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Classification of Individual Consumption According to Purpose  
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## **Analysis of the 2<sup>nd</sup> global consultation on the new revised COICOP**

TSG-COICOP

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## Revision of COICOP

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### Analysis of the 2<sup>nd</sup> global consultation on the new revised COICOP<sup>1</sup>

Version: 2017-02-07

#### Introduction

In the framework of the ongoing revision of COICOP a second global consultation was prepared by the Industrial and Energy Statistics Section of the United Nations Statistics Division in cooperation with the chair of the Technical Subgroup for COICOP (TSG-COICOP) Ana Franco from Eurostat.

A first global consultation took place in late 2012 and had the aim to identify whether there is an actual need for a full revision of COICOP and what would be the scope of this revision. (See COICOP revision timeline in Figure 1.) This second global consultation, which was launched in mid-September 2016, had the aim to receive concrete feedback on the proposal for a new COICOP which was prepared by the TSG-COICOP in its meeting in March 2016.

The questions of the second global consultation can be consulted on the revision website:

[http://unstats.un.org/unsd/class/revisions/coicop\\_revision.asp](http://unstats.un.org/unsd/class/revisions/coicop_revision.asp) .

The bulk of the answers arrived at UNSD by the end of October and were analysed during October and November by Ana Franco (Eurostat, chair of the TSG-COICOP) and Alexander Loschky (UNSD). The global consultation was finally closed at the end of December 2016.

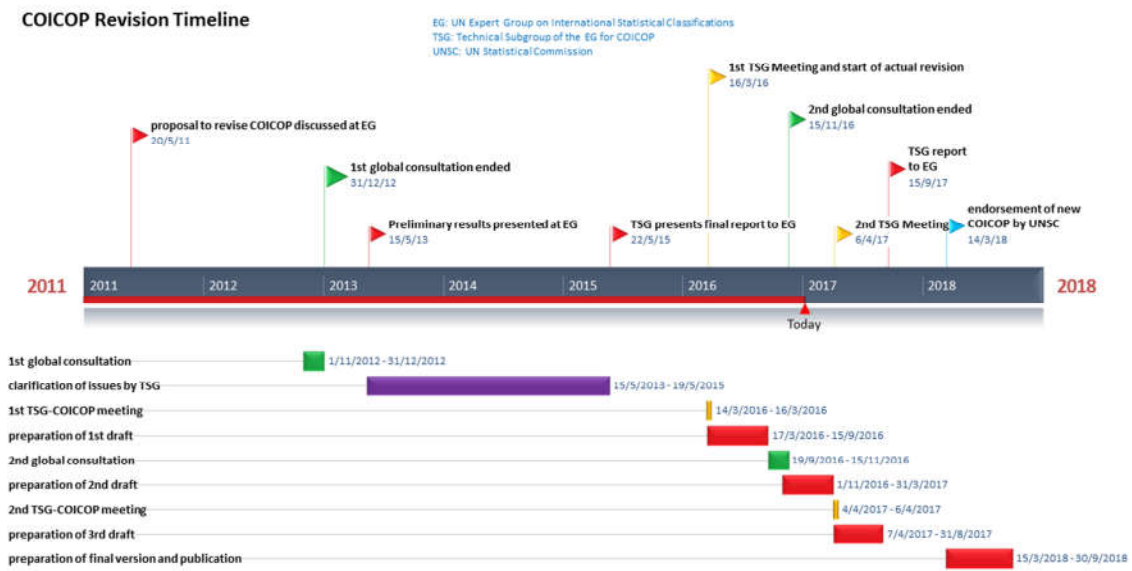
The consultation was conducted as an online-only consultation. A limited number of countries reported difficulties to provide their answers through our online form and provided therefore their answers as word documents or in an email.

The present document describes in its first part the more general aspects of the global consultation and analyses the answers received to questions referring to the new revised COICOP as a whole and to those questions that were the same for all divisions, like e.g. agreement with the new structure, the level of detail, and the terminology. All other answers and analysis can be found in the second part of the document which deals with the feedback received on the individual divisions.

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<sup>1</sup> The general part of the document was prepared by Alexander Loschky from UNSD. The analyses of the individual divisions of the new revised COICOP were done by Ana Franco from Eurostat (chair of TSG-COICOP).

Figure 1



Part 1  
-  
General Analysis

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## 1. Coverage

The second global consultation conducted in the framework of revision of COICOP was extremely successful.

Out of the 193 UN Member States 94 states provided answers to our online consultation (49%), this is considered to be a very good value for a global consultation. In addition to that one observer state and four statistical areas of Member States that produce their own statistics also provided answers. Therefore in total 99 Member States, observer states and statistical areas provided answers.

When analysing the participation rate weighted by population and by GDP the picture is even much better. The countries that participated in this global consultation represent 93% of the 2014 world GDP (in constant prices). Furthermore, the population of the participating countries represents 77% of the world population. Both participation rates indicate that the answers provided by the participating countries represent well the circumstances and needs of an overwhelming majority of the world's population and world's economic output. Therefore, the results of the global consultation can be regarded as being representative for the world as a whole.

Broken down by geographic areas, the participation rates show that the results of the global consultation are representative for all regions. Almost all regions show a participation rate in terms of regional GDP of close to 100%, except for Africa where the participating countries account for only 32% of the regional GDP.

In terms of population the participating countries represent between 77% and 91% of the regional populations, except for Africa where the participating countries represent only 26% of Africa's population (91% in the Southern African subregion).

A full list of the participating countries and international organisations can be consulted in the Annex of this document.

Table 1 provides coverage information by regions and subregions.

**Table 1 Participation rate by subregions**

	number of countries	participation rates		
		share of countries in region	share of regional GDP	share of regional population
<b>Africa</b>	<b>54</b>	<b>20%</b>	<b>32%</b>	<b>26%</b>
Eastern Africa	18	28%	58%	55%
Middle Africa	9	11%	9%	1%
Northern Africa	6	0%	0%	0%
Southern Africa	5	40%	95%	91%
Western Africa	16	19%	9%	10%
<b>Americas</b>	<b>37</b>	<b>59%</b>	<b>98%</b>	<b>91%</b>
Caribbean	14	29%	11%	9%
Central America	8	63%	94%	85%
South America	12	83%	92%	92%
North America	3	100%	100%	100%
<b>Asia</b>	<b>50</b>	<b>48%</b>	<b>88%</b>	<b>85%</b>
Central Asia	5	20%	57%	26%
Eastern Asia	7	86%	100%	98%
Southern Asia	9	33%	77%	83%
South-Eastern Asia	11	64%	98%	96%
Western Asia	18	39%	26%	13%
<b>Europe</b>	<b>44</b>	<b>70%</b>	<b>98%</b>	<b>91%</b>
Eastern Europe	10	80%	95%	83%
Northern Europe	10	80%	99%	98%
Southern Europe	15	53%	93%	88%
Western Europe	9	78%	100%	100%
<b>Oceania</b>	<b>14</b>	<b>36%</b>	<b>99%</b>	<b>77%</b>
Australia and New Zealand	2	100%	100%	100%
Melanesia	4	25%	27%	10%
Micronesia	5	20%	23%	7%
Polynesia	3	33%	61%	62%

The questionnaire of the global consultation was also sent to a series of international organisations from the United Nations family and to other regional organisations. From within the UN family ILO, UNESCO, the World Bank, the IMF, the ITU, UN Habitat, UNODC and the National Accounts section of UNSD provided feedback. It should be noted however, that the following UN family organisations have provided extensive feedback throughout the revision process (and are members of the TSG-COICOP) but have chosen not to participate in the second global consultation: UNECE, FAO, and WHO.

In addition to the organisations from the United Nations family, the following organisations have provided feedback as well: the Arab League, Eurostat, OECD, AFDB, and the Pacific Community. The

regional organisations among them provided important feedback for the countries of their region and can be seen as representatives for the respective regions as a whole. This is especially important for some regions which were not very well represented by individual country answers, like the small island states of the Pacific (however represented by the Pacific Community), the North African countries (Arab League and AFDB), and Africa as a whole (AFDB).

## 2. Agreement with the draft of the revised COICOP

The online questionnaire contained a series of questions related to the degree of agreement with the draft of the revised COICOP that entered into the second global consultation. The questionnaire contained a question for the revised COICOP classification as a whole (Question QG.1) and for each of the divisions of the revised classification (Questions Q01.1 to Q13.1). For the following analysis only the answers by countries and statistical areas were considered (the answers of the international organisations are not analysed here).

For the draft revised COICOP as a whole a majority of almost 2/3 (64%) of all countries and statistical areas agreed or strongly agreed with the draft, 22% of the countries were neutral towards it, and 14% disagreed or strongly disagreed with the draft.

Broken down by individual divisions of the draft COICOP the picture is naturally more diverse. However, before looking at the results for the individual divisions it is worth noting that the average share of “agree” and “strongly agree” of all individual divisions (Questions Q01.1 to Q13.1) is 59% and therefore slightly lower than agreement with the classification overall (64%) (Question QG.1).

**Table 2 Agreement with the draft of the revised COICOP overall and by division**

Divisions	% agree or strongly agree	% neutral	% disagree or strongly disagree
<b>Overall (QG.1)</b>	64.1%	21.7%	14.1%
01	49.5%	28.6%	22.0%
02	66.7%	28.9%	4.4%
03	62.9%	23.6%	13.5%
04	57.3%	32.6%	10.1%
05	59.1%	36.4%	4.5%
06	43.2%	30.7%	26.1%
07	63.6%	31.8%	4.5%
08	55.7%	33.0%	11.4%
09	54.5%	33.0%	12.5%
10	71.6%	23.9%	4.5%
11	65.9%	33.0%	1.1%
12	54.5%	34.1%	11.4%
13	58.0%	29.5%	12.5%
<i>Average of 01-13 (average of Q01.1 to Q13.1)</i>	58.7%	30.7%	10.7%



When looking at individual divisions, it can be noted that especially divisions 01 (Non-Alcoholic Beverages and Food) and 06 (Health) showed lower rates of agreement than the other divisions, also because these divisions were among those divisions which underwent the most extensive changes.

When comparing the agreement across groups of countries by stage of development, it is interesting to see the difference between OECD countries (35 countries<sup>2</sup>), OECD candidate countries (Colombia, Costa Rica, Lithuania), OECD enhanced engagement countries (Brazil, China, India, Indonesia, South Africa), and the rest of the world.

**Table 3 Agreement with the draft revised COICOP by regions**

	EU	OECD	OECD ca.	OECD en.	RoW
% agree or strongly agree	34.8%	45.2%	66.7%	80.0%	73.6%
% neutral	30.4%	29.0%	33.3%	0.0%	18.9%
% disagree or strongly disagree	34.8%	25.8%	0.0%	20.0%	7.5%

It can be noted, that the OECD Members States, and within this group especially the EU Member States<sup>3</sup>, are much more critical towards the draft of the revised COICOP than the OECD enhanced engagement countries and the rest of the world countries which represent the developing world. Rates of agreement are also available by divisions and regions. We do not reproduce all the individual data here, but it should be pointed out that the OECD Member States were especially critical towards the drafts for divisions 01 and 06 while a majority of the OECD enhanced engagement and the rest of the world countries were positive towards the changes in these divisions. In addition to that it can be noted that the OECD Member States also showed relative low agreement rates with respect to divisions 08, 09 and 13, probably mainly due to the extensive changes in these divisions.

### **3. Agreement with the level of detail provided by the revised COICOP**

One of the major changes of the new revised COICOP is the extension of the classification from currently three hierarchical levels with a 4 digit code to four hierarchical levels with a 5 digit code. Although this was a demand expressed by the UN Members States in the first global consultation, the online questionnaire of the second global consultation revisited this issue and enquired about the agreement with the level of detail of the draft revised COICOP. The questionnaire contained a question for the revised COICOP classification as a whole (Question QG.2) and one for each division of the revised classification (Questions Q01.2 to Q13.2). (As in the previous section the analysis below only considers the answers by countries and statistical areas.)

<sup>2</sup> Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom, United States

<sup>3</sup> Once the revised COICOP is endorsed by the United Nations Statistical Commission the European Union will subsequently change their regulation concerning ECOICOP. As the use of ECOICOP is obligatory for EU Member States, changes in COICOP are seen much more critical than in the case of other countries.

As it can be seen from Table 4, just above half of the countries said that the level of detail of the new revised COICOP as a whole was too high. However, with 44% another large share of the countries said that they found the new level of detail to be correct.

Interestingly, when calculating the average of the answers for the individual divisions, then the level of detail is perceived to be just right by a majority of countries (56%).

When looking at individual divisions, the picture becomes more differentiated. Then it can be noted that in the cases of divisions 01 and 06 a majority of countries perceived them as too detail while for all other divisions a majority perceived the level of detail to be correct.

**Table 4 Agreement with the level of detail of the revised COICOP overall and by division**

	% too detailed	% neutral	% not enough detail
<b>Overall (QG.2)</b>	53.3%	43.5%	3.3%
01	56.0%	41.8%	2.2%
02	38.9%	54.4%	6.7%
03	47.2%	50.6%	2.2%
04	42.7%	53.9%	3.4%
05	36.4%	60.2%	3.4%
06	51.1%	42.0%	6.8%
07	34.1%	64.8%	1.1%
08	43.2%	53.4%	3.4%
09	39.8%	58.0%	2.3%
10	31.8%	64.8%	3.4%
11	29.5%	68.2%	2.3%
12	34.1%	60.2%	5.7%
13	36.4%	58.0%	5.7%
<i>Average of 01-13 (average of Q01.2 to Q13.2)</i>	40.1%	56.2%	3.7%

When the level of development is taken into account, it can be noted that for the revised COICOP as a whole the rest of the world group (which includes the developing countries without Brazil, China, India, Indonesia, and South Africa) was more critical regarding the level of detail than the OECD Member States. The group of countries the most critical regarding the level of detail was the EU Members States of which most are also OECD Member States<sup>4</sup>.

When looking at individual divisions it can be pointed out that a two thirds majority of the OECD Member States regarded division 01 to be too detailed and that 49% of the rest of the world countries had the same opinion. For division 06 on the other hand no such differences between the groups of countries could be found in the data. Other divisions that showed a high percentage of

<sup>4</sup> The EU Member States that have returned the questionnaire were (EU MS that are also OECD MS are in bold): **Austria, Belgium**, Cyprus, **Czechia, Denmark, Finland, France, Germany, Hungary, Ireland, Italy, Latvia**, Lithuania, **Luxembourg, Netherlands, Poland, Portugal**, Romania, **Spain, Sweden, United Kingdom**.

countries considering the level of detail being too high were divisions 03 in the case of the OECD Member States and division 04 for the rest of the world countries.

**Table 5 Agreement with the level of detail of the draft revised COICOP by regions**

	EU	OECD	OECD ca.	OECD en.	RoW
% too detailed	60.9%	48.4%	66.7%	40.0%	56.6%
% neutral	39.1%	51.6%	33.3%	40.0%	39.6%
% not enough detail	0.0%	0.0%	0.0%	20.0%	3.8%

#### 4. Planned level of detail for data collection

The countries were also asked for what statistics they would collect data at the most detailed level of detail (subclass / 5 digit level) or at an even higher level of detail.

**Table 6 Share of countries that will collect data at the most detailed level of the revised COICOP by statistical domain**

	National Accounts	Household expenditure	Prices
Yes	32.6%	71.7%	78.3%
No	67.4%	28.3%	21.7%

For statistics on household expenditure and prices a vast majority (72 and 78% respectively) of the countries said that they will collect data at the subclass (5-digit) level or higher level of detail. Only for National accounts purposes a lower level of detail is regarded to be sufficient by the countries.

With respect to the most criticised division of the revised COICOP, divisions 01, 17 OECD Member States and 11 other countries expect to have difficulties to collect data for this division. For division 06 the number is slightly lower with 9 OECD countries and 4 other countries.

