



DFID Department for
International
Development

**Strengthening Statistical Capacity of Arab Countries in
Producing Energy Statistics and Energy Consumption
Surveys**

ADMINISTERED BY IDB

ON

**BEHALF OF THE DEPARTMENT FOR INTERNATIONAL
DEVELOPMENT (DFID-UK)**

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LIST OF ACRONYMS

DA	Development Account
DFID	Department For International Development
ECOSOC	Economic and Social Council
EGM	Expert Group Meeting
IDB	Islamic Development Bank
IEA	International Energy Agency
MEDSTAT	Regional Programme of Statistics in the Mediterranean Region
NSO	National Statistical Office
STATCAP	Statistical Capacity Building Initiative
TA	Technical Assistance
UN-ESCWA	United Nations Economic and Social Commission for Western Asia
UNSD	United Nations Statistics Division

EXECUTIVE SUMMARY

Strengthening Statistical Capacity of Arab Countries in Producing Energy Statistics and Energy Consumption Surveys

DESCRIPTION AND OBJECTIVES

Energy consumption statistics is a unique data source for policy-makers, analysts and companies involved in the energy sector. A considerable gap still exists between the demand for information and the ability of most Arab countries to routinely supply reliable energy statistics, both in terms of the availability and the quality of data. The overall objective of this project is to strengthen the capacity of National Statistical Offices (NSOs) in developing energy information systems and energy statistics in order to assist governments in more effectively managing energy consumption in the region.

COST AND FINANCING

The estimated budget is **US\$ 421,897** as shown in Table 1 below.

Table 1

BUDGET TABLE						
Budget Category	Item Description	Unit	Qty	Unit costs US\$	Total budget US\$	%
Project Personnel	Regional Consultant/s	Month	12 * Expert; 10 * Administrative	\$5 000 Expert; \$2 000 Administrative	\$80 000	22,3%
Regional Workshop	Workshop on the survey results and lessons learned	1		Cost of travel and DSA of 2 participants from 3 countries @ \$2 000	\$12 000	3,3%
Travel of Staff		Mission	6	2 missions per country @ \$2 000 per mission	\$12 000	3,3%
Sub-contracts	National Statistics Office Cost for Conducting Surveys + national group training/workshops	Country	3	\$79 000 Jordan; \$72 000 Palestine; \$104 000 Egypt	\$255 000	71,0%
Project sub-total					\$359 000	100%
Project Evaluation					\$14 360	4%
Project support cost					\$48 537	13%
Project total budget					\$421 897	

IMPLEMENTATION

This project will be implemented by the Statistics Division of UN-ESCWA in partnership with the National Statistical Offices of the three pilot countries: Jordan, Palestine and Egypt, as well as other international, regional and national counterparts such as the United Nations Statistical Division, MEDSTAT, and the International Energy Agency. UN-ESCWA will support the NSOs in order to ensure the successful implementation of the surveys and collect best practices and lessons learned for future replication in other countries in the Arab region. The project will be implemented over 13-14 months, starting from the date of signature of the Financing Agreement and ending at the end of June 2015.

EXECUTING/ SPONSORING AGENCY

The Statistics Division of UN-ESCWA will lead the coordination and management of the project, including the implementation, monitoring, and evaluation of activities. UN-ESCWA will enter into agreements with the national partners responsible for conducting the surveys, namely the NSOs in the three pilot countries. The agreements will detail the roles and responsibilities of each institution within the framework of this project document.

UN-ESCWA will contribute in-kind resources for the implementation of the project to complement the DFID/IDB funding. This includes in-house technical expertise and time allocated for the implementation of the project. Experts on energy and transport from relevant substantive divisions in UN-ESCWA will contribute to the articulation of terms of reference of consultants, and will substantively review reports and participate in relevant meetings.

In addition to substantive in-kind support, UN-ESCWA will also provide administrative support for contracting, procurement, budgeting, travel and project monitoring and evaluation, as well as logistical and communication services (e.g. telephone, fax, emails and teleconferencing).

IUSTIFICATIONS

This project complements past and on-going efforts of UN-ESCWA in building the capacity of its member countries in the field of energy statistics. To date, UN-ESCWA has supported governments in upgrading national knowledge and skills in energy statistics by assessing the energy statistics needs in five member countries¹, training national officials in energy statistics, and producing Methodological Guidelines on Energy Consumption in the Transport Sector.

