

# **Introduction to the Central Product Classification, Version 3**

Prepared by the Task Team on CPC

## Preface

The Central Product Classification (CPC) constitutes a complete product classification covering all goods and services.<sup>1</sup> It serves as an international standard for assembling and tabulating all kinds of data requiring product detail, including statistics on industrial production, domestic and foreign commodity trade, international trade in services, balance of payments, consumption and price statistics and other data used within the national accounts. It provides a framework for international comparison and promotes harmonization of various types of statistics related to goods and services.

The first version of the CPC, the *Provisional Central Product Classification*, was published in 1991. This version was superseded by the *Central Product Classification (CPC) Version 1.0*, published in 1998. In that publication particular attention was paid to the elaboration of the services part of the classification. *CPC Version 1.1*, published in 2002, represented a further update to the CPC, incorporating modifications due to changes in economies worldwide and sustained technological advancement in the period since the development of CPC Version 1.0. The *CPC Version 2*, released in 2008, again reflected changes in the character of outputs, in particular related to fast developing services industries. In addition, extensive detail had been introduced in the CPC to better describe agricultural and related products and information products. A conceptual review of products covered in the CPC has also led to the introduction of a broader concept of goods and services. The *CPC version 2.1*, released in 2015, incorporated modifications as a result of further reviews of agricultural products (including fishery, forestry and agricultural inputs), outputs of selected service industries, energy products and necessary adjustments to reflect changes made in the Harmonized Commodity Description and Coding System (HS).

The current edition, *CPC version 3.0*, is the result of a scheduled review of the CPC structure and detail to ensure the classification's relevance for describing current products in the economy. It is an outcome of a review process by the Task Team on CPC, established in March 2021 to conduct the revision of CPC<sup>2</sup> that spanned several years and involved contributions from many classification experts and users around the world. This process results in a CPC structure that is more detailed than the previous version reflecting evolutions in the economy, and better aligned with other international statistical classifications. The ongoing revision of this classification is evidence of the commitment to systematize the improvement of the classification over time, keeping it current and making it more responsive to existing economic and

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<sup>1</sup> See detailed discussion on goods and services in Part One, chapter II.C of this publication.

<sup>2</sup> The Terms of Reference for the Task Team on CPC is available at [https://unstats.un.org/UNSDWebsite/statcom/session\\_52/documents/BG-3k-TOR-Task-Team-CPC-E.pdf](https://unstats.un.org/UNSDWebsite/statcom/session_52/documents/BG-3k-TOR-Task-Team-CPC-E.pdf)

technological reality while maintaining conceptual consistency.

The primary purpose of CPC Version 3.0 is to classify the goods and services that are the result of production in any economy to enable international comparisons. This production is accounted for in the national accounts of countries and can be measured and analyzed using the System of National Accounts (SNA). CPC Version 3.0 is useful in studying transactions in goods and services in detail. It can also be used as a basis for developing lists of goods and services for specific purposes, such as price statistics surveys, tourism statistics surveys or information and communication and technology (ICT)-related surveys. As a well-established and widely used international standard, CPC facilitates the maintenance of systems of categories of products, both with regard to character and definition.

## Historical background

The Central Product Classification originated from initiatives in the early 1970s to harmonize international classifications prepared under the auspices of the United Nations and other international bodies, in economic statistics and other fields. In the follow-up to those initiatives, a standard classification of all products was perceived as a key element.

Based on the recommendations of an expert group convened by the United Nations Secretariat, the Statistical Commission at its nineteenth session in 1976<sup>3</sup> approved a programme to harmonize the existing activity classifications of the United Nations, the European Communities and the Council for Mutual Economic Assistance and to simultaneously develop a system of different, but interrelated, classifications of economic activities and goods and services. The new classification covering both goods and services - the Central Product Classification (CPC) - was intended to provide a basic tool in this programme. This proposed product classification would use the detailed subheadings of the Harmonized System as building blocks for the part dealing with transportable goods and would take into account the basic categories of economic supply and use as specified in the System of National Accounts, such as intermediate consumption, final consumption, capital formation, and imports and exports. The Statistical Commission endorsed the programme and supported its continuation at subsequent sessions.<sup>4</sup>

During the period 1977-1987, the Statistical Office of the United Nations Secretariat and the Statistical Office of the European Communities (EUROSTAT) convened six meetings of the Joint Working Group on World Level Classifications for the purpose of developing an Integrated System of Classification of Activities and Products (SINAP) to serve as an interim classification. The categories of SINAP were intended to be used as building blocks for the second revision of the International Standard Industrial Classification of All Economic Activities (ISIC),<sup>5</sup> the General Industrial Classification of Economic Activities within the European Communities (NACE),<sup>6</sup> and for related classifications of goods and services. The Joint Working Group also contributed proposals on the relationship between the Standard International

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<sup>3</sup> *Official Records of the Economic and Social Council, Sixty-second Session, Supplement No. 2* (E/5910), para. 128(c).

<sup>4</sup> *Official Records of the Economic and Social Council, 1981, Supplement No. 2* (E/1981/12), para. 87; *Official Records of the Economic and Social Council, 1983, Supplement No. 2* (E/1983/12), para. 75(a); *Official Records of the Economic and Social Council, 1985, Supplement No. 6* (E/1985/26), paras. 45 and 57(a); and *Official Records of the Economic and Social Council, 1987, Supplement No. 6* (E/1987/19), para. 75(a).

<sup>5</sup> *International Standard Industrial Classification of All Economic Activities*, Statistical Papers Series M, No. 4, Rev.2 (United Nations publication, Sales No. E.68.XVII.8).

<sup>6</sup> *General Industrial Classification of Economic Activities within the European Communities* (Luxembourg, Statistical Office of the European Communities, 1970).

Trade Classification (SITC) and the CPC. During the period 1983-1988, the Statistical Office of the United Nations Secretariat organized a series of expert group meetings on economic classifications including representatives from national, regional and international statistical offices to review the drafts of the ISIC, Rev.3 and the CPC, which had been prepared by the Statistical Office.<sup>7</sup>

The Statistical Commission, at its twenty-fourth session in 1987, reviewed the first complete draft of the CPC.<sup>8</sup> On the recommendation of the Commission, work on the CPC continued in cooperation with a number of international organizations, in particular EUROSTAT and the Organisation for Economic Co-operation and Development (OECD). In addition, the development of service classifications and related explanatory notes for service products was the main item on the agenda at the early meetings of the Voorburg Group on Service Statistics, which provided additional input in the drafting of CPC categories.<sup>9</sup> In 1987 and 1988 the Joint Working Group on World Level Classifications and a United Nations expert group meeting reviewed subsequent drafts of the CPC. The Expert Group on Harmonization of Economic Classifications also recommended that the acronym “CPC” for “Central Product Classification” be included in the title, regardless of language, to facilitate international recognition when referring to the classification.<sup>10</sup>

The Statistical Commission, at its twenty-fifth session in 1989, considered the final draft and approved its publication as a provisional document.<sup>11</sup> The Commission recommended that Member States start testing the *Provisional Central Product Classification* in order to gain experience in obtaining internationally comparable data on goods and services. The classification was subsequently published by the United Nations in 1991.<sup>12</sup>

The experience of national and international users in applying the Provisional CPC and other product classifications provided a sound basis for subsequent revisions of the CPC. The Provisional CPC was revised, updated and finalized, and presented for adoption to the United Nations Statistics Division (UNSD) as the *Central Product Classification (CPC), Version 1.0*, which was published in 1998<sup>13</sup> in response to the need to update and revise parts of the

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<sup>7</sup> See the report of the Secretary-General on the Revision and harmonization of international economic classifications (E/CN.3/1989/8), paras. 4, 5 and 7.

<sup>8</sup> *Official Records of the Economic and Social Council, 1987, Supplement No. 6* (E/1987/19), para. 58.

<sup>9</sup> E/1987/19, para. 72; and E/CN.3/1989/8, para. 9.

<sup>10</sup> See *Provisional Central Product Classification*, Statistical Papers Series M, No. 77 (United Nations publication, Sales No. E.91.XVII.7), para. 8.

<sup>11</sup> *Official Records of the Economic and Social Council, 1989, Supplement No. 3* (E/1989/21), paras. 95(b) and (f).

<sup>12</sup> *Provisional Central Product Classification*, Statistical Papers Series M, No. 77 (United Nations publication, Sales No. E.91.XVII.7).

<sup>13</sup> *Central Product Classification (CPC) Version 1.0*, Statistical Papers Series M, No. 77, Ver.1.0 (United Nations publication, Sales No. E.98.XVII.5).

provisional version. Particular attention was paid to the part of the classification concerning services in order to ensure that the structure of the CPC adequately reflects new technologies and growth in the services sector of the economy. In addition, the goods part of the Provisional CPC and the Standard International Trade Classification (SITC, Rev.3)<sup>14</sup> were revised in accordance with the 1996 edition of the Harmonized Commodity Description and Coding System (HS).<sup>15</sup>

The Statistical Commission, at its thirtieth session,<sup>16</sup> recommended that the Expert Group on International Economic and Social Classifications should be the central coordinating body for implementing the proposed work programme on statistical classifications, and that its tasks should include classification revisions, practical proposals to bring about convergence of existing international and multinational classifications and a review of the underlying principles. The Expert Group, at its meeting in November 1999, approved the establishment of a Technical Subgroup to the Expert Group. This Technical Subgroup was asked to take action to update CPC, Version 1.0.<sup>17</sup>

The Technical Subgroup was set up to carry out a technical review of the CPC, resulting in the development of the new classification, CPC, Version 1.1. In the process, a selected sectoral review of the CPC was undertaken to ensure that the products defined in the CPC appropriately reflect outputs of fast-growing industries. A draft of the revised classification was widely circulated to national, regional and international statistical offices for comment. Recommendations for change were taken into consideration before the classification was completed and submitted to the Statistical Commission at its thirty-third session in 2002.

## **CPC Version 2**

Ongoing changes in the world's economy, fast-changing production patterns and techniques and the emergence of new products are factors that call for frequent reviews of product classifications like the CPC. The revision process for Version 2 of the CPC was therefore started immediately after the publication of CPC Version 1.1. At the core of the revision process were several objectives, namely (a) to reflect in the CPC newly emerging products or products that better reflect changing production patterns; (b) to reflect outputs of newly defined industries of ISIC Revision 4; (c) to take into account the changes in the 2007 edition of the Harmonized Commodity

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<sup>14</sup> *Standard International Trade Classification, Revision 3*, Statistical Papers Series M, No. 34, Rev.3 (United Nations publication, Sales No. E.86.XVII.12 and corrigenda).

