

## ROM report

Type of ROM review	Projects and Programmes
Project title	Strengthening of the National Statistical System of Armenia - II phase
Project reference	C-347714
Delegation in charge	Armenia
Status	Draft
Report date	02/12/2016

Project - Key Information	
Domain (instrument)	ENPI - Neighbourhood - Mediterranean & Eastern Europe (NEAR)
DAC Sector	15110 - Public sector policy and administrative management
Zone Benefitting from the Action	Armenia
Action Location	Armenia
Type of Project/Programme	Geographic
Geographic Implementation	Single-country
Entity in Charge	NEAR C 02
OM in Charge	ZANOTTA ALESSANDRO
Contracting Party	DANMARKS STATISTIK

Project - Financial data on 03/10/2016			
Total budget	1,000,000 €		
EU contribution	1,000,000 €		
Paid Amount	500,000 €	Date of last payment	22/07/2016

Project - Dates				
Contractor Signature Date	16/07/2015			
Activities	Start Date	08/08/2015	End Date	07/08/2017
Final Date for Implementation (FDI)	31/12/2017			

ROM review - Key information				
Reason for ROM review	Not visited			
ROM expert(s) name(s)	RADAUTAN Ludmila			
Field phase	Start Date	06/10/2016	End Date	14/10/2016

## Project Synopsis

### Context

Armenia continues to work on improvement of its statistical system in line with internationally adopted principles, including 10 Fundamental Principles of Official Statistics approved by the United Nations Economic Commission for Europe and the United Nations Statistical Commission and 15 Principles defined by the European Statistics Code of Practice. The Law on State Statistics and the three-year State Statistical Work Programmes (the latest one for the period 2016-2018 adopted by the Parliament on 15/12/2015) represent the core policy documents for the developments in the statistics field in Armenia.

Continuous improvement of statistical methodology, its harmonisation with international criteria and standards, enabling international comparability of statistical indicators, application of internationally adopted standards on data dissemination, as well as ensuring statistical data quality and transparency, are among the key tasks of the National Statistical Service of the Republic of Armenia (NSSRA). Statistics were mentioned as one of the crucial cooperation areas in the EU-Armenia Partnership and Cooperation Agreement, the EU-Armenia Action Plan and the European Neighbourhood Instrument Single Support Framework for EU support to Armenia (2014-2017). The EU Regional Statistics Programmes, Twinning and TAIEX assistance, as well as projects of the World Bank, the USAID and other development partners, were implemented in the past relating to different statistics domains. This Twinning project, being a continuation of previous interventions, is aimed at improving the dissemination processes, enhancement of statistics in five selected areas and consolidation of the NSSRA capacities.

The NSSRA (the main beneficiary institution) and other providers and users of statistical information, including the Ministries of Education and Science, Nature Protection, Healthcare, Justice, State Migration Service, Police, business community, civil society and mass media are the project target groups.

### Description of the Intervention Logic

Overall objective: To support the upgrade of official statistics of Armenia by introducing:

- (i) Enhanced dissemination of official statistics; and
- (ii) New methodologies closely aligned to European standards.

Benchmarks: Comprehensive Statistical Information Dissemination System implemented and Methodology aligned to European standards.

Project purpose: To support the NSSRA by institutional Twinning with equivalent authorities from the EU Member States with the aim of upgrading some elements and sectors of the Armenian system of official statistics, namely:

- Statistical Information Dissemination,
- Demographic statistics,
- Labour market statistics,
- Poverty statistics,
- Innovation statistics, and
- Environment statistics.

Benchmarks / outcomes:

- (i) Improved capacity of the NSSRA to comply with the EU and international statistical standards;
- (ii) The NSSRA dissemination and communication policy becomes closer to international standards;
- (iii) Improved demographic statistics, labour market statistics, poverty statistics, R&D statistics and environmental statistics; and
- (iv) Improved NSSRA cooperation with statistical data providers and statistics' users.

Mandatory Results:

1. Statistical Information Dissemination System improved.
2. Vital statistics improved concerning data collection mechanisms (transition from paper to electronic sources), coverage, timeliness and quality.
3. Migration statistics improved concerning data collection, coverage, timeliness and quality.
4. Labour cost, labour cost index and structural statistics on wages calculated and published.
5. Social exclusions statistics introduced and calculated.
6. Innovation statistics introduced.
7. Water account compiled.

