

Improving national statistics in Kosovo

How the PPSE project helped the government improve data collection for the tourism sector

Case study

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1. Building capacities to collect statistical data in tourism

Statistical data is important because it provides information to stakeholders, enabling national and regional governments to develop policies. For example, tour operators and other private sector actors can use this information to develop their business plans, journalists may use the information for their research and the educational sector can use it to develop new curricula. In short, comparable, reliable and accurate data enables evidence-based decision-making, monitoring and progress measurement.¹

Kosovo, being a relatively new country, is not yet able to collect reliable statistical data. The European Union has developed several support programmes to assist the government to develop their capacity to collect it. Kosovo is committed to developing a system that meets the Eurostat standard, one of many requirements Kosovo needs to address in their long-term plan to join the European Union.

Box 1: Eurostat is the statistical office of the European Union. Its task is to provide the European Union with statistics at European level that enable comparisons between countries and regions. Eurostat provides support to non-EU countries and non-EU institutions that are looking to approximate their official statistics to EU and International statistical standards.

The lack of statistical data became apparent when the Promoting Private Sector Employment (PPSE) project analysed the tourism sector at the start of the project. The Ministry of Trade and Industries (MTI) had identified the tourism sector as a priority sector, and intended to develop policies to support tourism, for which it needed reliable statistical data. The Kosovo Agency for Statistics acknowledged that their present system did not meet Eurostat requirements, and expressed a willingness to improve their data collection system. PPSE decided to assist the Kosovo Agency for Statistics.

¹ Source: Eurostat at ec.europa.eu/eurostat/

2. Introducing the project and the sector

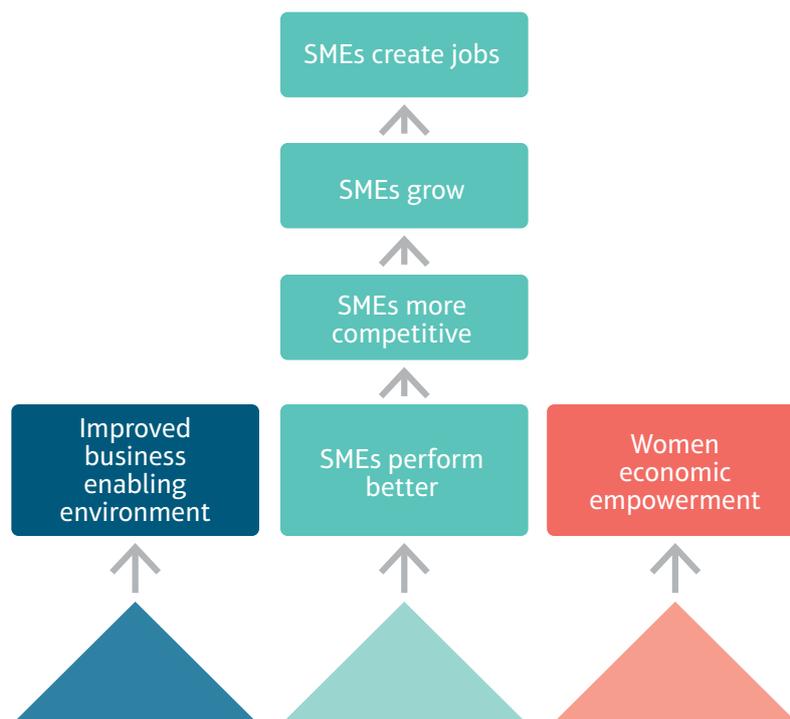
Introducing PPSE

The market systems programme Promoting Private Sector Employment (PPSE) aims to encourage sustainable employment for men and women in Kosovo. It partners with public and private partners to improve private sector competitiveness and sector growth in selected sectors.

