

Project Fiche – IPA National programmes / Component I

1 IDENTIFICATION

| | |
|--|---|
| Project Title | Improvement of the statistical information system |
| CRIS Decision number | 2013 / 024-935 |
| Project no. | 02 |
| MIPD Sector Code | Public Administration Reform |
| ELARG Statistical code | 02.18 - Statistics |
| DAC Sector code | 16062 - Statistical capacity building |
| Total cost (VAT excluded)¹ | EUR 1 900 000 |
| EU contribution | EUR 1 500 000 |
| Management mode | Decentralized |
| Implementing Agency | <p>The Central Finance and Contracting Unit (CFCU) within the Ministry of Finance will be the contracting authority and will be responsible for all administrative and procedural aspects of the tendering process, contracting matters and financial management, including payment of project activities. The Head of the CFCU will act as Programme Authorising Officer (PAO) of the project.</p> <p>Ms. Anila Boshnjaku (Tanku) General Director of the CFCU/ Ministry of Finance Email: atanku@minfin.gov.al Tel: 00355 4 245 1180 Address: Blvd. “Deshmoret e Kombit”, No. 3, Tirana</p> |
| Implementation management | <p>National Institute of Statistics of Albania (INSTAT) Ms. Ines Nurja Director General Rr. "Gjergj Fishta", Nr. 3, Tirana telephone +355-4 222411 e-mail: inurja@instat.gov.al,</p> |
| Implementing modality | Stand-alone project |
| Project implementation type | One service contract for technical assistance with IPA funds and one supply contract under national co-financing |
| Zone benefiting from the action(s) | Albania |

¹ The total project cost should be net of VAT and/or of other taxes. Should this not be the case, clearly indicate the amount of VAT and the reasons why it is considered eligible.

2 RATIONALE

2.1 PROJECT CONTEXT: ISSUES TO BE TACKLED AND NEEDS ADDRESSED

Based on EU Progress Reports 2010, 2011 and 2012, as well as other national and international documents, further improvement of Albanian Statistical System (ASS) is needed. The global infrastructure of statistical production and dissemination requires improvements and some priority fields of statistics still require quality and timeliness enhancement. The development of ASS, in accordance with EU standards and recommendations, will affect positively the reform of the public administration.

Through the IPA 2013 support, a plan for integrating data and metadata serving for statistical production and dissemination in a harmonized computerized repository – a data warehouse - will improve the statistics quality in general. On the other hand, the upgrading of labour market and agriculture statistics will enhance the quality of economic and social indicators which are needed for the formulation of well-adapted and well-oriented sector policies. In addition, official statistics in line with EU standards are essential instruments to monitor the integration process of Albania.

2.2 LINK WITH MIPD AND NATIONAL SECTOR STRATEGIES

The **2011-2013 Multi-annual Indicative Planning Document (MIPD)** identifies the strengthening of the statistical office – INSTAT - and the improvement of data quality as general priorities in the Public Administration Reform sector. More specifically, it identifies economic statistics as a priority (national accounts; labour market and price statistics).

Upgraded labour market and agriculture statistics in line with EU and other international standards are essential inputs for national accounts and, *per se*, important inputs to orient social and economic policies in both fields.

Building-up a statistical data warehouse and improving INSTAT dissemination capacity are both aimed at supporting the strengthening of the statistical office and at globally improving the data quality and services to users.

The **National Strategy for Development and Integration (NSDI)** itself is based, to a large extent, on statistics from INSTAT, which is an important source of statistics regarding the list of NSDI indicators (page 92 of the NSDI document) necessary to monitor the progress in the implementation of the Strategy. Accordingly, the availability of reliable statistics is seen as the basis of the overall economic planning. Therefore, INSTAT is expected to continue its institution building process in line with Eurostat requirements. Key measures regarding the further development of national statistics require the development of a statistical data warehouse where data from various sources, historical data and metadata would be harmonized and stored in a unique repository.

2.3 LINK WITH ACCESSION PARTNERSHIP (AP) / EUROPEAN PARTNERSHIP (EP) / STABILISATION AND ASSOCIATION AGREEMENT (SAA) / ANNUAL PROGRESS REPORT

Article 88 of the **Stabilisation and Association Agreement** provides that: "cooperation between the Parties shall primarily focus on priority areas related to the Community *acquis* in the field of statistics. It shall notably be aimed at developing an efficient and sustainable statistical system capable of providing comparable, reliable, objective and accurate data needed to plan and monitor the process of transition and reform in Albania. It shall also

enable the Institute of Statistics of Albania to better meet the needs of its national and international customers (both public administration and private sector). The statistical system shall respect the fundamental principles of statistics issued by the United Nations, the European Statistical Code of Practice and the stipulations of the European Statistical Law, and develop towards the Community *acquis*."