Outputs:

- 1.1 Statistical Information Dissemination System in place.
- 1.2 Statistical Information Dissemination System Strategy paper developed and adopted by the State Council on Statistics.
- 1.3 User satisfaction survey questionnaire updated, tested and published at the NSSRA website.
- 1.4 The NSSRA staff trained on issues related to the Statistical Information Dissemination.
- 2.1 Methodology on vital statistics updated.
- 2.2 Improved vital statistics implemented and published.
- 2.3 The NSSRA staff trained on issues related to vital statistics.
- 3.1 Methodology on migration statistics updated.
- 3.2 The NSSRA staff trained on issues related to migration statistics.
- 4.1 Labour cost and labour cost index calculated and published.
- 4.2 Structural statistics on wages calculated and published.
- 4.3 The NSSRA staff trained on issues related to the labour cost, labour cost index and structural statistics on wages.
- 5.1 Questionnaire for social exclusion pilot survey drafted.
- 5.2 Pilot survey conducted.
- 5.3 Test results calculated.
- 5.4 System of indicators on social exclusions for children introduced.
- 5.5 The NSSRA staff trained on issues related to the social exclusions statistics.
- 6.1 Questionnaire for gathering innovation statistics drafted.
- 6.2 Pilot survey conducted.
- 6.3 Test results analysed.
- 6.4 Methodology on innovation statistics introduced.
- 6.5 Plan for regular production and publication developed.
- 6.6 The NSSRA staff trained on issues related to innovation statistics.
- 7.1 Inventory of data sources (availability, information flow) for water accounts defined.
- 7.2 Methodology for water accounts developed.
- 7.3 Meeting with stakeholders held.
- 7.4 Water account compiled.
- 7.5 The NSSRA staff trained on issues related to the water account compilation.

## Findings

### 1. Relevance

Aiming at the improvement of the Statistical Information Dissemination System, harmonisation of selected statistical areas with European standards and introduction of new statistics never collected before, this 24 months twinning project responds well to the needs of the target groups. The project is built around jointly agreed policy objectives, deriving from the EU-Armenia agenda and the Beneficiary Country's (BC) efforts for reforms.

The Twinning Project Fiche was developed by the National Statistical Service of the Republic of Armenia (NSSRA), with involvement of Eurostat to ensure that its provisions correspond to European standards.

The top NSSRA management and personnel demonstrate both high policy commitment to the planned improvement of statistics in a European context and practical (human resources) commitment to the project. The NSSRA President is the BC Project Leader, while the staff from the respective divisions is actively participating in project activities.

However, there is room for a closer involvement of the other target groups in the project implementation. This is of particular importance for ensuring the project effectiveness and sustainability of its results (See Effectiveness and Sustainability below).

According to the interviewed people, this Twinning project appropriately takes into account the content of other interventions in the statistics field and there is no overlapping. Furthermore, some synergy was developed with different projects (See Efficiency below).

The project design is well-structured and, in line with the Twinning rules, focused on well-defined, measurable and precise institutional targets. The Overall Objective, the Project Purpose and the Mandatory Results are formulated clearly. The foreseen steps in the production of specific outputs directly lead to the achievement of the Mandatory Results. The stipulated time-bound benchmarks provide proper basis for measuring progress in the Mandatory Results' attainment. Activities are appropriately spread within the project timeframe.

However, the design has a couple of minor shortcomings. The first one regards the benchmarks at the Project Purpose level, which are partly formulated as the stated Mandatory Results. Firstly, this relates to the benchmark (ii) "Statistical Information Dissemination System improved", which would rather be more appropriate as "The NSSRA dissemination and communication policy becomes closer to international standards". Secondly, the originally formulated benchmark (iv), i.e. "Water accounts compiled", which has wrongly repeated the Mandatory Result 7, may be turned into "the improved environmental statistics" and added to the benchmark (iii). At the same time, a new benchmark seems reasonable to be added, namely, "Improved NSSRA cooperation with statistical data providers and statistics' users". This issue was not mentioned as a benchmark at the Project Purpose level, though respective outputs are part of each project Component, aiming at a tangible qualitative change in the stakeholders' cooperation.

