 OECD/DAC report[26] states in this context that "aid targeted on countries most in need, focused on agreed development

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[25]   For example, UNCED estimated an average annual cost for implementation between 1993-2000 at over $600 billion, including $125 billion from the international community. The International Conference on Population and Development estimated that, in developing countries and countries with economies in transition, the implementation of integrated population and reproductive health programme would cost $17.0 billion dollars in 2000 and increase to $ 21.7 billion in 2015. For the World Summit for Children, the cost was estimated in 1990 at around $20 billion. The World Social Summit, the Fourth World Conference on Women and Habitat II did not cost their programmes of action.

[26]   *Efforts and Policies of the Members of the Development Assistance Committee, 1998 Report on Development Co-operation, OECD.*

objectives, and provided in a context of improving local efforts and policies can make the difference between meeting and failing to reach agreed development goals".

33   Although more work needs to be done to monitor the resources being devoted to the achievement of the goals, initial analysis by the OECD/DAC has shown that, while more aid has been targeted to the social sectors, the share of aid going to the countries furthest away from the goals has declined slightly (even within a declining aid volume), making achievement of the goals even harder.

34   The most direct indicator of aid flows is the share of official development assistance (ODA) provided by a donor country as a percentage of its GNP, for which the UN has set a target of 0.7 per cent. This indicator is monitored routinely by the OECD/DAC. Only 4 bilateral donors meet this target and it is of great concern that ODA has been declining continuously for over five years[27]. ODA fell to 0.22 per cent of the combined GNP of DAC member countries in 1997, the lowest percentage ever. Cuts in aid budgets of some of the Group of Seven major industrialized countries particularly contributed to that decline. Although foreign direct investments have been on the increase, they fluctuate considerably and in any case affect only marginally the poorest countries and do not contribute significantly to essential investments in social development or the environment. Also these investments do not serve general institutional improvements, such as for instance the statistical capacity of a country. In addition to the reduction in ODA, debt servicing continues in many poor countries to reduce the availability of domestic resources for conference implementation, despite the various initiatives taken to address the problems of external indebtedness of developing countries.

35   Another more qualitative indicator of donor commitment is the allocation of increasingly scarce aid resources to poverty reduction and to the provision of essential health and education services (see Box 3). The Development Assistance Committee - through its system of recording aid flows by both bilateral and multilateral donors- has undertaken to do more work on relating aid and other resource inputs to the achievement of conference outcomes and to report on it regularly.

Box 3:   The 20/20 Initiative

36   Monitoring the resources going into the implementation of specific major conferences is notoriously difficult. A partial effort has been undertaken by UNFPA to monitor the flow of public spending and ODA, respectively, to the four areas of population, which were costed in the Programme of Action of the International Conference on Population and Development (see Box 4). For agenda 21, the UN/DESA reviews the share of ODA allocated to the main areas of agenda 21, based on OECD/DAC data. In addition, the recently approved questionnaire on the implementation of the Beijing Platform of Action aims at the collection of information on the percentage of the overall

The 20/20 initiative calls on governments and donors to allocate at least 20 per cent of public spending and ODA, respectively, to basic social services (basic education and primary health care, including reproductive health and population programmes, nutrition programmes and safe drinking water and sanitation). Statistics for some 30 countries showed that governments allocate on

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[27]   The cumulative decline of ODA (at constant prices and exchange rates) has reached almost 25 per cent from 1992 to present.

budget allocated for women-specific policies/programmes.

Box: 4 Monitoring of financial resources for assisting the implementation of the Programme of Action of ICPD

At the request of the Commission on Population and Development, UNFPA monitors external assistance for population activities. It also evaluates domestic resource flows originating from Governments, the private sector and NGOs, through a constantly improving data system developed in collaboration with a Netherlands NGO.

The evaluations made for the five-year review of ICPD reveal that international assistance for population and reproductive health increased by 54 per cent from the pre conference period, to slightly over $2 billion in 1996 - which represents roughly 35 per cent of the target agreed at Cairo for international assistance. It then declined to $1.9 billion in 1997.

Domestic financial resources from governments and NGOs are estimated to be around $7 billion annually during the period 1996-1997, and an additional $1 billion is estimated to be provided by individuals and households.

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37   Other recent initiatives by developed countries include working for greater consistency between development co-operation, trade and investment policies. At their 1998 meeting, OECD ministers called for "a report in 1999 on the links between trade and investment and development, and the role that the OECD might play in promoting greater policy coherence" (*Ministerial Statement*). This would help to meet the call made by the Council in 1997 for greater coherence between macroeconomic, trade, financial and development policies, in particular to maximize the impact of development cooperation[28].

38   Finally, it should be noted that trends in public expenditure (social, environment), gross domestic savings, ODA and other external financial sources, as well as efforts to solve external indebtedness of the poorer countries and broader aspects of macroeconomic and financial policies, are monitored as broad indicators of the economic and financial enabling environment for implementing conference goals.

V.   POSSIBLE NEXT STEPS

39   A genuine commitment of all concerned parties at the national as well as the international level is needed to ensure the routine flow of reliable statistics and indicators at the country level,

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[28]   Agreed conclusions 1997/1 of the Council on "Fostering an enabling environment for development: financial flows, including capital flows, investment and trade".

which meets national needs for information, and for the integrated and coordinated follow-up to global conferences and summits. In this regard, a practical and incremental approach which builds upon existing mechanisms is needed. Four main areas are presented for consideration.

(a)   Build national statistical capacity in basic data collection and dissemination of indicators: A programmatic approach is needed so that the international community and the national governments work closely together in strengthening the physical infrastructure and human resources capabilities, based on medium term statistical development strategies, which have been formulated in accordance with national policy.[29] With regard to improving the availability of data, the census remains the most comprehensive form of basic data collection. International organizations and bilateral donors have provided extensive support to countries' censuses in the past. This needs to be continued and expanded.