<sup>15</sup> World Customs Organization, *The Harmonized Commodity Description and Coding System*, 1996 version (Brussels, 1996) and amendments.

<sup>16</sup> *Official Records of the Economic and Social Council*, 1999 (E/1999/24), para. 108(b).

<sup>17</sup> See Report of the Secretary-General on International Economic and Social Classifications (E/CN.3/2000/17), annex.

Coding and Description System (HS); (d) to review the product detail necessary for statistics on agriculture, ICT and information products and (e) to review the conceptual basis of CPC, including issues concerning the scope of the classification and the definition of and distinction between goods and services.

The revision process for the CPC Version 2 was strongly tied to the process for the fourth revision of ISIC. Preparatory stages of the process included discussions on whether the CPC structure should follow a strict industry-of-origin approach or a complete demand-based approach, recognizing that both options would completely change the existing CPC structure. Since a CPC-ISIC link exists for all CPC subclasses, it is not imperative to manifest this link in the structure as well and general preference was given to consider a demand-based approach. However, at that time no sufficient national experience with a demand-based product classification (and similar scope as CPC) existed and it was agreed that the international reference classification should not be the first one to test this approach. Consequently, it was agreed to maintain the overall structure of the CPC and focus on the updating of individual sections of the CPC.

The revision process included the administration of three rounds of questionnaires that were sent to all national statistical offices and interested regional and international organizations to solicit input on conceptual issues, specific sector issues and finally comments on the proposed detailed structure and explanatory notes. In addition, a number of workshops were organized on a regional basis, providing countries with updates on the revision process and seeking input from countries at the same time. A number of proposals for changes in the CPC have also been brought forward through discussions in the Voorburg Group on services statistics.

The revision process also took into account parallel developments for the revision of the Standard International Trade Classification (SITC), the Extended Balance of Payments Services Classification (EBOPS) and the Classification of Products by Activity (CPA) and benefited from the research undertaken for the North American Product Classification System (NAPCS). Some of these processes were still ongoing at the time of completion of the CPC Version 2 and changes in these classifications have been considered to the extent possible.

## **CPC Version 2.1**

At its meeting in 2011, the Expert Group on International Statistical Classifications reviewed a number of different inputs provided by other working groups on specific classifications or other topics that have an impact on the use and/or development of classifications. The Expert Group considered the implications of these developments for the CPC and agreed that an update to the CPC should be undertaken. This was labelled as an update (CPC Ver.2.1) since it was restricted to some areas of the goods part of the CPC only and involved only rearrangements or subdivisions at the lower levels (class, subclass) of the classification.

A Technical Subgroup was established to consider all of the proposed inputs into the CPC, supported by experts for some of the individual components, such as agriculture and energy.

A list of areas to be addressed by the Technical Subgroup was presented to the Statistical Commission at its 43<sup>rd</sup> session in 2012. Most of the points raised in that document have been resolved by the Technical Subgroup and resulted in changes to the structure of the CPC and its explanatory notes. The issues related to energy products could only be partially resolved, since some changes and clarifications in the Standard International Energy Product Classification (SIEC) have to be implemented before the CPC can be changed accordingly.

The draft structure for the CPC Ver.2.1, resulting from the work of the Technical Subgroup, was approved by the Statistical Commission at its 44<sup>th</sup> meeting in 2013.

### **CPC Version 3.0**

The Expert Group on International Statistical Classifications in its report to the Statistical Commission in 2021 recommended a comprehensive revision of the International Standard Industrial Classification of All Economic Activities (ISIC), and noted that a parallel revision of the CPC would greatly assist in the resolution of the issues pertaining to ISIC, the 2022 revision of the Harmonized Commodity Description and Coding System (HS), and the Standard International Energy Product Classification. Concurrent revisions of the activity and product classifications facilitated a cohesive review of often overlapping issues identified for both ISIC and CPC. In some cases, issues that arose during the ISIC revision were more appropriately resolved with changes in CPC, and vice versa.

The Statistical Commission at its fifty-second session in 2021 endorsed revising the CPC Ver.2.1 and approved the draft terms of reference of a new task team on CPC created for the revision. At the same session, the Statistical Commission endorsed the new mandate and governance as proposed by the Expert Group which was renamed the Committee of Experts on International Statistical Classification (UNCEISC).

Following endorsement by the Statistical Commission at its fifty-second session in 2021, the Committee of Experts on International Statistical Classification established a task team to revise the CPC. The task team was comprised of experts on statistical classifications and subject matter experts on, inter alia, national accounts, environmental accounts, and trade statistics, to ensure that the classification supports the international statistical standards.

One of the key themes of the CPC revision is to improve its alignments with other international statistical classifications, including: ISIC Rev.5, HS 2022, Standard International Energy Product Classification (SIEC); 2016 Frascati Field of Science classification; International Standard



Classification of Education (ISCED) 2011; and FAO nomenclature and data collection products. Key product areas reviewed included, among others: financial products; intermediation services; data; cloud computing; artificial intelligence; energy products; forestry, fisheries, agriculture goods; fertilizers and pesticides; environmental services such as carbon capture and storage; waste products; research and development; education; accommodation; and cultural products. The revision also introduced the concept of knowledge-capturing products in CPC. While the task team reached consensus on most of the issues raised during the revision, others will require further investigation as part of the research agenda for the next revision. The five-digit-structure of CPC Ver.3.0 was endorsed by the Statistical Commission at its 55th session in 2024.

## **PART ONE**

### **Introduction**





## Chapter I

### Overview

1. The Central Product Classification (CPC) consists of a coherent and consistent classification structure for products based on a set of internationally agreed concepts, definitions, principles and classification rules. It provides a comprehensive framework within which data on products can be collected and presented in a format that allows for economic analysis supporting decision-taking and policy-making. The classification structure represents a standard format to organize detailed economic information and facilitate economic analysis on products – be it on production, transformation, trade or consumption – according to economic principles and perceptions.
2. In practice, the classification is used for providing a continuing flow of information that is indispensable for the monitoring, analysis and evaluation of the performance of an economy over time. In addition to its primary application in statistics and subsequent economic analysis, the CPC is also used for administrative purposes, such as in contract issuance.
3. This revised version of the CPC enhances the relevance of the classification by better reflecting the current structure of the world economy, recognizing new products that have emerged and facilitating international comparison through increased comparability with existing general- and special-purpose product classifications.

### Main features of the classification

4. The CPC presents categories for all products that can be the object of domestic or international transactions or that can be entered into stocks. It includes products that are an output of economic activity, including transportable goods, non-transportable goods and services. The CPC in general follows the definition of products within the SNA.<sup>18</sup> A few deviations from this standard have been accepted to allow for the maintenance of links to other product classifications and to address needs for statistics in other frameworks. In addition, a broadened understanding of goods and services has been applied to CPC Ver.3.0.
5. The overall set of products is subdivided into a hierarchical, five-level structure of exhaustive and mutually exclusive categories, facilitating data collection, presentation and analysis at detailed levels of the economy in an internationally comparable, standardized way. The

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<sup>18</sup> Statistical Papers, Series F, No.2, Rev.5 (United Nations Publication, Sales No. E.08.XVII.29), para. 1.40ff.

categories at the highest level are called sections, which are numerically coded categories. The sections subdivide the entire spectrum of products into broad groupings, such as “Agriculture, forestry and fishery products” (section 0), “Constructions and construction services” (section 5) or “Community, social and personal services” (section 9). The classification is then organized into successively more detailed categories, which are numerically coded: two-digit divisions; three-digit groups; four-digit classes; and, at the greatest level of detail, five-digit subclasses.

### **Principles, definitions and classification rules**

6. The CPC, covering all goods and services, is a system of categories that are both exhaustive and mutually exclusive. This means that if a product does not fit into one CPC category, it must automatically fit into another. Consistent with the other principles used, homogeneity within categories is maximized.
7. The CPC classifies products based on the physical properties and the intrinsic nature of the products as well as on the basis of industrial origin.
8. The physical properties and intrinsic nature of products are distinguishing characteristics that are proper to the products themselves. These include, for example, the raw materials of which goods are made, the stage of production or the way in which goods are produced or services rendered, the purpose or user category for which products are intended and the prices at which they are sold.
9. The importance of the industrial origin of goods and services was underscored by the attempt to group into one CPC subclass mainly the products that are the output of a single industry. Through their linkage to the criterion of industrial origin, the input structure, technology and organization of production characteristics of products are also reflected in the structure of the CPC. However, it had to be recognized that some products can still be the output of several ISIC industries.
10. In addition, efforts have been made to define each subclass in sections 0 to 4 of the CPC as the equivalent of one heading or subheading or the aggregation of several headings or subheadings of the Harmonized Commodity Description and Coding System (HS), owing to the fact that the HS is a detailed classification of transportable goods that is widely accepted for use in international trade statistics by virtually all countries.

### **Harmonization with other statistical classification systems**

11. In its function as a “central” product classification, the CPC has a natural relationship with all classifications that provide a structure for the classification of products – either of all products

or a specific subset, such as transportable goods, services, energy products etc.

12. Care has been taken to maximize the harmonization of the CPC with such other product classification to the extent that detailed category definitions are aligned with the definitions in other product classifications or that aggregated levels become more comparable. Limitations may exist due to the different – often specialized – applications of other classifications.
13. The CPC as a classification of products has a strong natural relationship with the classification of economic activities, ISIC. The CPC and ISIC are both general-purpose classifications, with the ISIC representing the activity side of these two interrelated United Nations classifications. Each subclass of the CPC consists of goods or services that are generally produced in a specific class or classes of the ISIC, Rev.5. With a view to accommodating users of the CPC who wish to identify the relationship between the CPC and the ISIC, each CPC subclass has a reference to the ISIC, Rev.5 industry or industries in which most of the goods or services in question are generally produced. By rearranging the CPC subclasses according to their ISIC references, one can find the main goods or services that are the outputs of certain industries. It should be noted, however, that there is not a one-to-one correspondence between the CPC and ISIC due to the different nature of the underlying concepts of these two classifications. The relationship between industries and their products is complex and changing. Furthermore, the CPC is meant to be used in various kinds of statistics and should not be regarded as a mere extension of the ISIC, as it is not limited to listing goods and services produced according to ISIC industries.

