

# Concept note on ECA Country Profiles

## Task Force on Country Profiles \*

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United Nations  
Economic Commission for Africa



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## Acronyms and abbreviations

ACS	African Centre for Statistics
CPs	Country Profiles
ECA	United Nations Economic Commission for Africa
ERA	Economic Report on Africa
FDI	foreign direct investment
GDP	gross domestic product
IMF	International Monetary Fund
MPD	Macroeconomic Policy Division
NGOs	non-governmental organizations
NSOs	national statistical offices
RECs	Regional Economic Communities
SROs	Subregional Offices
USD	United States Dollar



# 1. Introduction

This Concept Note outlines a proposal for the United Nations Economic Commission for Africa (ECA) to produce Country Profiles (CPs), through coordination between ECA Subregional Offices (SROs), African Centre for Statistics (ACS), Macroeconomic Policy Division (MPD) and other substantive divisions. The CPs will provide data, institutional and policy information, as well as forecasts, policy and risk analysis, and recommendations. The CPs will also serve a number of clients, ranging from member States to academia, policymakers, civil society, and analysts within Africa and outside of Africa. Proposals for the frequency and specific indicators to be included in the CPs are outlined in this Concept Note.

While several other CPs are currently in circulation, ECA CPs are envisaged to add

value in terms of the provision of timely policy analysis and forecasts from an African perspective, in addition to monitoring and informing on the central theme of economic and structural transformation in member States. Moreover, in the process of preparing CPs, the primary and secondary data collected can be accessed through ECA by a large number of data users for additional policy analysis on Africa.

This Concept Note provides a justification and rationale for ECA CPs. It will define their objectives, proposed scope and structure, indicators and areas of focus; provide data template; and look at periodicity and length, as well as timeline for CPs. The Note will also define the responsibilities of SROs and relevant divisions; partnerships to be formed with member States and external organizations; resource requirements for ECA CPs; and country coverage in the next biennium.





## 2. Justification for United Nations Economic Commission for Africa country profiles

### a. Gaps in existing country profiles

**on Africa.** Currently, several profiles of economic, social and development indicators on African countries exist, which have been produced by branches and other organizations of the United Nations. Until 2013, ECA took part in producing the African Economic Outlook (AEO) with country notes covering all African countries. In its participation in the AEO, ECA contributed to 12+ page country notes which addressed the macroeconomic, governance, social and other aspects of African member States, including data and analysis of the current status, trends and projections.

Other existing CPs (see appendix 2) include:

- World Bank data-only profiles, produced on a quarterly basis.
- The Economist Intelligence Unit profiles featuring data and subsequent analysis on a variety of economic, political, environmental and other aspects of each country, with four-year forecasts. The profiles also include a compilation of relevant current events and reports on the country. Usual length of 30+ pages.
- Central Intelligence Agency of the United States of America (CIA) World Factbook providing information on a variety of economic, social, political, cultural and other country characteristics, in an interactive manner.
- United Nations Development Programme (UNDP) CPs on human development index (HDI) standing and trends, including data and descriptive analysis.
- World Bank interactive profiles of economic, political, development challenges and engagement between the Bank and the given country.

- United Nations Department for Economic and Social Affairs (UNDESA) Millennium Development Goals' (MDG) profiles assessing progress for each member country, along with trends, data and analysis of overall MDG compliance on the subindicators of each goal, amongst others.

While many comprehensive CPs exist, there are a number of gaps that ECA CPs can fill. ECA CPs will be based directly on the assessed information needs of their potential audience, with the underlying data collected in close coordination with the national statistical offices (NSOs). They will focus on policy analysis, emphasize regional integration and economic transformation issues (including sectoral transformation), and provide a tool for forecasting and risk analysis. The primary and secondary data collected in the process of preparing the CPs will be made available through ECA for additional policy analysis on Africa. In the absence of comprehensive continental data collection within Africa, the CPs will undoubtedly help ECA not just to collect and own data, but also to provide much needed independent narratives on Africa's economic and social development experiences and prospects.

#### **b. ECA mandate and new agenda.**

Rationale for ECA CPs is based on (informed by) the ECA mandate and new agenda, especially the constitution and purposing of Subregional Data Centres (in SROs), and the need for

coherence and harmonization of data and information used in all ECA flagship publications - including the Economic Report on Africa (ERA) - and reports. Based on the ECA mandate and new direction, CPs will focus on:

- Structural transformation of member States, including industrialization-driven strategies that leverage on the continent's natural and agricultural resources.
- Inclusive socioeconomic development of member States and the need to assess and monitor progress across Africa in the areas of macroeconomic and social policy, development planning, industrialization, regional integration and trade, economic governance, sustainable development, job creation, youth employment, governance of natural resources, agriculture and land, food security, climate change and green economy.
- Strengthening the capacity of, and partnership with, national statistical systems for data collection, analysis and dissemination in order to improve development policy planning and monitoring.
- Data collection, analysis and forecasting for use by ECA, member States, Regional Economic Communities (RECs), and other development stakeholders.

**c. Discontinuation of current Tracking Economic and Social Conditions reports.** The reasons for the discontinuation of these current reports of Africa's subregions through SROs, and of their replacement by CPs in the form of regional profiles and continental profiles (ERA) with medium-term forecasts, risk analysis and improved periodicity (annual, biannual or quarterly) are: (i) to avoid duplication of effort and focus that waste resources and limit ECA to deliver as ONE; (ii) to offer to the annual aggregates in flagship reports further insightful data, sectoral and country details; and (iii) to improve the frequency of data and provision of timely policy analysis.<sup>1</sup>

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<sup>1</sup> The ultimate aim of ECA is to produce or update (or both) CPs on a quarterly basis instead of the annual or biannual basis that characterizes existing CPs. Once quarterly data is available, the first quarterly issue of the CPs would include data on indicators for the first three months of the current year. Subsequent quarterly issues will cover the current three-month period, with progressive comparison with developments during the previous quarters.



