

Final report

1. As part of the on-going activities in the field of statistical classifications, the United Nations Statistical Division (UNSD) conducted a workshop in cooperation with the Statistics Division of the Economic and Social Commission of Asia and the Pacific (ESCAP) and hosted by the Australian Bureau of Statistics (ABS). The workshop was held in Canberra, Australia, on 27 September – 1 October 1999. The Workshop was attended by 38 participants, representing 14 countries and a number of regional and international organizations.
2. Being the first Workshop on Classifications in the Asia and Pacific Region, the Workshop was designed to focus on the situation in the area of Statistical Classifications in the region, its specifics, policy needs and requirements, strategic planning for classification work, cooperation within the region as well as a general introduction to the International Family of Classifications, rather than being a coding training exercise.
3. One goal of this first Workshop in the Asia and Pacific region was the assessment of the current implementation of activity and product classifications in the region, with special attention to the International Standard Industrial Classification of All Economic Activities (ISIC) and the Central Product Classification (CPC). Most of the countries represented at the Workshop have implemented or are in the process of implementing an activity classification based on ISIC Rev.3. Most of them were able to use the structure provided by ISIC as a guideline and to introduce additional detail to reflect their national economic situation. However, there was a need expressed for a more regional approach, i.e. the development of a classification derived from ISIC that recognizes and meets the needs of countries in the region. It was felt that a regional adaptation of ISIC Rev.3 could serve as a bridge between the requirements for better representation of regional specifics and comparability at the worldwide international level. Similarly, concerns were raised regarding the reflection of specific needs at the sub-regional level. While the work on such classifications would certainly engage UNSD and interested countries from the region, ESCAP should play an important role as facilitator in this process. The idea was taken up for inclusion in the discussion on the next revision of ISIC. Comparison of expressed needs at the regional and sub-regional level with those from other regions (e.g. Africa, South America) should indicate whether these problems have to be addressed at the international level, through a regional adaptation or through regional extensions of ISIC.

4. Similar thoughts were expressed regarding the CPC V1.0, which is currently being implemented or evaluated by a number of countries present at the meeting. Although implementation has just begun, a significant amount of feedback is expected from the implementation process since CPC is still a very young classification with several parts of it still being refined. The result of these implementations will be used as input for further refinement of the classification. This includes UNSD, through ESCAP, capturing the regional and sub-regional specific detail that needs to be included and to make sure that it is reasonably reflected in the classification.
5. Participants also emphasized the need for an index for ISIC Rev.3. This is already part of UNSD's current work programme. A provisional version of the index is already available at UNSD's website.
6. One session was devoted to presentations and discussions of the use of ISIC and CPC in areas of National Accounts, Balance of Payments, Trade agreements and policy decision making. The presentations and discussions provided a detailed overview of the role of classifications in these frameworks. Participants recognized the need for proper linkages of classifications for these purposes. The linkages established by the international reference classifications, e.g. between CPC and BOP, should be preserved when national classifications are derived.
7. Measures to facilitate cooperation in the field of classifications between countries in the Asia and Pacific region, coordination of work on specific needs at the regional level, as well as information exchange at the international level played a central role in the discussions. Although bilateral contacts were made at the meeting, participants expressed a strong need for regional cooperation and coordination. They asked ESCAP to assume an advisory role and facilitate and coordinate efforts in this area. This would especially be important for work on and with a regional adaptation of the classification. The Secretariat of the Pacific Commission should assume a similar role in representing and dealing with concerns of their member countries at the sub-regional level.
8. Apart from strategic discussions on the future development of classifications, the participants also dealt with specific technical issues, including the treatment of new industries and products, alternative views and the selection of suitable statistical units for classification and data collection. The discussion showed that all countries, independent of their stage of development, are trying to deal with the proper treatment of emerging industries. This includes industries that have not existed a few years ago, as well as new ways of looking at existing industries to serve changed analytical needs. While the classification should be able to adequately reflect changes in the economic reality, it should also remain relatively stable to allow for sufficient time series to describe historical developments. Ways to address this situation were discussed at the Workshop. All countries expressed the need to reflect the Information and Communication sector in the classification. There is current work on the definition of these industries and their inclusion in alternative views of ISIC and it

is already part of UNSD's work plan for an update of ISIC to be published in 2002. Similar discussions took place on issues regarding the tourism-related industries.

9. Other issues discussed at the workshop were requirements on classifications for measuring activities in the informal sector. Since this sector is very important in the Asia and Pacific region, participating countries could share valuable experiences. As the countries present at the Workshop had conducted different surveys to collect information on the informal sector, a knowledge basis for developing and maintaining a consistent treatment of units in this sector exists. Possible sub-classifications for the informal sector, cross tabulations as well as time-use classifications were discussed. The potential available in this area should be used with ESCAP playing a coordinating role, on behalf of the region, with the Delhi Group on this issue.
10. The need for proper training and training materials on various aspects of classification work was a recurrent theme throughout the discussions. It was agreed that UNSD should establish a collection of training materials that could be widely distributed, e.g. through the UNSD website. UNSD will try to commit countries with existing training programs to share their materials, so that they can be reviewed and adapted for training on ISIC and CPC. Participants were also informed that there is ongoing work to update the publication of ISIC Rev.3. This will include a revision of the introduction of ISIC in order to make principles, applications and relations to other classifications easier to understand. The request for more illustrative examples, e.g. for the definition of the statistical unit, will be considered in this exercise. Apart from training materials, the need for hands-on training still exists. This will include training for coding within the existing frameworks as well as training for revision exercises and other applications. The possibility of additional United Nations Workshops on classifications to involve other agencies has to be explored. Possible partners mentioned were the Statistical Institute for Asia and the Pacific (SIAP) for training purposes, ILO for occupation and employment and UNESCO for education.
11. Participants at the meeting stressed the importance of classification work as the basis for statistical data collection and analysis. It was noted that in many offices classifications work only gets attention in connection with upcoming population censuses, i.e. every five or ten years or so. Participants noted that Statistical Offices typically don't allow enough lead-time to address classification issues before the censuses. Since classification issues will have to be addressed in the meantime in a consistent manner, it is imperative to strive for a reasonable consistency in the classification work. This would also allow the building of expertise at the national level, which is required for sufficient feedback to the international organizations. This feedback is extremely important for future work on international standards in classifications. To keep the international standard relevant and applicable to all countries, input is needed from developing, as well as developed countries.

Recommendations for future action plan

1. Countries will submit criticisms arising from the use of existing classifications and proposals for improvements in classifications to UNSD. UNSD will make these proposals available for public discussion through the Registry and the Virtual Expert Group.
2. The result of the above will form a major input in the revision process of classifications. All countries are asked to contribute to this process.
3. Plan training workshops focused on industry, commodity, occupation and education classification frameworks.
4. UNSD to bring forward proposals for treatment of newly emerging industries and alternative views of activity groupings. Areas of most urgent interest are the Communications Sector, Tourism related activities and Environment related industries (Waste management etc.).
5. Countries bring forward proposals for addressing regional and sub-regional concerns, such as the more detailed breakdown of Agriculture and Fishing activities for member states of the Pacific Community.
6. Preparation and dissemination of training materials. Existing training materials from collaborating countries can be distributed through the UN Website.
7. Countries in the region cooperate in activities to measure the informal sector, such as in the Delhi group. ESCAP will work to coordinate efforts on a classification of time use in the region.