

Summary Report
Meeting of the UN Committee of Experts on
International Statistical Classifications
New York, 25-28 October 2022

Opening and objectives of the meeting

1. The 2022 meeting of the United Nations Committee of Experts on International Statistical Classifications (UNCEISC) took place in New York from 25 - 28 October 2022. The meeting gathered more than 50 participants from 20 countries and several international and regional organizations.
2. The UNCEISC is the central coordinating body for the work on international statistical classifications under the auspices of the United Nations Statistical Commission (UNSC), and for the coordination and review of other international statistical classifications that are the responsibility of other international organizations and that have been proposed for adoption by the UNSC. The United Nations Statistics Division (UNSD) serves as the Secretariat of the Committee.
3. The meeting was opened by Mr. Herman Smith, Chief, National Accounts Section of UNSD, on behalf of Mr. Stefan Schweinfest, Director of UNSD. Mr. Smith noted the key role played by the Committee in preserving the coherence of the international family of economic and social classifications and in supporting the adoption of best practices; the new mandate expert group that was approved by the UNSC in 2021 with the corresponding name change; and provided an update of the work programme since the previous meeting in 2017.
4. Mr. Smith highlighted the importance of classifications as the foundation for statistical work, and the need for expertise in understanding the principles behind classifications and their structures, interrelations and history. He also noted the vital role of technology and the potential benefits to classification work, in particular the pioneering work of Statistics New Zealand in use of the semantic web to make classifications more agile, efficient and relevant.
5. Mr. Andrew Hancock, Principal Analyst of Statistics New Zealand and Chair of UNCEISC, reiterated Mr. Smith's words on the importance of classifications to the greater statistical community. Mr. Hancock noted the importance of maintaining relevance in a world with ever-changing needs, and ensuring the tools are in place to enable decision-making with timely data so all parties can be sure they are talking about the same matters.
6. Mr. Hancock noted that several former members of the Committee had moved on and acknowledged their invaluable contributions, including Ms. Alice Born (Canada), John Murphy (US) and David Hunter (ILO), Ms. Kate Lamb (Australia), Ms. Ana Lopes Franco (Eurostat), Mr. Ralf Becker (UNSD) and Mr. Ivo Havinga (UNSD).
7. Ms. Ilaria Di Matteo, Chief of the Business Statistics Section of UNSD, welcomed the participants and provided an overview of the proposed meeting agenda.

8. This report summarizes the main conclusions of the meeting. Annexes I and II contain, respectively, action items from the meeting, and the list of participants. Presentations and papers are available on the event webpage at:

<https://unstats.un.org/unsd/classifications/Meetings/UNCEISC2022/>

Session 1: Mandate and Governance of UNCEISC

9. The Chair led a review and discussion of the UNCEISC mandate, structure and governance, including the purpose of the Committee, its key functions, coordinating work and relationship to other groups and the process for promotion and adoption of national, regional and international classifications.

10. The Chair emphasized that the Committee has a broad scope as it covers statistical classifications in various domains including economic, social and environmental statistical classifications.

11. A discussion took place on the proposal to create standing tasks teams for ISIC and CPC to maintain the classifications and oversee the implementation. The terms of reference will have to be developed and the Bureau was tasked to prepare draft terms of reference and report back to the Committee and then eventually submit them to the UNSC. The Committee in general agreed to this proposal but deferred the discussion to later session of the meeting (see para 97).

12. The Chair then led the discussion on the review of following three documents: a) the best practice guidelines; b) the approval process for classifications, and c) the criteria to become a new member. All three documents need to be updated to take account the use of modern technology in classification, the need to cover analytical and statistical classifications, and determine the need for continued coverage of issues such as statistical balance and statistical feasibility. Also, a review of the categorization of the types of classification is needed, for example, the concepts of derived, aggregated, or output views. The need for a clarification for the distinction between reference and derived was raised and briefly discussed. It was also suggested to merge the three documents into a single document. It was also suggested that the best practice guidelines reference include reference, to other standards such as the Generic Statistical Information Model (GSIM) and/or the Neuchatel Terminology Model for Classifications. Mr. Franklin Assoumou Ndong (Canada, Chair of TT-ISIC) provided feedback on the applicability of these documents in review and approval of international statistical classifications, based on his recent review of the ICVAC (see para. 71 of the report). It was decided to create a Task Team to review these three documents.

13. Additional comments on these documents included the following: (1) there is some ambiguity in the current process as to who is responsible for which part of the process and that needed clarification; (2) the need for a section on the classification structure, namely the difference between flat and hierarchic or whether this could be removed; (3) clarification of the difference between 'maintenance' and 'revision' of a classification. It was mentioned that 'maintenance' is the ongoing changes to a classification which will lead to a new version or revised version, whereas 'revision' was the actual process for undertaking a review either of a new or existing classification. It also highlighted the lack of confirmed naming conventions for classifications.

Outcomes of Discussion: Session 1

14. It was agreed to remove the list of organisations from paragraph 28 of the mandate of the UNCEISC. Given that the scope of the UNCEISC covers all classifications, it was considered that the current

list was too focused towards economic statistics. The UNCEISC will make sure to liaise with all relevant groups for the classifications under discussion.

15. During this session, the UNCEISC provisionally agreed that standing Task Teams for ISIC and CPC be created, but a final recommendation was suggested to take place at the end of this meeting after the discussion of each item on the agenda.

16. The UNCEISC agreed to create a Task Team for revising the documents on the best practice guidelines, approval process for classifications and criteria to become member of the International Family of Classifications. The Team will comprise of Canada (Franklin), NZ (Andrew), FAO (Veronica), Eurostat (Claude), Ireland (Don), Australia (Helen), France (Clotilde) and UNSD.

