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**Revision of Industrial classification of all economic activities and product classification
of AFRISTAT Member States**

Afristat



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Abstract

The aim of this paper is to answer the following questions: Why does AFRISTAT revise its classifications of activities and products? What methodology of revision did it adopt? Which strategy to ensure the success of the implementation of revised classifications?

The update of AFRISTAT classifications is justified by the adoption of the ISIC rev.4 and the CPC Rev.2 by the United Nations Statistical Commission (UNSC) in 2008. These international standards were always used as reference to conceive AFRISTAT classifications.

The methodology of revision adopted is guided by some main lines in particular the respect of African specificities while being in conformity with the ISIC Rev.4 and the CPC Rev.2, avoid a complete recasting of the previous classifications to facilitate reconstitution of the statistical series; but also remaining opened to the new needs for the States and sub regional organizations.

A working group which includes experts of AFRISTAT and international consultant is charged to propose a first draft of revised classifications which will be used as background document of work for the group of the national and international experts national during the workshop of validation which will be organized. This document will be accompanied by the explanatory notes in order to facilitate the use of it. The statutory staff of AFRISTAT will adopt the revised classifications by a regulation.

The strategy of implementation of the revised nomenclatures is based on a double approach: a direct technical support to the States, and the organization of targeted workshops to take account of specificities of the countries. But this implementation should only be effective by mobilization of the resources on the level of partners and countries. Coordinated actions should be done between the various technical and financial partners.

Introduction

AFRISTAT is an international organization created in 1993 with aim to contribute to the development of statistics in its Member States and beyond. With its preoccupation of harmonization and economic integration, it implemented a program of harmonization of methods and tools. Thus AFRISTAT harmonized industrial classification of all economic activities and product classification for his member states.

At the end of the Nineties, AFRISTAT worked out for its Member States Industrial classification of all economic activities (NAEMA in french) and product classification (NOPEMA in french). Those were adopted in 2001 through a Regulation; they were conceived in reference to the international standards, in particular International Standard Industrial classification of all economic Activities (ISIC, rev 3) and the Central Classification of Products (CPC), while taking of account specificities of its Member States.

The United Nations Statistical Commission (UNSC) adopted in 2008 ISIC, rev 4 and CPC Rev.2. It became necessary to take account of the recent economic changes.

Following this situation, AFRISTAT undertook to update these classifications of economic activities and products. The main objective of this revision is to adapt classifications (NAEMA, NOPEMA) by including innovations of the ISIC rev.4 and the CPC rev.2 while preserving as much as possible part of previous structure. This will facilitate the passage of the previous classifications to the news in purpose of reconstitution of statistical series.

To this end, AFRISTAT set up an open working group to lead this revision which is ongoing. This paper presents the context which justified this operation of revision, then the methodology use to lead revision, and the strategy planned for the implementation of the revised classifications.

1- Context and justification

Since years 2000, a new revision of the ISIC and CPC began under the initiative of United Nations with aim to take account the recent economic changes, in particular in the fields of the communication, information and financial. It led in 2008 with the adoption by the United Nations Statistical Commission the ISIC rev.4 and the CPC rev.2.

This fourth revision reflects better the structure of the current world economy; while highlighting the new activities, it also facilitates the international comparison by taking in account regional specificities.

AFRISTAT built its economic activities and product classifications by referring to the international classifications, it was necessary to their update. To this end, it set up a working group to lead this task. The working group includes the experts of AFRISTAT and an international consultant. It must propose a draft of revised classifications which will be used as background document of work of validation experts group which will include national and international experts. This draft will be accompanied by the explanatory notes in order to facilitate use of the revised classifications. This working group remains open to all the institutions and experts interested by this subject. A window is open on the site web of AFRISTAT for the various exchanges on this subject.

2 Methodology of the revision

The revision is done according to certain main lines and well defined phases.

