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UNITED NATIONS DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS STATISTICS DIVISION

Meeting of the Technical Subgroup for the Classification of Individual Consumption According to Purpose New York, 4-6 April 2017

Division 08 INFORMATION AND COMMUNICATION

TSG-COICOP

PLEASE NOTE:

This document lists the comments provided by countries and international organisations during the second global consultation.

The document was compiled by the chair of TSG COICOP Ana Franco.

In addition the document contains comments received by the members of TSG COICOP responding to the comments received during the global consultation. Where this is the case the name and organisation / country of the TSG COICOP member is indicated.

Division 08

1. Comments received

- A majority of 89.2% of the countries agree with the proposed reorganisation of Divisions 08 and 09
- A majority of 62.9% of the countries agree with to differentiate Group 08.2 Software (excluding games) into 08.2.1 Apps and 08.2.2 Other Software
- A majority of 60.2% of the countries agree to differentiate between "mobile telephone equipment" and "smartphones and tablets" although some countries think that in a close future all telephones will be "smart". Several countries propose to put tablets together with computers as nowadays the boundary between the 2 is less and less clear. Some laptops can be used as tablets (ultrabook "convertibles"). Already today, some tablets use the same operating system as personal computers (e.g. Microsoft Surface Pro comes with Windows 10 Pro).
- 56.9% agree or strongly agree in general with the proposed new structure for this division and 55.9% consider this proposal to have the correct level of detail
- Areas where the classification is considered too detailed or without the appropriate detail:
 - o Have a separate class for software is unnecessary. (Belgium)
 - Generally 08.2 too detailed (Finland, Poland, Montenegro)
 - The class 08.1.5 "Equipment for the reception, recording and reproduction of sound and vision" could be split into two subclasses: one considering television sets and its peripheral and another one for the other sound equipment. (Brazil)
 - "DJ equipment", in most of cases, is not a consumption item but used as a work equipment. (Brazil)
 - 08.3 TV fees are included in "Other" while they are very important, even more than e.g fixed telephony. (Poland)
 - 08.1.1+0.8.1.2+08.1.3 should be merged, because the phone "function" will become secondary. We propose a new structure: 08.1.1 Communication equipment (telephone, smartphone,...) and 8.1.2 Information processing equipment (including computers, ...) Tablets are more like computers, they are information processing equipment and they are not really used for calling. (Switzerland)
 - o Too detailed: 08.1.3, 08.2, 08.3.9 (Lithuania)
 - Merge 08.1.2 with 08.1.3 (United Kingdom)
 - Some of the 08.3.4 Bundled telecommunication services are for fixed phones and other for mobile phones. 2 different classes should exist (Costa Rica)
 - Merge 08.1.4.2 with 08.1.4.3, and merge all headings in 08.3.9. (United Kingdom)
 - Rather than create a separate group for software, include it as a class in 08.1. (United Kingdom)
 - 08.1.4.2 "Peripheral equipment and its consumable components" is a very broad class and could probably be split in several (Eurostat)

- Delete in 08.3.3 "Internet access provision services" and add to 08.3.1 and 08.3.2
 "incl. data transmission services (internet)". The rest of 08.3.3 is "Cloud storage, ...".
 (Germany)
- The following goods or services within this division were proposed to be moved to a different division:
 - 08.3.9.1 TV and Radio licences, fees and subscriptions and 08.3.9.2 Streaming services should be classified to 09.5.3 Audio-visual media as people purchase these for the same/similar purposes (recreation). TV is nowadays more a form of entertainment / recreation (section 09), than a form of communication (Section 08). (Australia)
 - 08.1.5 The sound part of this category should be in division 09: radio receivers (radio sets, digital radio sets, internet radio sets, satellite radio sets, car radios, radio clocks, two-way radios, amateur radio receivers and transmitters) - portable and non-portable CD players - portable and non-portable sound players - stereo equipment and CD radio cassette recorder - turntables, tuners, amplifiers, cassette decks, tape decks, DAT decks, microphones and speakers, DJ equipment, karaoke systems - car stereos (Switzerland)
 - "08.1.4 Information processing equipment" should be part of COICOP 09. "Tablets" should be part of the same COICOP as computers and laptops. (Belgium, Latvia, Norway)
 - GPS to Division 07.2.1.3 (Ireland)
- Some products or services were mentioned as missing in this division. In most of the cases it is only not clear where they should be classified and they just should be included in the list of examples. The following products or services were mentioned:
 - Cables of all sorts (both for computers and audio-visual equipment) (OECD, Eurostat)
 - Cameras are multipurpose and should be grouped together for convenience in 08.1.5 except web cameras which are computer peripherals. 08.1.4.2 Rental and repair of all cameras should also be moved 08.3.5 (Australia)
 - Postal services (this is still way of communication although old fashioned) (Slovenia)
 - Rental/lease fees for a decoder should they be part of charges for the use of satellite tv or should they be attached to tv fees? (Poland)
 - Mobile application to use the TV outside home (Poland)
 - VOD services (video on demand) (Poland, France)
 - Software for GPS navigators; (Belarus)
 - Software installation services (Belarus)
 - Newspaper is more appropriate to be classified in Division 8 than in Division 9. (Indonesia)
 - \circ PC components (disk drives, processors, etc), when purchased separately (Eurostat)
 - Radiotelephony, radiotelegraphy and radiotelex services should be included in 08.3.9.9 Other communication services (Eurostat)
 - Create a new class to include repair and rental of equipment for the reception, recording and reproduction of sound and vision (e.g televisions) or include the rental

of the products in 08.3.5 Repair and rental of information and communication equipment (Australia)