### 3. Objectives

The main objective of the CPs is to provide a vehicle for ECA to produce and disseminate country-and-region-specific policy analyses and recommendations for economic transformation that will promote sustainable growth and social development; strengthen regional integration, development planning and economic governance; and mitigation against potential risks. The process of compiling the CPs will involve continuous

collection and harmonization of country data and information, aggregating the indicators for RECs and other country groupings, and analysing trends to produce timely forecasts. An important outcome of the CP process is therefore the strengthening of the capacity of member States to produce and disseminate quality and timely statistics and policy analysis, leading to evidence-based planning and policymaking, in support of national and subregional development priorities.



## 4. Institutional requirements for credible country profiles

Close collaboration with both national authorities and ECA headquarters is essential for the elaboration of CPs which is both credible and authoritative. Key collaborations would involve:

- a. **National bodies and intracountry dialogue.** A close cooperation is required with the different national African institutions involved in the collection and production of data, particularly the National Statistical Institutes, the finance ministries and central banks. Without such an explicit collaborative framework, ECA risks a dismissive or even antagonistic response from national institutions which, understandably, jealously guard their position as the primary purveyors of statistical information and interpretation. Such a close collaboration requires the intervention of top management of ECA to obtain a commitment at the highest political levels, which will result in the establishment of agreements with key national institutions involved in data

production (NSOs, central banks, etc).

- b. **Intra-United Nations Economic Commission for Africa division of responsibilities and tasks.** Although this situation may improve over time, the SROs are currently under-resourced to provide credible coverage of all countries in their region.<sup>2</sup> With no country-level presence (except in the host country), this complicates obtaining credible information and engaging regularly with our partners in the member States. To reduce the cost of data collection and to improve the capacity of ACS to coordinate the global data collection, it is important that ACS be involved in the data collection for some CPs. Responsibility for taking a lead on some CPs could also be assigned to headquarters by ACS – one obvious example being Ethiopia – but also some of the countries that are close to

<sup>2</sup> In some SROs, there are currently only three professional staff plus the Section Leader to cover 14 or 15 countries in some cases.

headquarters. Given the currently limited staffing, it is also crucial that all staff members based in SROs are involved in the elaboration of CPs.

- c. **Review committee.** Prior to publication of the CPs, there is a need to form a 'review committee' from headquarters to review the reports and provide feedback in order to (i) suggest (hopefully) minor changes to the CPs, and (ii) authorize its publication. This will ensure a homogenous quality in the CPs and will also guarantee the consistency of the numbers portrayed therein. The review committee should involve senior (P5 or above) members of ACS, and the cluster leaders in the SROs.

In addition to these issues regarding effective collaboration, the success of the CPs will be contingent on the following elements:

- i. **Timing.** For CPs to provide useful insights, they must be based on the latest available data. In this sense, CPs that are not aligned with major data releases are far less likely to be well received by policymakers.<sup>3</sup> This would also imply that publication timelines for the release of the profiles should be respected, and not be unduly delayed by issues related to translations, printing, etc. Currently, some documents are taking 4-5 months to edit, translate and print. Such delays would not be tenable for CPs – our partners and member countries

would understandably not be interested in reading profiles which discuss developments that are 5-6 months old.

- ii. **Country missions.** Missions are an essential part of the package – including interviews with key stakeholders (e.g. the private sector, civil society organizations, think tanks, etc.) as well as government officials - desktop research will again not provide sufficiently credible material. Presentations of draft reports, drawn up whilst on the mission, should be given during these missions to gain valuable feedback from partners in the member States themselves.
- iii. **Edition.** A professional editor based in headquarters should be responsible for editing all the CPs, to ensure coherence of style, language, etc. The assigned editor should provide feedback to the authors regarding the style and content of the CP, if there are any issues regarding the clarity of the writing/arguments. Edition will be carried out prior to the submission of the CP to the review committee.

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<sup>3</sup> In principle, approaches can be made to national bodies to provide data before the official release. However, in practice they are usually unwilling to do so.



## 5. Structure and format of country profiles

CPs, by definition, are not supposed to be lengthy documents. But in order to fulfil expectations regarding the wide-range of thematic issues the CPs are supposed to cover, we are proposing a modular approach to CPs. This will include four key modules, mandatory in all CPs, and four ‘optional’ modules. The criteria of distinguishing between ‘fast moving’ indicators (such as inflation, quarterly growth figures, budget and fiscal positions, etc.), and ‘slow moving’ indicators (such as those dealing with structural transformation or regarding improvements in the social sectors) is important. Some indicators move little from one year to another, yet there may be an interesting story to tell regarding the long-term shifts in indicators pertaining to social and economic transformation.

An alternative framework would be to limit quarterly reports to just the four key modules, and incorporate all eight modules in an ‘annual CP’, which would be somewhat longer than the quarterly reports (20 pages vis-à-vis 12 pages for the annual CPs). An Abstract would be

included at the beginning of each report, not in excess of 300 words.

The four main modules would be:

- 1. Introduction** (1000 words). National and subregional context, including an overview of economic performance (annual and quarterly gross domestic product (GDP) growth). Main economic and social developments. Regional developments.

Indicators which could be incorporated in this section include:

- Real GDP growth rate:
  - » Quarterly growth performance (where available)
  - » Comparison to recent years
  - » Comparison to Africa and its subregions, and to other regions of the world.

**2. Economic performance** (2400 words) (short- to mid-term analysis). Discussion of macroeconomic developments (sectoral performance, inflation and monetary policy, current account and trade performance, fiscal and debt policy, capital account).

