

The classifications' revision process: the important role of a European Business Association

Roberta Adinolfi,
Economic & Statistics Manager

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The EU textiles and fashion industry



192,382 companies



1,318,000 jobs



€ 168 billion turnover



€ 67 billion exports



€ 138 billion imports



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EURATEX Membership



- ✓ **EU + other COUNTRIES**
(Switzerland, Serbia, Norway, Türkiye, UK)
- ✓ **Mainly textile & clothing manufacturers**
- ✓ **But also: European Branches Associations, fairs, textile care labelling...**



The importance of statistics and main challenges

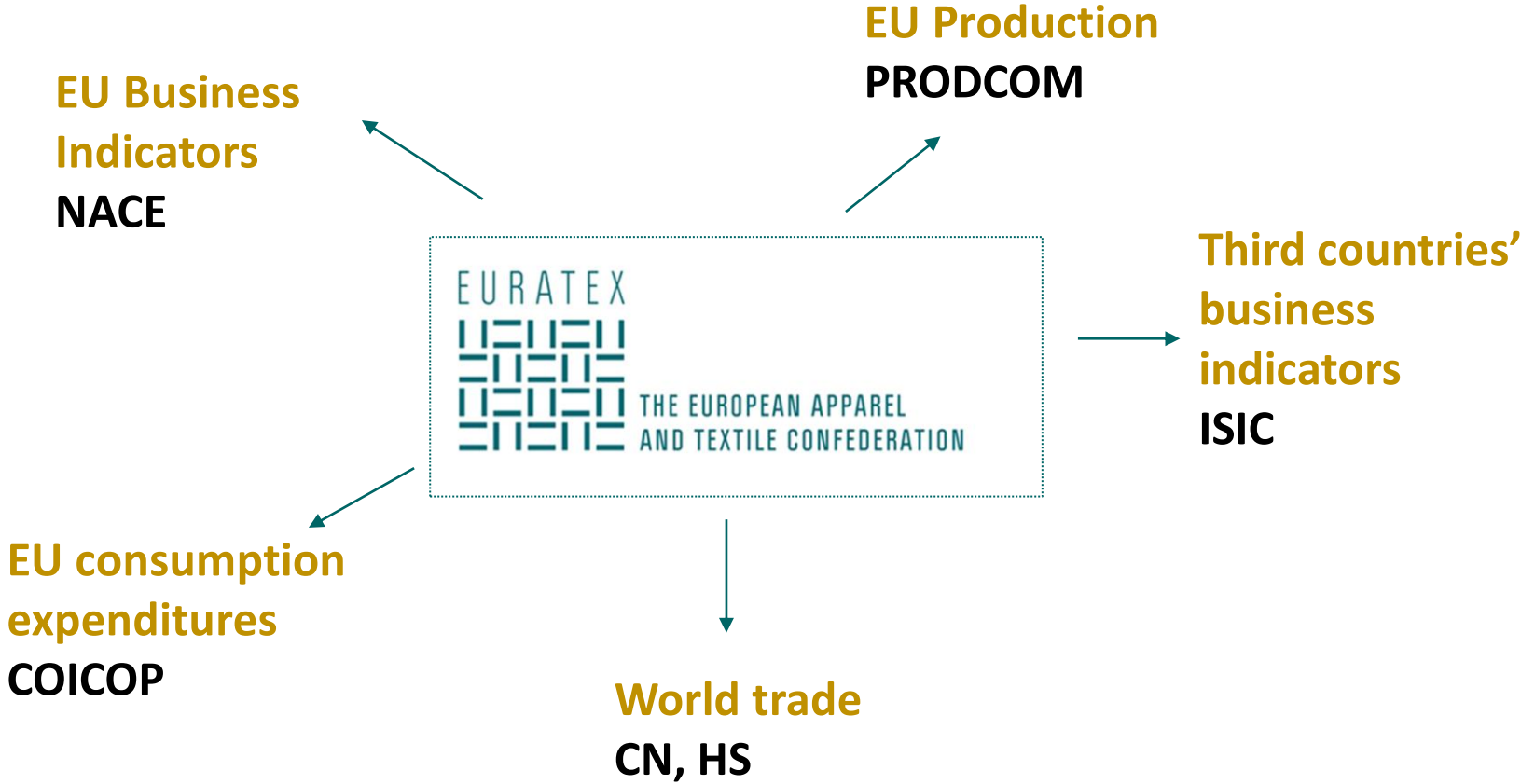
Statistics needs

- To **monitor market developments** (economic analysis)
- To **support policy measures** in our main strategic areas (skills, innovation, sustainability and trade)

Main challenges

- As **users**: getting detailed, harmonised, reliable, up-to-date statistics from the industry
- As **reporters**: reporting data may be a burden for SMEs (too detailed information, too many requests, lack of resources...)

Statistics needs and related classifications



The importance of classifications and main challenges

Classifications systems are essential:

- Classifications are an important factor in the quality of statistical information.