- Game based educational apps (South Africa)
- o social media apps (South Africa)
- Fees for satellite TV (Poland)
- o Maintenance and repair for spare products on this division
- Include game software and apps (Singapore)
- The terminology used is in general considered understandable by the average household by 90.3 % of the countries. The following terms were considered needing clarifications:
 - Peripheral equipment and its consumable components (Ireland)
 - \circ $\;$ The difference between 08.3.3.0 and 08.3.4.0 is not clear (South Africa) $\;$
 - There is some confusion about the coverage of Class 08.2 Software (excluding games); Subclass 08.3.9 Other information and communication services (i.e. rental or subscription of CDs....software); Subclass 09.2.1.1 Game consoles and software (i.e. video game software); Subclass 09.5.3 Audio-visual media (i.e. downloads of music and films); Subclass 09.6.1 Books (i.e. all electronic forms of books) and Subclass 09.6.2 Newspapers and periodicals (i.e. Internet subscription of newspaper, magazines and periodicals). Further elaboration or examples to these classes is required. (Hong Kong)
 - Rename 08.2.1 Apps to "Apps for mobile devices", or "Software for mobile devices", to make clear that the distinction between 08.2.1 and 08.2.2 is by device, not by kind of software. 08.2.2 could be renamed Computer software and the like (Eurostat)
 - 08.3.9.2 is called "Streaming services" but also includes rentals so it should be renamed.
 - Content of 08.3.9.1 is not very clear (Colombia)
 - Product lines blurring with multi-purpose gadgets. How do you define a tablet verses laptop versus a 2 in 1 (New Zealand)
 - Unrecorded recording media was introduced. QUESTION: Is it necessary to denote it as such? Can you have recording media that is recorded? If that is so, where is the 'Recorded' recording media classified? (Jamaica)
- Other relevant comments were:
 - In German consumer price statistics, division 08 presently accounts for about 30 per mill of households' consumption expenditure. The shift causes an increase by just under 15 per mill or almost 50%. This is significant in view of the extent and weight (in Germany!). As regards the composition, a large break will emerge over time. Division 08 becomes more important. (Germany)
 - eBook readers that are allocated in subclass 08.1.5.0 Could be transferred to subclass 08.1.9.0 "other information and communication equipment (Brazil)
 - The same content could be provided through an App (08.2.1.0) and through a newspaper (09.6.2.1) (World Bank)
 - Remove from COICOP -video cassette players and recorders, also video cassettes, audio tapes, cassettes-not available on the market. (Republic of Armenia)

- Would mobile data service plans be part of 08.3.2 or 08.2.3? Most U.S. mobile service providers charge a fixed cost for unlimited talk and text with a larger cost for data "buckets" depending upon data usage amounts. It is not clear based on the descriptions where mobile data is classified. (USA)
- Cameras and photographic equipment should be included in Division 08 since the price collection procedures, quality adjustment methods and other issues regarding the treatment of mentioned products and their inclusion in HICP calculation are very similar to the other products which are covered by the proposed structure of Division 08. There are no clear criteria regarding distribution of electronic devices among the Division 08 Information and Communication and Division 09 Recreation and culture. For example Cameras could be considered as electronic device in Division 08 as well as karaoke systems, car stereos or eBook readers however in the same time all these goods could be considered as electronic devices for recreation in Division 09. (Latvia)
- In subclass 08.3.2.0 "mobile communication services" it is included other mobile telephone services. Does it consider the internet access or it is computed in subclass 08.3.3.0 "Internet access provision services and net storage services" (Brazil)
- 08.1.4 Information processing equipment should specifically exclude video game computers and consoles (09.2.1.1) rather than using term video game computers that plug into a television set (Australia)
- The proposed classification states that fitness trackers and other wearable devices should be classified under 08.1.3.2 Accessories for smartphones and tablets if they do not work without these devices. However, it was not clear to us where wearable devices should be classified if they do not require additional equipment, or if, for example, they only sync with a website online. Are they health products or recreation products? (Australia)
- 08.1.4.2 Peripheral equipment and its consumable components include webcams (Australia)
- 08.1.5.0 Equipment for the reception, recording and reproduction of sound and vision includes headphone, earplugs and wireless/blue tooth headsets. (Australia)
- 08.2.1 Collapse into one software class software is now multi platform and distinguishing which it belongs will be problematic (Australia)
- 08.3.4.0 Bundled telecommunications services shouldn't be included as it provides an easy option, for statistical purposes the first option is to try and gain enough detail, also pricing bundle it complicated. Also the inclusion of this class breaks the mutual exclusivity rule of a good classification. (Australia)
- 08.1.4 personal computers should not be grouped together with calculators, they should be in separate groupings. (Poland)
- 08.3.5 repair and rental description of the group suggests that it includes repair of all equipment from the 08.1, but renting is possible only for phone, fax, etc. And what if someone wants to borrow a computer? (Poland)
- Electronic devices with multi-purpose, e.g. TV and subscription expense on cable TV, not only have information and communication purposes but also recreation purpose. How to differentiate and split this multi-purpose? What are the boundaries? (Indonesia)

- o Exclusions at class level should be at sub-class level when relevant (Costa Rica)
- Typo on 08.3.9.9 Other communication services: It should be VoIP, not VIP. (Costa Rica)
- Class 08.1.6 Unrecorded recording media should have as an exclusion all recorded recording media (09.5.3 and in 09.6.1) - Sub-class 08.3.9.2 Streaming services should also exclude audiovisual content purchased on-line for immediate downloading (09.5.3) (Eurostat)
- It is questionable whether e-book readers belong to 08.1.5. They may be more appropriately included with tablets. (Eurostat)
- Sub-class 08.3.9.2 Streaming services should also exclude audiovisual content purchased on-line for immediate downloading (09.5.3) (Eurostat)
- In ISIC 'Division 53 Postal and courier activities' is located in 'Section H Transportation and storage'. So I agree that Postal services should be moved Division 07 Transport. (Republic of Korea)
- The information and communication field is dynamic, with new products coming to the market all the time. Product lines are blurring, hybrid products are emerging (ie. hybrid laptop/tablet, 2 in 1s, phone watches etc). To go into detailed lower level categories may be detrimental in the future - with many products cutting across numerous categories. (New Zealand)
- Need to define the categories (eg what is a laptop and what is classed as a tablet etc?) (New Zealand)
- 08.1.3.2 Accessories for smartphones and tablets: aren't some smartwatches standalone (do not have to be connected to smartphone/tablet)? (New Zealand)

2 - Issues not needing discussion

1 – "DJ equipment", in most of cases, is not a consumption item but used as a work equipment.