Indicators which could be incorporated in this section include:

- GDP by activity (production approach):
  - » Weight of each sector
  - » Contribution of each sector to the growth of the subregion (including comparison with Africa and the other four subregions)
  - » Annual growth rate by sector;
- GDP (expenditure approach);
- Exports and imports of manufactured products;
- Proportion of the labour force in primary, secondary and tertiary sectors (including comparison with Africa and other world regions);
- Proportion of the population living under US\$1.25 PPP<sup>4</sup> per day (including comparison with Africa and other regions);
- Interest rate spreads (yield curves), measuring the spreads between long-term bonds and short-term rates, which

are important for predicting recession and growth;

- Foreign aid flows – sources of foreign aid;
- Factor flows (labour, skills, capital, as well as goods and services);
- Trends in price levels (CPI, PPI<sup>5</sup>);
- Trends in interest, exchange rates and reserves.

**1. Social developments** (1400 words). To include discussions on poverty reduction, health and education, social protection and labour, gender equality and policy.

**2. Major policy challenges and risks** (2000 words). This section would be used to discuss major policy issues and controversies. The focus of the section will vary from country to country, and will summarize basic positions on key policy questions. Examples include energy policy, job creation measures, infrastructure challenges, regional integration, agricultural policy, and policies to accelerate structural transformation (see table 1).

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4 PPP – purchasing power parity.

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5 CPI – consumer price index; PPI - producer price index.

**Table 1. Structure and word count for quarterly country profiles**

#	Section	Word limit
1.	Overview/Abstract	300
2.	Recent developments/national and subregional context	1000
3.	Economic performance	2400
	3.1. Sectoral performance	400
	3.2. Inflation and monetary policy	400
	3.3 Current account and trade performance	400
	3.4 Fiscal and debt policy	400
	3.5. Capital account – foreign direct investment (FDI) and aid inflows.	400
4.	Social context	1400
	4.1. Poverty reduction	400
	5.2. Health and education	400
	5.3. Social protection and labour	300
	5.4. Gender equality and policy	300
5.	Major policy challenges and risks	2000
	<b>TOTAL word limit for country profile</b>	<b>7100</b>

## Optional sections

### a. Governance and development planning

Countries have designed national development plans which are increasingly addressing the issues of productivity, job creation and economic transformation. Therefore, a summary of their short- and medium-

term objectives, and an assessment of the achievements of objectives for the current year should be done with reference to both institutions and policies. In addition to presenting changes in indicators of economic and corporate governance, and the evolution and performance of national development plans and strategies, this assessment will use information collected from interviews with national authorities to try to explain successes and shortcomings.

### *Key questions*

- What are the main recent developments related to political, economic and corporate governance in the country? What are the key institutional and policy factors affecting public sector management and performance?
- Does the country have a national development plan? Does this plan include targets for economic transformation? What are the main achievements of the plan? What are the obstacles to the achievements of the enunciated targets? According to national authorities, what is expected to be realized during the current year or next year?
- To what extent are national development plans aligned with regional development priorities?

### **b. Climate change and green economy<sup>6</sup>**

This section will address issues and challenges related to the impact of the socioeconomic transformation on the environment, climate change, and policies/actions designed and implemented by the government, non-governmental organizations (NGOs), and regional and international organizations. Indicators could include:

- i. Sustainable development goals;

- ii. Green economy, renewable energy, technology, tourism, low-carbon manufacturing, efficient transportation, e-commerce, natural resource use linked with the country's economic structure etc.;
- iii. Data on countries' environmental performance;
- iv. Country vulnerability mapping;
- v. Thematic analysis.

As capacity is developed and relevant data produced, natural resource accounting (which captures environmental and social costs of production as well as consumption patterns) will be mainstreamed into the CPs.

### *Key questions*

- What are the main aspects of climate change and their impacts on key economic sectors?
- How do the ongoing economic activities impact on climate change?
- What policies are countries adopting or should adopt for climate change mitigation and adaptation?

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<sup>6</sup> The scope of the analysis could be initially limited by the availability of relevant national databases and indicators (statistical issues). There will certainly be a need to improve or further develop the data. In complement with quantitative data, qualitative analysis will require field missions to consult with the key actors. It is a potentially very important "niche" for our CPs

### c. Food security

Indicators could include:

- i. Trends and growth of agricultural GDP by subsector;
- ii. Production and productivity in agriculture;
- iii. Food production and trade;
- iv. Investments and employment in agriculture and food sectors;
- v. Rural poverty and diversification of sources of income;
- vi. Vulnerability to climate change;
- vii. Other indicators (to be identified) for example, include:
  - » Hunger; and
  - » A composite indicator, to be invented, to measure agricultural transformation (that is based on, mainly, access to proper marketing, secured access to land, stable macroeconomic environment; enhanced extension services, capacity to generate off-farm employment, value added, risk management).

#### *Key questions*

- How to design and implement integrated policies to increase productivity, access to food, trade, value-addition, economic diversification and promote agro-industries as well as job creation in

agriculture and food sectors?

- How to address risks related to food security and climate change natural resources (land, water, energy ...)?

### d. Forecasts, policy imperatives and scenarios for structural transformation (based on measures and analysis of uncertainty and downside risks)

This section will present scenarios and outlooks related to previous sections. It will provide forecasts of key indicators such as GDP growth based on macroeconomic and other sectoral data collected from secondary sources and through field missions.

ECA will build a simple but consistent interactive prototype macroeconomic forecasting model that will be used to produce macroeconomic forecasts for policy analysis, formulation, implementation, and monitoring at country and regional level. In addition to internal uses within ECA, the model can also support member States and RECs in generating credible forecasts, as well as conducting dynamic, forward-looking policy analysis. However, the model must be institutionalized within ECA and utilized on a regular basis as a core activity. Responsibility for the identification, adoption and application of this model will be shared within ECA, particularly amongst the MPD, ACS and SROs.