Main challenges

- Should perfectly **reflect the industries/activities** and
- **changes** in technology and industrial structures.
- Need to be **revised** from time to time but also keep some stability, avoid major changes and break in series.
- When used for non-statistical purposes, classifications may also have a major impact on the industry.

The role of European Trade Associations in the revision process

Expertise

- At sector level
- In the monitoring and revision process.

Convince

- Convince Members to participate in review cycles

Support

- Provide some support to Members, when needed

Coordination and collaboration

- With the EU/International Organisations, Members, and industry at national level.

Finding compromises

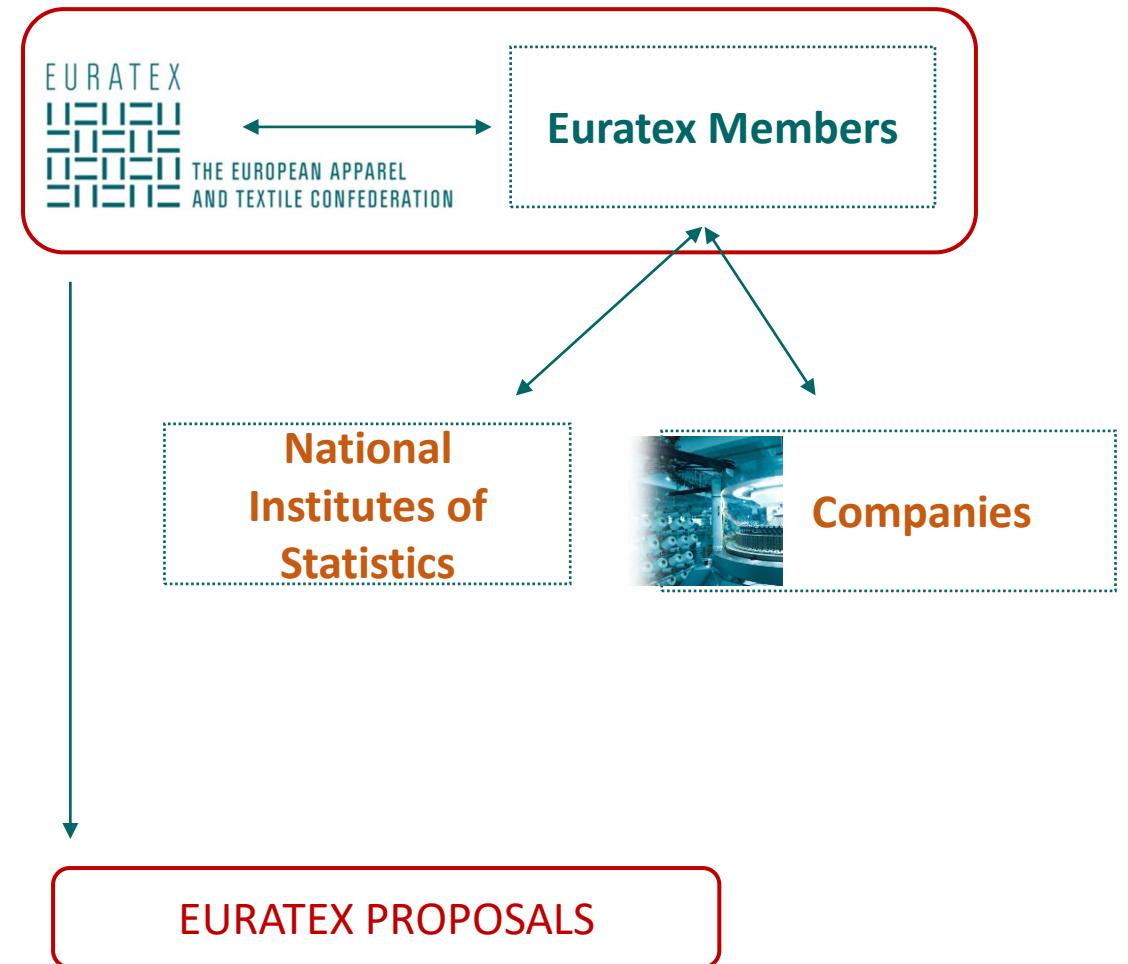
- Among the different interests.