Ana, Eurostat: I agree. It will be suppressed from the examples

Alexander, UNSD: I disagree. Leave it there. My son has some DJ equipment and he is definitively not working yet with his 13 years. Nowadays DJ equipment became very much accessible financially also for households and a considerable amount people have it.

Alice, STATCAN: Suggest providing examples that are for household consumption

2 - Cables of all sorts (both for computers and audio-visual equipment) are missing

Ana, Eurostat: they should be included as examples in 08.1.4.3 Accessories for information processing equipment

Cindia, CH: No, we think 08.1.5.0 is more appropriate

Alice, STATCAN: agree

Alexander, UNSD: What about the residual category 08.1.9.0 because many cables can be used for computers but also for smartphone and audio-visual equipment. Therefore, I would put all cables there.

3 - Web cameras should be included in the computer peripherals

Ana, Eurostat: Ok, they will be included in the examples of 08.1.4.2 Peripheral equipment and its consumable components. They also should be excluded from the class 09.1.1.1

Andrew, NZ: Is the distinction clear about webcams that are built into the PC monitor versus webcams that sit upon or alongside the computer ie are they one and the same or is peripheral only for standalone

Alexander, UNSD: Ok.

Alice, STATCAN: agree

4 - Where to classify Rental/lease fees for a decoder – should they be part of charges for the use of satellite tv or should they be attached to tv fees?

Ana, Eurostat: They should be in 08.3.9 Other information and communication services. This will be included in the notes

Alexander, UNSD: Ok

Alice, STATCAN: agree

Andrew, NZ: So if you need two decoders one for enabling satellite TV and another to enable digital to view commercial/public TV as analogue has been replaced, is it clear which falls where?

5 - Where to classify VOD services (video on demand)

Ana, Eurostat: They should be in 08.3.9 Other information and communication services. This will be included in the notes

Alexander, UNSD: Video on demand is the same as rentals of DVDs, so we should classify it under 08.3.9. We already mention streaming services there, this is the same thing.

Alice, STATCAN: agree but where? In NAPCS, we have VOD in both:

Television, movie and video on demand (except online streaming)

Online on demand streaming of television, movie and video

Suggest adding an inclusion in each – 08.3.9.1 and 08.3.9.2

6 - Where to classify Software for GPS navigators;

Ana, Eurostat: Together with the GPS device

Alexander, UNSD: Usually the software is already included in the price of the GPS device. So I would agree to put it together with GPS devices. But what about the maps which can be sold separately? As they are really device specific. I would also put them together with the GPS device.

Alice, STATCAN: OK in 08.1.9.0

7 – Where to classify Software installation services

Ana, Eurostat: They should be in 08.3.9 Other information and communication services

Alexander, UNSD: Ok

Alice, STATCAN: agree

8 - Where to classify PC components (disk drives, processors, etc), when purchased separately

Ana, Eurostat: They should be in 08.1.4.3 Accessories for information processing equipment

Alexander, UNSD: It depends. External hard disks and disk drives are in 08.1.4.2. Internal (replacement) components like processors, main boards, hard drives and disk drives could go under 08.1.4.3. Maybe rename the category into "Accessories and components for information processing equipment".

Alice, STATCAN: agree with Alexander – in 08.1.4.2 for external drives and 08.1.4.3 for other components

9 – Radiotelephony, radiotelegraphy and radiotelex services should be included in 08.3.9.9 Other communication services

Ana, Eurostat: Ok

Alexander, UNSD: Ok

Alice, STATCAN: agree

10 - Create a new class to include repair and rental of equipment for the reception, recording and reproduction of sound and vision (e.g televisions) or include the rental of the products in 08.3.5 Repair and rental of information and communication equipment

Ana, Eurostat: Repair and rental of equipment for the reception, recording and reproduction of sound and vision is indeed included in 08.3.5 but this will be made more explicit. If it is decided to move television and reproduction of sound to Division 09 a new class should be created there.

Alexander, UNSD: OK, include in 08.3.5.

Alice, STATCAN: agreed in 08.3.5.0

11 - Where to classify Game based educational apps and social media apps

Ana, Eurostat: There are Apps for almost all purposes and for this reason it was decided to keep them altogether in 08.2.1 with the exception of game Apps which is anyway a quite well delimited category.

Andrew, NZ: There is argument for the same discussion around educational books in that educational apps (even if learning games such as maths or spelling) be in education. So might be something that needs consideration in that wider debate about books, uniforms etc.

Alice, STATCAN: agreed – social media apps are in 08.2.1.0 and game apps are in 09.2.1

12 - Where to classify Fees for satellite TV

Ana, Eurostat: They should be in 08.3.9 Other information and communication services

Alexander, UNSD: Already mentioned in 08.3.9.1.