PPSE is funded by the Swiss Agency for Development and Cooperation (SDC) and implemented by a consortium of Swisscontact, Riinvest Institute and PEM Consult. The present phase runs from November 2014 to November 2017, with a total budget of 5,979,915 CHF, of which some 460,000 CHF is available for interventions in the tourism sector. The project is also active in the food-processing sector and in cross-cutting themes such as governance, gender and minorities. The project aims to create 800 jobs (full time equivalent - FTE) by the end of the phase.

PPSE is staffed by a relatively small team of experts, two staff members per sector, supported by two monitoring and results measurement (MRM) experts. In tourism, PPSE has implemented six interventions to date.

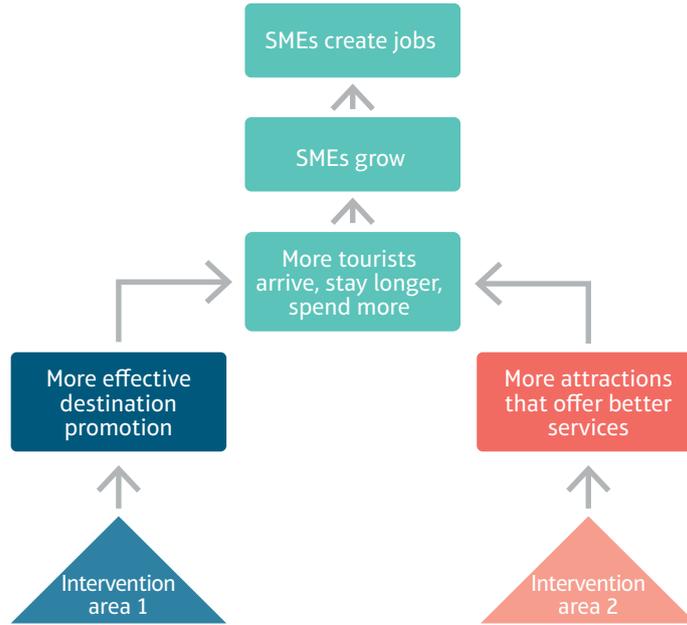
Figure 1: PPSE's intervention logic



Introducing tourism

Tourism is a relative small and emerging sector in Kosovo, but with potential for growth. The key constraints are the limited menu of tourist attractions (things to see) and activities (things to do), coupled with poor quality facilities, poor services, limited marketing, and low efforts and efficiency in destination promotion.

Figure 2: PPSE’s intervention logic for the tourism sector



The project has so far targeted Western Kosovo, although a number of interventions also promote Kosovo as a whole. At present, PPSE is investigating if and how to expand its coverage area. Western Kosovo is a mountainous area, with potential for many outdoor activities. Most interventions aim to increase the range and quality of tourist attractions in the region.