In addition, a targeted international programme to build capacity should include sample surveys. It could build on experiences gained, for example, through the 'National Household Survey Capability Programme (NHSCP)', which was implemented by the UN Statistics Division and supported by UNDP, UNFPA, UNICEF and the World Bank, (see Annex 10). Such a programme would seek to build upon existing programmes of assistance and establish operational links between them. Moreover, such a programme would support national human resource development efforts through the provision of handbooks and training in areas such as sample frame design and geographic information systems, questionnaire design, and the analysis and dissemination of results. In order to mobilize the required resources higher priority needs to be given to statistics and indicators in planning, budgeting and funding of programmes. This requires a concerted effort to increase awareness amongst policy makers at both the national and international levels as to the importance of relevant, sound and up-to-date statistics.

(b)   Convene a "high level" group of major funding agencies and DESA, including possibly some bilateral donors involved in general statistical capacity building, to coordinate and harmonize support for data collection and capacity building exercises in countries. In order to build statistical capacity on a long term basis support needs to be pooled and based on a comprehensive needs assessment. The group would ensure that activities and funding programmes of the agencies were synergistic with each other. The work of such a group would be facilitated if all major funding agencies had clearly identified high level focal points for statistical development, whose function it is to coordinate and harmonize statistical activities and projects within the agency.

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[29]   See "Some guiding principles for good practices in technical cooperation for statistics", E/CN.3/1999/19, recently adopted by the Statistical Commission Statistical Commission 1999.

(c)   Strengthen existing mechanisms for coordinating indicator initiatives among international organizations, such as the ACC and its subsidiary bodies, to eliminate information inconsistencies and gaps at the international level. The ACC sub-committee on statistical activities, supported by an advisory group of country experts, could facilitate the dialogue between organizations to resolve methodological questions and provide guidance for increased transparency[30] on indicators via the provision of metadata.[31] As a first step to analyzing gaps and inconsistencies the ACC-Subcommittee on statistical activities had requested[32] the Statistics Division to prepare an inventory of the production and dissemination of development indicators being used to review the implementation of conference goals. The inventory forms the basis for a UN web-site for development indicators which could serve as a roadmap - for external and internal users - to where to find information available in the UN system with links to data sources where available. A prototype of the website has been developed based on UNSD data and indicators from UNESCO, ILO and FAO. The coverage of the website needs to be extended to include other UN agencies, funds and programmes, as well as the Bretton Woods Institutions. This would create an effective information center and would significantly enhance the analytical power of this tool for improved coordination in the production and dissemination of indicators. However, considerable resources will be needed to complete and maintain this extended website

In order to reduce the burden on countries of multiple questionnaires a data collection plan based on the principle of one indicator/one source/one lead organization is needed. That implies that data for each core indicator are collected only once by one international lead organization and from one pre-specified national source[33]. There exist good examples of common

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[30]   Transparency would include feedback from international organizations to data providers on the use and interpretation of their basic data.

[31]   See for example "Common Code of Statistical Practices in the United Nations System", United Nations Statistics Division, April 1996.

[32]   Thirty-second session, June 1998, ACC/1998/14, para 2(a); The Executive Committee on Economic and Social Affairs endorsed the proposal of a website at its 10th meeting (New York, 16 May 1998).

[33]   Data collection from one national source could only be ensured if a national coordinating

data collection by international organizations and these experiences need to be analyzed, shared and applied where possible.

(d)　Develop a system of indicator sets: The centerpiece of this system should be a basic core set that satisfies key requirements of national and international information demands. The core set may be augmented by specific national, regional or sectoral indicators in accordance with the particular needs of the user(s) and with the capabilities of the data providers. The core set would have to be defined and updated in a consultative process, which is broadly based. A forum with combined inter-agency and inter-governmental representation (e.g. ACC subcommittee plus bureau of the Statistical Commission) could be considered as the appropriate body to manage the updating process. It is crucial that national users and producers of information be also fully consulted at all stages. As a general principle, whenever new indicators are proposed at the international level, it should be required that a strong case needs to be made presenting evidence for the relevance of the newly proposed indicator and analyzing the costs associated with collecting the necessary data. There should also be regular examination to see whether the dissemination of any existing indicators and the associated data collection processes can be eliminated.

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mechanism is in place. See also para. 20 (e).

It may be necessary to employ a thematic approach within the core in order to focus the discussion on areas such as environment, health, education, or cross-cutting issues, such as gender and poverty. The present indicator framework contained in the CCA guidelines (see para. 10), which is harmonized with the OECD/UN/World Bank indicators, provides a good starting point for the development of such a core set.[34] Once such a core set has been defined, clear guidance on standard definitions, on data collection or estimation methods, and on the dissemination and use of the indicators is indispensable. Where weaknesses or gaps are identified in the core set of indicators, e.g. in specific countries, these should be addressed through the programme(s) referred to in para. 39 (a).

40   ECOSOC is the only forum where all concerned parties can come together, including the Bretton Woods Institutions and other international stakeholders, such as OECD. ECOSOC may, therefore, want to request to be briefed periodically on progress in the following areas: (i) elimination of indicator inconsistencies, (ii) filling of information gaps, (iii) development of a core set of indicators (iv) building of national statistical capacity. In addition, ECOSOC could encourage OECD/DAC's efforts to monitor the share of aid allocated to conference objectives and encourage UN system organizations to collaborate in these efforts.

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[34]   This model for collaboration fits also into the recently proposed "Comprehensive Development Framework" of the World Bank.

