

National Strategic Statistical Plan (NSSP)

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I. BACKGROUND

1.1 The Indian Official Statistical System is decentralized and consists of the National Statistical System involving mostly national level estimates/aggregates and the State Statistical System (SSS) involving mostly State/UT level estimates/aggregates. The federal structure of the country has influenced the organization of the Indian Statistical System. The collection of statistics for different subject-specific areas like Agriculture, Industry, Finance, Labour etc. vests with the corresponding administrative Ministries and regulatory bodies of the Government of India. Much of the statistical information is collected as a by-product of administration and regulation or for monitoring the progress of specific programmes. The subject Ministries / Departments in the Central and State Governments have their own statistical organizations, units or cells depending on the need and extent of development of statistics in the relevant fields. These statistical offices are independent in the sense that the programmes and budgets are controlled by their own Ministry / Department. However, the Central Statistical Organization (CSO) is, *inter-alia*, bestowed with the responsibility of statistical co-ordination, standard setting and training. It is the nodal agency for a planned development of the statistical system in the country. The National Sample Survey Organization (NSSO) is responsible for large scale statistical surveys covering the entire country. The CSO & NSSO are two eyes of the Ministry of Statistics and Programme Implementation, Government of India.

1.2 State Statistical System (SSS) is an integral part of the Indian Official Statistical System and there exists two-way dependence between the two systems so that improvements in State Statistical Systems are critical to the improvements in National Statistical System and vice-versa. The Statistical System in the States is almost similar to that at the Centre. It is generally decentralized over the departments of the State/UT Governments. At the apex level, there usually exists a Directorate (or a Bureau) of Economics and Statistics, which is responsible for the coordination of the statistical activities in the State. The DESs have, besides their Head Quarter Office at the State Capital, statistical offices in the districts. In general, the statistical activities of the State DESs are more or less similar, although sectoral domain may vary. However, there are significant differences in the technical and institutional capacities of the state statistical systems and also in the degree of importance and priority accorded to them by the state governments. Consequently, the level and quality of functioning of the DESs vary widely among states.

1.3 Although the CSO at the Centre and the DESs in the states are expected to perform the statistical coordination functions, in reality there is a much closer organic relationship between the line Ministries at the Centre and their counterpart line Departments in the states especially in respect of Social Statistics & Agriculture Statistics. Since the line

departments in the states are responsible for implementing the development programmes of the Central ministries, the design of the record-keeping system is usually dictated by administrative requirements, with little consideration of the needs of the statistical agencies.

1.4 Given the infirmities of the administrative data systems in India, recourse has increasingly been taken to generating necessary statistical information through censuses and surveys. These methods are not only time and resource intensive; they have limitations in terms of the level of disaggregation that they can reasonably address. While this may not be much of an issue at the Central level, which is concerned primarily with estimates at the national level or, at the most, at the state level, the ability of states to address sub-state issues is severely circumscribed. In order to address this problem, states have been encouraged to actively participate in the national sample surveys and annual survey of industries so that the combined sample size is large enough for sub-state estimates. The experience so far has been that only a few states have the capacity to meaningfully participate in and take full advantage of the nationwide surveys that are presently being carried out.

1.5 The main features of the Indian Statistical System can be broadly summarized as follows:

- a) The Administrative Statistics System is its major component;
- b) It is laterally and vertically decentralized;
- c) Data collection and other allied aspects such as compilation, processing and preparation of results are carried out for some of the sectors although there is divergence across the States;
- d) State-wise data for certain sectors/ parameters flow to the Centre, and the Statistics thereof at the All India level are usually obtained through aggregation.
- e) Sample surveys are generally used to meet the data gaps, but these are often not available at the sub-state level for planning purposes at lower administrative levels.

Review by Rangarajan Commission

1.6 The economic liberalization process and opening up of the Indian economy along with other allied factors since the last decade of the twentieth century have brought the statistical system of the country under great pressure. The transition from a closed economy dominated by the public sector to a market oriented economy and relaxation of the licensing and control regimes led to the weakening of various statistical reporting systems. On the other hand, it became necessary for the statistical system to facilitate participation of private sector in the decision - making process by providing reliable and high quality data in the context of increased private sector involvement in the economic and social sectors. The process of decentralization of powers of governance initiated through the 73rd and 74th amendments of the Constitution of India brought increasing demand on the statistical system to meet the data needs of local bodies. The expansion of economic activities in the

services sector in the country brought to fore the data gaps in these areas. It, thus, became necessary to revamp the statistical system of the country to make it more responsive to the current needs. A Commission under the Chairmanship of Dr. C. Rangarajan was, therefore, appointed by the Government in January 2000 to examine critically the deficiencies in the statistical system and to recommend measures for its systematic revamping. The Commission in its report submitted to the Government in September 2001 listed several data gaps and deficiencies in the statistical system.

II. CURRENT SCENARIO: SYSTEMIC DEFICIENCIES AND REFORMS IN THE OFFICIAL STATISTICAL SYSTEM

2.1 The National Statistical Commission (NSC) chaired by Dr. C. Rangarajan had noted the following crucial deficiencies in the Statistical System of India:

- a) Existence of gaps in the availability of needed information;
- b) Delays in publication of results;
- c) Large and frequent revisions of published results;
- d) Gross discrepancies in official statistics from different sources; and
- e) Lack of transparency in statistical operations.

2.2 These deficiencies, as noted by the said NSC, have led to a serious loss of credibility of official statistics, arising inter-alia on account of following reasons:

- a) There is lack of a system of assurance of quality of the statistics that are disseminated by the official statistical system;
- b) Over the years, the system of statutory administrative returns, which form the major sources of official statistics, has seriously weakened;
- c) Time tested methods of coordination with various agencies of the decentralized statistical system such as Technical Working Groups, Advisory Committees, COCSSO etc. have not been functioning satisfactorily;
- d) Absence of a Human Resource Development Policy has been responsible for a marked lack of motivation of official statisticians in India and
- e) Absence of an explicit Citizen's Charter or Mission Statement without which the rising expectations of the citizens from the statistical system cannot be fulfilled.

Reforms in the Statistical system

2.3. Official statistics are required by Government for informed debate, decision making and research both within government and by the wider community. Objective, reliable, timely and accessible official statistics with complete coverage are critical in democratic societies to ensure public confidence in the integrity of the governance and public decision making. Hence integrity of official statistics becomes important in shaping the perceptions regarding the quality of governance. For this purpose, the adoption of the Fundamental Principles of Official Statistics as endorsed in 1994 by the United Nations Statistical Commission is now a widely agreed framework for the mission of National Statistical Offices (NSOs) and thus also for official statistics. These Principles are as follows:

- (a) Official statistics provide an indispensable element in the information system of a democratic society, serving the Government, the economy and the public with data about the economic, demographic, social and environmental situation. To this end, official statistics that meet the test of practical utility are to be compiled and made available on an impartial basis by official statistical agencies to honour citizens' entitlement to public information.
- (b) To retain trust in official statistics, the statistical agencies need to decide according to strictly professional considerations including scientific principles and professional ethics on the methods and procedures for the collection, processing, storage and presentation of statistical data.
- (c) To facilitate a correct interpretation of the data, the statistical agencies are to present information according to scientific standards on the sources, methods and procedures of the statistics.
- (d) The statistical agencies are entitled to comment on erroneous interpretation and misuse of statistics.
- (e) Data for statistical purposes may be drawn from all types of sources, be they statistical surveys or administrative records. Statistical agencies are to choose the source with regard to quality, timeliness, costs and the burden on respondents.
- (f) Individual data collected by statistical agencies for statistical compilation, whether they refer to natural or legal persons, are to be strictly confidential and used exclusively for statistical purposes.
- (g) The laws, regulations and measures under which the statistical systems operate are to be made public.
- (h) Coordination among statistical agencies within countries is essential to achieve consistency and efficiency in the statistical system.
- (i) The use by statistical agencies in each country of international concepts, classifications and methods promotes the consistency and efficiency of statistical systems at all levels.

- (j) Bilateral and multilateral cooperation in statistics contributes to the improvement of system of official statistics in all countries.

Remedial Measures proposed by the NSC (2001)

2.4 The NSC headed by Dr. C. Rangarajan had underlined the need to improve the credibility, timeliness and adequacy aspects of the Indian Statistical System and recommended a wide ranging set of remedial measures using a five-fold approach viz. a) reform in the administrative structure of the Indian Statistical System and upgrading its infrastructure to ensure autonomy, b) improvement of the present system of data collection, c) explore alternative techniques in relation to existing statistics, d) identification of new data series that may be necessary to keep pace with the changes occurring in the socio-economic sectors and e) evolution of appropriate methodologies for collection of data, in relation to new data requirements.

