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Sida Decentralised Evaluation

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Evaluation of Co-operation with the Statistical Office of Kosovo

Final Report

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February 2012**

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The views and interpretations expressed in this report are the authors' and do not necessarily reflect those of the Swedish International Development Cooperation Agency, Sida.

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Acronyms

AHS	Agricultural Household Survey
CEO	Chief Executive Officer
CPI	Consumer Price Index
DFID	Department for International Development (UK)
EAA	Economic Accounts for Agriculture
EMIS	Education Management Information System
EU	European Union
GoK	Government of Kosovo
HBS	Household Budget Survey
IMF	International Monetary Fund
LMS	Labour Market Survey
NACE	European Classification of Economic Activities
RBM	Results-based management
SCB	Statistics Sweden
Sida	Swedish International Development Cooperation Agency
SOK	Statistical Office of Kosovo
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
WB	World Bank

EXECUTIVE SUMMARY

This report was carried out on behalf of Sida and DFID to evaluate their co-operation with the Statistical Office of Kosovo, SOK, during 2008-2011. The two projects under review were mutually reinforcing in respect that they combined a strong technical development element (mainly Sida) with support in planning and management (mainly DFID), including mechanisms for co-ordination. This coordination effort is drawn to its conclusion in a joint evaluation; underpinning the intentions of the Paris Declaration on Aid Effectiveness for shared and joint analytic country work.

Sida support has been implemented by Statistics Sweden (SCB), and SCB support has been primarily carried out through short missions where staff from SCB visits SOK to give hands-on support. There is a strong focus on helping the staff in completing their surveys competently and hence there is a strong methodological focus in most missions. SCB support has also had a management component covering language, IT and results-based management cooperation.

DFID support has been centred on the development of a strategic plan for SOK and on supporting SOK management in planning and carrying forward the plan on an operational level.

In terms of results, the key finding is that, while on a technical level support and temporary results are impressive, an accompanying strengthening of SOK's own capacity to manage their work is weak. Both projects' sustainability levels are low with the odd component exception.

In the case of Sida support, impressive output results extend to the outcome level in the sense that new and improved methodologies have been put to use to improve key production processes. SCB has cooperated with SOK to bring some of their statistical products into accordance with international standards. However, in general there is still much to be improved regarding classification and data quality.

In the case of DFID support, the Strategic Development Plan initiative represents a significant step towards better planning and management capacities. Support and results in this regard make for an important platform for future management development.

Considering the environment in which SOK operates, how it affects the institution, and the possibilities it creates for support of statistics development in Kosovo, the evaluation makes a few observations. From an institutional viewpoint, it is comforting that after more than ten years in existence, since October 2011, SOK operates under a Law of Statistics. The Law makes for a clarity of institutional framework likely to favour cooperation with SOK. At the same time, the new Law does not provide institutional or budgetary independence in line with EU standards.

Donor coordination has taken place so far in the absence of a national statistics development plan. In particular, national statistics production (in which SOK is a central actor) evolves without a defined set of priorities that reflect scarce resources. All cooperating actors and users of key statistics would stand to gain from a removal of this hampering factor.

The evaluation concludes that the primary SOK deficit observed is that of an absence of a comprehensive operational framework. Redeeming this deficit is considered a top priority for improving SOK management and planning capacities, project sustainability, and for making increasing use of technical support provided. Substantial managerial support in creating an operational framework – including a National Statistics Development Plan and a SOK Annual Operational Plan – is advised.

Sida and DFID should consider:

- Balancing technical support with a substantial capacity and the introduction of a management development component (indications given section 3.2).
- Turn future support into one project under the same managers.
- Close donor co-ordination and co-ordination with key local users.

On the content of joint co-operation, SOK, Sida and DFID are recommended to cooperate on:

1. the development of an **annual operational plan** for SOK
2. developing the Strategic Development Plan into a **National Statistics Development Plan**
3. carefully **prioritised technical support areas** (including the *business register* as a top priority)
4. carefully **documenting practices, procedures and methodologies** as input to operational planning
5. **underlining organisational relationships** (between departments and divisions) in a well documented supplement as input to the SOK annual operational plan

1. INTRODUCTION

This study was commissioned by Sida and DFID to evaluate their support of co-operation projects with the Statistical Office of Kosovo (SOK) in the period 2008-2011. Quoting the Terms of Reference (Annex 1) the overall objective of the evaluation is to;

“... assess results from previous phases of support, and discuss preconditions and forms for possible future support, primarily from Sida and DFID. The evaluation is also to open up for a more general development dialogue as regards statistics in Kosovo, including national and international actors.”

The two projects under review are outlined in the next section (1.1).

The evaluation was undertaken by Indevalop (Sweden) and comprised a team of four advisors: Mr Martin Schmidt acting as team leader, assisted by Prof. Johan Bring (Statistics), Ms Silvana Rusi (local evaluation expert) and Ms Agneta Sverkel-Österberg (expert in EU accession). A mission to Kosovo took place between 29 August and 2 September 2011.

As a note on methodology and interpretation of the assignment, our inception note is attached as annex 2. We found the approach fruitful and appreciated by respondents, particularly group interviews with a focus on results and management practices and needs. DAC evaluation criteria and terminology in evaluation and results-based management are used throughout the report.

A notable limitation of the evaluation was the time available for the field mission. Considering the subject and the wide range of stakeholders concerned with the production and use of statistics, more time would have allowed for a better and more profound understanding of the wide variety of issues related to national statistics production in Kosovo. Despite this limitation, we believe a sufficient and nuanced version of the facts can be presented in this report.

Our findings are based on available project documentation and interviews with those involved in the various project components, SOK senior and middle management, other SOK staff, users of data, representatives of the Government (Ministries of Administration, Finance, Education, Agriculture, Health) and members of the donor community (see annex 3).

The team wish to extend thanks to the people met in Pristina and others who have made themselves available to help us understand our subject of review.

1.1 PROJECT STRUCTURE

Sida funded SCB co-operation

The project consists of specific support to statistical products within Economic statistics and agro economy, Energy and environmental statistics and Social statistics. The overall objective of the project is to contribute to the development of a sustainable statistical system in Kosovo and for SOK to produce and deliver statistical products in line with international standards. The project also had a general capacity building component.¹

¹ (Report) Statistics development at the Statistical Office of Kosovo (SOK) A cooperation project between the SOK and Statistics Sweden, or Assessment MEMO, SIDA Statistics Sweden's support to the Statistical Office of Kosovo (SOK 2008-2012), Robert Backlund.

- Management and human resource training
- Master plan/national strategy for statistical development
- Statistical methodology
- Index theory and percentage calculations
- English language training
- IT support and training in software
- Cooperation with Pristine University
- Improving public image

Despite a considerable range of activity, the basic project logic is fairly straight-forward. In technical co-operation, activities aim to introduce working-tools and methodologies that would, if used correctly, result in the organisation using and incorporating them in its own organisational practices (organisational change).

When practices change, the project assumes an improved production process of the statistical products to be the primary outcome (improved organisational efficiency). This logic would apply to all technical co-operation areas.

In capacity development the basic logic is to strengthen staff capacities in the English language, in public relations, in the use of IT and computer software, and in results-based management practices. Tracing these outputs towards clear outcome objectives is less straight-forward as compared with technical co-operation areas, although it is clear they aim towards the overall objective of improved statistics in Kosovo. On the more immediate outcome level, however, objectives such as *staff better prepared for organisational change and international requirements*, and *strengthening the organisational support functions in IT and reporting*, would suffice as a broad description of outcome expectations.

The partner, SOK, is basically organised into an executive office and six departments.

There are also seven regional offices, which are in responsible for collecting data, SOK is responsible for all official statistics, except for the Balance of Payments (Central Bank of Kosovo). But there are also other producers of statistics. An overview of the entire system is unavailable (or unknown) and has not been addressed in the project.

The present project started in the summer of 2008 and will run up December 2011. The project is an extension of previous support (since 2001) but a few new components were added during this last phase.

The support is primarily implemented through short missions where staff from SCB visit SOK to give hands-on support. There is a strong focus on helping the staff at SOK in completing their surveys in a professional manner and hence there is a strong methodological focus on most missions.

Some missions provide courses and sometimes staff from SOK visit SCB in Sweden. The statistical content in the support varies from how to use a scanner to entering data to advanced calculations of confidence intervals. A lot of time is spent implementing improved methods in Excel and correcting observed errors. A new component is the support for trainees. The missions are coordinated by a long term consultant stationed in Pristina.

During 2010 there were 20 missions to SOK and four visits from SOK to Sweden. In the 20 missions from Sweden 22 different experts were involved. A list of the missions during 2010 is given in appendix 5.

DFID management support

Based on experience from earlier co-operation, DFID arrived at the conclusion that for SOK to develop its function as the national statistics office of Kosovo, it needed a Strategic Development Plan. Such a plan would enable SOK to “take a role of leading donors in providing support around a SOK owned strategic single plan”². The plan would simultaneously provide major donors including EC/IPA with a framework within which to plan its initiatives.