INFORMATION NOTE BY THE SECRETARIAT

ECOSOC INFORMAL MEETING ON DEVELOPMENT INDICATORS
10-11 MAY 1999

28 January 1999

Background:

Since 1995, the Economic and Social Council has promoted within the United Nations system a coordinated approach to the follow-up to major United Nations conferences and summits in the economic, social and related fields. In this context the need for relevant indicators to review progress in the implementation of all aspects of conference outcomes at all levels has been recognized. During its 1998 session, the Council decided (ECOSOC decision 1998/290) to hold an informal meeting with panels of experts devoted to the topic of development indicators. The meeting has been scheduled for 10-11 May 1999.

Objective of the meeting:

The objective of the meeting is to consider in a comprehensive manner the work being carried out by the United Nations system and other relevant international and national institutions, on basic indicators with a view as a first step to taking stock and identifying duplication and gaps in the production and dissemination of indicators.

Documentation for the meeting:

The Statistics Division of the Department of Economic and Social Affairs will prepare a report containing an assessment of the present status of development indicators at the country and the international level. The report will be the result of a collaborative effort by relevant UN Secretariat units, a wide range of UN funds and programmes, specialized agencies and pertinent international and national institutions. The report will also be discussed and reviewed by an expert group meeting to be held in March 1999.

Organization and major themes for the meeting:

The session consists of four thematic meetings, which will be introduced by expert panelists. Briefing notes prepared by the panelists will be made available ahead of the meetings, in order to keep the presentations short. The objective is to encourage dialogue among participants and delegations. There will be no resolution or agreed conclusions. The outcome of the meeting will be in the form of a President's Summary.

The following is the proposed structure of the meetings:

Monday, 10 May 1999:

10am – 11am: OPENING SESSION
The Director of the Statistics Division (DESA) will briefly summarize the main findings of the report.   Brief general discussion will follow.

11am – 1pm: PANNEL I: REVIEWING PROGRESS IN CONFERENCE IMPLEMENTATION: DIFFICULTIES AND ACHIEVEMENTS.
This debate will primarily serve the purpose of reviewing general problems related to development indicators (such as proliferation, inconsistencies, lack of basic information, inadequate data quality, duplications, gaps etc.). The role of indicators in the follow-up process to global conferences as well as criteria for the selection of indicators may be discussed. The proposed participants include a

Director from a National Statistical Office, a Director of Statistics of a Regional Commission, and Directors of Statistics from UNICEF and from UNESCO.

3pm – 6pm: PANNEL II: INTERNATIONAL COOPERATION, MAJOR INITIATIVES

During this meeting the various indicator initiatives within the UN system and in other international institutions will be presented and discussed: such as the Common Country Assessment of the United Nations Development Assistance Framework; Minimum National Social Data Set; OECD-DAC/World Bank/UN initiative on indicators; the IMF General Data Dissemination System and Sustainable Development Indicators. The debate could focus on ways in which these various indicator initiatives are related to each other. The proposed panelists include the Chairman of the UNDAF Working Group on Indicators, the Director of the Division for Sustainable Development (DESA) and representatives from the World Bank and from the OECD Development Assistance Committee.

Tuesday, 11 May 1999

10am – 1pm: PANNEL III: STRENGTHENING NATIONAL STATISTICAL CAPACITY AND COLLABORATION

Presentations from country experts will introduce this segment of the meeting. The questions to be addressed are: - What is the impact of the indicator proliferation on countries? How do countries cope with the increased demand for high quality development information? How coordinated are the indicator activities at the country level? How do countries decide on priorities for statistical work and the development of indicators? How can the quality of development information be improved? It is proposed to invite as panelists the Chairman of the Statistical Commission, a Director of a National Statistical Office, a Resident Coordinator (or representative of a UN country team) and a country representative at minister level.

3pm – 4.30pm: PANNEL IV: MEANS OF IMPLEMENTATION AND LOOKING FORWARD

This segment of the debate will be an open dialogue. Proposals may be made and reviewed as to how to address some of the problem areas identified in the earlier discussions. The panelists may include the Under-Secretary-General of the Department of Economic and Social Affairs, the heads of UNDP and UNFPA as well as a representative from a bilateral donor organization.

4.30pm – 6pm: CONCLUDING SESSION

This session will be devoted to concluding discussion on basic indicators for the review of progress in the follow-up to conferences and the issues relating to the means of implementation.

English only

ECONOMIC AND SOCIAL COUNCIL
Meeting on basic indicators to
monitor progress toward the implementation of the
integrated and coordinated follow-up of all
aspects of major United Nations conferences and summits
New York, 10-11 May 1999

Conference Room Paper:

Measuring Development Progress:
A working set of core indicators

Panellist: Brian Hammond
Head of Reporting Systems Division
Development Co-operation Directorate
OECD

ECOSOC INFORMAL MEETING ON DEVELOPMENT INDICATORS

UNITED NATIONS

New York

10-11 May 1999

PANEL II: International Collaboration: Major Initiatives and Gaps

Measuring Development Progress:
A working set of core indicators

Jointly developed by the United Nations,
Organisation for Economic Co-operation and Development and
the World Bank

Panellist

Brian Hammond
Head of Reporting Systems Division
Development Co-operation Directorate
OECD

Measuring Development Progress: A working set of core indicators

1.   The work of OECD's Development Assistance Committee has been re-focused over the past three years to address implementation of the Development Partnerships Strategy as set out in a report *Shaping the 21st Century: The Contribution of Development Co-operation* [1] which was published in May 1996. The report presents a vision for development progress into the next century. Emphasising an approach of partnership, it sets a broad strategic framework aimed at realising a limited number of quantitative goals by the year 2015, often referred to as the International Development Goals. Since its publication, the report has received wide international recognition, not only in the donor community but also among recipient countries. The approach complements efforts within the United Nations to develop a common UN Development Assistance Framework and in the World Bank to introduce a Comprehensive Development Framework.

