

The Development of a Statistical Business Register in Palestine

PIANO OPERATIVO GENERALE

(General Operational Plan)

Premessa

Il Piano Operativo Generale del progetto di seguito riportato è stato predisposto in conformità con quanto previsto dall'apposita Convenzione AICS – Istat (Reg. Istat ACP/28/2018 del 17 Maggio 2018, Rep. AICS n. 231 del 24 Maggio 2018) e all'Allegato Documento 'Proposta di finanziamento', per l'iniziativa biennale "Miglioramento del *business environment* per le micro, piccole e medie imprese palestinesi" di cui il progetto è parte (Obiettivo specifico 3).

Il Piano individua le principali linee di attività e modalità di intervento in cui si articolerà il progetto, assegna le risorse individuate nei limiti del finanziamento totale previsto dalla Convenzione Istat/AICS e stabilisce gli obiettivi specifici, i risultati e la tempistica delle azioni nell'arco della durata del progetto.

Il Piano illustra l'approccio, gli strumenti e le metodologie che verranno utilizzati al fine di trasferire al *Palestinian Central Bureau of Statistics* (PCBS) le conoscenze necessarie per rafforzare le sue capacità istituzionali e contribuire allo sviluppo del Registro statistico delle imprese, in vista del conseguimento dell'obiettivo generale di migliorare la competitività domestica e internazionale del tessuto produttivo palestinese.

Il piano è stato redatto sulla base dei principi di rilevanza, efficacia, efficienza e impatto, al fine di garantire la sostenibilità e la replicabilità dei risultati del progetto e considerando le priorità indicate dal PCBS nella richiesta di supporto sottoposta all'AICS di Gerusalemme con lettera del 20 Novembre 2017.

Elementi di dettaglio necessari a definire maggiormente le specifiche attività e la relativa tempistica verranno concordati con la controparte e presentati tempestivamente ad AICS a seguito della prima missione Istat di coordinamento del progetto prevista in autunno 2018.

Laddove nel corso del biennio di implementazione del progetto si rendessero necessari ulteriori aggiustamenti a tale piano, questi saranno preventivamente concordati con il PCBS e comunicati tempestivamente all'AICS.

Il Piano viene redatto e presentato in inglese per agevolare la coerenza con la documentazione e reportistica di progetto condivisa con la controparte, nonché la condivisione ed il riutilizzo rapido con altri attori e interlocutori diretti e/o indiretti.

General Operational Plan (GOP)

Country	Palestine
Implementing Agency	Istat – Italian National Institute of statistics
Partner Institution	PCBS - Palestinian Central Bureau of Statistics
Project name	The Development of a Statistical Business Register in Palestine
Implementation period	30 May 2018 – 29 May 2020 (24 months)

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LIST of ACRONYMS

ABR	Administrative Business Register
AICS	Italian Agency for Development Cooperation
GOP	General Operational Plan
IOs	International Organisations
Istat	Italian National Institute of Statistics
IT	Information Technology
MOA	Ministry of Agriculture
MOFP	Ministry of Finance and Planning
MOLA	Ministry of Local Affairs
MONE	Ministry of National Economy
MSMEs	Micro, Small and Medium Enterprises
NPA	National Policy Agenda
NSDS	National Strategy for the Development of Official Statistics
NSOs	National Statistical Offices
NSS	National Statistical System
PCBS	Palestinian Central Bureau of Statistics
PLO	Palestine Liberation Organization
PM	Project Manager
UN	United Nations
PNA	Palestinian National Authority
SDGs	Sustainable Development Goals
SBR	Statistical Business Register
SO	Specific Objective
ToR	Terms of Reference

1. General overview¹

The Palestinian Central Bureau of Statistics (PCBS) was established in 1993 by virtue of a decree by the President of the Palestine Liberation Organization (PLO). PCBS assumed the task of establishing a National Statistical System (NSS) in Palestine and established its first statistical master plan in 1995 for the period 1995-2000, where it focused on the creation of a statistical institution and included the main directions in terms of producing and disseminating official statistics.

The General Statistics Law No. 4 was issued in 2000, and it defined the primary rationale for the establishment of PCBS; that is to provide official statistics on demographic, social, economic and environmental conditions with credibility, impartiality and complete independence in accordance with the latest international recommendations and standards to serve both citizens and different institutions.

