



Project Information Document/ Identification/Concept Stage (PID)

Concept Stage | Date Prepared/Updated: 28-Feb-2018 | Report No: PIDC140228



BASIC INFORMATION

A. Basic Project Data

Project ID	Parent Project ID (if any)	Environmental Assessment Category	Project Name
P166158		C - Not Required	Modernizing Production of Statistics in Vietnam
Region	Country	Date PID Prepared	Estimated Date of Approval
EAST ASIA AND PACIFIC	Vietnam	28-Feb-2018	
Financing Instrument	Borrower(s)	Implementing Agency	Initiation Note Review Decision
Investment Project Financing	Government of Vietnam	General Statistics Office	The review did authorize the preparation to continue

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Financing (in USD Million)

SUMMARY

Total Project Cost	0.00
Total Financing	0.00
Financing Gap	0.00

DETAILS

B. Introduction and Context

Country Context

Vietnam is a remarkable success story of rapid growth, poverty reduction and shared prosperity. Beginning with the launch of the Doi Moi reforms in the late 1980s Vietnam has sustained rapid economic growth rates that catapulted the country from the bottom ranks of poor nations to the lower middle income status in one generation. With GDP growth averaging 5.5 percent annually, real per capita GDP more than tripled between 1990 and 2016, and more than 40 million people were lifted out of poverty, using the national poverty line. Extreme poverty has been nearly eliminated. Unlike other fast growing economies, Vietnam has not experienced major increases in income inequality, with its income Gini coefficient (0.35 in 2014) remaining substantially lower than China, Indonesia and Thailand. The country has achieved widely shared prosperity:



average consumption of the bottom 40 percent of the consumption distribution grew 6.8 percent annually over the period 1993-2014. Social indicators have also greatly improved, underpinned by wider access to basic services including broad access to primary education, health care, and vital infrastructure such as paved roads, electricity, piped water, and sanitation.

Past success has naturally led to ambitious goals for the future. Per the Socio- Economic Development Plan (SEDP) for 2016 - 2020, the government aims to achieve a per capita GDP of US\$ 3,141 - 3,261 by 2020. This translates into 6.5 - 7 percent annual growth over the next four years. The SEDP also lays out an ambitious agenda for inclusion and service delivery which provides for continued drop in the poverty rate by 1.3-1.5 percent point per year, expanding health insurance coverage to 80 percent of the population and reducing child malnutrition rates to below 10 percent.

While Vietnam has great potential to meet these ambitions, success cannot be taken for granted. Vietnam now faces a new set of challenges to achieving further poverty reduction, shared prosperity, and sustainability. The poverty reduction agenda now largely revolves around the need to close the gap in poverty and living conditions among marginalized groups, more remote populations, and, particularly, ethnic minorities, which constitute only 14 percent of the population, but 60 percent of the poor. The slow rate of poverty reduction among ethnic minorities in recent years suggests that advances in overall growth will not be sufficient to eliminate poverty among ethnic minorities. It is projected that the ethnic minorities will constitute 80% of poor by 2020 in the absence of targeted interventions

The poverty agenda is substantially distinct from the broader agenda around shared prosperity and delivery of social services. Enhancing the prosperity of the bottom 40 percent rests in large part on the implementation of reforms to return the economy to a productivity led growth path. In addition, there is a broader agenda around the sustainability of broadly inclusive public service delivery in a context of the rapidly aging population and the rise of the middle class.

Sectoral and Institutional Context

Vietnam had its first Law on Statistics in 2003, which helped set the legal framework for statistical activities in the country. It is followed by the introduction of Vietnam Strategy for Statistical Development 2011-2010 with vision to 2030 (VSIDS) in 2011. The VSIDS established a long-term vision to clear goals and targets, and set up a specific action plan to ensure the development of statistics. It also included a comprehensive monitoring and evaluation framework with several specific objectives to be achieved by 2015 and 2020. In 2015, a new Law on Statistics was issued, containing some new promulgations on statistical activities. For example, the new Law on Statistics contains regulations on non-official statistics and stipulates the role of administrative data as a source of official statistics. Thus, a review and update the VSIDS so that it is in line with the changing legal framework is necessary.