2.   A collaborative process (see box) jointly led by bilateral donors through the DAC and the major global development institutions, with participants from developing countries, has arrived at a working set of core indicators for measuring progress towards the development goals set out in *Shaping the 21st Century*. The core indicator set (shown opposite) retains the structure of the goals of the report, but also incorporates some closely related dimensions of development which are of special significance. This indicator collection is cast as a <u>working</u> set of core indicators, to reflect its nature as work-in-progress, with the discussion of certain elements still proceeding.

3.   The objective of this set of indicators is (a) to help to integrate strategies and efforts throughout the international development system and (b) to provide a standard and compact information tool for improving public understanding of development challenges and progress.

4.   This note briefly covers how the indicators were selected, the purpose of the core set and one of the uses to which it can be put. It sets out actions taken since the set was established and describes how it feeds in to work underway within the international community to rationalise the indicators used to measure development progress.

The Process

     As a first step towards an integrated strategy for monitoring progress towards the goals, a joint OECD/UN/World Bank seminar on indicators of development progress was held at the OECD in Paris in May 1997. This provided a forum for DAC Members and development partners, as well as the host agencies, to review the concepts, methodologies and data issues in the field of development indicators [2].

     The seminar agreed to establish working groups in each of the major fields covered by the goals. Over the following months, these working groups discussed in detail the indicators available in their respective fields of interest and consulted others about the most appropriate choices. They recommended which indicators should be included in a core set for monitoring development progress. The OECD Secretariat, the United Nations and the World Bank then collaborated to produce a synthesis of these proposals. The synthesis report became the base document for a second broadly-based meeting, held at the World Bank Paris Office on 16-17 February 1998 [3].

     Since that meeting efforts have concentrated on presentation and publication of the set and obtaining broad international endorsement, especially through having it considered in further co-ordination work within the UN system to follow-up the UN conferences.

MEASURING DEVELOPMENT PROGRESS: A WORKING SET OF CORE INDICATORS

Goals	Indicators

Economic well-being

Reducing extreme poverty

The proportion of people living in extreme poverty in developing countries should be reduced by at least one-half by 2015. *(Copenhagen)*

1. Incidence of Extreme Poverty: Population Below $1 Per Day
2. Poverty Gap Ratio: Incidence times Depth of Poverty
3. Inequality: Poorest Fifth's Share of National Consumption
4. Child Malnutrition: Prevalence of Underweight Under 5s

Social development

Universal primary education

There should be universal primary education in all countries by 2015. *(Jomtien, Beijing, Copenhagen)*

5. Net Enrolment in Primary Education
6. Completion of 4th Grade of Primary Education
7. Literacy Rate of 15 to 24 Year-Olds

Gender equality

Progress towards gender equality and the empowerment of women should be demonstrated by eliminating gender disparity in primary and secondary education by 2005. *(Cairo, Beijing, Copenhagen)*

8. Ratio of Girls to Boys in Primary & Secondary Education
9. Ratio of Literate Females to Males (15 to 24 Year-Olds)

Infant & child mortality

The death rates for infants and children under the age of five years should be reduced in each developing country by two-thirds the 1990 level by 2015. *(Cairo)*

10. Infant Mortality Rate
11. Under 5 Mortality Rate

Maternal mortality

The rate of maternal mortality should be reduced by three-fourths between 1990 and 2015. *(Cairo, Beijing)*

12. Maternal Mortality Ratio
13. Births Attended by Skilled Health Personnel

Reproductive health

Access should be available through the primary health-care system to reproductive health services for all individuals of appropriate ages, no later than the year 2015. *(Cairo)*

14. Contraceptive Prevalence Rate
15. HIV Prevalence in 15 to 24 Year-Old Pregnant Women [1]

Environmental sustainability & regeneration

Environment [2]

There should be a current national strategy for sustainable development, in the process of implementation, in every country by 2005, so as to ensure that current trends in the loss of environmental resources are effectively reversed at both global and national levels by 2015. *(Rio)*

16. Countries with National Sustainable Development Strategies
17. Population with Access to Safe Water
18. Intensity of Freshwater Use
19. Biodiversity: Land Area Protected
20. Energy Efficiency: GDP per Unit of Energy Use
21. Carbon Dioxide Emissions

General Indicators

Other selected indicators of development

For reference: Population
Gross National Product

GNP per Capita	Aid as % of GNP
Adult Literacy Rate	External Debt as % of GNP
Total Fertility Rate	Investment as % of GDP
Life Expectancy at Birth	Trade as % of GDP

This list is neither exclusive nor comprehensive and some elements (e.g. environment) remain under discussion. It reflects progress to date in identifying core indicators that are relevant to the development goals selected from the series of UN Conferences held in the 1990s, and which now form a wide consensus on development priorities. The goals were selected because they were important in their own right and as meaningful proxies for broader development goals. The selection does not imply any diminished commitment to other goals accepted by the international community, at international conferences or elsewhere. The list reinforces other indicator initiatives, such as Common country Assessment of the UN Development Group, the Minimum National Social Data Set of the United Nations Statistics Division, and the General Data Dissemination System of the IMF.

Like the goals, the indicators are inter-related and should be seen as a whole. It constitutes a core set reflecting key aspects of economic and social well-being and environmental sustainability. Thus some indicators address more than one goal, but for brevity are shown only once; for example: child malnutrition is also an indicator of health status; attended births also indicate access to reproductive health services; literacy is a key determinant of economic well-being and health; while freshwater is an environmental resource, access to it directly affects the quality of women's lives and the health of their children. Moreover, the majority of the indicators can be disaggregated by gender to measure the extent of inequality.