In 2016, the Palestinian Government undertook a consultative development planning process to identify the national development priorities for the period of 2017-2022. The *National Policy Agenda: Putting Citizens First (NPA)*, endorsed by the Council of Ministers, outlines three pillars which chart the strategic direction of the Government in the coming six years: Path to Independence; Government Reform; and Sustainable Development. Within each of these three pillars are key national priorities and sector-based policy directions intended to improve the quality of life of the Palestinian people.

In particular, NPA 2017-2022 stressed on Palestine's commitment towards requirements of the Sustainable Development Goals (SDGs) 2030, where statistics represents the key-factor for monitoring their achievement.

The National Strategy for the Development of Official Statistics (NSDS) 2018-2022 was defined taking into account this Palestine's commitment, with the aim to produce and provide high quality data to meet needs of the different data user groups (public sector, private sector, general public etc.), covering the economic, social and environmental dimensions of SDG indicators.

The strategy is oriented, inter alia, to maximize the use of administrative records for statistical purposes, also considering that administrative sources are relevant for all 17 Goals².

¹ Sources: "National Strategy for the Development of Official Statistics (NSDS) 2018-2022".

"Palestinian National Voluntary Review on the Implementation of the 2030 Agenda", presented to the 2018 High-Level Political Forum on Sustainable Development.

² More in details: NSDS 2018-2022 overall strategic objective is to consolidate the statistical infrastructure needed to monitor sustainable development goals as a part of the NPA 2017-2022. The strategy provides an integrated framework for developing the capacities of the whole NSS; including: a vision on what the NSS would be after five years and how to fulfil it; a comprehensive framework for a continuous assessment of the statistical needs and for meeting the requirements arising from SDGs in a systematic and efficient way; a framework for resource mobilization and utilization at national and international level.

According to NSDS 2018-2022, the following results are expected:

1. Enhancement of the use of statistics in preparing development policies, decision making, monitoring the progress achieved in sustainable development goals and increasing awareness and reliance on statistics.
2. Development and strengthen of the national statistical monitoring system to cover the statistical monitoring indicators including the SDGs 2030.
3. Reinforcement of cooperation, coordination and partnership between the NSS and regional and international institutions.
4. Increase of the trust of data users in official statistics.
5. Enhancement and improvement of the quality of data produced and disseminated by the national statistical system.
6. Development and application of the national quality framework to ensure implementing quality requirements especially in the field of statistics.
7. **Enhancement of the use of administrative records for statistical purposes including monitoring the SDGs.**

Administrative data can be mobilised for the statistical production process through their integration in statistical registers. Traditionally statistical registers have been used as sampling frames for surveys, but they are increasingly being seen as sources of statistical data in their own right. Statistical registers can also provide the basis to link data from different sources over time, allowing longitudinal analysis.

Against this backdrop, PCBS has set the development of the Statistical Business Register (SBR) as one of its priorities³.

During the last three years PCBS, supported by the French public agency for international technical assistance (Expertise France), has initiated to deal with a number of methodological issues related to the use of several administrative sources (including matching data and consistency) in view to set up the Administrative Business Register (ABR), which should be a suitable basis for the SBR⁴.

To continue the work begun with the technical support of Expertise France⁵ and make real progress towards implementing the SBR, PCBS asked the Italian Agency for Development Cooperation (AICS) to start a partnership with Istat, aimed at reinforcing the statistical capacity of its relevant staff through the sharing of experience and good practices⁶.

The official request for capacity building support was sent to AICS Jerusalem on 20 November 2017.

According to this request, the project "Development of a Statistical Business register in Palestine" was approved on 21 December 2017 as part of the two-year initiative "Enhancing the business environment for the micro, small and medium Palestinian enterprises" managed by AICS Jerusalem.

The project, covered by this General Operational Plan - GOP, is implemented by Istat and regulated by an agreement signed with AICS Rome. It has formally started on 30 May 2018 and will end on 29 May 2020.

8. Development and diversification of data dissemination methods to facilitate accessing data as well as increasing data utilization in all aspects, in addition to developing and strengthening dissemination mechanisms and policies toward promoting statistical data for the benefit of different data user groups.

³ According to international recommendations, SBR includes information on the active population of: enterprises carrying on economic activities contributing to the gross domestic product (GDP); their local units; the legal units of which those enterprises consist; enterprise groups (association of enterprises bound together by legal and/or financial links).