Reform initiatives of the Ministry of Statistics & Programme Implementation

2.5 In order to address the deficiencies in the system and bring about appropriate reform, it is absolutely necessary to set a long term vision and a set of goals which will enable the Statistical System to be recognized as an efficient one for timely dissemination of reliable and credible statistics, consistent with international standards to all users. Accordingly, following the suggestion of the Rangarajan Commission (NSC), the Ministry has adopted a Mission statement with a set of Goals for itself.

Mission Statement

To maintain statistical standards, and reorient the processes and priorities in realm of official statistics, in tune with the changing technological and economic environment and needs;

To collect, coordinate, collate and disseminate credible and timely statistics for informed decision making and debate within and outside the Government; and

To promote human resource development in the official statistics and encourage research and development in theoretical and applied statistics.

Goals

- i. To capture adequately the growth and contribution of newly emerging sectors of national economy.
- ii. To achieve and maintain international standards in official statistics.

- iii. To establish an integrated data storage and dissemination facility on official statistics covering all economic and social sectors.
- iv. To induct state-of-the-art information technology.
- v. To develop capacity to deliver user-friendly services.

National Statistical Commission

2.6 The two basic reasons identified by the Rangarajan Commission for the existence of some of the major deficiencies were (i) absence of an effective co-ordination mechanism for determining statistical priorities, standardization of concepts and definitions, and (ii) absence of a mechanism to ensure credibility of statistics in the existing decentralized statistical system.

2.7 Due to the decentralized nature of the statistical system with a plethora of statistical organizations for collecting and processing of data, the co-ordination of statistical system became a difficult task. Despite the existence of Central Statistical Organization (CSO) at the centre and Directorates of Economics and Statistics (DES) at the State level, the statistical system functioned almost in a disjointed manner, with not much control over the way the data were collected, tabulated and analyzed. There were also lack of uniformity in standards, concepts, definitions and classification systems making it difficult to integrate various databases. There were also several instances of duplication of efforts as well as incomplete coverage.

2.8 The Rangarajan Commission recommended the establishment of a permanent and statutory apex body, called the National Commission on Statistics (NCS) for policy making, co-ordination and ensuring quality of core statistics. In pursuance of this recommendation, the Government notified the setting-up of a National Statistical Commission through a Government resolution dated 1st June 2005. The National Statistical Commission consists of an eminent social scientist as its Chairman and four Members, one expert each from the fields of (i) economic statistics (ii) social and environment statistics (iii) statistical operations and (iv) national accounts and state statistical system. The Secretary, Planning Commission is an ex-officio member and the Chief Statistician of India, the head of the National Statistical Organization, is the Secretary of the Statutory Commission.

The specific functions of the Commission include the following: -

- identify the core statistics, which are of national importance and are critical to the development of the economy
- evolve national policies and priorities relating to the statistical system
- evolve standard statistical concepts, definitions, classifications and methodologies in different areas of statistics and lay down national quality standards on core statistics

- evolve national strategies for the collection, tabulation and dissemination of core statistics, including the release calendar for various data sets
- evolve national strategies for human resource development on official statistics including information technology and communication needs of the statistical system
- evolve measures for improving public trust in official statistics
- evolve measures for effective co-ordination with State Governments and Union Territory Administrations on statistical activities including strengthening of existing institutional mechanisms
- exercise statistical co-ordination between Ministries, Departments and other agencies of the Central Government
- exercise statistical audit over the statistical activities to ensure quality and integrity of statistical products
- recommend to the Central Government, or any State Government, as the case may be, measures to effectively implement the standards, strategies and other measures evolved
- advise the Government on the requirement of legislative measures on statistical matters including the statute for the National Statistical Commission; and
- monitor and review the functioning of the statistical system in the light of the laid down policies, standards and methodologies and recommend measures for enhanced performance.

In order to enable the Commission to discharge the above functions, it has been given powers to

- require production of any document which in the opinion of the Commission will serve or may serve statistical purposes
- require statistical agencies and institutions to provide details of statistical activities including concepts and definitions used, methodologies followed, quality standards adopted, sampling and non-sampling errors etc. in respect of core statistics.
- require the attendance of any person including any public servant on matters connected with core statistics, and
- issuing notices for the examination of witnesses and documents or any other matter connected with core statistics.

Restructuring of the Statistical Organization

2.9 The Ministry of Statistics and Programme Implementation presently consists of a Statistics Wing and a Programme Implementation Wing. The two wings have distinctly different functions and separate functionaries, though the administrative and management functions are combined. It has been therefore decided to form an independent National Statistical Organization (NSO) with the Chief Statistician of India as its head and the existing Central Statistical Organization and National Sample Survey Organization as its two wings to

ensure its functional autonomy and integrity. The post of Director General of CSO, which had been lying vacant for long, has been filled up.

Improvement of Lateral Coordination at the Centre through Statistical Advisors

2.10 In the process of implementation of the recommendations of the NSC (2001), Statistical Advisors have been posted at various line Ministries in order to improve the mechanism and efficacy of lateral coordination at the centre on statistical matters. These statistical advisors in the line ministries/departments are responsible for the professional integrity of the statistical activities carried out by the concerned ministries/departments and while doing so, they are expected to also work closely with the apex national statistical agency.

Human Resource Development

2.11 Human resource development is another major area of concern in improving the statistical system of the country. The present educational curricula of universities in India are not oriented towards official statistical system and the emphasis is primarily on theoretical statistics. It has, therefore, become necessary to create necessary infrastructural facilities and course material for imparting training in official statistics systematically and adequately. A full fledged national institute for training in official statistics known as National Academy of Statistical Administration (NASA) has, therefore, been planned and will be operational shortly.

National Policy on Dissemination of Statistical Data

2.12 There has been a periodical review and restructuring of statistical system of the country in the past in line with emerging data needs, advances in statistical and computing methodologies and priorities of the Government. One of the most revolutionary steps taken earlier has been the notification of the “National Policy on Dissemination of Statistical Data” on 6th January 1999. The policy made it mandatory for all data source agencies to release unit level data sets without identification particulars of units supplying data to all data users as long as the data are not sensitive in nature and the supply of it is not prejudicial to the interest, integrity and security of the nation. The announcement of this policy was based on the realization that statistical databases need to be regarded as “public goods” and all interested agencies including individual researchers should be able to use them for research and analysis. A data warehouse is presently being established to provide value added services in statistical data dissemination.

Legal Framework

2.13 It is necessary that the statistical system of the country is supported and regulated by appropriate legislative framework. The existing Collection of Statistics Act is found to be inadequate in several counts including coverage, procedural aspects and powers. Steps have been therefore initiated by the Government to amend the Act suitably in consultation with various Ministries and State Governments.

India Statistical Strengthening Project

2.14 A major initiative taken up by the Government to reform the statistical system of the country is "India Statistical Strengthening Project". It is aimed at strengthening the information base for policy formulation and planning by improving the reliability, credibility, timeliness and coverage of the statistical system. The project is being implemented in two Tiers with the assistance of the World Bank. In the first tier, certain exploratory studies were taken up which would provide inputs for further action for creation and maintenance of a business register, for the improvement of service sector statistics, for assessing the survey capabilities in the private sector and for identifying the specific requirements of strengthening the Directorates of Economics and Statistics of State Governments. Tier-II of the project is proposed to be taken up during the 11th Five Year Plan, with focus on strengthening of State Statistical System.

2.15 India is presently not having a business register. As a result, it has not been possible to conduct periodical business surveys, particularly in the services sector, by using list frames. Enterprise surveys except in the organized manufacturing sector are being conducted by adopting a two stage design with areal units at the first stage and establishments at the second stage. The approach is beset with several inherent problems. The situation is proposed to be remedied by creating and maintaining a business register. The study on the subject has provided the necessary blue print and a proto-type business register. The availability of a business register and conduct of periodic business surveys based on the register would greatly improve services sector statistics and national income estimates.

2.16 The statistical activities in the country are mostly carried out by the Government agencies. However, the manpower resources available with the Government are limited and cannot meet the increasing demand for reliable data on various sectors. It has, therefore, become necessary to tap the potential available in the private sector for undertaking large scale statistical surveys. The study has assessed the existing capacity in the private sector and provided a framework for enabling the use of private sector in statistical activities.

Capacity Development

2.17 Currently, Plan schemes in operation have been formulated with the objectives for improvement in quality, coverage and timeliness of National and State Accounts Statistics, Social, Environment and Allied statistics, Consumer Price Index Series, Index of Industrial Production series and Data generated through Annual Survey of Industries, strengthening and enhancing capabilities of National Sample Survey Organisation in the matter of Field Survey, Data processing and Survey Design, Operationalisation of NASA for capacity development in production, organization and management of official statistics and training. Promotion of research and analytical studies, statistical auditing and monitoring state statistical projects, enhancement of National coordination and International cooperation in Statistics with United Nations and organizations of the UN Statistical system are other important objectives of the current plan Schemes.