General Statistics Office (GSO) is the national statistics agency for Vietnam, with about 6,000 staff at the central, provincial and district level. While the GSO is considered as generally capable, recent changes in the legal environment and overall operating environment have presented opportunities and challenges that the



GSO is adapting to. Firstly, as Vietnam is now moving to a middle-income country status, there is a demand for more reliable, timely and sophisticated statistics rather than basic socio-economic indicators on poverty, well-being and growth. Secondly, the changing environment with such data initiatives as administrative data and big data creates a challenge for a traditional statistics agency such as the GSO to operate and the new Law on Statistics presents an opportunity for the GSO to exploit these new data sources. Thirdly, the traditional practice of implementing household surveys using paper questionnaire by the GSO is increasingly obsolete and in need of reforming. Monitoring the SDGs also offer additional data demands that the GSO is mandated to produce, which is an enormous challenge given the number of indicators involved and that the MICS survey will no longer be funded. The data needs have been expanded, and these should be addressed without compromising the quality of the existing household survey, for example by making the VHLSS longer and burdensome to responses. This can be achieved by expanding and formalizing the use of other sources of data (e.g., administrative and big data) and improving the design and efficiency of the implementation of the current household surveys.

The GSO recognizes these emerging challenges and is acting. Among its list of priorities to address these challenges is to (i) update the Vietnam Strategy for Development of Statistics (VSDS), (ii) develop Vietnam SDG indicator system, (iii) develop a legal framework for the usage of administrative data, big data and open data for official statistical production, (iv) conduct pilots using administrative data, big data and open data for official statistical production instead of statistical surveys in some selected fields, (v) improve data collection methods for Vietnam Household Living Standards Survey (VHLSS) using CAPI and reviewing modules of the VHLSS. The GSO held a conference with donors on 21st September, 2016 to discuss these priority areas and solicit support, which was followed by a formal letter of request to the World Bank on 27th September, 2016.

The World Bank has been a key partner to the GSO on statistical capacity building, and past efforts have paid off. In 2009, the GSO received a grant from TFSCB which is the TFSCB 095152 Statistical Development Strategy. The project aimed at supporting the Government of Vietnam to create and implement a National Strategy for the Development of Statistics. With support from the grant, Vietnam's National Strategy for the Development of Statistics was developed and approved, providing the framework for the coherent development of the national statistics system. This was followed up by the TFSCB 013722 in 2013 that aimed to improve dissemination of Vietnam's national statistics. The support from the World Bank, other development partners and most importantly the GSO's own commitment have significantly improved Vietnam's statistical capacity. In 2016, Vietnam's Statistical Capacity Indicator (SCI) score measured by the World Bank is 82.2 compared to 65.6 in 2009. This is higher than the mean score of East Asian and Pacific countries (73.6) and of the IDA & IBRD countries (69.0).

Despite Vietnam's high SCI score, the GSO still has weak spots which could constrain the ability to meet the new data challenges and deliver on its priority areas. The SCI score is used for assessing the capacity of a country's statistical system based on a diagnostic framework assessing the following areas: methodology; data sources; and periodicity and timeliness. Among the three areas, Vietnam has highest score in the data sources (100) and lowest in the methodology (60). Yet heavy use of new methodologies is what is required



for the GSO to deliver on the new priorities, especially use of administrative data, along with updating the design and implementation of the VHLSS based on CAPI methodology.

Relationship to CPF

The Vietnam Country Partnership Framework (CPF) for the 2018-2022 period determine three focus areas namely (1) Enable inclusive growth and private sector participation; (2) Invest in people and knowledge; (3) Enhance environmental sustainability and resilience with Governance being the cross-cutting area. For all these priorities and for monitoring the Sustainable Development Goals (SDG), improvement of national statistics in both the process and the quality is needed. This activity is fully aligned with the focus area (1) especially on enhancing economic inclusion of ethnic minorities, women and vulnerable groups. The activity will also help improve the quality and timeliness of statistics on education, health services and social assistance, thus in alignment with the focus area (2). In addition, improving the capacity of the GSO would be compatible with the cross-cutting are in strengthening governance in the CPF 2018-2022.