⁴ Centralised administrative registers (as is the Palestinian Administrative Business Register) are often created to improve efficiency within government, and in many cases they provide a single interface through which the subjects of the register can interact with different government agencies in a way that reduces duplication, and hence the burden of complying with administrative procedures.

A centralised administrative register can be of immense benefit for statistical purposes, as it removes at least some of the burden of matching and reconciling data from different sources. To maximise the benefit, it is important that it is developed with the contribution of the Statistical office, to ensure that it meets, as far as possible, statistical needs regarding units, classifications, definitions and procedures.

In any case, a centralised administrative register does not represent a statistical register, especially because a statistical register also integrates statistical data from surveys/censuses to guarantee data coverage and quality.

⁵ The duration of the French project is 3 years. Its activities are supposed to be completed by the end of 2018.

⁶ The request for capacity building support followed a bilateral meeting Istat/AICS-PCBS held in Ramallah on 6 November 2017. During this meeting, the parties agreed to start a partnership and identified the priority sectors of cooperation, namely 1) technical assistance in developing the Business Register; 2) support for implementing the system of SDG indicators. For each of these areas a formal agreement between AICS and Istat has been signed, in order to regulate the implementation of the related project.

2. Project key features

Aim and Objective of the project

The project has been approved by AICS as part of the initiative “Enhancing the business environment for the micro, small and medium Palestinian enterprises”, which aims at enhancing Palestinian economic competitiveness by both creating a more conducive business environment and putting in place a series of mechanisms to facilitate the access of the micro, small and medium enterprises (MSMEs) to renewable energies, in order to reduce their production costs and improve their productivity.

The project will consist in **technical support to PCBS for building up the SBR**. Its full establishment will contribute to make available to the Ministry of Finance and Planning (MOFP), as well as to the Ministry of National Economy (MONE), the chambers of commerce, the municipalities and the fiscal offices a wider range of economic statistics to better monitor the private sector.

Beneficiary

The direct beneficiary is PCBS.

Indirect beneficiaries will be key institutional data producers and users including, at national level, the MOFP, the MONE, the chambers of commerce, the municipalities and the fiscal offices.

In a wider perspective, the whole country will benefit from the project, as government policies based on reliable statistical data allow to better guide and evaluate the social and economic development of the country.

2.1. Expected results and activities

Consistently with the original request of PCBS for technical support and taking the current situation as starting point, PCBS and Istat will cooperate in the following **sectors of intervention**:

- ✓ Setting-up a methodology for composing the information collected through surveys as well as administrative data which are prepared, validated and made available in the ABS.
- ✓ Setting-up mechanisms for cooperation with government institutions and other authorities which provide administrative records, in order to develop and update the SBR.
- ✓ Building and structuring details of the Unique Identification Number (UID).
- ✓ Integrating and linking administrative data with statistical data to develop and update the SBR.
- ✓ Creating mechanisms for developing all the other elements necessary to build and update the business register (variables, data exchange with partners, data quality, computing...etc.).

Istat will support PCBS in achieving the following intermediate **results** which are interlinked with each other in a consistent way, all contributing to the overall objective to design and implement the Palestinian SBR:

- ✓ Periodical updating system for the SBR depending on the ABR.

- ✓ Capacity building on how to process the available administrative records so that they will be periodical and a solid resource for the SBR. This includes training on the IT related issues and on the conceptual tools.
- ✓ A clear methodology for establishing an SBR that integrates administrative records and survey data.
- ✓ A clear methodology to deal with the informal sector in the sample frame, since the informal sector (non-registered enterprises) exceeds half of the total.
- ✓ A Strategy to develop the ABR in a way that it will be the main data source for the SBR.

In view to achieve the above results, the following activities will be carried out:

1 – Technical assistance for the assessment of the current situation, review of the matching mechanisms of previous censuses, analysis of strengths and weaknesses.

The project resources allocated to this group of activities are **3 weeks/missions**.

2 – Technical assistance to assess the strategy for updating the SBR through the administrative records and get acquainted with the available information (mapping and analysis of relevant available information).

The project resources allocated to this group of activities are **8 weeks/missions**.

3 – Technical assistance to develop a digitalized matching system and to improve current operational activities.