Development of Local Level Data Base

2.18 The decentralization process initiated by the 73rd and 74th amendments of the Indian Constitution which gives greater responsibilities and powers to the Panchayats and Palikas as the third tier of governance offers a new era of opportunity for local planning, effective implementation and monitoring of various social and economic development programmes in the country. The National Statistical System is required to assist the various developmental agencies in this challenging endeavor. The recent advances in Information and Communication Technology (ICT) in terms of compilation, storage, transmission and analysis of statistical data ought to be fully exploited in the proper understanding of the conditions at local level. This apart, dovetailing of the programmes for social upliftment, health care facilities, educational opportunities and general development needs to be appropriately designed, implemented and monitored. In this direction, a statistical framework has already been formulated by a High level Committee under the Chairmanship of a Member, Planning Commission. This is proposed to be operationalised through a plan scheme during the coming years.

National Data Ware house of Official statistics

2.19 As per the National Policy on Dissemination of Data, the Computer Centre which is a part of the CSO will preserve data generated by various Central Ministries, State Governments and Public Sector Undertakings in a Data Warehouse and provide information to the users, meeting the specific needs for micro data and tabulated results from a single window through Data Warehouse Technology. This will enable extensive integrated meta data support across all layers of data warehouse solution. Web-based access to the Warehouse and Remote Access Facilities(RAF) to the end users through a network will be extremely useful in the ICT application in the statistical system

Coordination Role of the CSO

2.20 One of the major designated responsibilities of the CSO is that of acting as the Nodal Agency for the planned development of the statistical system in the country within the framework of Indian Constitution where *statistics* comes under concurrent list. The CSO is entrusted with the responsibility not only to coordinate horizontally and vertically the statistical activities of the Government of India and the State DESs but also to lay down and maintain norms and standards in the field of statistics, an activity which is usually done through Institutional arrangements such as Inter-Departmental Meetings of Working Groups, Technical Advisory Committees on various subjects, Standing Committees etc. in the case of Central Ministries. The coordination activity with the State Governments is also executed through several Institutional mechanisms, including that of the annual meetings of the Conference of Central and State Statistical Organizations (COCSSO). Besides that, at the State level, for purposes of coordination, certain other Committees such as the High Level Coordination Committees (HLCCs) and State Level Coordination Committees (SLCCs) also exist and operate.

III. DEVELOPMENTAL PERSPECTIVE

Improvement of Coordination within States by Empowering State DESs

3.1 In the scheme of federal political structure and decentralized statistical system, state Directorates of Economics and Statistics (DES) have a very important role to play because national statistics are no more than aggregation of state level data with responsibilities of collection administratively divided between the Centre and the States. Given the large regional diversities that characterize the continental country like India, the state statistical bureaus also differ in terms of their role, their functions and their powers in the state statistical systems as also their organizational structure, physical infrastructure, human resources and information technology. This leads to diversity in the statistical products that they generate as also in their quality.

3.2 The weaknesses that have crept in and developed over the years in the State Statistical System (SSS) in terms of the crucial function of lateral coordination has become another area of major and serious concern, demanding urgent appropriate remedial measures being taken on a systematic and systemic basis to effectively address this issue. In many states, the DESs have not been granted the requisite authority to effectively perform the coordination function. To make matters worse, Statistical Officers posted at the sub-state level to coordinate, collate and supervise primary data originating from the field functionaries of the line departments are saddled with other responsibilities and their statistical functions receive very low priority.

3.3 The consequences of such weak lateral coordination are often significant duplication of efforts and lack of integration between different data sources. There is also no mechanism to ensure that the primary data collectors adhere to the norms and standards laid down by their controlling departments, which adversely affects data quality.

3.4 The steps taken in terms of improvement of lateral coordination in statistical matters at the centre between the CSO and the other Government of India Ministries/ Departments in accordance with "Allocation of Business Rules" may be adapted as a model for improvement of lateral co-ordination at the State/UT level between the State DESs and the other line ministries/departments of the States/UTs. For this purpose, the rank of the Heads of DES needs to be elevated within the administrative structure of the states and preferably be equivalent to the rank of Statistical Advisors of the Central Government. Moreover, the DES needs to be declared as nodal statistical agency, if not already done, within the state as recommended by NSC (2001). This will empower the DES in all Statistical matters in the States/UTs and the coordination functions get widened to cover entire State Statistical system. There is an imperative and urgent need for enhancing the usefulness of the SSS to the State Government. The SSS will have to change the way in which the production of statistics is done using the 'current fixed-product' approach. This in-turn requires sharing of data maintained by one department with other departments through agreed upon protocols, central storehouse of unit level data of all departments and identification of

essential common data elements in all data collection forms used by various administrative agencies.

Statistics for decision making

3.5 Broadly, there are two kinds of statistics usually needed by the Government. One, at the macro level in terms of national aggregates and the other being Statistics at the Micro Level needed for operational planning, where disaggregated statistics are more relevant and therefore more important. In most cases, the state statistical system, even where it may possess the required or requested data, often finds itself unable, in terms of required skills, to process the available data on demand and synthesize the data on given variables/parameters obtainable from various alternate official sources. This will require the State Statistical Systems to endow themselves with the required data processing and analytical skills. This issue acquires added significance and sense of urgency at the present juncture (and more so, in the times to come) given the ever changing and ever growing nature and dimensions of the data/ information demands being placed and can be expected to be placed on the official statistical system in India.

Strengthening of Sample Survey Capabilities in State DESs

3.6 The ability of the State DESs to participate well and effectively in terms of the matching samples in National Sample Surveys in course of time would greatly enhance their reputation and, in turn, lead to significant improvement of the national statistical system at large. This can only be achieved by having their own sample survey outfits, with the required core competencies. Since the NSSO can not, for obvious practical reasons, be expected to meet all the survey data processing needs of the State Governments, the so far observed practice of over-reliance on the NSSO on this account has to make way, as early as possible, for the state/UT level statistical organizations gradually taking over this critical activity as an in-house exercise. The COCSSO has also taken cognizance of this issue at its meetings. In the context of the strengthening of Survey Capability in DES, issues that require adequate, careful and urgent attention include those of enhancing the capacity of DESs to organize large-scale surveys, use of advanced software for its processing and report generation. Many of the states are yet to develop advanced capabilities for survey data processing. This capability can be built through training and induction of computer hardware and software.

Development of Analytical Capabilities

3.7 To enable the DES to produce the required statistics, analytical capability of the staff has to be upgraded. Optimal use of modern Statistical Methods as also of Operational Research Techniques would have to be attempted increasingly in the time to come to convert, wherever possible and in a cost effective manner, the available data into the most needed analyzed and processed information, with a view to catering effectively to both the existing un-met demands for data/information from various clients as also the emerging demands for information from a diversity of sources/user segments.

Demand for Official Statistics

3.8 It is said that anything that cannot be measured cannot be controlled. Relevant, timely, easily comprehensible and accessible good quality official statistics are of paramount importance, if national development efforts are to be designed and targeted well and implemented effectively. In the absence of such good statistics, objective and realistic public policy goals and targets cannot be set and more so, the progress accruing therefrom cannot be measured/ monitored, when one wishes to assess the extent of success or otherwise of various governmental initiatives in terms of developmental programmes. Again, in a scenario characterized by either non-availability or else inadequate availability of relevant official statistics, it would not be feasible to determine the effects and impacts of such government programmes vis-à-vis the envisaged objectives/goals and targets under such programmes. The demand for official statistics data stems from a variety of requirements for formulation, implementation, monitoring and evaluation of economic and social development policies and programmes. After all, who does not require good quality and timely official statistics? Policy makers need such statistical data to formulate and /or review and revise their policies. The implementing agencies and service providers require statistical data to be able to deliver their services efficiently and effectively, besides assessing optimality of resource allocations and utilization. The researchers and academicians, for their part, need coherent and well presented statistical data for undertaking analytical pursuits, while the prospective investors also require data in appropriate sectors to make prudent investment decisions.

3.9 Although Governments are usually the major users of official statistics, the public themselves are also potential consumers of such statistics, provided of course that these are made available to them in a timely, easily accessible and relatively inexpensive (if not altogether free) manner. Also, for individual citizens as well, such official statistics can provide them with the required information/basis needed for them to be able to assess their own levels of wellbeing and welfare and enable them to make rational choices and decisions about various facets of their own lives, besides providing them with an objective method to assess the performance of the Government or for that matter, of other service providers working on public services and serving public good.