There are many sources for indicators. This set is published on the DAC Home Page (*www.oecd.org/dac/indicators*) and annually in the OECD's *Development Co-operation Report*. It is put in the context of other indicators in the *Human Development Report* published by the United Nations Development Programme and *World Development Indicators* published by the World Bank. Those interested in more detail of development issues and indicators are referred to these publications.

[1] Until satisfactory data coverage is achieved on this indicator, the prevalence of HIV infection in all adults will be used.
[2] Indicators for land use, marine environment and air quality will be added to the list later.

Uses of the set

5.   International agreement on a set of indicators contributes towards implementing the Development Partnerships Strategy in several ways:

- in the first place, it could be used to enable developing countries to better define their own national development strategies and goals. This is important since the strategy takes the developing countries as the starting point for organising co-operation efforts, through relationships and mechanisms that reflect the particular local circumstances;

- secondly, it strengthens the possibilities of donor co-ordination in support of developing countries' own strategies. Most donors have been moving beyond the project-by-project approach to reliance on explicit country strategies in working with their major partner countries. These countries tend to be those that are the most aid-dependent. There are often a number of donors working in them. While each donor's strategy seeks to respond to national priorities, the number and diversity of donor strategies raise questions about the burden they create for local institutions and the degree to which they foster or impair local ownership and participation; and

- last but not least, it gives both national governments and donor agencies a tool to reach more informed decisions with respect to the allocation of scarce resources. Monitoring the goals of the Development Partnerships Strategy through the set of indicators will identify the areas where additional (financial) efforts are needed to attain those goals.

The Purpose

◊   a tool for monitoring progress at a global level from a baseline of 1990; not a substitute for national planning and monitoring;

◊   a representative selection of UN Conference goals; not a replacement for other, important conference goals;

◊   a way to explain to a wide audience, in donor and developing countries, what development is about and its achievements; not a substitute for detailed research into development issues;

◊   a minimum core set relevant to all countries; not an exclusive list of data required at the national or international level; and

◊   a way to build on existing exercises in the UN to define key data sets; not to impose additional data requirements on statistical offices.

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6.   This working set of core indicators is helping to inform efforts within the international community, and in particular thanks to close collaboration with ECOSOC, to reach agreement on a selection of indicators to monitor follow-up to the UN conferences. This convergence of indicator sets will help to avoid subjecting developing countries to a plethora of donor-designed indicators, facilitate the development of local capacities for the collection and use of data, and enable harmonised reporting. These factors, in turn, will contribute to public understanding of what progress is being made toward widely agreed goals of development progress as well as how national objectives and performance relate to the global goals.
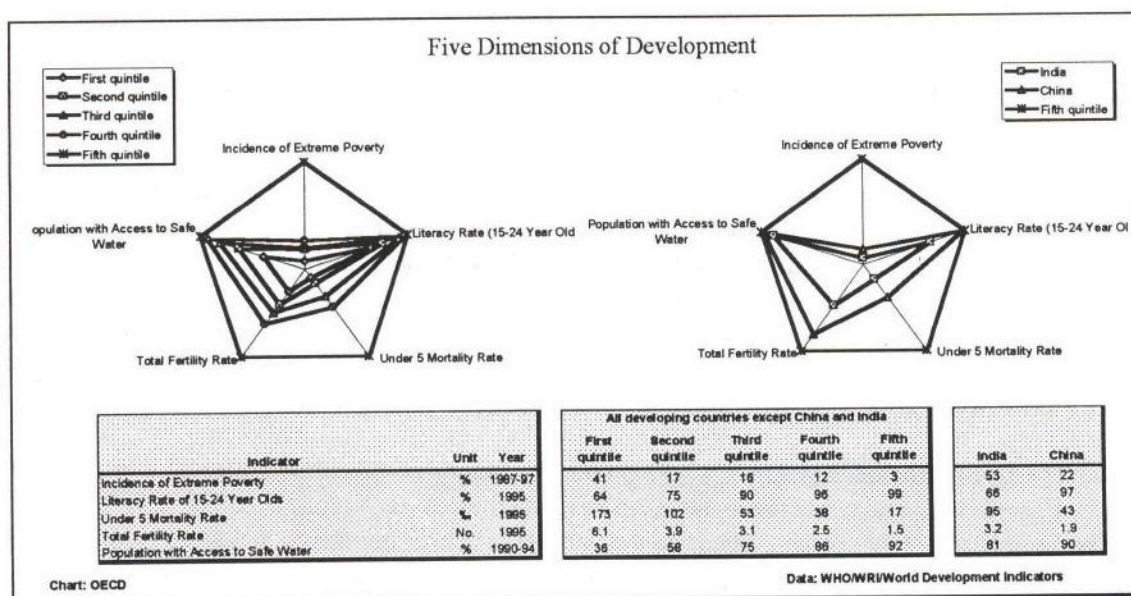
7.   One role for this core set of indicators is to provide a yardstick by which needs can be assessed on a comparable basis across countries. Using some of the indicators to look back shows some positive trends over the past twenty years. Taking all 171 developing countries and countries in transition as a group: average family size has declined from 4.7 to 3 children; ten per cent more children are attending school; three people in five have access to safe water, up from two in five; and infant mortality has fallen from one in ten to one in sixteen.

8.   Indicators can be used to demonstrate needs in a number of ways. One method is to use maps with different colours to group countries. But this permits analysis of only one indicator, or one dimension, at a time. Another method is to group countries by combining a number of dimensions of development. The UNDP do this in their annual Human Development Report by use of the Human Development Index which is a composite of life expectancy, educational attainment and GDP per capita (in PPP$).