Figure 3: PPSE’s focus for tourism is Western Kosovo



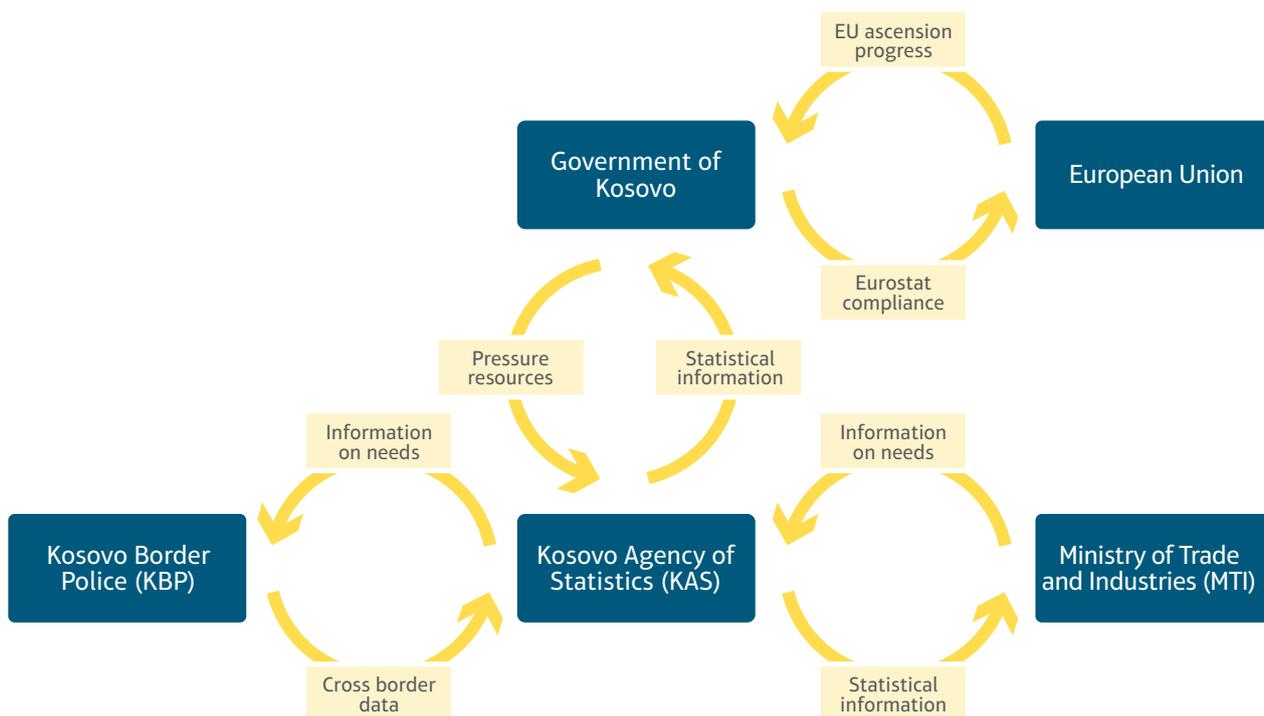
3. Developing capacity

Why PPSE assisted the Kosovo Agency for Statistics

The mission of the Kosovo Agency for Statistics (KAS) is to provide statistical information to its stakeholders. One of these is the Ministry of Trade and Industries (MTI), which needs reliable data to make evidence-based decisions. KAS consists of a small team of experts at head office, with regional representation. It collects data from businesses active in the tourism sector. In practice, data is collected from a limited number of hotels and it is often incomplete. In addition, a considerable number of hotels are not included, and the data of those that are is not always obtained in line with Eurostat requirements.

KAS doesn't provide information on the number of tourists visiting Kosovo. The Kosovo Border Police (KBP) collects and processes data on arrivals and was in the process of improving their IT system. This provided an opportunity to include the KBP as a provider of data for the KAS. MTI, in principle a user of the data produced by KAS, was willing to contribute with their expertise and network to develop a system that provides the data it needs.

Figure 4. The business model reflecting the incentives for each actor



PPSE's interventions in the tourism sector aim to create impact in terms of creating increased incomes and jobs. This intervention aims to build the capacity of KAS, and although important for the tourism sector as a whole, it will not lead to additional incomes and jobs in the short term. PPSE will thus monitor and measure results up to outcome level only, and not aim to assess the impact of the intervention itself in terms of income and jobs.

How PPSE developed the intervention

PPSE searched for a regional expert on tourism and Eurostat to conduct an assessment of the existing KAS system for tourism. The contracted consultant conducted the assessment in January 2016, identified the gaps and outlined how these could be addressed. These findings were then shared and a potential partnership was discussed.

"Experts from the Balkans usually have a better understanding of the local context, they 'connect' effectively" - Ddren Zatriqi, PPSE

Much of the discussion centred around 'who pays - who does'. Although MTI has a clear stake, it is not able to fund KAS directly: existing government budgets and mechanisms (are supposed to) cater for that. MTI's involvement was limited to providing information on what it needs, and providing technical assistance to KAS.