3.10 In India, in the backdrop of the trends which have been in evidence for some years now of a rapidly expanding economy and a vibrant/growing social sector, if any thing, it is to be only expected that, in the times to come, the demands that would be placed on the official statistical system would be significantly on the rise and therefore, it is imperative and urgent as well that the national statistical system, in general and the State/UT statistical systems in particular adjust themselves appropriately and adequately to be able to respond effectively and quickly to any such data/information demands. Many new demands often call for increased sensitivity and enhanced levels of flexibility on the part of the state statistical Systems to produce specific statistics on new topics of interest.

Administrative Statistical System

3.11 One of the oft repeated weaknesses of the Indian Statistical System has been the weakness of the administrative statistics, which forms its core. Weakness of the administrative statistics is in itself not an isolated issue, as this is the result of a host of other interconnected issues. However as documented by the Rangarajan Commission, the key reason for the deterioration of the administrative statistics has been the very low priority given to the primary statistical activities in public administration and in the scheme of governance at the Centre and the states and the apathetic attitude to administrative statistics on the part of main users, both in and outside the government. While this deterioration has been taking place for some time, there has been a significant jump in the demand for credible, complete and timely data most of which has necessarily to emanate from the official sources. With significant domestic liberalization and progressive integration of the Indian economy with the global economy, this need is now also being felt at sub-national levels, as the states are competing to attract private domestic and foreign investment. Therefore the time is most appropriate not just to take a hard look at the official statistics to correct the priorities but also to make the necessary investment to make the official statistics meet the demands of the present and future. The decentralized system in the country makes it imperative that improvements of the State Statistical System should be of paramount importance in any scheme of improving the Indian Statistical System.

3.12 Administrative Statistics are generally collected by the State Governments, and comprise statutory administrative returns and data derived as a by-product of general public administration. Administrative Statistics are often critically needed and utilized for the effective planning of Censuses and Surveys. The health of the Indian Statistical System depends, to a large extent, upon the state of functioning of the administrative statistical system. It is necessary to put in place appropriate internal procedures and communication channels in regard to administrative records so as to enable their transformation into administrative statistics beginning with primary recording of data that is computer compatible, mechanisms of sample validation of administrative statistics, their efficient storage at various geographical levels and setting up retrieval procedures for their aggregation, tabulation and dissemination, while meeting the criteria of timeliness, reliability, quality and completeness. In this context, the tasks of computerization of administrative statistics and development of appropriate mechanisms within these computerized systems to feed the DES with the necessary data assume a special significance and sense of urgency. However, in the case of system of direct data collection through Sample Surveys, a major source of dissatisfaction has been with respect to the timely processing of the data collected and the subsequent release of results accruing there from. Effective computerization can certainly go a long way in dealing with the problem of inordinate delays in the publication of the results flowing from Sample Surveys.

3.13 The major weakness in timely availability and release of quality data witnessed over the years has been on account of the shortcomings of the administrative recording system for which Statisticians do not have any role in most of the cases thereby leading to weakening record based official statistics. It is commonly reckoned that the improvement of quality and timeliness of the administrative statistical system lies in the quality improvement of the administrative machinery of the government and to appreciate the need for statistics and to overcome a) incomplete coverage; b) delays in the availability of

information; and c) unsatisfactory quality. There are significant advantages of statistics collected through the administrative set-up, especially in view of the fact that the collection of data is much less costly compared to that collected through specially designed sample surveys or censuses. Over the years, unfortunately, for a variety of reasons, the administrative recording system in India has been getting weakened for Statistical purposes.

IV. VISION FOR THE STATISTICAL SYSTEM OF INDIA

4.1 The immediate objective of strengthening the Statistical System is to develop a coherent and consistent system of data collection, analysis and dissemination within the present structure of a decentralized set of responsibilities under the constitutional framework. The system must ensure that official statistics meet the needs of data at all levels of aggregation from the national down to the sub-state level. It would also need to ensure that the data generated at different levels are comparable both across time and space. Achieving such an integrated system will require action at various levels of the official statistical system in India.

4.2 At the heart of such a coherent system is the articulation of a common set of standards which would ensure both inter-regional comparability and consistent aggregation. However, standards by themselves are not enough. In view of the various degrees of infirmity at different levels in the statistical system, in terms not only of technical and institutional capacities but also of the priority perceptions and levels of importance attached to statistical functions, it will also be necessary to clearly articulate data collection methodologies which can reasonably be followed by the agencies concerned. This function is best performed at the central level since it is unlikely that individual states operating on a stand-alone basis would be able to arrive at methodologies which are within the capacity of all of the others. However, it will clearly be necessary for the Centre to engage with the State and perhaps even the sub-State systems to be able to develop the appropriate standards and/or methodologies.

4.3 Since in the Indian system the responsibility for collection, compilation and dissemination of a wide range of statistics rests with line Ministries at the centre which operate closely with their counter-part departments in the States, the development of standards and methodologies may need to be a collaborative exercise involving the Central Statistical Organisation (CSO), which is the nodal central agency for standard setting, the line Ministries and the concerned State Departments. This process will be under the over all supervision and guidance of the National Statistical Commission, which is the apex body for such activities in the country.

4.4 It should be specifically mentioned that the development of standards and data collection methodologies by the Central system cannot be restricted to only such statistics which are relevant at the national level. The need for comparable data across states and even at the sub-State level demands that consistency and comparability has to be ensured for all such statistics. Therefore, it becomes incumbent on the central system to also evolve suitable standards and methodologies which are relevant only on the State and sub-State level, even though there may not be an obvious *locus standi* of the Central system for doing so.

4.5 In addition to those statistics which are needed at the national level or on a comparable basis across states, there would certainly be a range of other statistics which could be of specific interest to a particular State or a group of States for their own policy making purposes. At the initial stages it may not be necessary to bring such data on a common format and, therefore, could be left to the State statistical system to develop on their own. However, since it is a universal experience that the existence of particular types of data tend to generate their own demand, there needs to be a constant awareness of the fact that State specific data needs can very rapidly escalate to the inter-State or even to the national level. It is, therefore, important that the Central statistical system keeps itself continuously alert and apprised of the statistical initiatives being taken by various State Governments, and if necessary, to assist them in developing standards and methodologies. Such a knowledge base at the Centre will allow a relatively smooth escalation of state specific statistics to national standards whenever such a need arises. Although, this is in itself not strictly a coordination function, the coordination mechanism that exists at present between the Centre and the States will need to widen its ambit of engagement with the State statistical agencies.

4.6 In view of the widely differing technical and institutional capacities in the various states of the country, it is quite likely that the standards and methodologies that are initially specified may not suffice to meet the desirable levels of quality that should be aimed at. The transition between the achievable and the desirable will need to be carried out in a stepwise manner taking into account the progressive improvements that take place in the State statistical systems. Thus, the establishment of standards and methodologies in the Indian context cannot be a one time exercise, but will have to evolve in a dynamic manner as the process of strengthening of State capacities progresses.

4.7 Common standards and methodologies of data collection are only the first step towards a consistent and coherent national statistical system. It is also necessary to establish common systems of data maintenance recording storage and retrieval procedures and analysis, and to specify common standards for data exchange and dissemination. Since a number of States do not at present have the technical capacity to develop such systems which are consistent with the national statistical standards, it will be necessary for the Centre to design, develop and transfer such expertise to the State systems. Fortunately, there are states which have been doing extremely innovative work in these areas, and it should be possible for the Central system to identify best practices and to develop these into a set of recommended practices which can be followed by other States as well.

4.8 India subscribes to the IMF's Special Data Dissemination Standard (SDDS) at the national level and is in compliance with the requirements of the SDDS in respect of certain categories in real, fiscal, financial and external sectors, with population as an added category which may be used as a national benchmark for norms and performance standards at the State/UT level, with some modifications allowed for States/UTs wherever found necessary and justified. Such an approach would help make the statistical efforts of the States/UTs to become supportive of the national compliance with the SDDS. The SDDS makes recommendations concerning dissemination of 18 data categories and prescribes periodicity and timelines of publication of the data. The coverage, periodicity and timelines

specified at the national level would be appropriate and achievable at the State/UT level as well. At the National level, the Central Statistical Organization has also been following the practice of issuing an Advance Release Calendar (a specimen available at **Table-A**). The State/ UT Governments can adopt such a system/practice of “Advance Release Calendar” in regard to the various kinds of statistical series and data thereon produced and disseminated by them.

4.9 Nevertheless, any acceptable set of standards and methodologies at every level of the statistical function will require significant up-gradation of the capacities and skills of State statistical functionaries. This activity is carried out to some extent by the central agencies even at present. However, it will be necessary to step up the capacity development activities in the country substantially in order to meet the ambitions that have been articulated in terms of the national and inter-State data requirements. The training capacities available at the central level are grossly inadequate for this purpose, and it seems most unlikely these can be ramped up sufficiently, given the constraints on financial and, more particularly, human resources. Alternative institutional arrangements will need to be developed in collaboration with the education and training establishments that exist in the country to address this issue over the medium run.