### **Alternative structures**

14. The CPC disaggregates the set of all products in the economy into more detailed levels of product divisions, groups, classes and so on. For analytical purposes it is important to implement the CPC at its lower levels of detail to be able to observe the production and various transactions related to products in the economy at a level that allows understanding of the linkages between the different processes within the economy.
15. The categories and aggregation structure of the CPC have become an accepted way of subdividing the overall spectrum of products in an economy into useful coherent categories that are widely recognized and used in economic analysis.
16. While the CPC provides a standard way of grouping products, there is sometimes a need to provide data on other sets of products that may cross the boundaries of existing high-or medium-level CPC categories, but have become of interest to statisticians, economists and policy makers. An example is the interest in products of the information economy, which includes products from a wide range of CPC sections and divisions. In addition to the need for different aggregations of CPC subclasses, specialized data collections often require greater

detail than what can be supported in a general-purpose international classification. In these cases, additional categories should be devised in a way that is consistent with the existing CPC categories. An example is the CPC expansion for agricultural statistics, developed by the Food and Agriculture Organization of the United Nations (FAO).

17. As these alternative groupings and breakdowns cannot be built into the existing CPC structure, alternative structures can be created to serve these specific data needs, while providing a standard way of presenting such data.

### **Structure of this publication**

18. The present CPC publication is organized into five parts, as follows:

**Part one** describes the underlying principles that are used in constructing and interpreting the classification. Apart from facilitating the understanding of the current CPC structure, the principles may assist in developing national classifications by applying criteria consistent with those of CPC. Part one also describes the application and interpretation rules that allow for correct and consistent classification of any given product in CPC. It concludes with a description of the relationship between CPC and other classifications.

**Part two** shows the higher levels of the classification structure, up to the division level, with an indication of the number of detailed categories in the sections and divisions shown.

**Part three** shows the detailed structure of the classification.

**Part four** provides a complete set of detailed explanatory notes for each CPC subclass, which serve as definitions of the content of these categories.

**Part five** outlines the major changes in CPC Version 3.0, as compared to the previous version (CPC Version 2.1), covering both methodological and major structural changes.



## Chapter II

### The underlying principles of the classification

#### A. Purpose and nature of the classification

19. The main purpose of the Central Product Classification is to provide a framework for the international comparison of statistics dealing with products and to serve as a guide for developing or revising existing classification schemes for products in order to make them compatible with international standards. The CPC was developed primarily to enhance harmonization among various fields of economic and related statistics and to strengthen the role of national accounts as an instrument for the coordination of economic statistics. It provides a basis for recompiling basic statistics from their original classifications into a standard classification for analytical use.
20. The CPC constitutes a comprehensive classification of all goods and services. With regard to services, before the development of the CPC, no international classification covering the whole spectrum of outputs of the various service industries and serving the different analytical needs of statistical and other users was available. As a general-purpose classification, the CPC provides less detail than other specific classification systems in areas or applications for which such systems are available, for example the Harmonized System for international commodity trade statistics. However, there are areas where the detailed level provided by the Harmonized System may not be sufficient. This has led to the introduction of more detail in the area of agricultural products, where the needs for production statistics cannot be met by a classification designed for measuring international trade.
21. The CPC presents categories for all products that can be the object of domestic or international transactions or that can be entered into stocks. It includes products that are an output of economic activity, including transportable goods, non-transportable goods and services. The CPC in general follows the definition of products within the System of National Accounts (SNA). A few deviations from this standard have been accepted to allow for the maintenance of links to other product classifications and to address needs for statistics in other frameworks. In addition, a broadened understanding of goods and services has been applied to this version of the CPC.
22. The CPC is not an asset classification. Assets are classified according to a separate classification within the SNA. Produced assets are outputs of economic production and therefore constitute products at the time of creation. For that reason, they are included in the scope of the CPC in their capacity as products, not as assets. In earlier versions of the CPC, treatment of produced assets had not been consistent, such as the exclusion of constructions (buildings, etc.) in CPC Ver.1.1 and subsequent inclusion in CPC Ver.2.0 and 2.1. In addition,

discussion is ongoing concerning the treatment of marketing assets (e.g. trademarks and franchises) as non-produced assets in the 2025 SNA. Despite the ongoing discussion, CPC Ver.3.0 continued to include trademarks and franchises in subclass 83960 “Trademarks and franchises”, in the same manner as CPC Ver.2.1.

23. The CPC, as a standard central product classification, was developed to serve as an instrument for assembling and tabulating all kinds of statistics requiring product detail. Such statistics may cover production, intermediate and final consumption, capital formation, foreign trade or prices. They may refer to commodity flows, stocks or balances and may be compiled in the context of input-output tables, balance-of-payments and other analytical presentations.
24. It is hoped that the CPC will contribute to a reduction in the number of product classifications used internationally. As a general-purpose product classification, it provides guidelines for future product-type classifications for specific areas of the economy. Such specific classifications should be compatible with the general framework of the CPC so as to ensure comparability of data.

## **B. Principles used in constructing the CPC**

25. The CPC, covering all goods and services, is a system of categories that are both exhaustive and mutually exclusive. This means that if a product does not fit into one CPC category, it must automatically fit into another. Consistent with the other principles used, homogeneity within categories is maximized. The CPC classifies products based on the physical properties and the intrinsic nature of the products as well as on the basis of industrial origin.
26. Each subclass in sections 0 to 4 of the CPC is defined as the equivalent of one heading or subheading or the aggregation of several headings or subheadings of the Harmonized Commodity Description and Coding System (HS), a classification of the World Customs Organization. The Harmonized System uses primarily the physical property criterion for classifying goods. With the Harmonized System already in use in most countries for international trade statistics and in some countries for production statistics, the introduction of the CPC in those countries is facilitated. In cases where the definition of a CPC subclass does not use full subheadings of the HS, concise explanatory notes have been provided.
27. The physical properties and intrinsic nature of products are distinguishing characteristics that are proper to the products themselves. These include, for example, the raw materials of which goods are made, the stage of production or the way in which goods are produced or services rendered, the purpose or user category for which products are intended and the prices at which they are sold.
28. The importance of the industrial origin of goods and services was underscored by the attempt to group into one CPC subclass mainly the products that are the output of a single industry.

Through their linkage to the criterion of industrial origin, the input structure, technology and organization of production characteristics of products are also reflected in the structure of the CPC. However, it is recognized that some products can still be the output of several ISIC industries. The industrial origin of products criterion is one of the classification principles applied by another United Nations classification, the International Standard Industrial Classification of All Economic Activities.

29. The construction of the CPC took into account the nature of the product and the industry of origin. However, practical difficulties had to be resolved. In some cases, the same industry may produce goods of a very different nature. For example, meat and hides are both produced by slaughterhouses. These products are not listed together in one category or even in the same section of the CPC. Unprocessed hides are considered raw animal materials, and they are classified in section 0 (agriculture, forestry and fishery products), whereas meat is classified in section 2, among food products.
30. In some cases, goods of different industrial origins are included in a single CPC category, particularly when the Harmonized System does not follow the industrial origin criterion. For instance, rarely does the Harmonized System distinguish between metal products of cast iron and other metal products. Moreover, many products made by casting are classified in the Harmonized System as parts of machinery or other goods. As a result, the CPC does not provide a link to ISIC group 243 (Casting of metals) for all products that may be an output of that industry.
31. Similar problems concerning industrial origin arise when industries produce both goods and services. Examples of such services are repair, maintenance and manufacturing on a fee or contract basis. Although the industrial origin of these services is often the same as the origin of the goods themselves, the nature of the services involved might be markedly different from that of the goods, so that the goods and services should be classified under different parts of the CPC.
32. The evolving discussion on the concept of “intangible” products in economic statistics has added additional complexity to the grouping of goods and services in the CPC. CPC Ver.3.0 continues the same treatment of the “intangible” products as in CPC Ver. 2.1. That is, sections 0-4 of CPC Ver.3.0 remain reserved for transportable goods that are classified in the HS. CPC Ver.3.0 continues to group products that are considered intangible in sections 5-9 close to the services that are outputs of the same ISIC industries as the intangible products.
33. CPC Ver.3.0 follows the treatment of non-financial intermediation services introduced in ISIC Rev.5. This change is motivated by the expansion of intermediation activities, including but not limited to those enabled by digital platforms. CPC Ver.3.0 follows the same definition of non-financial intermediation services in ISIC, Rev.5 as *services that facilitate transactions between buyers and sellers for the ordering and/or delivering of goods and services in exchange for a fee or commission, without the intermediation unit taking economic ownership*

*of the goods or rendering the services that are being sold (intermediated).* Consistent with CPC’s emphasis on the intrinsic nature of the product, e.g., facilitating transactions between buyers and sellers, CPC Ver. 3.0 classifies all non-financial intermediation services under Division 85 “Support services” regardless of the underlying good of services being intermediated.

### C. Goods and services

34. The System of National Accounts provides a definition of products. It states that products are goods and services (including knowledge-capturing products) that result from a process of production.<sup>19</sup> The SNA makes a conceptual distinction between market, own final use and non-market production, allowing in principle any kind of good or service to be the result of any of these three types. In SNA the term “products” is a synonym for goods and services.<sup>20</sup> In order to study transactions in goods and services in detail, the SNA uses the Central Product Classification.<sup>21</sup> Further, the production boundary of the SNA excludes the provision of services by households for own final consumption within the same household (with some exceptions).<sup>22</sup> These SNA definitions are essentially the same as those embodied in the characteristics of CPC categories.