Key forecasts will be regularly produced for such variables as GDP growth, internal and

external balances and inflation. Meanwhile, single equation models and forecasting techniques will also be used to provide forecasts and projections on individual variables such as population growth and dynamics. Forecasts shall be updated quarterly or biannually depending on data availability.

### **e. National and subregional context and regional integration**

In addition to country-specific data and analysis, each CP will include a section on subregional context/situation that presents a summary of data, information and analysis and policy issues at the subregional level. The subregional context will assist in monitoring subregional economic and social development trends and indicators, and identify common driving factors and related developments within the subregion, continent and the rest of the world.

This section will specifically present country-specific data and information besides relevant subregional indicators. The section will provide information and analysis on progress made in regional integration based on the regional integration index (which is under development). The evolution of intra-African trade will be discussed along with the key driving factors. Moving towards common macroeconomic frameworks and a common currency requires assessing macroeconomic convergence criteria, which have been adopted at the regional/subregional levels, as well as the effect of various economic partnership agreements and relevant World Trade

Organization (WTO) rules.

The key issues to be addressed and facts to be presented in this section include:

- The GDP level of the subregion disaggregated by sector and key growth drivers.
- Contribution of countries to the growth of the subregion, thereby identifying the subregion's largest economy.
- Key imports and exports of the subregion, including processed and manufactured goods.
- The dynamics of employment in the subregion, disaggregated by age and gender, highlighting the main driving factors.
- What is the level of progress towards regional integration milestones at the subregional and continental levels (as measured by the regional integration index)? What are the impediments to regional integration?
- What is the level of intra-African trade? Which type of commodities/products is the country exchanging with other African countries? What are the main corridors or means of exchange?

### **f. Economic transformation and performance**

The purpose of this section is to assess the economic performance and transformation,

broadly defined as a shift in production structures characterized by increasing share of high productivity activities in manufacturing and modern services. Indicators/indices of economic transformation shall be used to monitor progress at country, subregional and continental level and at the same time assess the impact of ECA support to member States, including policy recommendations and advice contained in its flagship publication, the ERA and other publication and activities.

The section will review and assess:

- The pattern of real GDP growth rate and its origin: key driving sectors, with continental and subregional comparisons;
- The weight of each sector in volume, using the International Standard Industrial Classification (ISIC);
- The share of manufacturing in total value added;
- Structural change in the manufacturing industry: index of structural change, using Finger-Kreinin dissimilarity index or equivalent index;
- Labour force working in the primary, secondary, and tertiary sectors;
- Exports and imports:
  - » Structure and volume of exports and main destinations
  - » Structure and value of imports and main sources;
- Volume and structure of investments

(local and FDI):

- » Current
- » Upcoming (based on agreements and plans which are being implemented);
- Human capital and infrastructure, especially energy, communications and transport;
- Economic vulnerability index to assess how economic transformation, or the lack thereof, affects countries' vulnerability to shocks.

This section will also highlight the factors underpinning observed trends, including institutional and macroeconomic and sectoral policy reforms, adoption and adaptation of new technologies in key sectors and so on.

Key questions to be answered by the section include:

- What are the determinants of economic growth in general, and growth in agriculture, industry and services in particular? Which policies have been designed by the government or need to be designed to promote sectoral growth and transformation?
- To what extent has the structure of exports changed? What are the driving factors?
- Is there a diversification of sources of imports and destination of exports? What could account for any observed shift? What are the implications for

the consumption of households, for intermediate goods and services, and for production by local enterprises?

- What are the major investment projects that are being implemented? Which investments are planned by the government and by key private-sector stakeholders? What are the expected impacts?
- Does the country have an investment policy? What are the key policy measures? What are the impacts of this policy? Is the policy supported by requisite investment law or regulation?
- Have the intended investment objectives been achieved? If no, why?
- What is the level of domestic and foreign private investments? Which are the target sectors and expected backward and forward linkages of these investments?
- What is the impact of science and technology (research and development) as reflected, for example, through registration of patents?

### **g. Social transformation and performance**

This section will review and monitor human and social development, and assess the efforts made by member States to improve the population's living conditions in the context of the agreed social development agenda goals. Key indicators for assessing social development and transformation will include:

- Dynamics and characteristics of the population: youth, age, urbanization, structure by sex and age.
- Social achievement tracking in terms of gender, political representation, education and training, inequality, employment, poverty, social protection etc.
- Health and medical care.

More aggregate indices would be developed based on the post-2015 development goals and the African Development Goals which are yet to be finalized. For each key variable, driving factors and new policies should be presented and analysed. It is not expected that for each issue of a country's specific CP, all sectors should be covered. For this purpose, SROs are expected to agree on two to three selected sectors to be covered, while paying attention to the dominant sectors in selected countries under consideration in the CP report.

### **Key questions**

- What are the key factors contributing to the link between growth and sustainable human and social development? How can the linkages between economic growth and social development be measured?
- What are the key institutional, policy and other factors underpinning social transformation in Africa?
- What is the impact of demographic dynamics on economic growth and social change?



- What are the policy actions needed to address problems of unemployment, inequality and poverty?

## **h. Evaluation of growth forecasts and data accuracy**

Beyond the quantitative aspects, the CPs will be an instrument to assist member States with their efforts on the qualitative aspect of data. These will be achieved through two types of evaluations:

### **Evaluations of growth forecasts**

Accurate forecasting is fundamental for good policymaking. The CPs can produce a useful service to policymakers by tracking the different sets of forecasts given by different organizations, and subsequently monitoring the accuracy of the forecasts. At present, in addition to national forecasts (where these exist) there are five sets of forecasts available from international sources for the majority of African countries. These are:

- i. UNDESA WESP<sup>7</sup> forecasts (published in December and June)
- ii. International Monetary Fund (IMF) Economic Outlook (April and October)
- iii. African Economic Outlook (AEO) (released in May)

- iv. Economist Intelligence Unit (updated periodically)
- v. World Bank Global Economic Prospects (published in January and June).

