

International and Indian Statistical System

M. Pal

Syllabus

- **Syllabus:**
- **International Statistical system:** Overview on Sectoral statistics and other economic Statistics: Standard International classifications used for compilation of economic statistics – International Standard Industrial Classification (ISIC Rev.).
- **Administrative data, Business Registers Overview of Sectoral Statistics:** Agriculture, forestry, fisheries; Mining, Manufacturing, Energy & construction, Domestic Trade and Transport, Banking, insurance, financial statistics, Government finance statistics, and Services sector statistics. Employment & Labour, Prices, Merchandise trade statistics and Statistics on International Trade in Services, System of National Accounts.

The International Statistical System

The International Statistical System

- The modern system of national accounting was born out in the years immediately following the Second World War. The call for a comparable system for measuring the economic development of the various countries arose directly out of the decision-making needs of national authorities and international institutions.
- Over the years, international organizations and national statistical authorities have developed new methodological approaches and databases in many other fields (education, health, the environment, etc.), that go beyond the sectoral aspects of economic statistics.
- Cooperation between international organizations and national statistical institutes led to the creation of what is called the “International Statistical System”

UNDESA

- The United Nations Department of Economic and Social Affairs (**UNDESA**) is the main body within the UN Secretariat responsible for promoting economic, social, and environmental development.
- It serves as a key link between global policies and national actions, guiding countries towards sustainable development through analytical work, intergovernmental support, and capacity development.
- UNDESA's work is guided by the 2030 Agenda for Sustainable Development and its associated 17 Sustainable Development Goals (SDGs).

UNDESA

- **UNDESA** works in three main interlinked areas:
 - (i) It compiles, generates, and analyses a wide range of economic, social, and environmental data and information on which United Nations Member States draw to review common problems and to take stock of policy options;
 - (ii) It facilitates the negotiations of Member States in many intergovernmental bodies on joint courses of action to address ongoing or emerging global challenges; and
 - (iii) It advises interested Governments on the ways and means of translating policy frameworks developed in United Nations conferences and summits into programmes at the country level and, through technical assistance, helps build national capacities.

The UN Fundamental Principles of Official Statistics

- In 1994, the Statistical Commission also approved a declaration on the “Fundamental Principles of Official Statistics”, which has become a key reference in the drawing up of national statistical laws and regulations, as well as the rules of conduct of national statistical institutes.
- Over time, the Principles have been fully absorbed by several national statistical systems, giving direction both to the rules governing national statistical institutes and the operating procedures they follow, and thus contributing to the development of the statistical function according to values shared at the international level.

Ten Fundamental Principles of Official Statistics

Ten Fundamental Principles of Official Statistics

- **Principle 1. Impartiality:** Official statistics are to be compiled and made available on an *impartial basis* by official statistical agencies to honor citizens' entitlement to public information.
- **Principle 2. Professional Standards and Ethics:** The statistical agencies should strictly follow **professional standards and ethics**, on the methods and procedures for the collection, processing, storage and presentation of statistical data.
- **Principle 3. Transparency:** The statistical agencies are to present information on the sources, methods and procedures of the statistics.

Ten Fundamental Principles

- **Principle 4. Prevention of Misuse:** The statistical agencies are entitled to comment on erroneous interpretation and misuse of statistics.
- **Principle 5. Sources of Official Statistics:** Data for statistical purposes may be drawn from all types of sources, be they statistical surveys or administrative records. Statistical agencies are to choose the source with regard to quality, timeliness, costs and the burden on respondents.
- **Principle 6. Confidentiality:** Individual data collected by statistical agencies for statistical compilation are to be strictly confidential and used exclusively for statistical purposes.
- **Principle 7. Legislation:** The laws, regulations and measures under which the statistical systems operate are to be made public.

Ten Fundamental Principles

- **Principle 8. National Coordination:** Coordination among statistical agencies within countries is essential to achieve consistency and efficiency in the statistical system.
- **Principle 9. Use of International Standards:** The use by statistical agencies in each country of international concepts, classifications and methods promotes the consistency and efficiency of statistical systems at all official levels.
- **Principle 10. International cooperation:** Bilateral and multilateral cooperation in statistics contributes to the improvement of systems of official statistics in all countries.

The Millennium Development Goals

- The Millennium Development Goals (MDGs) were eight international development goals adopted by the United Nations in 2000 to address extreme poverty, hunger, disease, and inequality by 2015.
- These goals focused on areas like poverty reduction, education, gender equality, health, and environmental sustainability.

The Millennium Development Goals

The Millennium Development Goals

- **Goal 1.** Eradicate extreme poverty and hunger
- **Goal 2.** Achieve universal primary education
- **Goal 3.** Promote gender equality and empower women
- **Goal 4.** Reduce child mortality
- **Goal 5.** Improve maternal health
- **Goal 6.** Combat HIV/AIDS, malaria and other diseases
- **Goal 7.** Ensure environmental sustainability
- **Goal 8.** Develop a global partnership for development

The Sustainable Development Goals

- While the MDGs expired in 2015, the Sustainable Development Goals (SDGs) were established to continue the work.