35. The 2025 SNA defines goods and services in the following way:<sup>23</sup>

*Goods are physical, produced objects, over which ownership rights can be established and whose ownership can be transferred from one institutional unit to another by engaging in transactions on markets. They may be used to satisfy the needs or wants of households or the community or used to produce other goods or services. The production and exchange of goods are quite separate activities. Some goods may never be exchanged while others may be bought and sold numerous times. The production of a good can always be separated from its subsequent sale or resale. Electricity and heat are also classified as goods.*

*Services are the results from a production activity that changes the conditions of the consuming units, or facilitate the exchange of products, non-produced non-financial assets or financial assets. Services are not generally separate items over which ownership rights can be established and cannot generally be separated from their production. These types of service may be described as change-effecting services and margin services respectively. Change-effecting services are outputs produced to order and typically consist of changes in the*

<sup>19</sup> para. 7.14 - draft 2025 SNA

<sup>20</sup> para 3.36 - draft 2025 SNA

<sup>21</sup> para. 3.37.- draft 2025 SNA

<sup>22</sup> para 1.35, 2.42 - draft 2025 SNA

<sup>23</sup> *Ibid*, paras. 7.15-7.18, 7.21

*conditions of the consuming units realized by the activities of producers at the demand of the consumers. Change-effecting services are not separate entities over which ownership rights can be established. They cannot be traded separately from their production. By the time their production is completed, they must have been provided to the consumers.*

*The changes that consumers of services engage the producers to bring about can take a variety of different forms as follows:*

- a. *Changes in the condition of the consumer's goods: the producer works directly on goods owned by the consumer by transporting, cleaning, repairing or otherwise transforming them;*
- b. *Changes in the physical condition of persons: the producer transports the persons, provides them with accommodation, provides them with medical or surgical treatments, improves their appearance, etc.;*
- c. *Changes in the mental condition of persons: the producer provides education, information, advice, entertainment or similar services in a face to face manner.*

*Margin services result when one institutional unit facilitates the change of ownership of goods, knowledge-capturing products, some services or financial assets between two other institutional units. Margin services are provided by wholesalers and retailers and by many types of financial institutions. Margin services resemble change-effecting services in that they are not separate entities over which ownership rights can be established. They cannot be traded separately from their production. By the time their production is completed they must have been provided to the consumers.*

36. Although a precise distinction between goods and services may be interesting from a theoretical point of view and may even be relevant for the compilation and analysis of certain economic statistics, there is no need for a classification of products such as the CPC to embody such a distinction. However, since the terminology is frequently used, it is necessary to clarify the scope of the CPC in relation to goods and services.
37. Among the variety of criteria generally used for distinguishing between goods and services (tangible versus intangible, storable versus non-storable or transportable versus non-transportable), none provides a valid, practical and unambiguous distinction between goods and services in all cases. As a result, all criteria used in the definition of goods and services in the SNA need to be applied to make that distinction.
38. While the product content of most CPC subclasses can be clearly identified as being goods or

services, in some cases this cannot be resolved easily. These include for example:<sup>24</sup>

- Products where the information embedded in the product is the essential component.
- A number of information products and other originals, also characterized as intellectual property products, which are outputs of economic production, but do not meet all the criteria of either a good or services.

39. The first set of examples of problem cases includes products where the information embedded in the product is the essential component. This information can be embedded in a physical product, such as software that is provided on physical media or an industrial design concept on a printed form or may be available and distributed without a physical carrier. While the treatment of the former has always been straightforward as a good (although attaching special measurement rules), the latter has been the source of debate on the boundary between goods and services. In this era of digitalization, even the same form of software can be provided as a service, which does not involve any physical media. In this particular case, the problem lies not only in the boundary between goods and services, but in the fact that the definitions of goods and services in the SNA are not all encompassing and certain products meet neither one of these definitions.

40. In the above examples, software - with or without physical media - and the industrial design concepts are clearly outputs of an economic activity. Therefore, they are products and included in CPC. Evaluating the criteria for a good, based on the SNA definition above, it is clear that demand for these products exist, ownership rights can be established, and the ownership rights can be transferred. In addition, the sale of the products is separate from their production. Therefore, these products fulfill all criteria for a good in the SNA definition, except the first, which requires that goods are physical objects. On the other hand, by evaluating the criteria for services in the SNA definition, it is apparent that these products do not meet any of the criteria for a service.

41. The second set of examples of products include a number of information products and other originals, also characterized as intellectual property products, as well as data products, which are outputs of economic production. The CPC Ver.3.0 groups these products with services that are outputs of the same economic activity, for instance design originals (CPC class 8392) are grouped with design services (CPC group 8391). It should be noted that although this set of other products appear in sections 5-9 of the CPC that are often referred to as “services sections”, these products do not strictly align with the SNA definition of services. This convention allows sections 0-4 of the CPC to remain reserved for transportable goods, which are defined through their link to the Harmonized System.

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<sup>24</sup> Paragraph 40 of the CPC Ver.2.1 also provides an example of borderline cases of bundles, or mixtures of products such photographs, meals or drinks in restaurants or shoe repair. These are omitted by this discussion as the issue of bundled products is intrinsic in the classification.

42. Products where the information embedded in the product is the essential component or are characterized as intellectual products can be considered either as goods or as service in SNA. In contrast, CPC Ver.3.0 uses the rule of transportability in the actual treatment of these products. There is considerable overlap between the two, as these “information” products are often the most difficult to conceptualize, and the conflicting terminology has led to some confusion.
43. Hence, to clarify the characteristics of these products and to improve the alignment of SNA and CPC, the concept of knowledge-capturing products defined in the 2025 SNA is introduced in CPC Ver.3.0, as follows:<sup>25</sup>

*Knowledge-capturing products concern the provision, storage, communication and dissemination of information, advice and entertainment in such a way that the consuming unit can access the knowledge repeatedly. The industries that produce the products are those concerned with the provision, storage, communication and dissemination of information, advice and entertainment in the broadest sense of those terms including the production of general or specialized information, news, consultancy reports, computer programs, movies, music, etc. The outputs of these industries, over which ownership rights may be established, are often stored on physical objects (whether on paper or on electronic media) that can be traded like ordinary goods. They have many of the characteristics of goods in that ownership rights over these products can be established and they can be used repeatedly. Whether characterized as goods or services, these products possess the essential common characteristic that they can be produced by one unit and supplied to another, thus making possible division of labour and the emergence of markets. It is important to note that these knowledge-capturing products should be recorded as either goods or services, and that they should not be classified as a distinct category of products.*

44. The categorization of products in CPC Ver.3.0 is in two categories, i.e., goods and services. Knowledge-capturing products do not constitute a third category of products.<sup>26</sup> Sections 0 to 4 of CPC continue to be defined in terms of headings of the Harmonized System, that is, physical transportable goods, and the rest of the products remain in Sections 5 to 9.
45. Finally, it should be noted that the CPC, in covering all outputs of economic production, also covers products that may not carry any value in some frameworks, such as waste products. Although often treated as without value, they are still (unintended) outputs of a production process, are of interest in statistics and may also need to be measured as inputs into certain processes (e.g. waste disposal or waste being used for generating heat/electricity), often being the only approximation of the volume of the activity. The inclusion of these products also

<sup>25</sup> para. 7.22 - draft 2025 SNA.

<sup>26</sup> The term “other products”, described in CPC Ver.2.1, is no longer used in CPC Ver.3.0.

allows the CPC to fulfill its function as a “central” product classification, by covering the full scope of the HS.<sup>27</sup> There is growing need for identifying waste-related products in the context of sustainable development and circular economy, but conceptual issues to classify waste in CPC still remain to be addressed. Therefore, these issues will be placed in the research agenda for the next CPC revision.

#### **D. Coding system of the classification**

46. The coding system of the Central Product Classification is hierarchical and purely decimal and remains unchanged during this round of revision. The classification consists of sections (identified by the first digit), divisions (identified by the first and second digits), groups (identified by the first three digits), classes (identified by the first four digits) and subclasses (identified by all five digits, taken together). The codes for the sections range from 0 to 9 and each section may be divided into nine divisions. At the third digit of the code each division may, in turn, be divided into nine groups which may then be further divided into nine classes and then again into nine subclasses. In total there are 10 sections, 71 divisions, 328 groups, 1,304 classes and 2,881 subclasses. The code numbers in the CPC consist of five digits without a separation of any kind between digits. This coding system was chosen to avoid possible confusion with code numbers of another United Nations classification, the Standard International Trade Classification, which also has five-digit codes but uses a point to the right of the third digit. Issues surrounding the coding system of CPC will be continued to be placed on the research agenda for the next revision round.
47. Where a given level of classification is not further subdivided, a "0" is used in the position for the next more detailed level. For example, the code for the subclass "Clays" is 15400, since group 154 (Clays) is not divided into classes or subclasses. Similarly, the subclass "Bituminous or oil shale and tar sands" is coded 12030, as division 12 (Crude petroleum and natural gas) is not divided into groups but directly into classes, of which class 1203 (Bituminous or oil shale and tar sands) is not further subdivided.
48. For computerized applications the "0" can also indicate that the code is used for a total of all, more detailed, categories. Thus, the code 2610 could indicate the total of all categories 2611 through 2619, while 34600 could represent the total of all categories 34611 through 34669.

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<sup>27</sup> The inclusion of waste in the product classification was discussed during the update of CPC Ver.1.1 to Ver.2.0. While waste had been included in the earlier version CPC, the issue was raised that a product should have a positive value, which is not the case for waste products and they should therefore not be part of the product classification. It was agreed that such a criterion is (a) not universally supported and (b) may change over time for a given type of waste. Waste as an output of an economic activity is by definition a product. An exception may be waste as an output of consumption; this is still included in the CPC to provide an overall account of products circulating in the economy (whether as outputs or inputs into a production process) and to provide a full link to the Harmonized System, which includes also this type of waste. For more details, please refer to introduction of CPC Ver.2.1.



Whenever possible, the "9" is reserved to designate residual categories. For example, class 0119 (Other cereals) contains all cereals not elsewhere classified in group 011 (Cereals). However, this approach does not apply to every case in which "9" is used in a code.

## Chapter III

### Application of the CPC

#### A. Rules of interpretation

49. As is often the case with any widely used statistical classification, numerous situations can be expected to arise when it is unclear which CPC category a particular good or service should be assigned to. When classifying and coding products according to the CPC, rules given below shall apply, depending on whether the considered output of a transaction involves transportable goods (see paras. 50-51) or products other than transportable goods (see paras. 52-53).
50. The classification of goods in the categories of sections 0 to 4 shall be determined according to the terms of the corresponding categories in the Harmonized System, which is governed by the rules reproduced in the box I below.

