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

Background Document to Session 5

Revision of the Standard International Energy Products Classification

Introduction

1. The United Nations Statistical Commission (UNSC) at its 53rd session endorsed the proposal to revise the Standard International Energy Product Classification (SIEC)¹. The decision was in response to a proposal² of the UN Committee of Experts on International Statistical Classifications (UNCEISC). Given the ongoing revision of the Central Product Classification (CPC), the UNCEISC proposed a revision of SIEC to address definitional and content changes that have been identified by users. In addition, a better harmonization between CPC and SIEC will facilitate the analysis of physical and monetary data as done in the energy accounts of the System of Environmental-Economic Accounting, as physical energy accounts use SIEC and monetary accounts use CPC.

Purpose of SIEC

- 2. The main purpose of SIEC is 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. SIEC is intended to be a multipurpose classification, meaning that individual SIEC products and aggregates are defined to be suitable for the production of energy statistics under different country circumstances and are relevant for the presentation and analysis of energy data in various policy and analytical contexts. In this connection, it is recognized that SIEC should be periodically reviewed and revised as necessary to reflect changes in the patterns of energy production and consumption.
- 3. SIEC is designed to support the collection of data from data reporters and: (i) facilitate and standardize the compilation and processing of energy data by providing a uniform and hierarchical coding system; (ii) ensure international comparability of disseminated national data; and (iii) facilitate the linking of data on stocks and flows of energy products with data on international trade in energy products and other economic statistics.
- 4. SIEC aims to cover all products necessary to provide a comprehensive picture of the production, transformation and consumption of energy throughout an economy. Thus the scope of SIEC, as currently outlined in the International Recommendations for Energy Statistics (IRES)³, consists of: (a) fuels that are produced/generated by an economic unit (including households), and are used or might be used as sources of energy; and (b) electricity that is generated by an economic unit (including households) and heat that is generated and sold to third parties by an economic unit.

¹ https://unstats.un.org/unsd/statcom/53rd-session/documents/2022-41-FinalReport-E.pdf, 53/125 (f).

² https://unstats.un.org/unsd/statcom/53rd-session/documents/2022-26-Classification-E.pdf, paras. 16 and 21 (d).

³ https://unstats.un.org/unsd/energystats/methodology/documents/IRES-web.pdf, para. 3.7 and 3.8.

Revision process

- 5. A Task Team was established to revise SIEC. Vincent Russo (US BLS) and Alejandra Reyes (Uruguay Energy Ministry) are serving as co-chairs of the Task Team on the Revision of SIEC (TT-SIEC). Particular efforts have been made to include experts from different subject areas, namely experts in classifications, energy statistics and balances, and energy accounts from countries and relevant international and regional organizations. UNSD serves as Secretariat.
- 6. The Task Team held their first meeting on 14 July 2022, and a second meeting on 20 September 2022. During these meetings, the TT-SIEC discussed the Task team's terms of reference, an initial list of issues for the revision of SIEC, and selected issues with the harmonization with CPC. The revision process of SIEC includes the following tasks:
 - •Develop an initial list of issues, carry out a broad consultation on these issues, and finalize the list
 - •Work through the list of issues and provide feedback to the revision of the CPC in order to improve the harmonization between SIEC and CPC
 - •Prepare a revised structure of SIEC
 - •Conduct a global consultation on the draft revised structure
 - •Analyze feedback and finalize the revision
 - •Submit to the UNCEISC for endorsement prior to the submission to the UNSC
 - •Develop relevant correspondences
- 7. Throughout the revision process, the TT-SIEC will consult with InterEnerStat and UNCEEA. The draft Terms of reference are in the Annex to this note.

Initial list of issues for SIEC

- 8. The TT-SIEC has put together an initial list of issues based on discussions that took place during the Oslo Group and InterEnerStat meetings, as well as in specialized focus groups within organizations such as the Eurostat Energy Statistics Working Group, and the IEA Energy Statistics Development Group. Additional issues were gathered from a short country survey (henceforth the "SIEC survey") ran by UNSD in the beginning of 2022 with the help of the African Energy Commission (AFREC), the Asia-Pacific Energy Research Centre (APERC), Eurostat, IEA and the Latin American Energy Organization (OLADE).
- 9. The list of issues is currently organized in three main types: (a) treatment of relevant products; (b) harmonization with CPC; and (c) review of the SIEC structure. Examples of products that may be relevant to the SIEC revision are: hydrogen and ammonia; electric batteries and battery storage; electric vehicles; cooling as an energy product; disaggregation of electricity and heat by source; and breakdown of renewables and wastes.
- 10. In addition, an initial assessment was prepared on potential changes to the CPC based on the current structure of SIEC. Topics under review are currently organized by: (i) areas where SIEC has a more detailed breakdown of CPC; (ii) areas where the scope of the categories do not fully match; and (iii) potential improvement in the structure of SIEC.