4.10 If the DESs in the States are to play a more proactive role as lead players in the state statistical system, it is equally important that they are appropriately trained to do so. Such training should not necessarily be in the field of statistical methodologies alone, it should cover areas of socio-economic indicators which will enable them to transform the data collected by various agencies into meaningful statistics meeting specified definitions and concepts, especially in areas like education, health, labour where most of the basic data are in the spheres of responsibility of the States. In conceptualizing the training infrastructure, it is necessary to clearly acknowledge the limitations of the potentially partnering institutions, particularly the universities and colleges. While such institutions certainly have the capacity to provide exposure to the conceptual and theoretical basis of statistics, most of them have limitations while dealing with issues relating to the methods and practices of data collection. It is, therefore, necessary to establish training systems which draw upon the strengths of both the educational system as well as the experience of the field functionaries of the official statistical system. Such a process is easier said than done since there has been little cross communication between these two sets of fields. Development of integrated curriculum will need to be preceded by intense interaction so that common grounds can be established. It is, therefore, necessary to identify educational and training institutions which are both interested and inclined towards performing such a function, and to strengthen and expand their capacities to meet the requirements of training of State statistical functionaries.

4.11 The problems of capacity development are particularly acute in the line departments of the States which have a predominant responsibility for designing and implementing the administrative record keeping system. At present, by and large, administrative records are not in themselves perceived to be statistical in nature and, as a result, there is little statistical input in the design of such data collection and maintenance systems. Although this is ameliorated to some extent by the fact that the concerned central Ministries do have high quality statistical personnel who are involved in the design of such systems, there is

little possibility of active learning and feed back from the operations at the ground level. If such systems are to be expected to generate not only the data required for administrative control but also for statistical purposes, there will need to be significant statistical expertise at least at the intermediate levels.

4.12 One of the principal reasons why there is a significant difference between the central statistical structure and that prevailing at the level of the States is that in most States there is a lack of a strong coordination mechanism between the various data generating institutions. This is a problem which must be tackled in each State, but how it is done is best left to the State Governments themselves. However, if it is done, it will nevertheless be necessary to inculcate a minimum degree of statistical capability at these levels.

4.13 An area of particular weakness in the State statistical system is in the area of sample surveys especially data processing and analysis. At present most States rely on the Central survey system to generate State level statistics. This, however, precludes sub State estimates from being made which are critically important for rational decision making at the State level. Perhaps even more important, sample surveys offer a valuable device for cross-validation of the statistics emerging from the administrative records. This requires that the survey system of States must be capable of generating reliable estimates at different levels of aggregation which will be relevant for their purposes.

4.14 A related dimension arises from the increase and need for evaluation of Central and State Government development programmes and schemes which are operative at the State level. Although the statistical system is not directly concerned with the evaluation process, nevertheless it is usually the responsibility of the statistical system to generate at least the base line data and often to provide the subsequent data set as well for carrying out meaningful evaluation. Such an activity requires strong sample survey system which can operate at a granularity which is relevant for the particular programme/scheme.

4.15 In a purely objective sense, the survey needs of States appear to be much more demanding than those of the Centre. Moreover, the complexity of survey design and data analysis is also of a possibly higher level. There are few States which have the requisite expertise in being able to design and carry out such surveys. Excessive reliance is placed on the central survey system, which acts to the detriment of both the State data users as well as the capacities of the Central system. It is imperative, therefore, that both the technical and physical capacity to carry out survey design, data collection and data processing have to be enhanced significantly at the State level with appropriate support from the Central agencies.

4.16 Besides administrative records and surveys, the third major method for the collection of statistical data is through returns submitted by specific entities. The experience with return based data, not only in India but elsewhere as well, has been patchy at best. In the Indian experience there is usually need for considerable follow up action on the part of the statistical agencies. Until now the authority to compel submission of statistical returns vested only in the Central Government and its agencies. A new Collection of Statistics Bill 2008 which is presently with the Parliament seeks to provide State and sub-State levels of Government the ability to exercise authority for such matters. This opens up

a new and potentially high productive source of statistical information which can be strengthened with appropriate cooperation between the Central and State agencies. It is expected that in the future much of the data which is presently collected through surveys and personal visits may be shifted to a return based system once the capacity of the State Governments to perform the monitoring and follow up action is sufficiently strengthened. This has to be a priority area in the coming years.

V. STRATEGIC FRAMEWORK OF NSSP

The process

5.1 The National Strategic Statistical Plan (NSSP) provides the base country situation and defines the progress that can be made in a country, based on the evaluation of the country's national statistical system, Identification of gaps and the assessment of absorption capacity and sets out a medium term strategy for creating the necessary capacity to produce comprehensive, good quality and relevant economic and social data for policy and decision making. It sets out a work programme directed at generating data *inter-alia* for macro-economic management; preparation, implementation and monitoring of poverty alleviation programmes; monitoring the national progress towards the MDGs; promotion of private sector development and international institutions. Such a plan *viz.* the NSSP also incorporates proposals for institutional strengthening aimed at building sustainable national statistical capabilities through the development of human and technological resources and the adoption of sound management practices and the international statistical standards. The NSSP builds upon existing overall national strategies and capabilities and involves the evaluation of data users' needs as well as the data providers' means to produce data, through a consultative and participative process, with national stake holders and international donors. The NSSP begins with a full evaluation of the existing state of the statistical system, taking into account the strengths and weaknesses as also the extent to which the statistical system conforms to domestic data needs and international best practices in terms of standards and methodologies concerning data production and dissemination. The NSSP proceeds to set out a viable, technically sound and user oriented medium term work programme, with planned actions covering both data production and dissemination and institutional reforms aimed at achieving cost effective and efficient approaches.

Sustainability

5.2 The sustainability of the outputs and outcomes which are expected to accrue to the implementing agencies *viz.* the State/UT level statistical systems and organizations becomes a very crucial issue since one would like to see and ensure the sustainability of the project benefits beyond its tenure. This would *inter-alia* call for required types and levels of governmental commitments from the concerned States/UT Governments to provide required budgetary support to the implementing agencies for this project beyond the implementation phase, particularly for those activities which are not directly connected with data collection but still are considered important and indispensable for maintaining the

improved statistical processes, staff training, statistical research and the proper maintenance and up keep of the newly installed statistical and physical infrastructure.

National Strategy for Development of Statistics (NSDS): Some key elements

5.3 As per recommended best principles and practices, in deciding to prepare a National Strategy for Development of Statistics (NSDS), the Business- as-usual strategy is not a suggested option. A well prepared NSDS has to be concerned with the whole of the national statistical system, including the statistics produced by various line ministries. The NSDS, which deals with both technical issues and institutional and human resource capacity related issues, is also required to be feasible and realistic, identifying priorities based on the level of available resources. For this purpose, by national statistical system, a reference is made to the entire process of collecting, recording, storing and retrieving, compiling, disseminating and using the statistics produced by the government agencies.

5.4 Ideally speaking, a NSDS ought to a) be nationally led and owned, with high level of political support; b) be demand focused and integrated into the national development policy processes; c) be developed in an inclusive and consultative way; d) assess all statistical sectors and users' needs and provide a vision and strategic plan for national statistics; e) set out a comprehensive statistical development programme, which is prioritized and time-tabled, to build capacity to deliver results, incorporating plans for implementation, monitoring and evaluation but also flexible enough to cope with change; f) address institutional and organizational constraints and processes, including resources, for the sustainable development of statistical systems and output; g) build quality 'fit for the purpose', drawing on best international practices and standards; h) build on what exists and is being developed and continue to satisfy immediate needs for statistics during the NSDS process; i) respond to user needs, while being realistic about resources and j) serve as a coherent framework both for international support for statistical development and statistical programmes across the national statistical system.