#### 5. Terminology

The global consultation also included for each division one question regarding the terminology used (Q01.6-Q13.6: “Is the terminology used in this division easily understandable by the average household?”). The terminology of most divisions was regarded to be easily understandable by the average household. Only division 06 (Health) showed an affirmation value considerably lower than the average for all divisions. Consequently additional work on the wording and terminology of division 06 is needed.

## 6. Annex: List of participating countries and international organisations

### Participating countries and statistical areas:

Afghanistan; Argentina; Armenia; Australia; Austria; Bahrain; Bangladesh; Barbados; Belarus; Belgium; Belize; Bermuda; Bolivia (Plurinational State of); Botswana; Brazil; Bulgaria; Cabo Verde; Canada; Chile; People's Republic of China; Colombia; Costa Rica; Croatia; Curaçao; Cyprus; Czech Republic; Denmark; Ecuador; El Salvador; Equatorial Guinea; Ethiopia; Fiji; Finland; France; Germany; Ghana; Honduras; China, Hong Kong SAR; Hungary; India; Indonesia; Ireland; Israel; Italy; Jamaica; Japan; Kazakhstan; Kenya; Latvia; Lithuania; Luxembourg; China, Macao SAR; Malaysia; Mauritius; Mexico; Mongolia; Montenegro; Myanmar; Netherlands; New Zealand; Norway; Oman; Palau; State of Palestine; Paraguay; Peru; Philippines; Poland; Portugal; Romania; Russian Federation; Saint Lucia; Samoa; Serbia; Singapore; Slovakia; Slovenia; South Africa; South Korea; Spain; Suriname; Sweden; Switzerland; Tanzania; Thailand; The former Yugoslav Republic of Macedonia; Togo; United Arab Emirates; United Kingdom; United States of America; Uruguay; Viet Nam; Zimbabwe.

### Participating Organisations:

African Development Bank (AFDB); Arab League; Food and Agriculture Organization (FAO); Eurostat; International Labour Organization (ILO); International Monetary Fund (IMF); International Telecommunication Union (ITU); Pacific Community (SPC); United Nations Human Settlements Programme (UN-Habitat); United Nations Educational, Scientific and Cultural Organization (UNESCO); United Nations Office on Drugs and Crime (UNODC); World Bank; and the National Account Section of the United Nations Statistics Division (UNSD).

Part 2  
-  
Analysis of Divisions 01 to 13

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## Division 01

- 79% of the countries are in favour of having detail on food by source and by level of processing. However, many countries consider that the level of detail for the products is too high. A few countries think that a mixed approach depending on the type of product would be more convenient as for some products is more relevant to have the detail in terms of degree of processing than for others. One interesting proposal came from UK and South Africa. It consists in having food by source as a higher level and food by level of processing at sub-class level (e.g. 01.3.1 meat of cattle and buffalo 01.3.1.1 Fresh or chilled meat 01.3.1.2 Frozen meat 01.3.1.3 Edible offals and other edible parts of slaughtered animal, fresh, chilled or frozen 01.3.1.4 Dried, salted or smoked meat). This would allow for countries preferring the source approach to be able to provide this information at a higher level.
- 59.4% of the countries prefer to have frozen meat together with fresh and chilled meat (and differentiated by animal source). Distinction fresh/frozen meat is not easily applicable: how to classify frozen meat sold defrost? Furthermore, if all frozen meats are merged, there will be lack of information for the weighting (price index) (France)
- 47.1% agree or strongly agree in general with the proposed new structure for this division but 51.8% consider this proposal too detailed. The 47.1% of agreement with the proposed new Division 01 is considerably lower than 66.7% approval rate of the new classification overall and is the lowest approval rate of any single division of the new COICOP. Division 01 has also the highest explicit disapproval rate of any division with 22.6%. (30.2% have a neutral view of Division 01.)
- In general the level of detail is extremely high. In existing COICOP there are 13 subdivisions of COICOP 01, in the proposal there are 193 (Netherlands). In fact 51.8% of all countries responded that the level of detail of Division 01 is too high. Although this value is actually lower than the value for the new classification overall (56.3%), it is still considerably higher than the value for any other single division. (Across all individual divisions the average share of countries and organisations that considered the particular division as being too detailed was 37.8%.)
- Many countries pointed out that it would be difficult to collect data for the new Division 01.
- Areas where the classification is considered too detailed or without the appropriate detail:
  - o 01.1.1 Fruit and vegetable juices – no need to have fruit and vegetable juices separate, it could be confusing when it comes to juices containing both (USA, Lithuania).
  - o 01.1.2 Coffee, tea, cocoa and their substitutes - Distinction between coffee and coffee substitutes is difficult and probably not necessary (Eurostat, USA)
  - o 01.2.1 Raw cereals – too much detail in general but it was proposed to add a sub-class for buckwheat and oat (Switzerland, Belgium, Latvia, Mexico, OCDE, Serbia, Poland, Italy, UK, Ireland, Spain, Russia, Denmark, Germany, Norway, Armenia)

- 01.2.2 Flours of cereals - don't need to classify sorghum, barley, millet, quinoa at subclass level. Not needed to separate flours (Belgium, Serbia, Poland, Costa Rica)
  - 01.3.1 Meat, fresh or chilled – include also the frozen meat. Mixing chicken with rabbit and hare meat seems unusual and unwarranted, chicken being an important class. Separate class for live animals and live poultry. The distinction fresh or chilled/frozen is applied in general but not for edible offal and other dibble parts of slaughtered animals 01.3.3. The same applies to 01.4.9.0. Remove 01.3.3 and include with the other Meat by type (Serbia, Poland, Hungary, Belize, Chili, Russia, Eurostat, Germany, India, Kenya, Canada, UN, United Arab Emirates)
  - 01.4 Fish, crustaceans, molluscs and other aquatic invertebrates – don't need to classify crustaceans, molluscs and other aquatic invertebrates at subclass level. No distinction between "fillets and meat" and "rest" (OCDE, Lithuania, UK, Spain, Hungary, Belize, Chili, Germany, India, Norway, UN)
  - 01.5.1 Milk - source of animal is not necessary. Grouping together of condensed/evaporated/powdered milks (Sweden, Latvia, Serbia, Poland, Italy, UK, Ireland, Spain, Belize, Chile, Denmark, India, Norway)
  - 01.5.5 Dairy products (Lithuania, UK)
  - 01.6 Edible oils and fats – don't need to classify by different types of animal oils and fats at subclass level (Lithuania, Poland, UK, Spain, Germany, Norway, Czech Republic)
  - 01.6.1 Vegetable oils – Add a sub-class for coconut oil (Jamaica)
  - 01.7 Fruit and nuts - no individual class for types of food is necessary, the level of processing is sufficient (Fresh/frozen/dried/preserved). (OCDE, Poland, UK)
  - 01.8 Vegetables, tubers oilseeds and pulses - no individual class for types of food is necessary, the level of processing is sufficient (Fresh/frozen/dried/preserved). Carrots are lumped with other products like onions, yet there are three types of dried peas. Don't need to classify cassava, sweet potatoes, yams, taro, yautia at subclass level (Poland, Italy, UK, Ireland, Spain, Chili, Denmark, Norway)
  - 01.9 Other food products – too detailed (Germany)
  - 01.9.1 Baby food items under this class should be classified under their respective classes, e.g. powdered milk for baby use under 01.5.4 Condensed, evaporated or powdered milk (Singapore)
  - The following groups (4-digit) are unevenly differentiated compared to other good groups:
    - 01.2.1 Raw Cereals
    - 01.5.1 Whole milk
    - 01.6.1 Vegetable Oils
  - 01.8 Vegetables, in particular 01.8.6 Tuber fruit (roots and tuber, plantains and cooking bananas) and 01.8.7 Pod fruit (pulses and other vegetables dried and dehydrates) (Germany)
- In general no goods or services within this division were proposed to be moved to a different division. Nevertheless it was underlined that the borderline between 01.9.7. an 11.1.1.2 needs to be further elaborated (Netherlands, Singapore, Indonesia, Chile, Macao)

- Some products were mentioned as missing in this division. In most cases they just need to be included in the list of examples of the appropriate category. The following products were mentioned:

- Cookies (Mexico)
- Crackers (Mexico)
- Tortillas (Mexico)
- Pomegranate fruit (Armenia)
- Dried apricots (Armenia)
- Mixtures of vegetables (for soups, wok, etc) (Portugal)
- Canned vegetables (Australia)
- Bread fruit (Tanzania)
- Energy supplement and protein powder for drink preparation, (Australia)
- Non-alcoholic wine and non-alcoholic beer should be included in 01.1.3.9 Other non-alcoholic beverages (United Arab Emirates, Denmark, Australia)
- Dumplings (Belarus, Poland)
- Parts of meat such as corps, bones for soup (Poland)
- Whole fish, but without head and entrails (Poland)
- Rapeseed oil (Poland)
- Ice cream cone (just the cone) (Jamaica)
- Cassava products (Jamaica)
- Coconut milk liquid, frozen or powdered (Indonesia)
- Fruit-and-vegetable juices, birch juice (Belarus)
- Preserved meat with cereals (Belarus)
- Bouillon cubes (Belarus)
- Spreads with additives (crabmeat, capelin roe) (Belarus)
- Baked milk (Belarus)
- Protein-based caviar (Belarus)
- Food sent consisting of food products from different categories (e.g. fruits and chocolates), including those containing alcoholic beverages. (Belarus)
- Turtle eggs (Costa Rica)
- Injera (Ethiopian bread)
- Prepared rice (France)
- Dried salted or smoked parts of slaughtered animals like pig ears (Eurostat)
- Pre-cooked cereals like parboiled rice (Eurostat)
- Grinding charges of Rice, wheat etc (India)
- Powdered fruit juice or vegetable juice (Philippines)
- Instant noodles (Philippines)
- Artificial sweeteners (New Zealand)
- fruit/herbal teas, Rooibos tea (New Zealand)
- Pre-cooked pizza bases without toppings should be included in 01.2.3.1 Bread and similar bakery products (Australia)
- Soup bases (e.g. powder) (Australia)
- Ready-made complete deserts (Australia)
- Sparkling juice (Singapore)
- Meat marinated for barbecue or grill (Belarus)



- KOCHO (made from stem of false banana) (Ethiopia)
  - Vegetable concentrates. (New Zealand)
- The terminology used is in general considered understandable by the average household by 91.8% of the countries (average across all divisions: 92.3%). The following terms were considered needing clarifications:
- Sorghum, (Latvia)
  - Teff, (Latvia)
  - Canagua or coaihua, (Latvia)
  - Adlay of Job`s tears, (Latvia)
  - masa de maiz, (Latvia)
  - granola, (Latvia)
  - seitan, (Latvia)
  - yuca, (Singapore, Latvia)
  - yautia (Singapore, Latvia)
  - Omelettes, crepes and other food products based on eggs (Poland)
  - Baby food (Poland)
  - Skimmed and other processed liquid milk : the title doesn't describe properly the content of the class. Suggestion : "Processed liquid milk other than whole milk" (France)
  - "Ready to eat food" : the note is not sufficient ; yoghurt and chocolate bars are also ready to eat. It would be preferable to have a general note to define "ready to eat food" : for instance, add a notice like "food containing at least two ingredients of type meat, fish, vegetables, eggs ... Within the exclusions, add "Fast food and take away food services (11.1.1.2)". (France)
  - Distinction between frozen and chilled (South Africa, Hungary)
  - Distinction between Crustaceans and Molluscs, Aquatic invertebrates (Singapore, Eurostat)
  - Tallow, (Singapore)
  - Plantains, (Singapore)
  - Leguminous, (Singapore)
  - Cassava, (Singapore)
  - Manioc (Singapore)
  - Unfermented (UN)
- Other relevant comments are:
- General comments*
- With the upgrading of previous classes of old COICOP to groups, the aggregation Food (01.1 of the old COICOP) disappears. Other two relevant aggregations are not included: Fresh fruit as a Whole; Fresh or chilled vegetables (other than tubers, oilseeds and pulses) as a whole. (Italy)
  - There is an unbalance between the raw and the processed products (Switzerland)
  - The amount of detail will discourage the interviewees and reporting accuracy will decrease (USA)

- Many countries are disturbed by the fact that the first group refers to non-alcoholic beverages and that there is no food aggregate any more. (Israel, Kazakhstan, Singapore, Latvia, UK, Spain, Mauritius, Norway, Czech Republic)
- The proposal is overall too little "purpose"-oriented. It seems more a re-ordered version of CPA. The proposed details are bewildering and sometimes hard to understand. Generally, it is not clear which problems this new proposal for COICOP 01 is actually trying to resolve (Eurostat)
- Should there be a description/definition for level 1 or 2 of the category? (New Zealand)
- Get rid of 'Includes also', just add products to the include list (Australia, New Zealand)
- These are extensive changes as they affect almost all levels from the 3-digit level and consequently also the 4 and 5-digit items. This impairs the comparability of aggregates from the 3-digit level. In Germany these aggregates are published every month. They are in high demand. The fact that this division is of great significance in Germany is also reflected by its expenditure share (approximately 10% of households' total expenditure).
- The modifications concerning non-alcoholic beverages do not cause any problems. However, the mere rearrangement (recoding) cannot really be justified. Basically, the composition remains the same.

### **Detailed comments**

- 01.2 "Bread and cereal" should be named "Bread, Cereals and Pasta" (Mexico)
- Preparations with a basis of coffee are mentioned in both sub-classes 01.1.2.1 and 01.1.2.2. (Eurostat)
- Exclude seeds for planting in 01.2.1 Raw cereals (Australia)
- 01.5.5.3 Cheese and curd, fresh or processed - soy cheese is not Tofu - exclude Tofu (01.8.9.0 Other vegetables, pulses and tubers preserved or processed) (Australia)
- Coconut milk cannot be classified in "milk substitute from vegetables and nuts" (01.5.3.0) because coconut milk is neither a milk nor it's substitute. Coconut milk is a kind of cooking ingredient but is not included in "spices, herbs, condiment and other food products" (01.9.9) (Indonesia)
- "Meat and meat substitutes" : the expression "meat substitutes" may be ambiguous; it may refer to substitutes like soya protein (France, Austria)
- "Tofu" is in two subclasses (01.5.5.3 and 01.8.9.0) (France, Belarus)
- Poultry should have its own class (Slovak Republic, Poland)
- Plants preserved in sugar are mentioned on 01.9.3.2 and 01.9.6.0 (Slovak Republic)
- Code 01.7.9 used twice: Other fruits, fresh or Prepared and preserved fruits and nuts (Israel, Slovak Republic, Latvia, Italy, Costa Rica)
- Add "for drink preparation" to differentiate it from cooking cocoa in 01.1.2.4 Cocoa (Australia)
- Add iced tea to 01.1.3.2 Soft drinks (Australia)
- Baby foods (e.g. rice cereal, baby milk powder, puree fruit baby food and vege baby food etc.) should be specifically excluded from the relevant classes (01.2.1.2 Rice,

01.5.4. Condensed, evaporated or powdered milk, 01.7.9.9 Other prepared and preserved fruits and nuts (except by sugar) and 01.8.9.0 Other vegetables, pulses and tubers preserved or processed) as they are included in 01.9.1.0 Baby food (Australia)