The project resources allocated to this group of activities are **12 weeks/missions**.

4 – Technical assistance to develop tools to deal with the informal sector not registered in the ABR.

The project resources allocated to this group of activities are **6 weeks/missions**.

The detailed breakdown of activities and the time frame are reported in the Workplan in Chapter 5 and Annex 1.

2.2. Resources and implementation

According to the budget assigned, Istat will provide technical assistance, training and training on the job to PCBS staff for a total of 29 working week/person, equal to 145 working days, plus 8 working week/person for coordination and management during the 24 months of project duration.

In addition, 3 study visits are foreseen during the project time life.

As for concrete implementation, the project results will be achieved through:

Technical assistance missions. Istat experts selected for each activity will hold coaching and advice activities, in order to transfer their know-how to their PCBS counterpart and to introduce improvements and innovations in PCBS processes and support PCBS staff with the overall goal of development of the SBR.

Comparative analysis will be part of the coaching activity in order both to present practices which guarantee compliance with international standards and to identify specific strengths and weaknesses of the current system.

For each mission, Terms of Reference (ToR) will be prepared by Istat and written agreed by PCBS technical coordinator for acceptance. The ToR will clear list: the name of the expert/s in charge of the mission, the activity/ies to carry out, the date of the mission, the number of working days, the mission objective/s, the expected results, the assumption and the name of the PCBS counterpart/s (relevant expert/s).

Tailor made training programmes. In addition to the “on the job” approach proposed for TA missions, specific training activities will be organized. These activities will follow mainly two objectives: i) to provide conceptual and methodological capabilities according to international standards and recommendations; ii) to transfer specific and technical know-how.

Training activities will be detailed and organized jointly with the beneficiary after the analysis of the training needs.

The following aspects will be taken into consideration in the organisation of the training programmes:

- ⊙ Further analysis on current capabilities and skills of beneficiary staff
- ⊙ Specific definition of training needs
- ⊙ Definition of the list of participants
- ⊙ Preparation of ToRs for trainers
- ⊙ Selection of Istat’s trainers
- ⊙ Preparation of and decision on content of training materials.

As for the methodology to be used during the trainings, a special, tailor-made mix of training methodologies will be used, including the following main elements:

- ⊙ Theoretical knowledge, concepts, models
- ⊙ Analysis of case studies, international standards and best practices
- ⊙ Practical examples and exercises.

Workshops and seminars. When relevant, and in agreement with PCBS and AICS, events such as workshops and seminars could be organised. Such events can support project visibility, promote PCBS role and contribute to the overall achievement of results, especially as regards advocacy of official statistics and cooperation with other national actors, or when particular developments or innovations introduced may be promoted and exchanged as best practices.

Study visits. Study visits will be a valuable mean to learn best practices and to acquire direct knowledge of the Italian experience in the sector targeted by the project. They will have beneficial effects not only in technical terms, but on the overall professional growth of PCBS staff. The subjects and topics of the study visits will be agreed with PCBS at a later stage.

Throughout project life, when necessary and feasible, Istat will also provide distance support and assistance in between missions.

Institutional building will be based on the introduction and application of methodologies and techniques appropriate for the national context and aligned with international standards and best practices.

Proper attention will be also paid to the identification of the resources that PCBS involve in the project. Appropriate commitment and availability of the officials and staff is essential to ensure effectiveness, ownership and sustainability of results and outcomes.

The allocation of resources/missions is liable to changes against newly arisen needs or re-prioritization of needs, that will be assessed and agreed with the counterpart.

2.3. Technical project documentation

Specific care will be devoted to the drafting and sharing of documentation for all the activities. This will represent key deliverables of the project and remain as a reference for PCBS for the future, serving the sharing and wide dissemination of improvements, innovations introduced and results, and therefore their re-use, ownership and sustainability. Therefore, in addition to the results listed for each Component, overall project deliverables will be:

- Mission reports;
- Recommendations and guidelines for technical assistance activities;
- Documentation and materials of trainings and study visits;
- Six-months reports and Final report, including a financial section for approval from AICS.

2.4. Organisation and management

The project management and organizational foresees the identification of a Technical Coordinators from each side.

Ms. Filomena Grassia (Project Manager, Division for international affairs) will be in charge of project management.

