



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**

ESA/STAT/AC.335/7
31 March 2017

Division 02 ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS

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 02

1. Comments received

- 65.8% agree or strongly agree in general with the proposed new structure for this division and 56.2% consider this proposal with the right level of detail.
- Areas where the classification is considered too detailed or without the appropriate detail:
 - o Not enough detail for the COICOP "02.1.3 Beer" - Keep breakdown of beer than in present COICOP (02.1.3.1 Lager beer, 02.1.3.2 Other alcoholic beer, 02.1.3.3 Low and non-alcoholic beer, 02.1.3.4 Beer-based drinks) (Belgium, Slovak Republic, Sweden, Germany, Eurostat)
 - o Several countries considered 02.1.2 Wine too detailed - Do not classify wines by source. Consider enough 2 sub-classes 02.1.2.1.Wine from grapes; 02.1.2.2.Wine from other sources (Colombia, Singapore, Latvia, Chile, India, Bolivia, Thailand)
 - o Have separate classes for low and non-alcoholic beer and wine (Czech Republic)
 - o Alcoholic soft-drinks and beer without alcohol might be separated out (Netherlands, New Zealand)
 - o Include a distinction between "illegal" and "legal" drugs within 02.3 "Narcotics". (United Kingdom)
 - o Also that there should be a distinction between refills of e-cigarettes and the rest of the "tobacco" category, as it seems counter-intuitive to classify e-cigarette refills as "tobacco" when they contain none, regardless of whether they serve the same purpose. (United Kingdom)
- The following goods or services within this division were proposed to be moved to a different division:
 - o Non-alcoholic beer and Non-alcoholic wine and other non-alcoholic drinks move to 01.1.3.9 Other non- alcoholic beverages (Australia, Colombia, United Arab Emirates, Belarus)
 - o To move sake from 02.1.2.2 to 02.1.2.3 Fortified wines. (Belarus)
- Some products 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 were mentioned:
 - o Consider including smokers' articles in division 02, since they go hand in hand with pipe tobacco and e-cigarette refills. (USA, Germany)
 - o Include cola nuts, psilocybin mushroom, Kava, , khat, chat and tobacco leaf in 02.3.0 examples(Myanmar, New Caledonia, World Bank, Ethiopia)
 - o Include hookah blends in 02.2.0.3 examples (Belarus)
 - o Ice-wine should be mentioned under the examples of wine from grapes (Eurostat)
 - o Include grappa in 02.1.1 Spirits (Australia)
 - o Include stout (Guinness) in 02.1.3.0 Beer
 - o beer-based-drinks, e.g. shandy (Germany)

- The terminology used is in general considered understandable by the average household by 90.5% of the countries. The following terms were considered needing clarifications:
 - o Fortified wine, wine based drinks (Singapore, India, Thailand)
 - o Licors (Bolivia)
 - o 02.1.1.0 Spirits - Include more items in order to better illustrate the type of drinks considered in the subclass (whisky, vodka, cachaça) (Brazil)
 - o Low alcoholic wine/beer. There is the definition in the Combined nomenclature: "..., the term 'non-alcoholic beverages' means beverages of an alcoholic strength by volume not exceeding 0,5 % vol." (Czech Republic, Australia, New Zealand)
 - o Alcopops (United Kingdom, Chile)

- Other relevant comments are:
 - o Re-name 02.2 to "Tobacco and re-fills for e-Cigarettes " in order to clarify the content of the group (United Kingdom)
 - o In document "Global Consultation - DRAFT revised COICOP Version 2016-09-15", on page 36 is missing "Tobacco" group with the corresponding classification. (Armenia, UN, Latvia)
 - o Remove "Also includes" and "etc." - not required (Australia)
 - o Due to its importance in consumption cigarettes, cigars and other tobacco products could be classes instead of subclasses (Eurostat)
 - o In 02.1.1.0 there is a typo on the exclusions: it should be wine based aperitifs (02.1.4)(Eurostat)
 - o 02.1.9 Other alcoholic beverages should also include all premade mixed drinks e.g. shandy, wine coolers etc. . shandy shouldn't be included with beer as it is a mixture of beer and lemonade. (Australia)