2.1 Main lines of the revision

The revision is done with the following main lines:

- Work must lead to a draft:
 - conforms to the ISIC rev4 and the CPC rev2, thus integrating the economic changes;
 - in conformity with the African context, which implies to emphasize certain productions and more quickly to pass on some others;

- respecting the articulation between activities and products and confirming the presentation adopted to the previous version (published in series methods 3).
- Two objectives were added, owing to the fact that it is about a revision of an existing document:
 - a preoccupation of continuity of the series, a facilitation of the reconstitution of statistical series;
 - an accompaniment of the users by an operation in network.
- The draft must avoid being closed to the new needs of countries or sub regional organizations.

2.2 Phases of the revision

The operation of revision of classifications relates to many countries, which supposes to organize exchanges between the working group and the various users during the phase of revision. This will be important in aim to limit returns behind which are not very productive while work of validation.

The opening of this work of revision of the classifications was first announced inside AFRISTAT, and of course to the national statistics offices (NSOs) and organizations being able to be concerned. A report of implementation of previous classifications and current uses were requested from the principal users. These reports would make it possible to show difficulties encountered in the past and the suggestions for the future.

It is advisable to specify from the start what is constrained and what is adaptable. The 21 sections and 88 divisions of the ISIC rev4 will be the same except on the level of the heading (there is no official French heading) and, of course, the explanatory notes.

For the more detailed levels (groups and classes) and for the last level of the products all changes are possible. It is necessary to know how to combine preoccupation of continuity and introduction of the innovations before deciding to detail or not the headings with the constraints of the ISIC.

The national users must know now that when a draft will be available, they will be request to react on the project; then they will consult their colleagues and to ensure themselves of the downstream of their hierarchy. The first version should be rather preserving.

Methodology to carry out work by the working group includes two main stages: first to work on the sections and divisions which must imperatively be similar to the ISIC, rev4, and then on the groups and the classes where it should take account of regional specificities. The regroupings or the detail could be made there.

Classifications will have each time being accompanied by explanatory notes in order to facilitate comprehension and the use of them.

The stages of the process of the revision are planned as follows:

- work of revision in Bamako by the working group (April - August 2009);
- Transmission of the draft of classifications of activities and products to the Member States and regional organizations for remarks in the end of August 2009 until November 2009;
- Workshop of discussion and validation of the revised classifications in Bamako at the end of 2009 with representatives of member states and regional organisations;
- Presentation of the revised classifications to the statutory staff of AFRISTAT in 2010 for adoption through Regulation;
- In 2011 beginning of implementation of the revised classifications in the Member States.

3 Strategy of implementation

Following the adoption of the revised classifications by the statutory staff of AFRISTAT through a Regulation this framework of implementation will be defined. This framework has main objective to present the conditions of implementation, in the Member States. These conditions will be adapted according to the situation of each state.

The period planned for the implementation of the revised classifications will cover at least three years (2011-2014). To this end, this implementation will be done either by direct supports in the States, or by the organization of targeted workshops.

3.1 Approaches of intervention

The implementation will be done by direct supports in the States, either within the framework of conventions, or in response at the requests assistance of the States. It will be a technical support of national executives of the Member States in the adaptation of the classifications of AFRISTAT to their local framework. These direct supports result mainly in the realization of missions in the States, and also the realization of remote work via Internet. All the Member States of AFRISTAT are concerned. These direct supports will be carried out by the experts of AFRISTAT or the consultants.

AFRISTAT should also intervene by organizing targeted workshops to take account specificities of the States in their needs in the implementation for the revised classifications. The workshops should concern countries with the similar characteristics in their process of update of the classifications.

In order to help the States in the reconstitution of their statistical series following the adoption of the revised classifications, AFRISTAT plans to organize workshops of training in methods of reconstitution of statistical series.

3.2 Conditions of implementation

As an institution of building capacity of the Member States, in charge of harmonisation of the methodological tools, AFRISTAT will provide a technical assistance to the States in the implementation of the revised classifications. This assistance will be made through the program of the interventions of AFRISTAT register in its action plan. Adequate financial resources should be mobilized to lead these activities.

The States should mobilize a minimum of human and financial resources to create prerequisites conditions of adoption of the revised classifications.

An estimated calendar of the interventions of AFRISTAT will be set up.