The **Adapted Global Assessment of the National Statistical System of Albania** (for candidate countries and potential candidate as well as ENP countries) 20-24 September of 2010, paragraph (15) provides that: "the Labour Force Survey appears to be rather compliant with the major (relevant) EU regulations, based on the continued support of international donors and experts. There is a need for better explanation of the relationship between labour market statistics based on administrative sources, for instance registered unemployment, and data based on the LFS. It is also necessary to improve documentation of quality issues related to data based on sample surveys, and some measures to improve timeliness should be considered."

"...The planned agricultural census will be of major importance for improved agricultural statistics. However there are some issues related to the future responsibilities regarding the updating and the utilisation of the planned farm register and for different fields of EU legal acts in the field of agricultural statistics that should be clarified. It was mentioned by a user that the quality of some figures in the field of agriculture might be dubious and might need better review and control."

The **Progress Report 2012** concludes that: "some progress has been made in the area of statistics. INSTAT conducted a population and housing census in October 2011. Substantial efforts are needed to improve some areas of sectoral statistics, including securing the forthcoming agricultural census. The independence and administrative capacity of INSTAT have to be secured. Overall, preparations are moderately advanced."²

2.4 PROBLEM ANALYSIS

Need to develop a statistical data warehouse:

In order to meet EU requirements, there is a need to increase capacities not only in statistical areas but also in the organization of data and metadata to better serve the exploratory data analysis and the production of statistical indicators. For the time being, many tasks are problematic due to lack of proper data organization, such as:

- Retrieving historical data for the production of time series;
- Combining data that are trapped in different host environments;
- Harmonizing data from different sources (surveys; censuses; administrative data)
- Integrating a unique metadata system that increases quality of data and supports internal and external users.

As a consequence, access to data by INSTAT statisticians is not fully efficient, which affects timing of data production and costs; is harmful for a sound management of INSTAT activities, and ultimately hampers the quality of statistical products.

The number of databases in INSTAT has increased and there is an immediate need to design, develop and implement a statistical data warehouse to integrate all the data coming from different sources. A data warehouse stores data from different sources into one consolidated

² EU 2012 Progress Report on Albania, Chapter 4.18., p. 47.

place. Building a comprehensive, integrated exploratory data analysis environment for accessing data warehouse entails considerable economies of scale and would allow detailed and advanced statistical analysis within a very short turnaround time.

INSTAT will have statistical data warehouse including the metadata system which will make statistic more comprehensive and reliable for different kind of users. The Albanian statistical data warehouse system will serve principally statisticians but it can be also designed to serve external users, via data dissemination databases.

Currently INSTAT gets a huge amount of administrative data from other institutions, such as Tax Authority, Civil Registration Office, National Bank, Customs and Ministry of Finance, to mention only the major providers. These data are collected in different ways and in different formats. There is currently no system for electronic data exchange between INSTAT and the providers, which slows down the use of administrative data and impacts on the efficiency of the processing. Implementing a system for automation of data collection and processing from administrative sources is thus one important component of the data warehouse repository. Moreover, INSTAT should proceed with a quality assessment of the administrative data it uses.

Labour market statistics:

Until 2007, the official statistics on employment, unemployment and inactive population in Albania were based on administrative data. The information regarding employment was mainly based on declarations of enterprises and estimations from alternative sources as Housing and Population Census or Living Standard Measurement Survey, whereas information on unemployment covered only registered unemployment and was based on information from National Employment Service. Data on employment were relatively complete and detailed for the public sector, but it was not the case for the private sector. In order to improve the statistical coverage of the labour market and to get internationally comparable data, INSTAT introduced a labour force survey (LFS) from 2007.

A technical assistance was provided by EUROSTAT in order to reflect the methodological recommendations made by the International Labour Organization (ILO), adopted at the 13th International Conference of Labour Statisticians, and to meet the EU regulations. The survey has been carried out on an annual basis until 2010. However, there are delays in publishing labour market indicators based on LFS, the latest ones referring to the year 2009. Data on unemployment from 2010 onwards therefore refer to administrative data only, which are not comparable internationally and over time. There is no possibility of having a clear and comparable picture of the labour force dynamics and of the level of unemployment. Disseminating a mixture of non-comparable labour market indicators pertaining to different data sources (administrative and LFS) creates in addition confusion among unskilled or less acquainted users and in the public in general. The main reason put forward by INSTAT for not publishing indicators based on LFS is the need to base weighting on October 2011 census results, which at its turn requires a work of retro-projections of the population. This activity is currently on-going and the dissemination of data based on annual LFS from 2010 should resume before the start of the project.

In order to comply with EU regulations and to satisfy users' demand, INSTAT introduced a continuous quarterly labour force survey (QLFS) whose first data collection started in April 2011 in a pilot form. Costs of the QLFS are fully covered by the State budget. The survey has a rotating sample design, with the same households interviewed for five consecutive quarters and the last interview being a year after the first. In the rotating design there is replacement of one-fifth of households each quarter. The full sample of QLFS is completed in the first

quarter 2012, which means that the results will be published on quarterly basis starting from this quarter.