Alice, STATCAN: already mentioned in 08.3.9.1

13 - Rename 08.2.1 Apps to "Apps for mobile devices", or "Software for mobile devices", to make clear that the distinction between 08.2.1 and 08.2.2 is by device, not by kind of software. 08.2.2 could be renamed Computer software and the like

Ana, Eurostat: Ok, they can be renamed Apps for mobile devices

Andrew, NZ: So if you have a Windows Smartphone using Windows 10 operating, that has office 365 and gives you the ability to use Word, Excel etc, is that still an app or is it software or both?

Alexander, UNSD: Agree because Windows has now also apps. But we still need to define mobile devices because a laptop is also kind of mobile. Maybe "Apps for smartphones and tablets" would work.

Alice, STATCAN: agreed to rename

14 - 08.3.9.2 is called "Streaming services" but also includes rentals so it should be renamed.

Ana, Eurostat: Yes, 08.3.9.2 should be Subscription to audio-visual content, streaming services and rentals of audio-visual content.

Alexander, UNSD: Ok

Alice, STATCAN: agree

15 - Product lines blurring with multi-purpose gadgets. How do you define a tablet verses laptop versus a 2 in 1

Ana, Eurostat: This problem will be solved if both are in the some class

Andrew, NZ: Will be problematic over time but also not just with tablets/phones/laptops etc

Aimee, IMF: Tend to agree that they should be in the same class.

Alexander, UNSD: A 2 in 1 is a laptop. A tablet normally does not have a keyboard. But yes, the lines are getting blurry, also because Android Apps already run on (some) Chromebooks, see: https://support.google.com/chromebook/answer/7021273?hl=en

Alice, STATCAN: support to tablets with laptops in 08.1.4; this is how they are classified in Canada's household expenditures

16 – Unrecorded recording media was introduced. QUESTION: Is it necessary to denote it as such? Can you have recording media that is recorded? If that is so, where is the 'Recorded' recording media classified?

Ana, Eurostat: Yes. 'Recorded' recording media is classified in 09.5.3 Audio-visual media

Alice, STATCAN: agree with your interpretation

17 - Remove from COICOP -video cassette players and recorders, also video cassettes, audio tapes, cassettes-not available on the market.

Ana, Eurostat: Not true. They can still be found in the market <u>https://www.amazon.com/Portable-Cassette-Players-Recorders/b?ie=UTF8&node=172628</u>. However I would propose to remove them from the examples because the consumption of these products should be very small. However gramophone records and gramophone players are quite popular now, especially 'vinyls'; we should include them in 08.1.5

Andrew, NZ: In developing countries they may well still trade/consume tapes and cassettes and especially in a second-hand environment, recognising that general production has ceased but if you argue that posting letters needs to stay then so do these. Also vinyl LPs and turntables are making a significant return.

Francette, OECD: Should be kept yes

Alexander, UNSD: Do not delete these items, they still exist, although maybe some only in used form like video tape recorders. Gramophones players are also called turntables and they are already mentioned. Audio tapes have also some limited revival (although in that case I really do not understand why).

Alice, STATCAN: agree

18 - Would mobile data service plans be part of 08.3.2 or 08.2.3? Most U.S. mobile service providers charge a fixed cost for unlimited talk and text with a larger cost for data "buckets" depending upon data usage amounts. It is not clear based on the descriptions where mobile data is classified.

Ana, Eurostat: In general mobile telephone services for smartphones include internet and this is not separately charged. Therefore it should be codded in 08.3.2.0 Mobile communication services. This will be made more explicit.

Francette, OECD: Agree

Andrew, NZ: Also got the reverse that you get unlimited text but limited talk and data, and the issue that you can purchase more data but not more talk time – only pay more as you've exceeded your limit. But I think the resolution about making things more explicit will help

Alexander, UNSD: 08.3.2 as it is still predominantly a telephone service that also provides internet access. However there are some SIM cards for exclusive use with tablets / laptops and those should be under 08.3.3.

Alice, STATCAN: agreed – both talk and data plans are in 08.3.2.0; should we add a more explicit inclusion? In NAPCS, we have:

Mobile local and access telecommunications services Inclusion(s)

- additional calling features such as voice mail and call display, whether sold separately or bundled with the mobile local service plan
- mobile phone service plans with Canada-wide minutes
- voice and messaging cell phone plans that also include limited data Illustrative example(s)
- cell phone voice, text and data plans

19 - 08.1.4 Information processing equipment should specifically exclude video game computers and consoles (09.2.1.1) rather than using term video game computers that plug into a television set

Ana, Eurostat: Ok

Alexander, UNSD: Ok if by "video game computers" we do not mean a "gaming PC".

Alice, STATCAN: agree

20 - The proposed classification states that fitness trackers and other wearable devices should be classified under 08.1.3.2 Accessories for smartphones and tablets if they do not work without these devices. However, it was not clear to us where wearable devices should be classified if they do not require additional equipment, or if, for example, they only sync with a website online. Are they health products or recreation products?

Ana, Eurostat: They should be in 09.2.2.1 Equipment for sport. Notes will include this.

Alexander, UNSD: We might need to think a little bit more about this in order to make the classification future-proof. The use varies quite a bit from communication, via health, to sport, to navigation. See: <u>https://en.wikipedia.org/wiki/Wearable_technology</u>

Alice, STATCAN: disagree. Keep all in 08.1.3.2, too difficult to collect

21 - 08.1.5.0 Equipment for the reception, recording and reproduction of sound and vision includes headphone, earplugs and wireless/blue tooth headsets.

Ana, Eurostat: Ok. They will be mentioned in the notes.

Alice, STATCAN: agree

22 - 08.2.1 Collapse into one software class - software is now multi platform and distinguishing which it belongs will be problematic

Ana, Eurostat: A majority of countries agreed in having specific classes for Apps and other software.

Alexander, UNSD: I lean more towards having two subclasses for one main reason: Usually still very different price levels for apps and software.