This project has been designed to respond to requests received from member countries to further support the production and analysis of energy statistics in particular in the transport sector. It aims to build the statistical capacity of three Arab countries in producing energy statistics and energy consumption surveys, with a view to ultimately supporting more effective evidence-based policy making.

¹ Sudan, Yemen, Egypt, Jordan, and Lebanon

RECOMMENDATION

It is proposed that the IDB approve the financing of the project and grant **US\$ 421,897** (four hundred and twenty one thousand, eight hundred and ninety seven US dollars) from the DFID STATCAP Fund.

Strengthening Statistical Capacity of Arab Countries in Producing Energy Statistics and Energy Consumption Surveys

I. INTRODUCTION

- 1- Statistics and indicators are critical tools to assist countries in policy-making and socio-economic planning. They are an essential requirement for assessing the current situation, setting objectives for the future, and measuring progress and development. The Economic and Social Council (ECOSOC) of the United Nations, in its resolutions 1999/55 and 2000/29, stressed the importance of relevant, accurate, and timely statistics and indicators for evaluating the implementation of the outcome of recent international conferences.
- 2- Energy consumption statistics are a unique data source for policy-makers, analysts and companies involved in the energy sector, as it presents an overall picture of the sector, providing detailed data on production, trade, conversion and consumption of fuels by type. Energy represents a basic input to all sectoral and national development plans, particularly in countries where the energy sector plays a vital role in economic and social development. Among most UN-ESCWA member countries, the capacity of NSOs to produce high quality energy statistics remains weak. Countries face several problems concerning the availability and overall quality of data on energy, and therefore there is an urgent need to upgrade the level of awareness and to harmonize the definitions and classification of statistical data on energy, as well as to start producing yearly energy consumption surveys. Addressing these capacity gaps is important to help NSOs meet the statistical requirements for national development plans and international reporting.
- 3- Member countries are aware of these gaps. An Expert Group Meeting on compilation and analysis of energy statistics and indicators that was organized by UN-ESCWA in March 2009 concluded its discussions with a set of recommendations called for by member countries, aiming at enhancing the quality of energy statistics used in establishing energy balances at the country and regional levels². In 2009 and 2010, UN-ESCWA received several requests for technical assistance from member countries on compiling energy statistics and producing energy balances.
- 4- In response to these requests, UN-ESCWA developed a programme of work in order to: (i) provide a detailed baseline assessment for the region, to serve as a starting point for future regional and country assessments; and (ii) introduce a methodological framework for measuring energy balances, in collaboration with the United Nations Statistics Division (UNSD), the MEDSTAT project and the International Energy Agency (IEA). Within UN-ESCWA, the project brings together the work of the Statistics Division on energy statistics and the Sustainable Development Division on energy policy.
- 5- UN-ESCWA's comparative advantage in addressing energy consumption arises from its multidisciplinary approach to addressing complex and integrated economic, social and environmental issues by drawing on its expertise in environmental, water, energy, industry, and technology related issues, as well as in national accounts and economic analysis. UN-ESCWA also has the required regional convening power to bring all the relevant stakeholders together and to advocate for regional cooperation and harmonization.

² Final report of the Expert Group Meeting on compilation and analysis of energy statistics and indicators Beirut, 3-5 March 2009 (E/ESCWA/SD/2009/WG.1/4)

6- This proposed concept builds upon an existing Development Account project and joint activities with MEDSAT, focused on energy statistics and energy consumption surveys. This proposal is concerned primarily with the contribution of the Islamic Development Bank in supporting the implementation of four energy balance surveys in Jordan, Palestine and Egypt.

II. THE PROJECT

Objectives

7- The main objective of the project is to strengthen the capacity of National Statistical Offices (NSOs) in the three pilot countries in developing energy information systems and energy statistics as well as measuring energy consumption.

8- The project seeks to achieve the following specific objectives:

- Provide member countries with the necessary capacity to conduct periodic assessments of energy statistics and to adopt corrective policies and programs;
- Support member countries in producing and disseminating statistics and indicators on energy consumption in the region;
- Enhance the capacity of member countries to disseminate energy consumption surveys according to United Nations methodologies;
- Train staff from the National Statistical Offices to develop energy surveys (which will also be used as benchmarks by the NSOs for future energy consumption surveys), and;
- Provide policy-makers in the pilot countries with statistical evidence to assist them in making informed decisions on energy policy.