Although recent improvements have been introduced in labour market statistics data collection, further progress needs to be made to increase the data quality assurance and reporting, to develop in depth model-based analysis of labour market data, and in extending the data collection in the demand side of labour market by collecting data on labour costs (new survey to introduce). In order to achieving this goal, assistance to INSTAT staff will be required on seasonal adjustments; on calculation of labour cost indexes on a quarterly basis; on econometric modelling; on creating reconciliation tables as inputs for national accounts; and on labour market data analysis in general. Increasing the know-how of specific users on labour market statistics should also be considered (trainings, workshops, manuals, etc.).

Agricultural and Environmental Statistics (AES):

In Albania agricultural statistics until now have been collected by the Ministry of Agriculture (MoA). These data are collected through an annual survey.

However, as from 2013, as a result of a Decision of the Council of Ministers, INSTAT will be entrusted to conduct all the surveys in agriculture. For this purpose the structure of the agricultural and environmental sector in INSTAT will be changed and an agricultural and environmental directory will be created to fulfil these tasks through agricultural surveys. It is planned that 23 new staff people would join INSTAT for this purpose. Yet, at date, the new organizational structure of INSTAT is still not formally approved.

In October 2012 INSTAT carried-out the Census of Agricultural Holdings, the data from this census will be used to create the statistical farm register (SFR), as the base for the sampling frame methodology that will start to be used from 2013 for all the agricultural surveys by INSTAT. It is still unclear if and how the register will be used for administrative purposes such as managing farm subsidies by the MoA.

As agriculture data collection is a fully new task for INSTAT, an important issue to address would be the know-how transfer from the MoA to INSTAT, issue closely linked to the staffing of the new Agriculture statistics directory.

Agriculture statistics should be improved and new activities progressively introduced such as the collection of data on agriculture prices and further development of economic accounts for agriculture.

Dissemination:

The Albanian Statistical System is in a new phase of its development. The Analytical Report to the EU opinion 2010 on Albanian application for EU membership and the 2010 Adapted Global Assessment (AGA) elaborated several recommendations, whose implementation will improve the alignment with EU statistical standards. One of recommendations outlined in the AGA, is to develop a dissemination policy and to implement several initiatives in this field.

Currently, the Dissemination Sector within INSTAT mainly deals with the preparation of materials for publications and the reply to users' requests for statistical data, public relations, etc. This Sector is located within the Human Resources and Services Department and is composed of 5 employees. Age and experience of the staff is relatively new. It would be useful, as suggested in AGA recommendations, to elaborate and implement a dissemination policy in order to increase the performance of the institution in the field of its services to users and would improve at the same time public confidence in official statistics.

In the context of fulfilling the recommendations of the EU, reflected in the Analytical Report Questionnaire 2010 of EU Commission and Adapted Global Assessment (AGA), one of the

important areas that affect the performance of the institution, and the quality and reliability of statistical products, is the enhancement of professional capacity of the staff to perform marketing of statistics produced and better manage its public relations.

To improve its dissemination practices and bring them to European standards, INSTAT would need to upgrade and complete its data dissemination practices, coordinate and harmonize metadata production and standardize quality assessment of data it discloses. To this aim, a first step has been recently achieved with the upgrading of its website. The latter shall be to offer a large range of statistics available in a user-friendly manner through PC-Axis (dissemination database). A content management system shall drive the updating of the website. The dissemination policy should also tackle external and internal communication strategy, including media and user support. Platforms for regular consultations with users and for contacts with media need to be included in the dissemination policy. Tools for user-satisfaction measurement shall also be envisaged.

2.5 LINKED ACTIVITIES AND DONOR COORDINATION

Under IPA 2007 and 2009 annual programmes, INSTAT is receiving assistance for the implementation of Agricultural Holdings Census, Economic Enterprises Census and Population and Household Census (with National financing of around 30%). In addition, under IPA 2008 Multi Beneficiary Programme on Statistics, through 4 missions of international experts, assistance is provided with respect to the transformation of Annual Labour Force Survey (LFS) in a continuous Quarterly Survey (QLFS) in 2010. Assistance was focussed on sample design with panel rotation; redesigning the LFS questionnaire in line with current EU and ILO standard requirements, adaptation of the LFS for computer-assisted interviewing; and to prepare a full report with the comparison of the annual LFS from 2007 to 2009. Furthermore several donors such as UNFPA, OSCE, Swiss Agency for Development and Cooperation (SDC), UNDP and SIDA support the development of statistics in Albania.

2.6 LESSONS LEARNED

Sustainability of projects has been earlier threatened by staff instability, which today seems resolved as INSTAT organizational structure and institutional independence are consolidating. Yet, mid 2013 general elections have to be seen as a risk of temporary instability. Decisions at managerial or inter-institutional levels could also be delayed. This issue should be monitored when the ToRs of the project will be elaborated.

