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**Items for discussion and decision: international
statistical classifications**

Committee of Experts on International Statistical Classifications

Note by the Secretary-General

In accordance with Economic and Social Council decision 2022/324 and past practices, the Secretary-General has the honour to transmit the report of the Committee of Experts on International Statistical Classifications. In the report, the Committee describes its work on the development and implementation of international statistical classifications in various fields and its work on the coordination of classifications and the review of the international family of classifications. The Committee also provides an update on the work of its task teams, including on the revision of the International Standard Industrial Classification of All Economic Activities and on the revision of the Central Product Classification. Action to be taken by the Statistical Commission are contained in the final paragraph of the report.

* E/CN.3/2023/1.



Report of the Committee of Experts on International Statistical Classifications

I. Introduction

1. The Committee of Experts on International Statistical Classifications, formerly known as the Expert Group on International Statistical Classifications, was first mandated by the Statistical Commission at its thirtieth session, held from 1 to 5 March 1999, with improving cooperation on international classifications and ensuring harmonization and convergence among classifications in the international family of statistical classifications ([E/1999/24](#), chap. VII). This mandate was reviewed and reconfirmed by the Commission during its fifty-second session, in 2021 (see [E/2021/24-E/CN.3/2021/30](#)).

2. The present report provides a summary of the work of the Committee pursuant to the requests of the Statistical Commission contained in its decisions 53/125 ([E/2022/24-E/CN.3/2022/41](#), chap. I, sect. C), including the finalization of the revised structure of the International Standard Industrial Classification of All Economic Activities (ISIC), the finalization of the revision of the Central Product Classification (CPC), the commencement of the revision of the Standard International Energy Product Classification (SIEC), the development of a maintenance and implementation plan for the Classification of Business Functions (CBF), the commencement of the revision of the Classification of the Functions of Government (COFOG) and the development of a proposal for more frequent and regular revision cycles for international statistical classifications.

3. The report provides an overview of the main activities of the Committee carried out in 2022. In particular, it provides the outcome of the discussions of the Committee during its meeting held New York from 25 to 28 October 2022, where it reviewed the progress on the revision of ISIC, CPC, SIEC and the Classification of Statistical Activities (CSA), and progress on the development of the international classification of violence against children and several other classifications. The outcome of the discussion is included in the present report. Action to be taken by the Statistical Commission are presented in section VI below.

II. Activities of the Committee of Experts

4. The Committee of Experts on International Statistical Classifications serves as the central coordination body for the work on international statistical classifications that are the responsibility of the Statistics Division of the Department of Economic and Social Affairs of the Secretariat and for the coordination and review of other international statistical classifications that are the responsibility of other international organizations and that have been proposed for adoption by the Statistical Commission. The Committee works to ensure harmonization and convergence in the development of the classifications within the international family of statistical classifications.

5. The Committee held its first in-person meeting since 2017 in New York from 25 to 28 October 2022 in order to review the progress on the work of its task teams on the revision of ISIC, CPC, SIEC and CSA. The Committee endorsed two classifications that had been submitted for adoption as international standards, namely, the revised CSA and the international classification of violence against children.

III. Work of the task teams

A. International Standard Industrial Classification of All Economic Activities

6. Following Statistical Commission decision 53/125 (see [E/2022/24-E/CN.3/2022/41](#)), the task team on the revision of ISIC continued its work through several virtual meetings held during 2022 and online discussion, in order to address the comments from the global consultation held from 18 January to 22 February 2022. The task team finalized the structure of ISIC at the four-digit (class) level. Once the structure is approved, the task team will finalize the explanatory notes on the basis of the revised structure of ISIC. The work will be done in close coordination with the update to the explanatory notes of the Statistical Classification of Economic Activities in the European Community (NACE) in order to maintain the coherence and consistency of the two classifications. It is expected that the work on the explanatory notes will be completed in April 2023 and that the work on the publication of ISIC and the development of an alphabetical index and correspondence to the structure of ISIC, Revision 4, will be completed by the end of 2023.