2. Issues not needing discussion

1 – Have a distinction between "illegal" and "legal" drugs within 02.3 "Narcotics"

Ana, Eurostat: No, households will never declare the consumption of illegal drugs

Vera, PH: Agree

Kate, AU: Agree

Andrew, NZ: I think this is a valid assumption to make about how households would report. However would it be a good idea to make a distinction between controlled drugs and other psychoactive substances (s per ICCS) rather than legal versus illegal. Given the legalisation of marijuana in many countries and the medicinal use of that drug the distinction between what is legal and illegal in terms of use may be challenging to articulate.

Alexander, UNSD: Not feasible. Households will probably not declare illegal drugs.

Alice, STATCAN: I would like to discuss – it is an issue we are discussing in Canada since we are reviewing the impact of legalization of marijuana on the statistical system – and looking at the scope of production. Although HH may not report it, would the statistical system estimate for it?

2 – Move Non-alcoholic beer and Non-alcoholic wine and other non-alcoholic drinks to 01.1.3.9 Other non- alcoholic beverages

Ana, Eurostat: No, this will go against the purpose principle of this classification.

Vera, PH: All types of beer should be together

Aimee, IMF: Do not agree. I would tend to agree to move the 'Non-alcoholic beer and Non-alcoholic wine and other non-alcoholic drinks' to '01.1.3.9 Other non- alcoholic beverages'

Valentina, FAO: Non-alcoholic beer and non-alcoholic wine should be with non-alcoholic beverages, because:

- the presence of alcohol in the drink is the key classification criteria;
- it would be very confusing to have two categories, one for "non alcoholic beverages" and the other for "alcoholic beverages" with this also including some non-alcoholic beverages;
- this would not necessarily go against the purpose principle of the classification: the purpose of buying a coke and of buying a non-alcoholic beer could also be considered as similar i.e. drink a refreshing sparkling drink without assuming alcohol;
- prices of alcoholic beverages (as tobacco) can be highly affected by excises and other taxes, while the same does not apply to non-alcoholic beverages.

Valentina, ILO: In my view the non-alcoholic beer and non-alcoholic wine are just substitutes for alcoholic beer and wine and serve the same purpose, similarly as e-cigars without nicotine substituting for cigarettes with tobacco.

Andrew, NZ: But possibly non-alcoholic should be in Division 1 and only alcoholic and low-alcoholic in Division 2. In NZ we have both non-alcoholic and alcoholic ginger beer. Alcoholic ginger beer can only be sold at a bottle store/liquor store (with age restriction) whereas the non-alcoholic can be sold at a supermarket with no age restriction (ie as a soft drink).

Alexander, UNSD: Non-alcoholic beer, wine and some sorts of cider serve the same purpose as the same products with alcohol.

Kate, AU: understanding the conceptual basis for splitting alcoholic beverages from other beverages (in Div 1) is key to this decision. From what perspective is this distinction required? price, process, ingredients, effect on humans? I suggest that non-alcoholic beverages are more closely aligned to the beverages in Div 1. However, happy for them to stay with Alcoholic beverages if the reasoning can be explained and included at the beginning of 02.

3 - Include cola nuts, psilocybin mushroom, Kava, khat, chat and tobacco leaf in 02.3.0 examples

Ana, Eurostat: Ok

Vera, PH: Agree

Alexander, UNSD: Agree

Kate, AU: tobacco leaf should be an example under 02.2.0.3 Other tobacco products, not 02.3.0 Narcotics. Should we be referring to the UN Single Convention on Narcotic Drugs, 1961 as the scope and for examples?

4 - Include hookah blends in 02.2.0.3 examples

Ana, Eurostat: Ok

Vera, PH: Agree

Alexander, UNSD: Ok

Kate, AU: agree

5 – Include ice-wine under the examples of wine from grapes

Ana, Eurostat: Ok

Vera, PH: Agree

Alexander, UNSD: Ok

Kate, AU: agree

6 - Include grappa in 02.1.1 Spirits

Ana, Eurostat: Ok

Alexander, UNSD: Ok, maybe as "Pomace brandy, like pisco, grappa, marc, etc."