The second shortcoming of the design concerns the outputs related to the NSSRA staff trained on different issues (outputs 1.4, 2.3, 3.2, 4.3, 5.5, 6.6 and 7.5). There are no indicators to measure the improved human resources capacities, which could have been introduced. Generally, the project is quite ambitious and has six Components, four of these being fully innovative for the NSSRA. This regards the planned introduction of labour cost, labour cost index, structural statistics on wages, social exclusion and innovation statistics, as well as the compilation of water accounts.

The project Components are not directly interlinked, as each of them deals with a specific statistics field. At the same time, Component 1, aiming at improvement of the Statistical Information Dissemination System, is of horizontal nature and relates to all Components.

No changes have appeared during the project implementation to require a revision of the intervention logic. At the same time, the design is sufficiently flexible to incorporate additional relevant tasks with utilisation of the project Budget savings (See Efficiency below).

### 2. Efficiency

The activities are jointly planned by the NSSRA counterparts and the EU partners. An internal NSSRA Order is approved by the President before each activity, stipulating the planned tasks, the responsible people and the expected outputs. Representatives of the respective divisions and also a larger relevant audience are taking part in the conducted activities.

The project plans to carry out 42 Activities, including 34 Short-term Experts (STEs) missions, six study visits, kick-off and closing events. At the time of the ROM review (October 2016), 24 activities, including 20 missions in the BC, three study visit to the EU MS and the kick-off meeting, had been completed, corresponding to 57% of the envisaged activities. The percentage of expenses incurred was in line with implemented activities.

The majority of activities were implemented according to the original Time schedule. There were some minor deviations; in one case, an activity was purposely delayed for more than three months. In fact, the deviations, mainly, concerned shifting of activities' order.

Presumably, these shifts are targeted at achieving better outputs, but no motivation is included in the Interim Quarterly Reports. Upon NSSRA request, three supplementary missions were added to the Twinning Workplan. The improved NSSRA quality management and website, as well as the updated user satisfaction survey will be the corresponding extra outputs, contributing to the achievement of a more tangible Mandatory Result 1, with utilisation of savings done on the Budget.

The only constraint observed in the project implementation relates to the full dependence of the piloting of new statistical surveys on donors' resources, because of the limited NSSRA financial means. For example, Statistics Denmark has contributed with its own resources to printing the questionnaire for the innovation survey, while the United Nations Children's Fund has incorporated the social exclusion part into its questionnaire for the survey conducted within the Children's needs project, and also covered the transportation expenditures for the interviewers. At present the NSSRA is looking for additional financial resources for the water accounts survey to be piloted in the spring of 2017.

The project ensures synergy with other instruments. For example, the template of the Memorandum of Understanding with providers of administrative data for statistics, prepared within the European Free Trade Association / Statistics Norway Quality Management project, was further developed. Two TAIEX projects, related to the NSSRA general quality management and focused on training of civil registrars from all-over the country, were initiated to consolidate this project outputs. In its turn, this Twinning project is going to prepare recommendations for the new World Bank (Multi-Donor Trust Fund) grant project to Support Statistical Capacity Building in Eastern Europe and the Commonwealth of Independent States Countries – ECSTAT, expected to be launched in early 2017.

The project is being implemented in a cost-efficient manner. According to the information received from the EU MS twinning partner, EUR 565,148 were spent till 06/10/2016, representing 57% of the total Budget. This figure demonstrates adequate spending of the resources vis-à-vis 58% of the elapsed project implementation time.

The project is carefully monitored by the twinning partners. Firstly, ToRs and Agenda for each STEs mission are developed by the Resident Twinning Adviser (RTA) in close cooperation with the respective NSSRA Heads of Divisions. Secondly, the project management team has developed a system of internal evaluation. The evaluation forms are filled in after each STEs mission by the Armenian participants. The evaluation results are processed and analysed on a quarterly basis. So far, these have been quite positive, ranging from 4.39 to 4.66 out of the maximal 5.00 points. Thirdly, debriefing meetings are organised at the end of each STEs mission with the NSSRA Heads of Divisions to discuss findings, conclusions and recommendations to be included in the STEs Mission Reports and with the NSSRA President (the Armenian Project Leader) to ensure a strategic steering of the project. And finally, the STEs Mission Reports, with a detailed description of the joint experts' work and the follow-up activities, are translated from English to Armenian, approved by the NSSRA and placed on the Statistics Denmark and the NSSRA websites.