7. The Committee of Experts on International Statistical Classifications reviewed the revised ISIC structure and its preparation process during its meeting in October 2022 and subsequently endorsed it. The Statistical Commission is requested to adopt the structure of ISIC, Revision 5, as the international statistical classification for economic activities and to endorse the timeline to finalize the explanatory notes, alphabetical index and correspondence to revision 4 of ISIC. The structure of ISIC, Revision 5, will be provided to the Commission as a background document.

8. The Statistical Commission may wish to recommend that countries be encouraged to adopt national versions of the structure of ISIC, Revision 5, or to adjust their national classifications in such a way that data can be presented according to the structure of ISIC, Revision 5. With regard to the previous version of ISIC, countries should be able to report data at the two-digit (division) level of ISIC without a loss of information; that is, national classifications should be fully compatible with this level of ISIC or it should be possible to arrange them.

9. Although not all proposals for change in the structure of ISIC, Revision 5, are reflected in the final structure of the classification, they have been carefully discussed by the task team. Often, more work was needed to assess in full the feasibility and conceptual consistency of some structural changes. The task team recommended the inclusion of some of those issues in the research agenda and recognized that those issues would have to be revisited in future revisions of ISIC. In that regard, it emphasized the need to develop a regular revision cycle for ISIC and the need for a standing task team to support the maintenance, updating and implementation of ISIC.

10. The Committee discussed the need for a regular revision cycle for ISIC. Various considerations need to be weighed to develop a revision cycle, including an assessment of the revision cycles of regional activity classifications and national classifications and the revision of relevant frameworks such as the System of National Accounts (SNA). The Committee agreed that the establishment of a standing task team for the maintenance, updating and implementation of ISIC was necessary to support the regular revision of the classification, including the monitoring of classification issues that emerged between revisions. The standing task team on ISIC will be tasked with developing a revision cycle for ISIC and an implementation and maintenance strategy for ISIC. The Statistical Commission is invited to express its views on this proposal.

B. Central Product Classification

11. The task team on the revision of CPC held several virtual meetings during 2022 to advance the discussion and resolution of the issues for the revision of CPC. A number of issues were discussed and proposals for changes in CPC were agreed by the task team. However, the discussion has not concluded for some issues, especially those linked to the ISIC revision. It is therefore proposed that the revised CPC be finalized and submitted to the Statistical Commission at its fifty-fourth session, in 2024, instead of the fifty-third session as originally planned. This postponement will allow for a full consideration of outstanding issues, the impact of the ISIC revision and improved coordination with the SIEC revision process. The Commission is invited to express its views on this proposal.

C. Classification of Business Functions

12. CBF was endorsed as an international statistical classification by the Statistical Commission in 2022. In response to the request by the Commission, the Committee discussed the maintenance and implementation plan of the classification. The plan includes the development of correspondence tables, the use of the classification in the global value chain survey by Eurostat in European Union and some European Free Trade Association countries, and the development of implementation guides to assist countries in its use. The Committee is considering reactivating the task team on CBF to support its implementation.

D. Standard International Energy Product Classification

13. Following the request of the Statistical Commission to revise SIEC, the Committee has established a task team to revise SIEC and improve harmonization between SIEC and CPC. The terms of reference of the task team were developed and approved by the Committee. The task team comprises experts on classifications, energy statistics, energy accounts and national accounts. The task team has already held several meetings and has identified an initial list of issues for the revision of SIEC. It is proposed that the revised SIEC be submitted to the Commission at its fifty-fifth session, in 2025. The terms of reference of the task team are submitted as a background document.

IV. Other work on international classifications

14. In addition to the work of its task teams, the Committee of Experts on International Statistical Classifications discussed progress on the development or revision of several classifications. These are described below.

A. Classification of Statistical Activities

15. CSA was established in 2005 by the Bureau of the Conference of European Statisticians (CES). CSA started as a regional classification for a specific use (Database on International Statistical Activities maintained by the Economic Commission for Europe (ECE)). Over time, its use has widened to international organizations and countries from various regions. In February 2020, the CES Bureau approved the procedure for updating the classification to include new and emerging areas of international statistical work. A task team was established in 2020 to revise the classification. The task team included representatives from Canada, Ireland,

Mexico (Chair) and New Zealand, as well as Eurostat, the Division and ECE. During the period 2020–2022, the task team developed a draft revised classification through numerous virtual meetings and expert consultations.