In the past, if the lack of knowledge of foreign languages among the staff could have been sometimes a problem for the technical assistance, it is not anymore the case as a large proportion of INSTAT employees are young and master English language in a very satisfactory way. INSTAT recruitment procedures include English knowledge as basic profile requirement.

One of the observed and recurrent problems with previous TA projects is the lack of capacity to implement experts' recommendations in the planned time frame. As example, one can mention the delays in implementing the development plan for dissemination prepared within IPA 2009 multi-beneficiary assistance. Monitoring the timeliness of implementing agreed tasks should be part of the project management.

The nature of assistance activities need to be precisely tailored to the capacity of the beneficiary. For instance, in less developed sectors, a longer-term presence of key experts is deemed necessary, while when tasks are very specialized, short-term activities are more adapted. Generally speaking, a learning-by-doing approach is privileged to theoretical

trainings. If well-defined and properly managed in terms of content and participants, study visits increase staff skills.

Projects may suffer from a certain compartmentalization and isolation. It is worth mentioning the importance of sound coordination between the project's stakeholders and the anchorage of the activities and objectives to a global long-term development plan of the whole statistical system. To this aim, it would be useful having transversal activities complementing the focused assistance. For example, regular internal seminars at INSTAT, where direct beneficiaries of the TA may present their tasks and activities to their colleagues and to the experts of other Donors/projects.

3 DESCRIPTION

3.1 OVERALL OBJECTIVE OF THE PROJECT

The overall objective is to contribute to better governance and accountability of Albanian socio-economic development policies with improved access to quality statistics aligned to the EU *acquis* on statistics.

3.2 SPECIFIC OBJECTIVES OF THE PROJECT

The specific objective is to improve the efficiency, quality and timeliness in producing statistics through the general improvement of the statistical information system, focusing on data warehouse, labour market and agriculture statistics, and through upgraded dissemination.

3.3 RESULTS

Based on the project activities the expected results are:

- Result 1: Functioning pilot data warehouse installed, tested and used;
- Result 2: Data on labour market improved and analysis of labour market dynamics available;
- Result 3: Data on agriculture and environment in line with EU requirements available;
- Result 4: Users' needs are better covered with a policy to disseminate official statistics developed and implemented.

3.4 MAIN ACTIVITIES

The project will include the four main components listed below. Technical assistance activities should be delivered through a single service contract under IPA financing, while the costs of procurement linked to data warehouse and the operational costs of the new survey in agriculture, as well as the costs of a user-satisfaction survey and the costs of production of promotional materials, should be borne by the national contribution.

Contract 1.1: service contract (IPA contribution)

COMPONENT 1: Pilot implementation of a statistical data warehouse

Activities related to Result 1:

Design, development and implementation of INSTAT Data Warehouse (DW) will consist in:

- Training in data warehouse technology applied to statistics, including the data confidentiality and statistical relevance requirements;
- Functional analysis of the DW, defining the main scope, data and users requirements of the system based on an assessment of the current situation;

- Design of the DW architecture (with data characteristics and data flows), defining protocols for 1) Data Selection and navigation system; 2) Data Extraction; 3) Data Analysis; and 4) Data Outputs, including standard formats;
- Organic analysis defining the S/W and H/W requirements;
- Developing the DW system in a client/server environment; Fill the DW with selected data coming from surveys and administrative sources, as a pilot DW project;
- Define standard procedures to update, maintain and upgrade the data warehouse over time.

A DW should not be confused with a dissemination system and its first and main purpose is to allow statisticians to improve the statistical production. Therefore DW architecture shall comprise the following characteristics:

For data selection:

- A system to automatically display metadata;
- An intuitive hierarchical drill-down way to access data and change levels;
- The possibility of easily categorize data;
- Request the minimum training from the users.

For data extraction:

- The possibility to save previously selected items;
- The possibility to extract data into external files;
- Performing client design.

For data analysis:

- An integration with data analysis tools (such as statistical packages used already at INSTAT);
- Contain own and easy to use statistical tools;
- Drill-down to basic units and possibility of creating grouped data and produce tabulations;
- Integrate graphical tool to visualize data (and eventually mapping system);
- The possibility to manage local or global changes to data (ex. Editing and imputations; weighting data; etc.);
- The possibility to make temporary changes (ex. Simulations);
- A system to document any change made to data (metadata on corrections for example);
- The possibility to produce tables and graphs as templates for further uses and to be shared with other users; this is essential to optimize standard requests.

For data outputs:

- The system shall allow quick publication and release of data;
- It should include an easy way to define layouts;
- The possibility to send data to PC-AXIS dissemination database on the website;
- Support the most common formats (EXCEL; Text; CSV; PDF...).

Standardized data transfer from statistical agencies (defined in the 5 years official statistical program), providers of administrative data to statistical office will have a positive impact in the overall statistical system.