It is proposed that each CP reports these five sources of forecasts, together with any national figures (either estimates or forecasts). The mean forecast should be computed as a baseline for comparative purposes.<sup>8</sup> This will give an idea of the degree of uncertainty surrounding the forecasts from the different institutions.<sup>9</sup>

The specificity of each country will be considered as one would expect a much higher degree of variability in a country undergoing a protracted political crisis (e.g. Libya) than in one which has enjoyed relative stability (e.g. Ghana). Similarly, undiversified economies based on the exploitation of natural resources (e.g. Equatorial Guinea) are likely to experience a greater variability in their growth performance and forecasts than a more diversified economy like South Africa.

### **Data accuracy**

<sup>8</sup> The standard deviation is often used, but where there are large shifts in magnitude, then it may be better to use the variation coefficient (the standard deviation divided by the mean).

<sup>9</sup> As can be seen, the publication dates for the different forecasts vary for each of these sources – and this makes a significant impact on the accuracy of the different forecasts. For instance, it is unfair to compare at the end of the year a forecast published by the AEO (which would have been done on the basis of macroeconomic data collected in November/December the year before), and the IMF Economic Outlook forecast of October in the same year. Time consistency in the forecasting is thus important.

<sup>7</sup> UNDESA WESP – United Nations Department for Economic and Social Affairs - World Economic Situation and Prospects.

A CP will provide a rating of the sources of the data according to different criteria that will assess the reliability, the regularity, the availability and access. This rating will allow us to achieve two objectives:

- The need (or not) to use alternative sources of data, to have a better evaluation and analysis of the socioeconomic phenomenon related with that specific data.
- The identification of specific capacity-building activities to improve the data quality.

## 6. Data template for country profiles

### a. Subregional context

The subregional profile will follow the structure of the CP, presented in a regional context and data requirements may overlap across sections.

**Table 2: Key macroeconomic and sectoral performance indicators**

Variable	Time frame	Geographic coverage	Remarks
Real GDP growth rate (country)		Country, ECA subregions, Africa	
GDP, constant price (each country of the region)	Year (N1)	Country, countries of the subregion	
GDP by sector (agriculture, industry, manufacturing and services), constant price	Year (N-1), Year (N-2)	Country, ECA subregions	The contribution of each sector to the economic growth is computable. ISIC <sup>a</sup> Sections should be used.
GDP, current prices (expenditure approach)	Year (N-1), Year (N-2), Year (N-3)	Country	

a ISIC - International Standard Industrial Classification.

## b. Economic transformation and performance

**Table 3: Economic trends and transformation indicators**

Variable	Time frame	Geographic coverage	Remarks
GDP by activity, constant price	Year (N-1), Year (N-2), Year (N-3), Year (N-4), Year (N-5)	Country	The contribution of each sector to the economic growth is computable.
Exports, total, value in USD	Year (N-1), Year (N-2), Year (N-3), Year (N-4), Year (N-5)	Country, and by country of destination	
Exports of processed goods, value, USD	Year (N-1), Year (N-2), Year (N-3), Year (N-4), Year (N-5)	Country, and by country of destination	
Exports of unprocessed goods, value, USD	Year (N-1), Year (N-2), Year (N-3), Year (N-4), Year (N-5)	Country, and by country of destination	
Exports of main commodities, value, USD	Year (N-1), Year (N-2), Year (N-3), Year (N-4), Year (N-5)	Country, and by country of destination	
Exports of main commodities, volume indices	Year (N-1), Year (N-2), Year (N-3), Year (N-4), Year (N-5)	Country	
Imports, total, value in USD	Year (N-1), Year (N-2), Year (N-3), Year (N-4), Year (N-5)	Country, and by country of origin	

Variable	Time frame	Geographic coverage	Remarks
Imports of processed goods, value, USD	Year (N-1), Year (N-2), Year (N-3), Year (N-4), Year (N-5)	Country, and by country of origin	
Imports of unprocessed goods, value, USD	Year (N-1), Year (N-2), Year (N-3), Year (N-4), Year (N-5)	Country, and by country of origin	
Inward flows of FDI, USD	Year (N-1), Year (N-2), Year (N-3), Year (N-4), Year (N-5)	Country, and by country of origin	
Outward flows of FDI, USD	Year (N-1), Year (N-2), Year (N-3), Year (N-4), Year (N-5)	Country, and by country of destination	
Gross fixed capital formation (investment)	Year (N-1), Year (N-2), Year (N-3), Year (N-4), Year (N-5)	Country	Private and public
Index of structural change in the manufacturing sector (Finger-Kreinin or equivalent)	Year (N-1), Year (N-2), Year (N-3), Year (N-4), Year (N-5)	Country	
Share of labour force working in primary and tertiary sectors	Year (N-1), Year (N-2), Year (N-3), Year (N-4), Year (N-5)	Country	

c. **Social transformation and performance  
(based on millennium development  
goals/post-2015 development goals/  
African development goals/Sustainable  
development goals)**

**Table 4: Indicators of social development**

<b>Development indicators</b>
Proportion of population below \$1 (PPP <sup>a</sup> ) per day <sup>b</sup>
Poverty gap ratio
Share of poorest quintile in national consumption
Growth rate of GDP per person employed
Employment-to-population ratio
Proportion of employed people living below \$1 (PPP) per day
Proportion of own-account and contributing family workers in total employment
Prevalence of underweight children under 5 years of age
Proportion of population below minimum level of dietary energy consumption
Net enrolment ratio in primary education
Proportion of pupils starting grade 1 who reach last grade of primary
Literacy rate of 15-24 year-olds, women and men
Ratios of girls to boys in primary, secondary and tertiary education
Under-five mortality rate
Maternal mortality ratio
Proportion of births attended by skilled health personnel
Contraceptive prevalence rate
HIV prevalence among population aged 15-24 years
Incidence and death rates associated with malaria

a PPP - purchasing power parity.

b For monitoring country poverty trends, indicators based on national poverty lines should be used, where available.

