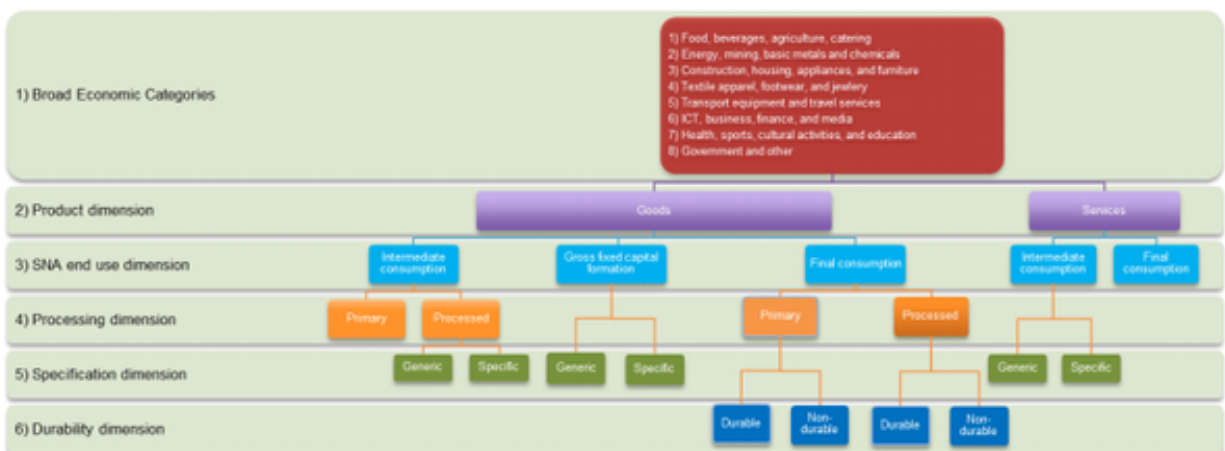


Motivation to Revise BEC

The motivation to revise, and in the process to improve the BEC reflects a number of factors (i.e., to better reflect current economic reality and to include services as well goods). Perhaps the most important was the need to introduce greater clarity and simplicity in the structure of the BEC (see diagram below). Crucially, there is a full separation made between economic and end-use categories. The revision also takes the opportunity to introducing a new variable (specification dimension) to help in the analysis of global value chains.



Major improvements in the 5th revision

This latest revision of BEC has more levels than the previous ones and provides better guidance on end-use categories for analytical purposes. The main changes are that:

- It provides a new top level of broad economic categories, based on the main outputs of corresponding industries, to facilitate broad analyses of trade and production.
- It adds services and therefore refers to products rather than goods.

5th revision of the Classification by Broad Economic Categories (BEC)

- It identifies SNA end-use as a separate dimension.
- It adds a new variable (the specification dimension) to differentiate intermediates that are generic, i.e. consumed across a wide range of industries, from those that are specified, i.e. typically consumed only in certain industries.

The BEC (Rev.5) was endorsed by UN Statistical Commission in 2016:

<http://unstats.un.org/unsd/trade/classifications/bec.asp>

Trade Knowledgebase

<http://unstats.un.org/unsd/tradekb/Knowledgebase/50671/5th-revision-of-the-Classification-by-Broad-Eco>