#### **General Rules for the Interpretation of the Harmonized System <sup>a</sup>**

Classification of goods in the Nomenclature shall be governed by the following principles:

1. The titles of Sections, Chapters and sub-Chapters are provided for ease of reference only; for legal purposes [of the Harmonized System], classification shall be determined according to the terms of the headings and any relative Section or Chapter Notes and, provided such headings or Notes do not otherwise require, according to the following provisions:
2. (a) Any reference in a heading to an article shall be taken to include a reference to that article incomplete or unfinished, provided that, as presented, the incomplete or unfinished article has the essential character of the complete or finished article. It shall also be taken to include a reference to that article complete or finished (or falling to be classified as complete or finished by virtue of this Rule), presented unassembled or disassembled.  
  
(b) Any reference in a heading to a material or substance shall be taken to include a reference to mixtures or combinations of that material or substance with other materials or substances. Any reference to goods of a given material or substance shall be taken to include a reference to goods consisting wholly or partly of such material or substance. The classification of goods consisting of more than one material or substance shall be according to the principles of Rule 3.
3. When by application of Rule 2(b) or for any other reason, goods are, *prima facie*, classifiable under two or more headings, classification shall be effected as follows:
  - (a) The heading which provides the most specific description shall be preferred to headings providing a more general description. However, when two or more headings

each refer to part only of the materials or substances contained in mixed or composite goods or to part only of the items in a set put up for retail sale, those headings are to be regarded as equally specific in relation to those goods, even if one of them gives a more complete or precise description of the goods.

- (b) Mixtures, composite goods consisting of different materials or made up of different components, and goods put up in sets for retail sale, which cannot be classified by reference to 3 (a), shall be classified as if they consisted of the material or component which gives them their essential character, insofar as this criterion is applicable.
  - (c) When goods cannot be classified by reference to 3 (a) or 3 (b), they shall be classified under the heading which occurs last in numerical order among those which equally merit consideration.
4. Goods which cannot be classified in accordance with the above Rules shall be classified under the heading appropriate to the goods to which they are most akin.
  5. In addition to the foregoing provisions, the following Rules shall apply in respect of the goods referred to therein:
    - (a) Camera cases, musical instrument cases, gun cases, drawing instrument cases, necklace cases and similar containers, specially shaped or fitted to contain a specific article or set of articles, suitable for long-term use and presented with the articles for which they are intended, shall be classified with such articles when of a kind normally sold therewith. This Rule does not, however, apply to containers which give the whole its essential character;
    - (b) Subject to the provisions of Rule 5 (a) above, packing materials and packing containers presented with the goods therein shall be classified with the goods if they are of a kind normally used for packing such goods. However, this provision is not binding when such packing materials or packing containers are clearly suitable for repetitive use.
  6. For legal purposes [of the Harmonized System], the classification of goods in the subheadings of a heading shall be determined according to the terms of those subheadings and any related Subheading Notes and, *mutatis mutandis*, to the above Rules, on the understanding that only subheadings at the same level are comparable. For the purposes of this Rule the relative Section and Chapter Notes also apply, unless the context otherwise requires.

<sup>a</sup> World Customs Organization, *The Harmonized Commodity Description and Coding System*, Seventh edition (2022).

51. In cases where an HS subheading is linked to two or more CPC subclasses, the rules in paragraph 50 shall be used to determine first the HS subheading that corresponds to the product in question, then identify the CPC subclasses that are linked to this HS subheading and finally choose the correct CPC subclass based on the explanatory notes for the subclasses chosen in the second step. If the goods cannot be obviously classified based on these explanatory notes, the same rules as set out in paragraph 50 shall be applied to the CPC subclasses chosen in the second step, in lieu of HS subheadings.
52. In the CPC, the classification of products other than transportable goods, mainly services, shall be determined according to the terms of the categories as described in the divisions, groups, classes or subclasses in sections 5 to 9 of CPC. When services are, *prima facie*, classifiable under two or more categories, classification shall be effected as follows, on the understanding that only categories at the same level (sections, divisions, groups, classes or subclasses) are comparable:
- (a) The category that provides the most specific description shall be preferred to categories providing a more general description;
  - (b) Composite services consisting of a combination of different services which cannot be classified by reference to (a) shall be classified as if they consisted of the service which gives them their essential character, in so far as this criterion is applicable;
  - (c) When services cannot be classified by reference to (a) or (b), they shall be classified under the category that occurs last in numerical order among those that equally merit consideration.
53. Services that cannot be classified in accordance with the above rules shall be classified under the category appropriate to the services to which they are most akin.
54. Products making up a bundle (combination) of goods and services shall be classified according to their main component (value added), insofar as the criterion is applicable.

## **B. Explanatory notes**

55. In addition to the interpretative rules, the explanatory notes of the Harmonized System also apply to sections 0 to 4 of the CPC as the transportable goods in CPC are defined in terms of the Harmonized System. The notes of the Harmonized System are well elaborated, and their use reduces the confusion that might result if new reference materials associated with the CPC were drawn up. The explanatory notes of the Harmonized System are not reproduced in the present publication, but they are available in the original source. The title descriptions of CPC categories in sections 0 to 4 are also based on the Harmonized System.

Regarding the content of CPC subclasses in sections 0 to 4, the reference to the heading and subheading codes for the Harmonized System, as amended in 2022, and related explanatory notes should provide a clear understanding of their coverage in all cases where a CPC subclass is defined as a complete HS heading or subheading or as a combination of complete HS headings or subheadings.

56. In those cases where a CPC subclass is linked to only a partial HS subheading, explanatory notes have been provided in Part Four of the present publication to assist with the classification of those goods. The explanatory notes of the CPC are still compatible with explanatory notes of the Harmonized System that then refer to a broader set of products. The explanatory notes for the CPC categories in sections 5 to 9, mainly covering service products, are also included in Part Four of the present publication.
57. The explanatory notes provide descriptions of products that are included in each subclass, as well as examples of similar products that are excluded, for reference purposes. In some cases explanatory notes are also available for categories of higher aggregated levels of the CPC structure. Whenever an exclusion statement is provided, it is accompanied by an exact cross-reference to indicate the code of the subclass where the product in question is actually classified. The exclusions are sorted by cross-referenced CPC code in numerical order; they do not indicate a ranking by importance. Although the title description should define the boundary of the subclass, the explanatory notes clarify further the border and content of the subclass.
58. It should be noted that the explanatory notes are not intended to present an exhaustive list of all the products under each heading; they should be regarded only as illustrative examples to clarify the scope and boundary of each subclass.
59. The explanatory notes of the CPC were developed for statistical purposes. Although these notes are intended to provide clarification, the lists are not exhaustive. Consequently, users may need further guidance from the United Nations Statistics Division on the interpretation of the exact content of CPC subclasses. It should be noted that if CPC categories are utilized for purposes other than statistical ones - for example as a source for the preparation of legal documents or for such purposes as procurement - those who prepare the legal document in which reference is made to CPC categories, not the developers of the classification, are responsible for explaining the use of those categories in the legal document.
60. New products are frequently appearing in the economy and users need to be able to classify them correctly in the CPC. Similarly, many products may have special characteristics that are not explicitly described in the current explanatory notes. In many cases the explanatory notes will give sufficient guidance on where to classify such products by describing key characteristics and giving examples similar to the products in question. However, it may

be that some products cannot be easily classified in this manner. In such cases, special rulings may be issued that clarify the treatment of specific products in the classification. Such rulings for the CPC will be made available through the United Nations Classifications website.

## Chapter IV

### Other topics

#### A. Using the CPC in establishing national classifications of products

61. Countries that do not have the experience or resources to develop their own national product classifications or that want their national product classifications to be related to relevant international classifications as closely as possible should choose to use the Central Product Classification as their national classification. In such cases the CPC may be used as is. It may also be expanded or contracted, depending on the needs and possibilities of each country.
62. For a national product classification to be compatible with the CPC, the most detailed categories of classification in the national scheme should coincide with, or be aggregations or dissections of the individual subclasses of the CPC. In other words, each of the most detailed categories of the national product classification should have the same scope as a CPC subclass, be dissections of a CPC subclass, or be composed of two or more CPC subclasses, preferably from the same CPC class and group. The first two options are the preferred methods, as they provide the maximum opportunity for correspondence at the detailed level of the CPC, while the third option allows for correspondence at a more aggregated level. Provided these requirements are met, the compatibility of national product classifications with the CPC would not necessarily be affected by their structure or the position of the categories at their most detailed level.
63. It is preferable for additional subdivisions of expanded classifications to be part of the same class of the international classification. If so desired, classifications based on the CPC may be constructed by subdividing each subclass into as many as nine (or more, if needed) subcategories. This may be done by appending one (or more, if needed) decimal place to the CPC five-digit code. Alternatively, the subdivision of classes into subclasses in the CPC may, in some cases, be expanded by replacing the subclasses with a greater number of more detailed categories. Where this approach is employed, the more detailed subclasses may be identified by means of five digits, provided that no more than nine subclasses are required for each class of the CPC. To preserve comparability with subclasses of the CPC, the more detailed subcategories should be so delineated that they can be aggregated back to CPC subclasses.
64. Some countries may need to reduce the level of CPC detail in their national classifications. Some CPC categories may be relatively unimportant in certain countries while data concerning other CPC categories may simply be unavailable. For example, some countries may not find it practical to establish categories in their national classifications similar to the individual categories of groups 855 to 858 concerning intermediation services. They may find

it more appropriate to combine some, or all, of the subclasses or classes in each of these divisions into single categories at the most detailed level of their classification. In so doing, one should take into account the principles described in paragraph 62 above.

## **B. Use of different levels of the classification**

65. Different uses and types of statistics are best served by presenting statistics in terms of different levels of aggregation. Thus, it may be necessary or desirable to use different CPC levels of detail for different purposes. For example, for national accounting purposes, it may be necessary to classify data at a different level of detail from that required for industrial statistics purposes. Similarly, data on production obtained from establishments can usually be classified in far more detail than data on capital formation obtained from administrative reporting systems. The hierarchical structure of the CPC provides a framework for comparable classifications of data at different levels of detail.

