

**BSEC-UNDP-SIS
WORKSHOP ON
INDUSTRIAL STATISTICS - DEVELOPMENT AND HARMONIZATION**

Ankara, 22-26 June 1998

Summary Proceedings

1. The Workshop titled "Industrial Statistics-Development and Harmonization" was held in Ankara on 22-26 June 1998. It was organized by the BSEC, SU/TCDC of UNDP (United Nations Development Programme) and SIS (State Institute of Statistics) of the Republic of Turkey.

2. Prof.Dr. Ömer L. GEBİZLİOĞLU, President of the SIS made the opening statement followed by Mr. John OHIORHENUAN, Director of the UNDP Special Unit for Technical Cooperation Among Developing Countries (SU/TCDC) and Mr. Paul van Hanswijck de JONGE, UN Resident Coordinator and UNDP Representative in Turkey.

3. Representing the PERMIS of the BSEC, Ambassador Nurver NUREŞ, First Deputy Secretary General of the Permanent International Secretariat delivered his statement the text of which is attached as Annex I.

4. The Workshop was co - chaired in rotation by Prof. GEBİZLİOĞLU, Mr. NUREŞ and Mrs. Emine KOÇBERBER, Head of Agricultural and Industrial Statistics Department of SIS.

5. The Workshop was attended by the representatives of the following BSEC Participating States:

Republic of Armenia
Republic of Azerbaijan
Republic of Bulgaria
Georgia
Republic of Moldova
Romania
Russian Federation
Republic of Turkey
Ukraine

6. Representative from the Arab Republic of Egypt also attended the Workshop as an observer.

The list of participants, including the speakers is attached as Annex II and the Program of the Workshop as Annex III.

7. All Participating States are committed to the establishment of BSEC-wide Free Trade Area and integration into WTO Multilateral Trading System. Moreover presently globalization of trade, business and flows of foreign direct investments is under progress. All these urge Member States to adopt internationally accepted statistics system which will facilitate the follow-up of these policy directives and trends and while serving as a key in these respects, it will also bring about the desired harmonization of industrial statistics in the BSEC process.

With these in mind, this Workshop is organized in order to review the state of industrial statistics in the Participating States, ascertain the problem areas in this sector, seek solutions by way of exchanging experience, information and know-how and proceed towards developing over a period of time harmonized statistics based on internationally accepted methodologies, classifications, definitions such as International Standards Industrial Classification of all Economic Activities (ISIC Rev.3), General Industrial Classification of Economic Activities within the European Communities (NACE) and "Production Communautaire" (PRODCOM).

8. Mrs. KOÇBERBER introduced the Industrial Statistics Department of SIS, its role in collecting industrial statistics and SIS Industrial Statistics System Data Sources before and after 1990. Thereafter staff members from SIS made presentations covering the conduct of general census of industry and business establishments, annual manufacturing industry survey, small-sized manufacturing industry survey, sampling methodologies on industrial statistics, quarterly and monthly industrial production statistics, statistics in mining and quarrying survey, statistics in public utilities, energy consumption survey in manufacturing industry and characteristics of household energy consumption survey, international industrial classifications, range of studies on industrial statistics and questionnaires collected by the BSEC Coordination Center for the Exchange of Statistical Data and Economic Information.

These presentations led to elaborate discussions during which participating delegations gave also brief introductions on the statistical systems they have and follow in industrial statistics.

It was generally observed that, while the Member States are at different stages of development in the field of industrial statistics, all of them are essentially in the right course towards development of internationally accepted industrial statistics and it became evident that all are endeavouring to learn and utilize methods, classifications and definitions which will lead to internationally accepted industrial statistics system. While some progress on this road by the Member Countries was a shared observation, major part of the distance to be covered in this respect lied ahead. They underlined the significance of realizing BSEC-wide harmonized statistics system with a view to a more comprehensive understanding of BSEC economic cooperation and its future course.

9. It appeared that in essence two statistics systems prevail presently in the region: In one system statistics are derived from national classifications and definitions largely based on administrative registration, with annually updating the results thereof. In the other, industry and business establishment censuses conducted upon international classifications and definitions is the system. Those who utilize the former system entertain the idea to develop in future the system of censuses. Those who make use of the latter system are working to strengthen its performance in the system of administrative registration. Both systems on the other hand need to be updated constantly to conduct the necessary surveys concerning the industrial sector.

It is believed that the two systems are complementary initiatives and help to achieve more reliable results by way of inter-correlation.

10. Keeping in view the above, an open-ended discussion took place in the closing session and the following observations and suggestions were made:

- The Workshop was found very informative, educational and the background information/documentation useful. The presentations by the members from SIS, particularly detailed reviews of industrial questionnaires developed into a mode of training and were fully appreciated by all the participating delegations; some indicating that SIS might be taken as an example in the development of internationally accepted industrial statistics.

- The participants established on personal and institutional basis relations which they hoped would lead to a network of durable exchanges of experience-know-how-information as well as publications and documents of special interest. In this context cooperation should not be limited to the development of harmonized industrial statistics but other areas, i.e. trade, energy, transportation, services and agriculture should be seized as well with the same purpose.

- Pressing issues of transition into free enterprise economies is a retarding element in the development of harmonized industrial statistics; because those transitional economies with inadequate personnel, both in quantity and quality and lacking in financing also, cannot support the implementation of the internationally accepted census system. Serious problems still remain on the road to transition into the internationally accepted statistics system.

- The definition of the administrative registration in accordance with the international economic activities classification is the issue facing the transitional economies. One way of establishing classification can be in accordance with ISIC or NACE or PRODCOM. Since there exists transition codes among international classifications, such a classification will not create any problem.

- Definitions and concepts such as industrial establishment, number of employees, wages, input-output, value added, etc. show differences in the transitional economies. This requires the utilization of standard international definitions and concepts which will bring about harmonization, within BSEC as well.

- In order to accelerate adoption and implementation of internationally accepted statistics system, the Participating States are encouraged to cultivate purposeful working relationships with international organizations/institutions which are versed in the field of such systems as well as to utilize available training facilities offered within the BSEC process by way of correspondence, expert dispatch and training in service.

- The work of the BSEC Coordination Center for the Exchange of Statistical Data and Economic Information was recapitulated since its foundation with references to the pending publications concerning intra-regional trade, economic and social indicators, transportation and tourism. An appeal was made thereof to the participants to supply the Center with the statistics and complementary economic information necessary for the said publications. The participating delegations will do their best to transmit the expected data and information.

- Since transition into an internationally recognized statistics system is a long-term mission, similar workshops and/or seminars ought to be arranged and regularly in the period ahead addressing urgent problems principally in industrial area and other fields of statistics. A mission could be given to the Working Group on Exchange of Statistical Data and Economic Information to convene on a periodic basis to continue and gradually expand the work started with the present Workshop.