Automation of data collection and processing from administrative sources will consist in:

- Identifying all data sources required by INSTAT based on the 5-years official; statistical program and other strategic documents;

- Defining exchange protocols for data transmission;
- Implementing a system for data transmission.

DW data will be kept in relational databases and multidimensional databases which lead to a better management of statistical information. Coordinating hardware and software, server and hardware installation, software and database development, documentation guides and manuals, reviews, and testing are the most important steps for DW implementation. This component is not simply an IT activity as the most important is the definition of the needs of INSTAT statisticians for an efficient analysis and processing of data. Expertise provided shall therefore include statistical know-how transfer as well.

COMPONENT 2: Capacity building in labour market data analysis

Activities related to Result 2

Support will be provided for further improvement in labour market statistics analysis addressed to:

- Technical assistance on conducting model-based data analysis of gross and net flows of population into the labour market;
- Training in house on seasonal adjustments to increase the INSTAT staff capacities for carrying out seasonal effects analysis on quarterly employment and unemployment estimates;
- Support to analyse data from the labour cost survey to be carried-out in 2013, including TA on the calculation of labour cost index;
- Development of LFS longitudinal and cross-sectional analysis which make it possible to understand the structure of labour market in terms of its dynamic components;
- Technical assistance to increase internal capacities to improve the cross-domain coherence between labour force survey estimates and national accounts;
- Assistance in producing quality analysis and reporting;
- Support to increase users' capacity in using and interpreting labour market indicators.

COMPONENT 3: Agricultural and Environmental Statistics (AES)

Activities related to Result 3

Support will be provided for further improvement of agricultural statistics addressed to:

- Assess the quality of the statistical farm register and define its use for agriculture surveys sampling purposes;
- Conduct surveys on agriculture, one semi-annual in June and one annual in December;
- Conduct one annual survey on greenhouses;
- Conduct one annual survey on big farms and agricultural enterprises;
- Conduct monthly survey for prices and quarterly one for input prices on agriculture;
- Develop the statistics in the area of agricultural and environmental statistics (including revising the questionnaire and methodology for the agricultural surveys);
- Increase the professional capacity of INSTAT staff of the new structure for agricultural economic analyses and agricultural input and output prices;
- Increase the professional capacity of the agricultural staff in the field of agriculture accounts; produce balance sheets and production statistics.

For realizing these surveys a new questionnaire will be created to fulfil National Requirements of data on agriculture and in line with EU requirements of agricultural

statistics. The quarterly data will input the national accounts data for the compilation of Quarterly Gross Domestic Product.

COMPONENT 4: Dissemination

Activities related to Result 4

- Technical assistance to improve INSTAT capacity in strategic planning for disseminating and communicating official statistics;
- Training staff of INSTAT and of other statistical agencies to improve the quality of statistical products made available to the users;
- Assistance to elaborate institutional policies and operational plans for dissemination and communication;
- Support to define a strategy and policy to deal with media (lines to take; Press dossier; Crisis information management) and implement specific tools to increase media understanding on the mechanism of production of statistics and on their proper interpretation;
- Support to define and create regular platforms to exchange with specific users of data in the national statistical system (users working groups or any other);
- Technical assistance to develop INSTAT capacity in defining, producing and disseminating attractive promotional materials (FAQs; manuals for users; thematic brochures; information leaflets; etc.);
- Technical assistance to improve INSTAT capacity in public appearances (TV shows; debates; interviews; etc);
- Develop and implement tools to measure users' satisfaction and needs (user satisfaction survey for example);
- Support to help INSTAT upgrading and completing its data dissemination practices, coordinating and harmonizing metadata production and standardizing quality assessment of data it discloses.

Contract 1.2 (co-financing covered by the State budget)

The national budget contribution should cover:

- The hardware and eventual S/W costs linked to the implementation of the DW.
- The field costs of the new surveys to be introduced (Interviewers; trainings; questionnaires; data entry; etc.).
- The costs of a user-satisfaction survey and the costs of production of promotional materials.

3.5 ASSESSMENT OF PROJECT IMPACT, CATALYTIC EFFECT AND CROSS BORDER IMPACT

The project will directly serve MIPD priorities as it will support the availability of quality and more complete data essential to support the SAA dialogue and progress assessments. INSTAT institutional capacity in producing, communicating and disseminating statistics in a more efficient way shall also contribute in increasing a proper use of data and in improving the image of a state institution in the general public.

The availability of new and upgraded statistics will allow users raising the really important issues for the development of their sector, and shall stimulate constructive debates among leading groups in the Albanian society.

3.6 SUSTAINABILITY

Once the project is concluded, INSTAT shall continue implementing the new agriculture surveys and producing the labour market related indicators and analysis. This can be ensured with the inclusion, in the yearly budget for statistics, of the concerned surveys and activities.

Sustainability of the data warehouse development would be enhanced with further assistance and the project is very ambitious and two years will only allow the definition and implementation of a pilot system.