The basic logic was that the plan would help enhance SOK management and planning capacities, enable a more reasonable prioritisation between working processes and help stimulate a better relationship between SOK and the Government of Kosovo (GoK). The Terms of Reference also make note of the complex and fragmented general situation of external support of SOK. As a counterbalance, the project implied close co-ordination with the Sida/SCB technical development project, and a steering function that would enable reinforcement between technical and managerial input.

From early 2008 to early 2011 the project was active. By May 2009, a draft Strategic Development Plan for the years 2009-2013³ was available. Since then, the initiative has been concerned with the application and use of the plan as the strategic document it is intended to be, including assistance with donor coordination, an action plan for 2010 with priorities, and training in management and planning (strategic and financial). But the effort is reported as having had difficulties. These included changes of SOK leadership, failures to secure additional funding (for plan implementation) and an effective halt to many activities due to the work with the census.

² DFID support of Kosovo statistics, 2006 summary, p. 1.

³ Statistical Office of Kosovo, May 2009; *Draft Strategic Development Plan 2009-2013*.

2. FINDINGS

2.1 CONTEXT

To arrive at a point where recommendations about the future direction of co-operation with SOK can be given, a discussion both of the current co-operation period – including what factors may contribute to results achievement of the Sida and DFID projects – and key issues of the environment and conditions under which SOK operates is needed.

The aspect of the environment in which the project operates has been deemed particularly important in this case, and section 2.1 is entirely devoted to our findings in this regard. Not because understanding local conditions is more important in this case than in any other development co-operation setting, but because in this case a great many factors have a direct influence on SOK development, deserving considerable attention in any possible future support to the development of statistics in Kosovo.

The information available to the evaluation team suggests a closer look into this context in the areas of politics, EU accession and aquis, donor support, and SOK management. Our focus is on the issues and concerns identified by key local stakeholders.

2.1.1 *National context*

The conditions under which SOK operates have a particular influence on how it can develop. This is because Kosovo institutions are still very much in a formative stage. Some of these conditions also have a critical influence on the possibilities to support SOK.

SOK is operating within low levels of independence. From a legal perspective, this relates to the efforts to introduce a Law on Statistics in Kosovo over the past decade. A law has been to Parliament on a number of occasions during this time. During the time of the evaluation mission to Pristina (29 August to 2 September 2011) a second reading of the Law was pending. In the process of finalising this report, it was reported that on 21 October 2011 the Law on Statistics was adopted by the Kosovo parliament.

Judging by the responses we have on the content of the Law, and a draft of summer 2011 (not dated), two issues surface as most critical; institutional and budgetary independence. First, institutional independence in a real sense is not part of the law. Second, it seems the procedures of establishing the SOK annual budget change very little from the prevailing status quo. On another note, there is some indication that the future SOK Agency will have an extended legal mandate to request information, which is encouraging.

A second aspect of the condition of SOK is what all respondents report as generally low levels of government demand for statistics and quality information. The core demand for information and statistics is external, represented by the World Bank, IMF, key UN agencies such as UNICEF and UNFPA, and the European Union (often through Eurostat). This means that national ownership, a central driving force behind the development of sound and reliable statistics in Kosovo, is weak.

However, several ministries and functions in government as well as independent agencies and NGOs in Kosovo do have a need and demand for statistics. A few important aspects stand out in discussions with these users:⁴

⁴ This refers specifically to Ministries and their statistics departments, independent Kosovo agencies in need of statistics and national NGOs. See annex 3 for details.

1. Both the reliability and coverage of SOK statistics are perceived as having improved over time. In many areas, however, reliability and coverage is still considered to be below a desirable (or EU standard) level. In one area in particular, economic statistics, key users call for greater improvements.
2. SOK welcomes a dialogue with its key users, but at the same time SOK appears to have difficulties with responding to external requests. There are frequent calls from external stakeholders for more institutionalised relations with SOK to improve the dialogue on production content. A few respondents remark that SOK is too preoccupied with budget constraints, rather than striving towards better prioritisation of work with existing resources, and that this hampers interaction.
3. Because of historical weaknesses in SOK production, in some significant areas statistics production takes place outside the organisation. One example is the Education Monitoring and Information System – EMIS – currently run by the Ministry of Education. Another is in economic statistics where several actors collect and analyse economic data.
4. A general view of informants is that SOK analyses of published data should improve so as to reach EU standards and to be of increasing interest and utility for key users.

A third consideration regards the institutional position of SOK. To those interviewed for this study including most Kosovans, it is not altogether clear what has justified SOK being under the auspices of the Ministry of Public Administration. Alternative locations include the Ministry of Finance or the Prime Minister's Office, where the need and demand for statistics is perceived as greater. With the newly adopted Law on Statistics, SOK is placed under the Prime Minister's Office.

2.1.2 EU accession

In order for Kosovo to achieve EU approximation, SOK needs to improve their statistical production. Indications for statistics regarding the accession are:

*"The acquis in the field of statistics requires the existence of a statistical infrastructure based on principles such as impartiality, reliability, transparency, confidentiality of individual data and dissemination of official statistics. National statistical institutes act as reference and anchor points for the methodology, production and dissemination of statistical information. The acquis covers methodology, classifications and procedures for data collection in various areas such as macro-economic and price statistics, demographic and social statistics, regional statistics, and statistics on business, transport, external trade, agriculture, environment, and science and technology."*⁵

A guideline over conditions for producing good statistics is given in the *European Statistics Code of Practice*. In this document 15 principles are presented regarding, institutional environment, statistical processes and output.

1. Professional independence
2. Mandate for data collection
3. Adequacy of resources
4. Quality commitment
5. Statistical confidentiality
6. Impartiality and objectivity

⁵http://ec.europa.eu/enlargement/enlargement_process/accesion_process/how_does_a_country_join_the_eu/negotiations_croatia_turkey/index_en.htm

7. Sound methodology
8. Appropriate statistical procedures
9. Non-excessive burden on respondents
10. Cost-effectiveness
11. Relevance
12. Accuracy and reliability
13. Timelines and punctuality
14. Coherence and comparability
15. Accessibility and clarity

In general, the statistical production of SOK does not currently comply with these requirements. Even if individual products are of better quality the overall picture is that there is still a long way ahead before the statistical production is congruent with the *European Statistics Code of Practice*.

For several of the statistical products, the Swedish experts state that the weighting and calculations are correct and accurate (due to the input from the project) but the coverage of the sampling frames and the data collection is not of sufficient quality.

In some areas SOK is making good progress, e.g. in the Economic Accounts for Agriculture (EAA) where they have a dialog with EUROSTAT about the production and quality of their products. Furthermore, SOK has managed to send transmission files to EUROSTAT in accordance with the regulations. An example of an area where there is a long way left to reach international standards is energy statistics. This is an area where SCB has given very little support.

An example of a lack of progress is the implementation of the NACE 2 classification. This is the classification of economic activities in the European Community and shall be used uniformly within all the Member States. SOK has not been able to do all the required changes from NACE 1 to NACE 2 yet.

So far many of the products the methodological part are judged by the evaluation team to be good. However, there are problems with the sampling frames and the data collection. Interviewees clearly indicate their view that if the support from technical experts would be withdrawn, the consequences would be negative. The staff at SOK are not capable of sustaining their work in applying the technical skills introduced by the Swedish experts.

Even if some methodological parts are satisfactory, there are many other areas, such as quality commitment, adequacy of resources, etc. that need to be improved to comply with international standards.

SCB has mainly helped SOK with improvements regarding the principle *sound methodology* (7) and *appropriate statistical procedures* (8), but also to a certain degree to principles 12 through 15.

Also the EU has given considerable support to strengthening Kosovo Statistics. The EU policy on statistics has been driven by the need of EU harmonised official statistics. The EU Progress Report 2010 reported in overall some progress in statistics compared to the previous period. Nevertheless the main identified weaknesses were:

- Weak human and financial resources.
- insufficient office space and in particular the staff situation in the IT department;

- Limited progress on classifications and registers;
- The business register is operational, but is not updated regularly;
- Cooperation with Tax Administration not assured /The Law on tax procedures needs still to be amended in order to allow transmission of individual data to the Statistical Office of Kosovo.
- Financing of the census needs to be secured and the communication campaign needs to be intensified;
- The Statistical Office does not yet produce quarterly national accounts.

The report also concludes that significant efforts are needed to improve business and macro-economic statistics in particular.

2.1.3 Donor support

By any standards, SOK assistance throughout the past decade could be described as substantial. Depending on how a “project” is defined, SOK has had between 14-20 significant co-operation projects implemented by 8-10 different donors/agencies during this period. An overview of donor co-operation with SOK is available as annex 4.

Sida/SCB support has been a stable and sustained part of this support stretching over the whole decade (2001-2011). It is similar to the majority of projects, being technical in nature and supporting SOK in statistics production and methodology.

By contrast, the DFID co-operation project targeted management capacity for a comparatively brief period (2008-2010). Hence, in size and duration it was relatively small, but significant from the viewpoint of strategic intent.

The one feature of the donor context that local respondents repeatedly cite is the issue of fragmented support and associated low levels of co-ordination.

