

Overview of the CPC Revision

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(UNCEISC)

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Outline

- Review of update process
- List of issues for revision
- Key changes proposed for endorsement (and key non-changes too!)
- Moving forward
- Questions for UNCEISC



CPC Revision Process

Task Team on CPC (TT-CPC):

- Formed by the United Nations Committee of Experts on International Statistical Classifications (UNCEISC) to revise CPC (November 2020).
- Identified a list of issues and launched a global consultation. (December 2021).
- Collaborated with experts on national accounts, environmental statistics, international trade statistics, energy, tourism statistics. (2021-2023)
- Developed a revised CPC 3.0 structure that will be sent to countries for consultation (November 2023).

List of issues

Key Themes:

- Review definitions of goods, services, and products
- Review underlying principles of CPC
- Align CPC with
 - ISIC rev. 5 changes
 - HS 2017 and 2022 revisions
 - EBOPS
 - SIEC (energy products)
 - Research & Development statistics (Frascati)
 - Education statistics (ISCED)
 - FAO data collection products
 - Rotterdam convention (chemicals)
- Address environmental products and services, circular economy, waste, etc.

Product areas reviewed:

- Digital goods and services
- Financial products (including 'Fintech')
- Accommodation services
- Intermediation services
- Forestry, fisheries, agricultural goods
- Fertilizers and pesticides
- Data as a product
- Carbon capture and storage
- Cultural products
- Artificial intelligence
- Cloud computing services
- Energy products (coal, coke, peat)



Agricultural products (in CPC divisions 01/03/04 and 31/32/34)

- More breakdowns (mostly at the five-digit level) for forestry products, fisheries, fertilizers and pesticides.

- ✓ 34647 Fertilizers containing two nutrients: nitrogen and potassium; other than potassium nitrate

- Updated titles

× 0311 Logs of coniferous wood → ✓ 0311 Roundwood of coniferous wood

- More expansions in agricultural products beyond the five-digit level

CPC Subclass

01961 Live plants; bulbs, tubers and roots; cuttings and slips; mushroom spawn

CPC Expansions

01961.01 Roses, grafted or not

01961.02 Rhododendrons and azaleas, grafted or not

01961.09 Other live plants; bulbs, tubers and roots; cuttings and slips; mushroom spawn n.e.c.

Alignment of CPC with HS 2022 (in CPC sections 2, 3 and mostly 4)

More breakdowns (mostly at the five-digit level) for new products defined in HS 2022

CPC Ver. 2.1

- × 43560 Other lifting, handling, loading or unloading machinery
- × 44826 Water heaters, instantaneous or storage, non-electric
- × 44919 Special-purpose machinery n.e.c. ...

New CPC

- ✓ 43561 Industrial robots (HS 2022:8428.70)
- ✓ 43562 Other lifting, handling, loading or unloading machinery
- ✓ 44826 Solar water heaters (HS 2022: 8419.12)
- ✓ 44827 Other non-electric water heaters
- ✓ 44920 Machines for additive manufacturing (HS 2022: 8485.10-.80)
- ✓ 44930 Special-purpose machinery n.e.c. ...



Research and Development (CPC Division 81)

Align terminology and categories with the 2016 Frascati Manual Fields of Science Classification.

- Discontinue CPC Ver 2.1 distinctions between basic, applied and experimental development research services at the 4-digit class level.
- 4-digit class level becomes where subject matter is distinguished, e.g., natural sciences, engineering, technology, medical and health sciences, etc.
- 5-digit subclass further disaggregates the subject matter, e.g., the 4-digit R&D services in technology is further divided into environmental biotechnology, industrial biotechnology, nanotechnology, and other technology.



Education Services (Division 92)

Align Division 92 with the structure and definitional content of ISCED 11 and the new structure of ISIC Rev.5

- Key changes:
 - Add a class and subclass for Early childhood development services under a new group for Early childhood and pre-primary education services.
 - Add new subclasses on Tertiary education services
 - Various title changes.



Class or subclass	Title	Action
9114	Public administrative services related to the provision on environmental services	New class to align with ISIC rev. 5 changes
9444	Treatment of air pollution services	New class to align with ISIC rev. 5 changes and reflect growing prominence for this service
9445	Carbon capture and storage services	New class to align with ISIC rev. 5 changes and reflect growing prominence for this service
5465X	Noise or vibration insulation services	New subclass under 5465 Insulation services
5465X	Thermal insulation services	New subclass under 5465 Insulation services
8597	Landscape care and maintenance services	Revise explanatory notes to reflect inclusion of management and restoration services of ecosystems and biodiversity



Group	Title	Action
855	Intermediation services on goods	<ul style="list-style-type: none">○ All retail and wholesale trade services on a fee or contract basis moved here○ Less detailed subclasses, e.g., trade of “Food, beverages and tobacco” is no longer broken into components
856	Intermediation services for accommodation, food and beverage, transport and electricity, gas and water distribution services	New group covering intermediation services currently classified to Section 6 of CPC v2.1
857	Intermediation for community, social and personal services	New group covering intermediation services currently classified to Section 9 of CPC v2.1
858	Other intermediation services	New group for classes not found in Sections 6 or 9, also includes residual for intermediation
859	Other support services	Group altered to account for some non-intermediation services previously in 855.