- 01.3 Meat and meat substitutes needs to be reorganised - meat type grouping not logical: - Boar should be included in 01.3.1.2 Meat of pig, fresh or chilled - Ostrich, emu, rhea, pheasant, grouse, pigeon, quail should be include in 01.3.1.4 Meat of poultry and other birds, hares and rabbits, fresh or chilled - Hares and rabbits should be included in 01.3.1.9 Meat of other animals, fresh or chilled (Australia)
- Should milk based desserts be included with Ready to eat food? (Australia)
- 01.5.5.2 Yoghurt and other fermented or acidified milk and cream should specifically exclude frozen yoghurt (01.9.5) (Australia)
- Milk-based beverages, should they be included with 01.1 Non-alcoholic beverages? (Australia)
- 01.6 Edible oils and fats - order classes similar to how sources are ordered in rest of division for simplicity of searching (Australia)
- Plantains and cooking bananas are fruit and should be classified accordingly with other tropical fruits or expand 01.7.1 Dates, figs and tropical fruits, fresh and removed from 01.8.6 Roots and tubers, plantains and cooking bananas. 01.7.1 Dates, figs and tropical fruits, fresh could be split into multiple classes. Tropical and Subtropical? (Australia, Spain)
- 01.7.1 Dates, figs and tropical fruits, fresh should specifically exclude coconut milk and cream (01.5.3.0) (Australia)
- 01.7.7 Dried fruit should be included as part of 01.7.9 Prepared and preserved fruit and nuts (except by sugar) as drying is a form of preserving (Australia)
- 01.7.7.0 Dried fruit - plums are not dried fruit, dried plums are prunes (Australia)
- Add capsicums to 01.8.2 Chillies, peppers, cucumbers, eggplants, tomatoes, pumpkins and other fruit bearing vegetables fresh or chilled (Australia)
- 01.8.7 Pulses and other vegetables dried and dehydrated needs consistent terminology - replace "dry" with "dried" (Australia)
- Are mixed vegetable a prepared meal? (Australia)
- 01.9.2.9 Other sugars and sugar substitutes include artificial sweeteners (eg stevia, saccharin, etc.) (Australia)
- 01.9.5 Edible ice, ice cream and sorbet include gelato and tofu ice cream (Australia)
- 01.9.6.0 Other sugar confectionery (not containing cocoa) - include lollies and candy (Australia)
- In 01.9.7 Ready to eat food change  
“- ready to eat food that can be eaten as it is or that only needs heating; it can be fresh, or frozen”  
to  
“- ready to eat prepared or processed food that can be eaten as is or only needs heating; it can be fresh, chilled or frozen” (Australia)
- 01.9.9.3 Sauces, condiments, seasonings should explicitly exclude fruit pickles (01.7.9) or vegetable pickles (Australia)

- (01.8.9) Sugar cane raw should be included in 01.9.2.1 Cane and beet sugar as it is a unrefined form of sugar. (Australia)
- Add Pasta based meals to 01.9.7.1 Ready meals (Australia)
- Cream is found in several places, it is not clear why. What is the reason for separating cream included in 01.5.5.1 "Cream" from other dairy products grouped in 01.5.5.2 "Yoghurt and other fermented or acidified milk and cream" ? (Poland)
- 01.5.5.2 – maybe add an additional division for products with and without additives (fruit, sugar, cocoa) (Poland)
- 01.5.5.3 – maybe add an additional division for cheese and curd (Poland)
- 01.7.3.0 - maybe this group should be further divided into pome (eg. apples, pears) and stone fruits (eg. plums, nectarines) (Poland)
- 01.7.9.9 – can fruits in a tin be sugar-free? (Poland)
- 01.9.7.5 "Ready-made soups" : add "Excludes dehydrated soups or instant soups (01.9.9.9)" (France)
- 01.5.5.3 Cheese and curd, fresh or processed : add "Excludes lemon curd, blackberry curd and similar" (France)
- 01.7.9.9 : add "Excludes fruit and nut jams (01.9.3.2)" (France)
- 01.1.3 Add within Excludes : ice for cooling (04.5.5.0) (France)
- For 01.5: Milk, fermented milk products and cheese are often produced with added vegetable fats. We propose to add to all groupings "including products containing proteins and/or fats of non-milk origin". (Belarus)
- Specify the definition of prepared dishes and extend the list of products referred to this class. (Belarus)
- Specify what particular preserved fruits should refer to subclass 01.7.9.9, making a more clear distinction with subclass 01.9.3.2. (Belarus)
- Does meat puree, fruit puree, various cereals belong to 01.9.1.0 Baby food? (Belarus)
- Exclude from 01.1.2.1 Coffee the coffee substitutes (01.1.2.2). (Costa Rica)
- It should be better explained the difference between 01.2.3.1 and 01.2.3.2 (Costa Rica)
- 01.5.5 Dairy products should be called "Other dairy products" because Milk is also a dairy product (Costa Rica)
- There is a typo in the first 01.9.1.0 Baby food, the code should be 01.9.1 (Costa Rica)
- It is not clear what is included in the classes "prepared or preserved" for meat, fish etc. There are already classes for frozen products, dried, salted, in brine, smoked and these are all forms of preservation. It should be clarified what should be under the class "prepared or preserved". (Eurostat)
- It is not clear what birds are under 01.3.1.4 and 01.3.1.9. Distinction seems to be between domestic and wild but quails are also domestic and are included in 01.3.1.9. (Eurostat)
- Cooked fillets are included on sub-class 01.4.4.1 but they should be included in the class ready-to-eat food (Eurostat)
- It should be clarified if the composed salads in 01.9.7.2 can also have meat or fish - It is a bit confusing that refined cane or beet sugar, in solid form, containing added flavouring or colouring matter are in 01.9.29 instead of 01.9.2.1 (Eurostat)

- Instant coffee is not a coffee substitute. Move to 01.1.2.1 Coffee. (Australia, New Zealand)
- Revise the inclusion of poultry - should ostrich, emu, pheasant, grouse, pigeon (squabs), and quail be included in 01.3.1.4? (If domesticated/farmed then poultry?) (New Zealand)
- 01.3.1.9 Meat of other animals - remove boar and add to '01.3.1.2 Meat of pig '(New Zealand)
- 01.5.1.3 Whole milk of camels. Are there other camelid milk products on the market (llama milk?) If ye it should read "Whole milk of camels and camelids"?(New Zealand)
- 01.5.3 Milk substitutes from vegetables and nuts. Should read "...and other substitutes of animal milk" ('dairy' replaced with 'animal'). (New Zealand)
- 01.5.5.1 Cream. Does this include clotted, thickened and whipped cream? (New Zealand)
- 01.6.1 Vegetable oils. Within this category, are olive, groundnut, walnut etc considered to be vegetables? Where does coconut oil, avocado oil and rice bran oil go? Maybe just call this category 'edible plant based oils'? (New Zealand)
- 01.9.3.9 and 01.9.4.9. Check numbering! .9 is for an 'other' category? (New Zealand)
- Why are coffee, tea and the like placed between juices and mineral water? (Germany)
- The level of differentiation between unprocessed food (fresh and chilled, e.g. meat: 7 items) and processed food (e.g. meat: 1 item) does not reflect the situation as it is in the developed countries. (Germany)
- Ready-to-eat food can no longer be distinguished by its main ingredient (e.g. fish, meat, vegetables) - is this really intended? However, the aggregation of all ready-to-eat food makes coding easier, the entire sphere of convenience food is covered and will gain in importance. The breakdown by various main ingredients could be maintained at the 7-digit level (SEA). (Germany)
- Presently, there are no ready-to-eat salads in division 01 - here the scope of division 11 should be discussed. (Germany)
- The shift of the 4-digit level into the 3-digit level leads to a redesign of the 4-digit level (shift of the ECOICOP 5-digits). So far, Germany has been able to cover all 4-digits. By raising the 5-digit on the 4-digit level, gaps could occur. (Germany)
- It is striking that substitute products are heterogeneously differentiated in their own categories. Imperfections subsist as regards the right balance.
  - Examples - 01.3 "Meat and meat substitutes" Here we want to address the problem that there are more and more meat substitutes in Germany (vegetarian sausages, schnitzels made of chicken protein etc.). Nevertheless, they are not in the category of soy, tofu, protein etc. There are "meat substitutes made from cereals" (01.2.9.0) and "meat substitutes made from vegetables and nuts" (01.8.9.0). The categories "sugar and sugar substitutes" or "milk substitutes" are much more straightforward as they bundle different substitutes regardless of the raw materials.
  - There are two ways in order to use a more heterogeneous approach. One can combine "meat and meat substitutes" and "sugar and sugar substitutes"

or one can split “meat” and “meat substitutes” and “sugar” and “sugar substitutes”. One can also bundle all substitutes in one category (01.2.9.0). There is a wide variety of these substitutes supplied in Germany.

Nevertheless, the revenues/consumption of these products cannot be quantified so far. Some opposing trends can be observed as well. Due to the fact that the consumption of these products is relatively low currently Germany prefers a category which bundles all substitutes (01.2.9.0) Using this approach, vegetarian “substitutes” are represented, no matter what they are replacing (meat, fish etc.). (Germany)

- The general separation between processed food on the one hand and unprocessed food on the other which is typical of ECOICOP is also reflected by UN-COICOP.

Exceptions:

- 01.3.3: In contrast to all other types of fish and meat, fresh and frozen goods belong to the same COICOP when it comes to offal.

This raises the question whether such a separation genuinely reflects reality in developed countries. The separation of frozen products (e.g. frozen meat products in a 4-digit) holds the danger that we cannot make any statement concerning the price development of different types of meat (beef, pig, poultry). Additional subdivisions and additional unsystematic combinations would be necessary to make such a statement. Therefore Germany is afraid that the implementation of the new structure has disadvantages concerning user needs. More specifically, serving these user needs may occur in additional effort. (Germany)

## Division 02

- 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:
  - 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)
  - 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)
  - Have separate classes for low and non-alcoholic beer and wine (Czech Republic)
  - Alcoholic soft-drinks and beer without alcohol might be separated out (Netherlands, New Zealand )
  - Include a distinction between "illegal" and "legal" drugs within 02.3 "Narcotics". (United Kingdom)
  - 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:
  - 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)
  - 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:
  - Consider including smokers' articles in division 02, since they go hand in hand with pipe tobacco and e-cigarette refills. (USA, Germany)
  - Include cola nuts, psilocybin mushroom, Kava, , khat, chat and tobacco leaf in 02.3.0 examples(Myanmar, New Caledonia, World Bank, Ethiopia)
  - Include hookah blends in 02.2.0.3 examples (Belarus)
  - Ice-wine should be mentioned under the examples of wine from grapes (Eurostat)
  - Include grappa in 02.1.1 Spirits (Australia)
  - Include stout (Guinness) in 02.1.3.0 Beer
  - 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:

- Fortified wine, wine based drinks (Singapore, India, Thailand)
  - Licors (Bolivia)
  - 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)
  - 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)
  - Alcopops (United Kingdom, Chile)
- Other relevant comments are:
- Re-name 02.2 to "Tobacco and re-fills for e-Cigarettes " in order to clarify the content of the group (United Kingdom)
  - 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)
  - Remove "Also includes" and "etc." - not required (Australia)
  - Due to its importance in consumption cigarettes, cigars and other tobacco products could be classes instead of subclasses (Eurostat)
  - In 02.1.1.0 there is a typo on the exclusions: it should be wine based aperitifs (02.1.4) (Eurostat)
  - 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)
  - 02.2.0.3 Other tobacco products: incluir en las exclusiones (13.2.2). (Costa Rica)



## Division 03

- 65.1% agree or strongly agree in general with the proposed new structure for this division and 53.4% consider this proposal with the right level of detail.
- Areas where the classification is considered too detailed or without the appropriate detail:
  - Garments for boys and girls should be together. In general several countries preferred to have the same categories as for footwear: "men", "women" and "infants and children". (Switzerland, Belgium, Slovak Republic, Finland, Sweden, Latvia, France, OECD, Republic of Serbia, Portugal, Slovenia, United Kingdom, Spain, Eurostat, Macao, Czech Republic, Canada)
  - Have different classes for cleaning and repair of footwear (New Caledonia)
  - Split footwear for infants and children into two Sub-classes – Footwear for infants and Footwear for children because price level and stores where they are sold are usually different. (Latvia)
  - Have a separation of ready to wear from made to measure in clothing (Jamaica)
  - Have separate classes for underwear (Costa Rica)
  - Have a separate class for Sport footwear (Canada)
  - Have a separate class for school uniforms (Brazil)
  - Men's clothes, for example, are not broken down by underwear, shirts, trousers, coats etc. Compared with other divisions, this appears to be a very rough breakdown. (DE, Bolivia)
- The following good within this division were proposed to be moved to a different division:
  - School uniforms to Division 10 of education (United Arab Emirates)
- 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:
  - Dyeing shoes (In 03.2.2) (Costa Rica)
  - Slippers for man, women (In 03.2.1.1 and 03.2.1.2) (Republic of Armenia)
  - "tailoring" as a service without the cost of materials (Republic of Armenia)
  - Leather, fur, fusible webbing, wadding for making wearing apparel; felt for fulling wearing apparel, accessories (hats, scarves), felt boots. (Belarus)
  - Traditional clothes such as GABI, NETELA, kurta, dhoti, lungi (Ethiopia, India)
  - Clear classification of cloth material such as khanga to remove contradiction in that some classify as garment and others classify as material (Tanzania)
  - sheepskin babies' booties (New Zealand)
- The terminology used is in general considered understandable by the average household by 95.7% of the countries. The following terms were considered needing clarifications:
  - Squares (Australia)
  - Knickers (Australia)

- Expenditure on "made-to-measure" should have been described as "sawing expenses". In Africa clothing materials are purchase and sawing is done separately (Ghana)
- Other relevant comments are:
  - Detailed comments*
  - Explain the rationale for classifying unisex clothing under women's garments (Sweden, Singapore, Ireland, New Zealand)
  - It should be mentioned the treatment of Second-hand Clothing & Footwear (Fiji, Belize)
  - The spending in laundry, is difficult to distinguish from the spending included in the division 5, because frequently the informers declare the laundry service jointly. Guidance should be provided for these cases. (Chile)
  - Add exclusion to class 03.1.4 and 03.1.4.1: pins, safety pins, sewing needles, knitting needles, thimbles (05.6.1.2). (Costa Rica)
  - Add exclusion to class 03.1.2.1 Garments for men : unisex garments (03.1.2.2) (Costa Rica)
  - Add inclusion of unisex footwear to 03.2.1.2 and exclusion in 03.2.1.1 (Costa Rica)
  - Many gardening gloves are part rubber - do they go into 05.6.1? (New Zealand)
  - The age breakdown applied to distinguish between children's/adults clothing is less applicable in the UK, below 15 years would be more appropriate. (UK, Germany, Kazakhstan, Poland, OECD)
  - We disagree with the structuring of division 3 by user type and then by type of garment, that because, in household surveys, respondents indicate more easily the type of clothing than the user. Therefore, it seems better use as a order in COICOP, first the type of garment and then the type of user. If we considered this arrangement, it could better exploit the use of residual products at subclass level, as if the wearer of the garment is not known, it could be classified in the residual product of each subclass. (Chile)
  - On 03.1.2.5 infant garments should remove the tights, petticoats, brassiere , stockings as these are not infant garments (Philippines, India, Poland, New Zealand)