Alice, STATCAN: agree

23 - 08.1.4 – personal computers should not be grouped together with calculators, they should be in separate groupings.

Ana, Eurostat: Computers and calculators are in different sub-classes and they are anyway all Information processing equipment.

Alice, STATCAN: agree

24 - Exclusions at class level should be at sub-class level when relevant

Ana, Eurostat: Notes will be checked to take this into account.

25 - Typo on 08.3.9.9 Other communication services: It should be VoIP, not VIP.

Ana, Eurostat: This will be corrected

26 - Class 08.1.6 Unrecorded recording media should have as an exclusion all recorded recording media (09.5.3 and in 09.6.1) - Sub-class 08.3.9.2 Streaming services should also exclude audiovisual content purchased on-line for immediate downloading (09.5.3)

Ana, Eurostat: Ok

3 - Issues needing discussion

1 –The class 08.1.5 "Equipment for the reception, recording and reproduction of sound and vision" could be split into two subclasses: one considering television sets and its peripheral and another one for the other sound equipment.

Ana, Eurostat: It makes sense. The purpose is different.

Alexander, UNSD: Ok one for purpose audio and vision and one only for audio. Some are however multipurpose: E.g. soundbars which can be used when watching TV or to simply hear music. AV amplifiers are used for both.

2 – 8.3.9.1 TV and Radio licences, fees and subscriptions and 08.3.9.2 Streaming services should be classified to 09.5.3 Audio-visual media as people purchase these for the same/similar purposes (recreation). TV is nowadays more a form of entertainment / recreation (section 09), than a form of communication (Section 08)

Ana, Eurostat: I agree that TV is seen by most of people as recreation instead of information. In other words the part of use for recreation is for sure bigger than the part for information. If we move 8.3.9.1 TV and Radio licences, fees and subscriptions and 08.3.9.2 Streaming services to Division 09, we would need to move also 08.1.5 Equipment for the reception, recording and reproduction of sound and vision. Furthermore I would propose to keep TV and radio licences and fees separated from other subscriptions. There is a difference between administrative fees that you pay every month/year and fees to have access to the contents that are available through various providers : internet, streaming, VOD, cable etc .

This means to have the following changes:

08.3.9.1 TV and Radio licences and fees and subscriptions

Includes
- TV and Radio licenses
- subscription to cable TV, satellite TV, IPTV, and Pay-TV

08.3.9.2 Subscription to audio-visual content, streaming services and rentals of audio-visual content

Includes

- streaming services (film and music)

- rental, download or subscription of CDs, video tapes, DVDs, Blurays, software (excluding game software)

- subscription to cable TV, satellite TV, IPTV, and Pay-TV

<mark>- VOD services</mark>

- subscription to TV via decoder and rental of decoders

Excludes:

rental or subscription of video game software and online games (09.2.1.1)
 Audio-visual content purchaised online for immediate downloading (09.5.3)

Alexander, UNSD: I would keep 08.3.9.1 and 08.3.9.2 as they are. The first is for "synchronous" TV and audio consumption, so watching / listening when the media is broadcasted, and the second one is for "asynchronous" media consumption on demand. Maybe we should use more these two terms?

Not sure whether we should move TVs to 09. Modern TVs are a mix of normal TV and information equipment using apps.

3 – 08.1.5 The sound part of this category should be in division 09: radio receivers (radio sets, digital radio sets, internet radio sets, satellite radio sets, car radios, radio clocks, two-way radios, amateur radio receivers and transmitters) - portable and non-portable CD players - portable and non-portable sound players - stereo equipment and CD radio cassette recorder - turntables, tuners, amplifiers, cassette decks, tape decks, DAT decks, microphones and speakers, DJ equipment, karaoke systems - car stereos. 08.1.4 Information processing equipment should be part of COICOP 09

Ana, Eurostat: Similar request as previous. It would also make sense to move them to Division 09. It would also be reasonable to have a separate class for sound

4 - eBook readers that are allocated in subclass 08.1.5.0 Could be transferred to subclass 08.1.9.0 "other information and communication equipment. It is questionable whether e-book readers belong to 08.1.5. They may be more appropriately included with tablets.

Ana, Eurostat: If we agree to move televisions and sound devices to division 09, eBook readers could go under a new category including other information and communication equipment: Other electronic devices for recreation (excluding TVs, radios, CDplayers, etc).

Andrew, NZ: Ereaders sit in Div 9 – they are neither appropriate to 815 nor 819 as you have internet access and can browse let alone download content. You generally can't stream or watch videos on them so moving them makes sense.

Alexander, UNSD: The reasoning to have e-book readers with 08.1.5.0 is that they show a medium. The items in 08.1.9.0 do not.

5 - Cameras are multipurpose and should be grouped together for convenience in 08.1.5 except web cameras which are computer peripherals. 08.1.4.2 Rental and repair of all cameras should also be moved 08.3.5

Ana, Eurostat: In fact 08.1.5 Equipment for the reception, recording and reproduction of sound and vision includes recording. However, we would prefer to keep separated cameras from equipment for the reception, recording and reproduction of sound and vision. The function of 'recording' of cameras is used in different context than function recording of TV. Cameras should be coded in Division 09 because they are mostly used for recreation.

Andrew, NZ: So we are talking about digital versus traditional or what. And a camera in a smartphone that can take a photo or video would be excluded here>

Alexander, UNSD: Keep as is

6 - The same content could be provided through an App (08.2.1.0) and through a newspaper (09.6.2.1). Where to classify Mobile application to use the TV outside home?

Ana, Eurostat: Apps are very heterogeneous and cover many different types of products. We should probably distinguish those that are paid at the installation and those that include a

subscription to a product (newspaper, Mobile TV). I would include in Apps only the first and the subscriptions with the subscriptions to the same type product that are not used with the App.