Kate, AU: agree

7 - Include stout (Guinness) in 02.1.3.0 Beer

Ana, Eurostat: Ok

Andrew, NZ: Is there really a need to explicitly note Guinness as it is only one style of stout

Alexander, UNSD: Why? I do not see the need if we say "all kinds of beer"

Kate, AU: agree

8 – Include Tobacco and Narcotics in the correspondence table

Ana, Eurostat: Ok. It was a mistake that it will be corrected in the next version

Kate, AU: agree

9 - Remove "Also includes" and "etc."

Ana, Eurostat: I agree. This a general remark for the whole classification. A section on Inclusions and exclusions will be enough. I don't see the interest in having a "Also includes" section that besides is used arbitrarily.

Kate, AU: agree

Ralf, UNSD: "includes" lists items that are in scope based on the definition of the respective category. "also includes" was used to list items that are supposed to be classified in the respective category, but may not be easily (or at all) associated with the general definition of the category

Alice, STATCAN: Disagree. This is normal classification practice to have "also includes" for borderline cases. It follows the GSIM – Classification Model metadata elements (predecessor Neuchâtel) – see page 32 of model.

10 – Correct a typo on the exclusions of 02.1.1.0: it should be wine based aperitifs (02.1.4)

Ana, Eurostat: Ok

Kate, AU: agree

3 - Issues needing discussion

1 – Shall we have more detail in beers (like ECOICOP)?

Ana, Eurostat: This request comes exclusively from EU countries. We can keep it as it is now and have more detail in the regional ECOICOP

Vera, PH: Agree

Andrew, NZ: It would be useful to be consistent between the beers and the wines ie have breakdown beer as the wine is currently done, or condense wine to be like the beer category. There are sufficiently different types of beers to justify a more detailed approach but how far do you go? This is an international standard so is it useful to the majority of countries (not just developed/Europe) to break it down.

Alexander, UNSD: Not sure whether this is really needed. What difference does it make whether it is a Lager beer or another alcoholic beer? Furthermore, I am not sure if all households understand the difference. Maybe we could separate non-alcoholic beer.

Alana, NZ: Agree with less detail in beer and wine categories. Too much detail will result in coding difficulties. Weigh up the cost/benefit of the level of detail.

Kate, AU: agree leave as is.

2- Shall we have less detail for wines?

Ana, Eurostat: It could be ok to have a general class for wine identifying only the non-alcoholic wine separately

Valentina, FAO: Agree with reducing the detail for wine but non-alcoholic wine should be under non-alcoholic beverages.

Additional comments:

- “Fortified” is a technical-product based terminology (not consumption). In terms of alcohol %, the category can in some cases overlap with “wine from grapes”. In terms of use, fortified wine in general are not drunk during the meal, but more at the end, as a spirit-liquor. However, also in this case, there can be potential overlap with the category “wine from grapes” that also includes liquor-like wine that are drunk at the end of the meal but that are not fortified.

- “Spirits” should read “Spirits and liquors” as spirits are distilled but not all products in this category are distilled.

Alexander, UNSD: OK, only two subclasses.

Kate, AU: having one subclass for wine makes it the same as the class level.

If we are having a non-alcoholic wine class, we should do the same for Beer to be consistent. I don't think there are non-alcoholic spirits.

Also suggest we need to be more consistent with the classification of mixed drinks i.e. they could all go into 02.1.9 other alcoholic beverages but then we lose the alcohol they are based on, or add a subclass to each base alcohol.

I am not sure of the conceptual basis for having fortified wines as a separate subclass. Is it alcohol content? If so, is the same distinction required for spirits and beer? Suggest fortified wines could be included in the wine subclasses based on source.