Long-term impact of the project will benefit the country if there is concomitant development of users' capacity. This can be achieved if communication and dissemination improvements planned in the project are continued, which requires institutional commitment and understanding of the importance of these aspects.

Statistics upgraded through the project will benefit trends analysis based on time series.

3.7 ASSUMPTIONS AND PRE-CONDITIONS

The project success depends on two main conditions:

- The commitment of the national authorities to:
 - Support further reforms of the statistical system, including the adoption of plans on statistics in line with EU's Code of Practice;
 - Support the reorganisation of the statistical office;
 - Provide sufficient financial and human resources, so INSTAT can adequately implement the project and ensure its sustainability. (e.g. continue regular production of new statistics, and for updating the new Statistical Farm Register);
 - Support of other bodies involved in the components under this contract.
- The commitment of INSTAT to:
 - Allocate adequate number of staff and timely replacement of staff turnover;
 - Secure availability of allocated staff when required;
 - Guarantee sufficient means of linguistic communication in the day to day TA activities; either by good command of English by (one of the) counterparts or by means of interpreters;
 - Coordinate horizontal activities under the various support programmes inside the office, between the other institutions involved and with the project management team to avoid duplication and/or misunderstanding.

It is assumed that the State budget contribution will be available on time and fully managed by the beneficiary institution according to the national procurement rules.

Pre-condition to be met consists in the proper staffing of the new agriculture statistics department and in the availability of the statistical farm register based on the 2012 agriculture census.

4 IMPLEMENTATION ISSUES

The project will be managed under decentralized mode. The CFCU is supposed to launch one service contract for technical assistance (EUR 1.5 million from IPA funds) and one supply contract (EUR 0.4 million from State budget) to cover procurement, field work and promotional materials costs.

4.1 INDICATIVE BUDGET

Indicative Project budget (amounts in EUR)

| IMPROVEMENT OF THE STATISTICAL INFORMATION SYSTEM | | | SOURCES OF FUNDING | | | | | | | | | |
|---|-----------|------------|------------------------|------------------|----------|---------------------------------|----------|-----------------------|------------------------------|--------------------|-------------------------|----------|
| | | | TOTAL EXPENDITURE | IPA CONTRIBUTION | | NATIONAL CONTRIBUTION | | | | | PRIVATE CONTRIBUTION | |
| | IB (1) | INV (1) | EUR (a)=(b)+(c)+(d) | EUR (b) | % (2) | Total EUR (c)=(x)+(y)+(z) | % (2) | Central EUR (x) | Regional/Local EUR (y) | IFIs EUR (z) | EUR (d) | % (2) |
| Activities 1,2,3,4 | | | | | | | | | | | | |
| contract 1.1 | x | | 1.500.000 | 1.500.000 | 79 | | | | | | | – |
| contract 1.2 | | x | 400.000 | | | | 21 | 400.000 | | | | – |
| TOTAL IB | | | 1.500.000 | 1.500.000 | | | | | | | | |
| TOTAL INV | | | 400.000 | | | | | 400.000 | | | | |
| TOTAL PROJECT | | | 1.900.000 | 1.500.000 | 79 | | 21 | 400.000 | | | | |

NOTE: DO NOT MIX IB AND INV IN THE SAME ACTIVITY ROW. USE SEPARATE ROW

Amounts net of VAT

- (1) In the Activity row, use "X" to identify whether IB or INV
- (2) Expressed in % of the **Total** Expenditure (column (a))

4.2 INDICATIVE IMPLEMENTATION SCHEDULE (PERIODS BROKEN DOWN BY QUARTER)

Dates indicated in the schedule cannot go beyond the contracting and execution deadlines in the financing proposal

| Contracts | Start of Tendering/ Call for proposals | Signature of contract | Project Completion |
|---|---|-----------------------|--------------------|
| Service contract 1.1 (IPA contribution) | Q4 2013 | Q3 2014 | Q3 2016 |
| Supply contract 1.2 (national contribution) | Q4 2013 | Q3 2014 | Q3 2016 |

Preparatory activities include the drafting of ToRs for the technical assistance service. It is envisaged that this activity would benefit from PPF support to be implemented in the 3rd quarter of 2013.

4.3 CROSS CUTTING ISSUES

4.3.1 *Equal Opportunities and non discrimination*

All persons involved in the project are selected through non discriminating recruitment procedures.

4.3.2 *Environment and climate change*

Upgrading the production of environmental statistics shall be a basic tool to improve environmental-friendly policies.

4.3.3 *Minorities and vulnerable groups*

Upgrading the production and analysis of labour market statistics shall be a basic tool to identify vulnerable groups as regards employment.

4.3.4 *Civil Society/Stakeholders involvement*

The design of the project included consultations with the relevant stakeholders of the national statistical system. Implementation foresees activities addressing all users of statistics, which should serve the development of the ASS and of the civil society.

