



UNITED NATIONS
DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION

India/4
16 October 2003

**United Nations Workshop on International
Economic and Social Classifications
New Delhi, India
14 - 16 October 2003**

Final report

I. Objectives of the workshop

A workshop on international economic and social classifications was conducted for Asian and Pacific countries in New Delhi, India, 14 – 16 October 2003. This Workshop focused on countries that were not included in workshops held earlier for ASEAN countries. The Workshop was conducted by the United Nations Statistics Division (UNSD) and the Statistics Division of the Economic and Social Commission for Asia and the Pacific (ESCAP) and was hosted by the Central Statistical Organisation, Ministry of Statistics and Programme Implementation, Government of India. It was held at the Asian and Pacific Centre for Transfer of Technology (APCTT), a regional institution of ESCAP.

The objective of the Workshop was to present the conceptual basis and main structural changes planned for the 2007 revisions of the International Standard Industrial Classification of All Economic Activities (ISIC) and the Central Product Classification (CPC), while assisting countries with the implementation of their activity and product classifications. An important goal was also to solicit the viewpoints of classifications statisticians on issues relevant to the region, with regard to the above-mentioned revisions.

The workshop was attended by seventeen participants from nine countries, along with one representative from the Secretariat of the Pacific Community, who represented twenty-two Pacific Island countries and territories.

II. Providing information to participants on current work, issues, etc on revision process

Presentations were made by both resource persons and participants at the workshop. Three resource persons from UNSD made presentations on:

- An introduction to the International Family of Classifications; tools provided and mechanisms employed by UNSD to promote and facilitate work on classifications and their implementation
- Information on the recent updates of ISIC and CPC;
- Detailed reporting of the proposals for the ISIC and CPC 2007 revision, including the main issues of the Concepts Paper and the ISIC and CPC Structures;
- Information on the revision process of the United Nations List of Industrial Products.

Two resource persons from ESCAP made presentations relating to cooperation in the field of classifications in the Asia and Pacific Region. These presentations addressed:

- The Role of Classifications in assessing the effects of Globalization and
- The Status of Classifications in ASEAN Countries and Possibilities for Technical Cooperation for South Asian countries.

III. Feedback from countries of the region

An important aspect of the Workshop concerned presentations on the current state of implementation of activity and product classifications at the national level by the representative of each participating country and the SPC. Each participant gave an overview of current activities and some elaborated on their plans for revision in the near future.

A common feature of most presentations were examples of how the international classifications had been adapted to accommodate specific situations in the countries, such as typical combinations of activities in reporting units in those countries. This detailed information will be considered in future discussions during the ISIC and CPC revision.

Some countries also gave indication of special situations that they would like to see reflected in the new ISIC structure.

The country presentations revealed that ISIC is widely implemented in the countries that participated, generally with minor adaptation at the lowest level to account for country-specific detail. It was reported that the Classifications of Expenditure According to Purpose, especially COICOP, are used in a number of countries (Bhutan, Maldives, Nepal, Sri Lanka reported) in the examination of consumption patterns of households.

CPC is not as widely used as ISIC, but in addition to countries already using CPC, a number of others registered active interest or plans for implementing the CPC. One reason given was that the kind of product detail that is needed at national level is not available in CPC. It is recognized however, that it is neither practical nor possible to provide all such detail relating to each country in a reference classification. (It may be recommended to countries therefore that they could adapt CPC to include such detail at a lower level). Another reason given was the difficulty and expense of obtaining product data. In some countries this is only done in years when input-output tables are produced.

IV. Conclusions and Recommendations

Following were some of the conclusions and recommendations coming from the discussion:

General issues

1. There was general agreement with the concepts and structure proposals, as outlined, for the revisions of ISIC and CPC planned for 2007. The discussion of theoretical background for changes to classifications was also perceived as very useful for evaluating national practices.
2. Concerning the entire revision process, a desire was expressed for continued involvement of all stakeholders, including academia and others.

3. There was general recognition of the fact that classifications work forms the basis of statistical data collection and requires continuing attention. Due to resource restrictions, countries often carry out classifications work only in connection with censuses, which may occur at long intervals only. It is recommended that each statistical office name a “classifications focal point” if the creation of a separate classifications/standards unit is not feasible. This focal person would ensure continuity of work in this area, maintaining contacts on all classifications-related issues between the country and responsible international agencies and building up classifications-specific knowledge at the same time.

ISIC and CPC related issues

4. There was enthusiastic support for the creation of a separate higher-level category for Maintenance and Repair, as this was seen to be more representative of the economic realities in participating countries.
5. There was recognition of the usefulness in creating separate categories for support services throughout ISIC, specifically the category for services incidental to agriculture.
6. Effort should be made to retain the group and class definitions of ISIC Rev.3.1 unless it is absolutely necessary to change them.
7. The concept of mixed farming was generally supported. Additional guidance on how to handle specific types of combinations, such as where crop farming supports animal farming (or vice versa) without providing additional outputs needs to be given.
8. It was recommended to further break down fishing activities. Possible options would be splits according to location (inland fishing vs. marine fishing – with marine fishing further broken down into oceanic, coastal and reef fishing) or technology used (mechanized vs. non-mechanized).
9. A recommendation was made for the development of a listing of mixed activities that are more prevalent in developing countries, to see if some patterns with international significance would emerge. Examples would include combinations such as aquaculture with rice farming, and general-purpose carpentry carpenters often make furniture, window and door frames, doors etc., but these activities fall under different ISIC codes. In case such combinations cannot be introduced in the classification structure as separate categories, guidance should be given as to whether the standard treatment of value-added (or proxies) for classifying mixed activities or default assignments for such combinations should be used. A particular example of the above is the combination of waste treatment and electricity or gas production, such as in waste incinerators or biogas digesters.

10. No support was expressed for the proposed placement of electricity transmission with transport activities.
11. A recommendation was made to include camels, yaks and buffaloes among the animals listed in those classes that mention farm animals.
12. Index items related to production patterns and products specific to the region should be submitted to UNSD for inclusion in international classifications materials. All countries represented said that they have easy access to the Internet and thus could utilize the resources that UNSD has put on its classifications website. In this regard, participants were informed that most of this information was available to national statistical offices (NSOs) free of charge on request.
13. Countries should continue to provide responses to the UNSD questionnaire (even if limited to subsections) for further consideration in the revision process.