Option 1	Option 2
02 Alcoholic Beverages, Tobacco and Narcotics	02 Alcoholic Beverages, Tobacco and Narcotics
02.1 Alcoholic Beverages	02.1 Alcoholic Beverages
02.1.1 Spirits	02.1.1 Spirits
02.1.1.1 Spirits	02.1.1.0 Spirits
02.1.1.2 Spirit based mixed drinks	
02.1.2 Wine	02.1.2 Wine
02.1.2.1 Wine from Grapes	02.1.1 Wine from Grapes
02.1.2.2 Wine from sources other than grapes	02.1.2.2 Wine from sources other than grapes
02.1.2.3 Wine based mixed drinks	
02.1.2.4 Low or Non-alcoholic wine	
02.1.3 Beer	02.1.3 Beer
02.1.3.1 Beer	02.1.3.0 Beer
02.1.3.1 Beer based mixed drinks	
02.1.3.2 Low or Non-alcoholic beer	
02.1.9 Other alcoholic beverages	02.1.9 Other alcoholic beverages
02.1.9.0 Other alcoholic beverages	02.1.9.1 Mixed alcoholic based drinks
	02.1.9.2 Low or Non-alcoholic based drinks

Comment [KL1]: Not sure that we need this class or subclass in this option

3 - Shall we have separate sub-classes for:

- non-alcoholic beer
- non-alcoholic wine
- re-fills for e-Cigarettes without tobacco

Ana, Eurostat: Taking into account that this is a purpose classification, these products should be classified with those that are used for the same purpose. However I see the interest in identifying them separately at sub-class level for analysis of healthier behaviours and also because it will make clearer that these products should be classified in the same class as the others used for the same purpose. However if this decision is taken for these products, we should be consistent in the rest of the classification.

Vera, PH: Agree that we have separate sub-classes for non-alcoholic beer and wine and also for tobacco re-fills under their corresponding headings: beer, wine and tobacco, respectively.

Valentina, FAO: We agree with possibly creating separate subclasses for non-alcoholic beer and non-alcoholic wine provided that these are classified under non-alcoholic beverages.

Concerning re-fills for e-Cigarettes without tobacco, we support the proposal of having a dedicated class (not sub-class – see issue 8. below).

Andrew, NZ: Would be practical to make the distinction given the increased production, availability and consumption of these.

There is generally no tobacco in refills for e-cigarettes as it is a liquid refill which may or may not include nicotine so it is probably sufficient to just have a recognition of the refills but in Division 13

Alexander, UNSD: Maybe we could separate non-alcoholic beer and wine. Not sure. Re-fills serve the same purpose as tobacco.

Alice, STATCAN: I would like to discuss since the treatment is different than HS where non-alcoholic beer and wine are classified with Beverages.

Kate, AU: For the two non-alcoholic subclasses, see comments against 2. Regarding the e-cigarette refills – suggest having these in a separate subclass is worthwhile considering they are very different to cigarettes & cigars. Also, suggest cigarette papers should be in 13.2.2? Suggest cigarette filters should also be categorised in the same place as papers.

4 - Move sake from 02.1.2.2 to 02.1.2.3 Fortified wines

Ana, Eurostat: According to Wikipedia https://en.wikipedia.org/wiki/Alcohol_by_volume wine has 9%–16% (most often 12.5%–14.5%), fortified wines 15.5%–20% (in the European Union, 18%–22%) and sake 15% (or 18%–20% if not diluted prior to bottling). It is really between the 2... If we agree in not having detail for wine the problem will not exist anymore.

Vera, PH: Disagree. By definition of wine which is a juice from grapes.

Andrew, NZ: Sake is not a fortified wine and to move it in with Vermouth, sherry etc doesn't seem right. Sake is a fermented or brewed liquid and generally doesn't have things like colouring, sugar syrups or spices. So would leave where it is

FAO: Fortified wine does not refer to alcohol content. It is a wine to which alcohol or distilled spirits are added and this is not the case of sake.

Alexander, UNSD: No, not made out of grapes.

Kate, AU: agree moving to 02.1.2.3 Fortified wines due to higher alcohol %, if we keep this subclass.

5 - Include smokers' articles in division 02, since they go hand in hand with pipe tobacco and e-cigarette refills.