- Sectoral breakdown of government expenditures; and
- Government expenditures by sectors, in percentage of GDP and in percentage of the total expenditure.

#### **d. Governance, development planning and regional integration and convergence**

- Regional integration indices;
- Intra-African trade: main products and destinations;
- Indicators of macroeconomic convergence: compliance with agreed standards at the subregional level;
- Economic and corporate governance and institutions indices.

#### **e. Climate change and green economy (to be aligned with post-2015 development goals/African development goals/Sustainable development goals)**

- Mitigation indicators: greenhouse gas emission , share of renewable in the energy mix)
- Adaptation indicators: level of mainstreaming of adaptation into policies, level of implementation of national adaptation plan
- Green economy indices

#### **f. Food security to be aligned with post-2015 development goals/African development goals/Sustainable development goals)**

- Agricultural GDP (% of GDP)
- National Food Production / food self-sufficiency rate
- Trade Balance: Evolution of agricultural and food imports-exports
- People experiencing food insecurity
- Evolution of investment in agriculture

#### **g. Forecasting**

The main forecasts will concentrate on aggregate economic outlook as measured by GDP growth prospects. These forecasts require detailed national accounts data and assumptions depending on the forecasting model to be developed and used by ECA. The table in appendix 1 shows the base data that will be needed for any basic forecasting model. The data provided by this table should also provide a base and be linked to the more detailed data in tables 2 and 3 above. As mentioned earlier, forecasts on other variables can be done using single equation models.





## 7. Periodicity, length of country profiles and timeline

### Length of CP:

- Option 1: Annual 10-page CP with 2-page biannual/quarterly updates depending on data availability. Obviously, data and analysis of the variables listed above may require more than 10 pages by country, but the findings, indicators and key messages and policy recommendations can equally be presented in two pages. It should be decided at a later stage how

the key variables and indicators should be presented, along with key messages and policy recommendations in graphics and other formats.

- Option 2: Quarterly CPs of two pages each.

**Table 5: Timeline**

Tasks	Q (i) M1				Q (i) M2				Q (i) M3				Q(i+1) M1	
	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2
Data collection mission	■				■				■				■	
Send data to ACS		■	■			■				■				■
First draft or revised version	■	■	■		■	■	■		■	■	■			
Consistency checking and aggregation		■	■			■	■			■	■			
Uploading in the database			■				■				■			
Preparation of the data collection mission				■				■				■		
Forecasting											■	■		
Second draft											■	■	■	
Peer review													■	
Final version and release														■

## 8. Roles and responsibilities of subregional offices and divisions, and the link between country profiles, regional profiles and other publications of United Nations Economic Commission for Africa

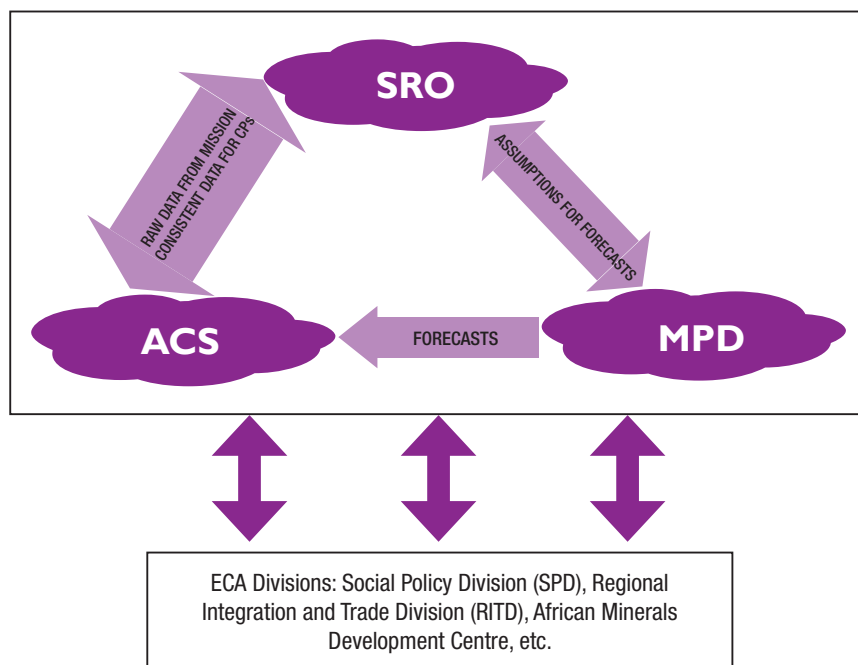
The SROs will be the main actors in the production of CPs for their subregion. SROs will liaise directly with member States to collect primary and secondary data from NSOs/bureaus. All data used by ECA have to undergo the same quality and consistency validation, irrespective of which SRO compiled it. ACS will be responsible for the statistical processes necessary to validate and harmonize the various data sets and then make them available for aggregation, forecasting and analysis.

As indicated in section 4, in order to reduce the cost of data collection and improve the capacity of ACS to coordinate the global statistical process, ACS should be involved in the data collection for some CPs. Responsibility

for taking the lead on some CPs could also be assigned to headquarters by ACS, one obvious example being Ethiopia, but also some countries that are close to headquarters. The same data used to produce CPs will be used in the compilation of all ECA publications as well as to support all policy analyses and research to ensure consistency in data and messages.