## **C. Relationship of the CPC to other classifications**

### **1. Relationship to the International Standard Industrial Classification of All Economic Activities**

66. The Central Product Classification and the International Standard Industrial Classification of All Economic Activities are both general-purpose classifications, with ISIC representing the activity side of these two interrelated United Nations classifications. Each subclass of the CPC consists of goods or services that are generally produced in a specific class or classes of the ISIC, Rev.5. With a view to accommodating users of the CPC who wish to identify the relationship between the CPC and the ISIC, each CPC subclass has a reference to the ISIC, Rev.5 industry or industries in which most of the goods or services in question are generally produced. The predominant ISIC class is shown by listing the corresponding four-digit ISIC, Rev.5 codes next to the relevant CPC subclass in the tables presenting the detailed structure of CPC in Part Three below. By rearranging the CPC subclasses according to their ISIC references, one can find the main goods or services that are the outputs of certain industries.
67. It should be noted, however, that there is no intention of establishing a one-to-one correspondence between the CPC and ISIC. Such an effort is considered neither practical nor desirable as it might lead to an inadequate description of CPC categories, especially at the higher levels, and it would also make harmonization with other classifications difficult. The relationship between industries and their products is a complex and changing one. Furthermore, the CPC is meant to be used in various kinds of statistics and should not be regarded as a mere extension of the ISIC, as it is not limited to listing goods and services produced according to ISIC industries.



68. Some CPC subclasses correspond to multiple ISIC Rev.5 classes. Examples are animals that can be raised or hunted, or plants that can be grown or gathered in the wild – the same product being produced by quite different activities. Other examples could be special financial services, such as lending services that can be offered by specialized institutions or by regular banks.
69. Several CPC subclasses do not show a link to an ISIC Rev.5 class. This applies mostly to waste products, which can be the output of many industries – for example paper waste may be produced by paper manufacturing units as a by-product of their manufacturing process, but also by many other types of units in the form of waste paper from packaging, office use and the like. While for some waste products it may be possible to identify major producers, no links have been shown for any product in CPC division 39 as a convention.
70. Another example of products that can be produced by many industries are trademarks, copyrights and similar intellectual property products. As a convention, in these cases no ISIC link is shown either, as listing virtually all ISIC classes would be of very little use.

## **2. Relationship to the Harmonized System**

71. The Harmonized Commodity Description and Coding System (HS) is an exhaustive nomenclature of internationally traded commodities (goods) classified according to the following criteria: (a) raw or basic material; (b) degree of processing; (c) use or function; and (d) economic activities. These principles have been maintained in all subsequent revisions of the nomenclature. The Customs Cooperation Council, which changed its name to World Customs Organization (WCO) in 1994, also agreed, in principle, to introduce the industrial origin criterion in the construction of the Harmonized System. However, the principle that each subheading of the Harmonized System should contain only goods that are normally produced by a single industry could not be strictly followed for various reasons. In some cases, it was not possible for customs authorities to make a distinction concerning industrial origin on the basis of the physical properties of a good. Another reason was that the distinction would lead to categories that were insignificant in international trade. In other cases the historical and legal distinctions inherent in administering customs and trade requirements took precedence over the criterion of industrial origin. In some instances, it was not clear where products of a certain industry would fall in the Harmonized System. The fact that countries have different economic industry structures added to the difficulty of adhering to this principle.
72. With regard to transportable goods, a very close relationship exists between the Central Product Classification Ver.3.0 and the Harmonized System 2022, as CPC subclasses in sections 0 to 4 generally constitute groupings and rearrangements of complete categories of the Harmonized System. A detailed correspondence table between CPC Ver.3.0 and HS 2022 will be developed separately.

73. CPC subclasses for transportable goods (sections 0 to 4) are defined in such a way that each consists of one or more six-digit subheadings of the Harmonized System. In view of its important role in the construction of the CPC, general information on the Harmonized System is provided in paragraphs 50-51 above.
74. There are, however, exceptions to the rule that each CPC subclass in sections 0 to 4 corresponds to one or more headings or subheadings in the Harmonized System, most of which concern energy products. For example, CPC subclass 17300 (Steam and hot water) has no equivalent in the Harmonized System. Therefore, efforts were made to substantially align CPC Ver.3.0 with SIEC on the treatment of energy products. Other cases exist in which a CPC subclass is more detailed than the corresponding Harmonized System subheading, resulting in a partial link. This usually reflects a situation where a certain product is important in production statistics at the national level, but insignificant in terms of international trade. In general, many agricultural products and information products fall into this category. Whenever a CPC subclass includes a partial link to an HS subheading, an explanatory note is provided.

### **3. Relationship to the Standard International Trade Classification**

75. The relationship between the Central Product Classification and the Standard International Trade Classification is similar to that between the CPC and the Harmonized System, since SITC Rev.4 also uses the subheadings of the Harmonized System as building blocks to create commodity groupings that are more suitable for the economic analysis of trade. The commodity groupings of the SITC reflect: (a) the materials used in production; (b) the processing stage; (c) market practices and uses of the products; (d) the importance of the commodities in terms of world trade; and (e) technological changes. Regarding the correspondence of SITC Rev.4 with the CPC for transportable goods, attempts have been made to contain all five-digit items of SITC Rev.4 wholly within single CPC subclasses in sections 0 to 4. As such, CPC subclasses consist of one or more items from SITC Rev.4. Some exceptions to this general rule exist, similar to those described in paragraph 74 above. Since SITC Rev.4 is a strict aggregation of HS subheadings, all exceptions regarding the HS link are automatically exceptions in the SITC link. Correspondences between the CPC and SITC Rev.4 are shown in separate correspondence tables, which are available in electronic form. Since the SITC, like the Harmonized System, deals only with transportable goods, no correspondence between the CPC and SITC, or between the CPC and the Harmonized System, exists for CPC categories in sections 5 to 9.

### **4. Relationship to other classifications and standards**

76. In addition to the International Standard Industrial Classification of all Economic Activities, the Harmonized System and the Standard International Trade Classification, there are a number of interrelationships between the CPC and other classifications and standards, owing to the role of the CPC as a general-purpose classification of goods and services.
77. The Classification by Broad Economic Categories (BEC)<sup>28</sup> has been developed by the United Nations. BEC is designed to serve as a means for converting external trade data compiled by using HS or SITC - which, as they stand, are not entirely suitable for analysis by end use - to meaningful aggregates for purposes of economic analysis of the use to which goods are put, based on concepts of the SNA (i.e. distinction between capital goods, intermediate goods and consumption goods). It is generally possible to rearrange whole CPC subclasses into BEC categories through the correspondences between CPC and SITC and between SITC and BEC.
78. Since the CPC provides the product dimension to many of the SNA tables, the CPC can be related to the Classifications of Expenditure According to Purpose.<sup>29</sup> This is reflected in the publication *Classifications of Expenditure According to Purpose: Classification of the Functions of Government (COFOG); Classification of Individual Consumption According to Purpose (COICOP); Classification of the Purposes of Non-Profit Institutions Serving Households (COPNI); Classification of the Outlays of Producers According to Purpose (COPP)*. Accordingly, correspondences between categories of COICOP and CPC have been elaborated for previous versions of the CPC.<sup>30</sup> However, a full consistency between COICOP and CPC is difficult to achieve, as COICOP classifies individual consumption by purpose and when a product is produced it can be used for different purposes.<sup>31</sup>
79. Through the joint efforts of the United Nations and the European Union for the harmonization of economic classifications, the structure and content of the revised General Industrial Classification of Economic Activities within the European Communities (NACE) and the related product classifications of the European Union were developed to be consistent with the ISIC and the CPC. The Classification of Products by Activity (CPA) is based on NACE – and therefore follows a different aggregation structure than the CPC – and detailed categories that are mostly aligned with the CPC. Exceptions exist for areas where the CPC deviates from the Harmonized System, since the CPA maintains a closer link to the Combined Nomenclature, which is the European version of that classification.
80. In the course of the initial development work on the CPC, with regard to the structure and

<sup>28</sup> *Classification by Broad Economic Categories Rev.5*, Statistical Papers Series M, No. 53, Rev.5.

<sup>29</sup> *Classifications of Expenditure According to Purpose: Classification of the Functions of Government (COFOG); Classification of Individual Consumption According to Purpose (COICOP); Classification of the Purposes of Non-Profit Institutions Serving Households (COPNI); Classification of the Outlays of Producers According to Purpose (COPP)*, Statistical Papers Series M, No.84 (United Nations publication, Sales No. E.00.XVII.6).

<sup>30</sup> *COICOP-CPC and CPC-COICOP correspondence tables* (OECD, 2001).

<sup>31</sup> Report from the work conducted by the Technical Subgroup on the revision of COICOP and issues for discussion (TSG-COICOP 2017). See <https://unstats.un.org/unsd/class/revisions/docs/coicop/AC340-5.PDF>

content of the Provisional CPC categories corresponding to subclasses in division 53 (Constructions), use was made of the International Recommendations for Construction Statistics.<sup>32</sup>

81. In 1994 the Uruguay round of trade negotiations was completed by signing the Agreement establishing the World Trade Organization (WTO). Annex 1B to the Agreement contains the General Agreement on Trade in Services known as the GATS. Trade in services was defined in Article I of the GATS as “the supply of a service”. The GATS includes any service in any sector, but excludes services supplied in the exercise of governmental authority (i.e. services that are neither supplied on a commercial basis, nor in competition with one or more service suppliers). To structure their discussions and commitments, WTO Members have generally used the Services Sectoral Classification List (MTN.GNS/W/120), which was issued in 1991 and identified relevant sectors and subsectors.. The list was based on consultations with the WTO Members and was built on the basis of the CPC Provisional version. It should be noted that the WTO Members have tended to avoid any major changes in the list to ensure the stability and comparability of commitments over time, even though related international statistical classifications have been revised. Also, the W/120 has continued to be used in a number of more recent bilateral and regional trade agreements. Changes in the subsequent versions of the CPC have not led to a conversion of such commitments, which often continue to be based on the W/120 the Provisional CPC.
82. The Extended Balance of Payments Services Classification (EBOPS) was devised for the Manual on Statistics of International Trade in Services (MSITS) 2002, based on the experience gained during the implementation of the Joint OECD-Eurostat Trade in Services Classification at the end of the 1990s. EBOPS is a trade in services classifications based on the standard service components of the Balance of Payments Manual, with some references to CPC The first version of EBOPS was a disaggregation of the Joint Classification. Similar to this first version, and as recommended in MSITS 2010, EBOPS 2010 is a disaggregated subsystem of the BPM6 services classification. The presentation of the relationship between EBOPS 2010 and CPC Ver.2.0 provides greater detail and a necessary, although partial, statistical link between domestic production and trade in services. There is an ongoing need for a convergence of the product classifications of industry and trade for comparative purposes. MSITS 2010 takes account of this developmental work in aligning more closely the structural components of EBOPS and CPC. The correspondence clarifies the conception of EBOPS 2010 through the use of the detailed categories of CPC, Version 2. In MSITS 2010 consideration was given, as far as possible, to CPC, Version 2, as the fundamental building blocks to describe internationally traded service products. Currently EBOPS is undergoing a revision process in the light of the update of BPM6, the revision of

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<sup>32</sup> *International Recommendations for Construction Statistics*, Statistical Papers Series M, No. 47 (United Nations publication, Sales No. E.68.XVII.11).