Apparently there was a point in time, referred to as approximately 2006-2007 depending on the respondent, when co-ordination is described as having been more regular and coherent as regards support of statistics development. For various reasons, however, from 2008 donor co-ordination and dialogue on statistics development is described as weaker.

Without exception, including the current CEO of SOK, people interviewed maintain that SOK is in a weak position to demand or prioritise among donor initiatives, which implies that donor co-ordination and harmonisation are not satisfactory.

2.1.4 Management

One basic observation about SOK made by internal as well as external stakeholders in statistics is that management direction, skills and training are among the central weaknesses of the institution.

There are a substantial number of factors contributing to this observation, but the one most frequently voiced by respondents is that of an unstable leadership. The CEO of SOK has been changed repeatedly over time and an average CEO has held office for less than a year. The upshot is a disruptive Organisational development process, with delays and changes of direction with almost every change in leader.

Another obstacle in finding or developing management practices is an unclear mandate. The absence of a law on statistics or a SOK strategic plan, and an operational plan, is hampering the ability of managers to develop sound management practices within a shared/joint and commonly understood framework.

In addition, as explained by SOK top managers, SOK senior and middle management capacities started off on a low point for historical reasons. And due to the circumstances described above, they have not been sufficiently improved despite technical assistance provided.

However, this does not mean “there is no management”. A brief overview of the management practices of SOK is warranted.

First, existing SOK management approaches have a strong focus on resources, production and the technical aspects of statistics production. By contrast, human resource management is generally given little attention.

Secondly, SOK management suffer from a weak planning process. It is weak because, in various degrees, it lacks:

- A common framework
- Shared information
- Joint planning and reporting mechanisms

Reviewing in greater detail the planning frameworks of each SOK department underlines this finding. Operational guidance is limited and lacks key pieces of information that would serve to put operations into context with its:

- current objectives,
- additional technical needs,
- tangents with other key working processes and support functions at SOK,
- future objectives,
- production calendar and working-process peaks and related resource needs.

Informants state that this leads to disruptive working conditions. Recently a population census has been undertaken in Kosovo. In the laconic words of a user of health statistics: “The Census paralysed SOK”, indicating that once the time came to organise the census, all other activities slowed down or came to a standstill. Similar observations were made by both SCB and DFID advisors, Kosovo ministry representatives and other external partners.

Interpreted in a different way, the existing SOK planning framework, because of its weakness, did not lead to capacities to plan ahead and manage the consequences of the census work for other working processes. There are aspects of budget constraints at work here as well, and it seems clear that SOK financial resources were channelled towards the census and away from other activities during the preparations and implementation of the census work (2010-2011). But from a management perspective, there are strong reasons to assume that the weaknesses of the planning process itself plays a significant part in explaining weak SOK performance during this time.

One should point out that SOK managers are aware of their weak planning framework. They unanimously point out that there is a sense of a lack of direction.

Third, actual SOK planning under these conditions takes place (for the most part) in isolation with one or a few individuals. Reporting and follow-up of plans often remains an affair of the isolated group.

This sometimes works reasonably well for a specialised task. In economic statistics, for instance, some tasks have a history of performance and periodic production that defines and clarifies the working process for those involved. But key information is not shared beyond the group or between departments in a structured way.

In both content and methodology, connections between departments and working processes are weak. As a result, for example, the *Household Survey* covers a wide range of information on households, such as consumer health care and education patterns that is not optimally used for other statistical purposes, products and samples.

Fragmented working process is reported as contributing to:

1. Workload imbalances
2. Working processes progressing without clear priorities, and at times without a sense of direction
3. Short term individual planning horizons⁶

Against this background, interestingly, the newly appointed SOK director spelled out his list of priorities for SOK to emerge from its current state of weakness. By order of importance, they were:

1. Law of Statistics in place
2. Re-organisation of the institution (model is needed)
3. Mentality change to occur
4. International co-operation to support capacity
5. Management capacities must be strengthened
6. Eurostat co-ordination (EU standards)

2.2 RESULTS

2.2.1 Overall

Looking at the results from Sida and DFID support, a mixed picture emerges. The key finding is that while on a technical level output and temporary results are impressive, an accompanying strengthening of SOK's own capacity to manage the input is weak.

In the case of Sida support, results are strongly related to production and technical skills development, rather than management and organisational capacity building. Much of the methodological capacity currently existing in SOK is reliant on continued ongoing support from SCB.

On the outcome level, specifically on the levels of organisational change and efficiency, there are clear albeit limited indications of the adoption and use of new methodology and an increased production capacity associated with SCB support.

However, sustainability levels are found to be weak, with the odd exception. With this we mean more precisely that SOK has difficulties with putting a new methodology or production process into an independent (i.e. free of external technical input) operational framework. A clear indication of this is the inadequate documentation of methodologies or procedures used.

Two aspects of the SCB project which probably constitute obstacles to sustainability are a) its broad coverage and b) relative fragmentation. A great many experts and missions are fielded in various

⁶ SOK senior management, see also the *Strategic Development Plan 2009-2013*, p. 7.

technical areas – but they are not being brought together into a common framework. In the absence of an overall SOK operational plan this may not be too surprising. Under current conditions, respondents point out that production continues as long as SCB is present, but when they leave SOK staff face difficulties with continuing many of the working processes.

Cost efficiency appears high on the implementation and output levels. Excessive use of funds have not been encountered anywhere. But viewed from a sustainability perspective (implementation-to-outcome) a series of circumstances, also beyond project control, point to a lower level of efficiency.

In the case of DFID support, a central finding is that the needs identification was urgent and prudent. The need for improving management and planning capacities at SOK through the use of a strategic plan/document was, and is, very strong with SOK.

Regarding the plan itself, it represents a vital beginning to developing management and planning capacities. Of course, putting it to use is another matter. In its own words, “an urgent priority [for international co-operation] is management support that will strengthen SOK’s ability to plan and prioritise its activities more effectively and improve product quality”⁷, hinting that the operational planning underpinning priorities and choices set forth by the Strategic Plan may, in fact, be insufficient. It is our judgement in 2011 that this is still the case and that the need for improved planning is still a top priority.

2.2.2 Economic statistics

SCB has supported the Department of Economics with both methodological and technical support. The expected result is a production in compliance with international standards and a valuable use by relevant decision makers.

The Consumer Price Index (CPI) has been published regularly since 2002. The production is done in Excel which is an unreliable environment for storing and analysing data. There are plans, with help from SCB, to develop a new platform for the CPI: one module for data entry, one module for storing and analysing and one module for presenting data.

This is an important development for the quality of the CPI. Moreover, this model for the data processing could serve as a model for other statistical products. However, if the experts from SCB do too much of the work, evidence from other technical support suggests that SOK may not be able to support and develop the system themselves in the future. This problem is due to the shortage of IT and programming staff.

The division is preparing to start the production of Cost Construction Index. There have been missions from SCB with the ambition to help with the planning of this production but the job has been delayed, mainly due to shortage of resources at SOK. This evaluation questions whether SOK should start putting resources into a new statistical product when there is a shortage of staff and resources to produce already existing statistical products. There is also not sufficient documentation concerning the quality of their products.

The staff at the price division had very little contact with the users. An important quality dimension in the production of official statistics is a focus and interaction with the users.

⁷ Statistical Office of Kosovo: *Strategic Development Plan 2009-2013*, p. 12.

Even though some of the staff had participated in training by SCB they did not seem to have been able to implement this knowledge in the daily production of statistics SCB has not been able to give the training in index theory but there is a plan for this for the fall 2011.

A high level informant complained that SCB is sending too many different experts. It would be better to have more continuity with a few experts from SCB (there were 22 different experts in the 20 missions during 2010.).

When discussing the use of SOKs products with important users (e.g. World Bank, IMF, the UN, the Ministry of Finance, the Central Bank of Kosovo, etc.) it was evident that while economic statistics have improved, they are not yet of sufficient quality and coverage to satisfy the needs of these users. It should also be noted that some problems are beyond the control of SOK. External Trade Statistics is an example where part of the quality problems is in the hands of another organisation, the custom authorities in this case (SCB has not recently done any missions with respect to External Trade Statistics)

2.2.3 Agro and environment statistics

This department is responsible for the agriculture survey, agro monetary statistics, waste statistics, fishing, and forestry and hunting.

There seems to have been a rather positive development through collaboration with the Swedish Board of Agriculture. They have received good support to develop e.g. the Economic Accounts for Agriculture (EAA) and SOK believes that they will soon be able to continue with this product without support from Sweden. They are working hard to comply with the EU-requirements and have a dialog with EUROSTAT about the development of this product. SOK has managed to produce both documentation and data files in accordance with the EUROSTAT requirements. However, there are still problems with the data quality.

Together with SCB, SOK has done a project plan for the Industrial Waste Survey (KOSTAT 2011:05). They have now produced community waste statistics. The personnel were pleased with this product, partly because the statistics had caused a real change in how waste was collected in Pristina. From the team's visit to this department it was concluded that one key factor behind the positive development was the input from the trainees supported by Sida. However, their future within SOK was uncertain since SOK has not offered them permanent positions.

A negative aspect raised in interviews was the lack of collaboration between departments. In those cases where there is good collaboration it is attributed to personal relationships than to an efficient organisation.