Ana, Eurostat: I tend to agree. However, if we do it, for consistency we should also move glassware china and cutlery to the Food Division. So, better not.

Andrew, NZ: I think they should be left in Division 13 as they aren't explicitly tobacco products?

Kate, AU: suggest smoker's articles are moved from Div 02 so that we don't have to reclassify other articles related to Food & Drinks e.g. glasses, ovens, fridges – how far would it go!

6 – Shall we include more information in terms of Alcohol content to better differentiate Spirits from wine or fortified wines (if we keep this sub-class)

Ana, Eurostat: I agree. Several countries had problems with the terminology and some indication on alcohol content could help. This also applies to the low-alcoholic and non-alcoholic drinks.

Andrew, NZ: Won't there be issues around national regulations and laws governing ABV which would make it difficult to standardise for international classifying. For example in NZ a spirit must have 23% ethanol at 20deg C to be labelled a spirit. Low alcohol beer is currently anything below 4% and our beer strengths are increasing to 5%-11%. Wine has a minimum 13% ABV so not sure how you would really address this

Alana, NZ: Is there a standard interpretation for alcohol level? This could be tricky. Is this differentiation required?

Kate, AU: there is only one spirit subclass and spirits are developed using a different process to wine making. If we want to keep the fortified wine subclass, then alcohol % would be helpful.

7 – Shall we re-name 02.2 to "Tobacco and re-fills for e-Cigarettes" in order to clarify the content of the group?

Ana, Eurostat: I don't see the need but I wouldn't mind to change. On the other hand I wonder if we should be as specific as perhaps e-Cigarettes will disappear or loose importance in the future.

Vera, PH: Could be considered.

FAO: Agree with changing the title.

Valentina, ILO: I would say the title should be "Tobacco and tobacco substitutes". E-cigarettes are rather popular nowadays but there might be other substitutes in future.

Andrew, NZ: Disagree as mainstream tobacco based cigarettes will disappear. In the NZ context we have a legislated programme to make NZ smokefree by 2030 so e-cigarettes and the vaping that goes with it is increasing as the cost of traditional cigarettes increases and as they are slowly phased out. Also re-fills aren't tobacco based nor are e-cigarettes tobacco based. They may or may not contain nicotine which can be an added substance as opposed to a natural derivative from dried tobacco

Alexander, UNSD: Could be considered.

8 – Make cigarettes, cigars and other tobacco products classes instead of subclasses

Ana, Eurostat: I agree that cigarettes are still very important items in terms of consumption but I don't think that this is the case for the other products. We could perhaps have a class for cigarettes and another for "other tobacco products" and having as subclasses of this last one "cigars" and "other tobacco products n.e.c."

Andrew, NZ: I don't think subclasses are warranted for all of them – are cigars that important for recognition in the structure?

Valentina, FAO: Agrees with the proposal of having cigarettes, cigars and other tobacco products as classes instead of subclasses. This would also improve the structure (at the moment we have tobacco both as group and as a class, which does not make lot of sense). We suggest the following structure:

02.2 TOBACCO AND RE-FILLS FOR E-CIGARETTES

02.2.1 Tobacco

02.2.2 Cigarettes

02.2.3 Cigars

02.2.4 Re-fills for e-cigarettes

02.2.9 Other tobacco products

Alice, STATCAN: Agree with Ana.

Kate, AU: agree

9 – Include all premade mixed drinks e.g. shandy, wine coolers etc. in 02.1.9 Other alcoholic beverages

Ana, Eurostat: I agree that premade mixed drinks should be classified in 02.1.9 Other alcoholic beverages. However wine coolers should be in Division 05 if we are talking about the device to maintain wine at a certain temperature. If we are talking about the beverage made from wine and fruit juice I think it fits better 02.1.2.4 Wine-based drinks. Anyway, we should take the same decision for wine based drinks and beer based drinks (ex: shandy) either we keep them with wine or beer or we move them to 02.1.9 Other alcoholic beverages.

Valentina, FAO: All mixed alcoholic drinks should be with 02.1.9 Other alcoholic beverages.