Sustainable Development Goals

- **Goal 1.** End poverty in all its forms everywhere.
- **Goal 2.** End hunger, achieve food security and improved nutrition and promote sustainable agriculture.
- **Goal 3.** Ensure healthy lives and promote well-being for all at all ages.
- **Goal 4.** Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
- **Goal 5.** Achieve gender equality and empower all women and girls.
- **Goal 6.** Ensure availability and sustainable management of water and sanitation for all.
- **Goal 7.** Ensure access to affordable, reliable, sustainable and modern energy for all.
- **Goal 8.** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

The Sustainable Development Goals

Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

Goal 10. Reduce inequality within and among countries.

Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable.

Goal 12. Ensure sustainable consumption and production patterns.

Goal 13. Take urgent action to combat climate change and its impacts.

Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development.

Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development.

Indian Administrative Data and Its Role

Indian Administrative Data and its Role:

- Administrative data, collected as a by-product of government functions, is used extensively in official statistics across various sectors like health, crime, and welfare.
- In India, different ministries and departments collect statistical data, with some having full-fledged statistical divisions, while others have smaller units.
- Large-scale statistical operations like the Population Census and the Economic Census are centralized and used by various ministries and state governments.

Administrative Statistical System

Administrative Statistical System

- Subjects such as money and finance, international trade, balance of payments, incorporated businesses, have meaning only at the all-India level.
- There are sectors, which straddle across more than one State and for which statistics are collected directly by Central agencies such as railways, postal services, and telecommunications.
- Statistics on both types of subjects described above are collected by the Central Administrative Statistical System.
- All other Administrative Statistics are collected by the State Statistical System.

Statistical Business Register (SBR)

Statistical Business Register (SBR):

- Statistical Business Registers (SBRs) are fundamental for economic statistics, providing a framework for surveys, censuses, and analysis of business activity.
- In India, the Ministry of Statistics and Programme Implementation (MoS&PI) plays a key role in collecting and analyzing sectoral statistics. The Central Statistical Organisation (CSO), under MoS&PI, coordinates statistical activities and maintains standards.
- The SBR is being developed to address the limitations of existing statistical systems and improve the accuracy and robustness of business statistics.
- The SBR will capture information on all enterprises across India, including their status (active or closed) and location.
- The SBR is expected to enhance the accuracy of economic surveys, support sectoral performance analysis, and aid in GDP calculations.

Sectoral Statistics

- **Overview on Sectoral Statistics and Other Economic Statistics**
- **Sectoral Statistics:**
- India's economy is broadly divided into three main sectors: **primary, secondary, and tertiary**. The primary sector includes activities like agriculture, mining, and fishing, while the secondary sector encompasses manufacturing industries. The tertiary sector covers services such as IT, healthcare, and banking.
- The **corporate sector** refers to the part of a country's economy composed of businesses and companies, excluding government entities, private households, and non-profit organizations.
- **The Annual Survey of Industries (ASI)** is a key source of data for the industrial sector. The Ministry of Statistics and Programme Implementation (MoSPI) is working to improve the accuracy and timeliness of data collection for the ASI.

Sectoral Statistics

- A **Sector** is an area of the economy in which businesses share the same or related business activity, product, or service. Sectors represent a large grouping of companies with similar business activities, such as the extraction of natural resources and agriculture.
- **Sectoral Statistics** are statistical activities dealing with one of the specific branches of agriculture, industry or services mentioned at the three-digit level of the classification. Dividing the economy into sectors helps to provide a more detailed analysis of how the various parts are faring.
- The term **Economic Statistics** is usually applied to statistics based on direct measurement, i.e., either from surveys addressed to economic agents or official administrative procedures that yield numerical data capable of being transformed into statistics.

Types of Statistics

- **Financial and Non-financial Sector Accounts** provide the national accounts for all institutional sectors of the economy, including data on income, consumption, saving, investment, financing, financial investment and net lending/borrowing of households, non-financial corporations, financial corporations (and sub-sectors) and the government sector, as well as data on financial and non-financial assets, debt, and wealth for all sectors.
- **GDP, Output, and Demand Section** encompasses data on national accounts main aggregates and short-term business statistics.
- **Price Statistics**, like the Consumer Price Index (CPI) and the Wholesale Price Index (WPI), are indicators of changes in the general price level of goods and services. These indices are crucial for understanding inflation, guiding monetary policy, and assessing economic performance. Other prices and costs include residential property prices, industrial producer prices, market prices of raw materials and labour cost indices, etc.
- **Labour Market Statistics** feature data on employment and unemployment

System of National Accounts

System of National Accounts

- A substantial portion of the economic statistics produced today is based on concepts and definitions broadly shared at the international level. The conceptual framework most widely used is the one codified in the **System of National Accounts (SNA)**, published in 1993 by the major international/supranational organizations (United Nations, UN; the Organization for Economic Cooperation and Development, OECD; the International Monetary Fund, IMF; the World Bank, WB; and the Statistical Office of the European Communities, Eurostat).
- **The International Standard Industrial Classification (ISIC) of All Economic Activities** is a United Nations industry classification system used for organizing and analyzing economic data. It's a hierarchical structure, providing a standardized way to categorize economic activities for international comparison and analysis. The 1993 SNA has been revised in 2008.
- The institutional units (*i.e.* the basic economic decision-making centers) are the categories of economic agents normally referred to in the System of National Accounts (SNA).

