CLASSIFICATION BY BROAD ECONOMIC CATEGORIES

The fifth revision

https://unstats.un.org/unsd/trade/classifications/bec.asp

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BEC

- Broad Economic Categories (BEC) is an international product classification

- Main purpose is to provide a set of broad product categories that can be utilized for the analysis of trade statistics – linked to end-use of products in SNA
  - Intermediate, Capital and Final Consumption

Why using BEC?

- Trade Research
  - the main focus has been on describing, assessing and explaining observed patterns in international trade, tariff effects, trade policy, and development economics

- Statistics
  - Product flow analysis of imported goods and services

BEC and GVC Analysis

- Trade in terms of end use categories may be useful to highlight relationships in trade of
  - Intermediate and final products

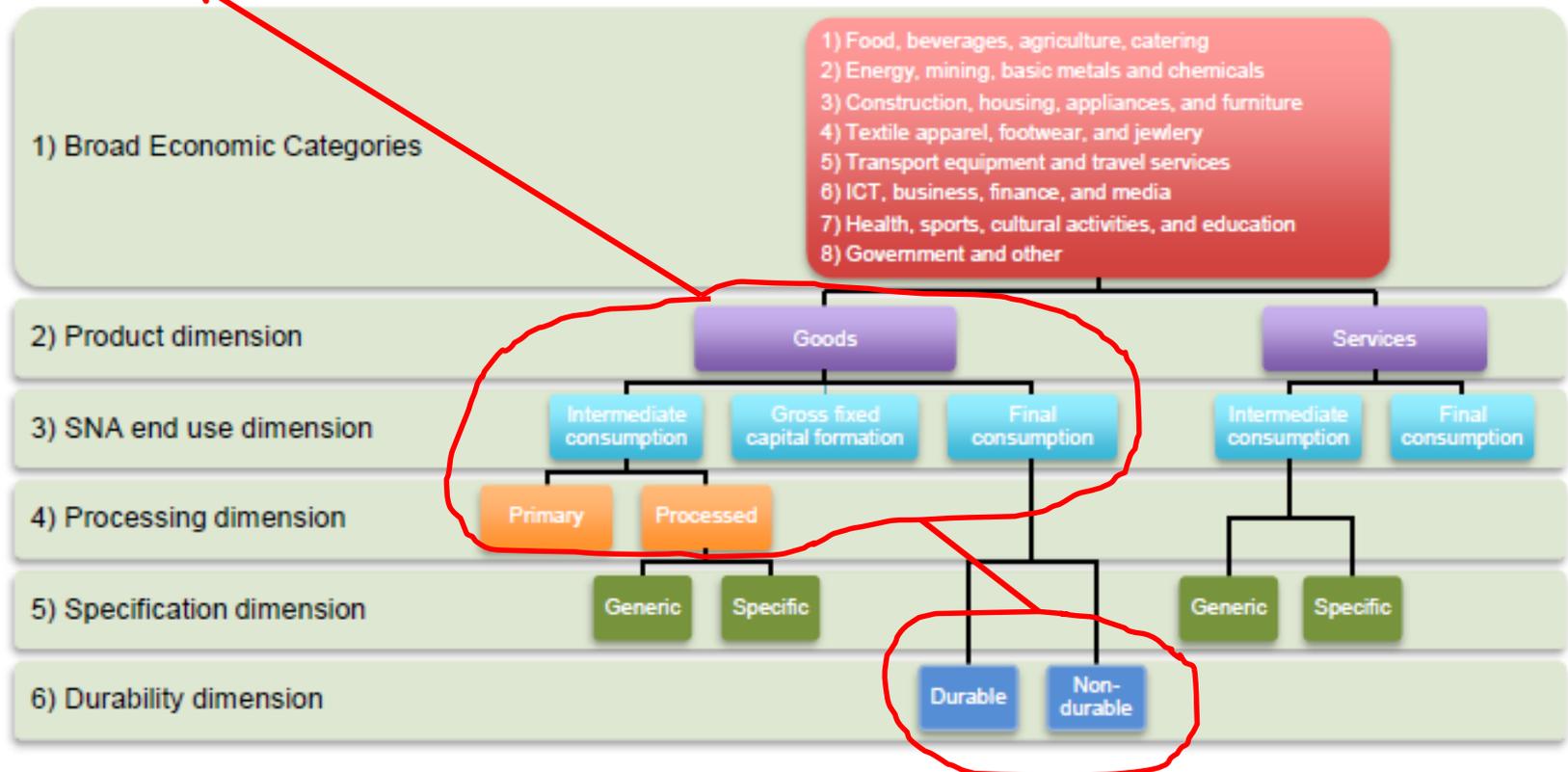- Intermediate goods play important role in GVC analysis, with BEC Rev.5, more can be done