Alexander, UNSD: Agree with Ana

7 – Have a separate class for software is unnecessary. Generally 08.2 too detailed. Rather than create a separate group for software, include it as a class in 08.1.

Ana, Eurostat: I tend to agree that the consumption of software in the households do not justify a group. However it leaves the question of where to classify them. The reason why we have not put them in 08.1 is, if I well remember, because software is something between goods and services. http://www.shoosmiths.co.uk/client-resources/legal-updates/Software-Goods-or-services-1193.aspx

Alexander, UNSD: I lean towards having two subclasses for apps and software for one main reason: Usually still very different price levels for apps and software. As for the group level, I agree with Ana.

8 - 08.3 - TV fees are included in "Other" while they are very important, even more than e.g fixed telephony.

Ana, Eurostat: I'm not sure that this is the case in many countries but we could envisage having a class for TV and Radio licences and fees

Alexander, UNSD: Maybe the person who gave the comment confused TV licenses with the cable TV subscription?

9 – 08.1.1+0.8.1.2+08.1.3 should be merged, because the phone "function" will become secondary. We propose a new structure: 08.1.1 Communication equipment (telephone, smartphone,...) and 8.1.2 Information processing equipment (including computers, ...) Tablets are more like computers, they are information processing equipment and they are not really used for calling.

Ana, Eurostat: I would keep the fixed telephone equipment but merge Mobile telephone equipment with Smartphones although 60% of the countries preferred to have separated. And I agree that it makes sense to have tablets with computers because the purpose is quite similar.

Andrew, NZ: Agree that tablets sit with computers. What do you do when your phone is embedded into your PC and you use a headset connected to the PC and use Skype for business for all your calls. If your PC goes down you can't phone/call anyone. Does that impact on the definition of telephonic equipment and also the cost as you need a permanent headset?

Alexander, UNSD: I would merge mobile phone equipment and smartphones. It does not make sense to have two classes. Although tablets are often more like laptops, they can still relatively easy be differentiate by the fact that tablet have no fixed keyboard. Furthermore, there are borderline case between tablets and smartphones (phablets).

10 – Some of the 08.3.4 Bundled telecommunication services are for fixed phones and other for mobile phones. 2 different classes should exist

Ana, Eurostat: It is true. But we have also bundles with TV, internet etc. I would prefer to have a single class for all Bundled telecommunication services to avoid boundary problems

Andrew, NZ: On an unrelated issue, if you have a landline to your house which you use for your telephone and internet access but you ditch the telephone but only pay for the broadband access, where does that go, and if you then have fibre broadband installed which uses different cabling altogether but then allows streaming or use of Netflix for example is it bundled or something else

Alexander, UNSD: One single class if sufficient.

11 – Merge 08.1.4.2 with 08.1.4.3, and merge all headings in 08.3.9. 08.1.4.2 "Peripheral equipment and its consumable components" is a very broad class and could probably be split in several

Ana, Eurostat: these 2 comments are on the same classes but somehow contradictory. I would propose to have a new sub-class for the consumable components. (tonner and ink cartridges, laser printer drums, typewriter ribbons).

Alexander, UNSD: Don't split 08.1.4.2. Don't merge 08.4.1.2 and 08.4.1.3. Don't merge 08.3.9.

12 – Delete in 08.3.3 "Internet access provision services" and add to 08.3.1 and 08.3.2 "incl. data transmission services (internet)". The rest of 08.3.3 is "Cloud storage, ...".

Ana, Eurostat: I don't see the interest of this change...

Alexander, UNSD: No. Does not make sense.

13 - GPS should be moved to Division 07.2.1.3

Ana, Eurostat: I would agree. GPS are tools to help orientation and to optimize displacements. They are not linked with a specific mean of transport because there are GPS for all kind of means of transport but they are clearly mostly associated with transport (although there are also GPS for trekking).

Andrew, NZ: Not all GPS is transport – maps on smartphones use location/GPS from your phone to help you plot courses particularly when visiting other cities; also aeronautical/armament GPS what then?

Alexander, UNSD: GPS for trekking or geocaching do not have the purpose of transportation. Other possible solution, as the GPS for vehicles are dying category in the light of smartphone use: Move all GPS devices for vehicles into 07.2.1 Parts and accessories for personal transport equipment (SD) and all non-vehicle GPS devices, e.g. for trekking, geocaching, etc. to 09.2.2 Equipment for sport, camping and open-air recreation.

14 – Include in division 08 Postal services (this is still way of communication although old fashioned).

Ana, Eurostat: I agree if we are talking only about letters and post cards. But it will be a very small expenditure.

Alexander, UNSD: Leave it together with the parcel delivery services in 07

15 - Newspaper is more appropriate to be classified in Division 8 than in Division 9.

Ana, Eurostat: Newspapers are clearly information goods. However the WG Culture recommends keeping Newspapers in 09 as well as 09.6.2.2 Magazines and periodicals?

Andrew, NZ: Agree as they are information but online subscriptions would go where. You may still pay for a physical copy of one newspaper but subscribe online to another.

Alexander, UNSD: 09.6.1.2 Other books are also for information. No. just leave everything in 09.

16 - 08.3.4.0 Bundled telecommunications services shouldn't be included as it provides an easy option, for statistical purposes the first option is to try and gain enough detail, also pricing bundle it complicated. Also the inclusion of this class breaks the mutual exclusivity rule of a good classification.

Ana, Eurostat: All this is true but these bundles exist everywhere and their components cannot be priced individually. If we don't include them countries will ask for guidance on these situations anyway. Holiday package is another example of bundle.

Alana, NZ: I agree with your opinion – bundling is very popular. One of the problems of having them in the classification is that the categories are becoming blurred and not mutually exclusive (if we have different categories for the components and then a different category for the bundle). Think this needs further thought.