9.   Rather than calculating individual ranks (scores) for each country, an alternative approach adopted for this set of core indicators is to group countries in quintiles by combining their relative ranking on a selection of indicators related to the selected goals [4]. This provides a proxy for measuring their distance from the goals. The actual distance cannot be measured for two reasons. First, the goals are global ones and individual countries will set the goals that suit their own circumstances. Secondly, a number of the goals are relative (e.g. two-thirds cut in child mortality) and so for the baseline year all countries are, by definition, equidistant from them.

10.   The results are best shown by use of development pentagons that show the relative performance of each quintile on a selection of indicators (see Figure 1 taken from the Web site). The outer line reflects the levels for the highest quintile, which are roughly equivalent to levels in developed countries. A pentagon is shown for each of the lower quintiles. The further they are on each axis from the outer pentagon, the greater the progress that quintile needs to make on that dimension to reach developed country levels.

Figure 1. Development pentagons

Indicator	Unit	Year
Incidence of Extreme Poverty	%	1987-97
Literacy Rate of 15-24 Year Olds	%	1995
Under 5 Mortality Rate	‰	1995
Total Fertility Rate	No.	1995
Population with Access to Safe Water	%	1990-94

	All developing countries except China and India						
	First quintile	Second quintile	Third quintile	Fourth quintile	Fifth quintile	India	China
Incidence of Extreme Poverty	41	17	16	12	3	53	22
Literacy Rate of 15-24 Year Olds	64	75	90	96	99	66	97
Under 5 Mortality Rate	173	102	53	36	17	95	43
Total Fertility Rate	6.1	3.9	3.1	2.5	1.5	3.2	1.9
Population with Access to Safe Water	36	58	75	86	92	81	90

Chart: OECD   Data: WHO/WRI/World Development Indicators

11.   Thus the quintiles highlight disparities in levels of development. On poverty, for example the lower quintiles are a long way from the outer line, reflecting the fact that much higher percentages of the population in these quintiles live in poverty. On literacy, by contrast, the lower quintiles are much closer to the outer line, because literacy is more evenly distributed among the country groups.

12.   For the 34 countries in the first quintile, the most recent data covering 1990-95 shows: nearly forty per cent of the population live in extreme poverty; less than half the children go to school (and of these only seven girls for every ten boys); women have an average of six children, one of whom is likely to die before its fifth birthday; and two-thirds of the people lack access to safe water. Such stark facts show the value of the key indicators to demonstrate the needs of this group of countries, many of which are further burdened by current or recent conflict which inhibits providing effective assistance for long-term development.

Follow-up

13.   Since this set of core indicators was adopted as a working set in February 1998, the sponsoring international agencies have sought commitment by their own institutions to use, support and develop the set more widely through:

- a presentation to the DAC High Level Meeting in April 1998 and an undertaking to use the core set in annual reporting on the implementation of the Development Partnerships Strategy, including to the OECD Ministerial Council;

- dissemination of the results of the meeting at the World Bank/IMF 1998 Spring Meetings and at a high-level ECOSOC meeting in April 1998;

- a joint presentation to a special meeting of ECOSOC in May 1998;

- contribution to the Report of the Secretary-General to the ECOSOC Informal Meeting on Development Indicators in May 1999 and participation in the meeting;

- presentations to staff in a number of bilateral donor agencies.

14.   The core indicators have been made available to the widest possible audience, through introduction of a special home page on the OECD/DAC Web site (*www.oecd.org/dac/indicators*). This includes a "guided tour" which provides an online presentation. There are links to other relevant Web sites, such as the UN Statistics Division's *Social Indicators* and *the World's Women* and the World Bank's *World Development Indicators*.

15   Through its Strategic Compact, the World Bank has committed itself to monitor development progress and report on outcomes in its annual *World Development Indicators*. For example, the 1998 edition contained analysis which showed the poverty goals are attainable in aggregate, that reducing child mortality would take unprecedented efforts, and that data quality remains a problem with some indicators not being well measured, not covering all countries, and not being available on a timely basis. The goals and the indicators are being incorporated into the Bank's Country Assistance Strategies, to guide policy dialogue with borrowers.

16.   The UN Statistics Division is working on an inventory of indicators collected within the UN system, which it will make available on a special Web site. It reported to the UN Statistical Commission in March 1999 on co-ordinating the various indicator initiatives including refinements to the MNSDS based on the experiences and reactions of its member countries. And it brought together

a team to produce the Report of the Secretary-General to the ECOSOC Informal Meeting on Development Indicators in May 1999.

17.   The guidelines for the UN Development Assistance Framework (UNDAF) have just been agreed and the supporting indicator set in the Common Country Assessment has been informed by the work to produce this set and work in other fora. The Framework has the potential to be a vehicle for increased co-operation not only among UN agencies, but also with other donors in order to advance the partnership and co-ordination aspects of the new Development Partnerships Strategy.

18.   Efforts to refine the indicator set and improve data coverage and comparability continue:

- the World Bank is revising its estimates of the numbers of people in absolute poverty to incorporate the latest income and consumption data and purchasing power parity estimates;

- the working group on the environment indicators is working to enhance the value of national strategies for sustainable development and is proposing to add indicators for urban air quality, area covered by forests, area of mangroves, and area subject to desertification; and

- the working group on indicators for participatory development and good governance will further explore the issues involved with identification of indicators in this field to bring together various approaches being developed and tested in support of national initiatives, country assessments and global summaries.

19.   Reporting will track the indicators to see if progress is on course, rather than set intermediate targets or milestones. Events will inevitably blow some countries off course, but reporting on the underlying trends will quickly highlight areas in which corrective action is needed.

