

Terms of reference for the Technical Subgroup on ISIC

Back ground

The Expert Group on International Classifications (EG) at its meeting in May 2013 considered a number of interpretation questions for ISIC Rev.4 and a proposal for a revised treatment of specific outsourcing arrangements. The interpretation questions reflect multiple requests for interpretation of ISIC in specific situations that are not explicitly addressed in the existing ISIC structure, explanatory notes or application rules.

The EG agreed to form a Technical Subgroup (TSG) to carry out a technical review of these issues to provide guidance on how these issues could be resolved.

The main task of the TSG is not to prepare for a future revision of ISIC, but rather to investigate if the issues raised can be addressed in the current structure of ISIC with additional guidance provided to the user. Given the current implementation efforts related to ISIC Rev.4 by many countries, options that have a minimal impact on the existing ISIC structure are preferable.

Scope of work

The TSG is expected to review the treatment of a number of issues raised at the meeting of the Expert Group in May 2013.

As decided by the EG, the scope of work will focus on the issues raised in the following documents presented at the meeting of the EG:

- ESA/STAT/AC.267/25 – Report on issues encountered with ISIC Rev.4
- ESA/STAT/AC.267/26 – Issue paper on classifying Factoryless Goods Producers

An additional position paper on Factoryless Goods Producers, issued by the Advisory Expert Group on National Accounts (AEG), is expected by end of October 2013 and will supplement/replace the abovementioned paper at the EG meeting.

The TSG should carry out the following tasks:

1. Analyze the issues presented in paper 25 above and evaluate to what degree they can be addressed within the existing ISIC structure.
2. Analyze the proposal in paper 26 above and in the forthcoming issue paper by the AEG on the treatment of factoryless goods producers for (a) its internal consistency, (b) compliance with existing national accounts and classifications concepts and (c) applicability to the situation from a practical point of view.

3. Draft supplementary guidance for ISIC that would allow users to consistently classify units to which the scenarios in the original document apply. The guidance could take the form of changes in the application rules (introductory text to ISIC) or additional case law information. The status of the new proposal has to be clearly identified.
4. If (in either case) structural changes to ISIC are necessary, a new proposal, complete with explanatory notes, should be developed.

Composition of the TSG

Based on recommendations by the EG, the TSG will consist of the following members:

- Norbert Rainer, Austria
- Francisco de Souza Marta, Brazil
- Alice Born, Canada
- Thierry Lacroix, France
- Abdelkader Choqiri, Morocco
- Andrew Hancock, New Zealand
- Angelina Dunga Winterleitner, Switzerland
- John Murphy, USA
- Ana Franco, Eurostat
- David Hunter, ILO
- Ralf Becker, UNSD (Chair)

Organization of work

The TSG will communicate through e-mail and the use of conference calls.

A physical meeting is considered as an option towards the end of the process if issues require additional review and discussion. UNSD is prepared to host such a meeting. However, no funds have been allocated for this and participants would have to attend at their own expense.

If additional communication with the AEG or any other group is necessary, the Bureau should be informed to establish formal contact to these groups.

Time line

A final report of the TSG back to the Expert group is expected by end of December 2013. The report should contain explicit recommendations on how to address the issues raised.