17. The terms of reference (ToR) of the new Task Team will be drafted and submitted to the Bureau for approval and then to UNCEISC for final approval. It was agreed that the timeline for the work would be proposed by the Task Team and referred to the Bureau for approval. The Committee will report to the next UNSC the proposal to create such a task team.

18. It was agreed that the UNSD ask UNECE about GSIM revision and/or Neuchatel model updating.

Session 2: Review of the International Family of Classifications

19. The Committee reviewed the organization and the content of the International Family of Classifications (IFC) in light of the revision of the Classification of Statistical Activities (CSA), which provides the organizing structure for the IFC. There were three main questions for the Committee to consider:

- Updating the overarching Domains for presenting the International Family from CSA Rev 1 to CSA Rev 2, and if agreeable:
- Whether the mapping of the Family to CSA Rev 2 is appropriate
- Identifying ways and mechanisms to keep the list of classifications and their detailed information up to date

20. The Chair provided background information on the IFC, noting that it serves as the central repository of all regional and international statistical classifications that have been approved by the UNSC or a relevant governing body. Currently, approximately 162 classifications are included in the Family.

21. The UNCEISC noted that the IFC provides a great reference to the availability of international classifications, and it should continuously be improved and updated. The UNCEISC provided a number of suggestions to improve the IFC website in terms of search and discovery, digitalisation of the classifications, new formats of disseminations such as .xml, or APIs, in order to disseminate classifications in machine readable and other formats.

22. There was a question on the convention used in the list of classifications as some were italicised and others were non-italicised. It was explained that the italicised classifications are not approved classifications but were considered as placeholders as what was available for subject matter topic until a formal international standard was agreed.

23. The Chair reviewed the proposed changes in CSA version 2.0 and their impact on the structure of the IFC. The Committee discussed how custodians of classifications in the IFC could support UNSD to maintain the IFC.

24. The Committee agreed to move from CSA version 1.0 to CSA version 2.0 for structuring the IFC. The CSA mapping of the IFC was also provisionally endorsed subject to Bureau's review.

Outcomes of Discussion: Session 2

25. The Committee welcomed the UNSD's proposal to systematically review classifications in the IFC to ensure that classifications are available in digital format and encouraged UNSD to continuously update and improve the IFC website. Although the discussion on national classifications will be addressed later in the agenda, the Committee underscored the importance of this information and supported UNSD's plan to re-instate the searchable database of national classifications and conduct surveys on national classifications on a regular basis.

26. The Committee agreed to use CSA version 2.0 to organize the classification in the IFC and provisionally agreed on the mapping subject to Bureau's review.

Session 3a: Review of the International Standard Industrial Classification of All Economic Activities (ISIC)

27. The Chair formally thanked Mr. Franklin Assoumou Ndong as Chair of TT-ISIC as well as the Task Team for all their contributions to the revision of ISIC.

28. Mr. Franklin Assoumou Ndong (Canada, Chair of TT-ISIC) presented on the revision process of ISIC Rev. 4, and provided an update on the current revision cycle and the next steps towards finalization. He also formally acknowledged the previous work of both Mr. John Murphy and Ms. Alice Born on the revision.

29. Mr. Franklin Assoumou Ndong noted that consensus has emerged on almost all Sections and noted the discussion is being finalized on Divisions 65 and 66 of Section L "Financial and insurance activities". He presented the proposed timeline, from provisional endorsement by this Committee in October 2022, to submission of the revised final structure to the UNSC in January 2023, and finalization of the introductory text and all explanatory notes in April 2023.

30. The discussion touched upon several issues. For example, the role of classifications (and the Committee) to influence the dialogue on certain policy issues. It was noted that statistical classifications address and reflect policy needs, taking into account the needs of countries. It was also emphasized that the classification experts should try to anticipate future needs in order to maintain the relevance of the classifications in a changing world. In this regard, it was recommended to have a pro-active role in anticipating future needs, but at the same time ensuring stability of classifications. Testing of changes in the classifications was also considered an important element going forward.

31. It was also noted the importance of considerations on the ability to collect data when discussing changes in the classifications. This will ensure that all the categories in the classification can be implemented in practice.

32. Specific to the revised ISIC, the Committee recommended to provide practical guidance on several new concepts such as the distinction between reservation services and intermediaries, and the new criteria for Factoryless Good Producers.

33. The use of the GSIM was considered a useful tool and an example of good practice for countries to follow. Mr. Franklin Assoumou Ndong discussed how GSIM applies during the revision of classifications for documenting changes in a harmonized way and developing correspondence tables, having put different classifications through it, such as the North American Industry Classification System (NAICS), the National Occupation Classification (NOC) of Canada, etc. Furthermore, GSIM (which uses the Neuchâtel Terminology Model) is embedded into technological tools such as ARIA (a classification management software) which facilitates the work related to classification revision processes. He also noted the greater use of concepts and semantic web technologies going forward.

34. The UNCEISC was invited to:

- Express its views on the process and planned activities for the finalization of ISIC;
- Provide a provisional endorsement of the process for the finalization of ISIC and submission of the draft structure of the revised ISIC to the UNSC

Outcome of Discussion: Session 3a

35. The Committee endorsed the process, timeline and planned activities for the finalization of ISIC, and in particular endorsed the submission of the draft structure of the revised ISIC to the UNSC in 2023.

Session 3b: International Standard Industrial Classification of All Economic Activities (ISIC) Rev. 5 -Future plan and new mandate

36. Mr. Franklin Assoumou Ndong (Canada, Chair of TT-ISIC) presented the future activities for ISIC, including the need for a work programme to support implementation of ISIC Rev. 5; noted the need for periodic review of the classification structure and principles; the importance of coordination with other classifications; as well as the potential benefits of a predictable revision cycle moving forward. The group discussed implementation, its complexity at a global scale, and considered whether it may best be left outside the scope of the Committee in the future.