MSITS 2010 and the endorsement of CPC Ver.3 structure.

83. The International Standard Classification of Education (ISCED) was developed by UNESCO as an instrument for assembling, compiling and presenting statistics of education, both within individual countries and internationally, and was last updated in 2011. It is a multi-purpose classification of educational programmes to be used for statistics on student enrolment and human or financial resources invested in education, as well as on the educational attainment of the population as obtained, for example, from population censuses or labour force surveys. The definition of the CPC categories for education services has been updated in line with the change applied in the last ISCED revision.
84. The 2015 Frascati Manual Field of Science classification was developed by OECD as the international guidelines for collecting and using research and development statistics. The definition and structure of the CPC categories for research and development services have been updated in line with the Frascati Manual to improve the consistency between the two classifications.
85. The Standard International Energy Production Classification (SIEC) was developed by the United Nations Statistics Division in 2011 to serve as a basis for developing or revising national classification schemes for energy products so as to make them compatible with international standards and, consequently, to ensure significantly improved cross-country comparability of energy data. CPC and SIEC are both classifications of products, with some differences in the scope and criteria used in the two classifications. The breakdown of the CPC categories on energy-related products have been updated to reflect the terminology and definitions of SIEC and to bring the CPC more in line with the detail required and terminology used in energy statistics for the improvement of the harmonization between the two classifications.
86. The Classification of Environmental Purposes (CEP) was developed by Eurostat in 2024 to classify environmental activities, products, expenditures and other transactions related to environmental protection and management of natural resources and is used by the System of Environmental Economic Accounting (SEEA) Central Framework. A few CPC classes related to environmental services are made reference to in CEP and SEEA to clarify their scope and boundary.

#### **D. Correspondence Tables**

87. Correspondence tables are an important tool for comparing statistical data that have been collected and presented using different classifications. They become necessary when the classification changes over time or when different underlying frameworks do not allow classifications to be closely related. Correspondence tables between different versions of the

same classification are used to describe the detailed changes that have taken place in the revision process. A complete detailed correspondence between CPC Ver.3.0 and CPC Ver.2.1 is available electronically on the Classifications website of the United Nations Statistics Division but is not included in the present publication.

88. Since CPC has been used for the collection and presentation of statistics in many areas, there has been a strong need for correspondence table between CPC Ver.3.0 and other classifications, among others the ISIC Rev.5 and HS 2022. A set of correspondence tables between the CPC Ver.3.0 and other classifications listed in this chapter will be made available in electronic format on the Classifications website of the United Nations Statistics Division.

### **E. Alternative structures**

89. The present version of the CPC uses an aggregation structure and a level of detail that has been the result of consultations over many years (even before the creation of the Provisional Central Product Classification). However, there are many applications of the CPC (or a general product classification for that matter) and the single structure built into the published version of the CPC may not be the most suitable for all applications. To satisfy different user needs, rearranging the CPC structure to form alternative structures is a possibility.
90. Such alternative structures can take different forms. They can: (a) be rearrangements of the complete CPC into a new structure that still preserve the original detailed categories as building blocks; (b) group and rearrange a subset of CPC categories to reflect a specific concept with limited scope within the CPC; or (c) expand certain areas of interest beyond the detail provided in the published classification.
91. Additional alternative structures may be produced over time and, once agreed at the international level, will be posted on the Classifications website of the United Nations.

## **PART FIVE**

### **Changes between CPC Version 3.0 and Version 2.1**

## A. Overview

### B. Methodological changes from CPC Ver 2.1 to Version 3.0

93. Although the structure of CPC Ver.3.0 is different from its predecessor, the methodological aspects underpinning the scope, development and application of the classification remain largely unchanged. Some of the perceived changes are actually clarifications of the concepts or rules already used in previous CPC versions. The criteria for delineating categories within CPC remain the same. The application rules provided in CPC Ver.3.0 are the same as in CPC Ver. 2.1.
94. The concept of knowledge-capturing products defined in the 2025 SNA is introduced in CPC Ver.3.0. Please refer to the discussion in Part 1, Section C on goods and services for further elaboration on this clarification.
95. The 2025 SNA incorporates data into the SNA production and asset boundary, and explicitly considers data as the output of a productive activity and a separately identified intellectual property product. As a result, CPC has been updated to reflect such changes. A definition for data in the CPC was agreed upon as the *Original compilations of information content organized for retrieval and consultation, produced by accessing and observing phenomena*. A new group 837 “Data and data compilation” was created in CPC Ver.3.0. All relevant classes and subclasses containing data and the services used to create data in CPC Ver.2.1 will be moved to this newly created group 837. In addition, the language in some data-relevant categories has been updated to better align with definitions used in other manuals and guidance notes. Explanatory notes will clarify that data products are independent from output that is being produced using the data. Other classes were determined not to be data so will remain separate, e.g., “Market research and public opinion polling services.”
96. Non-financial intermediation services are defined in CPC Ver.3.0 as *services that facilitate transactions between buyers and sellers for the ordering and/or delivering of goods and services in exchange for a fee or commission, without the intermediation unit taking economic ownership of the goods or rendering the services that are being sold (intermediated)*. Intermediation activities have increased enormously due to technical advances through digital platforms. CPC Ver.3.0 introduces the definition of non-financial intermediation services based on the intrinsic nature of the product. In this case, intermediation is the intrinsic product, regardless of the underlying good or service being intermediated, and these activities are consolidated under Division 85 “Support services” in four new Groups in the revised CPC. The changes made to the CPC reflecting these issues may be quantitatively small, but they put the CPC on a more solid conceptual basis, thus bringing significant improvements to the classification.



### C. Structural changes<sup>33</sup>

97. As mandated by the Statistical Commission at its twenty-eighth session in 1995,<sup>34</sup> the CPC should be subject to further revision conducted at regular intervals, to ensure that the structure of the CPC adequately reflects changing economies and new technologies. Apart from changes introduced to reflect new emerging products or reflect changes in the Harmonized System, products corresponding better to newly defined ISIC industries have been created. The major changes in CPC Ver.2.1 and Ver.3.0 cover the areas listed below. A more complete listing of changes can be obtained from the correspondence tables linking CPC Ver.3.0 and CPC Ver.2.1.

#### *Agricultural, forestry and fishery products; food and beverage products; forest products; fertilizer products*

98. Changes to CPC to improve its alignment with FAO nomenclature and data collection products mainly involved more detailed breakdowns mostly at the subclass level for forestry products, fisheries, fertilizers and pesticides in CPC divisions 01/03/04 and 31/32/38/39. The terminology – and to some extent the definitions – for agri-food products, forestry products and fishery products has been changed in CPC Ver.3.0 to bring the CPC more in line with the detail required and terminology used in statistics for agricultural, forestry and fishery statistics.

99. The scope of CPC Ver.2.1 class 0323 “other wild edible products” in divisions 03 has been updated with additional breakdowns in CPC Ver.3.0 to include edible products gathered in forestry. This improves the alignment with ISIC, which refers to the concept of *gathering* when dealing with forestry activities, and keep as much as possible the reference to the ISIC in terms of output of the activity.

100. CPC Ver.2.1 class 0311 “Logs of coniferous wood” and class 0312 “logs of non-coniferous wood” have been renamed to “Roundwood of coniferous wood” and “Roundwood of non-coniferous wood” respectively in CPC Ver.3.0, with additional breakdowns.

101. Cotton linters were moved from CPC Ver. 2.1 subclass 21800 “Cotton linters” under division 21 “Meat, fish, fruits, vegetables, oils and fats” to CPC Ver. 3.0 subclass 03251 “Cotton linters” under group 032 “Non-wood forest products”, in alignment with HS 2022.

102. Some categories under CPC Ver.2.1 related to fisheries have been renamed in CPC Ver.3.0. These include: Group 04 “Fish and other fishing products” has been renamed to “Fish, crustaceans, molluscs and other aquatic invertebrates products” in CPC Ver. 3.0; Class 0426

<sup>33</sup> Please refer to the GSIM models documented in the the following paper for the full changes [https://unstats.un.org/unsd/classifications/Meetings/UNCEISC2024\\_2nd/Session7\\_Bk1\\_Update\\_on\\_the\\_Status\\_of\\_CPC\\_Ver3\\_1Nov2024.pdf](https://unstats.un.org/unsd/classifications/Meetings/UNCEISC2024_2nd/Session7_Bk1_Update_on_the_Status_of_CPC_Ver3_1Nov2024.pdf)

<sup>34</sup> *Official Records of the Economic and Social Council, 1995, Supplement No. 8 (E/1995/28).*

“Other pelagic fish, live, fresh or chilled” and its corresponding sub-classes as well as sub-class 21216 “Other pelagic fish, frozen” have been renamed to “Other pelagic fish (excluding tunas, skipjack, or stripe-bellied bonito), live, fresh or chilled” and “Other pelagic fish (excluding tunas, skipjack, or stripe-bellied bonito), frozen,” respectively.

103. Additional breakdowns were introduced in Section 2 of CPC Ver.3.0 related to food and beverage products. This include sub-class 23998 “Meatless meat and meat substitutes”, as well as class 2441 “bottled waters, not sweetened or flavoured”, 2442 “milk from non-animal origin” and 2449 “other non-alcoholic caloric beverages” and their corresponding sub-classes.

104. A number of categories related to wood products in division 31/32/38/39 of CPC Ver.2.1 have either been renamed or with additional breakdowns in CPC Ver.3.0. These changes affect the following CPC Ver.3.0 classes and their related sub-classes: 3132, 3141, 3142, 3143, 3151, 3161, 3162, 317, 3211, 3212, 325, 3814, 3816, 3924 and 3928.

105. As for fertilizer products, CPC Ver.2.1 sub-class 36464 “Fertilizers containing two nutrients: nitrogen and phosphorus” has been split into two sub-classes in CPC Ver.3.0, namely 34644 “Fertilizers containing two nutrients: nitrogen and phosphorus; other than diammonium phosphate and monoammonium phosphate” and 34647 “Fertilizers containing two nutrients: nitrogen and potassium; other than potassium nitrate”.