Even though there was a positive attitude towards the support from Sweden, it was clear that some missions did not result in an improved production process. Some information provided was viewed as unusable because SOK has no resources or competence to implement the recommendations suggested by SCB.

Despite some positive developments within this department there were other set-backs. For example, the Agricultural Household Survey (AHS) 2010 had to be cancelled due to lack of funds.

2.2.4 Social statistics

This department is responsible for the Labour Market Survey, Household Budget Survey and for statistics regarding health, education, culture & sports and social welfare.

They appreciate the support they have received from SCB developing their capacities to undertake the Household Budget Survey (HBS). They are now able to run this survey, using the COICOP nomenclature, almost by themselves. However, some calculations (e.g. confidence intervals) are still calculated by SCB and the staff do not have the capacity to do these calculations themselves. Moreover, there are still problems with respect to data quality. Collecting accurate data remains a problem.

They do not receive much support from the IT & Methodology department regarding statistical issues but the collaboration with the IT-personnel is said to work well. There were positive experiences from the training given by SCB and they seemed to have the capacity to absorb much of the content in the courses. They report being aware of the needs of the users of their data but they do not have regular meetings with the users.

There is a 'vague' document describing the work process in the HBS. However, this document seems to have been produced by persons from World Bank and it is doubtful if many people at SOK have the capacity to use this document. The lack of documentation regarding quality issues and the working processes is a general problem.

An issue apparent at this department was the lack of a clear software policy. One of the staff used a statistical software not used by anyone else at SOK. This reduces the possibilities of sharing knowledge and does not enhance sustainability.

2.2.5 IT and methodology

This department is heavily understaffed and is not able to give the support needed. In statistical methodology there are 1.5 staff members, which is clearly insufficient given the statistical knowledge needed within SOK. Also the number of IT-personnel is clearly insufficient to be able to provide an adequate service. Another problem seems to be a lack of planning of how to work and what to do.

This department is also responsible for the dissemination of statistics. They publish most of their statistics on their webpage, which is a positive achievement. In April 2011 they started to use Google monitor to see how many visits there are at the webpage. By 1 September they had 100 000 visits. There are different ways how to count a visit so it is not clear how to interpret this number but it seems that they have a good outreach with their data.

A problem facing the personnel in this department is the collaboration with other governmental agencies. There is a need to transfer data back and forth but there are often both legal and technical complications making this job much more difficult than needed.

An apparent problem is the lack collaboration and communication between the different departments. One way to improve this issue might be to strengthen the methodology of the IT department and give it more responsibility for the collaboration between the departments. Since there are many tasks that are similar for all departments, it is important to have a good overview and coordination.

A critical question, regarding the organisation, is whether the main methodological competence should be centralised into this department or if this competence should be integrated with the staff at the different departments, doing the statistical work. Today the methodology department does not seem to have a strong position regarding the methodological development in statistics.

2.2.6 Capacity building in SCB support

The capacity building component of the SCB project is broad. It targets a general enhancement of capacities ranging from language skills to software, planning and reporting skills. SOK staff report a

mixed picture regarding the results of this support. In some instances, a software product has been adopted and put to use in production processes. In others, respondents cannot recall taking part in any of the recent activities in which they were listed as participants.

The issue here is probably not one of poorly prepared activities, but more likely one of an underestimation of what is necessary for bringing about the use of transferred knowledge inside SOK. For this to happen, SOK needs its own internal processes (and responsible units) to adopt and make these efforts their own. Overall, such internal processes linked to the capacity building components of the project have not been found.

As an example, the RBM component is primarily focussed on SCB/SOK project planning and reporting, rather than planning and reporting of SOK working processes. One possible reason is that there is little in terms of a structured SOK working process of planning and reporting that can be made to fit into a RBM framework.

English language training is an exception, where such underlying organisational capacities are less important for progress to take place. Another exception is management coaching, which has had positive effects on SOK's capability for enhanced management response on immediate issues.

We conclude that existing problems for the capacity component are a mix of:

1. An overestimation of absorptive capacities, and
2. A lack of a clear attachment to identified SOK development processes.

2.2.7 DFID support

Following almost eight years of external co-operation with SOK, DFID identified and acted on what may be the single most important need of an organisation in development – *a strategic plan*. Furthermore, the Strategic Development Plan covers fundamental building blocks for purposeful planning. It is an analytic document pinpointing what it regards as central aspects for managers to take into account when planning and prioritising their operations.

The Plan also provides the basics of a *common* framework for planning and reporting. In a Strategic Plan, a key issue is the follow-up mechanism through which the planner is being informed of progress against set objectives, obstacles, and alternative means of achievement. In this case, the plan is a starting point for the creation and effective implementation of such a framework.

Conversely, one concern is that the project was conceived based on an overestimation of the underlying operational framework of SOK, and the capacities of its managers for operational direction. This is said with hindsight and against a backdrop of an increasing frustration visible in DFID project progress reports over the period 2008-2011. Another indication is the view held by everyone interviewed for the evaluation: the plan is currently not used for any particular purpose.

For a master strategic document to be fit for purpose, and considered in planning, it needs some kind of input⁸ and the centrepiece of that input would be an operational framework – usually manifested in an Annual Operational Plan. Such a plan is lacking, as repeatedly observed by the Strategic Development Plan document itself.

⁸ That is answering questions such as “what is happening, how are things developing, who is doing what, when and in co-operation with whom”?

The way the evaluators view the document, it makes a commendable effort to compensate for the lack of a SOK operational framework; setting out production priorities 2009-2010, 2010-2013, financing gaps, staff requirements and development needs, publication calendar, survey plan, international support needs, etc. Evidence suggests however, based on interviews with senior SOK managers including the CEO, that SOK management is not in a position to bring the framework of the strategic plan forward or to use it for planning purposes.

In order for SOK management to implement the strategic plan, an operational framework for SOK and each of its departments would have been needed: An undertaking that was beyond the scope of the DFID project.

Another aspect of the Strategic Plan is that it focuses unduly on budget constraints, rather than providing guidance for a hard prioritisation of scarce resources.⁹ To the readers of the Plan (those interviewed for this evaluation, and the evaluators) it seems to make the point that SOK would be in a position to expand the range of production were it only to be sufficiently funded. The vast majority of local stakeholders interviewed doubt whether this is really the case, arguing that increasing financial resources must be accompanied by improved organisational and analytic capacities.¹⁰

To a considerable extent the conclusions drawn by the DFID consultants based on the work that followed on the formulation of the Plan in 2009 support this assessment.¹¹ In almost every area of co-operation - management training, strategic planning and priority setting, planning for census overload, financial planning, donor co-ordination etc. - the issue is one of difficulties in translating plans into action. The primary causes cited are managerial and lack of funding.

⁹ See for instance the SCB project progress report December 2010 (KOSTAT 2010:27), making the same observation (p. 20).

¹⁰ Perception mainly held by local users of statistics, both foreign and national.

¹¹ Summarized in the DFID project "2010 Objectives Matrix – Revised March 2011".

3. CONCLUSIONS AND RECOMMENDATIONS

3.1 GENERAL CONCLUSIONS

It is concluded that SCB co-operation with SOK has made important contributions in terms of production capacity, product quality and methodological development. With its input, the project currently sustains a large portion of SOK production capacity.

It is regarded as a strategic objective to safeguard investments in SOK production through continued support. The relevance of individual contributions on both technical and managerial level we believe is beyond question.

At the same time, SCB support has been scattered across a wide range of fields, without any visible connecting plan other than vast needs for information. The large number of missions and visits are putting a heavy strain on SOK. But from this, to conclude that the project is cost inefficient would be incorrect. The reason is that in the absence of a clear SOK operational framework the alternative is largely unknown to the SOK/SCB project planning team.

It is also concluded that the establishment of a Strategic Development Plan is a vital contribution to future strategic development, and this relies on a SOK realisation of the need for a comprehensive planning and reporting framework for its operations. Currently, the main SOK deficit is the lack of comprehensive operational planning.

Simultaneously, we conclude that the overall picture of co-operation with SOK is that it is overly focused on production, either overlooking or overestimating management and planning capacities. Whatever the reasons, this lack of balance has contributed to low levels of sustainability. In order to make better use in the long term of methodologies and tools acquired, SOK needs management skills to organise its work-force and operations in a more efficient way.

We also conclude that SOK management needs assistance on how to achieve better organisation, and that the need for support is pressing.¹²

We furthermore confirm the sentiment that SOK and donor community efforts to co-ordinate support should be improved. This is critical to success in achieving a more sustainable form of development co-operation with SOK.

Finally, it is our conclusion that to strengthen the enabling environment for statistics development in Kosovo, all relevant actors may wish to consider the following needs:

1. Set priorities

There is an immediate need to establish and endorse a set of key priorities for statistics development in Kosovo and for SOK. SOK cannot do everything. Currently SOK departments are aiming to cover a range of statistical areas in the face of shifting pressures, rather than securing a reliable and qualitative production in selected (strategic) areas.

There is a need for direction to guide priorities. The leadership of SOK, together with the lead Ministry and key users in public administration (GOK), in consultations with the international community (EU, WB, IMF), may wish to set strategic priorities for SOK statistics production (yr 1-5).