37. The discussion highlighted several benefits for developing a revision cycle for ISIC. It allows the advance planning of activities, and better coordination and consultation with revision processes of classifications at national, regional and international levels. It also allows for changes to take place in a ~~much~~ more agile manner so that issues could be discussed and addressed on an ongoing basis. A regular revision cycle is particularly useful also in the planning of its implementation as the changeover in the Statistical Business Registers, business surveys, and in the national accounts can be planned and prepared in advance. The existence of a regular revision cycle does not mean that a classification is always substantially revised but it is continuously maintained.

38. The existence of a regular revision cycle has to be supported by an appropriate infrastructure that includes, most notably, a standing group that oversees the classification maintenance and implementation. It was noted that the use of standing task teams has been successful in other contexts, such as the Advisory Expert Group on National Accounts, and also the technical advisory group on the ICCS which provides ongoing guidance on the implementation and governance of the classification.

39. With regards to the research agenda, the Committee welcomed the continuous development and maintenance of a research agenda for ISIC. An initial list of issues has already been identified during the revision of ISIC which were discussed but not resolved. Mr. Franklin Assoumou Ndong presented some of the issues in the research agenda for ISIC, including separate identification of Factoryless Goods Producers (FGPs) and intermediation service activities; tools to distinguish between digital and non-digital intermediaries; environmental activities; alternative aggregations and a review of the coding system.

40. Mr. Julian Chow (UNSD) presented on environmental issues for the ISIC research agenda, in particular climate change mitigation activities, and ecosystem conservation, management and restoration activities. Despite technological advancements and an ever-growing interest in such data, he noted that environmental protection activities, for example, are located in different ISIC sections and are often mixed with non-environmental activities, making data collection difficult. Mr. Chow shared several of the reasons such distinctions were considered not feasible for this revision and presented proposed considerations for the research agenda to address them in the future, including consideration of statistical units, pilot surveys and mainstreaming of SNA and SEEA concepts in ISIC.

41. The UNCEISC was invited to express its view on:

- The need to develop an implementation plan for the revised ISIC and what additional elements should be included in the implementation plan;
- The need and feasibility of establishing a regular revision cycle for ISIC;
- The need to establish a standing task team on ISIC in support of the implementation and maintenance of the classification;
- The need for a research agenda for issues/topics/approaches for future revisions of ISIC

Outcomes of Discussion: Session 3b

42. The Committee agreed that a regular revision cycle for ISIC (and CPC) should be developed for the maintenance and in support of the implementation of ISIC in countries. The Committee stressed the advantages of having a regular revision cycle and stressed the importance of clearly communicating its benefits.

43. It was agreed that a standing task team for ISIC be created which would determine and propose an implementation and maintenance strategy for ISIC. The standing task team would determine and propose a revision cycle for ISIC and create a research agenda for future ISIC work. The ToR for the task team would be developed by the Bureau and circulated to the UNCEISC for endorsement. The points above would be reported to the next UNSC.

44. The Committee also supported the development of an index file for ISIC that is coordinated, to the extent possible and where possible, with related regional classifications such as NACE and NAICS. The task team could coordinate this project. Maintenance issues of machine learning, search and discovery engines should be considered taking into accounts country specific issues and suppression issues to protect/hide information.

Session 3c: Regional and national classifications of economic activities

45. Mr. Claude Macchi (Eurostat) presented an update on NACE Rev. 2.1, including an overview of the relationship between ISIC, NACE and other classifications; a summary of the main changes in this revision; the timeline for implementation and revision of manuals/handbooks; and completion of the explanatory notes/construction of an index.

46. Ms. Nilima Lal (SPC) presented on the relevance of statistical classifications for the Pacific Island countries and territories, in particular the Pacific Standard Industrial Classification (PACSIC). Ms. Lal provided background on NSOs in Pacific Island countries and territories (PICTs) and the role of the Pacific Community Statistics for Development Division (SPC/SDD). She noted the importance of regional classifications, in particular as some of the key economic activities of PICTs are not explicitly noted in international classifications. Ms. Lal presented the current structure of PACSIC and noted that it would be revised following the release of ISIC Rev. 5.

47. Ms. Fay Dorsett (US Census Bureau) provided a presentation on the North American Industry Classification System (NAICS). She discussed the five-year revision cycle; national and trilateral agendas, and noted Canada's "evergreen" approach of providing intermediate updates between revisions when needed. Ms. Dorsett presented the 2022/23 revision timeline, and provided a summary of the major changes. She also advised on the research agenda for the 2027/28 revision cycle, including unresolved issues from the current cycle; issues from the ISIC Rev. 5 revision such as intermediation and cryptocurrency; and emerging national/international issues such as environmental goods and services.

48. Ms. Minerva Eloisa P. Esquivias (Philippine Statistics Authority) presented highlights from the 2019 updates to the 2009 Philippine Standard Industrial Classification (PSIC). She noted that PSIC adopted the broad structure of ISIC Rev. 4, with national/local modifications as needed. Ms. Esquivias presented the reasons for updating PSIC, and the five-step process for completing the update. The presentation noted several of the specific updates and additions, capacity-building and data-sharing efforts, and summarized next steps including development of an alphabetic index.

49. Mr. Francisco de Souza Marta (Brazilian Institute of Geography and Statistics, IGBE) provided a presentation on the Brazilian Classification Commission (CONCLA) and the report on the revision of Brazilian Industry Classification (CNAE). The presentation noted that the CNAE includes one classification of four levels for statistical purposes and one of seven levels for non-statistical purposes. Mr. de Souza Marta noted the mandate, scope, goal and composition of the CONCLA and provided an overview of its history. He also presented the current update to CNAE Version 3.0, noting the opportunity to work in concert with the update to ISIC Rev. 5 as well as a few challenges such as database costs.