Activities

9- The project will undertake the following activities:

- Design energy consumption surveys (in terms of both content and applications) in line with scientific guidelines, standards and common criteria for estimating the consumption in a way that improves long-term forecasting;
- Identify the appropriate national/official authority to carry out the survey in each pilot country;
- Produce a process map/guide for national focal points to follow in order to roll out future surveys;
- Train national/official authority personnel in the processes involved in carrying out the surveys and collecting/processing the data as well as packaging and disseminating survey results to relevant recipients;
- Compile, process and publish energy consumption surveys in the pilot countries;
- Organize a consultative meeting that brings together representatives of government, civil society and private sector to discuss the results of the survey.

Project outputs

10- The two main outputs of the project are: 1) to produce and publish three pilot energy consumption surveys, and; 2) to build the capacity of NSOs in the pilot countries so that they are able to independently produce future energy consumption surveys.

The Project Cost

11-The total funding sought from the IDB through the DFID STATCAP Fund is **US\$ 421,897**. UN-ESCWA and pilot countries will contribute in-kind resources. The detailed budget by country for conducting energy consumption surveys will be attached separately, together with the proposed timetable.

III. IMPLEMENTATION ARRANGEMENTS

12-The project will be implemented by UN-ESCWA in collaboration with the NSOs of Jordan, Palestine and Egypt, which will benefit from the Technical Assistance grants. Cooperation with the UN Statistics Division and DFID will ensure that lessons learned and existing methodologies on conducting energy consumption surveys feed into the work to be produced in the four pilot countries. ESCWA will be actively involved in the implementation of the project and providing support to the three countries at several levels. First, ESCWA will provide guidance to the countries with the supporting methodological guidelines. Second, it will review the questionnaires in order to ensure quality and that they meet international standards. Third, it will directly support the countries in conducting the first samples of the survey. Finally, encourage and support the establishment of a coordination mechanism between all national institutions involved in energy consumption in the transport sector to guarantee reliable and good quality outcomes. In general, ESCWA will provide technical backstopping to the teams at the NSOs in the design, implementation, and analysis of the surveys. Agreements will be signed between ESCWA and each of the three NSOs for the disbursement of funds and implementation of activities.

13-Each party will follow its own financial rules and procedures with regard to the procurement of goods and services. ESCWA shall require certified financial statements from each of the three NSOs with regard to the allocation and use of funds.

14-The funds shall be disbursed to implementing partners prior to the commencement of activities in May, as implementing partners will not pre-finance activities. If the Contribution, or any part of it, is not received in a timely manner, the activities may need to be reduced or suspended.

IV. PROJECT JUSTIFICATIONS

15-A substantial gap still exists between the demand for information and the ability of most countries to routinely supply this information, both in terms of the availability and the quality of data. Most countries still need to make progress in the development of relevant statistics and indicators. The ECOSOC has reaffirmed the importance of statistical training and has urged United Nations organizations, including the Secretariat, to mobilize the required resources and coordinate their efforts to support national statistical capacity-building in developing countries.

16-The proposed project will build on the results of the Development Account project on environment statistics, indicators and accounts that UN-ESCWA implemented during 2007-2010. In some countries, the accounting framework and the Input-Output tables developed within the context of the previous project can be used in the framework of energy balances.

17-At the end of the project, member countries will have the necessary capacity to pursue the activities of the project, such as training and sharing knowledge, and will be able to conduct periodic assessments of energy statistics to adopt corrective policies and programs as required. Member countries will produce statistics and indicators on energy in the region

that will be disseminated and made accessible to users through the virtual network. This network is one of the outputs of the Development Account to promote knowledge sharing. The capacity of member countries to disseminate energy consumption surveys according to United Nations methodologies will be enhanced. Thus, the project is expected to have a strong multiplier effect.

V. PROJECT RISKS

18- Political instability and the deterioration of the security conditions in the region present a potential risk to the implementation of the project within its time frame.