Class or subclass	Title	Action
7113	Credit-granting services	Split 7113: Non-business credit-granting services
		Split 7115: Business credit-granting services
7115	Business credit granting services	New subclasses created under 7115 to align with new ISIC rev. 5 classes 6491-6495
	71151 - Loan services for business purposes (previous CPC v2.1 71135)	
	71152 - Financial leasing services	
	71153 - International trade financing	
	71154 - Securitisation activities	
	71155 - Factoring services	
712	Investment banking services	Deleted. Reclassified to subclasses of 7115 and 7119
7119	Other financial services, except investment banking, insurance services and pension services	Changed title
71121	Deposit services to corporate business and institutional depositors	Changed title



No new classes, explanatory notes updated

Class or subclass	Title	Action
8315	Hosting and information technology (IT) infrastructure provisioning services	Add reference to 'cloud computing infrastructure,' IaaS, and PaaS in the explanatory notes to reflect how businesses describe themselves.
83152	Application service provisioning	Specify Software-as-a-service (SaaS) as inclusion to 83152 Application service provisioning
83159	Other hosting and IT infrastructure provisioning services	Specify Platform-as-a-service (PaaS), and IaaS as inclusions to 83159 Other hosting and IT infrastructure provisioning services



New Group 837: Data and data compilation

- **8371 - Data:** Equivalent to previous 8394 - Original compilations of facts/information
- **8372 - Compilation services of data:** Partially includes previous 8399 - Other professional, technical and business services, n.e.c., and includes all of previous 85952 - Mailing list compilation services

Update titles and guidance notes

- 8394 - Original compilations of facts/information (now under 8371 - Data)
- 8399 - Other professional, technical and business services, n.e.c. (*excluding the compilation of data*)
- Explanatory notes will clarify that data products are independent from outputs produced using the data

Other Classes determined not to be data will remain separate:

- 3223 - Directories, in print
- 84313 - On-line directories and mailing lists
- 47692 - Text-based disks, tapes or other physical media
- 84394 - Web search portal content
- 837 - Market research and public opinion polling services (moved to 8394)

“Data” defined in CPC:

Original compilations of information content organized for retrieval and consultation, produced by accessing and observing phenomena



Standard International Energy Classification (SIEC)/CPC Harmonization

- **Added breakdowns of coal**

- **Hard coal** (v2.1 1101) is split into 11011 - Anthracite & 11012 - Bituminous Coal (which is further split in the extension)
- **Brown coal** (v2.1 1103) is split into 11031 - Sub-bituminous coal & 11032 - Lignite

- **Added breakdowns/restructuring of coal products**

- **Coal coke** is classified with coke of peat in CPC v2.1, unlike in SIEC
- Thus, it is proposed to split 3310 into:
 - 3311 - Coke and semi-coke of coal, or of lignite; retort carbon (which is further split in the extension)
 - 3312 - Coke and semi-coke of peat
- Similarly, **coal tar**, 3320, is classified with peat tar, so it is proposed to split into:
 - 3321 - Tar distilled from coal, from lignite, and other mineral tars
 - 3322 - Tar distilled from peat

- **Added breakdown of coal gases in CPC/restructuring in SIEC**

- New parent category proposed in SIEC to align with CPC 1720 *Coal gas, water gas, producer gas and similar gases, other than petroleum gases and other gaseous hydrocarbons*
- CPC 1720 will be split into: 17201 - Coke oven gas, 17202 - Gas works gas and 17203 - Recovered gases (further split in extension)



- **Split of peat in CPC/restructuring in SIEC**

- Peat (1105) is renamed (Peat, whether or not agglomerated) and split into 11051 - Peat & 11052 – Peat briquettes
- The distinction between milled and sod peat is removed in SIEC

- **Split of petroleum and crude oils in CPC**

- 1201 - Petroleum oils and oils obtained from bituminous minerals; crude is split:
 - 12011 - Crude oil
 - 12012 - Petroleum oils and oils obtained from bituminous minerals

- **Natural gas liquids**

- NGLs appear in CPC v2.1 only as components, such as:
 - 3341 - Propane and butanes, liquefied
 - 3342 - Ethylene, propylene, butylene, butadiene and other petroleum gases or gaseous hydrocarbons, except natural gas
- CPC does not have a separate class for NGLs when transacted as a mix, no consensus on adding one.



Moving forward

- October 2023: UNCEISC reviews and endorses CPC structure
- November 2023: Global consultation
- Early 2024: Review of the consultation
- March 2024: UN Statistical Commission adopts CPC rev. 3.0
- Review revision cycle for CPC, standing task team



Questions to UNCEISC

- Do you provisionally approve the CPC v3.0 structure?
- Do you support temporarily extending the mandate of the TT-CPC to respond to the global consultation and allowing the Bureau to approve the final CPC v3.0 structure for advancement to UNSC?

DISCUSSION

Thank you!