Session 4: Revision of the Central Product Classification Ver.2.1

50. Mr. Vincent Russo (US Bureau of Labor Statistics, Chair of TT-CPC) provided an update on the status of the revision of CPC Version 2.1.

51. Mr. Russo noted the list of issues identified through the global consultation and provided a review of those which have been discussed and resolved; those where the discussion is still on-going; and those that still require discussion. The presentation also noted some recurrent issues, including how to address thematic interests and the limitations of the current coding system. Alternative structures/aggregations were discussed as a potential solution for some of these issues, including the existing expansion for

agriculture statistics and potential expansions for forestry, fertilizers and pesticides, agri-food and fisheries.

52. A revised timeline was proposed wherein finalization of the revised structure is moved to September 2023, with submission to the UNSC in March 2024. This would allow time for full consideration of outstanding issues, the impacts of ISIC revision, and improved coordination with the SIEC revision process.

53. Ms. Veronica Gianfaldoni (FAO) provided a presentation on the expansions in the CPC for detailed data in FAO domains, including the benefits of increased granularity for data producers, data users and data governance, as well as reduced reporting burden and improved data comparability; outline of the methods of expansion at either a national or international level; and summary of the additions, deletions and modifications to CPC in agri-foods, fertilizers and pesticides, and forestry and fishery products. The presentation explained that these expansions can provide more detailed data with no major negative impact on existing data series as the expanded categories can be reconstructed at the 5-digit level. This approach can provide a valuable example for other proposed expansions.

54. Ms. Ulla Larson (WCO) presented on amendments to the HS 2027 and an overview of the uses of the HS, including as a basis for customs tariffs and international trade statistics as well as its alignment with the CPC. Ms. Larson reviewed a number of proposals for HS 2027, in particular: food and nutritional products; hazardous chemicals and chemical weapons; medical goods and environmental products and waste, and explored the various reasons behind such changes.

55. Mr. Markie Muryawan (UNSD) provided an update on trade related classifications, namely the Extended Balance of Payments Services (EBOPS) and the Standard International Trade Classification (SITC) Revision 5. Mr. Muryawan noted that the revised EBOPS, based on the forthcoming BPM7, is to be finalized for 2025, following the ISIC and CPC revisions. He presented the remaining issues, namely (a) Treatment of bundled services (travel, construction); (b) Treatment of services with new delivery systems, including digital trade; (c) Treatment of intermediation of services; and (d) Alternative aggregations to facilitate various user needs, including for GVCs, gender, environment, and other purposes. Mr. Muryawan also provided an overview of the SITC as an analytical framework. The deteriorating correspondence of SITC Rev. 4 with newer versions of HS was explained, to be addressed with the upcoming revision based on HS 2027.

56. Although HS is the primary classification for the collection of merchandise trade statistics, SITC is actively being used by compilers/users as shown by the recent global consultation on research topics for the revision of the trade statistics manuals conducted in Dec 2021. Thus, there is a plan to revise SITC to align it with HS 2027. However, given the high degree of inconsistencies that have accumulated through time, a question was raised on whether SITC should be aligned with HS in a fixed cycle or depending on the scale of drifting with HS. Also, the Committee was asked whether it has a role in endorsing and verifying these correspondences. Although the Committee would rely on the subject experts for the correspondences (and thus there is no need for the Committee to endorse the correspondences), it debated whether SITC should be maintained or possibly simply developed as an alternative aggregation of HS given that it is primarily used for dissemination purposes.

57. With regard to the revision of CPC, the Committee was asked to:

- Express its views on the progress of work of the TT-CPC;
- Express its view on the extensions of CPC expansions;
- Approve the proposed timeline for the finalization of the revised CPC

Outcomes of Discussion: Session 4

58. The Committee endorsed the proposed timeline for the CPC revision; and agreed in principle with the TT-CPC proposals to extend the CPC expansions. It was also suggested that the Task Team study WHO principles for the modification of the International Classification of Diseases to provide guidance on the approaches for creating alternative structures of CPC.

Session 5: Revision of the Standard International Classification of Energy Products (SIEC)

59. Mr. Vincent Russo (US Bureau of Labor Statistics, Co-Chair of TT-SIEC) presented an update on the progress on revision of the SIEC and the ToR of the Task Team on SIEC.

60. Mr. Russo introduced the Task Team on SIEC (TT-SIEC) including co-chair Alejandra Reyes (Uruguay Ministry of Industry, Energy and Mining), and noted that it includes experts in classifications, energy statistics and balances and energy accounts. UNSD serves as Secretariat. The presentation covered the timeline and lists of tasks, in particular the development of the initial list of issues based on discussions with numerous organizations and a brief country survey.

61. The initial list of issues includes treatment of energy-related products such as electric batteries and electric vehicles; harmonization with the CPC; and an overall review of the SIEC scope and structure.

62. The Committee was asked to re-open the discussion on whether SIEC can be embedded in CPC or continue to be a standalone classification with improved correspondence with CPC, given the fact that the timeline for CPC was extended. There was a discussion on the underlying concepts and principles behind the two classifications that do not always coincide. While CPC is industry-origin driven, the SIEC is a list of goods relevant for the production, transformation and use of energy. Rather than embedding, SIEC was generally viewed as a variant or alternative structure for CPC. Nevertheless, the Committee asked the TT-SIEC to review this issue and provide a recommendation.