While SROs will work closely with ACS and MPD (see figure 1) to generate the forecasts and make them available to all users through the ECA data server, the MPD will have the responsibility to prepare substantive analysis and policy recommendations at continental level.

**Figure 1. Working relations among subregional offices and divisions**

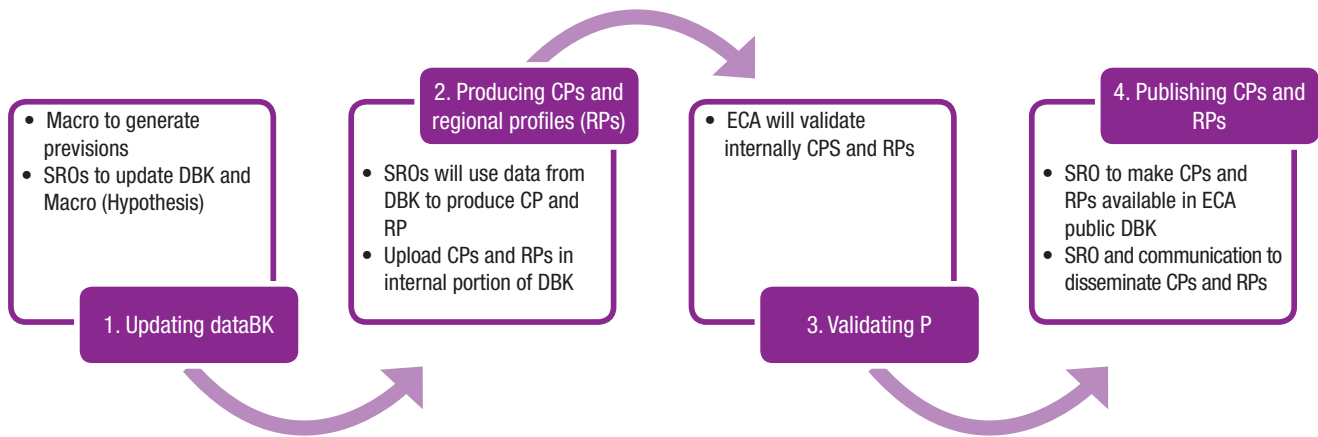


With regard to sequencing, as soon as CPs are finalized at the SRO level they will be added to the ECA databank for internal review (see figure 2). The internal review will be conducted through a peer review exercise. Other divisions of ECA are expected to contribute by reviewing specific parts of CPs. The peer review will be organized by video conference, and teams of reviewers should be established in consultation with all substantive divisions of ECA. External review involving countries covered in the CPs will be conducted before finalizing the profiles. The final CPs will be available at the

public space later. As a transitional measure, while the ECA databank is being established, ACS and MPD will ensure that the same data sources are used for the ERA. ACS, SROs and MPD should all be involved in the conception and development of relevant questionnaires to be used for case studies.

Ultimately, CPs will serve as inputs for ECA publications, such as the ERA and subregional annual reports on economic and social condition.

**Figure 2. Sequencing of the country profile process**





## 9. Partnership with member States, regional economic communities and other stakeholders, especially national and regional research and training institutions

The preparation of CPs will entail collaboration with various stakeholders at the national, subregional and regional levels. This collaboration will be in data collection, policy analysis as well as external review of the CPs.

At the national level, ECA will need to work closely with key nodes of the national statistical systems (NSS), especially the NSOs and central banks. For the purpose of member State involvement in this exercise, and country buy-in of CPs, it is important for ECA to sign Memorandums of Understanding with appropriate national organs for data provision, capacity-building, policy analysis, and other

country-specific areas of collaboration that will be identified as the process evolves. These national organs could include training and research institutions, private institutions like banks, NGOs, chambers of commerce and industry, investment agencies, etc.

At the subregional and regional levels, SROs will partner with RECs and other United Nations institutions in data collection and the preparation of CPs. Partnership with other United Nations institutions will avoid the duplication of efforts and enhance “delivery as one”.





## 10. Resource requirements - human and financial

The preparation of CPs will involve staff from SROs and ECA Divisions. It is expected that at least five staff members each from ACS and MPD will be involved in this exercise. For the peer review of CPs, two staff from each of the divisions that are not directly involved in the production, and three staff from each SRO will constitute a review team. On average, a reviewer should not have more than three CPs to review.

Staff members are expected to interact with member States on a regular basis. Resources should be made available to support involvement of member States in the review of CPs.

### Financial resources:

- Number of countries: 54
- Number of days per mission: five days
- DSA<sup>10</sup> per day on average: \$275

- Air ticket: \$1,500
- Number of missions per country: two
- Number of staff member per mission: one
- Local consultants (national writers)/data collection costs: \$10,000 per country
- Production of CPs including editing, translation, review etc.: 963,684 per year
- Dissemination costs: 5000 per country (\$270,000 for all African countries) plus general marketing (\$250,000) = \$520,000.

### Total direct cost:

- Data collection: \$15,750 per country per year = \$850,500
- Production costs: \$963,684
- Dissemination cost: \$520,000
- Total: \$2,334,184 per year.

<sup>10</sup> DSA – daily subsistence allowance.



## 11. Country coverage

During the transition period (2013) each SRO will produce three CPs. According to the revised proposed programme budget for the biennium 2014-2015, each SRO should produce at least four CPs per year. To reduce the cost

of data collection and to improve the capacity of ACS to coordinate the global statistical process, ACS should be involved in the data collection for some CPs (Djibouti, Eritrea, Ethiopia, the Sudan and South Sudan), and jointly produce them with the SROs, or take a lead on some on them. The ultimate target is to cover all countries.