Putting the Strategic Plan into Effect: Principles and practices

5.5 With a view to deriving the best possible advantages from the comprehensive review undertaken of the national statistical system by the Dr. C. Rangarajan chaired National Statistical Commission and in the backdrop of a situation wherein besides impressive growth rates registered by the country over the past few years in the socio-economic sectors, a good opportunity is now available to draw both high quality professional technical support and funding assistance from the World Bank which would be assisting the country in the formulation and effective implementation of the India Statistical Strengthening Project (ISSP). Now the time is both opportune and appropriate for the national statistical system to have a bold vision for critically important, path breaking and impact creating institutional and policy reforms. Towards this end, it is proposed that the operationalisation of the national vision for India in terms of its statistical systems and organizations could essentially build around and build upon the following principles and practice, keeping inter-alia in view the necessity for ensuring the neutrality, objectivity, reliability and timeliness of Official Statistics:

- a. A significant shift in approach from 'outlays-centered' to 'outputs and outcome-oriented approach.
- b. Data/information to be no longer treated just as a raw material; instead, to be viewed as a precious resource and hence, calls for timely processing, value addition and user friendly dissemination without compromising neutrality and objectivity.
- c. Statistical Organizations would develop sustainable methods to exploit more of administrative statistics to reduce reliance on new sample surveys and also enhance the scope and coverage of existing surveys to meet demands.
- d. Critically review the statistical activities and statistical products to identify and eliminate avoidable redundancies and duplications and redirect the resources thus released towards new activities.
- e. Effectively address the problem of respondent burden and more user friendly data collection instruments in data collection processes.
- f. Statistics produced and Disseminated must be, as far as possible, policy relevant and administrator-friendly, in particular and user-friendly, in general while maintaining their professional integrity, reliability and timeliness.
- g. Statistical organizations are to improve their levels of visibility through effective interactions with stake holders.
- h. The statistical organizations would need to critically pay attention to the issues relating to inadequate IT hardware and software and IT skills, IT absorption, including Networking and Connectivity.
- i. Develop effective mechanisms for consultation with stake-holders in statistical organizations.

VI. INDIA STATISTICAL STRENGTHENING PROJECT (ISSP)

Essential features of the process of formulation and proposed implementation of the ISSP

6.1 The focus of the project is on strengthening of the statistical capacity of the 35 States and Union Territories, especially with regard to the collection, compilation and dissemination of statistics, in line and in accordance with the relevant recommendations contained in the NSC Report (August, 2001), which *inter-alia*, has underlined the crucial role which all the States/UTs have to play in generating the data for a wide range of national level statistics and providing appropriate and adequate data, that too in a timely manner for meeting the requirements of policy and planning at the state and sub-state levels.

6.2 The development objective of this proposed project is primarily directed at supporting the implementation of the Mission for the Indian Statistical System as had been proposed earlier by the NSC in 2001 i.e., to provide, within the decentralized structure of the system, reliable, timely and credible social and economic statistics, to assist decision making within and outside the Government, stimulate research and promote informed debate relating to conditions affecting people's life. The NSC report had also emphasized on the fact that, the proposals for modernization of the Indian statistical system ought to focus on addressing systemic issues of the administrative statistical system by ensuring that the state statistical systems become an integral part of the modernization process. The Commission had also noticed *inter-alia* that the efficacy of the Indian Statistical System, to a large extent, depends upon the operational efficiency of the state statistical systems, which are generally decentralized laterally over the various line Ministries/Departments of the State/UT Governments. In this background, the ISSP Project will aim to facilitate the process of enhancing the role of the State DESs to provide for more effective coordination of statistical activities within the States as also to assist the line ministries and data agencies of both the Government of India and the State level line Ministries/Departments to improve the quality and coverage of the data that they collect and to promote their utilization at the State, District and Block levels. The key performance yardstick for the project would be determined based on the extent to which the State and UT Governments participating in the project viz. ISSP are able to meet effectively, adequately and in a systemic manner the national minimum standards in regard to the **20 key statistical activities**, as listed in **Table-B**, which have been presently identified in the context of the ISSP. Eventually, of course, these standards as also decisions regarding the selection of core statistics would be set by the present, permanent National Statistical Commission, as a part of discharge of its mandated functions.

6.3. Based on the outputs from Tier 1, the Government prepared a concept paper for the India Statistical Strengthening Project (ISSP), which was approved as a centrally sponsored scheme by the National Statistical Commission and the Planning Commission and has been

proposed to be included as a GOI Project in the eleventh Five-Year Plan. Taking cognizance of the wide differentials and wide range of statistical activities engaged in by the different state/UT level DESs, the ISSP Project would be primarily focusing its interventions in respect of five selected key areas, namely, the following:

- a) Improving the Coordination and Management of Statistical Activities in the States/UTs;
- b) Human Resource Development;
- c) Developing Statistical Infrastructure;
- d) Investing in physical infrastructure, including IT, and
- e) Improving Statistical Operations, especially those supporting the cause of improvement in the quality and dissemination of statistical data; apart from these components, there is also a minor sixth project component which will support the project implementation within MOSPI. These activities are expected to facilitate the required streamlining of the associated processes, which will help in accomplishing the envisaged objectives of the project. Some of the outputs include, for example, an improvement in the reliability and timeliness of data sets available from various data sources, development of an institutional mechanism for meeting the data base requirements of the economy, better institutional capacity to gather and process information, improvement in the quality and performance of the statistical personnel, production of official statistics of quality and utilization of innovative technologies and standardized procedures and improving the sample survey capabilities.

6.4 The objective of the ISSP, in short, is to strengthen the capacity and operations of the Indian Statistical System in line with the NSC (2001) recommendations, by strengthening the capacity of the State Statistical Systems. In particular, the project would be designed to give effect to those NSC recommendations that concern the States/UTs, by strengthening the role of the State DESs. The project is also designed to help build the required capacities at the States/UTs level to collect, compile and disseminate relevant and reliable official statistics, to serve the twin objectives of planning and policy making at the state and local levels and to provide the data that would be required at the national level in respect of the identified 20 statistical activities. The project, which is essentially based on the outcomes of 35 detailed state/UT reports with regard to "Identifying the Specific Requirements for Strengthening of State Statistical Bureaus" is also designed to support the objective of reorganization of the State/UT level DESs in the manner required and the development for the more effective coordination of statistical activities within the states. It will also help to develop structures to assist the line ministries and other data agencies to improve the quality and coverage of the data they collect and to promote their usage at the State/District and Block levels.

6.5 Following discussions between the Government and the World Bank, it has now been agreed that ISSP will be implemented by the Ministry of Statistics and Programme Implementation, under the overall guidance and direction of the National Statistical Commission. The project will be financed as a programmatic series of Credit or Loans over the period of the eleventh Five-Year Plan, with disbursement being made against a number of benchmarks set out in the policy framework. It has also been agreed that all 35 States and Union Territories can benefit from the project, based on the preparation and signing of memorandums of understanding, following the receipt of letters of participation.

6.6 Based on the strategy outlined, ISSP will be implemented in a number of stages with states setting the goals and targets to be achieved in order to progress from one stage to the next. In the first stage, those states that are ready to participate immediately, will prepare their state strategic statistical plan and will also undertake a limited number of short-term reforms and other data quality enhancing measures. Goals and targets for each subsequent stage will be determined by the priorities as set out in the state strategic statistical plans.

Expected results, monitoring and reporting

6.7 In a broad sense, the expected results of implementing this strategic plan in the states over the period of the eleventh Five-Year Plan are shown in **Table C**. The results are indicated for states in each category; since the starting positions are clearly different, it would be unrealistic to expect all states to reach the same level after just four or five years.

6.8 In all cases, the aim will be to establish a structure and a capacity for the state statistical system that will be flexible enough to meet the needs of the state by 2012 and which can develop to meet the needs in future years. In relation to 20 statistical activities, states will progressively be expected to meet the national minimum standards as determined by the National Statistical Commission from time to time. By the end of the eleventh Five-Year Plan, the quality of the different activities will be classified as medium or high.

6.9. Monitoring of progress towards these results will be done in a number of different ways. As a part of the reform process and, in line with the NSC 2001 recommendations, the DES in each state will be encouraged to prepare an annual report on the statistical system as a whole and this report will be presented to the state government. At the same time, all state statistical agencies will also be encouraged to publish and update metadata on statistical methods and procedures. It is anticipated that the framework for this information will be provided by the National Statistical Commission as a part of its overall oversight role and it is expected that it may follow the model provided by the IMF's General Data Dissemination System (GDDS). It is also anticipated that the NSC will set the national minimum standards for the 20 core statistical activities and these standards will be updated from time to time.

6.10 In addition to monitoring the extent to which states are able to adhere to national standards for different statistical activities, it is also expected that states will undertake from time to time user satisfaction surveys. As part of the ISSP, MOSPI will work with states to prepare a template for such a survey and each state participating in the project will be expected to carry out a user survey at least once every three years.

Project Support Group and Monitoring Mechanism in the MOSPI

6.11 To support the implementation of the strategic plan, MOSPI has already established a Project Support Group Headed by the Director General CSO, with a number of senior ISS officers. It is expected that the strategic plan will be implemented through the normal Government of India budget processes, using current processes for the management of procurement and for financial management.

6.12 To provide oversight and to monitor implementation, a high-level Steering Committee^{1[1]} has been constituted under the Secretary (Statistics and Programme Implementation) and Chief Statistician of India to monitor the implementation of the proposed project.