The Revision process | Identifying industry needs

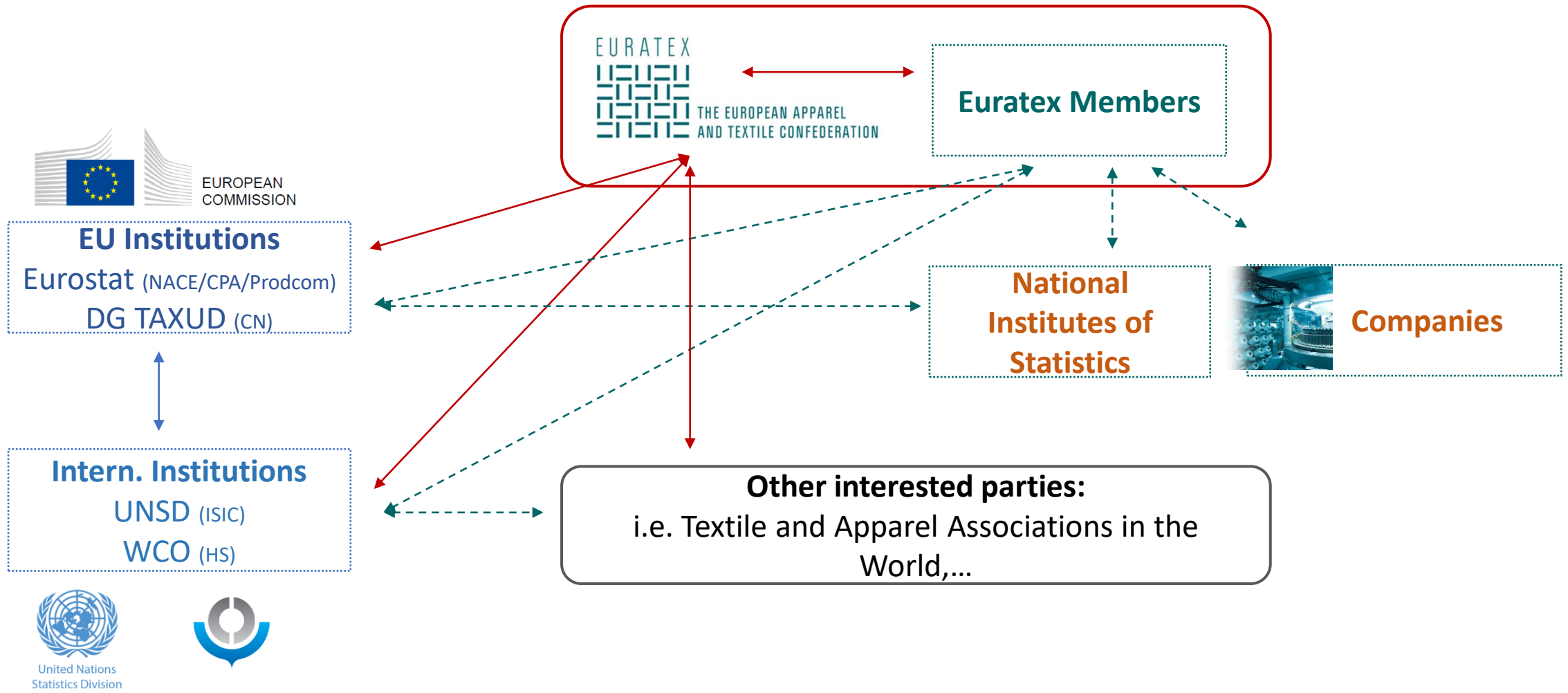
Euratex Working Group Meeting

What can be done to improve classifications for the T&C sector?

- Correct misclassifications/errors
- Create additional breakdowns
- Simplify by deleting/merging
- Modernise: create new codes following new products/activities



The Revision process | Submission of proposals



The Revision process | Some examples (1/2)



Smart textiles/wearables:

- Euratex proposal: introduce a **new HS legal note in section XI** to avoid administrative burdens for companies resulting from outdated classification provisions.
- Collaboration: with Members, companies, textile technological institute, non-EU ass., ...
- Submission: arguments including a comprehensive **definition + products' samples** (sent by companies).



Synthetic grass/Artificial turfs :

- Euratex proposal: create a **new HS sub-heading(s)**, to avoid administrative burdens for companies, resulting from unclear classification provisions, and to better monitor this market
- Collaboration: with companies, Members (National + sectoral Associations)
- Submission: arguments, including market estimations and information on production process (sent by companies).

The Revision process | Some examples (2/2)



Technical/industrial textiles :

- Euratex proposal: **complete and correct the NACE explanatory notes**, as these were still far from the operational reality of the companies.
- Collaboration: with Euratex Members (Eurostat consultation)
- Submission: arguments, including market estimations and a list of related activities



Protective masks:

- Euratex proposal 1: create a **new CN breakdown**, as these items were classified in a Combined Nomenclature's catch-all code "other".
- Euratex proposal 2: better classify face masks in the **NACE explanatory notes**.
- Collaboration: with Members (National + sectoral Associations)

To conclude...

- The appropriate **identification** of a product or activity within a classification is crucial for the industry.
- Classifications must be **revised** on a regular basis to reflect changes in technology and industrial structures and to adapt to the new realities.
- The European Business Associations can play an **important role** in the monitoring and revision of EU + International Nomenclatures.
- **Transparency** is needed all along the revision cycle.
- Therefore, **cooperation and coordination** with interested parties is crucial during the consultation phase and during the revision process.

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THE EUROPEAN APPAREL
AND TEXTILE CONFEDERATION

THANK YOU

Roberta Adinolfi,
Economic & Statistics Manager

Roberta.adinolfi@euratex.eu

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