17 - The information and communication field is dynamic, with new products coming to the market all the time. Product lines are blurring, hybrid products are emerging (ie. hybrid laptop/tablet, 2 in 1s, phone watches etc). To go into detailed lower level categories may be detrimental in the future with many products cutting across numerous categories.

Ana, Eurostat: This is particularly important on this division where things move very fast. We have to ensure the stability of the classes proposed. This is perhaps one of the reasons to keep smartphones together with other mobile phones because in the future likely all phones will be smart.

Andrew, NZ: This is the challenge for this division – it is about purpose rather than detailing all the technology and technological changes per se and we don't want to put a level of detail in that reflects developed countries at the expense of practical usage for developing.

Alana, NZ: Need to evaluate the level of detail required and why. If the categories are broad they can accommodate new products with ease.

18 - 08.1.3.2 Accessories for smartphones and tablets: aren't some smartwatches standalone (do not have to be connected to smartphone/tablet)?

Ana, Eurostat: I don't know any but they perhaps exist. We could have a specific sub-class for them in order to separate them from other accessories.

Alexander, UNSD: Most of the smartwatches only work with smartphones, the main reason is the high power consumption of the 3G or 4G communication. Therefore, I would leave them where they

are. A separate subclass is probably to not appropriate as the expenditure is not (yet) significant. Maybe rename the subclass into "08.1.3.2 Smartwatches, fitness trackers and accessories for smartphones and tablets".

08 INFORMATION AND COMMUNICATION

08.1 Information and communication equipment

08.1.1 Fixed telephone equipment

Includes:

- purchases of telephones, radio-telephones, telefax machines, telephone-answering machines and telephone loudspeakers

Excludes:

- telefax and telephone-answering facilities provided by personal computers (08.1.4.1)

08.1.1.0 Fixed telephone equipment

Includes:

- purchases of telephones, radio-telephones, telefax machines, telephone-answering machines and telephone loudspeakers

Excludes:

- telefax and telephone-answering facilities provided by personal computers (08.1.4.1)

08.1.2 Mobile telephone equipment

Includes: - regular mobile telephone handsets, including devices with several functions Excludes: - smart phone (08.1.3)

08.1.2.0 Mobile telephone equipment

Includes: - regular mobile telephone handsets, including devices with several functions Excludes: - smart phone (08.1.3)

08.1.3 Smartphones and tablets

Includes: - smart phones

- smart pho - tablets

- tablets

08.1.3.1 Smartphones and tablets

Includes:

- smart phones

- tablets

08.1.3.2 Accessories for smartphones and tablets

Includes:

- smartwatches,

- fitness trackers, and other wearable devices like e.g. google glass and that do not work without a smartphone or tablet.

- chargers, batteries, power banks, docking stations, covers, cases, cradles, mounts

08.1.4 Information processing equipment

Includes:

- personal computers, monitors, projectors, VR head mounts, printers and miscellaneous accessories accompanying them

- calculators, including pocket calculators

- typewriters and word processors (device)

Also includes:

- telefax and telephone-answering facilities provided by personal computers Excludes:

- computer software packages such as operating systems, applications, languages, etc.(08.2.2)

- removable media containing books, dictionaries, encyclopaedias, foreign language trainers,

multimedia presentations, etc. in the form of software (09.6.1)

- video game software (09.2.1)

- video game computers that plug into a television set (09.2.1)

08.1.4.1 Computers and laptops

Includes

- desktop computers and laptops

08.1.4.2 Peripheral equipment and its consumable components

Includes:

-printers, scanners, monitors, projectors, VR head mounts, modems, routers, network switches and the like, keyboards, mice, digitizers

- typewriters and word processors (device)

- tonner and ink cartridges, laser printer drums, typewriter ribbons.

- calculators, including pocket calculators

08.1.4.3 Accessories for information processing equipment

Includes:

- chargers, batteries

08.1.5 Equipment for the reception, recording and reproduction of sound and vision Includes:

- television sets, video cassette players and recorders, DVD players, Blu-ray players, Ultra HD Blue-ray players, streaming boxes, television aerials of all types

- radio receivers (radio sets, digital radio sets, internet radio sets, satellite radio sets, car radios, radio clocks, two-way radios, amateur radio receivers and transmitters)

- portable and non-portable CD players

- portable and non portable sound players

- stereo equipment and CD radio cassette recorder

- turntables, tuners, amplifiers, cassette decks, tape decks, DAT decks, microphones and speakers,

DJ equipment, karaoke systems

- car stereos, video systems for cars

- eBook readers

- set-top boxes, satellite receivers, cable receivers, IPTV receivers, television converter boxes,

- digital media players

08.1.5.0 Equipment for the reception, recording and reproduction of sound and vision Includes:

- television sets, video cassette players and recorders, DVD players, Blu-ray players, Ultra HD Blue-ray players, streaming boxes, television aerials of all types

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- stereo equipment and CD radio cassette recorder

- turntables, tuners, amplifiers, cassette decks, tape decks, DAT decks, microphones and speakers, DJ equipment, karaoke systems

- car stereos, video systems for cars

- eBook readers

- set-top boxes, satellite receivers, cable receivers, IPTV receivers, television converter boxes,
- digital media players

08.1.6 Unrecorded recording media

Includes:

- CDs (R and RW)
- DVDs (R and RW)
- Blu-ray discs (R and RE),
- video cassettes
- audio tapes, cassettes, DAT
- external hard drives and solid state disks, NAS (network attached storage)
- USB keys / flash drives
- SD Cards, Compact Flash, etc.
- magnetic data tapes
- other magnetic recording media
- other optical recording media
- other recording media (Phase-change recording media, holographic recording media, molecular recording media)