A middle term review involving representatives of PCBS, Istat and AICS Jerusalem will be held in Ramallah to evaluate the project progresses/results and to assess possible amendments (newly arisen needs and/or adjustments).

Furthermore, based on the technical inputs provided by experts and PCBS/Istat technical coordinators, the Project Manager will submit to AICS Jerusalem 6-monthly reports, to oversee and monitor project activities and assure smooth and effective implementation. Each report will include a financial section showing the expenditures incurred during the reference period.

3. Coordination with other international support and actors

Cooperation with other actors will be constantly sought, since it is both useful, to create synergies and exploit experiences, and necessary given the small size of PCBS and the importance of not overloading staff with overlapping, if not conflicting activities.

Istat will ensure continuity with the work carried out by PCBS in cooperation with Experise France, in order to maintain and improve the results achieved so far.

Istat will also guarantee proper coordination with activities to be carried out under Component 4 of the parallel project on SDGs indicators.

4. Assumption and risks

It should be point out that the main risk factor that may impact on the project implementation concerns the political situation in Palestine and the continued Israeli occupation.

However, this risk cannot be tackled as it is beyond the control of the project management.

Focusing on capacity building, an overarching risk with potential impact on all the activities is that no effective cooperation is concretely achieved and established with other authorities and bodies whose involvement is necessary for the implementation of the SBR, since they are the prime provider of administrative records. Being this risk external, PCBS authoritativeness, proactive engagement and advocacy will be essential.

As for the **factors od success**, first of all it has to be mentioned the strong commitment of PCBS top management to reinforce the overall statistical infrastructure, including the system of statistical registers.

Another success factor serving the overall objective of the project will be the approach Istat builds its cooperation activities on: the competences and skills of a national statistical institute are deployed to support the capacities of a 'twin' institution, encouraging knowledge transfer, reuse, and sustainability, with the overall commitment to building ownership rather than providing consultancy-like services.

Finally, cooperation between partners, together with the necessary degree of flexibility, constant peer-to-peer dialogue and assessment of project progress, will contribute to the project success.

Rome, 1/8/2018

The Project Manager



5. WORKPLAN

The Development of a Statistical Business Register in Palestine
Implementation period: 30 May 2018 -29 May 2020

Workplan and resources allocation

		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	N. of working week
		june-aug18	sept-nov18	dec18-febr19	march-may19	june-aug19	sept-nov19	dec19-feb20	march-may20	
Technical assistance										
1	Technical assistance for the assessment of the current situation, review of the matching mechanisms of previous censuses, analysis of strengths and weaknesses									3
2	Technical assistance to assess the strategy for updating the SBR through the administrative records and get acquainted with the available information (mapping and analysis of relevant available information)									8
3	Technical assistance to develop a digitalized matching system and to improve current operational activities									12
4	Technical assistance to develop tools to deal with the informal sector not registered in the ABR									6
TOTAL N. of weeks for TA (as per Agreement)										29
Study visits										
5	3 Study visits to Rome									-
TOTAL N. of weeks for study visits (as per Agreement)										-
Project management and coordination										
6	Coordination and monitoring									8
TOTAL N. of weeks for management (as per Agreement)										8

6. BUDGET

Budget related to Istat project

		Units	N. of Units	Unit cost (€)	Total (€)
1	Technical assistance and training	Weeks	29	3.461	100.369
2	Travels for Technical assistance and training	n.	29	700	20.300
3	Management and Coordination	Weeks	8	3.461	27.688
4	Travels for Management and Coordination	n.	8	700	5.600
5	Study visits (3 SV x 5 participants x 5 Nights in Rome each)				27.750
SUBTOTAL					181.707
Overhead					18.293
TOTAL AGREEMENT AICS-ISTAT					200.000

The cost of a working-week has been calculated as follows:

	Unit cost (€)	Number of units (days)	Tot (€)
Fees	451,00	5,00	2.255,00
Perdiem	201,00	6,00	1.206,00
		Total	3.461,00

The cost of a working-week has been calculated as follows:

	Unit cost (€)	Number of units (nights/travels)	Tot (€)
Perdiem (3 SVs x 5 part. x 5 nights)	230,00	75,00	17.250,00
Travels (3SVs x 5 part.)	700,00	15,00	10.500,00
		Total	27.750,00

ANNEXES

1. Workplan .xls format