

2.2 – Practical cases on classifying activities

Section C - Manufacturing

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What is manufacturing?

- Generally, manufacturing covers the physical, mechanical, chemical or biological transformation of materials, substances, or components into new products
- The materials, substances, or components undergoing transformation are either raw materials or products of agriculture, forestry, fishing, mining or quarrying as well as products of other manufacturing activities. Substantial alteration, renovation or reconstruction of goods is generally considered to be manufacturing.
- The output of a manufacturing process may be finished in the sense that it is ready for use or consumption, or it may be semi-finished in the sense that it is to become an input for further manufacturing (e.g. the output of alumina refining is the input used in the primary production of aluminium; primary aluminium is the input to aluminium wire drawing; aluminium wire is the input for the manufacture of fabricated wire products ...)

Manufacturing in ISIC Rev 5?

- There are practically no structural changes in section C of ISIC Rev 5 when compared with ISIC Rev 4
- Only the following minor – but no less important – updates have been carried out:
 - Split of class 1079 into two classes: 1076 “Processing of coffee and tea” and 1079 “Manufacture of other food products n.e.c.”
 - Split of class 1103 into two classes: 1103 “Manufacture of beer” and 1104 “Manufacture of malt”.
 - Breakdown of class 2610 into two new classes: 2611 “Manufacture of solar cells, solar panels and photovoltaic inverters” and 2619 “Manufacture of other electronic components and boards”.
 - Breakdown of class 3100 “Manufacture of furniture” into classes 3101 “Manufacture of wooden furniture” and 3102 “Manufacture of other furniture”

General rules (1/5)

- Manufacture of specialised components and parts of, and accessories and attachments to machinery and equipment is, as a general rule, classified in the same class as the manufacture of the machinery and equipment for which the parts and accessories are intended
- Manufacture of unspecialised components and parts of machinery and equipment (e.g. engines, pistons, electric motors, gears) is classified in the appropriate class of manufacturing, without regard to the machinery and equipment in which these items may be included
- Assembly of the component parts of manufactured products is considered manufacturing. This includes the assembly of manufactured products from either self-produced or purchased components

General rules (2/5)

- The recovery of waste, in other words, the processing of waste into secondary raw materials is classified in group 382. While this may involve physical, mechanical, biological or chemical transformations, this is not considered to be a part of manufacturing activities. The primary purpose of these activities is considered to be the treatment or processing of waste and they are therefore classified in section E.
- However, the manufacture of new products from secondary raw materials is classified in manufacturing, even if these processes use waste as an input (for example, the production of silver from film waste is considered to be a manufacturing process)

General rules (3/5)

- Specialised maintenance and repair of industrial, commercial and similar machinery and equipment is, in general, classified in division 33. However, the repair and maintenance of computers, personal and household goods, motor vehicles and motorcycles is classified in division 95
- The installation of machinery and equipment, when carried out as a specialised activity, is classified in class 33.20
- Maintenance, repair and installation of equipment that forms an integral part of buildings or similar structures (for example, maintenance, repair and installation of escalators or of air-conditioning systems), is classified as construction in section F, if carried out at the construction site.

General rules (4/5)

- As a general rule, the activities in the manufacturing section involve the transformation of materials into new, rebuilt and remanufactured products. Their output is a new product, e.g.:
 - – fresh fish processing (oyster shucking, fish filleting), not done on a fishing boat, see 10.20
 - – milk pasteurising and bottling, see 10.51
 - – leather converting, see 15.11
 - – wood preserving, see 16.12
 - – tyre retreading, see 22.11
 - – ready-mixed concrete production, see 23.63
 - – heat treatment of metals, see 25.52
 - – refilling of ink cartridges, see 26.20
 - – refilling or recharging of fire extinguishers, see 28.29
 - – rebuilding or remanufacture of machinery (e.g. automobile engines), see 29.10

General rules (5/5)

- There are activities that, although sometimes involving transformation processes, are not considered as manufacturing and are classified in other sections of ISIC, e.g.:
 - – logging, classified in section A
 - – valorisation of agricultural products, classified in section A
 - – valorisation of ores and other minerals, classified in section B
 - – production of gaseous fuels for energy supply through a permanent network, classified in section D
 - – production of compost from organic waste, classified in section E
 - – activities of breaking bulk and redistribution in smaller lots, including packaging, repackaging, or bottling products (e.g. as liquors or chemicals); sorting and reselling of scrap; mixing paints to customer order; cutting metals to customer order; treatment not resulting in a different good, classified in section G
 - – publishing and the combined activities of publishing and printing, classified in section J