TABLE-A: ADVANCE RELEASE CALENDAR

INDIA			Advance Release Calendar			
Last updated on May / 01/ 08			Contact person: Addl. Director General Central Statistical Organisation Ministry of Statistics & Programme Implementation Sardar Patel Bhawan Sansad Marg, <u>New Delhi-110 001</u> Phone Number (91-11) 2334 1867 Fax Number (91-11) 2334 2384 E-mail: dgcso@nic.in			
Data Category (and, if different, national descriptor)	Date of last calendar release (mm/dd/yy) (Ref. period)	Notes	Release 2008-09			
			May 2008	June 2008	July 2008	August 2008
REAL SECTOR						
National accounts	Feb/29/08 (Oct/07 - Dec/07)	1/	30 (Jan/08 – Mar/08)			29 (Apr/08 – Jun/08)
Production index (Index of industrial production)	Apr/11/08 (Feb/08)		12 (Mar/08)	12 (Apr/08)	11 (May/08)	12 (Jun/08)
Price indices: Consumer prices						
Consumer price index (Industrial Workers)	Apr/30/08 (Mar/08)		30 (Apr/08)	30 (May/08)	31 (Jun/08)	29 (Jul/08)
Consumer price index (Agricultural Labourers/Rural Labourers)	Apr/18/08 (Mar/08)	2/	19 (Apr/08)	20 (May/08)	18 (Jun/08)	20 (Jul/08)
Consumer price index (Urban non-manual employees)	Apr/25/08 (Mar/08)		26 (Apr/08)	25 (May/08)	25 (Jun/08)	25 (Jul/08)
Price indices: Producer prices						
Wholesale price index	Apr/25/08	3/	02 (Apr/19/08)	06 (May/24/08)	04 (Jun/21/08)	01 (Jul/19/08)
	(Apr/12/08)		09 (Apr/26/08)	13 (May/31/08)	11 (Jun/28/08)	08 (Jul/26/08)
			16 (May/03/08)	20 (Jun/07/08)	18 (Jul/05/08)	15 (Aug/02/08)
			23 (May/10/08)	27 (Jun/14/08)	25 (Jul/12/08)	22 (Aug/09/08)
			30 (May/17/08)			29 (Aug/16/08)

1/ Dates of release of GDP for Quarter 1 and 2 of Calendar Year 2008.

2/ Dates of release relate to Monthly Consumer Price index for Industrial Workers, Agricultural Laborers and Rural Laborers for the period May, 2008 to August, 2008.

3/ Dates of release relate to Wholesale Price index for the successive weeks starting from week ending 2nd May, 2008.

Dates within brackets refer to the reference period of the respective data series

All dates are expected dates of release and are subject to change.

TABLE-B: LIST OF SOME KEY STATISTICAL ACTIVITIES

- (i) Estimation of State Domestic Product
- (ii) Estimation of Capital formation and Savings
- (iii) Estimation of District Domestic Product
- (iv) Estimation of the contribution of local bodies
- (v) Compilation of data on major Fiscal variables
- (vi) Participation in the conduct of Annual Survey of Industries
- (vii) Compilation of Index of Industrial Production
- (viii) Estimation of Crop area and Production
- (ix) Compilation of Wholesale Price Index numbers
- (x) Compilation of Consumer Price Index numbers
- (xi) Collection and compilation of Health, morbidity and mortality and family welfare statistics
- (xii) Collection and compilation of Education and Literacy statistics
- (xiii) Collection and compilation of Labour and Employment statistics
- (xiv) Collection and compilation of Housing statistics
- (xv) Birth and Death registration and Population
- (xvi) Compilation of Electricity production and distribution statistics
- (xvii) Compilation of Environment and Forest statistics
- (xviii) Participation in the surveys of National Sample Survey Organisation
- (xix) Compilation of Transport statistics
- (xx)** Collection and compilation of Statistics for local area planning

Table C: Expected Results and Monitoring Framework

Classification	Expected results
Category I States – Limited statistical capacity (Andaman & Nicobar islands, Dadra & Nagar Haveli and Lakshadweep)	<ol style="list-style-type: none"> 1. Establish basic structure for DES (where necessary), and enable it to fulfill coordination role as nodal statistical body 2. Develop survey capability and the ability to process results and develop Official Statistics based on Administrative records. 3. Establish coverage, data collection and compilation to meet national quality standards for GSDP estimates and up to 9 other core statistical activities 4. Agreed implementation plan to develop state level statistics – State Statistical Plan – updated annually
Category II - Some capacity, but with structural problems (Arunachal Pradesh, Bihar, Chandigarh, Jharkhand, Madhya Pradesh, Manipur, Mizoram, Nagaland, Pondicherry, Punjab, Sikkim and Tripura)	<ol style="list-style-type: none"> 1. Enable DES to fulfill coordination role as nodal statistical body; 2. Improve reliability and timeliness of data sets derived from various sources including administrative records; 3. Introduce innovative technologies and methods to produce official statistics of high quality increased efficiency and improved timeliness; 4. Establish coverage, data collection and compilation to meet national quality standards for GSDP estimates and up to 14 other core statistical activities 5. Agreed implementation plan to develop state level statistics – State Statistical Plan – updated annually
Category III - Capacity in place, but more technical support required (Andhra Pradesh, Assam, Chattisgarh, Delhi, Daman & Diu, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Kerala, Maharashtra, Meghalaya, Orissa, Rajasthan, Tamil Nadu, Uttaranchal, Uttar Pradesh and West Bengal)	<ol style="list-style-type: none"> 1. Enable DES to fulfill coordination role as nodal statistical body; 2. Improve reliability and timeliness of data sets derived from various sources including administrative records; 3. Introduce innovative technologies and methods to produce official statistics of high quality increased efficiency and improved timeliness; 4. Ensure state meets all national quality standards for all core statistical activities; 5. Develop new data series to meet emerging demands of Statistics; 6. Agreed implementation plan to develop state level statistics – State Statistical Plan – updated annually

The Government of India Program Matrix for State Statistical Strengthening
(Benchmarks for the First Credit (agreed) and for the Second Credit or Loan (indicative) are indicated in bold type)

) Reform areas & Objectives) First Statistical Capacity Building Credit Action Taken by (2007-2008) Key Progress Benchmarks in Bold) Second Statistical Strengthening Credit or Loan Proposed Benchmarks by (2009-2010) Key Progress Benchmarks in Bold) Medium Term Proposed Actions (2011-2012)) Expected Program Outcomes and Indicators (2007-2012)
Policy Area I. Coordination and Leadership of the National Statistical System				
Strengthen strategic direction and leadership of the national statistical system.	<ul style="list-style-type: none"> ▶ National Statistical Commission Report published, January 2001. ▶ Chairman and members of the Permanent NSC appointed, July 2006. ▶ First Chief Statistician of India (CSI) appointment, February 2007. ▶ Director General CSO post filled after a gap of 9 years, June 2006. ▶ National Strategic Statistical plan draft discussed in National Workshop, April 2008, and being reviewed by NSC. 	<ul style="list-style-type: none"> ▶ NSSP adopted. Permanent NSC together with MOSPI and CSI continues to evolve, monitor and enforce statistical priorities and standards. ▶ The Government maintains an appropriate policy framework for the development of the national statistical system and there is a clear vision and strategy for the continued development and coordination of the statistical system. 	The Government continues to maintain an appropriate policy framework for the development of the national statistical system and there is a clear vision and strategy for the continued development and coordination of the statistical system.	<p>Outcomes</p> <ul style="list-style-type: none"> ▶ NSC provides independent assessment of the National Statistical System that is trusted by stakeholders. ▶ CSI provides strategic leadership to improve the operational efficiency of the Statistical system. <p>Indicators</p> <ul style="list-style-type: none"> ▶ An annual report on the national statistical system is prepared and published ▶ NSSP updated at least once in three years.
Strengthen the institutional & legal framework.	<ul style="list-style-type: none"> ▶ Independent statistical authority, NSC, established by GOI Gazette notification, June 2005. ▶ Replacement of old Collection 	<ul style="list-style-type: none"> ▶ Collection of Statistics Bill 2007 enacted. 		<p>Outcome</p> <ul style="list-style-type: none"> ▶ Improved compliance on administrative return based statistics at state and sub-state level, while protecting integrity

