Embedding statistical classifications in a legal framework: the example of Europe

First Webinar of the International Statistical Classifications Sprint
25 October 2023
Questions

• How are new classification versions integrated into the statistical system?
• Are there laws, standards, agreements governing the use of a revised classification in the statistical context?
• Or is it done in a simpler way, without the need for directives 'from above'?
• Is there a single approach or are there different methods?
• Are there differences, depending on where a statistical classification is integrated (regional level, national level …)?
The NACE Regulation¹)

• The Commission shall use NACE Rev. 2 for all statistics classified according to economic activities (Art 3)

• Member States' statistics presented according to economic activities shall be produced using NACE Rev. 2 or a national classification derived therefrom (Art 4, para 1)

• Member States shall forward to the Commission, for its approval prior to their publication, the drafts defining or modifying their national classifications […] The Member States' national classifications shall include a table of correspondence between the national classifications and NACE Rev. 2 (Art 4, para 3)

• In the event of incompatibility between certain NACE Rev. 2 headings and the national economic structure, the Commission may authorise a Member State to use an aggregation of NACE Rev. 2 headings in a specific sector (Art 4, para 4)

• The Commission shall, together with the Member State concerned, periodically review the authorisations granted under paragraph 4 to verify whether they remain justified (Art 5)

Other classification Regulations

- **CPA Regulation** ²)
  - The Commission shall use the CPA for all statistics classified according to products by activity (Art 3)

- **Prodcom Regulation** ³)
  - Member States shall carry out a Community statistical survey of industrial production (Art 1)
  - The production recorded in this field shall be defined by the list of products, hereinafter referred to as the Prodcom list […] (Art 2)


³) COUNCIL REGULATION (EEC) No 3924/91 on the establishment of a Community survey of industrial production
The implementation of classifications

• **NACE Rev 2.1 delegated Regulation** ⁴)
  
  • Annex I to Regulation (EC) No 1893/2006 is replaced by the Annex to this Regulation (Art 1)

  • This Regulation shall apply to the data transmissions to the Commission (Eurostat) relating to each reference period from 1 January 2025 […]
    • for Regulation (EC) No 2150/2002 of the European Parliament and of the Council, it shall apply to the data transmissions relating to each reference period from 1 January 2026;
    • ….

• Implementation is done by statistical product, based on the EU delegated act, not in the discretion of Member States

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Agreements with third Countries

• Regulations with EEA relevance
  • Countries belonging to the European Economic Area must comply with the regulation in the same way as EU Member States

• Bilateral agreements with third Countries (dissemination of statistical data in Eurostat’s publications)
  • The mandatory use of official Eurostat classifications is not explicitly mentioned, but data must be sent coded with official Eurostat classifications

• Candidate Countries
  • The use of the official Eurostat classifications is part of the “acquis Communautaire”
EU and EEA countries must apply the EU regulation and have the option of creating a national version of the classifications.

The national versions of the EU statistical classifications must be validated and approved by Eurostat.

Countries can create additional statistical classifications, produced with national stakeholders and validated by national statistical authorities.

Generally, there are no laws for the implementation of additional statistical classifications at national level, but they are integrated into national statistical programs, implementation plans, etc.
New classifications outside NSIs

- Increasing use of official statistical classifications in administrative data
- Implementation of new statistical classifications in administrative data practically not regulated. Administrative data managers are not always punctual in updating classifications immediately (often associated with high costs)
- Trade associations are less reluctant to introduce the new versions of the statistical classifications
Summary

• The laws governing the implementation of statistical classifications in the national statistical offices are practically all linked to regional classifications (Eurostat classifications).

• At the national level, there are no legal constraints everywhere.

• For administrative data, no need (in general) to regularly update statistical classifications.

• Implementation of statistical classifications is made by statistical product not by Member State.

• The need to update or reformulate regulations affects the duration of the revision of classifications, lengthening the process.
Thank you 😊

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