16. In February 2022, the CES Bureau recommended the development of the revised CSA as a global classification, given that many of the international organizations that use it had a global coverage and a number of countries from various regions of the world were using CSA. Following the recommendation of the CES Bureau, a global consultation on the revised CSA was conducted by ECE and the Division from April to May 2022. CES took note of the feedback received through electronic consultation and requested the task team to continue work towards an internationally agreed global classification, that is, submit the revised CSA to the Statistical Commission upon review by the Committee in order for it to become an international classification.

17. The Committee reviewed the revised CSA and its revision process and evaluated it against the approval process.¹ On the basis of that review, the Committee endorsed the revised CSA and recommended it for approval by the Statistical Commission as an international standard, noting that CSA was for analytical purposes primarily, rather than purely statistical ones. The revised CSA is provided to the Commission as a background document. The Committee decided to use version 2.0 of CSA to organize the classifications of the international family of classification on the relevant website.²

B. International classification of violence against children

18. The international classification of violence against children was developed by the United Nations Children’s Fund in response to the need to have comprehensive operational definitions for all forms of violence against children. The classification was based on the International Classification of Crime for Statistical Purposes (ICCS) and other related classifications. The preparation process started in November 2018 and involved several expert group meetings. From May to October 2022, a global consultation was conducted with countries and international and regional organizations. In order to engage systematically with the statistical community, the Division forwarded the consultation to all national statistical offices.

19. The United Nations Children’s Fund submitted the classification to the Committee for endorsement in October 2022. The Committee reviewed the classification and its revision process and evaluated it against the approval process. On the basis of that review, the Committee endorsed the international classification of violence against children and recommended it for approval by the Statistical Commission as an international standard. The international classification of violence against children is provided to the Commission as a background document.

C. Classification of the Functions of Government

20. Following the request of the Statistical Commission to revise COFOG, the Committee had an initial discussion on the issues for the revision during its meeting in October 2022. During the meeting, several members of the Committee provided a number of reasons for the updating of COFOG, in particular those linked to responses to emerging issues, such as climate change, biodiversity and the circular economy,

¹ The approval process consists of the review of the compliance with the requirements of three documents: best practice guidelines for developing international statistical classifications; criteria to become a member of the international family of classifications; and grading criteria.

² See <https://unstats.un.org/unsd/classifications/Family>.

and expressed interest in participating in the revision process. The Committee agreed to organizing a dedicated meeting on the revision of COFOG in order to facilitate a follow-up discussion on the revision of COFOG, on the initial list of issues and on setting up a revision process. As part of the meeting, there will be a discussion on how to assess whether changes are required in the other classifications of expenditure according to purpose. It is proposed that the Committee report back to the Commission at its next session.

D. Classification of environmental functions

21. The Committee was informed of the development of the classification of environmental functions by Eurostat as an international statistical classification. The classification of environmental functions is a generic, multi-purpose and functional classification used for classifying activities, products, expenditure and other transactions related to environmental protection and the management of natural resources. It brings together the Classification of Environmental Protection Activities and the Classification of Resource Management Activities. The classification of environmental functions is undergoing a global consultation.³ The results of the global consultation, along with a revised classification of environmental functions, will be discussed by both the Technical Committee of the SEEA Central Framework and the Committee of Experts on International Statistical Classifications. Upon endorsement by both the Committee of Experts on Environmental-Economic Accounting and the Committee of Experts on International Statistical Classifications, classification of environmental functions is expected to be submitted to the Bureau of the Statistical Commission in mid-2023 for adoption. The Commission is expected to provide its views on the process of finalization and adoption of the classification of environmental functions.

E. International Standard Classification of Occupations

22. The Committee was informed of the revision of the International Standard Classification of Occupations (ISCO) by the International Labour Organization, and the aim is to finalize and submit the revised ISCO to the twenty-second International Conference of Labour Statisticians, in 2028. A technical working group was established in June 2021 and three sub-working groups were created on the revision of and improvement in the ISCO structure, the revision of and improvement in group descriptions, and the modernization of ISCO. The ISCO revision addresses many of the changes that are taking place in the job market related to, for example, technological transformation and changes affecting the world of work, and at a faster pace, the emergence of new jobs, tasks that have changed (e.g., the use of machines and the ways in which work is done), and the need for more detail in some jobs and less detail in others (obsolescence of jobs).