¹² As pointed out in section 2.1.4 the SOK CEO has explicitly requested this. Note also that the Strategic Development Plan, DFID progress reports and repeated SCB mission reports make the same observation.

2. Describe the whole statistical system in Kosovo

There seems to be no existing description of the entire statistical system of Kosovo. Such an overall view is a pre-condition for designing and developing a national statistical system.

The Strategic Development Plan is a very good start indeed and a much welcome input to a structure for statistics production in Kosovo. It fills a void. At the same time, the plan is in its infancy and it does not (yet) put SOK production into the context of statistics production in the country. This context is critical for establishing realistic priorities.

3. Establish a SOK annual operational plan

In between the Strategic Development Plan and statistics production on department level, there is a most pressing need for a transparent and comprehensive operational plan.

SOK departments do have a planning framework that can be used as a starting point. But in all likelihood, the need is to radically overhaul current practice/structure and build an operational framework from scratch. Hands-on guidance developing working processes and operational planning for an extended period of 6-12 months is most likely needed.¹³

4. Identify operational teams in technical and managerial co-operation

Among SOK staff, competence levels are uneven and far from optimally distributed. SOK faces basic problems with organising its own staff, such as lack of a general re-organisation mandate and full command of the trainee programme, but should be able to organise and assign duties among staff in different statistics working processes.

Given that a strong technical element remains an urgent need for the foreseeable future, and that current levels of sustainability are low, co-operation should probably focus on identifying and putting together teams to assume responsibility of designated SOK working processes (some teams already exist today). It is assumed that structured teams could bring competences forward on a wider staff basis and begin to build sustainability.

5. Establish better contact and interaction with national and other users

It would be considered an important criteria in developing quality for SOK staff to interact with and learn from key users. WB currently has an initiative, the Data User's Network¹⁴, that should be commended. For the future, however, we believe a more concerted, nationally driven and institutionalised process of interaction is needed.

3.2 RECOMMENDATIONS

Recommendations for Sida and DFID. Consider on an overall level:

- Balance technical support with a substantial capacity and management development component (see details below).
- Turn future support into one project with the same managers.
- Close donor co-ordination with the EU, WB, IMF, UNFPA and UNICEF/UNDP in the first instance.

On the content of support:

Assist SOK in the development of an **Annual Operational Plan** based on operational plans for each SOK department and its regional offices.

¹³ This same need is also identified by the Strategic Development Plan, pp. 16; 26.

¹⁴ See Concept Note; Kosovo Statistical and Analytical Capacity Building, 27 July, 2011.

Assist SOK in developing the Strategic Development Plan into a **National Statistics Development Plan**, covering the entire statistical system of Kosovo, and seek a mandate for this from the highest political authority.

Continue support in statistical fields already supported for the time being. All future technical support needs to adhere closely to the priorities set by SOK and GOK.

Make a point of carefully documenting practices, procedures and methodologies as an input to operational planning.

Gradually limit the number of focus areas in line with set priorities, underlining their organisational relationships (between departments and divisions) in a well documented supplement as input to the SOK annual operational plan.

Technical recommendations:

1. From a production and statistical systems viewpoint, we believe one top priority to be the improvement of the *Business Register*, mainly on account of its importance for other statistics working processes.
2. In technical co-operation aim to support production teams, in favour of individuals, and base working processes on a clear documentation practice.
3. Increase the collaboration with the University to secure the long term supply of staff with the appropriate qualifications. In the short term it is urgent to continue to provide support for trainees. In staff supply and development, drafting the Human Resources Development Plan including Job Descriptions, revision of recruitment criteria and procedures, and linking training and career development are imperative.
4. To establish a national statistics development plan, a point of departure can be taken in the existing Strategic Development Plan of SOK. This entails an expansion of the plan so that it can inform a dialogue on national strategic priorities and to function as a basis for national and SOK objectives and follow-up. It needs to:
 - map out who does what in the statistics system
 - identify the linkages between various fields of statistics and products and determine how they interlink and exchange key information (when, whom, etc.)
 - set objectives for various statistics production units and products and follow them up on an annual basis
 - determine the methodological basis for statistics production and its development, standards for sampling, questionnaires etc according to EU standards to be abided by all.
5. To develop an annual operational plan at least two experts are considered necessary to cover the development of operational plans for 6 departments, and then create a synthesis on an overall level. A sustained presence of 6-12 months each is considered a minimum.

The annual operational plan would need to:

- identify working processes (who is doing what and when),
- identify production calendars
- identify associations between working processes, and what support from other departments and support functions are needed in all working processes
- define objectives,
- define expected results, and
- establish a feed-back mechanism to inform top management (creating the basis needed for future strategic decisions).

Annex 1 – Terms of Reference

Evaluation of the Statistical Office of Kosovo, SOK

A joint evaluation examining Sida and Dfid support to SOK and SOK institutional capacity

1. Background

A modern society requires statistics in all important areas of society. Important decisions made by the various actors in politics, the public and private sector, the economic system, organisations etc. require a thorough basis of information, often in the form of statistics. Basic functions in society such as democracy, economics and welfare are in this sense dependent on knowledge based on reliable statistics. Economic statistics fulfil an important function for decisions about economic policy and development towards a market economy. Social statistics comprise an important basis for development of welfare and redistribution policy.

The Statistical Office of Kosovo (SOK) is an agency within the Ministry of Public Administration, responsible for the production of almost all of statistics in Kosovo. The main objective of SOK is data collection, processing, analysing and publishing. In its current form the organization is an entity based on regulation 2001/14. During the 1990's SOK had effectively ceased to exist. Before that, SOK was never an autonomous organization, since the statistical function was centralised with the federal authorities of Yugoslavia, limiting the role of SOK to that of data collection and entry. In the period after the conflict in 1999, SOK received operational support, as well as technical assistance in order to lay the foundations for a statistical system in Kosovo.

In line with Kosovo's agenda for EU approximation, SOK will need to further adapt its statistical production, and as a consequence also its management structures, to European standards. Also, there is a new statistical law waiting since a couple of years to be adopted, which is foreseen to improve the EU perspective of SOK. The financing of SOK is not adequate, given its tasks.

Sida has been giving support to SOK since 2001. The current project is the third phase of Swedish support to SOK. The project objective is to contribute to the development of a sustainable statistical system in Kosovo that facilitates decision-making based on relevant and reliable statistical information that meet domestic demands, supports the monitoring of the Poverty Reduction and Stabilization and Association Process.

The project embraces the period 2008-2011 and includes support to Economic statistics, including agro economy, prices statistic and external trade, Energy and environmental statistics, Social statistics and General capacity building. Sida's support to SOK is estimated at about 2 million euro for the period 2008-2011. Besides, Sida is a major donor for the census in Kosovo.

The last two phases of DFID support to SOK focused on improving capacity for management and planning. Between 2008 and 2009 DFID provided technical assistance to facilitate the process of strategy development for official statistics in Kosovo (2009-2013). This involved assisting SOK with an assessment of the current situation, including quality and range of statistical outputs, human resources, physical and technical resources, organisational factors, user satisfaction as well as legal and institutional frameworks. Between 2010 and 2011 DFID provided Technical Assistance to facilitate SOK to build further capacity for strategic management and planning to assist implementation of the strategy. Areas of support included strategic planning, change management, leadership and communication skills and focused around the development of an action plan for delivering of the strategy.

Today, various donors support SOK, including the European Commission, but lack of coordination makes it difficult to match available project resources with the actual needs. Due to low salaries, brain-drain is a constant threat to any progress achieved.

2. The EU context

Kosovo is part of the Stabilisation and Association Process. The Stabilisation and Association process dialogue was launched in January 2010. The first cycle of meetings was completed in July 2010. The sectors covered include "justice, freedom, security"; "innovation, information society, social policy"; "the internal market, competition, consumer/health protection"; "economic and fiscal matters"; "transport, energy, environment, regional development" and agriculture, fisheries, forestry, food safety", all areas that require a substantial basis of reliable statistics.

The European Parliament underlined that the prospect of accession to the EU is a powerful incentive for the necessary reforms in Kosovo and called for practical steps to make this prospect more tangible both to the government and to citizens.

In April 2010, Kosovo hosted the second high-level forum for donor coordination. The government reported to donors on the progress made as regards donor coordination. This forum has now been established as a mechanism to review and assess progress with socio-economic development and the effectiveness of assistance delivered in Kosovo.

Kosovo continues to benefit from the Instrument for Pre-accession Assistance (IPA), macrofinancial assistance, the Instrument for Stability (IfS) and other sources of funding. The EC programmes are continuing to support the rule of law, public administration reform, communities, culture, youth and wider socio-economic issues, including trade, regional development, education, employment and agriculture. In September, the Commission transferred the first tranche of macro-financial assistance to Kosovo, as part of a crisis response package. The political requirements are based on the Copenhagen criteria (1993), redefined for the Balkans in the Stabilisation and Association Process and further developed in Zagreb 2000 and in Thessaloniki 2003.