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	of Statistics 1953 Act by a new Collection of Statistics presented to the Parliament, 2007.			and confidentiality of records. Indicator Greater credibility as evident from reduced use of special surveys for standard data and greater reliance on administrative data by users.
Improved Operational efficiency of a decentralized statistical system and improved coordination between the Center and States/UT.	<p>ISSP formulated as a Centrally Sponsored Scheme to assist States to improve their Statistical Systems within a coordinated National framework.</p> <p>High level Steering Committee established for ISSP, under CSI, September 2007</p> <p>Conference of Central and State Statistical Organizations (COCSSO) reinvigorated.</p> <p>Standing Committee of COCSSO reconstituted with permanent agenda of ISSP implementation, July 2006.</p> <p>First phase of states start to implement ISSP (see Policy Area III below).</p>	<p>First phase (7-10) states start implementing detailed MOUs and effective plans.</p> <p>Second phase (additional 7-10) states prepare detailed and prioritized State Strategic Statistical Plans (SSSP) to improve the quality of core statistics and commit to implement this plan by signing an MOU with MOSPI.</p> <p>High level Steering Committee and Standing Committee of COCSSO reviews implementation twice a year and brings an action taken report.</p>	<p>An independent assessment on data quality improvement of the states which have advanced with reforms (including identification of methodology, coverage and timeliness).</p> <p>Second phase states are implementing detailed MOUs and effective plans.</p> <p>Third phase (remainder of 35 States/UTs) states commit to improve the quality of core statistics by signing Letters of Participation (LOPs) with MOSPI.</p> <p>High level Steering Committee and Standing Committee of COCSSO reviews implementation twice a year and brings an action taken report.</p>	<p>Outcome Credible, timely and reliable national and state level data on 20 core statistical activities (see Policy IV indicators).</p> <p>Indicators Number of states (to constitute at least 85% of the economic activity) implementing the ISSP.</p> <p>More than three quarters of the states implementing the ISSP to have quality assessment benchmarks of medium to high for core statistical activities.</p>
Policy Area II. Increasing Support from the Center to States				

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Improved national standards, norms and benchmarks.	At least five manuals on core statistical activities prepared, internally reviewed by CSO and available on the website, April 2008. Two out of these five are final.	Manuals for at least a further ten core statistical activities have been formally prepared, approved and made available in public domain by CSO. NSC to review these manuals when needed / required and recommend any further improvements and policy guidance.	Remainder of manuals to be completed. Suggestions from NSC incorporated.	Outcome Manuals on all 20 core activities are in public domain. Indicator 70% of participating states conform to national minimum standards on at least 10 core statistics.
Provide technical and financial support (MOSPI to states).	Centre has provided US\$30 million for increasing support to states (capacity development, setting up national standards, workshops, COCSSO) Statistical Advisors posted at line Ministries to improve the lateral coordination at the Centre. Program support unit established and fully staffed (with 17 members) in CSO, Social Statistical Division, April 2008 to help states to implement the ISSP. ISSP webpage hosted on the MOPSI website with public access and information to the	MOSPI maintains the capacity needed to support the implementation of the program in the first and second phase states. Financial and technical support team in place and further strengthened as pace of disbursement rise. Guidelines on strategic planning for states prepared and updated by MOSPI. ISSP webpage maintained and learning of best practices provided.	MOSPI continues to maintain the capacity needed to support the implementation of the program in the participating states. ISSP webpage maintained and learning of best practices provided.	Outcome States are able to access technical and financial support as required. Indicators Rate of disbursement of CSS funds to state. COCSSO standing committee minutes on the level of support from the Center to the State. Information on improvement of the statistical systems in all participating states in a consistent format publicly available.

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	state on guidelines and progress with the reform program, April 2008.			
Policy Area III. Strengthening the Capacity and Performance of State Statistical Systems				
Prioritizing state needs and facilitating participation of individual state in the national program.	Detail reports on all 35 individual states completed in consultation with states and synthesis published, April 2008. Letters to Chief Secretaries inviting participation in the ISSP issued, April 2008. • LOP signed by 7-10 states, indicating their intent to participate in the national program and commit to state level priorities and	State specific strategic plans in first phase states prepared and approved. Additional 7-10 states sign LOPs. Second phase states complete their SSSP. State level steering committee to be functional in participating states.	Third phase (remainder of 35 States/UTs) states commit to improve the quality of core statistics by signing Letters of Participation (LOPs) with MOSPI. State level steering committee to be functional in participating states.	Outcome State SSSPs reflect individual state priorities, policy and user priorities. Indicator SSSPs in place conforming to the ISSP's objectives in place in at least three quarters of states.

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	reforms, April 2008.			
Implementing the State Statistical Reforms.	<ul style="list-style-type: none"> 20 States / UTs have already designated DES as a nodal agency for all statistical activities and for implementing reforms. LOPs and COCSSO decision require nodal agencies to be designated in remaining states. 6 DDGs / Statistical Advisers already in place to help state implant ISSP. 	<ul style="list-style-type: none"> The MOUs states sign with MOSPI will set-up the implementation plan for each participating state. At least 7-10 states sign MOUs and begin implementation. Financial resources provided by MOSPI in support of the MOUs. Progress with implementation is monitored and reported at regular intervals, both by MOSPI and by individual states. All states are compiling regular reports on the development of their statistical systems using milestones and indicators to be set out in the MOUs. 	<ul style="list-style-type: none"> Another 7-10 states prepare MOUs. By the end of the second credit at least 14 -20 states out of 35 States / UTs are well advanced in implementing reforms. Financial resources provided by MOSPI in support of the MOUs. Remaining states would be well advanced in developing their implementation plans. 	<p>Outcome Credible, timely and reliable national and state data on 15-20 core statistical activities.</p> <p>Indicators</p> <ul style="list-style-type: none"> Number of participating states (to constitute at least 85% of the economic activity) implementing the ISSP. More than three quarters of the states implementing the ISSP to have quality assessment benchmarks of medium to high (see quality benchmarks in Policy Area IV below).
Improving skills at the state level.	<p>The baseline assessment of the state statistical systems includes estimates of the potential staffing gap as well as an identification of low priority tasks.</p> <p>A central training institute, NASA has been setup by MOSPI in 2008 and will be fully operational by the end of 2009. It will support states training needs. NASA will establish curricula and training</p>	<p>In the first phase states:</p> <p>Detailed training needs identified and a training plan prepared</p> <p>Strategy to address manpower constraint developed</p> <p>Some initial training completed.</p> <p>In their SSSPs the first phase states will identify appropriate policies to address the manpower constraint, including:</p> <p>Training to increase the efficiency of staff and to allow staff to be moved</p>	<p>Continue in second phase state.</p> <p>Strengthening regional training institutes with the help of NASA.</p>	<p>Outcome An efficient staffing and/or statistical cadre.</p> <p>Indicators Average qualification of staff at various levels.</p> <p>80% of staff in participating states have received minimum levels of training as specified by NASA.</p>

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	standards. Some training to improve on job skills has already been undertaken in most states	from one task to another Reducing the dependency on field surveys by making more use of statistics derived from administrative processes Reducing sample sizes Eliminating redundant and low priority tasks. Strengthening regional training institutes with the help of NASA.		
Policy Area IV. Improving the Quality and Coverage of Statistics Generated by States				
Improving the quality of core statistical activities.	A baseline of the quality of current core indicators/ statistics completed in all 35 States and Union Territories, April 2008. ISSP identified activities at the State level in line with NSC recommendation. Synthesis report on 35 States/ UT completed and published on MOSPI website, April 2008.	First phase and second phases states agree on key areas and strategies to address quality improvements in their SSPs. Start implementing quality improvements in participating states.	Third phase states commit to preparing detailed and prioritized plans to improve data quality for core activities and other key data series	Outcome The quality of the core statistical activities in all states is improved. Indicators Data quality for core statistics (100 per cent for states in category I, 75 per cent for those in Category II and 50 per cent for those in the Category III) is increased to medium or good for core activities. Participating states reduce time-lags in reporting core statistics (100 per cent for states in category I, 75 per cent for those in Category II and 50 per cent for those in the Category III).

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Increasing user participation, accessibility and awareness. Data users to be provided with meta-data	<p>Participating states have established web-sites.</p> <p>MOSPI operating an ISSP web-page.</p> <p>States supported by MOSPI to include plans to compile and publish appropriate metadata for key statistics in their SSSP's</p> <p>Manuals include guidance on metadata</p>	<p>Advance release calendars on GSDP and other agreed core statistics to be prepared by participating first and second phase states.</p> <p>Participating states to provide access to statistical data through an on-line database or warehouse</p> <p>First and second phase participating states compile and publish metadata in conformity with national standards in the SSSPs.</p>	<p>Third phase states prepare plans to improve and strengthen the public dissemination of official statistics, including:</p> <p>Having a dedicated web-site for disseminating statistics.</p> <p>Having an advance release calendar in place.</p> <p>Develop baseline of user satisfaction in first and second phase states.</p>	<p>Outcome</p> <p>Better accessibility to data and interface with users.</p> <p>Indicators:</p> <p>At least three-quarters of participating states:</p> <p>disseminate official statistics through a web-site</p> <p>Have an advance release calendar in place for all core statistics</p> <p>User satisfaction survey results</p>