## Division 04

- 70.5% of the countries are in favour of move fitted carpets, linoleum, door fittings, power sockets, and wiring from Division 05 to 04.
- 58.3% agree or strongly agree in general with the proposed new structure for this division and 54.4% 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 04.3.2.0 Services for the maintenance and repair of the dwelling (Belgium, Denmark)
  - o Too detailed: 04.4.1 (no detail by mode of providing water), 04.4.2, 04.4.3 (no detail by sewer systems) , 04.4.4 (charges for caretaking, gardening, stairwell cleaning, etc. are usually included in rentals and not paid separately) (Lithuania, Poland)
  - o 04.5.4 Solid fuels are considered too detailed. Many countries complained and made counter proposals
    - only coal and wood
    - (coal, coal briquettes and peat and other
    - Vegetal Coal, coal briquettes, peat and Charcoal/ Wood fuel, Wood pellets and wood briquettes / Other solid fuels
    - Merge 04.5.4.2 and 04.5.4.3  
(Colombia, Poland, Germany, Italy, United Kingdom, Spain, Chile, Eurostat)
  - o 04.3.1. Materials for the maintenance and repair of the dwelling could be further disaggregated. (ILO, Denmark)
  - o So far, a breakdown of 4.4.1 water supply into 4.4.1.1 and 4.4.1.2 has not been planned and would have to be introduced in Germany. The same applies to 4.4.3 sewage collection. It will probably only be possible, however, to provide data for one category each. (Germany)
  - o Too detailed 04.1, 04.2, 04.3; expecting challenges with more detailed level 04.1, 04.2 (Russian Federation)
- The following goods or services within this division were proposed to be moved to a different division:
  - o Materials for the maintenance and repair of the dwelling are in Division 04 (04.3.1) and small non-motorized tools and miscellaneous accessories are in division 05 (05.5.2). Since both are used for housing maintenance and repairing the dwelling, can it be merged into a single category? (Indonesia)
  - o Wondering whether rental of land is final consumption (World Bank)
  - o Fitted carpets and linoleum from 04.3.1.0 to 05.1.2 (Slovak Republic, Portugal, India, Philippines, Czech Republic)
  - o '04.4.1.2 Water Supply through basic systems' and '04.4.3.2 Sewage collection through basic sanitation systems' should be moved to '15 INDIVIDUAL CONSUMPTION EXPENDITURE OF GENERAL GOVERNMENT'. (Republic of Korea)

- 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:
  - Landscaping and cleaning of grounds surrounding a cottage, cleaning of a stovepipe in a cottage Slippers for man, women (In 03.2.1.1 and 03.2.1.2) (Belarus)
  - Screws, nails and other materials in groups 5.5 or 5.6 are frequently in the description of expenses related to the repair of housing (Chile)
  - Often electricity and gas are combined on a bill and we will perhaps need to include this bundling (New Zealand)
  - Heat pumps (a device that transfers heat from a colder area to a hotter area by using mechanical energy) should be classified in 04.5.5.0 (Switzerland)
  
- The terminology used is in general considered understandable by the average household by 91.3% of the countries. The following terms were considered needing clarifications:
  - Secondary residence in Rentals actually paid for secondary residences (Armenia)
  - Difference between Actual and Imputed Rental (Australia)
  - Should the term Rent or Rentals be used? SNA defines:
    - Rent as income receivable by owner of natural resource (the lessor or landlord) for putting the natural resource at the disposal of another institutional unit (a lessee or tenant) for use of the natural resource in production.
    - Rental is the amount payable by the user of a fixed asset to its owner, under an operating lease or similar contract, for the right to use that asset in production for a specified period of time.
 Basically Rent is a form of property income and Rentals are treated as sales of services (Australia)
  - Rentals of land in the context of household expenditures? (Poland)
  - Refer to the paragraph 9.57 of SNA2008, "Expenditure that owners, including owner-occupiers, incur on the decoration, minor repairs and maintenance of the dwelling that would normally be seen as the responsibility of a landlord should not be treated as household final consumption expenditure but as intermediate expenditure incurred in the production of housing services", has different explanation compared with the paragraph of 04.3 MAINTENANCE AND REPAIR OF THE DWELLING " only expenditures which tenants and owner-occupiers, incur on materials and services for minor maintenance and repair are part of individual consumption expenditure of households". (Macao)
  - Sewer systems vs basic sanitation systems, Hydrocarbons, butane, propane, briquettes, peat, pellets (Singapore)
  - The housing terminology could be changed to e.g.: o "Housing services to tenants" o "Housing services to owner-occupiers" This avoids the term "imputed rentals" which has a specific connotation in national accounts. The classification in itself is independent of the method used to estimate the housing services to owner-occupiers (Eurostat)
  - It is not clear what solid fuels for barbecue should be in 04.5.4.9 Other solid fuels as Charcoal, wood pellets and wood chips are already identified in other sub-classes. (Eurostat)

- Imputed rentals, (OECD, New Zealand, Barbados)
  - intermediate consumption (Barbados)
  - capital formation (Barbados)
  - 04.3.2 Services for the maintenance and repair of the dwelling – clarification is needed: should we classify here only the costs of the service or the total value of the service, including the materials? (Poland)
  - What are "charges of self-produced solar energy"? We need a better explanation and does this include such charges only for electricity? (Austria)
- Other relevant comments are:
- Add substitute for firewood to 04.5.4 Solid fuels. (Myanmar)
  - Gas need to be added to 04.5.3 Liquid fuels. (Myanmar)
  - 04.4.4.9 Other services related to dwelling has different code (04.4.4.3) in the correspondence table (Latvia)
  - Modify 04.1.2.2 Garage rentals and other rentals paid by tenants to Rentals also include payment for the use of a garage to provide parking and storage in connection with the dwelling. The garage or storage does not have to be physically contiguous to the dwelling, nor does it have to be leased from the same landlord. (United Kingdom)
  - Delivery fees for 04.5.2.2 Liquefied hydrocarbons (butane, propane, etc.) should be excluded from the class (Belize)
  - In 04.1.1 add the exclusion of garage rentals (04.1.2.2); accommodation services of educational establishments and hostels (11.2.0.9); retirement homes for elderly persons (13.3.0.2); rentals of one month or less (11.2.0.1). (Costa Rica)
  - Modify 04.1.2.2 Garage rentals and other rentals paid by tenants to Rentals also include payment for the use of a garage to provide parking and storage in connection with the dwelling. The garage or storage does not have to be physically contiguous to the dwelling, nor does it have to be leased from the same landlord. (Australia)
  - Repairing roofs potentially increases the expected service life of a building - should it be included with 04.3 MAINTENANCE AND REPAIR OF THE DWELLING (Australia)
  - Is it possible to split 04.5.1 Electricity into 04.5.1.1 Electricity from mains and 04.5.1.2 Electricity from all other sources to improve environmental collections? (Australia)
  - Security services (04.4.4.2): Why are security services not included in the "domestic services and household services" (05.6.2)? Is it because that household purpose to incur this expense is to secure the house, so it is embedded in the housing (Div. 04)? Do security services lie outside of domestic services boundaries? (Indonesia)
  - Sewage collection through sewer systems (04.4.3.1): This expenditure includes tax to the sanitation or water provider or municipality for the collection. What kind of tax is mentioned in the definition above? Is it tax on product (in relation with consumption expenditure is incurred at purchaser price) or other tax on production (in relation with tax expense relating with Owner Occupied Dwelling)? If this tax is other tax on production then it shouldn't be considered as consumption expenditure but as other taxes on production of the house owner. (Indonesia)

- Where would a combined service(04.4.4.1 ;04.4.4.2 ; 04.4.4.9) be classified? maybe have an additional subclass to accommodate the above. (South Africa)
- Can an Armed response services be classified under 04.4.4.2 ? (South Africa)
- Where can improvements of the dwelling (fitting of cupboard, or putting new floor I.e items that changes the value of the property ) be classified ? (South Africa)

## Division 05

- There is not a clear majority on where surveillance cameras should be classified. Among the 4 proposals, 09.1.1.1 Cameras got the same % of countries in favour as 08.1.5.0 Equipment for the reception, recording and reproduction of sound and vision 26.8%. New Caledonia said: It does not belong to the household appliance category. It fits Division 08 Information and Communication but in terms of class it belongs to Cameras which is 09.1.1.1 but then Division 09 would be incorrect since it's not meant for recreation. It was also said by Philippines) that surveillance cameras are also used in buildings and offices, streets, etc. so not only used as household appliance
- 60.8% agree or strongly agree in general with the proposed new structure for this division and 62.7% consider this proposal to have the correct level of detail.
- Areas where the classification is considered too detailed or without the appropriate detail:
  - o Refrigerators, freezers and fridge-freezers and cookers should not be combined into one Sub-class (05.3.1.1 Major Kitchen appliances) because price dynamic usually differs. (Latvia, Hungary)
  - o Too much detail in 05.3.2 (Switzerland, Poland)
  - o Further breakdown in 05.6.1 into: Cleaning and maintenance products and other non-durable small household articles (Poland)
  - o Too much detail on 05.6.2 Domestic services and household services (Myanmar, Russia, India)
  - o 05.1.1.9 and 05.3.1.1 not enough detailed (Finland)
  - o Subclass 05.1.1.1 -"Household furniture" could be split into:
    - Living and dining room furniture
    - Bedroom furniture (including bunk bed)
    - Kitchen furniture
    - Bathroom furniture
    - Baby furniture (including cradle high chairs, play-pens, etc) (Brazil, Chile )
  - o Need not classify food processing appliances, coffee machines at subclass level (Singapore)
  - o Need not classify glassware, cutlery at subclass level. Note that cutlery can be made of porcelain or melamine (Singapore)
  - o Generally not convinced of the need for the extra detail being introduced in 05.2, 05.3, 05.4, 05.5, 05.6.2, and too many repair headings. The breakdowns are not justified by expenditure and the added granulation would add unnecessary burden to the respondent and coding process. (United Kingdom)
  - o 05.3.1.1 + 05.3.1.2 split into "05.3.1.1 Refrigerators, freezers and fridge-freezers" "05.3.1.2 Clothes washing machines, clothes drying machines and dish washing machines", and "05.3.1.3 Cookers" as in ECOICOP (Spain)
- The following goods or services within this division were proposed to be moved to a different division:

- Move tools/equipment related to household repair and maintenance to Division 04 and tools/equipment related to garden maintenance- to Division 09. (Poland)
  - Move Camping Furniture (05.1.1) to 09.2.2.2 (Australia)
  - To classify fittings and similar parts for radiators and fireplaces which are a part of the heating system of buildings, equipment for fire and security alarm systems as building materials. (Belarus)
  - Move screws, nails and other materials to division 04. (Chile)
- 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:
- The door phone for household (Armenia)
  - Manufacturing of furniture to order (e.g. kitchen cupboards and surfaces) (Armenia)
  - The whole class Gardens, plants and flowers from 09.3.1 excluding cut flowers (e.g. gifts) (Australia)
  - Pool cleaning chemicals and equipment (South Africa)
  - Hire of furniture, furnishings, carpets, household equipment and household linen (Singapore)
  - Leather and fur for upholstery and room decorating; (Belarus)
  - down, feather and other fillers for pillows; (Belarus)
  - Built-in furniture, frameless furniture, (Belarus)
  - Inflatable sofas, armchairs; inflatable beds;
  - Statuettes and other decorative articles of porcelain and crystal glass; (Belarus)
  - Curtain rods of wood, of plastics; string curtain rods; (Belarus)
  - wooden lath for fixing carpet; (Belarus)
  - Hanger stand, coat stand; Care of decorative pot plants; (Belarus)
  - Tendency of flat in absence of owner; (Belarus)
  - Measuring background radiation and content of harmful substances in dwellings; (Belarus)
  - Opening of house locks. (Belarus)
  - Installation services of large appliances. It could be incorporated as a subclass in the class 05.3.1. (Chile)
  - Fitted carpets, linoleum, door fittings, power sockets, and wiring should stay in COICOP 05. (Belgium, Slovak Republic, Portugal, Czech Republic)
- The terminology used is in general considered understandable by the average household by 92.3% of the countries. The following terms were considered needing clarifications:
- Delivery separately invoiced - separate invoice or just itemised on an invoice? (Australia)
  - What is the meaning of "cloth bought to piece" in 05.2.0.9 Other household textiles (Eurostat)
  - Bedding - does this refer to bed linen? (05.1.1) (Australia, New Zealand)
  - 05.5.1.1 Motorised major tools and equipment: what is meant by 'major'? (New Zealand)



- Other relevant comments are:
  - Only "Delivery" should be excluded if it is separately invoice and included in 07.4.9.2 Delivery of goods, not "installation charges". Separately invoiced delivery charges are a very specific charge identified by SNA2008 to measure Transport Margins. The Margin is the provision of the transport service. If not separately invoiced it cannot be identified by the consumer. (Australia)
  - 05.1.1.2 Garden and camping furniture should be 05.1.1.2 Garden furniture and specifically exclude camping furniture (09.2.2.2) (Australia)
  - Bunk beds should be included in 05.1.1.1 Household furniture (Australia, Eurostat, New Zealand)
  - Fabric sunshades should be included in 05.2.0.1 Furnishing fabrics and curtains (Australia)
  - 05.6.2.1 Domestic services by paid staff exclude governesses, nannies, au pairs and babysitting (13.3.0.1) (Australia)
  - Not always the same logic was applied in this division. Eg 05.3.1 is breakdown by place of use but not 05.3.2
  - Exclude bulbs (05.5.2.2) from 05.1.1.3 Lighting equipment (Brazil)
  - Cutlery can be made of porcelain or melamine
  - Move bunk bed and baby furniture from 05.1.1.9 to a new subclass to be created in class 05.1.1 (Brazil)
  - Delete Duplicate "dishwashing machine" of sub-class 05.6.1.0 on page 67 (United Arab Emirates)
  - Formal childcare can include in-home care by nannies/au pairs, which can be subsidised by the government in Australia. Particularly in remote or very advantaged areas, in-home care can be highly prevalent and should be included as childcare, not 'domestic services' (as per babysitting). (Australia)
  - 05.6.2.9 Other domestic services and household services have different codes (05.6.2.3) in correspondence table (page 70). (Latvia)
  - 05.6.1 and 05.6.1.0 should have the same exclusions and description (France)
  - It is not clear whether the distinction between 05.5.1 (Motorised tools and equipment) and 05.5.2 (Small non-motorised tools and miscellaneous accessories) is based on the criteria of motorised vs non-motorised tools and equipment or the size of tools and equipment (major vs small). If size of tools and equipment is not one of the considerations, it is perhaps better to remove the term "major" in the description for 05.5.1.1 (Motorised major tools and equipment) and to remove the term "small" in the description for 05.5.2 (Small non-motorised tools and miscellaneous accessories). (Singapore)
  - To refine the description of subclass 05.1.1.2 and specify whether it includes lounge chairs, folding beds, wrought iron benches and tables, chairs and tables of natural and artificial stone, arbours. (Belarus)
  - To add to description of subclass 05.1.1.3 "Excludes light strings for Christmas tree". (Belarus)
  - To refine descriptions of subclass 05.1.1.9 and 05.5.2.2 to make a more clear distinction between them. (Belarus)

- To clarify more clearly the difference between 'babysitters' classified under 05.6.2.1 and 'wet-nurses' classified under 13.3.1.1. (Belarus)
- To supplement description for 05.6.2.1 with a list of household services provided by self-employed or enterprises to facilitate differentiation of expenditures referred to this subclass and to subclasses 05.6.2.2 and 05.6.2.9. (Belarus)
- Add exclusion to 05.1.1.2 Garden and camping furniture: decorative materials for gardens (05.1.1.9). (Costa Rica)
- Add exclusion to 05.3.2.9 Other small electric household appliances: small non-electric household articles and kitchen utensils (05.4.0); household scales (05.4.0); personal weighing machines and baby scales (13.1.2). (Costa Rica)
- Add inclusion to 05.3.1 Major household appliances whether electric or not: separate purchases of materials made by households with the intention of undertaking the repair themselves. (Costa Rica)
- Repair and made to measure of household textiles (05.2.0.4) should be a different class to separate the goods from the services (Eurostat)
- To mention in the exclusions of subclass 05.1.1.3 "Lighting equipment" that lamps are in subclass 05.5.2.2 (Brazil)
- "Domestic services and household services" (05.6.2) includes secretaries. What's the reason? Should the expense for secretaries be recorded in unincorporated enterprise within households? (Indonesia)
- 05.6.2- content seems arbitrary. Requires further clarification. (Poland)
- 05.6.2 Domestic services and household services include hire of furniture, furnishings, carpets, household equipment and household linen (ECOICOP 05.6.2.3). Include a sub-group for "hire of furniture" (05.6.2.3). (Latvia, Denmark)
- 05.2.0.1 should be 05.2.1.1 (New Zealand)

