UNIDO proposal to the IAEG-SDGs to revise the Tier classification of indicators – 9.3.1 and 9.3.2

from Tier III to Tier II

The 5th Meeting of the IAEG-SDGs, 28-31 March 2017
The target 9.3 states to “increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets”.

Reason for Tier III: Lack of common definition, lack of data
Definition proposed by UNIDO

A small-scale industrial enterprise is an independent, non-subsidiary enterprise engaged in production of goods and services with less than 20 persons employed.

• In line with SNA and the World Bank definition applied to enterprise surveys
• the OECD database Structural and Demographic Business Statistics (SDBS) disaggregates the data by size class: 1-9, 10-19, 20-49, 50-249, 250+ persons employed

• The purpose of this definition is NOT to replace existing national definitions but to work out a common definition sole for the purpose of international comparison.
Consultation with Member-states and custodian agencies

• Proposals sent for comments to several NSOs and international agencies including members of the IAEG-SDGs

• We received comments which mostly agreed with proposals

• Important issues
  • Independence
  • Sectoral coverage
  • Informal sector
  • Scale of various country definitions
Data availability

- 9.3.1 - the proportion of small-scale industries in total industry value added
  - UNIDO INDSTAT database – manufacturing sector
  - OECD Structural and Demographic Business Statistics (SDBS) - by industry

- 9.3.2 - the proportion of small-scale industries with a loan or line of credit
  - World Bank Enterprise Surveys - manufacturing and services
Technical assistance programme for data collection

• UNIDO has an existing technical assistance programme for developing countries
• Data are collected for more than 10 persons engaged
• Proposal on small-scale industries has been developed
  • Data collection from existing national sources
  • To conduct surveys in LDCs where no data are available