The KBP, once informed of the needs, would be then able to include the additional questions and process them in its new IT system. KAS, responsible for the implementation, faced severe resource challenges. PPSE funded the development of the data collection system for this

"We need data from KAS to develop policies, to know the importance of the tourism sector. Eurostat compliance is the driver. Kosovo is missing in the UNWTO and WTTC systems" - Valbone Dushi, MTI

first step of collecting accommodation data, i.e. a registry of all accommodation providers. PPSE organised and co-financed the training of staff, and co-financed the first accommodation survey. Once the accommodation map is complete, KAS will regularly collect domestic tourism data from these

accommodation providers. MTI, KAS, KBP and PPSE signed the agreement in April 2016. The PPSE contribution was 8,576 Euro, excluding the costs of the consultant to train and backstop the partners.

How PPSE implements and monitors the intervention

The intervention started with a five-day workshop for KAS, KBP and MTI. The training focused on Eurostat definitions and requirements and took a participatory approach. The survey questionnaires were developed with the participants during separate sessions with relevant representatives from KBP and KAS regional offices. After the workshop, each partner finalised the process, backstopped by the consultant.

KBP will provide monthly aggregated data on international arrivals through their new IT system to KAS. This will provide KAS with basic information like the number, reasons, duration and origin of international and regional arrivals.

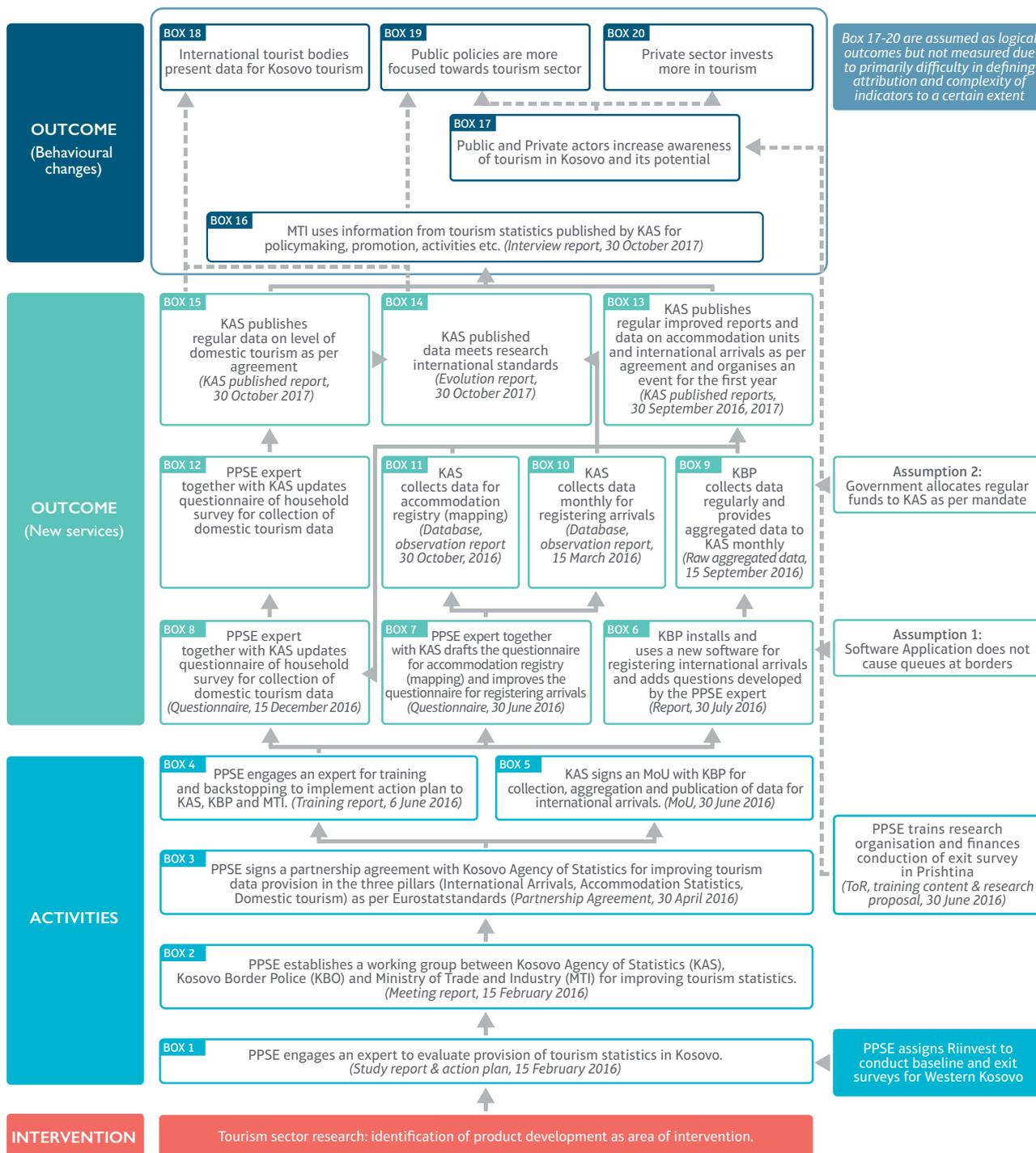
KAS will conduct the first comprehensive accommodation registry in autumn 2016. This will improve the existing registry of just 100 hotels to national coverage of all types of accommodation providers. Once updated, the regional based enumerators will shift from the existing periodic 'household surveys' to the newly designed household survey that meet Eurostat requirements. During these household surveys, the enumerators collect information from accommodation providers on their visitors such as their origin, the duration of their stay, as well as occupancy rates of the hotels, among others.

