Data Ecosystem
Villain of the Development Narrative

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Key findings

- **C**oncerns are valid regarding the quality and reliability of public data

- **D**isconnect between development narrative and policy responses, including ability to monitor the smooth transition from LDC group

- **C**redibility of development narrative to the international community at stake

- **E**conomists have highlighted the misalignment for some time now

- **P**olicymakers of the past regime blindfolded themselves by continuous manipulation of key statistics and creating an atmosphere of fear and control that caused permanent damage to the professionalism, integrity and accountability across the data ecosystem

Key findings

- **M**ismatch between GDP data and proxy indicators – for the period of 2015-2019, 3.7 percentage points of growth could not be explained by the structural drivers

- **A**bout half of the GDP estimates do not consider real-time data - a significant part of the country's value addition is downwardly rigid

- **M**ismatch between official inflation rates and lived realities – not publishing price data further dampens credibility as independent data sources reported higher prices

- **O**utdated methodology used for labour force surveys that overstated labour force participation and employment (double for females), while understated unemployment and number of youth not in employment, education or training (compared to ILO's latest methodology)

Key findings

- **R**eported poverty decline misaligned with other indicators, e.g., food security – WFP is conducting a field verification survey to update the poverty estimates

- **R**eport titled "A National Multidimensional Poverty Index (MPI) For Bangladesh" has not been published for years, allegedly due to a lack of political buy-in as the MPI poverty rate (head-count ratio) was found to be higher than the official poverty rate (head-count ratio based on cost-of-basic-needs)

- **C**ontroversies remained on population -

- **C**oncerns regarding the quality of agricultural production data are of paramount importance as agriculture field offices allegedly influence

Key findings

- **D**ata related to power production capacity and energy reserves are often believed to be overestimated

- **E**stimations of economic and financial returns for public investment projects conducted during feasibility studies are either intentionally manipulated or not conducted at all, particularly during revisions of timeframes and budget allocations

- **O**verestimation of export receipts and foreign exchange reserve data has led to a significant burden in macroeconomic management

- **R**epressed NPL data were used to camouflage the wounds of a broken financial system

- **E**xternal public debt data and its projections are also not credibly estimated

- **P**ublic expenditure data for critical areas such as social protection programmes is lacking

Key findings

- **F**iscal data is rife with contradictions from various sources, while the most reliable source, iBAS++, is not readily available for wider stakeholders, including policymakers – hence, revenue mobilisation, ADP expenditure and budget deficit data are not transparently monitored

- **W**hile SDG data availability improved, the availability of disaggregated data is still wanting

- **P**olitical policymakers took a special interest in GDP figures and surely made strong influences - data releases for multiple years were subject to maintaining the level of "satisfaction"

- **P**olitical influence is now widespread as data release now has to pass the administrative nod

- **D**elays in releasing data and reports have been deliberate at times in order to contain sensitive information

Key findings

Three core challenges of data eco-system

- **Capacity deficit**

technical capacity, oversight of Statistics and Information Division, lack of institutional budget allocation

- **Coordination failure**

Coordination lapses and lack of lack of interoperability of data

- **Collusive behaviour with political compulsions**

lack of operational autonomy, lack of integrity in the selection of technical expert committee members, collusive behaviour within

An update on the policy context and actions

- BBS has reported a few indicators with updated ILO methodology for the lastest round of LFS

- NBR has started reporting revenue mobilisation data following iBAS ++

- Gradual move towards international standard and forensic audits of troubled commercial banks is revealing the true non-performing loan data

- SID (and BBS) have shared a few reform proposals with the government

- BBS proposes to recreate new technical committees but largely following old methods

- SID has initiated discussions on how to improve national accounts data

- Overall, the recognition of the structural fault lines in still missing

Recommendations for reform

Create a pathway for reform

- Establish an *Independent Expert Committee for the Review and Reestimation of National Data Series (independent of the current bureaucracy and high-powered) with whom BBS officials should work*

- BBS should form independent technical committees to oversee and validate methodology and data before release and come out of administrative approval

Recommendations for reform

Prepare and implement plans

- Map data needs, make data readily available, enhance data coverage and ensure disaggregation

- Develop a Data Quality Assurance Framework to ensure alignment with global quality standards

- Formulate a data dissemination policy

- Utilize the Right to Information (RTI) Act

- Introduce statistical cells within agencies to provide data-related assistance

- Seek to secure funding to support core data generation needs through national financing plans

Recommendations for the budget and beyond

Invest in capacity

- Move away from project centric approach;

- Increase budget allocations and investments in modern data collection tools, digital platforms, interactive portals, in-house staff training, more frequent surveys, and alignment with globally recognised frameworks and best practices

Improve coordination

- Establish effective frameworks for data sharing between government agencies;

- open up big data from state agencies for research and business development

- integrate non-state entity and citizen generated data into NSS

Recommendations for the budget and beyond

Ensure independence

- BBS may be transformed into an Independent Statistical Commission, free from political influence and reporting directly to the President

- The commission will oversee data generation, ensure alignment with international standards, investigate discrepancies, and harmonize national data with global standards

- This initiative would create a robust data ecosystem that supports evidence-based policymaking and elevates the global credibility of Bangladesh's economic statistics, ultimately benefiting the nation's development and growth.

Thank You

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