ISIC

- Among the various ways of classifying enterprises, classification based on *economic activity* is certainly of key importance. This type of classification is based on the characteristics of the activity of production units, *i.e.* the characteristics of the goods and services produced, the uses for which these are intended, the factors of production and the production process and technology used.
- The International Standard Industrial Classification of All Economic Activities (ISIC) consists of a coherent and consistent classification structure of economic activities based on a set of internationally agreed concepts, definitions, principles, and classification rules. It provides a comprehensive framework within which economic data can be collected and reported in a format that is designed for purposes of economic analysis, decision-taking, and policy-making.
- All categories at each level of the classification are mutually exclusive.

SNA

- Economic activities that are similar in respect of these criteria have been grouped together in the categories of ISIC.
- At the most detailed level of the classification, preference has been given to the process and technology of production to define individual ISIC classes, particularly in the classes related to services.
- ISIC is a classification according to kind of economic activity and therefore its scope has historically been restricted to the classification of units engaged in economic production as defined by SNA, which states:

“Economic production is an activity, carried out under the responsibility, control and management of an institutional unit, that uses inputs of labour, capital, and goods and services to produce outputs of goods and services”.

21 Sections of ISIC

Broad Structure

The individual categories of ISIC have been aggregated into the following 21 sections:

Section	Divisions	Description
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A	01–03	Agriculture, forestry and fishing
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B	05–09	Mining and quarrying
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C	10–33	Manufacturing
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D	35	Electricity, gas, steam and air conditioning supply
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E	36–39	Water supply; sewerage, waste management and remediation activities
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F	41–43	Construction
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G	45–47	Wholesale and retail trade; repair of motor vehicles and motorcycles
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H	49–53	Transportation and storage
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21 Sections of ISIC

I 55–56 Accommodation and food service activities

J 58–63 Information and communication

K 64–66 Financial and insurance activities

L 68 Real estate activities

M 69–75 Professional, scientific and technical activities

N 77–82 Administrative and support service activities

O 84 Public administration and defence; compulsory social security

P 85 Education

Q 86–88 Human health and social work activities

R 90–93 Arts, entertainment and recreation

S 94–96 Other service activities

T 97–98 Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use

U 99 Activities of extraterritorial organizations and bodies

ISIC: Detailed Structure

Detailed structure

Section A: Agriculture, forestry and fishing

Division	Group	Class	Description
01			Crop and animal production, hunting and related service activities
	011		Growing of non-perennial crops
		0111	Growing of cereals (except rice), leguminous crops and oil seeds
		0112	Growing of rice
		0113	Growing of vegetables and melons, roots and tubers
		0114	Growing of sugar cane
		0115	Growing of tobacco
		0116	Growing of fibre crops
		0119	Growing of other non-perennial crops
	012		Growing of perennial crops
		0121	Growing of grapes
		0122	Growing of tropical and subtropical fruits
		0123	Growing of citrus fruits
		0124	Growing of pome fruits and stone fruits
		0125	Growing of other tree and bush fruits and nuts

High-level Aggregation of 10 Categories

- ISIC provides a top-level of 21 sections and a second level of 88 divisions.
- National accountants have identified a need for an additional standard ISIC aggregation above the section level of ISIC for summary data reporting by activity in SNA.
- Such a high-level aggregation of 10 categories has been agreed within the updating process of the SNA. In addition, an intermediate-level aggregation of 38 categories has been agreed that would be suitable for SNA data reporting from a wide range of countries.
- The structure of high-level SNA/ISIC aggregations, at A*10 level is set out below.

Table 1: High-level SNA/ISIC Aggregation (A*10)

	ISIC, Rev.4 sections	Description
1	A	Agriculture, forestry and fishing
2	B, C, D and E	Manufacturing, mining and quarrying and other industrial activities
2a	C	Of which: manufacturing
3	F	Construction
4	G, H and I	Wholesale and retail trade, transportation and storage, accommodation and food service activities
5	J	Information and communication
6	K	Financial and insurance activities
7	L	Real estate activities*
8	M and N	Professional, scientific, technical, administrative and support service activities
9	O, P and Q	Public administration and defence, education, human health and social work activities
10	R, S, T and U	Other service activities

*: of which imputed rental services of owner-occupied dwellings.

Thank You