

TC ABSTRACT

I. Basic project data

▪ Country/Region:	Colombia and Peru
▪ TC Name:	Statistical capacity building in Colombia and Peru to support the review process of the OECD
▪ TC Number:	RG-T2620
▪ Team Leader/Members:	Jose Antonio Mejía (IFD/ICS), Janine Perfit (IFD/ICS), Gilberto Moncada (IFD/ICS), Paolo Valenti (ICS/CCO), Gonzalo Deustua (ICS/CPE), TBD (LEG/SGO), and Florencia Cabral (IFD/ICS)
▪ Indicate if: Operational Support, Client Support, or Research & Dissemination.	Client support
▪ Reference to Request ¹ :	IDBDOCS#39519982
▪ Date of TC Abstract:	March 24 th , 2015
▪ Beneficiary	Departamento Nacional de Estadística (DANE, Colombia) Instituto Nacional de Estadística e Informática (INEI, Peru)
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ IDB Funding Requested:	US\$400,000
▪ Local counterpart funding, if any:	US\$50,000
▪ Disbursement period:	30 months
▪ Required start date:	To be determined
▪ Types of consultants:	Individual and/or firms
▪ Prepared by Unit:	IFD/ICS
▪ Unit of Disbursement Responsibility:	IFD/ICS
▪ Included in Country Strategy:	No
▪ TC included in CPD:	No
▪ GCI-9 Sector Priority:	Institutions for Growth and Social Welfare

II. Objective and Justification

- 2.1 Being considered a candidate to become a member of the Organization for Economic Co-operation and Development (OECD) is an acknowledgement that a country's economic development is progressing satisfactorily. However, the accession process is not automatic; it represents a challenge in itself, as the OECD performs a very stringent evaluation of the country's systems and institutions. This evaluation includes a review of the statistical system. The results of that assessment are found in an Accession Roadmap and include a clear list of areas where improvement is needed in order to become a member of the OECD.

¹ A copy of the Letter of Request, Programming/Portfolio Review Mission Aide Memoire or Report requesting the TC should be submitted with the Abstract.

- 2.2 Colombia has recently completed its statistical review and has agreed with the OECD on a list of priority areas on which it needs to focus in order to reach the standards required by the OECD. Peru has not yet formally initiated the OECD accession process, but is committed to making progress on the statistical review.
- 2.3 The objective of this TC is to provide Colombia and Peru with support tailored to the distinct stages of the accession process in which they are involved. In Colombia, the support would take the form of technical assistance to address the recommendations established by the OECD in its Statistical Review (assessment of the national statistical system). In the case of Peru the resources will be aimed at supporting the statistical review itself.

III. Description of activities and outputs

- 3.1 The project will have two main components, each one focused in one of the two beneficiary countries. The distinction is based on the different stages of the accession process in which each country is engaged.
- 3.2 **Component 1: Technical assistance to Colombia.** Financing for technical assistance from international experts and through south-south cooperation to address the priority areas already agreed upon between Colombia and the OECD (i.e., statistical use of administrative records, sector quarterly accounts and institutional accounts, territorial statistics, and housing price index). Each of these priorities will have to be addressed separately with support from external individuals and/or organizations with the appropriate expertise.
- 3.3 **Component 2: Support Peru's statistical review.** Provide resources to fund the statistical review that the OECD will conduct in Peru at the request of the country's government. The statistical review will focus on evaluating the most important data-producing agencies and processes in the country. The concentration will be on economic statistics, and on the work done by Peru's INEI (National Institute for Statistics). The statistical review will follow the procedure established by the OECD.

IV. Budget

- 4.1 The estimated budget for this project is of US\$450,000, of which US\$400,000 would be provided by the Bank with the remainder (US\$50,000) would be provided in the form of in-kind contributions by the two beneficiary countries.

Indicative Budget (US\$)

Activity/Component	Description	IDB/Fund Funding	Counterpart Funding	Total Funding
Component 1	Technical assistance to Colombia to address priority areas agreed upon between Colombia and the OECD.	225,000	25,000	250,000
Component 2	Component 2: Support Peru's statistical review.	175,000	25,000	200,000
TOTAL		400,000	50,000	450,000

V. Executing agency and execution structure

- 5.1 The Bank will be the executing agency for this project, given that it will rely on the contracting of regional and international consultancies. The Bank is well-positioned to carry out the execution based on its strong regional relationships and Memorandum of Understanding with the OECD in the area of statistical development.

VI. Project Risks and issues

- 6.1 This project carries a low risk level, given the great involvement and interest of the two beneficiary countries. Colombia must fulfill the OECD recommendations in order to advance in its accession process, while Peru is interested in showing its commitment.
- 6.2 The major risk in the case of Colombia is that the technical assistance funded with the project does not conform to the needs established in the statistical review. This risk will be mitigated by its having the OECD accompany DANE (National Institute for Statistics) in the selection of the international experts that will provide the support, and also in monitoring their work.
- 6.3 In the case of Peru, the major risk is that the government will not continue supporting the accession process. This risk is mitigated by the fact that the statistical review is a valuable evaluation that would be helpful to the country regardless of whether Peru advances in the accession process into the OECD.

VII. Environmental and Social Classification

- 7.1 According to the Environment and Safeguards Compliance Policy (OP-703), the TC has been classified as Category C. No potential negative environmental and/or social impacts of the TC were identified and therefore no mitigation strategy is required to address any impact. See [IDBDOCS-#39496219](#) and [IDBDOCS-#39496209](#).