63. The Committee was asked to:

- Express its views on the proposed revision process, timeline and ToR of the TT-SIEC;
- Endorse the ToR of the TT-SIEC for submission to the UNSC at its 54th Session in 2023 for final approval

Outcomes of Discussion: Session 5

64. The Committee endorsed the timeline for the revision of SIEC and the ToR for the Task Team on SIEC subject to inclusion of the additional task to make an assessment of whether SIEC should be embedded within the CPC, as an alternative aggregation or a stand-alone classification. The Bureau is to work on the wording of that additional task with the Task Team and report back to the Committee for final approval of the ToR.

Session 6: Review and approval of other classifications

65. This session was the approval process for two classifications submitted to the Committee for endorsement as international statistical classifications: the Classification of Statistical Activities Version 2.0 (CSA Ver. 2.0) and the International Classification of Violence Against Children (ICVAC).

66. Ms. Tiina Luige (UNECE) provided an introduction to the CSA Ver. 2.0 and presented the revision process, including the 2020 request from the Bureau of the Conference of European Statisticians (CES) to update the classification, the work of the Task Team and a global consultation in Spring 2022. The custodianship of the CSA will be transferred from the CES Bureau and UNECE to UNSD as Secretariat of the UNSC.

67. The Committee welcomed the revised CSA and congratulated the Task Team on the work done so far. Some questions were raised on the classification of specific topics such as food security and nutrition, price statistics, and crime statistics. UNODC suggested to replace “drug abuse” with “drug use” in the classification. Some of these topics may be added in the research agenda for future revisions.

68. Mr. Andrew Hancock (Statistics New Zealand, Chair of UNCEISC) presented the results of the approval process for the CSA. First, regarding whether CSA meets best practice requirements, it was noted that some elements such as mutual exclusivity are not met, but they are not impediments to final approval as the CSA is intended as an analytical classification. Second, it was noted that the CSA meets all the criteria to become a member of the IFC. It was thus recommended that the Committee approves the classification for endorsement by the UNSC to be considered as an international classification. Ms. Luige and the Task Team were congratulated for their work.

69. Ms. Claudia Cappa (UNICEF) provided an introduction to the ICVAC, noting it was built on the International Classification of Crime for Statistical Purposes (ICCS). A task force was created, and a first expert review was conducted in 2019, followed by a second expert review, country consultation and expert meetings during 2022. The presentation examined the detailed definition of violence against children and provided an overview of the Level 1 categories and their definitions, as well as the disaggregating variables for victims, perpetrators, settings and circumstances, organized by priority level. Ms. Cappa presented the implementation plan for ICVAC, including development of implementation tools and provision of substantive guidance and technical assistance and training.

70. UNODC welcomed the work and the coordination with the ICCS in the development of ICVAC. It also noted that given the strong linkages between the two classifications, it could be beneficial to coordinate their implementations and review together with the correspondence tables between the two classifications.

71. Mr. Franklin Assoumou Ndong (Canada) presented the results of the approval process for the ICVAC. It was noted that the classification meets all best practice requirements and all the criteria to become a member of the IFC. It was thus recommended that the Committee approves the classification for endorsement by the UNSC to be considered as an international statistical classification. Ms. Cappa and her team were congratulated for their work.

Outcomes of Discussion: Session 6

72. The CSA successfully completed the approval process and is endorsed by the Committee for submission to the UNSC in March 2023.

73. The ICVAC successfully completed the approval process and is endorsed by the Committee for submission to the UNSC in March 2023.

Session 7: Updates on other classifications

Initial discussion on the revision of COFOG

74. Mr. Zaijin Zhan (IMF) provided a presentation on selected issues for the revision of COFOG, noting its increasing relevance in the areas of inclusive growth and climate change and its importance in monitoring government spending, including for the Sustainable Development Goals (SDGs). Mr. Zhan noted the future objectives: to meet emerging data needs in areas such as climate change, digitalization, inclusion and gender and thematic alternative structures; to generate more granular data, particularly with respect to General public service, Economic affairs and Housing, Environmental protection and Social protection; and to provide additional guidance in compilation for the global community including how to classify spending with multiple purposes.

75. Ms. Alessandra Alfieri (UNSD) presented an initial list of issues for the revision of COFOG from the perspective of environmental economic accounts as issues related to climate change, biodiversity, conservation and restoration of ecosystems and natural resources management have come to the forefront of the policy agenda. Issues that could be addressed in the revision of COFOG include: improving alignment with the Classification of Environmental Functions (CEF); addressing policy targets and reporting requirements as called for by the G20 Data Gaps Initiative, among others, with additional classes or alternative aggregations; mapping with other taxonomies on biodiversity, sustainable finance and climate change; and addressing cases of environmental expenditures as a secondary purpose using “of which” disaggregations. The revision of COFOG provides an opportunity to increase granularity, meet new user needs, and review underlying principles such as secondary purpose and to link COFOG revision to the upcoming SEEA Central Framework update. It is important to ensure the engagement of relevant stakeholders in the revision process.

76. Mr. Herman Smith (UNSD) provided a broad assessment on the revision of COFOG from the side of the research agenda of the SNA. In general, it was noted that the SNA uses broad categories of COFOG but there are efforts to link the SNA to issues of wellbeing and sustainability. Thus, there is support in the revision of this classification and it is important to engage the national accounts community as well.

77. Mr. Claude Macchi (Eurostat) provided an overview of the Eurostat’s perspective on COFOG revision, including an introduction on collection of COFOG data, the dedicated Task Force and the Manual on sources and methods for the compilation of COFOG statistics published in 2019. The presentation noted the relationship with COICOP, the recent COICOP revision, and the concurrent determination by the Task Force that a revision of COFOG was not needed. It was also determined that neither the on-going SNA revision, nor some noted shortcomings of the current COFOG classification warranted a revision. Although it was proposed that no major revision of the COFOG be undertaken, the engagement of the Eurostat COFOG Task Force in the revision process if any, would be important.