Additionally, the Steering Committee Meetings take place on quarterly basis, being chaired by the NSSRA President. These consist of the RTA presentation of the current state of the project implementation and the future plans, followed by discussions.

Generally, the internal Methodology on the implementation of Twinning projects, developed by Statistics Denmark, may be useful for different twinning actors. It is a concise, well-structured document, describing a stepwise approach for implementation of activities and follow-up actions.

### 3. Effectiveness

As planned, 8 out of 28 envisaged deliverables were produced till now. These are of good quality, which is normal, given the project approach. Namely, selection of the priority issues ensured the NSSRA strenuous participation, while the foreseen introduction of European practices and standards was facilitated effectively by the EU partners. The deliverables are results of the joint work of the STEs and the NSSRA staff. Reportedly, the EU partners provide direction, ideas and experience, while the NSSRA develops suitable and applicable methodologies and tools.

Additionally to the expertise available in Statistics Denmark, the project involved statistical institutions from Finland, Italy and Lithuania.

This has widened the presented EU best practices, exposed the NSSRA to a larger variety of practical solutions and contributed to ensuring high quality outputs. Close partnership in production of deliverables also facilitates customisation of the expected outputs. The revised or newly introduced methodologies in selected statistical fields are targeted at an increased quality of the obtained data, leading to more comprehensive and reliable statistics. This approach is fully appropriate, as quality is one of the fundamental international principles of official statistics, particularly, because statistical data are further used for different purposes. Trustworthy and timely statistics are vital for any democracy, being crucial for governments and policymakers to develop successful policies and for citizens to hold their government accountable by monitoring progress towards the declared goals.

The expected outcomes include the following:

- (i) Improved capacity of the NSSRA to comply with the EU and international statistical standards;
- (ii) The NSSRA dissemination and communication policy becomes closer to international standards;
- (iii) Improved demographic statistics, labour market statistics, poverty statistics, research and development statistics and environmental statistics; and
- (iv) Improved NSSRA cooperation with statistical data providers and statistics' users.

The outcome (i) will be achieved through the promoted unified / standardised approach to the statistical processes in line with EU practices, via the approximated statistics in the selected fields and the introduced revised and new methodologies, which will ensure international comparability of the Armenian statistics. The outcome (ii) will be reached through the development of new Dissemination Policy and Strategy, as well as via the improved / user-friendly NSSRA website, which will raise transparency of and different stakeholders' accessibility to statistical information and thus increase the users' satisfaction. The outcome (iii) will be attained by the development of new questionnaires, conducting of pilot survey, analysis of the collected data and publication of statistics, which was never available before. The outcome (iv) will be accomplished through the involvement of the relevant stakeholders in the project activities and carrying out of meetings with diversified target groups, which will contribute to an increased statistical literacy, improved exchanges of data, production of tailor-made statistics and increased trust and reputation of statistics.

The already produced outputs and their quality demonstrate a good progress in the achievement of the foreseen outcomes. No risk was observed for the successful attainment of the envisaged outcomes, but more efforts are needed to ensure the expected outcome (iv) materialises. Regular meetings with statistical data providers and statistics' users are indispensable part of the project. But cooperation between them and the NSSRA has to be further strengthened, for example, via ensuring participation of the same people in different events and by signing of a Memorandum of Understanding between the NSSRA and the respective institution. The latter may be useful for avoiding duplication in data collection and for an efficient and effective exchange of information without the bureaucratic run-around. Such a Memorandum of Understanding has been under discussion with the Ministry of Nature Protection since early 2016, but no progress is observed so far. At the same time, during the ROM mission the representatives of the Ministry of Healthcare have expressed their willingness to sign such a Memorandum as soon as possible, as they intend to apply an inter-sectoral approach in the statistical data analysis, for example, to analyse health of population versus poverty.

It is expected that the project outputs and outcomes would have a long-term effect on the respective Armenian policies and actions.

