Indicator 9.2.1

Indicator Name, Target and Goal

Indicator 9.2.1 Manufacturing value added as a proportion of GDP and per capita

Target 9.2 Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries

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

Definition and Rationale

○ Definition

Manufacturing value added (MVA) as a proportion of gross domestic product (GDP) is a ratio between MVA and GDP.

MVA per capita is calculated by dividing MVA by population of the country.

○ Concepts

The gross value added is defined as output minus intermediate consumption and equals the sum of employee compensation, gross operating surplus of government and corporations, gross mixed income of unincorporated enterprises and taxes less subsidies on production and imports, except for net taxes on products (System of National Accounts 2008).

Manufacturing refers to industries belonging to the sector C defined by International Standard Industrial Classification of All Economic Activities (ISIC) Revision 4.

○ Rationale and Interpretation:

MVA is a well-recognized and widely used indicator by researchers and policy makers to assess the level of industrialization of a country. The share of MVA in GDP reflects the role of manufacturing in the economy and a country's national development in general. MVA per capita is the basic indicator of a country's level of industrialization adjusted for the size of the economy. One of the statistical uses of MVA per capita is classifying country groups according to the stage of industrial development.

Data Sources and Collection Method

National Accounts for 2017 (2008SNA)

—3.Gross Domestic Product classified by Economic Activities—

Method of Computation and Other Methodological Considerations

○ Computation Method

MVA proportion to GDP = MVA/GDP*100.

MVA per capita = MVA/population

○ Comments and limitations

Differences may appear due to different versions of System of National Accounts (SNA) or ISIC revisions used by countries. There may also be differences due to the exchange rate against USD, or different base year for constant price data.

Data Disaggregation

N/A

References

https://www.esri.cao.go.jp/en/sna/data/kakuhou/files/2017/2017annual_report_e.html

Custodian Ministries of Data

Economic and Social Research Institute, Cabinet Office

Custodian Ministries of Related Policies

International Organizations

United Nations Industrial Development Organization (UNIDO)