Outcomes of Discussion on COFOG

78. The Committee welcomed the discussion on the initial list of issues for the revision of COFOG. It was agreed that UNSD would organise a meeting of interested parties to have a focus discussion on the revision of COFOG, the initial list of issues and setting up a revision process. During the meeting, representatives from UK, Eurostat, FAO, UNSD, IMF and Statistics Canada expressed interest in participating in the focus discussion. The UNSC will be informed of the progress of work.

Update on the work on other classifications

79. Mr. Arturo de la Fuente (Eurostat) presented the Classification of Environmental Functions (CEF) which brings together the international Classification of Environmental Protection Activities (CEPA) and the Classification of Resource Management Activities (CReMA). The CEF covers environmental activities, products and expenditures, classified by primary environmental purpose as outlined by SEEA. The Committee was informed of the plan to submit this classification to the UNCEISC in order to elevate it to the level of an international statistical classification. The proposed timeline includes a global consultation in the coming months to final approval by the UNSC around mid-2023 after review of the UNCEISC.

80. Mr. Claude Macchi (Eurostat) presented an update on the Classification of Business Functions (CBF) and the plans for its implementation as requested by the UNSD in 2021. Eurostat is working on the correspondence tables to ISIC, NACE, CPC, CPA and ISCO among others, and plans to implement the CBF in the upcoming GVC survey in 2024; and is developing implementation manuals.

81. Ms. Lara Badre (ILO) provided a presentation on Revision of the International Standard Classification of Occupations (ISCO-08). The classification is the basis for international reporting on occupations as well as a model for national and international classifications. Ms. Badre discussed the existing structure, definitions and concepts of ISCO-08 and outlined why a revision is considered necessary; summarized the major issues and feedback received; presented the revision process and scope; and provided a timeline through release of ISCO-28 at the 22nd International Conference of Labour Statisticians in 2028.

82. Mr. Roberto Murguia Huerta (UNODC) introduced the International Classification of Crime for Statistical Purposes (ICCS), endorsed by the UNSC in 2015. He also provided updates on its implementation; recent developments in crime statistics including a statistical framework on femicide; and implementation activities including an online, self-paced training course. A Technical Advisory Group and a research agenda for future updates have been established.

83. Mr. David Rausis (UNODC) provided a presentation on the development of a new classification: the International Classification Standard for Administrative Data on Trafficking in Persons (ICS-TIP), with a note on why such a classification is necessary; outline of the development process; definition of key terms and description of units and disaggregating variables; outline of the main features of the ICS-TIP, including its basis in the ICCS and links to ISIC Rev. 4; the proposed classification structure; and the finalization process culminating in a review by the UNSC in 2024. The need to ensure that NSOs inform their Ministries of Justice about the classification and support its use was noted.

84. Mr. Chee Hai Teo (UNSD) presented updates on the work of the UNSD Global Geospatial Information Management Section. The presentation described the Global Statistical Geospatial Framework (GSGF) and its place within the greater Integrated Geospatial Information Framework (IGIF);

and noted the importance of standards and classifications in bringing together different standards and developing insights.

Outcomes of Discussion: Session 7

85. The Committee welcomed the development of the CEF and the finalization process that involves a global consultation and the engagement of the UNCEISC in this process. The following members of the UNCEISC have agreed to contribute on behalf of the UNCEISC to the global consultation on the CEF: Eurostat, UNSD, IMF, FAO. Other members of the Committee were encouraged to ensure their NSO's contribution into the global consultation. The timeline for the submission of the final CEF to the UNCEISC was approved pending the confirmation at the meeting of the UNSC Bureau.

86. The Committee welcomed the update on the implementation of the CBF. The UNCEISC Bureau will consider whether a new mandate for the Task Team on Business Functions needs to be drafted to support the maintenance and implementation plan, and the Bureau will report back to the Committee.

87. The Committee welcomed the progress of work for the revision of ISCO and commended the efforts of ILO to address the issues at hand. The importance of shorter time between revisions was raised.

88. The Committee welcomed the update on the developments on the two classifications from UNODC. It noted the process and the plan to submit the ICS-TIP to the UNCEISC for endorsement as an international statistical classification. Statistics New Zealand will contribute on behalf of the UNCEISC to the finalization of this classification. The Bureau will work with UNODC on logistics for the coordination of the finalization process.

Session 8: Survey of national classifications

89. Mr. Zhiyuan Qian (UNSD) provided an overview of the survey of national classifications. The survey was conducted regularly in the past to gather information from NSOs on the implementation of international statistical classifications or their national adaptations, in order to create a repository of national classifications. Mr. Qian provided a short demonstration of the previous webpage and the plans to restore it. The Committee was asked to provide guidance on the scope and frequency of the survey. In general, there was the recognition that although it would be useful to have an overview of all classifications used in a country, this would be impractical as it would require close collaboration with the custodians of the other classifications who may already be collecting this information. It was therefore suggested to focus on the economic activity and product classifications and the economic functional classifications where UNSD is the custodian.

Outcomes of Discussion: Session 8

90. The Committee welcomed the discussion on the questionnaire on national classifications and proposed that UNSD submit a strategy to the Bureau, taking into account the comments from the UNCEISC, and report back to the Committee to approve electronically.

Session 9: Modernization of classifications

91. Mr. Zhiyuan Qian (UNSD) presented an update on recent developments on the UNSD Classifications website and revealed the available resources including publications and the interactive search feature which provides results presented within the hierarchy with relevant explanatory notes and correspondences with other classifications or versions. He also demonstrated the visualization of CPC correspondences which may help users to navigate across correspondence between the different versions of the same classification. Next steps include creation of an alphabetical index/semantic web, an improved discussion forum and revival of the registry.