## Division 06

- 39.6% of the countries prefer to classify routine dental or medical check-ups in group 06.5 "Preventive care services" against 49% that would prefer group 06.2 "Outpatient services"?
- 47.1% agree or strongly agree in general with the proposed new structure for this division 22.5% disagree or strongly disagree with the proposal which together with the division 01 is the highest disapproval rate for any individual division.
- Only 48% consider this proposal to have the correct level of detail. 46.0% considering it too detailed, which is the second highest value of all divisions.
- Areas where the classification is considered too detailed or without the appropriate detail:
  - o Totally too detailed (Finland)
  - o Class 06.1.2 is too detailed (Latvia)
  - o Assistive products should not be combined into one Sub-class (06.1.3.1) as they are meant for different purposes (Latvia)
  - o Class 06.2.1 should have two Sub-classes 06.2.1.1 General practice and 06.2.1.2 Specialist practice. (Latvia)
  - o 06.5 Preventive care services is considered too detailed or not needed to identify separately (Myanmar, Lithuania, Belarus, Mauritius, Canada, Peru, Belgium)
  - o In our experience it would be difficult to separate "Preventive care services" from "outpatient services". In general, the preventive case is made by a routine visit to a physician's private office. If necessary it will be requested specific exams. Also, either the patient has a health insurance plan or uses clinics/hospitals administrated by the government. so, except from the immunization services, the group 06.5
  - o 06.4 and 06.5 should be included within 06.2 (Slovenia, UK, Germany, Brazil, Colombia)
  - o Private households cannot differentiate between categories 06.1.2.1 - 06.1.2.3 and 06.5.1 - 06.5.3 (Germany)
  - o Rehabilitative care can be separated from curative care as the rehabilitative care services may be big enough to warrant a separate category on its own. (Singapore)
  - o Too detailed in 06.2, 06.3, 06.4, 06.5 (Russia, Norway, Montenegro)
- The following goods or services within this division were proposed to be moved to a different division:
  - o In 06.3.2 what is mentioned in "Includes" should be part of 13.3 Social protection. Most of the payments made in this case are for the living in the institutional household, like in retirement homes 13.3.0.2. Payments for curative care (Netherlands)
  - o Move pill organizers from 06.1.3.2 (Assistive products) to 13.2.2 (Other personal effects). Pill organizers may be used for purposes other than to organise pills. (Singapore)
  - o Assistive products for Cognition (e.g. GPS locators, PDAs, Personal emergency alarm systems, time management products including digital calendar, watch with pre-

- programmed task reminders, etc.) should not be included in Health. These products are used for non-health related purposes as well. They should be classified under 08 (Information and Communication) instead. (Jamaica, Singapore)
- Classify Aromatherapy products and slimming and beauty enhancing creams, outside of Health, under 13.1 Personal Care (outside of Health) (Singapore)
- Some products or services were mentioned as missing in this division. In most cases they just need to be included in the list of examples. The following products or services were mentioned:
- In 6.2.3, add “dialysis” as an example of outpatient long term care (World Bank, Singapore)
  - To mention blood and urine tests in 06.4.1 - Services of diagnostic imaging and laboratories (Brazil)
  - Dental work requiring overnight stay (e.g. removal of wisdom teeth) (Australia)
  - Where to classify dental prosthesis? (Poland)
  - Pharmaceutical services eg . Fees to dispense medicine (South Africa)
  - Rental of medical alarms for in-home use (New Zealand)
  - Alternative medicine services such as shiatsu, homeopathy, acupuncture, healing, etc. (Israel)
  - Topical pain relievers e.g. voltaren (Jamaica)
  - For elderly and disabled persons, where should costs for ADL be included? In COICOP 06 or COICOP 13? (Regarding the statement that the new structure allows alignment of COICOP with ICHA) (Sweden)
  - Move sunglasses from 13.2.2 to 06.1.3.1 (Poland, Australia)
- The terminology used is in general considered understandable by the average household by 83.9% of the countries. Which is however the lowest value for all divisions. Therefore, a lot more has to be done to make this division more understandable for the normal household. The terminology was considered to be too complicated and too technical by some countries. The following terms were considered needing clarifications:
- The breakdown of grouping 06.5 into 06.5.1, 06.5.2, 06.5.3 is not clear enough. (Poland)
  - 06.1.3 Assistive products should have more accurate title because otherwise it can be confusing (Latvia)
  - Outpatient - is it related to treatment at hospitals (not overnight) or for all outpatient medical services provided in facilities including those in the home? (Australia)
  - Perhaps 06.1.3.1 Hearing and communication should be renamed as Division 08 is also on communication. (Switzerland)
  - The word ‘spectacles’ is a bit dotted (Jamaica)
  - Do PDAs still exist? (Jamaica)
  - It is not well understood the difference between what services are included in 06.2.3 Outpatient Long-term care services versus 06.5.3 Healthy condition monitoring services. (Chile)
  - The terminology should be aligned with CPC and ISIC.

- Specific terms or expressions need to be simplified / clarified by professional medic, not easily understandable by the average household. (Armenia)
- Other relevant comments are:
  - It is difficult to distinguish between preventive medicine and preliminary tests such as vaccines, ultrasound, etc. because most of the services are received under the arrangement public and private insurance. (Israel)
  - Difficulty in classifying items into 06.2 Outpatient, 06.4 Diagnostic and 06.5 Preventive care service, e.g. mammogram (Singapore)
  - Not easy to differentiate between early disease detection service and health monitor service (Cyprus)
  - It is difficult to identify differences between type of treatment, chronic or long-term versus sporadic. It is difficult to obtain, since it would involve modifying questionnaires and ask sensitive issues in households. At administrative records, is also complex incorporate this distinction. (Chile)
  - Propose not to change the present structure of division 06 (06.1, 06.2, 06.3) (Slovak Republic)
  - Propose to cover all costs concerning dentures (not only fitting cost) into 06.2.2 (Slovak Republic)
  - Explanations for products and services included/excluded should be more succinct because they are too long and the meaning is not clearly understandable (Latvia)
  - All "excludes" need to identify where the product should be classified. (Australia)
  - 06.1.1.0 Medicines, vaccines and other pharmaceutical preparations should exclude Herbal medicines and homeopathic products. Split 06.1.1 into 06.1.1.1 Medicines, vaccines and other pharmaceutical preparations and 06.1.1.2 Herbal medicines and homeopathic products. For our users in health research, homeopathic remedies and other alternate remedies would be better placed under a different class. (Australia)
  - 06.1.2.1 Medical diagnostic products for personal use should be worded "All diagnostic equipment for self-test" as it includes internet purchases (Australia)
  - 06.1.3 Assistive products Assistive products include any external product whose primary purpose is to maintain, improve or prevent (Australia)
  - Aren't sun glasses primarily protection and should be included in 06.1.3.1 - we understand they are also a fashion accessory but primarily the protect the eyes from the sun (Australia, Poland)
  - 06.3.2 Inpatient Long term care services should specifically exclude retirement villages without inpatient medical services (12.4) (Australia)
  - 06.4.1 – it should be stated precisely what kind of screenings are expected to be classified here, provided that laboratory and imaging services performed for early detection of diseases are excluded from this grouping. Should this grouping include medical examination commissioned in 06.2? (Poland)
  - Information to be collected on 06.5 touches upon "sensitive data" and respondents might be reluctant to disclose this kind of information. (Poland)
  - Health care services are in general free of charge or paid by the state so it might be very difficult to obtain relevant information. (Poland)
  - The current proposal is good in theory but difficult in practice (South Africa)

- The issue and classification of traditional, complementary and alternative medical/health products and services (including traditional Chinese medicine, acupuncture, herbs with said health benefits, other wellness products) has not been adequately addressed in the proposed COICOP. (Singapore)
- Herbal medicines" which are included in 06.1.1 (Medicines, vaccines and other pharmaceutical preparations) should be defined for better clarity. (Singapore)
- In general, it would be difficult to unbundle preventive care services (06.5) from out-patient services and in-patient services. For example, vaccination services are regularly provided in out-patient medical services. In practice, it would be difficult to unbundle vaccination services from other health services provided in out-patient medical services. (Singapore)
- It was stated that 06.2.3 (Outpatient long-term care services) excludes "services to maintain people in their private homes that are not integrated into a package of care along with medical services and separately invoiced". Is the latter condition "and separately invoiced" necessary? For example, does it imply that 06.2.3 should include such services if they are not separately invoiced even though they are not integrated into a package of care along with medical services? (Singapore)
- It was stated that 06.3.1 (Inpatient curative and rehabilitative services) excludes "services of medical analysis laboratories and imaging centres separately invoiced from the inpatient care services not received during the overnight stay". The statement is confusing. Why would services which were not provided during inpatient care services/overnight stay be billed along with inpatient care services? (Singapore)
- There is no split by healthcare provider (e.g. no separate category for primary care, no separate categorisation to distinguish hospital Specialist Outpatient Clinics from specialist clinics), so the new classification does not allow for cross-comparisons with other countries at the provider levels. (Singapore)
- In general, the distinction between curative/rehabilitative and preventive services might be difficult. For example, some diagnostic tests can be classified both in the class 06.4.1 and the class 06.5.2. (Italy)
- Scales and baby scales are in 06.1.2.1 and 13.1.2 (Eurostat)
- Why protective glasses are in 06.1.3.1? They belong with safety equipment like water boots and ear plugs. Not an "assistive product" (Jamaica)
- Division 6 (Health) treats health expenses differently from education expenses in Division 10 (Education). Division 6 covers all expenses related to health, i.e: health services, health products, and health transportation. (Indonesia)
- 5<sup>th</sup> digit is missing for some classes (Eurostat)
- The surgery even if cosmetic surgery for other purposes than reconstructive surgery should be classified in the Division 06 (within both outpatient and inpatient care). Often it is difficult to distinguish the purpose of the surgery - both are carried out by medical doctors in hospitals and the like. (Czech Republic)
- It is not possible to distinguish 06.3.1 and 06.3.2. Propose to merge those classes (Czech Republic)

- The Group 06.5 Preventive Care services: It will be very difficult to distinguish preventive care from outpatient care. (How to classify e. g. routine check-up during which the doctor finds the problem and solves it immediately?) (Czech Republic)
- The difference between 13.3.0 and 06.2.3 about services for old people is not clear. The type of medical services that distinguish the 2 classes have to be better explained (Austria)
- Up to now we have not felt the need of a possible harmonization with the International Classification for Health Accounts (ICHA). It might be difficult to differentiate between curative / rehabilitative and preventive services, differentiating according to the place of the service is more important for us. (Hungary)
- 06.1.2 Fix up sentence "From a thermometer blood glucose meters, to nebulizers, that are by individuals, usually out of the hospitals". Doesn't make sense. (New Zealand)
- 06.3 Need to include 'dental'. (New Zealand)
- We do not expect good HBS data Quality for these categories. (Germany)

## Division 07

- A majority of 79.2% of the countries prefer to classify Passenger transport services like in the present COICOP, broken down by mode of transport (railway, road, air, water)
- A majority of 71.4% of the countries agree to move postal services from Division 08 to 07
- A majority of 85.4% of the countries agree to differentiate between new and used cars
- 64.7% agree or strongly agree in general with the proposed new structure for this division and 65.7% consider this proposal to have the correct level of detail
- Areas where the classification is considered too detailed or without the appropriate detail:
  - o Split 07.2.2.3 "other fuels for personal transport equipment" into two subclasses: One for gas and other for alcohol (Brazil)
  - o 07.3.6 too detailed (Finland, Poland, United Kingdom, Montenegro, Lithuania, Canada)
  - o remove 07.3.5 Combined passenger transport - too detailed (Canada)
  - o 07.4 too detailed (United Kingdom)
  - o 07.3.1 and 07.3.9 too detailed (Colombia)
  - o 07.2.4 too detailed (Lithuania)
  - o 07.4.9 too detailed (Lithuania, Montenegro)
  - o 07.3.3 Passenger transport by air is not detailed enough: the subclasses for Domestic flights and International flights should be defined. (Italy)
  - o Petrol could be sub divided into Regular and Premium gasoline (Belize)
  - o Have a subclass for E-bikes or similar equipment (using an electric motor). The E-bikes differs from a normal bicycle but neither are motorcycles. (Chile)
  - o 07.3.1.1, 07.3.1.2, 07.3.2: Private households very often don't differentiate between the mode of passenger transport, you can even use different types of transport with the same ticket. (Germany)
  - o Have a separation between bicycles for transport and for leisure (Costa Rica)
  - o Propose a new code for the second-hand motor cycles (Macao)
- The following goods or services within this division were proposed to be moved to a different division:
  - o Subclass 07.4.1.1 "Letter handling service" should remain in division 08 "information and communication" (Brazil, Indonesia)
  - o Keep postal services in Division 08 (Myanmar, Belgium, Finland)
  - o Transport services (07.3) from and to schools should be moved to division 10 (United Arab Emirates, UNESCO)
  - o Racing motor vehicles and vehicles specifically for shows where primary purpose is for recreation 09.1.2.9 (Australia)
  - o We recommend to move crash helmets for bicycles and motorcycles from division 07 to division 09 (Poland)



- Move bicycles to Div 09 Recreation and Culture but retain class 07.3.1 for personal electric mobile vehicle, e.g. ebikes, scooters, hoverboards, etc (Singapore)
  - Classifying baby seats for cars in 07.2.1 (Parts and accessories for personal transport equipment) (Singapore)
  - Postal services should not be part of transport -> it is way of communication! (Slovenia)
- 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:
- Traffic Violations (Oman)
  - Moving services (Brazil, Switzerland)
  - Passenger transport by road should also include: other forms of road transports apart from bus and taxi (Fuji)
  - Motorcycle used in 07.1.2 as well as bicycles used in 07.1.3 (United Arab Emirates)
  - Add a used car parts in class 07.2.1 (United Arab Emirates)
  - Add gas in class 07.2.2 Due to the growing popularity of gas cars (United Arab Emirates)
  - Compulsory motor vehicle registration charges (Australia)
  - Ownership transfer charges for vehicles (Australia)
  - Car cameras (Poland)
  - GPS installation and updates for transport purposes (Poland)
  - Boats as water transport. (Belarus)
  - Food, veterinary and hosting services for animals used for transportation
  - A vehicle as salary benefit (Leasing / Car Company) (Israel)
  - Would include GPS in 07.2.1.3. Would include left-luggage in 07.4.9.1 (Ireland)
- The terminology used is in general considered understandable by the average household by 95.7 % of the countries. The following terms were considered needing clarifications:
- Rapid transit (Australia, Eurostat, Czech Republic)
  - Left-luggage (Australia)
  - Explain the difference between "roadworthiness test" in 07.2.4.3 and "technical inspection" in 07.2.3.0 (Croatia)
  - Definition for used car is not clear as to whether it should be based on the kilometre travelled and the year bought or solely on the year bought (South Africa)
  - Share taxis (Eurostat)
- Other relevant comments are:
- The sub class "Postal services" is wider in coverage than the standard postal services (it includes express delivery, courier and shipping services of providers other than the POST. Therefore the term "postal services" may be too restrictive. (ILO)
  - In subclass 07.1.2.0 "Motor cycles" is it considered new and second-hand ones? (Brazil)
  - The definition of second-hand is inconsistent with SNA. As soon as an end user (not someone who has purchased a vehicle for the sole purpose of resale) has purchased

the vehicle it becomes second-hand, time has no relevance in this definition. "Older than one year" is a quite restrictive definition. On the one hand, this does not reflect common practice and on the other, a second-hand car may be much newer and less than a year old. The note should therefore be deleted. (Australia, DE, New Zealand)

