

## **Concept Note – UNSC55 Side Event on the Productive Capacities Index (PCI)**

### **Organizers: UNCTAD**

#### **Measuring productive capacities with the PCI: Background, achievements, and the way forward**

28 February 2024, 13:15 – 14:45 New York time (**tbc**), Venue: in-person, UNHQ

*“No nation has ever developed without building the requisite productive capacities, which are key to enabling countries to achieve sustained economic growth with accelerated poverty reduction, economic diversification and job creation.” - UNCTAD Secretary-General Rebeca Grynspan.*

This side-event will provide heads of National Statistical Offices (NSOs) and other participants of the 55<sup>th</sup> session of the United Nations Statistical Commission (UNSC) with insights into the Productive Capacities Index (PCI), which was developed by UNCTAD, as well as details of its statistical or methodological rigor and policy relevance for economic and social development. It will provide further information on the relevant background and underlying concepts related to the PCI. The event will also deliver updates on the outcomes of the Statistical and Technical Advisory Group on the PCI (STAG) meeting held in February 2023, highlighting the progress and challenges encountered in the maintenance and updates of the PCI. Attendees are encouraged to provide feedback and guidance on the PCI in the lead up to the next meetings of the STAG, as well as the High-level Advisory Board, which oversees the conceptual framework underpinning the PCI.

The PCI was developed in response to the call by the 14<sup>th</sup> Session of the United Nations conference on Trade and Development (UNCTAD XIV) to develop index to measure productive capacities and the ECOSOC resolution (E/RES/2017/29), encouraging UNCTAD "to pursue its methodological work to measure progress in and identify obstacles to the development of productive capacities in developing countries". Productive capacities are the productive resources, entrepreneurial capabilities and production linkages that together determine a country's ability to produce goods and services that will help it grow and develop (UNCTAD, 2006). The index covers 194 economies from 2000 to 2022, by using 42 input indicators distributed among 8 dimensions<sup>1</sup>, rendering it multidimensional and robust in its analytical capabilities. The PCI serves as a tool to guide evidence-based, and data-driven policy formulation and implementation, as well as future action. It particularly serves as a diagnostic lens, pinpointing gaps and limitations in the development of economy-wide productive capacities, together with areas of strengths and challenges within countries.

The PCI framework supports national efforts in measuring productive capacities, identifying gaps and challenges, and designing holistic programs to foster productive capacities in accordance with the outcomes of the Bridgetown Covenant (TD/L.435) and the Doha Programme of Action (Para 123).

#### **Draft agenda**

- **Opening – The critical need for enhanced data and statistics to drive evidence-based policies on productive capacities (7min)**

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<sup>1</sup> The eight core dimensions include human capital, natural capital, energy, ICT, structural change, transport, institutions, and the private sector.

*Mr. Paul Akiwumi Director of UNCTAD's Division for Africa, LDCs and Special Programmes*

- **PCI: Background, relevance, and processes (7 min)**

*Mr. Steve MacFeely, Chair of the STAG, Director of Data and Analytics, WHO*

- **Country experience in using the PCI for National Productive Gap Assessment – Nigeria (10 min)**

*TBC*

- **Q&A and open discussion**

- **Summing up**