"We are not experts, so we need expert support. We plan for these experts to be involved over a longer period and playing different roles: to assess the situation, to transfer knowledge and to backstop the actors during the implementation. We assess their ability and interest to play these roles." - Sigrid Meijer, PPSE

As a result, KAS will report more frequent, more accurate, complete and reliable data to its stakeholders. MTI, one of the major stakeholders, will use the information for decision-making. MTI will also ensure that stakeholders in the tourism sector have access to the reports.

The intervention logic is reflected in the results chain below. The results chain is the core of PPSE's Monitoring and Results Measurement (MRM) system, based upon the DCED Standard.

Figure 5: The draft results chain for the intervention



PPSE has defined indicators for each box and monitors them closely. For example, the speed of signing the agreements (box 3 and 5, in Figure 5) informs PPSE about the degree of stakeholder commitment. In this case, signing was done extremely fast. PPSE intervention managers observed the training; they were present most of the time, and had onsite interviews with various participants during the week to gauge understanding and progress (box 4 in Figure 5).

“As an intervention manager you need to monitor intensively. That avoids unpleasant surprises later.” - Blerina Batusha, PPSE

PPSE will hold frequent discussions with KAS, KBP and MTI staff and observe enumerators in the field occasionally (box 9 to 16 in Figure 5). The backstopping consultant will provide regular information to the progress and more technical aspects.²

Typical implementation challenges

Incentives. KAS regional staff has a mixed composition. Some of the younger staff realised the importance of the data collection and became very enthusiastic. Some of the ‘old hands’ were sceptical whether it was actually possible to obtain information from the accommodation providers. KAS introduced a token-fee per completed questionnaire for the registry survey for the enumerators to incentivise them – as a token of appreciation for the additional workload.

Sampling. The present sample of 100 accommodation providers is not representative. It is the result of an incomplete inventory for which a (misleading) 100 per cent coverage is reported every quarter. The new inventory will include all types of accommodation providers, and will include some 300 - 400 hundred respondents. That would increase the workload drastically, yet 100 per cent coverage is not required. Clever sampling and timing can reduce the number of respondents, while the means of collecting can be improved to reduce workloads: from on-site interviews to interviews by phone, to email and to online forms to be completed by the accommodation providers.