92. Ms. Caterina Caracciolo (FAO) provided a presentation on the development of Caliper, the FAO dissemination platform for statistical classifications. Caliper is based on open-source tools with native support of RDF and the related suite of web-based technologies. It offers functionalities for browsing, searching, and downloading classifications in several formats, as well as web APIs (through SPARQL endpoints). All models are based on standard tools such as SKOS and XKOS, and documentation is available for all parts of the platform, including modelling of classifications, correspondences and metadata. Caliper also supports classifications maintenance. For example, the FAO Names of Countries and Territories (NOCS) is maintained in Caliper. The classifications currently available in Caliper include ISIC Rev. 4 and CPC v2.1. The ARIES system used for SEEA was provided as a current use case of Caliper.

93. Mr. Andrew Hancock (Statistics New Zealand, Chair of UNCEISC) presented a high-level overview on modernization of statistical classifications. Mr. Hancock noted the issues currently faced, including limited integration and cross-referencing, rapid real-world and technological changes, lack of a central repository, outdated coding systems and lengthy implementations. Modernization can help with advanced data management, search capabilities and reduced cost and resources. The presentation noted that traditional approaches to classification management have led to inflexibility, siloed viewpoints and have hindered the ability to tackle cross-cutting issues. Revisions are costly and lengthy, and correspondences must be constantly updated. Thus it is suggested to explore ideas such as relational databases, ontology engineering, semantic web and automated systems and move towards a more dynamic, concept-based classification management system. The presentation explored concepts and techniques such as metadata modelling, the Simple Knowledge Organisation System (SKOS) and the Resource Description Framework (RDF) for constructing and organizing concepts and connections. These steps towards modernization can provide several benefits, including improved conceptual linkages, greater automation and use of APIs/AI/machine learning, and dissemination in multiple formats.

Discussion on the revision cycle: Roundtable discussion

94. The Committee conducted a roundtable with participants to share information on the revision cycle used for their national and regional classifications. Several countries shared that they follow the revision of the international classification. Others indicated that they follow a regular revision cycle which is generally 5 years for the industry and products classifications and 10 years for occupation classifications.

95. Based on the roundtable sharing and the discussion, the Committee agreed on the importance of a predefined revision cycle for ISIC and CPC and to this end, it is necessary to have a standing task team on ISIC (and CPC) in order to support the maintenance and update of this classification. It was clear that having a predefined revision cycle would have several benefits including for countries to be able to plan in advance their work from their stakeholder consultation, feedback to the international process and implementation at national level.

Table 1 below included the original comments from each participant.

Table 1: Outcome of the roundtable discussion

<p>Brazil</p> <p>Follows ISIC revision cycle. The list of products is updated every 3 years</p> <p>Good idea to have a regular revision cycle</p>	<p>Philippines</p> <p>There is not a fixed revision cycle. The revision of the international classifications is followed</p>
<p>Canada</p> <p>Industry and product classifications are revised every 5 years in line with the revision of NAICS; small changes are implemented on a continuous basis; occupation classification every 10 years</p>	<p>Korea</p> <p>The revisions are every 5 years</p>
<p>France</p> <p>The revision cycle is in line with NACE thus no regular revision cycle</p>	<p>Singapore</p> <p>The national industrial, occupational and educational classifications are updated every 5 years and the classification structure & principles are broadly aligned with the relevant international classifications. The corresponding classification alphabetical index and detailed definition are updated twice a year</p>
<p>Ghana</p> <p>Use ISIC so we follow ISIC revisions. We have national extensions of ISIC</p>	<p>South Africa</p> <p>The revision process is challenging. ISIC 3.1 is still in use with adaptation at national level</p>
<p>India</p> <p>The revision cycle of ISIC and ISCO is followed for the national classifications</p>	<p>Switzerland</p> <p>The revision cycle is in line with NACE with national adaptations. The key word list is updated regularly</p>
<p>Ireland</p> <p>The revision cycle is in line with NACE thus no regular revision cycle</p>	<p>UK</p> <p>The occupation classification is updated every 10 years</p> <p>For Industry classification we follow the revision of ISIC. A regular revision cycle would be helpful</p>
<p>Japan</p> <p>As a general rule, the necessity of revising the classifications is considered approximately every 5 years, and the classifications are revised if it is deemed necessary.</p>	<p>US</p> <p>Industry and product classifications are revised every 5 years in line with the revision of NAICS. New examples are added to internal coding systems regularly. Codes and scope never change but titles may vary between cycles.</p>
<p>Mexico</p> <p>The industry and product classifications every 5 years in line with the revision of NAICS</p>	<p>Australia</p> <p>Some classifications are revised every 5 years</p>
<p>Morocco</p> <p>Their classification is based on ISIC and NACE, so no regular revision.</p>	<p>New Zealand</p> <p>Occupational and industrial classifications have no fixed revision cycle, but it is coordinated to an extent with the regional classifications with Australia</p>
<p>Oman</p> <p>There is no regular cycle. It depends when the economic census is conducted</p>	

96. The Committee encouraged UNSD to continuously update and improve the classifications website as it provides a central reference point for information on international and national classifications and supported modernization efforts for classifications.

97. The Committee re-iterated the importance of establishing a standing task team on ISIC (and CPC) to support the maintenance, revision and implementation of these classifications and will submit this proposal to the upcoming session of the UNSC in 2023.