08.1.6.0 Unrecorded recording media

Includes:

- CDs (R and RW)
- DVDs (R and RW)
- Blu-ray discs (R and RE),
- video cassettes
- audio tapes, cassettes, DAT
- external hard drives and solid state disks, NAS (network attached storage)
- USB keys / flash drives
- SD Cards, Compact Flash, etc.
- magnetic data tapes
- other magnetic recording media
- other optical recording media

- other recording media (Phase-change recording media, holographic recording media, molecular recording media)

08.1.9 Other information and communication equipment

Includes:

- GPS equipment,
- walkie-talkies,
- baby monitors

08.1.9.0 Other information and communication equipment

Includes:

- GPS equipment,
- walkie-talkies,
- baby monitors

08.2 Software (excluding games)

08.2.1 Apps

Includes:

- computer programs designed to run on mobile devices such as smartphones and tablet computers

Excludes:

- game apps (09.2.1)

08.2.1.0 Apps

Includes: - computer programs designed to run on mobile devices such as smartphones and tablet computers Excludes: - game apps (09.2.1.1)

08.2.2 Other software

Includes:

- computer software packages such as operating systems, applications, languages, etc. *Includes also software subscriptions and use of on line software* Excludes:

- apps for smartphones and tablets (08.2.1)

- video game software (09.2.1)

- removable media containing books, dictionaries, encyclopaedias, foreign language trainers, multimedia presentations, etc. in the form of software (09.6.1)

08.2.2.0 Other software

Includes:

- computer software packages such as operating systems, applications, languages, etc. *Includes also software subscriptions and use of on line software*

Excludes:

- apps for smartphones and tablets (08.2.1.0)

- video game software (09.2.1.1)

- removable media containing books, dictionaries, encyclopaedias, foreign language trainers, multimedia presentations, etc. in the form of software (09.6.1)

08.3 Information and communication services

08.3.1 Fixed communication services

Includes:

- installation and subscription costs of personal telephone equipment

- telephone calls from a private line or from a public line (public telephone box, post office cabin, etc.)

- local, regional, national and international calls

- telephone calls from hotels, cafés, restaurants and the like

08.3.1.0 Fixed communication services

Includes:

- installation and subscription costs of personal telephone equipment

- telephone calls from a private line or from a public line (public telephone box, post office cabin, etc.)

- local, regional, national and international calls

- telephone calls from hotels, cafés, restaurants and the like

08.3.2 Mobile communication services

Includes:

- national calls, including voice and video calls

- International calls, including voice and video calls

- messages, including voice, written (SMS) and image (MMS) messages, subscription fees for other messengers

- other mobile telephone services

Also includes:

- costs of telephone equipment if included in subscription costs

- mobile phones included in a package, i.e. pre-paid or post-paid packages, generally tied to a specific operator for a certain period of time if not separately priced

08.3.2.0 Mobile communication services

Includes:

- national calls, including voice and video calls

- International calls, including voice and video calls

- messages, including voice, written (SMS) and image (MMS) messages

- other mobile telephone services

Also includes:

- costs of telephone equipment if included in subscription costs

- mobile phones included in a package, i.e. pre-paid or post-paid packages, generally tied to a specific operator for a certain period of time if not separately priced

08.3.3 Internet access provision services and net storage services

Includes:

- Internet access services provided by operators of wired, wireless or satellite infrastructure

- cloud storage, file hosting and web hosting services

- subscriptions for email services

Also includes

- activation and installation fees and monthly rate

08.3.3.0 Internet access provision services and net storage services Includes:

- Internet access services provided by operators of wired, wireless and satellite infrastructure

- cloud storage, file hosting and web hosting services

- subscriptions for email services

Also includes

- activation and installation fees and monthly rate

08.3.4 Bundled telecommunication services

Includes:

- telephony/Internet/television packages

- any combination of telecommunication package

08.3.4.0 Bundled telecommunication services

Includes:

- telephony/Internet/television packages

- any combination of telecommunication package

08.3.5 Repair and rental of information and communication equipment

- repair of all information and communication equipment

- hire of telephones, telefax machines, telephone-answering machines and telephone loudspeakers

- hire of wireless telephone equipment

- hire of internet access provision equipment

- hire of telegraphy, telex, telefax, radiotelephony, radiotelegraphy and radiotelex equipment

08.3.5.0 Repair and rental of information and communication equipment

- repair of all information and communication equipment

- hire of telephones, telefax machines, telephone-answering machines and telephone loudspeakers
- hire of wireless telephone equipment
- hire of internet access provision equipment
- hire of telegraphy, telex, telefax, radiotelephony, radiotelegraphy and radiotelex equipment

08.3.9 Other information and communication services

Includes

- telegraphy, telex and telefax services

- VoIP (Voice over Internet Protocol) provision (nomadic use)
- TV and Radio licenses
- subscription to cable TV, satellite TV, IPTV, and Pay-TV
- streaming services

- rental or subscription of CDs, video tapes, DVDs, Blurays, software (excluding game software) Also includes:

- radiotelephony, radiotelegraphy and radiotelex services

Excludes:

- rental or subscription of video game software and online games (09.2.1)

08.3.9.1 TV and Radio licences, fees and subscriptions

Includes

- TV and Radio licenses

- subscription to cable TV, satellite TV, IPTV, and Pay-TV

08.3.9.2 Streaming services

Includes

- streaming services

- rental, download or subscription of CDs, video tapes, DVDs, Blurays, software (excluding game software)

Excludes:

- rental or subscription of video game software and online games (09.2.1.1)

08.3.9.9 Other communication services

Also includes:

- telegraphy, telex and telefax services

- VIP (Voice over Internet Protocol) provision (nomadic use)