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C. Project Development Objective(s)

Proposed Development Objective(s)

The overall development objective of this project is to enhance the capacity of the General Statistics Office to adopt advanced methods of data collection and processing. This will be achieved through building a framework and piloting use non-survey data to generate statistics and piloting use of CAPI in major surveys.

Key Results

The PDO results of the TA are as follows:

1. Updated Vietnam Strategy for the Development of Statistics (VSDS) 2011-2020 with vision to 2030, reflecting the new Law on Statistics issued in 2015 which permits use of administrative data in generation of statistics.
2. Successful development of the framework and operation manuals to produce selected statistics using administrative data in official national statistics.
3. Production of pilot statistics using tax, customs and education administrative data.
4. Adoption of a common CAPI platform across other surveys implemented by the GSO.
5. Successful pilot of CAPI using the VHLSS instrument.

D. Preliminary Description

Activities/Components

Project Components



The project will consist of three main components as follows:

Component 1: Reviewing and updating the Vietnam Statistical Development Strategy 2011-2020 with vision to 2030.

The Viet Nam Statistical Development Strategy 2011 - 2020 with vision to 2030 (VSDS) was approved by the Prime Minister in 2011. The mid-term review of the VSDS in 2015 has indicated the need to update the VSDS, thanks to changes in the external and domestic environment. Domestically, the biggest change is on legal environment. In 2015, the new Law on Statistics was approved containing some new regulations on the production and use of statistics. The Law on Statistics 2015 may affect many activities in the current VSDS. Now the GSO now needs to update the VSDS to reflect those changes. Secondly, there are also important changes in the external environment, notably the introduction of the Sustainable Development Goals (SDGs) that Vietnam has committed to. The GSO has been actively involved in the development of a statistical indicator system for evaluating the implementation of SDGs and has integrated some SDG indicators into the national statistical indicator system in the Statistics Law 2015. The collection and compilation of SDG indicators will be an important task of Viet Nam statistical system. Therefore, the VSDS needs to be updated with additional activities related to SDGs.

This Component will focus on the following main activities (i) update the VSDS 2011-20 to be consistent with the requirements of the new Law of Statistics passed in 2015 and new data requirements for monitoring the SDGs, (ii) update the implementation plan for the updated VSDS and (iii) revise the monitoring and evaluation system of the updated VSDS. Funding from this grant will pay for:

National consultancies to review the impacts of changes in the legal framework and the introduction of SDGs on the VSDS and proposing updates to the VSDS, revise the implementation plan and monitoring and evaluation system for the updated VSDS and developing the proposed framework for the VSDS for the next period 2021-2030

Workshops during consultations for updating the VSDS and developing a framework for the next VSDS 2021-30

Component 2: Incorporation of administrative data into official national statistics.

The project will assist the GSO to comprehensively review the current needs of national statistics, based on both the list of national indicators issued by the Prime Minister in 2010 and the SDG indicators that are developed. The project will review the current use of administrative data in compiling the indicators and will help improve the legal framework and the practice of incorporating administrative data.

The project will bring to fruition existing efforts by the GSO towards using administrative data. From August 2016 to April 2017, the GSO received support from UN-ESCAP to develop the software for extracting economic statistics from tax data, while the General Department of Taxation has invested approximately



VDN 6 billion in the IT infrastructure for this purpose and a Memorandum of Understanding between the GSO and the General Department of Taxation is already in place (issued on 10 November 2015). The GSO also began working with the Statistics Denmark on the potential for using administrative data in education statistics since Vietnam is planning, developing and implementing IT solutions to manage students and student records. This started with a study visit by the GSO to Denmark, followed up by an initial situation analysis by Statistics Denmark on the potential for using administrative data in education statistics. This culminated in an agreement between the GSO and the Ministry of Education and Training (MoET) to collaborate in this area.

A central population register currently being designed and implemented in Vietnam offers a “golden opportunity” for shifting certain types of statistics from surveys to administrative records. With advance planning, a consistent use of unique ID’s will allow the GSO to create longitudinal time series in the area of social statistics. In this process record keeping shifts from “paper and pen” to “bits and bytes” that can easily be turned into statistics. This project will build upon the work of the GSO to mainly provide proof of concept in the use of administrative data in generating economic and education statistics. The project will thus finance activities to (i) facilitate inter-agency dialogue to deepen collaboration between the GSO and other government agencies in the use of administrative data to produce statistics through workshops and study visits, (ii) develop frameworks and operation manuals to produce selected statistics using administrative data and (iii) produce pilot statistics using tax, customs and education administrative data.