Session 10: Future work and closing remarks

98. The Chair concluded the meeting with an overview of remaining issues. Following past practices, a table with the action items resulting from the meeting will be prepared and attached in the meeting report. The Committee's Bureau will continue to provide guidance in-between Committee's meetings and provide follow up to the conclusion of this meeting. Based on the outcome of this meeting, the Bureau will prepare the report to the UNSC and circulate it to the Committee. The next Committee meeting will take place next year. The Bureau will discuss dates for the next meeting and will announce to the Committee in due course.

Annex I: Action Items

	Action item	Responsibility	Comments
1	Establish a Task Team on the review and update of the best practice, approval and criteria documents		
1.1	Draft Terms of reference for UNCEISC's approval	Bureau to draft	Members that have expressed interest: Canada, New Zealand, FAO, Eurostat, Ireland, Australia and UNSD If others are interested, please contact UNSD
1.2	Report to the next UNSC the proposal to create such a task team for its approval	Bureau	
1.3	Inquire to UNECE about GSIM revision and/or Neuchatel model updating	UNSD	
2	International Family of Classifications		
2.1	Review and finalize the mapping of the classifications to the CSA Ver. 2	Bureau	
2.2	Use the revised CSA to organize the classification	UNSD	
2.3	Systematic review and update of the information on IFC	UNSD	
3.	ISIC		
3.1	- Provisional endorsement of ISIC rev. 5 and its submission to the UNSC - report to the next UNSC the proposal to establish a standing task team on ISIC	Bureau	
3.2	Draft the ToR for the standing Task Team on ISIC for UNCEISC's approval (elements to include, formulate for the revision cycle of ISIC, develop research agenda, implementation, etc.)	Bureau	
4.	CPC		
4.1	For the approval of extensions and variants, to study WHO principles for the modification of the International Classification of Diseases to provide guidance on the approaches for creating variants of classifications and report back to the Bureau	UNSD and TT-CPC chair	
5.	SIEC		
5.1	Add in the ToR of TT-SIEC the assessment on whether or not SIEC can be embedded in CPC	TT-SIEC Chairs	
5.2	Report to the next UNSC the ToR of the TT-SIEC with the proposed timeline and new task	Bureau	
6.	COFOG		
6.1	Organize a meeting on the revision of COFOG	UNSD	Members that have expressed interest: Canada, UK, FAO, Eurostat, IMF, UNSD If others are interested, please contact UNSD

6.2	Report to the next UNSC the progress of the discussion on the revision of COFOG	Bureau	
7.	CEF global consultation	Eurostat, UNSD, IMF, FAO will contribute actively in the review of this classification	
8.	Classification of Business Function – Assess if a new mandate for the Task Team is needed to support the implementation of this classification	Bureau	
9.	Development of the International Classification Standard for Administrative Data on Trafficking in Persons (ICS-TIP)		
9.1	Coordinate with UNODC on finalization process	Bureau	
9.2	Follow the development on behalf of the UNCEISC	New Zealand	
10.	SITC – Provide advice on the revision cycle (specifically on its alignment with HS in a fixed cycle) and the correspondence tables	Bureau	
11.	Survey of national classifications – Develop a strategy for approval of the Bureau first and then electronic approval of the UNCEISC	UNSD	
12.	Update UNSD classification website	UNSD	
13	Review the need for the establishment of an expert group to review questions that are sent to the UNSD classifications hotline (chl@un.org)	Bureau	

Annex II

List of Participants

Francisco de Souza Marta Brazilian Institute of Geography and Statistics (IBGE) Brazil	Claude Macchi Eurostat
Franklin Xavier Assoumou Ndong Statistics Canada Canada	Veronica Gianfaldoni FAO
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Atsushi Sakan Ministry of Internal Affairs and Communications (MIC) Japan	Roberto Murguia Huerta UNODC
Gerardo Alfonso Durand Alcantara National Institute of Statistics and Geography (INEGI) Mexico	David Rausis UNODC
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Andrew Hancock Statistics New Zealand New Zealand (Chair)	Leonardo Souza UNSD/Energy Statistics Section
Abdul Aziz Al Sinaidi National Center for Statistics and Information Oman	Alessandra Alfieri UNSD/Environmental Economic Accounts Section
Emerson Aquino Philippine Statistics Authority Philippines	Julian Chow UNSD/Environmental Economic Accounts Section
Minerva Eloisa Esquivias Philippine Statistics Authority Philippines	Chee Hai Teo UNSD/Global Geospatial Information Management Section
Honghee Kim Statistics Korea Republic of Korea	Herman Smith UNSD/National Accounts Section

Yuhwa Kim Statistics Korea Republic of Korea	Markie Muryawan UNSD/Trade Statistics Section
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Oliver Gallusser Swiss Federal Statistical Office (FSO) Switzerland	Zhiyuan Qian UNSD/Business Statistics Section
Suzanne Fry Office for National Statistics United Kingdom	Pedro Farinas UNSD/Business Statistics Section
Fay Dorsett Census Bureau United States	Masahiko Yagi UNSD/Business Statistics Section
Vincent Russo Bureau of Labor Statistics United States	Vysaul Nyirongo UNSD/Trade Statistics Section

The participants below connected remotely to selected sessions.

Helen Baird Australian Bureau of Statistics Australia	Caterina Caracciolo FAO
Grant Arnold Australian Bureau of Statistics Australia	Zajin Zhan IMF
Ran Wei National Bureau of Statistics of China China	Sarah Craggs International Organization for Migration
Fengdan Shi National Bureau of Statistics of China China	Stine Laursen International Organization for Migration
Alejandra Reyes Ministry of Industry, Energy and Mining Uruguay	Tiina Luige UNECE
Isabelle Remond-Tiedrez Eurostat	Jonathan Gessendorfer UNECE
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Carolina Ardi Eurostat	