Conclusion

The revision will consist in adapting classifications (NAEMA, NOPEMA) by including the innovations of ISIC rev.4 and CPC rev.2 while preserving as much as possible part of previous structure. This will facilitate the passage of the previous classifications to the revised for the work of reconstitution of the statistical series. The implementation of the revised classifications which will be spread out over a short or long period according to the situation of the States should start following the adoption of a Regulation planned for 2010. It will require the mobilization of the resources by the partners and the countries. AFRISTAT will bring to its Member States all the technical assistance necessary with the support of the partners. Coordinated actions should be done between the various technical and financial partners.

Appendices

Appendix 1: Role of AFRISTAT

Background

Following big difficulties of the national statistics offices for satisfying the demand of data which government need for monitoring its economic and social development, the Ministers of Economy and Finances of fourteen countries of the “ Zone Franc” (monetary area) decided to create in September 1993 an Economic and statistical Observatory of sub-Saharan Africa (AFRISTAT). This organization includes now twenty African States. It is financed by funds of capitalization supplied by the Member States and other financial partners.

Main missions

The main mission of this organization consists in bringing to the Member States support necessary to the development of the strategies and the building capacity of the national statistical systems. It can be declined in four main orientations:

- To build basic tools (minimal framework) for the development of the statistics.
- To develop coherent and effective statistical systems.
- To answer at the requests of information for the design, the implementation and the monitoring and reporting of the development policies.
- To ensure the permanent training to the national executives in fields of processing and dissemination of statistical data.

Score of activity

At the space level its score of activity goes beyond the Member States because AFRISTAT brings also assistance to non members States through regional projects. Indeed, the activities of AFRISTAT also relate to the harmonization of the statistical data necessary to the policies of sub regional economic integration.

Framework and strategies of intervention

In order to permit its Member States to improve their production of reliable and useful statistical data, AFRISTAT adopted in 2000 the common minimum statistical Program (PROSMIC in french), framework of reference for the development of the statistics for the period 2001-2005. This framework was structured around six priority fields: statistical coordination, national accounts, economic and social economic situation, dissemination of statistical data, and statistics for the follow-up of the living conditions of the households and poverty, and agricultural data.

At the end of the PROSMIC, a new framework of work was installed: the Strategic Programme of work of AFRISTAT over the period 2006-2010 (PSTA in french). Its main objective is triple:

- to help each Member State in the formulation, the implementation and the monitoring of a national strategy of development of statistics in harmony with the other national strategies of development;
- to be a source of inspiration of the national statistical systems for the construction of their national strategies of development of statistics (NSDS);
- to give AFRISTAT a new management tool.

The PSTA is a federator framework of all the initiatives of statistics development in the Member States of AFRISTAT. The action plans which result from this are flexible and slipping in order to take account of the changes in the States.

The activities of the PTSA relate to six main ways:

- Technical assistance in the fields of the institutional organization and training;
- Support for the development of the information systems for the monitoring of strategies of fight against poverty and the implementation of the Goals of the millennium for the development;
- Support for the production of macroeconomic data;
- Development of socio-economic data bases;
- Applied research and studies;
- Improvement of the resources of intervention of AFRISTAT.

AFRISTAT has three kinds of methods to intervene: direct assistance to the States; animation of the network of the national statistics office (NSO) through meetings of groups of experts; realization of projects on behalf of the partners, for the States.

The new program of work of AFRISTAT over the period 2011-2015 under development will have just as easily to fall under the continuity of the precedents that from the point of view of the innovation of its interventions. Continuity means the maintenance of the main actions engaged since the starting of the activities of AFRISTAT i.e. to lead the Member States to reach a high level of development of statistics through programs and joint projects. The innovation must be included like the development of the alternative working methods to improve the statistical production in the Member States, but also like the introduction of new fields of work in the national strategies of development of statistics (NSDS)

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Appendix 2: Table of correspondence between the revised and previous classifications (number of headings)

ACTIVITIES	ISIC rev3	NAEMA	ISIC rev4	Draft NAEMA Rev.1
Sections	17	17	21	21
Divisions	60	60	88	88
Groups	161	149	238	160
Classes	292	262	419	282
PRODUCTS	CPC	NOPEMA	CPC rev2	Draft NOPEMA Rev.1
Catégories	1811	573	2600	670