Tracking progress towards achieving industry-related targets of SDG-9

4th Expert Meeting on Statistics for SDGs
„Use of statistics for SDGs - beyond indicators“
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Petra Kynclova
UNIDO, Statistics Division
Role of UNIDO Statistics Division in SDG monitoring

- Collection of national data
- Compilation of regional and global aggregates
- Maintenance of the SDG-9 data platform
- Publication of thematic report on inclusive and sustainable industrialization
- Interaction with NSOs and providing technical assistance
## SDG indicators and national data sources

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The SDG-9 index
Composite measure on tracking progress towards SDG-9 industry-related targets

• It captures 5 industry-related indicators of Goal 9
  • 9.2.1, 9.2.2, 9.4.1, 9.b.1

• Data coverage
  • 128 economies in 2000-2017

• Top 5 ranked in 2017
  • Ireland, Taiwan Province of China, Switzerland, Germany, Republic of Korea
Measuring progress towards inclusive and sustainable industrialization
SDG Targets

9.2 Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry’s share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries

Indicators

9.2.1 Manufacturing value added (share in GDP, per capita)

9.2.2 Manufacturing employment, in percent to total employment

What are the prospects of LDCs to reach the SDG target 9.2?
Baseline - Manufacturing in LDCs

How to drive the successful industrialization in LDCs? What are drivers to improve the chance of achieving the targets?
Forecasting the share of manufacturing in LDCs

Considered Variables

• Driving factors of Industrialization (mainly based on Haraguchi et al., 2019 & Newman et al., 2016)
  • Investment (gross capital formation, foreign direct investment, ...)
  • State of industrial development (MVA/GDP, employment, ...)
  • Economic and political stability (REER, regime change, ..)
  • Social aspects (years of education, age dependency ratio, ..)

• Selected variables for statistical model:
  • Investment (FDI per capita, gross domestic savings)
  • Macroeconomic stability (interest payments on foreign debt)
Forecasting the share of manufacturing in LDCs

Chosen Variables

• Overall
  • Data availability
  • Problem of aggregation
  • Some variables more important in later stages of industrialization

• Foreign Direct Investments (positive impact on MVA)
  • Investment for capacity building assuming sound policy plan
  • Indicator of secure business environment

• Gross Domestic Savings (positive impact on MVA)
  • Linked to domestic investment

• Interest Payments on External Debt (negative impact on MVA)
  • Fiscal ability to strengthen industry
  • Indicator of macroeconomic stability
Forecasting the SDG target 9.2 in LDCs
Forecasting the SDG target 9.2

African LDCs

Manufatured Value Added (MVA) share of GDP (%)

- Available Data
- To reach SDG 9.2
- Forecast

Asian LDCs

Manufatured Value Added (MVA) share of GDP (%)

- Available Data
- To reach SDG 9.2
- Forecast
Work in progress: SDG-9 tracker

- A new interactive tool to help Member States tracking their progress on SDG-9 industry-related targets and indicators
- The SDG-9 tracker will be presented as a component of the existing UNIDO’s Industrial Analytics Platform (IAP)
  - SDG-9 country profiles
  - Compare countries’ performance
  - Indicate countries’ progress, if they are on track to achieve corresponding SDG-9 targets
- The methodology is being developed with a support from UN ESCAP
Example: Kyrgyzstan
Current Status Index and Achievement Likelihood

Current Status Index, Kyrgyzstan
Targets based on the top growth rates in Central Asia (M49) and Southern Asia (MDG-M49)

Achievement Likelihood, Kyrgyzstan
Targets based on the top growth rates in Central Asia (M49) and Southern Asia (MDG-M49)

- **MVAsh**
- **MVApC**
- **MHT**
- **EMPL**
- **CO2**

Current target value based on most recent available data.
Ways towards better SDG-9 monitoring

• Strengthening partnerships with NSOs in data collection
• Supporting Member States to improve monitoring the SDG target 9.3 on “small-scale industries”
  • Strengthening partnerships with NSOs
  • Methodological guidance and technical cooperation
• Developing e-learning materials
  • Data collection, analysis and reporting for SDG-9 indicators
• What will be the impact of the COVID-19 pandemics?
Thank you for your attention

UNIDO Statistics Division
stat@unido.org
p.kynclova@unido.org