- It is proposed that vehicles that are considered new when they are initially registered as new cars in government while vehicles that are considered second-hand when they change ownership because the price of vehicles falls sharply in the market after the initial registration of the new vehicles even if the vehicles are younger than one year. (Macao)
- The criterion for second hand cars (cars that have more than one year of acquisition) does not seem adequate or properly justified. This could be complicate in the data capture, since there may be households who purchase used cars that were purchased new by the sellers in less than 1 year. (Chile)
- 07.2.1.2 Parts for personal transport equipment - consistent terminology - remove spare from spare parts (Australia)
- 07.2.2.3 Other fuels for personal transport equipment should also include petrol blends like E10 ( petrol with 10% ethanol) (Australia)
- 07.2.4.1 Hire of garages, parking spaces should include parking meters as they are method of paying for a parking space not providing parking in connection with the dwelling. (Australia)
- 07.2.4.2 should only be Toll facilities. (Australia)
- 07.3.2.2 Passenger transport by taxi and hired car with driver split further - 07.3.2.2 Passenger transport by taxi and 07.3.2.3 Ridesharing and hired car with driver (Australia)
- 07.4.9.2 Delivery of goods when separately charged should specifically exclude installation services which should be included with the relevant good (Australia)
- 07.4.9.1- it is not clear what exactly falls in the scope of this category (Poland)
- 07.2.2.3 : not sure to be able to evaluate these consumptions (France)
- 07.1.1.2 : what about the employees' cars that are sold at a bargain price (20 to 35% cheaper than new) ? (France)
- 07.4.1.1 : misleading writing ; replace current notes by the following ones : Includes: - postcards and all purchases of new postage stamps, pre-franked postcards and aerogrammes Excludes: - postcards (09.6.30) (France)
- Potential duplication and confusion of porter services/tips in 07.3.6.2 (Luggage forwarding and left luggage) and 11.2.0 (Accommodation services) (Singapore)
- The distinction between 07.4.1.2 (Parcels delivery services ) and 07.4.9.2 (Delivery of goods) is not clear. Both includes " services of delivery of goods like furniture, supermarket shopping when charged separately". (Singapore, Mexico, Croatia, Poland, Germany)
- Need more explanation to distinct "delivery of goods" (07.4.9.2) and "parcels delivery services" (07.4.1.2). "Delivery of goods" is only done by the seller with separate invoice, while "parcel delivery services" is done by other enterprise (delivery enterprise). (Indonesia)
- It is not clear whether food delivery services should be classified in 07.4.9.2 (Delivery of goods) or 11.1 (Food and Beverage Services). (Singapore)

- 07.3.2.2 (Passenger transport by taxi and hired car with driver) should also include tips, for completeness (Singapore)
- To specify whether renting of a bus for transportation of guests (wedding, funeral, joint excursion), if people collect money for a bus separately from hiring a guide , is classified in division 07 or 09. (Belarus)
- It should be mentioned in the general notes for Division 07 that catering services inside the transport are included unless separately invoiced. (Costa Rica)
- In class 07.2.2 Fuels and lubricants for personal transport equipment the exclusion: charges for oil changes and greasing (07.2.3), should be: charges for service of oil changes and greasing (07.2.3). (Costa Rica)
- Include in the class 07.4.9 Other transport of goods the following exclusions: self-storage units (04.1.2.2), services of porters and left-luggage and luggage-forwarding offices (07.3.6.2). (Costa Rica)
- There are other transportation options that are not covered (boat/motor boat, Segway etc). May need to add an 'other' category (07.1.9 Other vehicles nec)? (New Zealand)
- As only parcels delivery services (part of postal services) are moved to Division 7, then group of transport services goods doesn't need subclass level. It is proposed that "removal and storage services (07.4.9.1) and "delivery of goods" (07.4.9.2) become class level. (Indonesia)
- As already mentioned, it makes sense to assign postal services to 07.4 (transportation of goods). It is advisable to do the same with 07.3.6.2 ("luggage-forwarding and left-luggage"). (Germany)

## Division 08

- 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)
  - o Generally 08.2 too detailed (Finland, Poland, Montenegro)
  - o 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)
  - o "DJ equipment", in most of cases, is not a consumption item but used as a work equipment. (Brazil)
  - o 08.3 – TV fees are included in "Other" while they are very important, even more than e.g fixed telephony. (Poland)
  - o 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)
  - o Merge 08.1.2 with 08.1.3 (United Kingdom)
  - o 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)
  - o Merge 08.1.4.2 with 08.1.4.3, and merge all headings in 08.3.9. (United Kingdom)
  - o Rather than create a separate group for software, include it as a class in 08.1. (United Kingdom)
  - o 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)
  - 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

- o of the products in 08.3.5 Repair and rental of information and communication equipment (Australia)
  - o Game based educational apps (South Africa)
  - o social media apps (South Africa)
  - o Fees for satellite TV (Poland)
  - o Maintenance and repair for spare products on this division
  - o 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:
  - o Peripheral equipment and its consumable components (Ireland)
  - o The difference between 08.3.3.0 and 08.3.4.0 is not clear (South Africa)
  - o 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)
  - o 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)
  - o 08.3.9.2 is called "Streaming services" but also includes rentals so it should be renamed.
  - o Content of 08.3.9.1 is not very clear (Colombia)
  - o Product lines blurring with multi-purpose gadgets. How do you define a tablet verses laptop versus a 2 in 1 (New Zealand)
  - o 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:
  - o 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)
  - o 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)
  - o The same content could be provided through an App (08.2.1.0) and through a newspaper (09.6.2.1) (World Bank)
  - o 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)

- 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)



## Division 09

- 54.9 % agree or strongly agree in general with the proposed new structure for this division and 60.8% consider this proposal to have the correct level of detail
  
- Areas where the classification is considered too detailed or without the appropriate detail:
  - 09.1.1 is too detailed (United Kingdom)
  - 09.1.2 is too detailed (Colombia, Republic Serbia, Lithuania, United Kingdom, Spain, Montenegro)
  - 09.2.1 is too detailed (Finland, Lithuania)
  - 09.4.2 is too detailed (Lithuania, Poland, United Kingdom, Montenegro)
  - 09.4.3 is too detailed (Belgium, Finland, Lithuania, Poland, United Kingdom, Montenegro)
  - 09.4.6 is too detailed (Lithuania, Montenegro)
  - 09.5.2 unnecessary (Finland)
  - Not enough detail for '09.7.0.0 Package holidays' (no distinction between domestic and non-domestic). (Belgium, Slovak Republic, Italy)
  - 09.2.2.1 Equipment for sport. In most developing countries in the pacific, expenditure on equipment for fishing is often for subsistence and commercial selling purposes not recreational purposes. (Samoa)
  - 09.4.1-2-3-4 are too much detailed. It is more relevant to class the rental and repair (services) with each category (Switzerland)
  - Private households often don't differentiate between paper products and other stationery and drawing materials. (Germany)
  - Far too much detail on rental and repair in 09.4. (United Kingdom)
  - Doubtful that there is sufficient spending to justify separate headings for 09.2.1.3 'celebration articles' and 09.5.2 'celebration and devotional articles' (United Kingdom)
  - 09.2.2 should be combined with 09.1.2, because it is for the same purpose, although durables and non-durables would be mixed (Austria)
  
- The following goods or services within this division were proposed to be moved to a different division:
  - Transfer of textbooks and school stationery from Group 9 to Group 10. (United Arab Emirates, Indonesia, UNESCO, India, Singapore)
  - All cameras and accessories - camera are multipurpose and should be grouped together for convenience in 08.1.5 (Australia)
  - 09.3.1.1 Garden products and 09.3.1.2 Plants and flowers are more appropriately classified to Division 05, as they are more relevant to the dwelling than to recreation and culture, especially if equipment for the garden and gardening services are classified there. Cut flowers for gifts etc. should go to 13.2.2.1(Australia)
  - Excluded from 09.2.2.2 is camping furniture. Shouldn't it be grouped together with camping equipment? This specific type of furniture is seldom used for other purposes. (Poland)
  - Firearms licenses should be moved from 09.4.6.2 to 13.4 (Netherlands)

- To move games softwares and apps to Div 08 and textbooks and reference books to Div 10 (Singapore)
  - To consider moving 09.5.2 (Celebration and devotional articles) to Division 13 - Miscellaneous Good. The detailed products are more related with items associated with the rituals of religions (personal objects), rather than recreation products. (Singapore, Chile)
  - Move newspapers to Division 08 (Indonesia)
  - 09.6 should be moved to Division 08 (Canada)
- 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:
- Rented wedding halls (Oman)
  - Bicycles with 4 wheels (United Arab Emirates)
  - Motor vehicles for racing and showing only (09.1.2.9) (Australia)
  - 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). (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 kept in COICOP 09 (Belgium)
  - To consider moving bicycles to Div 09 Recreation and Culture but retain class 07.3.1 for personal electric mobile vehicle, e.g. ebikes, scooters, hoverboards, etc (Singapore)
  - To include tips in 09.7 (Packaged Holidays) for completeness (Singapore)
  - Hobby courses such as sewing, cooking, etc.? (Croatia)
  - Fees for taking part in sports competitions (Poland)
  - Subscription service for listening to music (eg. Spotify ) (Poland)
  - Food and possibly hosting for pets (France)
  - Online/ e-learning courses on leisure activities (e.g. photography, artistic and gym work) (Hong Kong)
  - Lease of toys and games, except software and equipment for computer games; (Belarus)
  - Light and LED strings; (Belarus)
  - Quests; (Belarus)
  - Lease of beach umbrellas and deckchairs, or tween-hull vessels. (Belarus)
  - Drones (New Zealand)

- Water parks. Do they fit in 09.4.6.1 amusement parks or 09.4.6.2 swimming pools? What should be the criterion for classifying water parks? Number of lanes in the swimming pool destined for swimming or the number of water slides? (Poland)
- Models/replicas (model collecting as a hobby ie motorised model planes, boats, trains etc). (New Zealand)
- Spare parts of musical instruments should be included in 09.5.1.0 (Bolivia)
- The terminology used is in general considered understandable by the average household by 95.6 % of the countries. The following terms were considered needing clarifications:
  - The difference between subscription of game and game consoles should be explained (Switzerland)
  - There should be a clear reference to paper and electronic when referring to things such as books and newspapers (United Kingdom)
  - The difference between package holidays (at 09.7.0) and hotels (at 11.2.0.1) isn't clear, the definition in our classification is the same (Israel)
  - The terms for 09.2.1.3 (celebration articles) and 09.5.2 (Celebration and devotional articles) are not easily understood by households. (Singapore, Belarus)
  - 09.4.2 Rental, maintenance and repair of major durables for recreation it could be précised rental of major durables for recreation as described in 09.1.2 (Eurostat)
  - In class 09.4.3 Rental and repair of games, toys and hobbies it would be better to include - rental and subscriptions of video game consoles and subscriptions to play on-line games (Eurostat)
  - In class 09.4.6.3 Sporting services - Attendance it should be added Tickets for attending live sport events to: (Eurostat)
  - 09.5.4.2 should be called "Museums, libraries, cultural and natural sites" as zoos, natural parks, etc. are also part of it. (Eurostat)
  - It should be clarified what is the service included in 09.7.0 Package holidays for pilgrimages (Eurostat)
  - There are 2 classes for celebration articles 09.5.2 Celebration and devotional articles and 09.2.1.3 Celebration articles. It would be better to call 09.5.2 Devotional articles to show the religious and ritual aspect of these goods (Eurostat)
  - The word pre-recorded used in several classes/sub-classes should be replaced by recorded. (Eurostat)
  - The term 'major' is used in many headings. This is subjective and needs to be defined. (New Zealand)
  - 09.2 is called "other recreational items and equipment". The word "item" is probably misunderstanding in this Connection, it is only used here. The terminology should be the same in the whole classification. (Austria)
  - It is stated that 09.5.4.9 (Other cultural services) excludes "formal education of music, dancing and art". How is formal education in these areas defined? (Singapore)
- Other relevant comments were:
  - In German consumer price statistics, division 09 presently accounts for about 115 per mill of households' consumption expenditure. The shift causes a decrease of just under 15 per mill or about 10%. (Germany)

- The reference to (09.3.4.0) in the exclusions of 09.2.2.2 is wrong. Correct code should be 09.4.4.0 (Bolivia)
- In 09.4.4 Rental and repair of equipment for sport, camping and open-air recreation should include hiring of camping and sport equipment nevertheless the last ones are also included in 09.4.6.1 Recreational and leisure services and 09.4.6.2 Sporting services - Practice. (Mexico)
- 09.4.7 Games of chance : strongly disagree with "Service charge is defined as the difference between the amounts paid for lottery tickets or placed in bets and the amounts paid out to winners » : this part of the note must be suppressed. (France)
- 09.2.1.1 Game consoles and software rename 09.2.1.1 Video game computers, game consoles and software - specifically include Video game computers. (Australia)
- 09.1.2.9 Other major durables for recreation include motor vehicle specifically for racing and showing only (Australia)
- Split 09.5.3 Audio-visual media to accommodate 08.3.9.1 TV and Radio licences, fees and subscriptions and 08.3.9.2 Streaming services - Possibly Purchase of Audio-visual media and Rental of Audio-visual media (Australia)
- Potential duplication and confusion between 09.2.1.3 (celebration articles) and 09.5.2 (Celebration and devotional articles). (Singapore)
- Services related to recreation and sport are at third COICOP level whereas services related to culture are at fourth COICOP level – perhaps this should be standardized. (Poland)
- 09.4.6.1 includes hire of equipment and accessories for recreation e.g. camping equipment, whereas 09.4.4 includes rental and repair of equipment for sport, camping and open-air recreation – clarification necessary with regard to classification of hiring camping equipment. (Poland)
- Should the services of mountain guides, tour guides, etc. be included in 09.4.6.2 or rather in a group 09.4.6.1 Recreational and leisure services ? (Poland)
- Grouping 09.7 should be further broken down into: package holidays- activities (walking, skiing, excursions as part of holiday trip) and package holidays- rest in the hotel (this category comprising only: transportation costs, lodging at the hotel, meals, swimming pool, etc.) (Poland)
- 09.4.7 Games of chance : strongly disagree with "Service charge is defined as the difference between the amounts paid for lottery tickets or placed in bets and the amounts paid out to winners » : this part of the note must be suppressed. (France)
- To clarify if flowers and wreaths for decorating burial places are classified under 09.3.1.1. (Belarus)
- To clarify whether group 09.4 includes expenditures on:
  - hunting licences issued by the state;
  - driving licences for recreation transport vehicles (mobile homes, boats, planes);
  - paid fishing;
  - membership fees of fishermen's and hunters' clubs (similar to sportsclub membership);
  - fees to participate in sports competitions;
  - fees for sports title and category certificates;