### Appendix 1: National accounts framework for basic growth forecasts

<b>National Accounts in current LC</b>	Other purchases of goods & services	LC per Rand
Private consumption	Other current expenditure	Oil price USD per bbl
Government consumption	Current transfers	World food prices indices
Private investment	Interest payments	Inflation Euro zone
Public investment	Capital expenditure	
Exports	Net lending	Change in export prices
Imports (at border prices, i.e. excl. tariffs)	Current gov. expenditure (fiscal account)	Domestic economy
Indirect taxes (incl. tariffs and net of subs.)	Total revenues	Producer price of export sector 1 (LC)
GDP at market prices	Total expenditures	Producer price of export sector 2 (LC)
GDP at factor cost	<b>More exogenous data</b>	Producer price of export sector 3 (LC)

<b>International trade in current LC (balance of payments and National Acc. Sources)</b>	Basic volume and price performance	Producer price of export sector 4 (LC)
Energy imports	Real GDP growth rate	Food production growth rate
Food imports	CPI inflation	Food producer prices change
Other commodities imports (residual)	External sector	Government wage growth
Total goods imports (BOP)	Export sector 1 in volume	Growth rate private wages
Non-factor services imports	Export sector 2 in volume	ROW transfers to Hh
Other exports	Export sector 3 in volume	Public utilities prices change
Total goods exports (BOP)	Export sector 4 in volume	
Non-factor services exports lagged	World price of export sector 1 (USD)	
Tourism receipts	World price of export sector 2 (USD)	
<b>Fiscal accounts in current LC</b>	World price of export sector 3 (USD)	
Direct taxes (on income, profits)	World price of export sector 4 (USD)	
Domestic indirect taxes revenues	Commodity exports in current LC	
Trade taxes	LC per USD	
Other taxes	USD per EURO	
Other revenues	LC per EURO	
Grants		
Wages and salaries		

*Abbreviations:* LC, letter of credit; CPI, consumer price index; bbl, barrel; BOP, balance of payments; ROW, rest of the world; Hh, household.

## Appendix 2: Existing country profiles and links

Institution	Profile focus	Link
UNCTAD	UNCTAD World Investment Report (Thematic) and Country Fact Sheets	<a href="http://unctad.org/Sections/dite_dir/docs/wir12_fs_zm_en.pdf">http://unctad.org/Sections/dite_dir/docs/wir12_fs_zm_en.pdf*</a>
UNDP	National Human Development Report (2011) - trends, including data and descriptive analysis	<a href="http://hdr.undp.org/en/reports/national/africa/zambia/NHDR_Zambia_2011_en.pdf">http://hdr.undp.org/en/reports/national/africa/zambia/NHDR_Zambia_2011_en.pdf</a>
UNSD	UNdata: World Statistics Pocketbook, UNSD	<a href="http://data.un.org/CountryProfile.aspx?crName=Zambia*">http://data.un.org/CountryProfile.aspx?crName=Zambia*</a>
ECA	African Statistical Yearbook 2012 (ECA/ AfDB/AUC)	<a href="http://www.uneca.org/sites/default/files/publications/yearbook_2012.pdf">http://www.uneca.org/sites/default/files/publications/yearbook_2012.pdf</a>
CIA World Factbook	Information on economic, social, political, cultural and other country characteristics in an interactive manner	<a href="https://www.cia.gov/library/publications/the-world-factbook/docs/profileguide.html">https://www.cia.gov/library/publications/the-world-factbook/docs/profileguide.html</a>
AfDB	Country Governance Reports (AfDB/African Development Fund)	<a href="http://www.afdb.org/fileadmin/uploads/afdb/Documents/Project-and-Operations/Botswana%20Country%20Governance%20Profile__01.pdf">http://www.afdb.org/fileadmin/uploads/afdb/Documents/Project-and-Operations/Botswana%20Country%20Governance%20Profile__01.pdf</a>
World Bank	Country Profiles	<a href="http://ddp-ext.worldbank.org/ext/ddpreports/ViewSharedReport?&amp;CF=1&amp;REPORT_ID=9147&amp;REQUEST_TYPE=VIEWADVANCED&amp;HF=N&amp;WSP=N*">http://ddp-ext.worldbank.org/ext/ddpreports/ViewSharedReport?&amp;CF=1&amp;REPORT_ID=9147&amp;REQUEST_TYPE=VIEWADVANCED&amp;HF=N&amp;WSP=N*</a>
OECD	Factbook Country Statistical Profiles - 2011 edition  African Economic Outlook - annual specific theme critical to Africa's socioeconomic development	<a href="http://stats.oecd.org/Index.aspx?DatasetCode=CSP2011">http://stats.oecd.org/Index.aspx?DatasetCode=CSP2011</a>
IMF	Country Reports	<a href="http://www.imf.org/external/pubs/ft/scr/2012/cr12200.pdf">http://www.imf.org/external/pubs/ft/scr/2012/cr12200.pdf</a>

Institution	Profile focus	Link
Economist Intelligence Unit	Short- and medium-term economic and political outlook for countries including analysis of recent developments	<a href="http://www.eiu.com/site_info.asp?info_name=ps_country_reports">http://www.eiu.com/site_info.asp?info_name=ps_country_reports</a>
FAO	An information retrieval tool that provides access to country-specific information in agriculture and development in a single area with particular emphasis on interactive maps and graphics	<a href="http://www.fao.org/countryprofiles/en/">http://www.fao.org/countryprofiles/en/</a>

*Abbreviations:* AfDB, African Development Bank; AUC, African Union Commission; CIA, Central Intelligence Agency of the United States of America; FAO, Food and Agriculture Organization of the United Nations; OECD, Organisation for Economic Cooperation and Development; UNCTAD, United Nations Conference on Trade and Development.; UNDP, United Nations Development Programme; UNSD, United Nations Statistics Division.