ANNEXES

Documents to be annexed to the Project fiche

1. Log frame (see below)
2. Description of Institutional Framework

The Institute of Statistics (INSTAT) is a central institution, public legal entity. Its activity is governed by the Law on Official Statistics No. 9180 of 05.02.2004 (amended 2012).

The law defines management of INSTAT as follows:

- a) The Statistical Council, composed of 11 members representing statistical agencies, academic community and civil society, approves statistical programmes and provides guidance to INSTAT;
- b) INSTAT is managed by a General Director, who is appointed by Prime Minister at the proposal of the Statistics Council.

Regional Offices in districts are responsible for data collection and for their publication in a statistical bulletin providing statistics on the entire economic, social and agricultural activity taking place in the district.

Organizational structure is established by a specific Prime Minister's Order No. 67 of 2010 "On Approval of Structure and Staff of Statistics Institute".

The organizational structure is composed of one General Director and six directorates as follows:

- Directorate of Social Statistics;
- Directorate of Economic Statistics;
- Directorate of National Accounts;
- Directorate of Household Surveys;
- Directorate of Information Technology;
- Directorate of Human Resources and Supporting Services.
- *Directorate of Agriculture Statistics.*³

3. Reference list of relevant laws and regulations

- Law no. 9180, date 05.02.2004 "On Official Statistics", amended;
- Law no. 9887, date 10.03.2008 "On personal data protection";
- Law no. 8669, date 26.10.2000 "On population and housing Census", amended by Law no. 10084, date 23.02.2009;
- Albanian Parliament's Decision no. 153, date 31.01.2008 "On approval of official statistics programme for the period 2007-2011";

³ The draft-organizational structure of INSTAT, which will come into force from January 2013, predicts to have a new directorate in order to cover agricultural statistics activities. INSTAT by the beginning of 2013 will produce and deliver agriculture statistics in order to implement the DCM no.116, dated 15.2.2012 "On reorganization of agriculture statistics in Albania" as well as to address the EU recommendations to enforce statistical quality on this field.

- Prime Minister's Order no. 67, date 20.06.2010 "On approval of structural organization of INSTAT";
- Law no.10201 "On the Census of Agricultural Holdings".

4. Details per EU funded contract

One service contract: technical assistance from a long-term project coordinator and local support staff.

Means for Component 1 include, under IPA financing:

- Technical assistance from long-term key expert specialized in statistical data warehouse;
- Technical assistance from other experts according to the project's phase;
- Means to perform coordination and exchanges with relevant stakeholders (workshops; seminars; study visits; etc.);
- Means to provide tailored trainings (eventually under other existing training projects).

Outputs expected:

- INSTAT staff masters statistical data warehouse technology;
- DW functionalities compatible with the need of statistical data production and dissemination are described in a feasibility study;
- DW open to further developments;
- Pilot data warehouse developed for selected sector, tested by internal users and further development planned;
- Standardized protocols for data exchange with providers of administrative data defined and implemented.

Means for Component 2 include, under IPA financing:

- Technical assistance from short-term experts specialized in the above subject-matters;
- Means to perform coordination and exchanges with relevant stakeholders (workshops; seminars; study visits; etc.);
- Means to provide tailored trainings (eventually under other existing training projects);
- Support to promote a scientific publication on labour market dynamics and its presentation at a scientific international event.

Outputs expected:

- INSTAT staff acquainted with methodology to perform quarterly and trends analysis of the labour market;
- Data requested for monitoring the labour market dynamics available;
- Thematic publications on labour data available and disseminated to focused users;
- Inputs from LFS and from LCS for national accounts upgraded;
- Frame to orient social and labour policies enhanced.

Means for component 3 include, under IPA financing:

- Technical assistance from long-term key expert specialized in agriculture statistics;
- Technical assistance from other experts according to the project's subject-matter;
- Means to perform coordination and exchanges with relevant stakeholders (workshops; seminars; study visits; etc.);

- Means to provide tailored trainings (eventually under other existing training projects).

Outputs expected:

- Improved capacity in INSTAT to carry-out agriculture surveys;
- Agricultural statistics entered the harmonisation process with EU requirements;
- Agricultural price statistics upgraded;
- Work on the economic accounts for agriculture (EAA) planned;
- New surveys in the fields of environment and forestry sectors are defined, in line with EU *acquis*;
- Time series of agriculture statistics available.

Means for component 4 include, under IPA financing:

- Technical assistance from long-term key expert specialized in communications;
- Technical assistance from other experts according to the project's subject-matter;
- Means to perform coordination and exchanges with relevant stakeholders (workshops; seminars; study visits; etc.);
- Means to provide tailored trainings (eventually under other existing training projects).

Outputs expected:

- INSTAT capacity in communications and dissemination improved;
- Availability of strategic, policy, and implementation plans in these fields;
- Metadata information structured and completeness of data dissemination upgraded;
- Users' and media understanding of official statistics improved;
- Corporate image of INSTAT improved;
- Exchanges between INSTAT, media and the users is inserted in a functioning frame;
- Dissemination tools and practices are aligned with EU and other standards;
- Tools to measure user satisfaction and for users consultations developed and used for further improvements.

