The experience of Mexico as result of the collaboration in the Trilateral Steering Committee on NAICS and NAPCS

2nd Sprint: Experience of the Trilateral Steering Committee on the revision of the North American Industry Classification (NAICS): A practical success of collaboration

November 29th, 2023
Outline

• Updating the Sistema de Clasificación Industrial de América del Norte, México SCIAN

• Cycle to update the economic statistics produced by INEGI

• SCIAN in the National System of Statistical and Geographic Information (SNIEG)
Updating the Sistema de Clasificación Industrial de América del Norte, México SCIAN
Sources for updating SCIAN México

- INEGI’s statistical programs
- User’s requirements
- Contributions from North America
- International trends and best practices
- Censuses, Surveys and Statistical records
- Public Consultation
- Discussions with Canada and the United States
- International recommendations

SCIAN México 2023 is the last version and it is available in: https://www.inegi.org.mx/scian/
Contributions of the Public Consultation to SCIAN

The Public Consultation is carried out in five-year periods, and it is based on the SCIAN current version to receive insights and suggestions from users, which are analyzed and selected to determine the following:

• Proposals that affect trilateral agreements. They are discussed at the Trilateral Steering Committee (TSC)
• National detail proposals that may be shared with the TSC but are out of the trilateral discussions

The proposals that proceed will result in the new version of SCIAN
The Economic Census is the most complete and detailed source of basic economic information in Mexico. Therefore, the Census show the most recent economic structure and it is crucial for maintaining the Statistical Business Register of Mexico, and especially for identifying changes in the economic activities which are also useful to update the following version of SCIAN.
Relevance of INEGI’s High Level Group to analyze the impact of changes in SCIAN

This Group is aimed to analyze the proposals for updating SCIAN and agreeing them with the Trilateral Steering Committee, likewise, is responsible to approve the new version of the Classification in a collegiate manner as well as to leverage its implementation in the economic programs of INEGI
Cycle to update the economic statistics produced by INEGI
Guidelines on the Cycle to update the economic statistics

The Guidelines on the Cycle to update the economic statistics were approved by INEGI’s Governing Board in 2015, and they imply that all economic programs of INEGI must elaborate each five years a plan for implementing the updated version of SCIAP, and producing statistics with the economic structure which is reflected in the revised classification.

These Guidelines establish particularly the rules to update the base year in business surveys, price indices as well as in national accounts through the revision of weighting structure in the economic activities, and for this purpose the information provided by Economic Census is determinant.
Economic Programs which are part of the Cycle

Statistical Business Register of Mexico (RENEM)

System of National Accounts (SCNM)

Business Surveys (EEN)

Price Indices (INPP and INPC)

Use of Administrative Records
SCIAN in the National System of Statistical and Geographic Information (SNIEG)
Use of SCIAN by government agencies

Since 2009, the Sistema de Clasificación Industrial de América del Norte, Mexico SCIAN is mandatory for its use by the government agencies in the compilation, analysis and dissemination of economic statistics.

It was established officially within the National Statistical and Geographic Information System (SNIEG by its Spanish acronym). Likewise, for supporting the implementation of SCIAN, INEGI has organized various meetings and training sessions with federal and state agencies as well as with several municipalities.
Advantages of using SCIAN in the SNIEG

Example of implementing SCIAN in the administrative records of the Federal Electricity Commission, CFE (public enterprise responsible for providing electricity in Mexico)

- Linkage of the Statistical Business Register with the records of the largest enterprises consuming electricity, based on their revenue and SCIAN activity sector
- Given the high correlation between electricity consumption and the gross value of production in manufacturing enterprises, a linear regression model was developed to estimate the evolution of manufacturing activity. This estimate is the Monthly Timely Indicator of Manufacturing Activity
Dissemination of SCIAN in the National Statistical Directory of Economic Units (DENUE)

The SCIAN code is one of the variables published in each establishment and it is useful for economic analysis carried out by government agencies.
Actions for strengthening the implementation of SCIAN

Institutional arrangements and work programs among INEGI and government agencies

Technical support

Training

**ASSESSMENT**

Specific guidelines for implementing SCIAN in the SNIEG, which establish how to apply the classification system and the follow up on agreed actions (still in development)
For questions or comments, please contact:

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THANK YOU!