Figure 3. BEC Rev.5, Value Added Chain

Primary Intermediate Goods

Generic Processed Intermediate Goods and Services

Specific Processed Intermediate Goods and Services

Final Consumption Goods and Services

"Streamlined" Structure of BEC 5

Figure 2. BEC Rev.5 - Relationships

BEC Rev.4

1) Broad Economic Categories
- 1) Food, beverages, agriculture, catering
- 2) Energy, mining, basic metals and chemicals
- 3) Construction, housing, appliances, and furniture
- 4) Textile apparel, footwear, and jewlery
- 5) Transport equipment and travel services
- 6) ICT, business, finance, and media
- 7) Health, sports, cultural activities, and education
- 8) Government and other

2) Product dimension — Goods / Services

3) SNA end use dimension — Intermediate consumption / Gross fixed capital formation / Final consumption / Intermediate consumption / Final consumption

4) Processing dimension — Primary / Processed

5) Specification dimension — Generic / Specific / Generic / Specific

6) Durability dimension — Durable / Non-durable

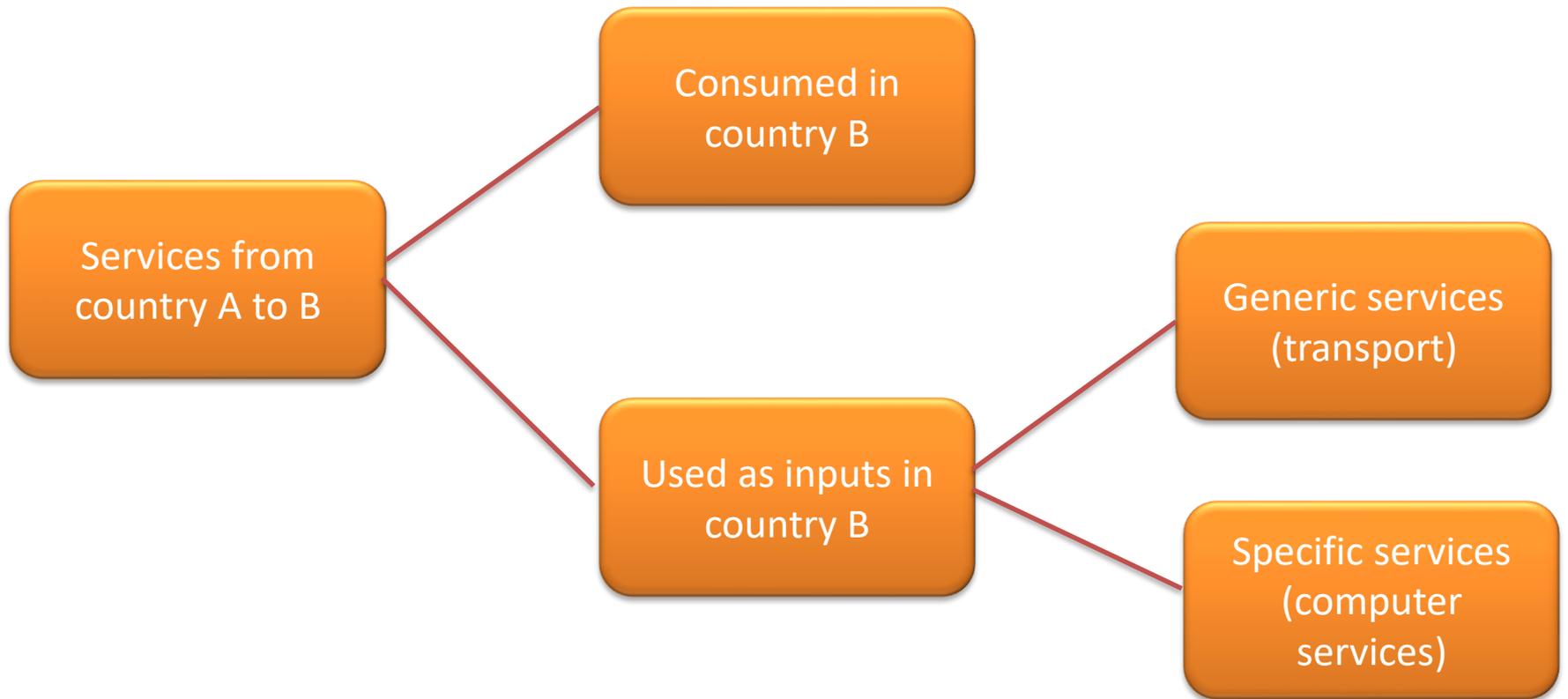# Inclusion of Services

- Due to growing importance of services; and growing interest to policymakers

- International sourcing for a wide range of services and business functions

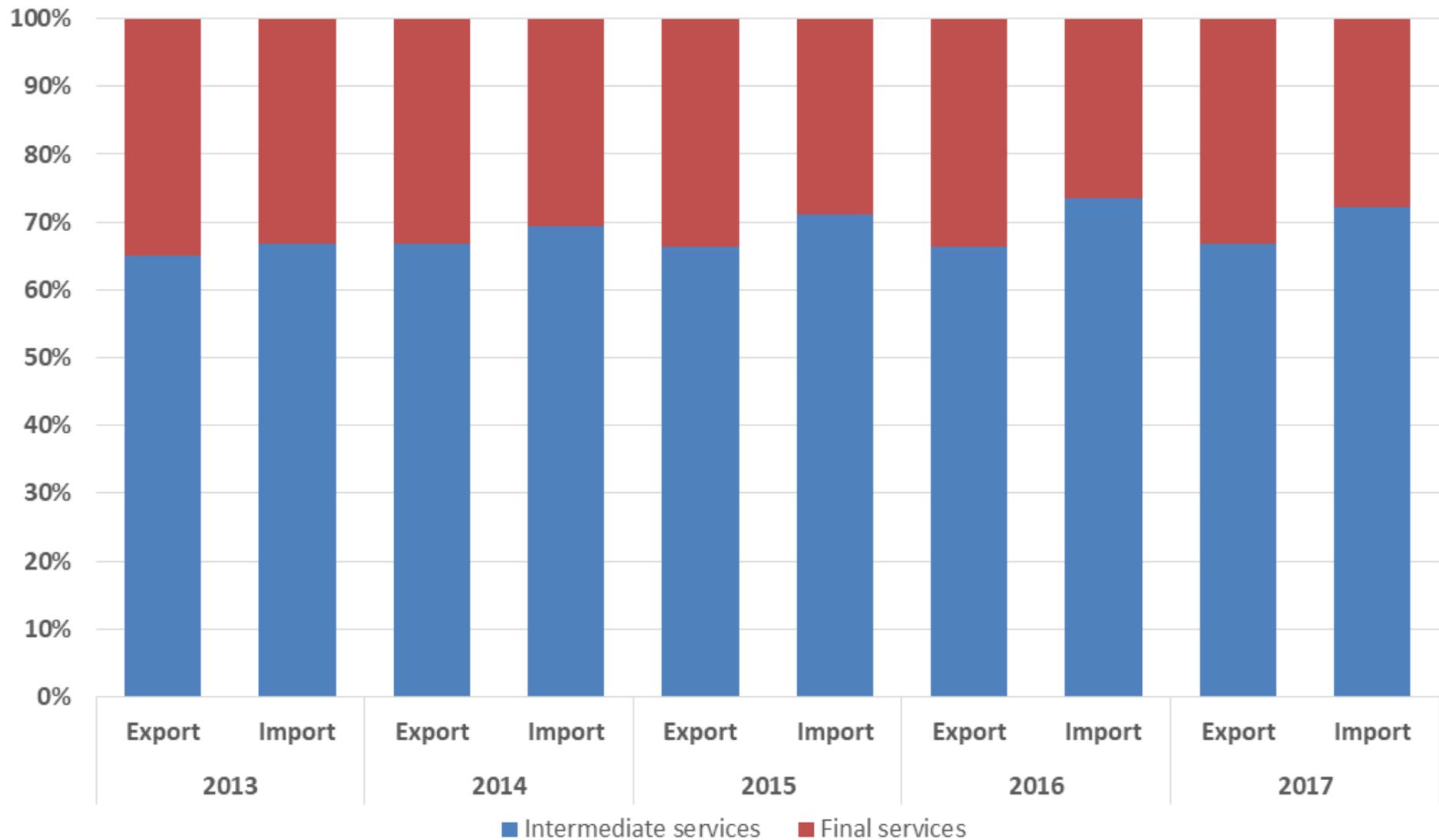→Time to include services in the BEC classification