- renting of premises for rehearsals of amateur music groups, weddings and other celebrations (Belarus)
- To extend description of class 09.5.2 to clarify whether it includes materials for self-equipping of burial places, i.e. fencing, concrete for cementing tomb as well lampions, textile articles for burial, religious literature (or it still refers to books), crosses and icons of precious metals. (Belarus)
- Include in 09.1.1 Photographic and cinematographic equipment and optical instruments: Separate material purchased by households with the intention of undertaking the repairs themselves (Costa Rica)
- Exclude in 09.1.2.3 Boats, yachts, outboard motors and other vessels for recreation: inflatable boats, rafts and swimming pools for children and the beach (09.2.2) (Costa Rica)
- Include in 09.2.1 Games, toys and hobbies: separate purchases of materials made by households with the intention of undertaking the maintenance or repair themselves. (Costa Rica)
- Exclude in 09.2.1.2 Other games, toys and hobbies all purchases of new postage stamps (07.4.1.1). (Costa Rica)
- Exclude in 09.2.1.3 Celebration articles: Natural Christmas trees (09.3.1.2). (Costa Rica)
- Include in 09.2.2 Equipment for sport, camping and open-air recreation: separate purchases of materials made by households with the intention of undertaking the maintenance or repair themselves (Costa Rica)
- Exclude in 09.3.2.2 Products for pets: Veterinary and other services for pets (09.4.5.0). (Costa Rica)
- Separate purchases of materials made by households with the intention of undertaking the repair themselves (09.1.1), (09.1.2) or (09.1.3). (Costa Rica)
- Exclude in 09.4.5.0 Veterinary and other services for pets: Products for pets (09.3.2.2). (Costa Rica)
- Batteries and chargers for cameras and other photographic and cinematographic equipment should be included in 09.1.1.2 (Eurostat)
- Sea diving equipment could be moved to 09.1.2.3 (Eurostat)
- 09.2.2.2 Equipment for camping and open air recreation only includes camping articles therefore it should be renamed Equipment for camping - A new sub-class should be added for Equipment for open-air recreation that could include equipment for beach and open-air games such as bowls, croquet, flying disks, volleyball and inflatable boats, rafts and swimming pools (Eurostat)
- Hire of equipment for sport and recreation appears in 2 classes 09.4.4 and 09.4.6, it should be deleted from 09.4.6, 09.4.6.1 and 09.4.6.2 (Eurostat)
- Add Zoological gardens, natural reserves etc. to 09.4.6.1 Recreational and leisure services (Eurostat)
- Services of tour guides should be moved to 09.4.6.1 Recreation and leisure services (Eurostat)
- Dictionaries and encyclopaedias are in 09.6.1.2 and 09.6.1.1. They should be deleted from 09.6.1.2. (Eurostat)

- Half-day and one-day excursion tours; should not be included in 09.7.0 Package holidays, they should be in 09.4.6.1 Recreation and leisure services. (Eurostat)
- 09.5.1.0 Musical instruments should exclude toy instruments (09.2.1.2 Other games, toys and hobbies) (Australia)
- 09.7.0 Package holidays should be split into airfare-inclusive or airfare-exclusive holiday packages due to the costs and distances involved. (Australia)

## Division 10

- 70.6 % agree or strongly agree in general with the proposed new structure for this division and 67.6% consider this proposal to have the correct level of detail
- Areas where the classification is considered too detailed or without the appropriate detail:
  - o 10.1.0 and 10.5.0. too detailed (Finland, United Kingdom)
  - o Private households very often can't differentiate between the ISCED-Levels of education. Country-specific examples are needed, but not easy to find or not understandable for the households as well. (Germany)
- The following goods or services within this division were proposed to be moved to a different division:
  - o Move excursions from division 10 to division 9 (Croatia)
- 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:
  - o Lodging and boarding fees (Kenya)
  - o Languages courses in form of software or audio tapes (09.6.1.1 Educational or text books) (Australia)
  - o Move textbooks from Division 09 to Division10 (Poland, Singapore)
  - o Language courses (not immersion) for young, teen and adults (Brazil);
  - o Information technology issues, when people learn how to use a specific software (Brazil)
  - o Courses developed for specific purposes like bar exam; entrance examination; government jobs (Brazil)
  - o Tuition fees (UNESCO)
  - o Parent association fees, (UNESCO)
  - o Admission and registration fees, (UNESCO)
  - o Contribution for construction/maintenance of school facilities, (UNESCO)
  - o Gifts/unofficial payments (UNESCO)
  - o E-learning services (Germany)
- The terminology used is in general considered understandable by the average household by 97.8 % of the countries. The following terms were considered needing clarifications:
  - o 10.5.0.1 "Tutoring": Does it includes private lessons to support formal education? (Spain)
  - o It would be useful to explain better the difference between 10.3.0.0 and 10.5.0.2 (Bolivia)
- Other relevant comments were:
  - o Early childhood education (at 10.1.0.1) can overlap with child care services(13.3.0.1) (Israel)

- Since this function only covers educational services, it should be renamed Educational services. BTW, since COICOP is a functional classification, all expenditures directly related to education (books, transport services, canteen...) should be included (but they are excluded as well in the current COICOP). (World Bank)
- Adopting International Standard Classification of Education (ISCED), Division 10 only captures educational services. Meanwhile to portrait educational expense as a whole, all expense related to education should be classified in the same division. We propose to move "educational or text book" and part of "stationary and drawing materials" into Division 10. So the structure of Division 10 will be : education services (adopt from ISCED) + education equipment and peripheral (from Division 9). (Indonesia)
- 10.4.0.0 Tertiary education includes on-line tertiary education as it is large education medium (Australia)
- 10.5.0 - Education not defined by level - languages courses on line, in form of software or audio tapes should exclude languages courses in form of software or audio tapes (09.6.1.1 Educational or text books) (Australia)
- Where should language learning books sold together with a CD be classified? Do they fit in Division 09 or rather in Division 10? (Poland)
- Does grouping 10.5.0.1 include all tutoring even when it is connected with e.g. high school education? The alternative would be to include school-related tutoring in 10.2.0.0 (Poland)
- To rename 10.5 as Tutoring and other services (Singapore)
- The classification of special education services for individuals (children and adults) with learning difficulties, physical disabilities and/or communication and behavioural challenges (e.g. down syndrome, autism) needs to be better addressed in the revised COICOP. It is presently not clear where these should be classified. (Singapore)
- In 10.5.0.2 replace "...international travels for learning languages" by "...international travels with educational purposes (eg: languages" (Portugal)
- It could be included all types of non-formal and informal education in subclass 10.5.0. For example, 09.5.4.9 Other cultural services. (Chile)
- How to classify Inscription fees that include books (Costa Rica)
- In the introduction of division 10 it is said that transport and accommodation services are excluded but it should be added except in the case of excursions which are part of the normal school programme (Eurostat)
- Tutoring should also be mentioned in class 10.5.0 (Eurostat)
- The draft must define the order of the subclasses 10.5.0.1 and 10.5.0.2, since are presented in two different ways (in the main changes proposed and in the structure). (Chile)
- Add online/correspondence options to all classes (New Zealand)
- Does 10.5.0.1 Tutoring includes music tutoring (ie piano lessons?). (New Zealand)



## Division 11

- 68.7 % of the countries are in favour of using the length of stay to distinguish between a housing service and an accommodation service. However only 55.2% agree on the length of 1 month as threshold. Some countries proposed a 3 months limit and one country (Spain) made the proposal of having a double criteria length of less than 3 months and purpose of the stay (vacation). This however does not work for boarding schools or workers hostels.
- 65.6% agree or strongly agree in general with the proposed new structure for this division and 68.6% consider this proposal with the right level of detail.
- Areas where the classification is considered too detailed or without the appropriate detail:
  - o Accommodation in camping grounds, recreational vehicle parks and trailer parks could have a specific class (Poland)
  - o Private households are not able to differentiate 11.1.1.1 and 11.1.1.2. (Germany)
  - o Food, beverage and accommodation services can be separated into two divisions as they have distinctive purposes. (Singapore)
- The following goods or services within this division were proposed to be moved to a different division:
  - o Food and beverages sold through automatic vending machines and street vendors should not be part of function 11 but of relevant positions of function 01 and 02 (which would be more consistent with CPC). Automatic vending machines and street vendors are not providing food or beverages serving services, they are just providing food or beverages. (World Bank)
  - o Educational catering services (11.1.2), boarding schools, universities and other educational establishments(11.2.0) should be moved to 10 Education; (United Arab Emirates, UNESCO)
- 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:
  - o Entrance fee to dancing establishment and nightclubs (Sweden)
  - o Ready to eat food ("food that can be eaten as it is") from Div 01 (Singapore)
- The terminology used is in general considered understandable by the average household by 91.3% of the countries. The following terms were considered needing clarifications:
  - o Cafeteria (OECD)
  - o Distinction between fast-food and cafes is not obvious. (OECD)
  - o The borderline between 11.1.1.2 and 01.9.7 is not always clear (Netherlands, Indonesia, Eurostat)
  - o The division should be renamed Restaurants and accommodation services to avoid confusion with division 01 (Slovak Republic, Zimbabwe, Israel, Finland, Latvia, Portugal, Poland)

- 11.1 in the group should change the name of Food to the deli from the outside of the home (United Arab Emirates)
- Other relevant comments are:
  - Delete the word "Takeaway" in Sub-class 11.1.1.2 because the restaurants in clause 11.1.1.1 include it (United Arab Emirates)
  - If the length of stay criterion is used, the classification of boarding schools and hostels for young workers and immigrants in Division 11 Accommodation should be reviewed since the length of stay in boarding schools and hostels is usually for an extended period of time. They are similar to rental under Division 4 Housing. (Singapore)
  - 11.1.1.1 Restaurants and cafés Exclude food and beverage provider who operates independently of the venue operator (11.1.1.2) and Canteens (11.1.2.0) (Australia)
  - Website's fees for people to list, find, and rent lodging and travel agency fees for accommodation if priced separately are a form of travel agents' commissions. Travel agency fees for accommodation if priced separately, website's fees for people to list, find, and rent lodging and facilitating peer to peer accommodation services are growing trends and should have own class. (Australia)
  - Why are travel agent fees for travel and accommodation split and classified differently? (Australia)
  - Under 01.9.7 Ready to eat food, food that "can be eaten as it is" is similar to food products for "immediate consumption" in Div 11. They should be classified together to avoid confusion. (Singapore)
  - Bakery items sold at bakeshops e.g. buns can be consumed immediately and are often sold at kiosks as well. Hence, should these items be classified under Div 11? (Singapore)
  - Potential duplication and confusion of porter services/tips in 07.3.6.2 (Luggage forwarding and left luggage) and 11.2.0 (Accommodation services) (Singapore)
  - It is not clear whether food delivery services should be classified in 07.4.9.2 (Delivery of goods) or 11.1 (Food and Beverage Services). (Singapore)
  - Difficult to define what fast food is (Ireland)
  - Accommodation services provided by private is included in 11.2.0.1, but in ECOICOP in included in another subclass (11.2.0.9) (Spain)
  - Repeat the exclusions of 11.2.0 Accommodation services at sub-class level (Chile)
  - Hostels for young workers or immigrants – Why only young? (Costa Rica)
  - 11.1.1.1 Restaurants and cafes: wondering about shisha lounge purchases, would the table bill include tobacco? Or is it easy to exclude the tobacco purchase? (New Zealand)
  - With the popularity of Airbnb across the world, this type of accommodation could have a separate category. (New Zealand)

## Division 12

- 62.2% of the countries prefer to have all insurances in Division 12 instead of having insurances classified together with the products of the same purpose, e.g. health insurance as a class in Division 06
- 54.9% agree or strongly agree in general with the proposed new structure for this division and 61.8% consider this proposal with the right level of detail.
- Areas where the classification is considered too detailed or without the appropriate detail:
  - o Too detailed: 12.1.4, (Lithuania, Germany)
  - o Too detailed 12.2.9 (Latvia, Lithuania, Poland, United Kingdom, Germany)
  - o 12.1.4.2 It is very difficult for households to separate the charges (e.g. for a travel health insurance). (Germany)
  - o 12.1.4.2 We recommend to include the Travel insurance in 12.1.5 Other insurance. (Germany)
  - o 12.2.9 is not suitable for private hh (Germany)
  - o Remove 12.2.9.9 "International financial..." and maintain 12.2.9.1 and 12.2.9.2 as in ECOICOP (Spain)
  - o Travel health insurance (12.1.3) and travel insurance (12.1.4.2) are usually bundled and better stay together. Also travel health insurance usually only covers extra costs compared to basic health insurance people have. Propose to include the Travel insurance in 12.1.5 Other insurance. '12.1.4.2 Travel insurance' is not suitable in '12.1.4 Insurance connected with transport'. It is better in '12.1.5 Other insurance'. (Netherlands, Korea, Poland)
  - o Medical transport (e.g. ambulance) insurance should be separately identified in 12.1.3 Insurance connected with health (Australia)
  - o Household contents insurance needs to be identified in 12.1.2 Insurance connected with the dwelling (Australia)
  - o We are strongly against dividing the Division 13 of the present COICOP into Divisions 12 and 13. Insurance and Financial Services are not significant enough to stay as individual division. It would cause fluctuations in the data. Life insurance and FISIM are not currently covered because they are not included in the household final monetary consumption expenditure or because the degree of methodological harmonization is not yet sufficient. Moreover for the small countries representability and number of services covered by Sub-classes 12.2.9.2 and 12.2.9.9 is limited, therefore Division 12 index will be calculated on the base of small number of services. (Belgium, Finland, Czech Republic, Arab Emirates, United Kingdom, Kenya, Portugal, Latvia, Hungary, Mauritius, Slovenia)
  - o Prices consider that division 13 should be merged with division 12. However National Accounts consider there to be merits in splitting division 12, as growth within it seems to be driven by Financial Services and/or insurance. This means

- that other elements within the division which are totally different to finance/insurance are artificially subordinated. (United Kingdom)
- A higher level of detail is required for class 12.1.3 Insurance connected with health. (Ecuador)
- The following goods or services within this division were proposed to be moved to a different division:
- Move insurance to their relevant divisions and transfer financial services from 12.2 to the latter group (United Arab Emirates)
- 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:
- Medical transport (e.g. ambulance) insurance should be separately identified in 12.1.3 (Australia)
  - Household contents insurance needs to be identified in 12.1.2 (Australia)
  - Unemployment insurance (ILO)
  - Insurance against theft of bicycles (not a motor vehicle) (Netherlands)
  - Pawn shops (Belize)
  - Payday loan companies (Belize)
  - Payments for loans from private individuals or organizations from the non – financial sector (Colombia)
  - Funeral insurance (South Africa)
  - Legal insurance (South Africa)
  - Pet medical insurance (South Africa)
- The terminology used is in general considered understandable by the average household by 89% of the countries. The following issues were considered needing clarifications:
- The definition of service charge is unclear from the point of view of households. It is also not clear what "Service charges for social (compulsory) health insurance" mean. What is the meaning of "difference between claims due and premiums earned and premium supplement" at the point of view of households? While this definition may make sense to insurance companies, it does not that much sense for the household (i.e. how could the household earn premiums?). Given that this revision is for household consumption, a simpler definition such as premiums paid by the household, is more easily understandable. (Australia, World Bank, Chile, Eurostat, United Nations)
  - It was stated that insurance service charge is defined as "the difference between claims due and premiums earned and premium supplement". This definition should be updated in accordance with latest international guidelines (e.g. 2008 System of National Accounts). Alternatively, consider removing the definition to avoid confusion. (Singapore)

- What should be included or excluded from group 12.2 FINANCIAL SERVICES N.E.C. Explanatory notes should include what types of services incorporate these subclasses to clarify. (United Kingdom)
  - "Charges by Post Offices" requires clarification. Is 12.2.9.9 the correct place to classify Bureau de Change? (United Kingdom)
  - FISIM (Russia)
  - In the case of household surveys, respondents have little knowledge on charges of financial institutions.(Chile)
- Other relevant comments are:
- 12.2.9 is not suitable for private households (Germany)
  - Why remittance fees are not part of 12.2.9.1? (Netherlands)
  - In the case of household surveys, respondents have little knowledge on charges of financial institutions. (Chile)
  - Insurance and assurance are very different products. Assurance is more an investment. Does this need to be noted? (New Zealand)
  - 12.1.4.1 Motor vehicle insurance needs to explicitly include "civil liability or damage to third parties or their property arising from the operation of personal transport equipment" (Australia)
  - 12.1.5 Other insurance needs more examples (Australia, New Zealand)
  - It was stated that insurance service charge is defined as " the difference between claims due and premiums earned and premium supplement". This definition should be updated in accordance with latest international guidelines (e.g. 2008 System of National Accounts). Alternatively, consider removing the definition to avoid confusion. (Singapore)
  - The inclusion of accident insurance under health might be difficult to untangle with motor vehicle insurance. In many developing countries, vehicle insurance is required before vehicle registration can be issues. The most basic and cheapest of this kind of insurance is called third party liability which is basically accident insurance for the party that is injured. But how will households untangle the premium paid for this with motor vehicle insurance? (World bank)
  - How should we classify Health Insurance in travel which is bundled with 12.1.3.0 Insurance connected with health or 12.1.4.2 Travel insurance? It seems that in Poland such insurance is sold in packages with luggage, accident insurance, etc. We think that Health Insurance in travel should be part of the package Travel insurance.(Poland)
  - Will medical aid be classified under insurance connected with health 12.1.3.0 ? (South Africa)
  - To clarify how to classify package insurance services, e.g. a package including housing insurance and insurance of civil liability of housing owner. (Belarus)
  - 12.1.2 Insurance connected with the dwelling: does this include contents insurance? ( New Zealand)

- Service charges for travel health insurance now come under insurance connected with health. So far, we have shown the data under insurance connected with transport. A new survey would have to be established for travel insurance under NEW 12.1.4.2 to cover luggage insurance or insurance for change of travel plans, travel cancellation, etc. (Germany)
- Is 12.2.9.9 the correct place to classify Bureau de Change? (United Kingdom)
- The separation of Division 12 into two Divisors (12 and 13) is seen as logical and clear to some extent, but it should be kept in mind that life insurance and FISIM are not currently covered because they are not included in the household final monetary consumption expenditure or because the degree of methodological harmonization is not yet sufficient. Moreover for the small countries representability and number of services covered by Sub-classes 12.2.9.2 and 12.2.9.9 is limited, therefore Division 12 index will be calculated on the base of small number of services. (Latvia)
- See also ISWGNA comments in annex.

