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Use of ISIC for non-statistical purposes – National experiences

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ISIC was originally created for statistical purpose. It provides the basis of the German Classification of Economic Activities via the Statistical Classification of Economic Activities in the European Community (NACE). The current national activity classification (or directly NACE Rev. 2 respectively) is used to produce and to present national statistics according to economic activities.

In the meantime in Germany there are a lot of non-statistical purposes where these statistical classifications are used. In most cases it's about subsidies for enterprises (sometimes programs with an amount of some billion euro (or USD) a year), in other cases it's about regulations causing costs for the enterprises. Depending on the section of the classification, sometimes even depending on the specific class, subsidies are granted or not or the subsidies or costs are higher or lower. For this reason enterprises are today very much interested in how they are classified. And the enterprises sometimes ask for a reclassification - which finally turns out as being not justified in many cases. On the other hand however in some cases statistics benefit from the new interest of enterprises of being classified correctly. In this connection the Statistical Office is in contact (by phone, e-mail or letter, in exceptional cases even in meetings in our office) with the enterprises themselves, with their tax or business consultants and lawyers, with approving authorities / institutions, sometimes even with courts of law, Federal Ministries or Members of Parliament. In exceptional cases staff members in the classifications' section of the Federal Statistical Office even receive summons as experts to a court of law. All this demands a high share of the personal capacity in the classifications' section and it brings official statistics close to governmental (fiscal) or other financially burdening decisions.

The explanatory notes as well as the alphabetical indexes for ISIC and CPC (and sometimes also for NAICS) serve as an important and very valuable tool for classifying the economic activities of enterprises both for statistical and for non-statistical purposes. Hence these sources should be as precise as possible and as comprehensive as possible and they should be kept up-to-date. This desire could be particularly considered within a potential future update of ISIC Rev. 4.