VI. TERMS AND CONDITIONS

19- It is proposed that the IDB contributes in financing the project for an amount of **US\$ 421,897 (four hundred and twenty one thousand, eight hundred and ninety seven US dollars)** from the DFID Fund, in favour of UN-ESCWA to cover all the project activities including energy consumption surveys, with the following terms and conditions:

- (i) IDB (acting as DFID Fund Manager) will make available to UN-ESCWA an amount not exceeding **US\$ 421,897 (four hundred and twenty one thousand, eight hundred and ninety seven US dollars)** for the “Strengthening Statistical Capacity of Arab Countries in Producing Energy Statistics and Energy Consumption Surveys” project.
- (ii) The Executing Agency for the implementation of the project will be UN-ESCWA in close collaboration with the NSOs of Jordan, Palestine and Egypt.
- (iii) The Agreement between UN-ESCWA and IDB has to be signed within 1 (one) month from the date of approval of the Project by IDB. If the Financing Agreement has not been signed within the said period, the project shall be liable for cancellation.
- (iv) Within a period of 1 (one) month from the date of signing the Agreement, UN-ESCWA has to submit a request for first disbursement. If no disbursement request is submitted within 1 (one) months of the signing of the Agreement, IDB reserves the right to terminate the Agreement and all obligations of the parties hereunder.
- (v) The funds will be paid to UN-ESCWA prior to the commencement of Activities, as UN-ESCWA cannot pre-finance Activities.
- (vi) The tentative date of approval of the Project by IDB is 15 May 2014. Calculating from the date of approval of the Project, the tentative last date of disbursement would be 31/12/2014. If any part of the approved amount is not utilized by the end of the project on 31/6/2015, IDB may cancel the part, which has not been utilized by that date.
- (vii) UN-ESCWA shall ensure that its personnel meet the highest standards of qualifications and technical and professional competence necessary for the achievement of the objectives of the project, and that decisions on employment related to the implementation of the project shall be free of discrimination on the basis of race, religion or creed, ethnicity or national origin, gender, disabled status, or other similar factors. UN-ESCWA shall ensure that all its personnel are free from any conflicts of interest relating to the project activities.
- (viii) Subject to IDB Disbursement Procedures, disbursement of funds under the Project shall be made according to the payment terms and conditions indicated in the agreement.

VII. CONCLUSION AND RECOMMENDATIONS

20-The project lies within the scope of the IDB STATSCAP initiative and is aligned with the IDB Vision and strategic priorities.

21-Keeping the above in view, it is proposed that IDB approve the financing of the project through provision of **US\$ 421,897 (four hundred and twenty one thousand, eight hundred and ninety seven US dollars)** from the funds provided by the DFID-UK to cover the implementation of the project activities. UN-ESCWA will provide in kind contribution to complement the DFID/IDB funding.