5. Project visibility activities

The project of technical assistance shall follow EU projects visibility guidelines in each of the documents, events, products or any output planned under the project.

A specific page documenting the project shall be produced and integrated in INSTAT website.

At key milestones of tangible results obtained, the project should organize media covered promotional events and upload a draft of the "success story" on INSTAT website.

At the start of the project, a general information meeting shall be held with all the stakeholders and also with all employees of INSTAT.

ANNEX 1: Logical framework matrix in standard format

| | | | | |
|--|---|---|--------------------|---|
| LOGFRAME PLANNING MATRIX FOR Project Fiche | | Improvement of the statistical information system | | |
| | | Contracting period expires no later than three years from the date of conclusion of Financial Agreement | | Execution period expires within a maximum of two years from the end date of contracting |
| | | Total budget | EUR 1.9 mil | |
| | | IPA budget | EUR 1.5 mil | |
| Overall objective | Objectively verifiable indicators (OVI) | Sources of Verification | | |
| Contribute to better governance and accountability of Albanian development policies with improved access to quality statistics aligned to the EU <i>acquis</i> on statistics. | Statistical Requirements Compendium (reference document for the <i>acquis</i> in statistics) Government policies based on statistics | Assessment of EUROSTAT Experts mission reports Commission's Progress reports | | |
| Specific objective | Objectively verifiable indicators (OVI) | Sources of Verification | | Assumptions |
| To improve the efficiency, quality and timeliness in producing statistics through the general improvement of the statistical information system, focusing on data warehouse, labour market and agriculture statistics, and upgraded dissemination. | Functional and technical specifications of statistical data warehouse; Improved accessibility and usability of databases; Improved Labour Market Statistics aligned with EU regulations; Statistical Farm Register established; Agricultural surveys conducted by INSTAT compliant with EU regulations; Improved image of INSTAT as provider of official statistics. | Implemented pilot Data-warehouse Publications on labour market dynamics Statistical Farm Register used to design samples for agriculture surveys Agriculture and environment statistics available User Satisfaction Survey results. | | Strong cooperation within INSTAT between IT staff and subject-matter statisticians; Sound cooperation between INSTAT and other statistical agencies and other institutions operating in the field of statistics; Availability of staff members with necessary skills; Sufficient and timely national budgeted allocation; Farm register established; Users' needs well identified. |
| Results | Objectively verifiable indicators (OVI) | Sources of Verification | | Assumptions |

| | | | |
|---|--|---|---|
| <p>Result 1: Functioning pilot data warehouse installed, tested and used;</p> <p>Result 2: Data on labour market improved and analysis of labour market dynamics available;</p> <p>Result 3: Data on agriculture and environment in line with EU requirements available;</p> <p>Result 4: Users' needs are better covered with a policy to disseminate official statistics developed and implemented.</p> | <p>1/Established pilot statistical Data-warehouse</p> <p>2/Labour market policies based on statistics from INSTAT</p> <p>3/Improved elaboration and production of agricultural statistics data in line with EU requirements.</p> <p>4/Dissemination of statistical information with high quality publications. A modern web dissemination of statistical data. Informing user groups with informative brochures etc.</p> | <p>1/Feasibility study in line with the requirement of statistics dissemination and production requirements; Protocols of data exchange defined and implemented.</p> <p>2 and 3/Products and publications from the statistical office. Analyses of used definitions. Comparison with EU regulation.</p> <p>Internal information. Statistical council reports. Evaluation mission reports from donors. Eurostat reports.</p> <p>4/ Reports from user satisfaction survey about statistical data. High quality publications in line with Eurostat Recommendations. Image of INSTAT conveyed by media is positive.</p> | <p>Willingness to comply with EU requirements in establishing the data-warehouse.</p> <p>Appropriate supplies and financial means from the government contribution available timely.</p> <p>Staff allocation adequate for the tasks to be performed.</p> <p>Strong coordination between INSTAT and other statistical agencies and other institutions operating in the field of statistics</p> <p>Full commitment of INSTAT staff, to work jointly with international and national experts</p> |
| <p>Activities to achieve results</p> | <p>Means / contracts</p> | <p>Costs</p> | <p>Assumptions</p> |
| <p>Component 1: TA in implementing a pilot statistical data warehouse making possible to have an integrated statistical data system.</p> <p>Component 2: Capacity building in labour market data analysis</p> <p>Component 3: Agricultural and Environmental Statistics (AES)</p> <p>Component 4: Dissemination Policy</p> | <p>TA contract</p> | <p>One service contract of EUR 1.5 million (IPA funds)</p> <p>One supply contract of EUR 0.4 million (national funds)</p> | <p>Strong commitment of INSTAT and professional experience gained so far.</p> |