F. International Classification of Crime for Statistical Purposes

23. The Committee was informed of the activities undertaken by the United Nations Office on Drugs and Crime to develop additional tools to foster the implementation at the country level of the International Classification of Crime for Statistical Purposes (ICCS). These activities include the preparation of an implementation manual to guide Member States through the classification adoption process, including the development of relevant correspondence tables, the development of online self-

³ See <https://seea.un.org/content/global-consultation-classification-environmental-functions>.

paced training courses with dedicated modules for specific criminal categories (e.g., organized crime) and the launch of an app for the classification.

G. International classification standard for administrative data on trafficking in persons

24. The Committee was informed of the development of the international classification standard for administrative data on trafficking in persons, led by the International Organization for Migration and the United Nations Office on Drugs and Crime. This classification is intended to improve the harmonization and comparability of data related to the trafficking in persons. The work started in May 2021 with a consultative workshop with 100 participants from government, academia, civil society and the private sector. Since then, a series of online and in-person training sessions and workshops that included 200 government officials, mostly from Africa and Asia and the Pacific, have been conducted. The classification is intended to become an international statistical standard and will therefore be reviewed by the Committee prior to its submission to the Statistical Commission.

V. Future work and organization of the Committee of Experts on International Statistical Classifications

25. The Committee of Experts on International Statistical Classifications discussed other areas of its programme of work. It discussed the need to review and update the three documents that form the basis for the development of classifications and the approval process of international classifications. These documents include the best practice guidelines for developing international statistical classifications, criteria to become a member of the international family of classifications, and grading criteria. The Committee agreed that the review would be best done by a dedicated task team, and it therefore proposed that a task team be established for the updating of those documents.

26. The Committee also welcomed the efforts of the Division to restore in full the webpage on national classifications and to reactivate the survey of national classifications to provide a global overview of the national classifications (with a focus on activity and product classifications) and the implementation of classifications at the global level, especially when revisions of classifications are developed. The Committee is working with the Division to develop a strategy for the monitoring of national classifications.

27. The modernization of classifications is high on the agenda of the Committee, and, in future meetings, the Committee will continue to explore and provide advice on new and innovative approaches for the development and maintenance of international statistical classifications in an effort to rationalize and reduce the time and cost associated with the cyclical review process.

28. The Committee will continue to expand its areas of interest to include wider statistical classification matters such as environmental classifications, disaster risk reduction statistics, integration of statistical and geospatial classifications, big data impacts and other new areas of official statistics. In addition, the Committee will explore ways to promote and advocate best practices in developing statistical classifications in various domains, including environmental, socio-demographic and economic domains. The Committee was also informed of the accelerated efforts in the finalization of the Classification of Individual Consumption According to Purpose

2018 and the development of the relevant correspondences to assist countries in its implementation.

VI. Action to be taken by the Statistical Commission

29. **The Statistical Commission is invited:**

(a) **To adopt the ISIC, Revision 5, and approve the timeline for the finalization of the explanatory notes and the development of the correspondence;**

(b) **To endorse the establishment of a standing task team on ISIC and a standing task team on CPC for the ongoing maintenance, updating and implementation of the classifications and the formulation of a proposal for a regular revision cycle of these classifications;**

(c) **To note the progress on the revision of CPC and approve the new timeline for its revision;**

(d) **To endorse the revised CSA as an international statistical classification;**

(e) **To endorse the international classification of violence against children as an international statistical classification;**

(f) **To note the progress on SIEC and approve the terms of reference of the task team on SIEC;**

(g) **To provide its views on the process of finalization of the classification of environmental functions and its adoption by the Bureau of the Statistical Commission;**

(h) **To comment on the work programme of the Committee of Experts on International Statistical Classifications, which includes setting up the revision of COFOG, reviewing the strategy for the survey of national classifications, updating the website, updating the best practice and approval documentation, and work on modernization.**