**Annex: Comments from Herman Smith (representative of ISWGNA)**

**12 INSURANCE AND FINANCIAL SERVICES**

**12.1 INSURANCE**

Service charges for insurance are classified by type of insurance, namely: life insurance and non- life insurance (that is, insurance in connection with the dwelling, health, transport, etc.). Service charges for multi-risk insurance covering several risks should be classified on the basis of the cost of the principal risk if it is not possible to allocate the service charges to the various risks covered.

Service charge is defined as the difference between claims due and premiums earned and premium supplement.

**Comment [UNSD1]:** This should be removed as the method to calculate output of insurance in the 2008 SNA has been enhanced and is not just based on actual claims due and actual premium supplements

**12.1.1 Life insurance**

Includes:

- service charges for life assurance, death benefit assurance, education assurance, etc.

**12.1.1.0 Life insurance**

Includes:

- service charges for life assurance, annuities, death benefit assurance, education assurance, etc.

**Comment [UNSD2]:** The 2008 SNA discusses annuities more thoroughly compared to the 1993 SNA and classifies these financial instruments with life insurance

**12.1.2 Insurance connected with the dwelling**

- service charges paid by owner-occupiers and by tenants for the kinds of insurance typically taken out by tenants against fire, theft, water damage, etc.

Excludes: service charges paid by owner-occupiers for the kinds of insurance typically taken out by landlords (intermediate consumption).

**12.1.2.0 Insurance connected with the dwelling**

Includes:

- service charges paid by owner-occupiers and by tenants for the kinds of insurance typically taken out by tenants against fire, theft, water damage, etc.

Excludes:

- service charges paid by owner-occupiers for the kinds of insurance typically taken out by landlords (intermediate consumption)

**12.1.3 Insurance connected with health**

- service charges for direct sickness and accident insurance.

- service charges for social health insurance

- service charges for travel health insurance

**Comment [UNSD3]:** Change to direct because there are also private insurance providers for social compulsory insurance

**Comment [UNSD4]:** See comment 1

**12.1.3.0 Insurance connected with health**

Includes:

- service charges for direct sickness and accident insurance.

- service charges for social health insurance

**Comment [UNSD5]:** See comment 5

**Comment [UNSD6]:** See comment 1

- service charges for travel health insurance

#### **12.1.4 Insurance connected with transport**

- service charges for insurance in respect of personal transport equipment;  
- service charges for travel insurance (for change of travel plans, travel cancellation, etc.) and luggage insurance.

##### **12.1.4.1 Motor vehicle insurance**

Includes:

- service charges for insurance in respect of personal transport equipment

##### **12.1.4.2 Travel insurance**

Includes:

- service charges for travel insurance (for change of travel plans, travel cancellation, etc.) and luggage insurance

Excludes:

- travel health insurance (12.1.3.0)

##### **12.1.5 Other insurance**

Includes:

- service charges for other insurance such as civil liability for injury or damage to third parties or their property.

- service charges for standardized guarantees

Excludes: civil liability or damage to third parties or their property arising from the operation of personal transport equipment (12.1.4).

**Comment [UNSD7]:** This was introduced in the 2008 SNA. For more information, see pages 145-147 of the Handbook on Financial Production, Flows and Stocks in the System of National Accounts on <http://unstats.un.org/unsd/nationalaccount/docs/FinancialHB.pdf>

##### **12.1.5.0 Other insurance**

Includes:

- service charges for other insurance such as civil liability for injury or damage to third parties or their property

- service charges for standardized guarantees

Excludes: civil liability or damage to third parties or their property arising from the operation of personal transport equipment (12.1.4).

**Comment [UNSD8]:** See comment 9

## **12.2 FINANCIAL SERVICES**

### **12.2.1 FISIM**

Includes:

- financial intermediation services indirectly measured.

#### **12.2.1.0 FISIM**

Includes:

- financial intermediation services indirectly measured

- implicit financial services provided by moneylenders, credit card issuers, finance associates of retailers who may be responsible for financial leasing, pawnshops and corporations involved in lending (for example, in providing student loans and import/export loans)

**Comment [UNSD9]:** Division 12 is INSURANCE AND FINANCIAL SERVICES

**Comment [UNSD10]:** For more information, see pages 83-84 of the Handbook on Financial Production, Flows and Stocks in the System of National Accounts on <http://unstats.un.org/unsd/nationalaccount/docs/FinancialHB.pdf>

#### **12.2.9 Other financial services n.e.c.**



Includes:

- actual charges for the financial services of banks, post offices, saving banks, money changers and similar financial institutions;
- fees and service charges of money market funds, non-money market investment funds, brokers, investment counsellors, tax consultants and the like;
- administrative charges of pension funds and the like.
- remittance fees

#### ***12.2.9.1 Charges by banks and post offices***

Includes:

- charges for the financial services of saving banks, money changers and similar financial institutions

#### ***12.2.9.2 Fees and service charges of brokers, investment counsellors***

Includes:

- charges for the financial services of tax consultants and the like

#### ***12.2.9.9 Other financial services n.e.c***

Includes:

- remittances fees
- administrative charges of pension funds and the like
- other financial services n.e.c.

**Comment [UNSD11]:** For more information, see table 3.1 of the Handbook on Financial Production, Flows and Stocks in the System of National Accounts on <http://unstats.un.org/unsd/nationalaccount/docs/FinancialHB.pdf>

**Comment [UNSD12]:** Tax consultancies are classified in Division 69 (Legal and accounting activities) in ISIC Rev. 4. Thus, it should be better to include them in coicop 13.4

**Comment [UNSD13]:** Remove private because service charges are also relevant for pension funds allocated to the general government sector

**Comment [UNSD14]:** If "international" means transactions between residents and non-resident units, then the list will most likely comprise more than only remittances, but any of the financial and insurance services listed above. "International financial services" should therefore be removed

**Comment [UNSD15]:** Remove private because service charges are also relevant for pension funds allocated to the general government sector

## Division 13

- 56.9% agree or strongly agree in general with the proposed new structure for this division and 60.8% consider this proposal with the right level of detail.
- Areas where the classification is considered too detailed or without the appropriate detail:
  - Too detailed: 13.3.0; (United Kingdom, Montenegro)
  - Too detailed: 13.2.1 (United Kingdom)
  - Too detailed: 13.2.2 (United Kingdom)
  - 13.2.2 is considered by several countries as a mixture of very different articles (Finland, Chile, Netherlands)
  - I appreciate the combination in 13.2.2.1 of articles for smokers and funerary articles, but would not combine these with articles for babies (Netherlands)
  - Criterion on essential articles for personal hygiene is subjective depending on the country, so subclasses 13.1.2.2 and 13.1.2.9 should be added. (United Kingdom, Spain, Poland)
  - Separate division may be needed for "Social protection" (ILO)
  - Keep "prostitution" as an individual class as it receives a lot of interest from users. Prostitution should be placed in 13.1.3.4 (United Kingdom, Switzerland)
  - 13.1.2.1, 13.1.2.2 private hh cannot differentiate. (Germany)
  - CPA distinguishes between hairdressing for women and girls and hairdressing for men and boys. The separation by gender in the hairdressing services is criticised by several countries (Belarus)
  - It could be difficult to make a distinction between hairdressing for men and women. (Sweden, United Kingdom, Belarus, Singapore, Jamaica, New Zealand)
  - As for the breakdown of class 13.1.3 Hairdressing and beauty salons, we believe that it would be better to have two subclasses: one for hair services and other services for personal care, which includes example manicure, waxing, etc. (Chile)
- The following goods or services within this division were proposed to be moved to a different division:
  - Transfer of school bags from the group 13.2.2.1 to education 10 group (United Arab Emirates)
  - 13.2.2: walking sticks and canes should be classified in Division 06 (Poland)
  - Employment agencies, fees for legal services, estate agents housing agents, fees for birth certificates and the like should be moved to division 12 (Netherlands).
  - Clocks, especially those that are placed on the wall, should be transferred to Division 5, since it is not a personal object. (Chile)
  - Move childcare centres from 12.4 'Social protection' to 10 'Education' (Belarus)
- 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:
  - Payment made for the services of lawyers accountants and other professionals (Brazil)

- Include rental of jewellery and watches in 13.2.1.2 (Repair of jewellery, clocks and watches) (Singapore).
- Religious services, e.g. requiem, baptising, marriage service (Belarus, Bolivia);
- Food checking for radionuclides and other harmful substances (Belarus)
- Membership fees for :
  - Cultural organisation
  - Employee trade unions
  - Religious organisation such as professional bodies fee (South Africa)
- The terminology used is in general considered understandable by the average household by 93.4% of the countries. The following issues were considered needing clarifications:
  - Is "prostitute" or "sex worker" the correct terminology. (Australia)
  - Lack detail in explaining what should be included or excluded from group 12.2 FINANCIAL SERVICES N.E.C. Explanatory notes should include what types of services incorporate these subclasses to clarify. (Chile)
  - 13.3.0.2- are there any rehabilitation centres which are non-medical (Poland)
  - "Social protection" may not be understandable in countries where it is not highly developed and available to households. (ILO)
- Other relevant comments are:
  - Tattooing is 13.1.3 and 09.4.5.0. It should be specified that one is for people and the other for animals (NL) Tattoo and piercing services are included in two different aggregations: 13.1.3.3 and 13.4.0.0. They should be classified in the 13.1.3.3 Personal grooming treatments only (Italy, Switzerland, Australia, Eurostat).
  - There are some overlaps between Division 06 and 13. Social care (including medical care) that is provided, e.g. for elderly people in nursing homes. Should such expenses be classified in grouping 06.3 "Inpatient care services" or in 13.3 "Social care"? (Eurostat)
  - The difference between the terms "appliances, articles and products" is not really clear; What is "essential" in 13.1.2.2 Are there non-essential articles, too? (Netherlands, New Zealand)
  - 13.2.2.1 Travel goods and articles for babies and other personal effects n.e.c.- "reins and harnesses" needs more explanation to separate those reins and harness used for horse riding (included in 07.1.4 Animal drawn vehicles or 09.1.2 Major durables for recreation) (Australia)
  - 13.2.2.1 also include "Cut flowers (e.g. gifts) (Australia)
  - 13.3.0.1 - Childcare is highly sought after data in Australia. Formal childcare can include in-home care by nannies/au pairs, which can be subsidised by the government in Australia. Particularly in remote or very advantaged areas, in-home care can be highly prevalent and should be included as childcare, not 'domestic services'. Hence the distinction between in home and out of home care is not helpful. Nor is the distinction between 'educational' or other kindergartens as many child care centres aim to provide care that is educational. 13.3.0.1 Child care services include Governesses, nannies, au pairs and babysitting (Australia)
  - 13.1.2.2 and 13.1.2.9 - scope of the groupings appears to be arbitrary. Perhaps Make-up should be extracted from 13.1.2.9? (Poland)

- 13.4.0 is too heterogeneous. The ECOICOP structure is more accurate (Administrative fees, legal services and accountancy, funeral services, other fees and services). (Switzerland, Poland)
- Why is the order of 13.1.1, 13.1.2 and 13.1.3 changed compared to the old 12.1.1, 12.1.2 and 12.1.3? (Netherlands)
- 13.3.0 - medical care is provided in every old-age home. The problem concerns social care (including medical care) that is provided, e.g. for elderly people in nursing homes. Should such expenses be classified in grouping 06.3 "Inpatient care services" or in 13.3 "Social care"? (Poland)
- Social protection (13.3) includes non-medical retirement homes for elderly persons and residents for disable persons. Payment by household for the services should not be recorded as individual household final consumption expenditure, but as a transfer. Elderly or disable persons who reside in retirement homes are no longer as a member of individual household. They become an institutional household, and their consumption expenditure is recorded as NPISHs final consumption expenditure. (Indonesia)
- Add exclusion to 13.1.2 Other appliances, articles and products for personal care: handkerchiefs made of fabric (03.1.3). (Costa Rica)
- In most of the divisions which include goods and services, Goods are presented first and services after. Here the goods and services are often in the same class and just separated at the level of sub-class. It could be useful to use the same criteria in all divisions. (Eurostat)
- 13.2.1.1 Spelling jeweller should be jewellery? (New Zealand)
- 13.2.1.2 Repair of jewellery, clocks and watches: does this include the remodelling of jewellery? (New Zealand)
- 13.3.0.1 Child care services: This splits the services by 'outside the home' and 'inside home' care (inside the home child care coding to 05.6.2.1 Domestic services by paid staff). Shouldn't 13.3.0.1 be all encompassing and include outside and inside home child care services? Why the split? If you wanted to see the cost of childcare, you need to look at all childcare services (not just outside the home services). I fear that the in-home childcare proportion will be lost among the other domestic services. (New Zealand)
- Kindergarten (other than educational) - don't think there are many that are not educational to some degree. (New Zealand)
- Medical technical nursing care is moved to division 06. It is laid down by law in Germany (Social Code, Book XI), however, that medical technical nursing care is part of full-time residential care. We cannot show it separately. Maybe we can circumvent the problem as the new description refers to non-medical retirement homes. Strictly speaking, residential care homes for the elderly are non-medical facilities but they partly provide medical services. It would nevertheless be better to delete the restriction to "non-medical" for services to maintain people in their private homes (NEW 13.3.0.3) and services provided in residential care homes. (Germany)
- From the new 13.3.0 social protection only the social protection for children should stay here, all other should move to 06 health. (Austria)

- 13.2.2.1 Stated for babies, if baby is defined as 0-2 years old, then this limits the purpose or use of item. Children older than 2 years old tend to use these items. (Jamaica)
- 13.2.2.1 - too general division, perhaps e.g. articles for children, funerary articles should be extracted (Poland)
- It does not seem to be clear the criteria by which goods and services are being ordered in subclasses, such as the union of various products including funeral services in personal items. Should/could evaluate a new subclass for funeral services and related. (Chile)