Andrew, NZ: Put them all into 02.1.9. Also not all alcopops are soda-water type based. Is it better to state carbonated water with an alcohol content?

Alice, STATCAN: Agree to classify to wine-based drinks and beer-based drinks, and not in 02.1.9

Kate, AU: see comments against 2.

02 ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS

02.1 ALCOHOLIC BEVERAGES

The alcoholic beverages classified here are those purchased for consumption at home. The group excludes alcoholic beverages sold for immediate consumption away from the home by hotels, restaurants, cafés, bars, kiosks, street vendors, automatic vending machines, etc. (11.1.1).

The beverages classified here include low or non-alcoholic beverages which are generally alcoholic such as non-alcoholic beer.

02.1.1 Spirits

Includes:

- eaux-de-vie, liqueurs and other spirits.
- mead;
- aperitifs other than wine-based aperitifs

Excludes: wine-based aperitifs (02.1.2).

02.1.1.0 Spirits

Includes:

- eaux-de-vie, liqueurs and other spirits with high alcohol content
- mead
- aperitifs other than wine-based aperitifs (02.1.2.4)

Excludes: wine-based aperitifs (02.1.2).

02.1.2 Wine

Includes:

- wine, cider and perry, including sake;
- wine-based aperitifs, fortified wines, champagne and other sparkling wines.

02.1.2.1 Wine from grapes

Includes:

- wine from grapes
- champagne and other sparkling wines from grapes

02.1.2.2 Wine from other sources

Includes:

- cider and perry, including sake

02.1.2.3 Fortified wines

Includes:

- vermouth, sherry, port wine

02.1.2.4 Wine-based drinks

Includes:

- wine-based aperitifs, non- and low - alcoholic wine

02.1.3 Beer

Includes:

- all kinds of beer such as ale, lager and porter.
- low-alcoholic beer and non-alcoholic beer;
- shandy.

02.1.3.0 Beer

Includes:

- all kinds of beer such as ale, lager and porter.
- low-alcoholic beer and non-alcoholic beer;
- shandy.

02.1.9 Other alcoholic beverages

Includes:

- soda-water types with a low alcohol content (alcopops)

02.1.9.0 Other alcoholic beverages

Includes:

- soda-water types with a low alcohol content (alcopops)

02.2 TOBACCO

This group covers all purchases of tobacco by households, including purchases of tobacco in restaurants, cafés, bars, service stations, etc.

02.2.0 Tobacco

Includes:

- cigarettes; cigarette tobacco and cigarette papers;
- cigars, pipe tobacco, chewing tobacco or snuff.
- re-fills for e-Cigarettes with or without nicotine
- tobacco that is consumed with a shisha or hookah pipes if consumed at home

Excludes:

- other smokers' articles (13.2.2)
- e-cigarette device (13.2.2)
- tobacco that is consumed with a shisha or hookah pipes in restaurants, cafés, shisha lounges (11.1.1)

02.2.0.1 Cigarettes

Includes:

- cigarettes

02.2.0.2 Cigars

Includes:

- cigars

02.2.0.3 Other tobacco products

Includes:

- pipe tobacco, chewing tobacco, snus or snuff
- cigarette tobacco and cigarette paper
- Re-fills for e-Cigarettes with or without nicotine
- Tobacco that is consumed with a shisha or hookah pipes if consumed at home

Excludes:

- other smokers' articles (13.2.2)
- tobacco that is consumed with a shisha or hookah pipes in restaurants, cafés, shisha lounges (11.1.1)

02.3 NARCOTICS

02.3.0 Narcotics

Includes:

- marijuana, opium, cocaine and their derivatives;

- other vegetable-based narcotics such as cola nuts, betel leaves, Psilocybin mushroom and betel nuts;
- other narcotics including chemicals and man-made drugs.

02.3.0.0 Narcotics

Includes:

- marijuana, opium, cocaine and their derivatives
- other vegetable-based narcotics such as cola nuts, betel leaves, Psilocybin mushroom and betel nuts
- other narcotics including chemicals and man-made drugs