ANNEX A: PROJECT BUDGET

Item				Jordan	Palestine	Egypt	UN-ESCWA	Contribution of IsDB/DFID	Contribution of Jordan (in kind)	Contribution of Palestine (in kind)	Contribution of Egypt (in kind)	Total In kind
A. Preparation Stage	Unit cost (US\$)	Quantity	Decription	\$25 000	\$24 000	\$32 000	\$86 000	\$167 000	\$5 000	\$5 000	\$5 000	\$15 000
Set-up of the Administration of the survey	\$1 000	12 persons	4 persons * \$1000 * 3 countries	\$4 000	\$4 000	\$4 000		\$12 000	\$1 000	\$1 000	\$1 000	\$3 000
Questionnaire Design and Sample Frame	\$1 000	9 persons	3 persons * \$1000 * 3 countries	\$3 000	\$3 000	\$3 000		\$9 000	\$1 000	\$1 000	\$1 000	\$3 000
Programmer	\$2 000	3 persons	1 person * \$2000 * 3 countries	\$2 000	\$2 000	\$2 000		\$6 000	\$1 000	\$1 000	\$1 000	\$3 000
Recruitment of personnel	\$5,000 for consultant and \$2,000 for temporary assistance	2 to 5 personnel	1 consultant for 12 months (5000*12) or 2 for 6 months and one staff (2000* 10 months)				\$80 000	\$80 000				\$0
Travel of personnel	\$2 000	3 missions	3 missions * \$2000				\$6 000	\$6 000				\$0
Finalization of Quest. & Manuals	\$1 000	13 persons	\$1000 * 4 persons for Jordan, 3 for Palestine, 6 for Egypt	\$4 000	\$3 000	\$6 000		\$13 000	\$1 000	\$1 000	\$1 000	\$3 000
Training	\$ 600 to \$ 800	15 trainings	5 trainings * \$600/\$800 * 3 countries	\$3 000	\$3 000	\$4 000		\$10 000	\$1 000	\$1 000	\$1 000	\$3 000
Advertising				\$3 000	\$3 000	\$4 000		\$10 000				\$0
Printing of Quest. & Manuals				\$3 000	\$3 000	\$6 000		\$12 000				\$0
Pre-test of Questionnaire				\$3 000	\$3 000	\$3 000		\$9 000				\$0
B. Data Collection Stage				\$41 000	\$35 000	\$53 000	\$6 000	\$135 000	\$4 470	\$8 995	\$13 245	\$26 710
Enumeration: Salaries (445 Pers.*25 days*\$12)	\$445	234 persons	234 persons (Jordan 74, Palestine 61, Egypt 99) * \$445 * 1 month	\$33 000	\$27 000	\$44 000		\$104 000	\$2 225	\$6 750	\$11 000	\$19 975
Vehicles for the field collection of data	\$415	36 Vehicles	12 vehicles *5 days* \$83 * 3 countries	\$5 000	\$5 000	\$5 000		\$15 000	\$1 245	\$1 245	\$1 245	\$3 735
Field Editing	\$1 000	10 persons	3/4 persons * \$1000 * 3 countries	\$3 000	\$3 000	\$4 000		\$10 000	\$1 000	\$1 000	\$1 000	\$3 000
Travel of personnel	\$2 000	3 missions	3 missions * \$2000				\$6 000	\$6 000				\$0

C. Data Processing				\$7 000	\$7 000	\$12 000	\$0	\$26 000	\$2 000	\$2 000	\$2 000	\$6 000
Data Encoding	\$1 000	16 persons	4/8 persons * \$1000 * 3 countries	\$4 000	\$4 000	\$8 000	\$0	\$16 000	\$1 000	\$1 000	\$1 000	\$3 000
Editing and validation	\$1 000	10 persons	3/4 persons * \$1000 * 3 countries	\$3 000	\$3 000	\$4 000	\$0	\$10 000	\$1 000	\$1 000	\$1 000	\$3 000
D. Data Release Stage				\$6 000	\$6 000	\$7 000	\$12 000	\$31 000	\$2 000	\$2 000	\$2 000	\$6 000
Tabulation	\$1 000	10 persons	3/4 persons * \$1000 * 3 countries	\$3 000	\$3 000	\$4 000		\$10 000	\$1 000	\$1 000	\$1 000	\$3 000
Report Writing	\$ 2000/ \$ 1000	3 writers and 3 proof readers	1 writer (\$2000) + 1 proof reader (\$1000) * 3 countries	\$3 000	\$3 000	\$3 000	\$0	\$9 000	\$1 000	\$1 000	\$1 000	\$3 000
Workshop on the survey results and lessons learned	12000	1 workshop	1 workshop for all three countries	\$0	\$0	\$0	\$12 000	\$12 000				\$0
Sub-Total by Country				\$79 000	\$72 000	\$104 000	\$104 000	\$359 000	\$13 470	\$17 995	\$22 245	\$53 710
Sub-Total								\$359 000	\$13 470	\$17 995	\$22 245	\$53 710
Project Evaluation (4%)								\$14 360				
Programme Support Cost (13%)								\$48 537				
Grand Total								\$421 897	\$53 710			

ANNEX B: PROJECT IMPLEMENTATION GANTT CHART

Activity	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15
A. Preparation Stage														
Set-up of the Administration of the survey														
Questionnaire Design and Sample Frame														
Programmer														
Recruitment of personnel														
Travel of personnel														
Finalization of Quest. & Manuals														
Training														
Advertising														
Printing of Quest. & Manuals														
Pre-test of Questionnaire														
B. Data Collection Stage														
Enumeration: Salaries (445 Pers.*25 days*\$12)														
Vehicles for the field collection of data														
Field Editing														
Travel of personnel														
C. Data Processing														
Data Encoding														
Editing and validation														
D. Data Release Stage														
Tabulation														
Report Writing														
Workshop on the survey results and lessons learned														