Availability of accurate data on social exclusion, migration, labour cost and structural statistics on wages will allow the government to identify the problematic issues and better address them. Such informed decisions lead to a wiser spending of the taxpayer's money.

### 4. Sustainability

Project results are likely to be sustainable.

Firstly, this refers to the strengthened human resources capacities. The project offers the best practices and transfers know-how from the EU to the NSSRA and other relevant stakeholders. The STEs missions are rather working meetings with exchange of knowledge and discussions of the possible solutions to be applied in Armenia. Also, three out of six planned study visits to different EU MS were already carried out and the interviewed participants expressed their satisfaction concerning the obtained knowledge and skills. Additionally, the methodologies and handbooks to be produced with the EU partners support will provide appropriate guidance for utilisation of the accumulated knowledge.

Secondly, the demand-driven outputs and outcomes are expected to be naturally taken on board by the NSSRA. This statement is based on the NSSRA development plans. Regarding Component 1, the improved Statistical Information Dissemination System and the updated NSSRA website will be naturally utilised. Regarding Component 2, the updated methodologies will also be appropriately used. Regarding Components 3, 4, 5 and 6, after conducting of the pilot surveys and analysis of the obtained data, these surveys are planned to become regular. The questionnaire on social exclusion has been already integrated in the Income and Living Conditions Survey and the respective data are being gathered throughout 2016.

Thirdly, the NSSRA intends to regularly organise meetings with statistics' providers and users. Also, internal topical NSSRA meetings are going to be conducted on a monthly basis and the respective 2017 plan is already drafted to be approved by the State Council on Statistics.

Furthermore, an exit strategy in the form of guidance and advice on the best way forward concerning each project Component will be developed by the STEs closer to the project end.

Continuation of the flow of benefits after the project end is seen by the NSSRA as a natural process. After the inclusion of the new surveys into the Annual Statistics Plan, the required resources will be provided via the NSSRA Annual Budget. In line with the legislation, statistical information is being offered free of charge, making the access to the benefits fully affordable for the target groups.

The forthcoming four-year World Bank ECASTAT project, amounting to USD 3 million, will further develop the NSSRA capacities, including consolidation of this Twinning project outcomes. The World Bank project is expected to procure hardware and software needed for the NSSRA's management of personal data obtained from the administrative registers, to conduct surveys in several areas, to assist in transition to the on-line reporting and repair the regional offices' premises.

The private sector was directly involved in the project implementation. The innovation survey was successfully piloted in small and medium-size private enterprises. The pilot study for structure of earnings survey is also planned to be carried out in the enterprises. Additionally, the private sector representatives have participated as statistics' users in the conducted meetings.

One of the project Components, dealing with water accounts, is directly targeted at contributing to environmental sustainability. A brochure for data providers on the expenditures for nature-conservation measures is under preparation. Furthermore, the NSSRA is gradually progressing in the digitisation of its operations. The project disseminates documents in electronic format, also contributing to environmental sustainability.

Gender equality issues were not directly treated by the project. But all statistical questionnaires do have sex-disaggregated indicators. For example, the questionnaire of pilot study for structure of earnings survey, drafted within this project, has a question on the employee's gender. This survey may identify remuneration discrepancies and help improve gender statistics.


























Generally, there is a prevailing number of female employees in the statistics field. The total number of the NSSRA staffs amounts to 360, of whom 276 are females. Out of 28 Heads of Divisions 23 are women. At the same time, out of 9 top NSSRA managers 7 are men. Gender balance is duly respected within the project, with involvement of 25 STEs, 12 of whom are women and with total equality in the MS - BC core management project team (2 women, 2 men).