Verification. KAS samples a small number per enumerator to verify if the information is correct. Enumerators are aware of this, and realise that questionnaires need to be completed accurately. Tips were given to enumerators to cross-check the information provided by the respondents, such as cross-checking with their websites and advertisements in local media.

Resistance to change. The enumerators collect the ‘household’ data on a monthly basis. However, processing by the head office is done quarterly, mainly because most of the processing is done manually. Although information technology would speed up the process, internal desire and ability to implement IT solutions is lacking. Hence the approach was taken not to enforce IT upon the staff but allow KAS to address this ‘later’: one change at a time.

Resistance to provide information. Accommodation providers were initially reluctant to provide data to enumerators. Many of them were afraid that it would lead to repercussions such as the information being used by the taxation department. Initially KAS provided ‘a letter’ explaining that accommodation providers were obliged by law to provide the information. However, it will be more effective if MTI plays a more active role: they cannot only explain why the information is important, they are also more powerful to ensure it is provided.

Dissemination. Statistical data is collected. Initially, KAS was expected to organise an event to disseminate its first report on tourism statistics. However, KAS is not a stakeholder in the tourism sector. Therefore MTI will be part of the event, identifying and inviting key players to attend, analyse the findings, formulate key messages, and make the reports available on their websites.

² At the time of documenting this case, the training had taken place, and KBP and KAS have only recently started to collect the data.

PPSEs practices improved

To date PPSE has outsourced many surveys in the tourism sector. These surveys have a different character and purpose than national surveys: they not only collect data that reflects the status quo, but also analyse what is changing, and why.

PPSEs survey methodology and questionnaires have been reviewed by the consultant. Suggested changes will improve the survey results and provide better comparable data. Most of those improvements link back to Eurostat definitions, for example better definitions to distinguish between domestic, regional and international tourists, and tips on how to develop a practical sampling frame.

“Developing surveys is easier when you have access to external experts that are not only experts in their field (in this case Tourism) but that are also experts in data collection systems (in this case Eurostat)” – Fisnik Bajrami, PPSE.

PPSE’s research firms have been familiarised with survey techniques in the tourism sector by the consultant. PPSE outsources surveys locally. Although many firms have a good reputation, few if any have solid experience in conducting such surveys. The external expert gave a one-day workshop to interested research firms to familiarise them with tourism survey techniques. PPSE, regularly calls for tenders and expects to receive better proposals and thus better surveys.

Box 2: Business numbers Obtaining information from business owners on their revenues is always challenging given the sensitive character. PPSE’s research firms collect basic information from the respondents, and then calculate the resulting turnovers. They ask accommodation providers how many beds were ‘sold’ for each of the months, then multiply that with the average price. The price is verified with e.g. websites, brochures, and advertisements. The number of beds sold is triangulated with information from the local tax departments. Restaurants owners are asked to rank their top five dishes, and to estimate how many customers they served in a day/week/month. The resulting number of consuming customers is then multiplied with the average price per dish to estimate their turnover.

Conclusion

Complementary. The intervention described here is only one of many PPSE’s interventions. It does not lead to direct impact that PPSE can report to its donor. It leads to capacity at national level to collect data, for public and private actors to use the information for policy and business development. PPSE will also have access to the information produced by KAS, which will complement the research done by PPSE; a rich source for data and triangulation.

Effective partnerships. PPSE created a partnership between public actors, based on expert analysis of tourism and statistics. PPSE formed that partnership based on incentives and willingness to cooperate. Making effective use of ongoing processes, such as the IT improvement process at KBP, made implementation easy. Acknowledging change processes, such as resistance to change at KAS, made it an achievable goal within a short period.

The proof of the pudding is in the eating. The intervention is ongoing, hence outcomes are only expected in 2017. An update of this case study in 2017 would provide more lessons learned.