20.   Although the proposed set of indicators does not involve new needs for data collection, much remains to be done to improve the quality of the existing data, including more systematic collection of sex disaggregated data. A number of bilateral donors are interested in building on and better co-ordinating recent projects aimed at improving national statistical information that have been initiated by the World Bank, UNSTAT, UNESCO and other multilateral and bilateral donors. These activities focus on building long-term statistical capacity, rather than on *ad hoc* exercises to remedy specific data needs. They go beyond data requirements for indicators to address the broader information needs of countries to develop appropriate policies to achieve progress towards their national goals.

21.   Work is proceeding on improving the ability of the DAC statistical systems to identify how aid disbursements relate to development goals. Work also continues to improve reporting and coverage of total resource flows, including private investment and lending.

22.   A review is planned in the March 2000 to examine progress in the 1990s towards the goals, to take stock of the work in the international community to adopt a common set of indicators - in particular to incorporate better indicators and data on the environment, and to build-in country experience with monitoring participatory development and good governance, which has been recognised as integral to the development process - and to identify needs for further action with respect to indicators.

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[1]   The full text is reproduced at *http://www.oecd.org/dac/htm/stc.htm.*

2.   See DCD/DAC(97)17 *Record of Joint OECD/United Nations/World Bank Seminar on Indicators of Development Progress*, held at the OECD, Paris on 20-21 May 1997.

3   See DCD/DAC(98)6 *Core Set of Indicators of Development Progress*, DCD/DAC(98)7 *Proposal for Assessing Progress in Participatory Development and Good Governance*, and DCD/DAC(98)17 *Record of joint OECD/United Nations/World Bank Meeting on the Agreed Indicators of Development Progress*, held at the World Bank Offices, Paris on 16-17 February 1998

4   See the Development Indicators Web site (*http:/www/oecd.org/dac/indicators*) to see which countries are in which quintile, the indicators used to group the countries, and the latest data for the indicators included in this core set.

DCD/DAC documents can be obtained from Ann Zimmerman, DCD/RSD, OECD, 2 rue André Pascal, 75775 Paris Cedex 16, France (Fax: + 33 1 44 30 61 46; e-mail ann.zimmerman@oecd.org)

English only

ECONOMIC AND SOCIAL COUNCIL
Meeting on basic indicators to
monitor progress toward the implementation of the
integrated and coordinated follow-up of all
aspects of major United Nations conferences and summits
New York, 10-11 May 1999

Conference Room Paper:

Means of implementation and looking to the future

Panellist: Tony Williams
Chief Statistician
Department for International Development
United Kingdom

ECOSOC INFORMAL MEETING ON DEVELOPMENT INDICATORS, 10-11 MAY 1999

Panel IV : Means of implementation and looking to the future

Presentation by :

Tony Williams
Chief Statistician
Department for International Development

Introduction

1.   Clare Short, the UK Secretary of State for International Development said in her report to Parliament this year :

'Governments and civil society need to know when progress is being made and, just as importantly, when it is not. Statistics can be a powerful tool for building the political will we need to implement the commitment that has been made to lift one billion people out of abject poverty by 2015'.

This current process set in motion by ECOSOC provides the opportunity to raise the statistical game to contribute both to achieving and monitoring progress towards the poverty and other goals and targets agreed by the UN Conferences.

Means of implementation *(Section IV)*

2.   Section IV of the report considers the means of achieving the UN Conference goals. These include favourable domestic and international policies as well as an appropriate level of external resource flows. Development partnership strategies such as set out in the Comprehensive Development Framework and the OECD Development Assistance Committee (DAC)'s *Shaping the 21st Century : the contribution of Development Co-operation* recognise that the most important contributions to development will come from the countries themselves but that many countries will need official development assistance (ODA) focused on agreed development objectives in support of their own efforts and policies.

3.   Para 33 notes that work needs to be done in order to show more clearly the extent to which ODA is focused on the UN Conference goals. The DAC Working Group on Statistics is reviewing the adequacy of existing statistical reporting systems and analysis. Relevant statistics include ODA flows analysed according to :

- recipient country (by income group, region, stage of development)

- type of flow (for instance financial/technical co-operation/humanitarian)

- purpose (or sector)

- policy objective (or targeting, for instance on direct/indirect poverty reduction, the environment, gender equality)

Work is also continuing to improve reporting and coverage of total resource flows, including private investment and lending, and debt.

4.   This work is on-going and the Working Group next meets in June. One issue is that whilst DAC members are seeking to improve statistics available in these areas, more detailed information is generally already available from bilateral donors that on multilateral assistance. The report notes for instance that data on the sectoral allocation of multilateral aid is not available from most UN organisations. This hampers efforts to monitor initiatives such as 20/20 which is set out in Box 4. A commitment is needed to resolve this issue.

5.   The work on indicators is also important in this context. Regular monitoring of outcomes towards the UN Conference goals and targets will help in decisions on the focusing of resources, including ODA. This will facilitate dialogue and help to achieve greater coherence of national and external resources by highlighting areas of greatest need. They will also provide one means of assessing the effectiveness of international co-operation efforts, whilst recognising that direct causal links cannot be made in most cases.

6.   The report highlights the need to halt and reverse the decline in ODA, as well as sharpening its focus on the Conference goals. The UK is committed to these aims and has proposed a four-point plan to help the world's poorest countries by setting targets for the end of year 2000 to :

- reduce debt of the Heavily Indebted Poor Countries by $50 billion

- increase annual ODA from $48.3 billion in 1997 to $60 billion by 2000, an estimated annual increase in the ODA/GNP ratio of DAC members of 0.01 per cent per annum to 0.25 per cent in 2000

- challenge and assist non-governmental organisations to increase their aid

- sell $1 billion of IMF gold to fund enhanced debt relief

7.   These point recognise the need to mobilise the world community, including international organisations, governments in the developed and developing world, NGOS and individuals - a Millienium Challenge for all.