Capacity building in the statistics field relates to the EU approximation process in several ways, as it enhances the approximation to the EU *acquis* and stabilises the democratic processes. The EC/Eurostat advocates for international cooperation as a tool for the improvement of official statistics¹⁵.

3. Purpose and scope of the evaluation

By the end of 2011, the current phase of Sida's support to SOK will come to an end and by March 2011 DfID's current phase of support ends. For DfID, design on and implementation of a last phase of support to statistics in Kosovo may start shortly. The evaluation is to assess results from previous phases of support, and discuss preconditions and forms for possible future support, primarily from Sida and DfID. The evaluation is also to open up for a more general development dialogue as regards statistics in Kosovo, including national and international actors.

Part 1: DfID's and Sida's previous support to SOK

DfID's support

¹⁵ "Strategy for Statistical Cooperation with Candidate and Potential Candidate Countries 2007-2009". The paper further points out that regional Balkan cooperation is an EU requirement and that the measure serves the countries' interests when developing statistical systems in accordance with the EU statistical *acquis*.

To evaluate Dfid support between 2008-2011 as regards to its impact on capacity for management and planning at SOK. The evaluation should also assess the quality of the strategic development plan, including whether the strategy is owned by SOK and key stakeholders.

Statistics Sweden's support

To evaluate the impact¹⁶, effectiveness, relevance, cost efficiency, and sustainability of Sida support to SOK in 2008-2011 as regards Economic statistics, including agro economy, price statistics and external trade, Energy and environmental statistics, Social statistics and General capacity building.

The current consultancy is aimed at part 1 above. For information, two additional parts are planned to follow:

Part 2: Institutional capacity of SOK

To assess the institutional capacity at SOK and provide recommendations to SOK as regards the road to EU standards, SOK's development strategy and the new draft statistical law. This includes looking at SOK's functioning, statistical strategic plan as well as statistical areas well suited for support.

Part 3: Conclusions and recommendations

Based on the findings and conclusions in Part 1 and 2, and the coming Global Assessment of Kosovo's NSS (Dec. 2011), discuss pros and cons with a possible future support to SOK. If support is to be continued discuss possible modalities given the conclusions from previous support.

A secondary objective is to contribute to the learning of SOK and its stakeholders.

4. Issues to be covered

Part 1: Dfid's and Sida's previous support to SOK

A. Economic statistics including agro economy

- SOK produces and delivers Consumer Price Index in line with international standards.
- SOK produces and delivers Import Price Index in line with international standards.
- SOK produces and delivers External Trade Statistics in line with international standards.
- To support SOK to make better use in Statistical Business Register for business statistics.
- SOK produces and delivers Economic Accounts for Agriculture in line EU requirements.

B. Energy and environmental statistics

- SOK initiates the setting up of a development strategy for energy statistics.
- Develop waste Statistics system in line with EU/OECD Regulations.

C. Social statistics

- Household Budget Survey data processed to be used by National Accounts in compliance with COICOP nomenclature.
- Periodically update in terms of current and correct data add in booklet "Women and Men in Kosovo"

D. General capacity building

1. Management and planning skills
2. HR management

¹⁶ The evaluation should focus on effects and outcomes but make clear how inputs and outputs are linked to the long term effects and medium term outcomes.

3. Training the Advisory Board, including communication skills
4. Quality and range of statistical outputs
5. Statistical Methodology
6. Index Theory and Percentage calculation training
7. English language training
8. IT support and training in Software
9. Start-up of a possible cooperation with Pristina University
10. User satisfaction and Improving public image
11. The volunteers' programme, financed from Sida

The current consultancy is aimed at part 1 above. For information, two additional parts are planned to follow:

Part 2: Institutional capacity of SOK

- Effectiveness and efficiency of SOK's organizational structure and management structure given the development strategy and SOK's mandate in Government
- Relevance and feasibility of SOK's development strategy given the statistical needs in the country and SOK's development process
- Assess the efficiency of SOK's financial management, budgeting system and procedures, and payroll system and procedures. Recommendations shall be made taking into account EU standards, SOK's development strategy and the new statistical law
- Assess the reporting structures and formats between the SOK and the government
- Assess how the SOK handles and coordinates issues of capacity building and management of technical assistance

Part 3: Conclusions and recommendations

This part is to, based on the study and the Global Assessment, discuss

- Experiences from previous support to SOK as regards relevance, efficiency, effectiveness, impact and sustainability
- The institutional capacity at SOK, given expectations from previous support
- SOK's role as a coordinator of the NSS
- The expected implications of the new statistical law
- The dynamics of SOK's relation to the Ministry of Public Services

Conclusions and recommendations shall primarily be directed to SOK.

5. Time schedule and reporting

Part 1: Dfid's and Sida's previous support to SOK

A draft report for part 1 is to be sent on the 14th Oct. 2011. Sida and Dfid will make comments with 21 days. A final report for part 1 is to be sent on the 11th Nov. 2011. It is important to find the best timing for the work in Kosovo, given that the population census will be conducted in April.

Format of the Reporting

The final report shall be written in accordance with, and will be assessed by Sida in relation to, OECD/DAC's Evaluation Quality Standards. The report is to be based on these Terms of Reference, following the guidelines in "Format for Sida Evaluation Reports".

Part 1: The final report shall not exceed 30 pages, excluding annexes. It shall contain three departments; one for Dfid, one for Sida and one summarizing findings and recommendations to SOK and donors respectively.

The consultants may be requested to present the draft and/or the final report also in Kosovo. In total, the budget shall include participation in up to three seminars in Kosovo and elsewhere in Europe.

6. Methodology

For part 2, in order to maximize SOK's learning it is proposed to arrange a series of participatory seminars besides more "ordinary" practices such as desk studies and interviews.

Interviews are foreseen with SOK, Ministry of Public Service, other relevant ministries with a stake in statistics production, IMF, WB, ECLO, Eurostat, UNFPA, UNICEF, Statistics Sweden and other stakeholders. The consultants are proposed to identify existing studies and when possible draw conclusions from these in order to avoid unnecessary work for SOK. The knowledge and experiences of the Sida's and Dfid's implementing partners are to be used to build understanding of the context. When relevant, interviews shall also be made with knowledgeable independent actors that have been outside the scope of SOK's immediate work. The consultants can also use other sources of information and baseline data, relevant to statistical production.

Recommendations shall be made taking into account EU standards, SOK's development strategy and the new draft statistical law highlighting SOK's relation to the Ministry of Public Service

It is desirable to present the study at a half-day seminar in Pristina. To the seminar should be invited high level persons from Kosovar institutions and international community, as well as from civil society. The seminar should be informative about the role of statistics in a modern society, and should include a panel debate or structured discussion.

The evaluation is to take its point of departure in the EU accession agenda (acquis, Copenhagen criteria), and SOK's strategies and plans, as well as Kosovo's regulatory framework for statistics production. Outcome and impact shall be presented in comparison with baseline. In case a baseline is not existing, the consultants should sketch one, using available documentation or other sources.

Findings are to be shared in written with SOK and SOK shall be given a possibility to give feedback on the findings.

The Swedish Embassy, and the Dfid's presence in Kosovo shall be a dialogue partner for adjusting the relevance of the study, and shall be kept informed about the consultants' activities.

The tender is to present a proposal for methodology to be used.

8. Resources

A budget of maximum SEK 872,161 is available for the mission. Costs for local consultants, as well as for participation in seminars to present the reports shall be specified. The use of local consultants for qualified purposes is encouraged.

Profile of the team of consultants

The team shall consist of 3-4 experts, of which at least one shall bear a citizenship from the Western Balkans region.

Evaluation expertise (team leader minimum 10 years)

Statistics expertise suitable for the assignment, including the *acqui* and the European Statistical System (10 years minimum)

Aid management/effectiveness, including sector reform processes (5 years minimum)

Capacity building expertise (5 years minimum)

Public Financial Management (5 years minimum)

Team – The team shall have experience from EU-accession contexts and Western Balkans in general. Experience from and deep knowledge of Kosovo is a merit.

9. Tender

The tender shall include proposed methodology, budget and team composition. The tender shall not exceed 10 pages excluding annexes. The work plan may be adjusted after Sida and Dfids formal acceptance. All changes to the work plan will need to be accepted by Sida in writing.

Sida will be the contracting entity, representing Dfid in all contractual matters. Sida shall have the right to, in agreement with the consultants, extend the contract with an additional 50% of the contracted sum, to be regulated in an amendment to the contract.

As regards follow up of qualitative issues, Sida and Dfid will have equal right to participate, have a dialogue and take part of the team's views and documents.

The tender shall be sent to Sida (robert.backlund@sida.se) and Dfid (M-Reinfeld@dfid.gov.uk).

Annex 2 – Inception report

SCOPE OF THE EVALUATION

The TOR expresses itself in areas of focus – project components – rather than through specific questions. For the evaluation team, questions will be developed in a participatory fashion and based on the DAC Evaluation criteria. Each area of cooperation, economic and agro statistics, energy, environmental and social statistics and general capacity building, will be assessed from the point of view of their;

- Relevance,
- Effectiveness,
- Efficiency,
- Impact (in this instance focusing more on outcomes), and
- Sustainability

During the field mission, group interviews with senior and task managers will be held. Specifically, we will aim to group together people that have been involved, over time, in a particular area and with a distinct set of Swedish/British counterparts.

