



Classification by Broad Economic Categories (BEC), Revision 5

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Classification by Broad Economic Categories

Defined in terms of the Harmonized Commodity Description and
Coding System (2012) and the Central Product Classification, 2.0



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New York, 2014

BEC is used as an **analytical classification**, foremost to distinguish the **end-use of imported goods** as either intermediate consumption into further production or final consumption, or as fixed capital formation.

BEC has received renewed interest due to the analysis of **Global Value Chains with research on trade in intermediate goods**

BEC, Revision 5

- The draft manual of BEC Rev.5 was circulated for a global consultation at the end of June 2014
- The new structure of the BEC consists of 6 dimensions
- BEC, Rev.5, has 8 new Broad Economic Categories as its first dimension

Reasons for revising

- BEC is still relevant: referred to in more than 300 research papers since 2000
- Economic and end-use categories are overlapping
- Services should be added
- Review of correspondence to HS and CPC
- More guidance on dual-use classification

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- A technical sub-group for BEC Revision 5 was established in May 2011
 - Mandate of TSG on BEC :
 - (i) Re-defining BEC structure to better reflect current economic reality,
 - (ii) Extending its scope, including services as well as goods, while giving extra attention to the definition of intermediate goods,
 - (iii) Improving explanatory materials to help both compilers and users of data disseminated according to BEC, and
 - (iv) Providing updated correspondence tables to link BEC with other statistical classifications.

New 6 dimensions of the BEC, Rev.5

1. Broad Economic Categories
2. Goods and Services
3. End-use categories
4. Primary versus processed goods
5. Generic intermediate versus customized intermediate products
6. Durable versus non-durable goods

1: Food	Food and beverages, tobacco, agriculture, forestry and fishing, and related goods and services
2: Energy	Energy and mining, fuels, gas, basic metals, chemicals, plastics and related goods and services
3: Construction	Construction and housing, furnishings, household equipment and related goods and services
4: Textile	Textile and footwear, apparel, fashion, jewellery, bags and related goods and services
5: Transport	Transport and travel, packing, accommodation, and related goods and services
6: ICT	Information and communication technology, business and production services, including professional, scientific and technical activities, broadcasting, newspapers, books, paper, advertising, and related goods and services
7: Health	Health and education, personal care, sports, entertainment, and related goods and services
8: Other	Other goods and services consisting of unclassified, unknown, unregistered and confidential trade

Structure of 5th revision of BEC

1. Food, beverages and catering services

1.1. Goods

1.1.1. Intermediate Consumption

1.1.1.1. Primary

1.1.1.2. Processed

1.1.1.2.1. Generic

1.1.1.2.2. Customized

1.1.2. Capital Formation

1.1.3. Final Consumption

1.1.3.1. Non-durable

1.1.3.2. Durable

1.2. Services

1.2.1. Intermediate Consumption

1.2.1.1. Generic

1.2.1.2. Customized

1.2.2. Capital Formation

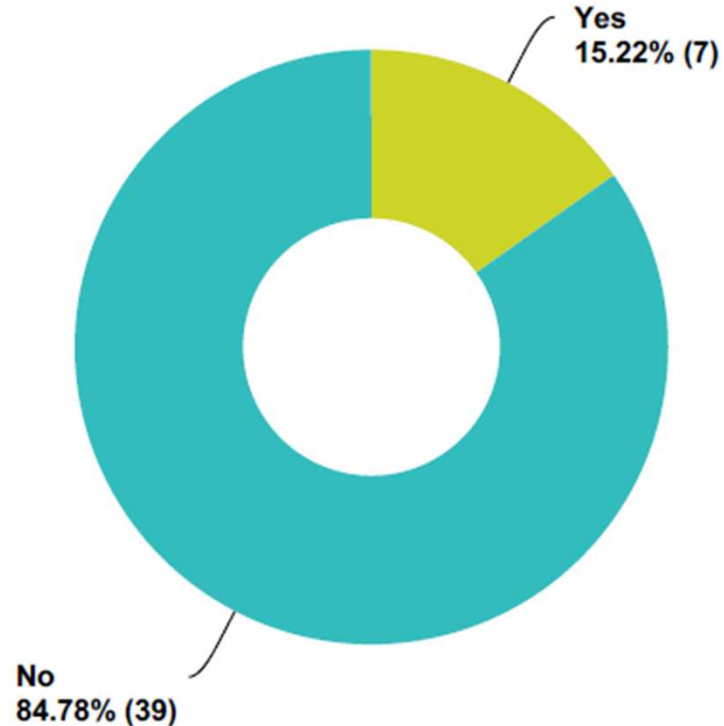
1.2.3. Final Consumption

Global survey - Results

- We received responses from 49 institutes of 48 countries (both the NSO and the central Bank of Bolivia responded separately)
- Overall, the countries support the new structure of the BEC with its new 8 broad economic classes and its 6 dimensions
- The respondents also agreed that a full breakdown of all combinations does not make sense in a number of cases, which implies that the final tree structure of the BEC will be pruned on certain branches

Global survey - Results

Question 6: Does your office (or a related office in your country) conduct a survey on the end- use of certain economically important products?



Next steps

- The report of the global consultation will be discussed among the members of the technical sub-group and be subsequently presented to the expert group on classifications.
- Thereafter, it will be submitted to the UN Statistical Commission. It could potentially still be presented at the Commission meeting in March 2015.