Next steps

8.   Box 3 (on page 14) of the report sets out the main problems with indicators identified in sections II and III. Key elements of the proposed solutions are :

Statistical capacity building

- taking a more strategic approach to statistical capacity building (para 39(a))

- need for greater awareness of the importance of statistics both internationally and in countries (39(a))

- need for high level co-ordination, including comprehensive needs assessments, involving senior agency representatives, to address gaps and weaknesses identified particularly in the 'core' set of indicators (39(b)/(d))

Indicator development

- *importance of* **co-ordination and consultation** *in development of* **indicator sets, including 'core' set** *(39(c)/(d))*

These are illustrated in the attached table which attempts to show which proposed solutions relate to each problem area identified in Box 3.

Problem areas	PROPOSED SOLUTIONS				
	Statistical capacity building			Indicator development	
	Strategic approach	Awareness raising	Highlevel co-ordination	Better co-ordination	Core/Indicator sets
Lack of basic data	✔	✔	✔		
Indicator proliferation				✔	✔
Overburdening of countries				✔	✔
Ad hoc collection by agencies	✔		✔	✔	
Inconsistencies between indicators				✔	
Integrity of indicators				✔	✔

Strategic approach

9.   We need to recognise the magnitude of the challenge we face. Taking the indicators proposed by the UNDAF Working Group on Indicators it is clear that much work needs to be done to address data gaps and weaknesses. Gaps exist in the data for all indicators. For instance only 59 out of 172 developing countries (and only 18 out of the 45 Sub-Saharan countries) have statistics sufficient to compile the $1 per day head count indicator of extreme poverty. In other cases, eg maternal mortality, data quality is poor. Adequate statistics are not available in many (possibly most) developing countries with the situation most acute in sub-saharan Africa and the low income Asian countries. Weaknesses exist in the range of data available, their relevance, accuracy and timeliness. There are a number of reasons for this including :

  – low levels of demand, support and resources for statistical work (hence the need for awareness raising)

  – availability of guesstimates made by international agencies (which discourage countries from investing in their own data)

  – organisational and institutional constraints and general problems affecting the public sector in a number of countries

  – limited access to and analysis of statistics that are available

10.   There is no single blueprint for solving this nor for technical co-operation to assist the development of these systems, but most developing countries will need help to build statistical capacity and sustain it. There is currently a critical shortfall in assistance in this area.

Awareness raising

11.   It is important to recognise that better statistics are required not only to monitor progress but also to contribute to achieving the international development goals. A broad range of key statistics are needed for macro-economic and sector management as well as to support human development objectives and to monitor poverty and the environment. They are necessary to assist the design of appropriate public and private sector strategies, policies and decisions; to act as a force for mobilising social change; to serve as instruments of government accountability and transparency; and to under-pin knowledge generation and research. Pursuit of the goals of the global conferences will be constrained by the lack and poor quality of data with which countries can plan their own development and monitor progress.

12.   Developing countries need to generate their own view on statistical needs and priorities, either individually or in regional groups, required to achieve development progress. There should be no presumption of a global system of priorities. The best way for policy-makers to be persuaded of the need to direct more resources for statistics is for them to see the relevance of statistics to their own policies and strategy development.

Co-ordination

13.   The report notes the need to co-ordinate approaches to technical co-operation for indicator development and statistical capacity building. Key players will include the countries themselves and both multilateral and bilateral agencies. Donor activities also need to be co-ordinated at the country level, preferably by the recipient country.

14.   It is important that the proposed high level co-ordination working group secures and maintains a strong link to policy and funding, including bilateral funding.   Involvement of   individual bilateral donors and OECD's Development Assistance Committee will be important here. Needless to say, so will the full involvement of the World Bank and IMF in addition to DESA and the UN Specialised Agencies, as well as full consultation with partner countries.

Indicator sets

15.   It is important that we move the agenda on quickly to adopt a core set of indicators and address the problems of gaps and weaknesses in the basic data through a strategic and co-ordinated programme of statistical capacity building.

16.   This process would be facilitated by agreeing soon upon a limited number of basic indicators which, among other purposes, can be used as one of the criteria for a health check, on national statistical systems.   We recognise that it is a difficult process to satisfy all of the various policy and implementation concerns of agencies but it is important that the core set remains relatively small in order not to become unmanageable. The report recognises the need for additional specific national, regional and sectoral indicators. In determining the core set we must also consider the burden on data suppliers in countries and it might be helpful to think in terms of the availability and quality of data collection **instruments** (eg censuses, specific surveys, administrative systems) required to compile the indicators rather than just the number of **indicators** involved. A single instrument, eg a census or household survey will normally provide data for a number of indicators.

Role of technical co-operation

17.   Lessons can be learnt both from successes and failures of technical assistance. Where it has been designed well and has been accompanied by sound national policies against a background of economic growth, sustainable development of statistical services has been possible, resulting in offices approaching self-sufficiency. But much TC has been limited in scope and addressed to the production of particular statistics, often on an ad hoc basis, without taking an overview of national priorities and likely future resource levels. In such cases and where the development in non-technical areas such as strategic planning, organisational and management skills have been ignored, the statistics developed have generally been unsustainable. The aim should be to develop more efficient and possibly in some cases more limited systems which can be sustained in the medium to long term by constrained national resources.

18.   A set of practical guidelines for technical co-operation in statistics was adopted by the UN Statistical Commission in March 1999 (E/CN.3/1999/19).

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