During the later half of August, the evaluation team will develop question areas primarily in contact with SCB and DFID experts. The field trip will be conducted 29 August – 2 September, following which the team will prepare its first draft report. A second field visit to present and discuss the finding of the evaluation in Pristina will be decided together with Sida in consultation with the main stakeholders.

APPROACH AND METHODOLOGY

Reviewing the TOR for Part 1 of the evaluation and co-operation documentation, and following brief initial contacts with implementing agents, our interpretation of a project focus on broad capacity development remains intact. A basic framework for analysing organisational capacity development will therefore be employed based on DAC evaluation principles and a results-based management perspective.

A focus on two main issues will guide evaluation methodology; management practice and results logic.

Given that it is the working-processes of SOK the co-operation wishes to influence, the management arrangements between co-operating partners and inside SOK are of key importance because they determine the circumstances under which project activities can be successful. Management considerations are also critical as they form such a prominent part of project logic, i.e. already from the onset of co-operation the partners establish that the quality of SOK management needs to be addressed and developed as part of the project.

A **management focus** will manifest itself in interviews through the following discussion areas:

1. The management relationships between SOK and SCB/DFID, and internal to SOK regarding:
 - defining objectives and working processes
 - recording progress/results and reporting them
 - reporting requirements (statistics production questions/formats, analytical frameworks)
 - response and adjustment practices
 - a basis for making priorities in SOK working processes and overall planning

Note that questions these first areas are equally applicable to *management of the project* as well as *internal SOK management*. A second area of discussion relates to project management:

2. The effectiveness of SCB/DFID support to SOK and operational units in analysis, risk assessment, feedback on reporting, etc.

A third area regards SOK management and more precisely how it promotes the planning processes of the organisation.

3. The strength and autonomy of the SOK planning process (nature of annual work-plan, frameworks and information sharing).

Similarly, a results focus will be explored both as a way of determining to what extent objectives are jointly shared and met, and to explore whether other objectives or implementation alternatives should be considered or not.

A **results focus** will manifest itself in interviews through the following discussion areas:

1. Descriptions of objectives and (time-bound) targets, and why/how activities are expected to achieve them?
2. Accounts of the relationships between output and outcome, *how* do outcomes come about and is this in line with the project logic?
3. To what extent are outcomes met/recorded/reflected upon?
4. What possibilities exist to change activities in view of recorded progress or obstacles?

To arrive at a common view on what results, objectives and indicators are, the basic DAC “results chain” and definitions covering input, output, outcome, and impact will be employed.

Further, to address more specifically the key issues of *organisational capacity development*, attention will be given to the transition (as recommended by DAC and Results-based management, RBM, guidelines) between immediate and more medium term results, or in DAC terminology between output and outcome. It is in this transition that “learning” or “products” may contribute to some form of organisational change.

The following figure outlines a basic chain of organisational capacity development.

OUTPUT		OUTCOME	
<p><i>1a. Organisational objectives (learning)</i></p> <p>Individual level transfer of knowledge and capacities on subject matter, methods, technology etc.</p> <p><i>1b. Organisational outputs (production)</i></p>	<p><i>2. Organisational change</i></p> <p>Organisational change in terms of new methods, policies, regulatory frameworks, guidelines, tools, outreach etc.</p>	<p><i>3. Organisational effectiveness</i></p> <p>Organisational capacity to deliver concrete output – its own institutional output – and/or qualitative improvements in policy or regulatory framework (e.g. in relation to other</p>	<p><i>4. Reaching organisational goals</i></p> <p>Organisational ability to reach overall targets and goals; i.e. changes for target groups as stipulated by the organisational mandate and/or as in reaching overall organisational goals.</p>

Contributions to the production of regular organisational goods and services.			organisations in the same area)	
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It is easily observed how the SOK co-operation with SCB/DFID operates on an activity level (training, supporting working processes) that give rise to certain outputs such as *learning* or *statistical production* (1). For example teaching on statistical method or assisting the production of statistical publications.

- In turn, if training is successful, learning may contribute to the use of new or altered methods or tools at SOK (2), for example improved sampling practices or gender disaggregated statistics.
- In turn, if these methods or tools prove to be successful, SOK production capacity is likely to be enhanced (3). For example reduced time-lag from data collection to completed validation, or improved reliability of budget estimates.

Project components will be reviewed from this perspective. Note that it takes into account recommended practices on how to deal with issues of attribution. By breaking up the outcome-box of the standard RBM results chain, one achieves a separation between outcomes closer or farther away from the output level, and so establishing a plausible chain of expectation.¹⁷

We note that a whole range of working processes at SOK are affected by the co-operation and that all of them cannot be reviewed in full detail. In the process of selection the natural step will be to ask SCB, DFID consultants and SOK representatives to outline areas of progress and obstacles for in-depth study. Based on discussions the evaluation team will choose a manageable number of results chains for more in depth analyses.

Within the scope of the evaluation TOR, there is ample possibility to address the issues of management and results during the field mission. We feel at this stage no need to add or subtract anything from the evaluation scope.

DOCUMENT REVIEW AND CONTEXT

From materials available at this stage, it is possible to surmise;

1. In the co-operation there is a general activity focus and a relatively less developed focus on results in terms of output and outcome. However, increasingly elaborated RBM practices seem to have resulted in improved transparency and project overview as the co-operation has unfolded. This clarity is an advantage for the evaluation. It will enable an immediate discussion on substance in a solution oriented way, hopefully without undue time spent on reconstructing results frameworks.
2. Reports give a purposeful account of activities and the constraints encountered. Management issues are at the heart of these constraints, and they seem to be at work throughout the project set-up. It is made perfectly clear how and to some extent why management practices or arrangements hamper progress. The means to address or mitigate adverse consequences are discussed to a lesser extent. A key priority for the evaluation will be to try to uncover what types of solutions to these management problems are available that take a realistic view of what local conditions, perceptions and capacities allow.

¹⁷ See Werner Meier, *Results-Based Management: Towards a common understanding among development cooperation agencies*. Working paper for DAC, the Working Party on Aid Effectiveness and Harmonisation, 2003.

3. What is less obvious in available reports is how overall considerations come into play in project and SOK *planning* given the general context of SOK production and functioning. In achieving sustainable and reliable working processes, it appears a balance is to be struck between production on the one hand, and creating feasible management mechanisms on the other. The decisions taken (by project- and SOK management) in striking this balance should be examined so as to understand decision-making processes and reflect on their relevance for achieving project objectives.
4. Available reports pay significant attention to the content and use of the Statistics Master Plan, and highlight that there appears to be a disconnect between the Master Plan and SOK operational instructions or working processes. Also, there appears to be a disconnect between the Master Plan and overall SOK planning. The issue of addressing these gaps in a purposeful way would, both according to project management and to the evaluation team, serve as a basic foundation for a process to develop management and management skills that would service a better production process. Unresolved, this issue may prove deeply unfavourable for the project and efforts to develop recommendations in this area will be given a high priority.
5. SOK management practices appear persistently to sway focus from planning and collective working-processes to resources, production constraints, and individual efforts. Several reports note that SOK managers are focussing on pointing out these problems and seeking more resources rather than working out solutions with what is available. A number of elements such as work-force supply, skills, and results based management practices come into play here, but what seems most important for the evaluation is if and to what extent a project such as this can influence organisational culture.

Finally, a note on institutional context is in place. An aspect to be explored in the evaluation is how the SOK institutional context can be influenced to work in favour of sound statistics production and use. Part of this will be to gain an understanding of the challenges posed by apparently weak harmonization of support to SOK by different donors. Project reports are less articulate on how SOK is perceived in a wider context of users and support structures in Kosovo, although it seems clear that the situation is mainly unfavourable and that little has happened during the project's life-span that changes the situation. From the point of view of RBM and the important potential contribution of a well functioning statistics function to evidence-based planning, the evaluation will attempt to understand how and under what circumstances the institutional context can be taken into account in the project. Based on this assessment will be made of the relevance of the project in relation to the role that statistics should/could play in future evidence-based policy formation and in moving towards EU approximation in Kosovo.

Credibility and trust are elusive concepts. But it should be possible on sight to at least get a feel for the situation and to tap local stakeholders on what expectations and possible ways of fulfilling them are. In consultation with Sida, DFID and SOK prior to the field mission, the evaluation team will explore what key statistics users and stakeholders outside SOK should be consulted in order to obtain a perspective on the extent to which SOK products are considered credible and what factors influence this credibility. Particular attention will be paid to the extent to which the project achievements are effective in terms of raising the quality of SOK statistics to meet the demands of EU approximation and the Poverty Reduction and Stabilization and Association Process.

