## Document E/CN.3/2022/26 – Report of the Committee of Experts on International Statistical Classifications

Statement provided by: USA (United States of America)

## Statement:

INTERNATIONAL STANDARD INDUSTRIAL CLASSIFICATION OF ALL ECONOMIC ACTIVITIES, REVISION 4:

The United States (U.S) welcomes the draft revised structure of the International Standard Industrial Classification (ISIC) prepared by the Task Team on ISIC (TT-ISIC). We support the efforts made to extend TT-ISIC membership to experts on national accounts, balance of payments, financial statistics, and environmental economic accounts, as well as efforts made to solicit feedback from relevant groups of experts such as the Advisory Expert Group on National Accounts (AEG), the Committee of Experts on Environmental-Economic Accounts (UNCEEA), and the Voorburg Group on Service Statistics. We endorse the proposal for more frequent revisions so that ISIC remains responsive to changing economic conditions.

We fully support efforts to incorporate changes implemented in the 2022 North American Industry Classification System (NAICS), and other regional and national classifications, as consistency across classification systems is extremely important. More specifically, we endorse the changes proposed for retail trade, calling for the elimination of the distinction between in-store and non-store retail trade. We support the recommendation to maintain the distinction between retail and wholesale trade, as well as the recommendation to define the scope of retail and wholesale trade to include only trade in physical goods. We also support the changes proposed for the information and communication section.

We welcome the efforts of the TT-ISIC to create separate groups in the divisions of ISIC where intermediated goods and services are produced. This is a significant step forward and is encouraged, but we request that further consideration be given to creating the identification and classification of digital intermediation services.

The new intermediation categories proposed by the TT-ISIC allow for the identification of all nonfinancial intermediation services, where they are now a significant component in the intermediation of the underlying good or service of the respective divisions. Developing one unique ISIC division for those intermediation services activities that are facilitated by digital technologies would significantly enhance the ability to accurately measure the size, scale, or scope of these intermediaries within the context of the digital economy. Digital intermediary platforms provide a similar service, or function, to wholesale and retail trade in that they intermediate a transaction between a producer (e.g., car driver) and a consumer (e.g., the person hailing the ride). Their production functions are very similar; they just intermediate transactions for a variety of different services. We look forward to reviewing the guidance that will emerge from TT-ISIC on the classification of activities related to crypto assets.

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REVISION OF THE CENTRAL PRODUCT CLASSIFICATION, VERSION 2.1:

The U.S. continues to support the revision of the Central Product Classification (CPC), version 2.1, and is pleased to provide expertise through its representative on the Task Team on CPC.

CLASSIFICATION OF BUSINESS FUNCTIONS:

The U.S. welcomes the report of the Committee of Experts on International Statistical Classifications. We endorse the proposed classification of business functions for use as an international standard classification. We agree that such a classification will be of great importance in the measurement of outsourcing and the distribution of global value chains, as well as in relating business functions to international trade flows. We acknowledge that the scope of the classification is restricted to enterprises as defined by System of National Accounts (SNA) 2008.

Beyond existing classification systems, the U.S. Bureau of Labor Statistics is interested in engaging other parties in a possible work task classification system. While existing occupational classification systems provide a good overview of the type of work performed, there is heightened interest in identifying and classifying individual work tasks. There has been added interest in this topic during the pandemic, as occupations included certain tasks that could be performed remotely and some tasks that could only be performed onsite (or in person). As work on this project proceeds, the U.S. will look for experience in this area from other statistical organizations.

Submitted on:

2/25/2022