

Classifications *Newsletter*

United Nations Statistics Division (UNSD)

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Statistical Classifications Workshop for ASEAN countries

From 10-14 June 2002, a workshop on statistical classifications for the ASEAN countries was held in Hanoi, Vietnam. The workshop was part of the ASEAN Development Account Project and was organized jointly by the UN Statistics Division and the Economic Commission for Asia and the Pacific (ESCAP). Representatives of 14 countries, the ASEAN Secretariat, ESCAP and UNSD, attended the meeting, hosted by the General Statistics Office (GSO) of Vietnam.

The objectives of the Workshop were to improve the work on classifications in the ASEAN region by providing a medium for regional statisticians to be informed about and involved in the work on international classifications and to address special issues relevant to the participating countries.

Through several sessions UNSD provided information about its work programme, the Family of International Classifications, the revision process and status of the ISIC and CPC, the progress on International Trade in Services and the role of classifications in concepts and compilation of the System of National Accounts (SNA). Another session dedicated to the implementation and use of CPC in a national context was conducted by the representative of the Australian Bureau of Statistics (ABS). In addition, all participating countries were invited to present a paper about their statistical classifications systems, work and emerging problems.

The most important insights resulting from the Workshop were:

- Many countries struggle to achieve an appropriate level of disaggregation of the classifications discussed. While for some areas in manufacturing the internationally required level of detail exceeds the necessities or possibilities of a country, other sectors (often agricultural) lack the necessary breakdown.
- The issue of outsourcing of manufacturing or other activities has been recognized as a major problem in the region. This covers assembly activities, activities

of processing agricultural products for a fee, etc. The participants requested that these issues receive a clear treatment in the next ISIC revision.

- The need for increased cooperation and information exchange between countries in the region as well as with international organizations has been recognized: it has been noted that in many statistical offices classifications work only gets attention in connection with upcoming censuses and surveys and that often not enough lead-time is given for classifications design.
- A very important use of correspondence tables is the link between imported and exported goods and services and main SNA destination categories as presently reflected in the Classification by Broad Economic Indicators (BEC), i.e. intermediate consumption, final consumption and capital formation. As the present BEC link with SITC only covers internationally traded goods, participating countries suggested the development of a link between the BEC and the CPC, which would not only include a link with categories of goods, but also with services. The products for intermediate consumption could be further subdivided according to the main ISIC industries where they are being used.
- Some countries were in favour of a review of the agricultural and fishing sector, to ascertain whether certain categories could be elevated to a higher level.

Plans for future work included:

- Creation of Focal Points in countries without separate classifications departments to ensure smooth cooperation and information exchange over the next period of time.
- Formation of a regional Classifications Working Group, consisting of the Focal Points mentioned above, to deal specifically with issues of relevance to the region. Topics could comprise the agricultural sector, treatment of outsourcing activities, etc. The Working Group is supposed to deliver coordinated input into the 2007 revision of the major statistical classifications, ISIC and CPC and, if proven successful, could be continued to work on the development of regional classifications. Negotiations to finance its meetings are under way.

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All documents related to this workshop, including country presentations and other documents, are now available on the UNSD Classifications homepage <http://unstats.un.org/unsd/class>.

IAOS meeting, London, August 2002

The International Association for Official Statistics (IAOS) is an international organization that brings together producers and users of official statistics. Its objectives are to promote the understanding and advancement of official statistics and to foster the development of effective and efficient official statistical services on a global basis. It is also a leading forum for decision makers in the world of statistics. The United Kingdom hosted the biannual IAOS conference on 27-29 August 2002.

The focus of this conference was on the "new economy", discussing questions such as "What is the New Economy?", "How can it be measured?", "What new statistical requirements will be needed?". Understanding and measuring these changes is one of the toughest challenges facing statisticians today. While developments over the past two years have put many of the discussions on the new economy in perspective, there is still a strong need for statistical description of the changes that have taken place and are still transforming national economies.

The meeting featured two sessions on classifications. One centred on requirements for activity and product classifications in the light of the changes associated with the 'new economy'. Naturally, IT-related activities and products have been in the centre of discussions on the new economy, prompting classifications to keep up with the rapid development in this area. However, the penetration of IT in other industry branches has also transformed the way other goods and, especially, services are being produced. This often prompts the question of whether 'new industries' have been created or not. Presentations at this session discussed recent developments in classifications work, undertaken for revisions of the North American Industry Classification System (NAICS) and the Japan Standard Industrial Classification (JSIC), as well as plans for the upcoming revisions of ISIC and CPC and their European counterparts. While the papers showed agreement on certain general ideas, such as the introduction of an 'information sector' in the activity classifications, they also revealed differences in defining concepts and details for these areas. This will become one of the challenges for the new international classifications, underlining the strong need for a clear conceptual basis on which these classifications need to be built.

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The other session on classifications looked beyond the boundaries of economic classifications, which are usually associated with 'new economy' discussions, and discussed topics such as challenges for integrating economic and social classifications into a common framework and new demands on the family of international classifications in light of recent developments for international trade in services.

All papers and presentations for the IAOS meeting are available from the IAOS 2002 website at <http://www.statistics.gov.uk/IAOSlondon2002>.

Classifications Website

The UNSD Classifications website has been moved to a new server and is now accessible under <http://unstats.un.org/unsd/class>. Access to the site on the new server should be faster and more reliable. The UN Classifications Registry is located on the same server and both parts of the website have been better integrated.

A number of new correspondence tables have been added to the Classifications Registry. These are related to the newly revised classifications ISIC Rev.3.1 and CPC Ver.1.1, as well as to the Standard International Trade Classification (SITC). The SITC tables have been prepared by the UNSD Trade Statistics Branch. Work is underway to provide additional information related to trade classifications in the Registry.

The web pages relating to the historical development of ISIC, CPC and SITC have been revised. The list of historical and conceptual papers related to these classifications, included on these pages, will be extended in the future.

Language support in the Registry has been extended. Apart from classifications being available in three different languages, menus and other navigational items, descriptions and general information are now also available in different languages. This should make the website easier to use for non-English speakers.

Any problems with access to the website or suggestions for further improvement should be sent to the Classifications Hotline at CHL@un.org.

Calendar of events

The next meeting of the Technical Subgroup of the Expert Group on International Economic and Social Classifications has been scheduled for 7-11 October 2002.

The main purpose of this meeting will be the discussion of the conceptual basis for the ISIC and CPC revision in 2007, resulting in a concept paper proposal that will determine scope and methodological approach to the revision process. Background papers for the meeting will be posted on the UN Classifications Website.

The next meeting of the Expert Group on International Economic and Social Classifications will take place in the first half of 2003. The Expert Group is expected to approve the concept paper for the ISIC and CPC revisions, prepared by the Technical Subgroup, and discuss further cooperation between custodians of international and regional economic and social classifications.

Preparations are in progress for a Classifications Workshop for ESCWA countries, tentatively scheduled for the first quarter of 2003 in Beirut, Lebanon.

Editorial note

The *Classifications* Newsletter summarizes recent developments in the field of international classifications and draws attention to the availability of such information in print and on the Internet. This *Newsletter* is published and disseminated by the *United Nations Statistics Division* in Arabic, Chinese, English, French, Russian and Spanish.

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