While not exhaustive, the following activities are expected as part of the Component 2:

National consultancy in incorporating tax and custom data obtained by administrative system into the national statistics.

International/national consultancy: reviewing experiences in utilizing and incorporating administrative data on education in official statistics and piloting the incorporation of administrative data on education into the national statistics system.

Study visit on integrating administrative data into official statistics: A study visit will allow the GSO (and preferably representatives from MOET and other stakeholders) to meet with register authorities, involved line ministries, users of statistics and gain hands on experience with the relevant IT solutions.

Technical workshops and dissemination workshops.

In implementing this component, the GSO will partner with another statistical agency in a twinning arrangement with defined TORs. In addition to building up existing collaboration, the twinning arrangements allows the GSO to learn from the models widely seen as best practice models in the use of administrative data combined with data / information sourced from national civil registration authorities, which they have been using from the late 1960s.

Component 3: Support the adoption of Computer-Assisted Personal Interview (CAPI) for surveys



This component will finance activities to facilitate the adoption of a CAPI platform for survey data collection by the GSO. This includes running a CAPI pilot of the VHLSS instrument to overlap with implementation of the VHLSS 2018 in the last two quarters of the data collection period. That will allow both to assess the feasibility of using CAPI in a major survey like the VHLSS and to compare the quality of data from the CAPI pilot to the VHLSS data collected using paper and pen, as necessary to benchmark or analyze any incomparability introduced by the use of CAPI. This component will also support a review of the VHLSS to adopt to changing data demands. Without funding for the MICS survey, the GSO is currently reviewing the design and implementation of the VHLSS to incorporate new indicators and improve its implementation. The current VHLSS paper-based questionnaire is considered as too long and time-consuming. Using CAPI would greatly reduce the processing time and improve the accuracy of the data, alongside a careful review of the questionnaire to eliminate redundancies and information that could be produced using administrative data sources supported in the component 2 of this project.

The GSO is very enthusiastic about the application of CAPI in the whole VHLSS questionnaire after experimenting with using CAPI as part of an extended module in 2016 VHLSS on Food Away from Home (FAFH) consumption pilot supported by the World Bank. This pilot used the Survey Solutions developed by the World Bank, but other departments have also experimented with different platforms for surveys they run. For example, the Price Statistics Department is using a locally-developed CAPI platform for its monthly price survey while another Department has been using a CPro version in its survey. Thus, the GSO is looking at CAPI platforms that can be used across the institution for different surveys.

The project will therefore finance activities to (i) develop a CAPI platform for use across different surveys, (ii) piloting data collection using CAPI using the VHLSS instrument and (iii) review the VHLSS questionnaire to meet the country’s data needs. The GSO will pay for the purchase of tablets. While not exhaustive, this project will cover the following expenses:

1. International consultancies to evaluate different platforms for CAPI and provide training and online/offline support to the GSO in using CAPI in the VHLSS;
2. International/national consultancy in reviewing VHLSS sampling and VHLSS questionnaire to fit the needs of SDGs;
3. Additional costs of piloting the use of CAPI in VHLSS in a sample of provinces;
4. Technical workshops and dissemination workshops.

SAFEGUARDS

E. Safeguard Policies that Might Apply

Safeguard Policies Triggered by the Project	Yes	No	TBD
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Environmental Assessment OP/BP 4.01		X	
Natural Habitats OP/BP 4.04		X	
Forests OP/BP 4.36		X	
Pest Management OP 4.09		X	
Physical Cultural Resources OP/BP 4.11		X	
Indigenous Peoples OP/BP 4.10		X	
Involuntary Resettlement OP/BP 4.12		X	
Safety of Dams OP/BP 4.37		X	
Projects on International Waterways OP/BP 7.50		X	
Projects in Disputed Areas OP/BP 7.60		X	

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