Timeline

11. The Task Team has discussed possible timelines for the revision of SIEC. Based on the discussion, it is proposed that the revision of the SIEC is completed with the submission of the revised SIEC to the UNSC at is 56th session in 2025. It is proposed that upon consideration by the UNCEISC, the terms of reference of the TT-SIEC are submitted to the UNSC at its 54th Session in 2023 for final approval.

Questions for the Committee

- 12. The UN Committee of Experts on International Statistical Classifications is invited to:
 - 1. Express its views on the proposed revision process, timeline and terms of reference of the TT-SIEC
 - 2. Endorse the terms of reference of the TT-SIEC for submission to the UNSC at its 54th Session in 2023 for final approval

Annex: Draft terms of reference for the Task Team on the Revision of the Standard International Energy Products Classification SIEC (TT-SIEC) 18 October 2022

Background

The United Nations Statistical Commission, at its 53rd session, "requested the Committee [of Experts on International Statistical Classifications] to revise the Standard International Energy Product Classification (SIEC) to improve harmonization between SIEC and CPC, and to present a work programme for the update to be considered by the Commission at its fifty-fourth session, and encouraged countries to take part in the revision of SIEC."

In response to the above request, a Task team on the Standard International Energy Products Classification SIEC (TT-SIEC) will be established to support the revision of SIEC. This document presents the terms of reference for the TT-SIEC.

Scope of Work

The TT-SIEC will carry out the following tasks:

- Develop the list of issues for the revision of SIEC. This involves developing an initial list of issues; carrying out a broad consultation on these issues; and finalizing the list of issues
- Work through the list of issues and provide feedback to the revision of the CPC in order to improve the harmonization between SIEC and CPC
- Prepare a revised structure of SIEC in consultation with UNCEEA, InterEnerStat
- Conduct a global consultation on the draft revised structure of SIEC
- Analyze feedback and finalize ensuring consultation with InterEnerStat and UNCEEA
- Submit to the UNCEISC for endorsement prior to the submission to the UNSC
- Develop relevant correspondences

Governance

The TT-SIEC is a Task team of the UNCEISC. It is co-chaired by Ms. Alejandra Reyes (Ministry of Industry, Energy and Mining, Uruguay) and Mr. Vincent Russo (US Bureau of Labour Statistics). Mr. Russo is also the Chair of the TT-CPC, and this will ensure harmonization between SIEC and CPC. The Secretariat of the TT-SIEC is provided by the classification experts in UNSD. The UNCEISC will report the results of the TT-SIEC to the UN Statistical Commission.

The composition of the TT-SIEC will comprise members of the UNCEISC as well as members from InterEnerStat, UNCEEA and other country experts to ensure that the classification reflects the needs of the energy statistics and accounting communities, and it is in line with classification principles.

As of 18 October 2022, the TT-SIEC comprises of the following members:

Chairs: Ms. Alejandra Reyes (Uruguay) and Mr. Vincent Russo (Unites States of America)

Mr. Vasili Piperoglou and Mr. Jethro Cassidy (ABS Australia)

Ms. Jasmin Guelden Sterzl (Statistics Austria)

Mr. Franklin Assoumou Ndong (Canada)

- Mr. Mario Salvador Ramirez (SIGET, El Salvador)
- Mr. Ole Pedersen (Statistics Denmark)
- Mr. Salifu Addo (Energy Commission, Ghana)
- Ms. Christine Magu (National Bureau of Statistics, Kenya)
- Mr. Zaharin Zulkifli (Energy Commission, Malaysia)
- Ms. Gulmira Karaulova (Kazakhstan)
- Mr. Sjoerd Schenau and Mr. Otto Swertz (Statistics Netherlands)
- Mr. Andrew Hancock (Statistics New Zealand)
- Mr. Glen Sweetnam and Mr. Edito Barcelona (APERC)
- Mr. Claude Macchi, Mr. Marek Sturk, Mr. Stephan Moll, Mr. Fernando Diaz Alonso (Eurostat)
- Ms. Veronica Gianfaldoni and Ms. Carola Fabi (FAO)
- Mr. Andrii Gritsevskyi (IAEA)
- Mr. Nick Johnstone and Mr. Julian Prime (IEA)
- Mr. Arvydas Lebedys, Mr. Gerardo Escamilla and Mr. Adrian Whiteman (IRENA)
- Mr. Leonardo Souza, Ms. Agnieszka Koscielniak (Energy Statistics Section, UNSD)
- Ms. Alessandra Alfieri, Mr. Julian Chow, Ms. Jessica Ying Chan (Environmental accounts Section, UNSD)
- Ms. Ilaria Di Matteo, Mr. Zhiyuan Qian, and Mr. Pedro Farinas (Business Statistics Section, UNSD)

UNSD serves as the Secretariat of the TT-SIEC.

Organisation of work

The TT-SIEC will mainly communicate through email and virtual meetings. UNSD has set up a dedicated wiki space to facilitate the discussion, at:

https://unstats.un.org/wiki/display/TTSIEC/Task+Team+on+SIEC.