### ***Changes in section 2-4 for alignment with HS2022***

106. The revisions of the HS 2022 have resulted in a number of significant changes to the HS structure and detail. The CPC, which uses the HS subheadings as definitions of its subclasses had to adjust to these changes. Several product categories under divisions 25/35/39/41/43/44/46/49 in CPC Ver.2.1 have been updated to improve alignment with HS2022 in CPC Ver.3.0. These changes involves either a rename of the category, additional breakdowns or split off from existing categories. These affect the following CPC Ver.3.0 classes and/or their corresponding subclasses: 2509, 3527, 3924, 4160, 4356, 4482, 4492, 4493, 4494, 4611, 4653 and 4962.

### ***Energy products in section 1 and 3***

107. Changes to CPC to improve harmonization with SIEC mainly involved splitting classes and additional breakdowns at the subclass level of the relevant CPC classes on coal, coal products, coal gases, peat, petroleum and crude oils and natural gas liquids. Several product categories under divisions 11/12/17/33 in CPC Ver.2.1 have been updated to improve alignment with SIEC. These changes mostly involves additional breakdowns to the following CPC Ver.3.0

groups and classes: 1101, 1103, 1105, 1201, 1720, 331 and 332. The principle used in CPC Ver.2.1 that the agreed terminology in energy statistics, as defined in the *International Recommendations for Energy Statistics*,<sup>35</sup> has been given preference in cases where terminology may be different between the CPC and HS, still applies in CPC Ver.3.0.

### ***Environment services in section 5 “construction”***

108. To reflect the growing prominence of environmental services, additional breakdowns have been introduced to separately identify noise or vibration services insulation services and thermal insulation services in CPC Ver.3.0 under class 5465 “Insulation services”.

### ***Distributive trade services; accommodation, food and beverage serving services; transport services; and electricity, gas and water distribution services***

109. Several categories related to intermediation of goods in CPC Ver.2.1 section 6 have been moved to the newly created Group 855. Please refer to the below discussion on intermediation service for further elaboration.

### ***Accommodation services***

110. The titles of CPC Ver.2.1 subclasses 63111 and 63112 have been renamed to “Room or unit accommodation services for visitors, with on-site reactive services” and “Room or unit accommodation services for visitors, without on-site reactive services” to align with ISIC Rev.5 and the nomenclature developed by the World Tourism Organization (UN Tourism).

### ***Financial services***

111. The use of technology in the financial sector – sometimes referred to as “fintech” has enabled new modes of service delivery. While such innovations may result in new business models and applications with material effect on financial markets and institutions, the intrinsic nature of the products is generally the same as those in existing CPC classes. For example, loans, mortgages, and other credit-granting services are allocated to their respective CPC subclasses regardless the type of (a) lender, e.g., bank or non-bank financial intermediary, or (b) technology used to grant credit, e.g., digitally or otherwise. This approach provides a stable basis for product classification as technology evolves. However, in some contexts technological evolution

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<sup>35</sup> Statistical Papers, Series M, No.93 (United Nations publication, Sales No. E.14.XVII.11).

necessitates the recognition of new products. An example is the new CPC Ver. 3 subclass 71594 for financial auxiliary services of mobile money operators, including digital wallets. Explanatory notes have been updated for subclasses where fintech services may be found, e.g., automated advisory services in 71530, 71640, and 71591; and digital, on-demand insurance services (i.e., insure-tech) in group 713 and 714.

112. Other changes related to financial services include splitting the CPC Ver.2.1 class 7113 “Credit granting-services” into two new classes: CPC Ver.3.0 7113 “Non-business credit-grant services” and 7115 “Business credit granting services”, and introducing new subclasses under CPC Ver.3.0 Class 7115 to improve alignment with the new ISIC Rev.5 classes 6491-6495. CPC Ver.2.1 group 712 “Investment bank services” is deleted, and these services are reclassified into the appropriate subclasses in CPC Ver.3.0 classes 7115 and 7119.

### ***Research and development***

113. Significant structure changes below the 2-digit level of CPC Ver.3.0 Division 81 (Research and Development) improved the alignment of CPC with the 2016 Frascati Field of Science classification. It discontinues the current CPC Ver.2.1 distinctions between basic, applied, and experimental development research services at the 4-digit class level. The 4-digit level instead becomes where subject matter is distinguished, e.g., natural sciences, engineering, technology, medical and health sciences, etc. The 5-digit subclass further breaks down the subject matter, e.g., the 4-digit research and development services in technology class is further divided into environmental biotechnology, industrial biotechnology, nanotechnology, and other technology at the subclass level.

### ***Data***

114. The 2025 SNA incorporates data into the SNA production and asset boundary, and explicitly considers data as the output of a productive activity and a separately identified intellectual property product. As a result, the revised CPC has been updated to reflect such changes.
115. CPC defines the data as “original compilations of information content organized for retrieval and consultation, produced by accessing and observing phenomena”. Based on this definition, a new group 837 “Data and data compilation” consisting of two classes – 8371 “Data” and 8372 “Compilation services of data—was created in the CPC Ver.3.0. All relevant classes and subclasses containing data and the services used to create data in CPC Ver.2.1 have moved to this newly created group 837 in CPC Ver.3.0. In addition, the language in some data-relevant categories is updated to improve alignment with definitions used in other manuals and guidance notes. Explanatory notes clarify that data products are independent from output that is being produced using the data. Other classes determined not to be data will remain separate, e.g.,

83940 “Market research and public opinion polling services”.

### ***Cloud computing and artificial intelligence***

116. Cloud computing services consist of computing, data storage, software, and related IT services accessed remotely over a network, supplied on demand and with measured resource usage. ISIC Rev.5 classifies activities of providing such services in the newly created Group 631 in “Computing infrastructure, data processing, hosting, and related services.” To reflect cloud computing services in CPC, the explanatory notes of class 8315 “Hosting and information technology (IT) infrastructure provisioning services”, and subclasses 83152 “Application service provisioning” and 83159 “Other hosting and IT provisioning services” in CPC Ver.3.0 have been revised to reference cloud computing services such as Infrastructure-as a service (IaaS), Platform as-a-service (PaaS), Function as-a-service (FaaS) and Software as-a-service (SaaS).

117. The revision process also reviewed product areas on artificial intelligence (AI). The explanatory notes in CPC Ver.3.0 on relevant existing categories, such as subclasses 83152 “Application software provision” and 84392 “On-line software” have been revised to explicitly mention inclusion of AI for such categories. However, no new classes for AI will be created in CPC because of the increasingly ubiquitous nature of its application in software products.

### ***Non-financial intermediation services***

118. Non-financial intermediation activities have increased enormously due to the technical advances through digital platforms. ISIC Rev.5 introduces the definition of non-financial intermediation services activities and creates separate groups or classes for intermediation services in the same divisions where the underlying goods and services are produced.

119. Following ISIC Rev.5, CPC Version 3.0 has also introduced non-financial intermediation services. However, the treatment of non-financial intermediation services in CPC is different from ISIC, in that a product perspective emphasizes the intrinsic nature of the product. In this case, intermediation is the intrinsic product, regardless of the underlying good or service being intermediated. In CPC Ver.3.0 all non-financial intermediation services are consolidated under Division 85 “Support services” in four new Groups in the revised CPC, as:

- Group 855 – Intermediation services on goods;
- Group 856 – Intermediation services for accommodation, food and beverage, transport and electricity, gas and water distribution services;
- Group 857 – Intermediation for community, social and personal services;

- Group 858 – Other intermediation services.

120. CPC Ver.3.0 group 855 covers all classes that have moved from CPC Ver.2.1 classes 612 and 625, which cover retail and wholesale trade services on a fee or contract basis. These classes have been renamed and included under non-financial intermediation services. CPC Ver.3 clearly differentiates non-financial intermediation, where the intermediating unit does not own the good being intermediated from wholesale and retail trade services that include inventory risk. Fees or commissions paid to enterprises that intermediate these goods should be recorded as output of the intermediation unit rather than a margin as is the case with retail and wholesale trade services. Importantly all the existing relevant sub-classes in CPC Ver.2.1 have been aggregated into a single category within CPC Ver.3.0. For example, CPC Ver.3.0 sub-class 85521 covers intermediation services for retail trade covering raw agriculture product and live animals is equal to the previous CPC Ver.2.1 class 6121 that covered the following 6 sub classes 61211/61212/61213/61214/61215/61219.

121. CPC Ver.3.0 group 856 covers intermediation services for accommodation, food and beverage, transport and electricity, gas and water distribution services. This group covers the intermediation of services previously classified under CPC Ver.2.1 section 6. Several of these classes in CPC Ver.3.0 are replacements for previous CPC Ver.2.1 classes in 855, including 85511/ 85512/85513/ 85521 as well as several classes associated with the distribution of electricity, gas and water on a fee or contract basis.

122. CPC Ver.3.0 group 857 covers intermediation services for community, social and personal services. The group covers the intermediation of services previously classified under CPC Ver.2.1 section 9.

123. CPC Ver.3.0 group 858 covers other non-financial intermediation services that are not specific to either section 6 or 9 within CPC Ver. 3.0. It also includes a final intermediation N.E.C. class.

124. CPC Ver.3.0 group 859 does not contain any non-financial intermediation services but is altered to accommodate some of the non-intermediation services previously in CPC Ver.2.1 group 855.

### ***Education services***

125. CPC Ver.3.0 Division 92 on education services was updated to align with the structure and definitional content of ISCED 11 and the new structure of ISIC Rev. 5. Key changes include adding a class and subclass for early childhood development under a new group for early childhood and pre-primary education services, new subclasses under tertiary education services and various title changes.

### ***Environmental services***

126. To better align with the changes in ISIC and to reflect the growing prominence of environmental services, the revised CPC made the following changes:

- Create a new class 9114 “Public administrative services related to the provision on environmental services”;
- Create a new class 9444 “Treatment of air pollution services”;
- Create a new class 9445 “Carbon capture and storage services”;
- Adjust the explanatory notes on class 8597 “Landscape care and maintenance services” to reflect inclusion of management and restoration services of ecosystem and biodiversity; and
- Create new subclasses under 5465 “Insulation services” to separately classify noise or vibration insulation services and thermal insulation services.