Annex 3 – List of persons met and interviewed

Donor Organizations

1. Maria Melbing, SIDA Head of development cooperation
2. Susanne Mattson, SIDA Programme Manager
3. Milva Ikononi, SIDA/SBC Project Coordinator
4. Valbona [Bogujevci, DFiD Project Manager](#)
5. Beate Dastel , UNICEF Project Manager
6. Dojna Bologa, UNFPA Head of Operations
7. Agim Demukaj ,WB Research analyst
8. Rachel Govoni, WB consultant
9. Mr. Jose Sulemane, Kosovo IMF Representative
10. Ms Janne Utkilen, EC, Country officer for Montenegro and Kosovo
11. Mr Allan Harding, DFID Economic Advisor

SOK

1. Isa Krasniqi , SOK Director
2. Vjosa Durmishi , Officer, SOK Donors Coordination Unit
3. Besim Mehmeti , Officer, SOK Donors Coordination Unit
4. Ibrahim Rustemi, Acting Director of SOK Administration Department
5. Shqipe Makolli, Human Resources officer at SOK
6. Department top management and selected staff in all SOK Departments save the Population Department.

Kosovo Government & Kosovo civil society organisations

1. Fitim Sadiku, General Secretary Ministry Public Administration
2. Alban Hashani, Director of Research and analysis, Balkans Institute for Development and Research (Kosovo NGO)
3. Mentor Geci, Director of Department of Statistics, Central Bank of Kosovo
4. Leonora Selmani, Head of GEA, Gender Equality Agency (Independent Kosovo agency)
5. Valdrin Lluka, CEO, [Investment Promotion Agency of Kosovo](#) (Independent Kosovo agency)
6. Mentor Sadiku, Senior Programming Officer, Ministry of Health
7. Enver Mekolli , Head of Statistics Sector, Ministry of Education, Science and Technology
8. Hakile Xhaferri, Head of Statistics Unit, Ministry of Agriculture
9. Valmira Rexhepaj, Macroeconomic Advisor, Ministry of Finance

SCB and Swedish board of agriculture

1. Marcus Fridén, SCB
2. Inger Öhman, SCB
3. Ann-Marie Karlsson, Swedish Board of Agriculture
4. Jimmy Enhäll, Swedish Board of Agriculture,
5. Ronnie Andersson, former SCB Project Manager

Annex 4 – Donor’s assistance to SOK

The following table appears in the Strategic Development Plan as an overview of projects in support of SOK. Source: SOK Strategic Development Plan 2009-2013.

Donor	Project’s title	Project dates	Areas of support
EAR	Support for statistical system and preparation for the census.	Feb 06 - July 08	Supporting SOK in statistical system and preparations for the census. Building professional capacity and management actions for preparation and implementation of census.
EAR	Support for economic statistics	March 03 – Nov 04	Economic Statistics and Distribution, Household survey program
European Union	Multi Beneficiary / Regional Programs on Statistics	March 04 - March 10	National Accounts, Price Statistics (PPP, HCIP), external trade, agriculture statistics (Farm register and preparation for agricultural census), population and migration statistics, data transmission, training, workshops, seminars etc
SIDA / SCB	Development of Statistics in SOK	Feb 02 – Dec 10	Development of economic and social statistics, building professional capacity in general, gender statistics, methodology, English language courses, agro-monetary statistics., Agricultural accounts and price statistics, support to IT
IMF	National Accounts and Balance of Payments	Feb 03 – Feb 08	National Accounts, balance of payments
DFID	Support for improving management and development in SOK	April 08 - April 09	Support for SOK’s Strategy Development
World Bank	Development of Master Sample	Jan 08 - Aug 08	Development of ‘Master Sample’ as basis for household surveys.
European Union	Further support to SOK- implementing agency: GOPA	Feb 07 – Feb 09	Support SOK in building professional capacity in National Accounts, business register, population register and their relation to other statistical fields, trainings for local staff.
EAR	Vocational Education and Training in Kosovo –Stage III	Oct 06 - March 09	Information for labour market. Technical Assistance for high level education and training in Kosovo, stage III
World Bank	Support to SOK	Sept 05 – now	Analysis of Household Budget Survey data for poverty
UNFPA	Vital Statistics	July 02 - Feb 05	Vital Statistics
EAR / ASPAUK II	Support to Agriculture statistics	Sept 02 - April 06	Agriculture household survey 2005, staff training and farm account data
UNDP / UNICEF	Dev INFO Software	Sep 04 - Sep 05	Support for pilot census
Estonian Statistics	Dissemination	Dec 05 - May 07	Dissemination

Annex 5 – SCB project activities 2010

The table below list all the missions during 2010. This is to illustrate the type of missions conducted and to show the variation in which experts that are involved.

Reference number	Title	Persons involved	Main objective
2010:01	<i>Report for scanning</i>	<i>Visit from SOK to Sweden</i>	<i>Show how SCB use scanning to enter data in Sweden.</i>
2010:02	<i>Seminar on training of interviewers, course 2.</i>	<i>I. Danielsson and C. Funck</i>	<i>Training of enumerators from SOK.</i>
2010:03	<i>Improving Agro Monetary Statistics</i>	<i>T. Eriksson and J. Enhäll</i>	<i>Methodological support.</i>
2010:04	<i>Progress report</i>		
2010:05	<i>Construction Cost Index</i>	<i>S. Pettersson and M. Walestad</i>	<i>Start planning how to produce CCI</i>
2010:06	<i>Developing Import Price Index for Kosovo</i>	<i>T. Olsson</i>	<i>How to calculate IPI. Documentation how to run the Excel application.</i>
2010:07	<i>Industrial waste</i>	<i>K. Jakobsson and L. Sörme</i>	<i>Planning pilot study.</i>
2010:08	<i>Improving Agro Monetary Statistics</i>	<i>T. Eriksson and A. Karlsson.</i>	<i>Methodological support.</i>
2010:09	<i>Household Budget Results for 2009 and its use for consumer price index and national accounts.</i>	<i>L. Lundgren</i>	<i>Methodological support.</i>
2010:10	<i>Improving Agro Monetary Statistics.</i>	<i>T. Eriksson and J. Enhäll</i>	<i>Methodological support.</i>
2010:11	<i>Improving Agro Monetary Statistics.</i>	<i>T. Eriksson and J. Enhäll</i>	<i>Methodological support.</i>
2010:12	<i>Short term mission concerning Metadata</i>	<i>K. Blomquist</i>	<i>Inform about metadata.</i>
2010:13	<i>Supporting the development of Business Statistics.</i>	<i>I. Öhman</i>	<i>Methodological support.</i>
2010:14	<i>Development of the agro monetary statistics in Kosovo.</i>	<i>Visit to Sweden.</i>	
2010:15	<i>New IT solution in price statistics at SOK.</i>	<i>C. Hjelm and A. Kraftling</i>	<i>Proposing a new IT-system for CPI.</i>
2010:16	<i>Assessing the situation in education statistics.</i>	<i>A. Bengtsson and D. Bodin</i>	<i>Assessing the situation in education statistics. Meeting with users.</i>
2010:17	<i>STAC – Statistics in Action</i>	<i>A. Mansikkaviita, P.</i>	<i>Practical course how to do a</i>

		<i>Andersson and M. Carlsson</i>	<i>survey. 11 participants.</i>
<i>2010:18</i>	<i>Progress report</i>		
<i>2010:19</i>	<i>Development of the statistics on agriculture economy.</i>	<i>Visit to Sweden</i>	<i>Get help how to improve EAA.</i>
<i>2010:20</i>	<i>Industrial Waste</i>	<i>Visit to Sweden</i>	<i>Presentation and discussion of SOK:s industrial waste survey.</i>
<i>2010:21</i>	<i>Mission on Sampling Issues in Kosovo</i>	<i>C. Andersson</i>	<i>Methodological support.</i>
<i>2010:22</i>	<i>Analysing the Agriculture Household Survey 2009.</i>	<i>G. Green.</i>	<i>Methodological support.</i>
<i>2010:23</i>	<i>Improving Price Statistics for Kosovo 2010.</i>	<i>M. Fridén and T. Olsson</i>	<i>Methodological support.</i>
<i>2010:24</i>	<i>Mission on STS in Kosovo</i>	<i>S. Lord</i>	<i>Methodological support.</i>
<i>2010:25</i>	<i>Supporting the development of IT applications in SOK.</i>	<i>C. Hjelm</i>	<i>IT support</i>
<i>2010:26</i>	<i>Improving Agro Monetary Statistics</i>	<i>A. Karlsson</i>	<i>Methodological support.</i>
<i>2010:27</i>	<i>Progress Report</i>		



EVALUATION OF CO-OPERATION WITH THE STATISTICAL OFFICE OF KOSOVO

This evaluation was jointly commissioned by DFID and Sida, both supporting co-operation projects 2008-2011 with the Kosovo Agency of Statistics (KAS). Since 2001, Sida support has been implemented by Statistics Sweden (SCB). The cooperation has emphasised technical support, along with a smaller management component. The DFID project, on the other hand, has focused on management and organisation by supporting the development and use of a Strategic Development Plan for KAS. On the whole, the findings of the study point to immediate and substantial results from the projects, while their long-term sustainability is weaker. The evaluation concludes that a primary obstacle to sustainability is the relative weakness of the KAS operational planning framework. As a result, it calls for a better balance between technical and managerial co-operation. It also suggests ways to promote an enabling environment for KAS development in partnership with its main users in government and society.

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