## Conclusions

N°	Conclusion
C1	The project was built around the EU policy objectives jointly agreed and stipulated in the EU-Armenia Partnership and Cooperation Agreement, the EU-Armenia ENP Action Plan and the European Neighbourhood Instrument Single Support Framework for EU support to Armenia (2014-2017). The political commitment of Armenia to align the national statistics system with the European standards is in place, being stressed in the three-year State Statistical Work Programmes.
C2	The project is highly relevant to the existing needs of the target groups, aiming at bringing the NSSRA methods and outputs closer to the EU standards through sharing the European expertise in selected areas of statistics. The NSSRA ownership is evident, starting from the development of the Twinning Fiche by the institution itself and continuing with involvement of the top management and active position of the NSSRA personnel in the project implementation.
C3	The project design is well-structured and consistent. The only shortcomings concern the benchmarks at the Project Purpose level and the lack of a tool for measuring the planned strengthening of the NSSRA human resources capacities, which is always a difficult task.
C4	The project is fully on track, being implemented in an efficient and participatory manner. The NSSRA, in close cooperation with the EU partners, are the driving force of the project planning and implementation. The majority of activities are being carried out in line with the original time schedule. The deviations, mainly regarding some shifting of activities, are not significant. These deviations have not jeopardised the overall project progress.
C5	The project has implemented 24 activities, corresponding to 57% of the foreseen activities, with utilisation of 57% of the total project Budget. These figures not only demonstrate adequate progress and spending of the resources vis-à-vis 58% of the elapsed project implementation time, but also prove the project cost-efficiency, particularly taking into account the additional activities carried out with utilisation of the same resources.
C6	The EU and BC twinning partners may be praised for a comprehensive internal project monitoring through evaluations and debriefings after each STEs mission, with discussion of findings, conclusions and recommendations. The NSSRA ownership may be further strengthened by encouragement of the Heads of Divisions / Component Leaders to play a leading role at the Steering Committee Meetings. The Statistics Denmark internal Methodology on the implementation of Twinning projects may represent interest for the other actors.
C7	The project has delivered what was planned: 8 out of 28 outputs. The good quality of these deliverables is ensured by the strong experience of four EU MS statistical institutions involved and their close partnership with the NSSRA. All outputs are demand-driven and based on the best European practices and standards. But there is room for improvement of the NSSRA cooperation with the relevant data providers and statistics' users.
C8	There are fair chances that the project outputs will help achieve the planned qualitative changes and have a long-term effect on the relevant Armenian policies and actions. The private sector was duly involved in the project implementation and has shown interest in using its outcomes.
C9	The obtained knowledge and skills, as well as the improved NSSRA information dissemination system and the upgraded website, will be sustainably used after the project end. The produced demand-driven outputs, expectedly, will be introduced in the NSSRA daily routine, including the regularly conducted statistical surveys in the new areas, piloted by the project, and the regular meetings with statistics' providers and users. The needed expenditures will be covered by the NSSRA Annual Budgets.
C10	The project contributes to environmental sustainability, notably through the introduction of water accounts statistics. Gender balance in project implementation is effective.

## Recommendations

N°	Recommendation
R1	Statistics Denmark / NSSRA: The EU twinning partner, in cooperation with the NSSRA, is recommended to: (i) partly revise the benchmarks at the Project Purpose level, preparing an appropriate basis for assessment of the qualitative changes reached due to the project implementation; and (ii) consider how to measure the improved human resources capacities of the NSSRA staff (part of each Component).
R2	Statistics Denmark: The EU twinning partner is advised to include the reasons for future possible shifts of activities in the Interim Quarterly Reports.
R3	Statistics Denmark / NSSRA: The EU twinning partner and the NSSRA are recommended to authorise the relevant Heads of Divisions / Component Leaders to present the project achievements and provide a perspective on how the NSSRA is going to use the produced deliverables during the Steering Committee Meetings, thus consolidating the NSSRA ownership.
R4	Statistics Denmark / NSSRA: The EU twinning partner and the NSSRA are recommended to further improve the inter-institutional cooperation, thus consolidating the project effectiveness and the sustainability of its results.
R5	EUD: The EU Delegation is advised to consider the internal monitoring system used by the project, as well as the Statistics Denmark internal Methodology on the implementation of Twinning projects, as best practices and disseminate these to other twinning projects.

Scoring overview											
Relevance	1.1	1.2	1.3	1.4	1.5	1.6	1.7 a)	1.7 b)	1.7 c)	1.7 d)	1.7 e)
											
Efficiency	2.1	2.2	2.3 a)	2.3 b)	2.3 c)	2.4 a)	2.4 b)	2.4 c)	2.5	2.6	
											
Effectiveness	3.1	3.2	3.3	3.4							
											
Sustainability	4.1	4.2	4.3	4.4	4.5	4.6	4.7				
	