SERVICES FLOWS

Breakdown of CPC and HS categories by top level BEC categories

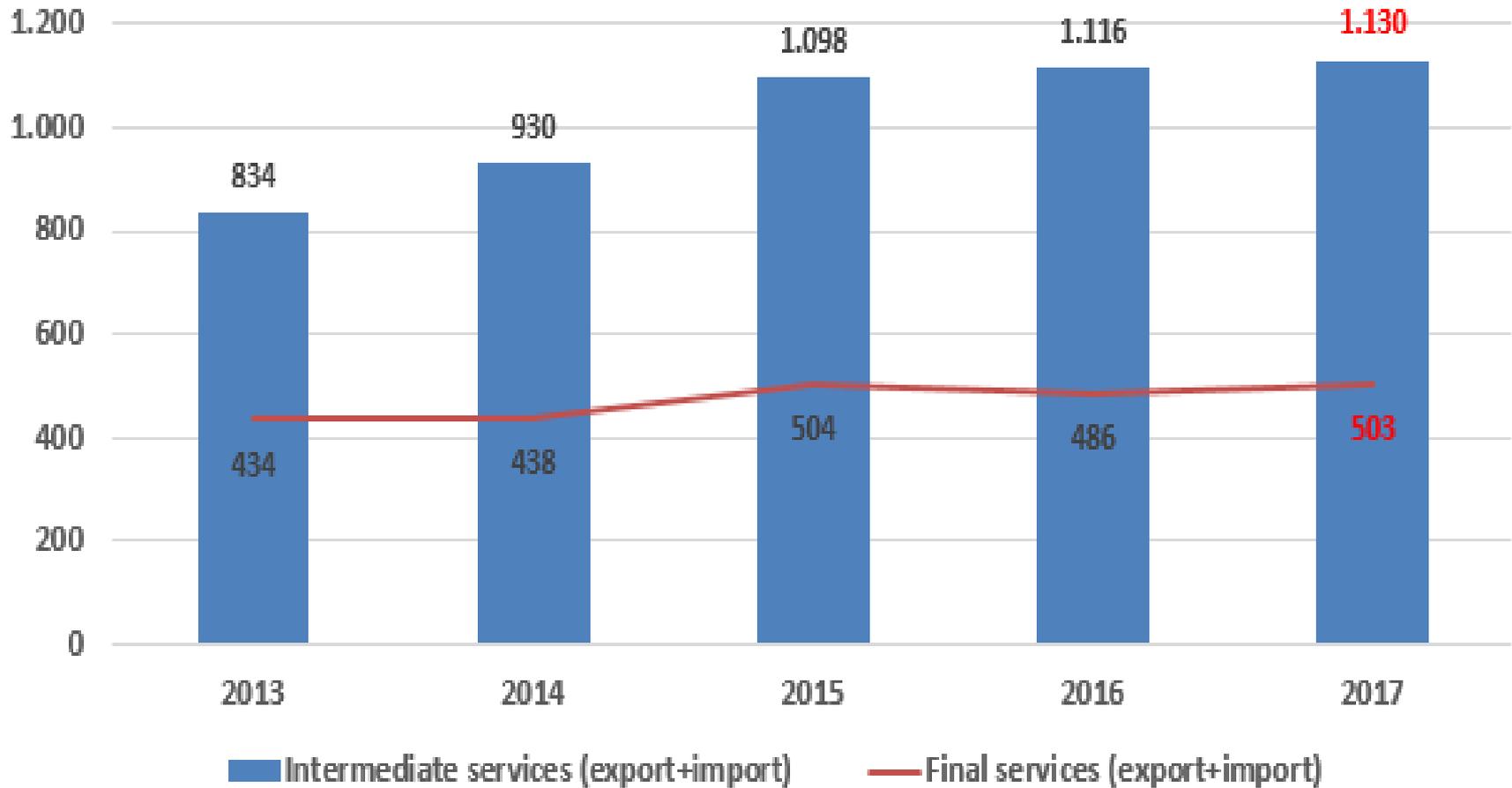|	BEC – Broad Economic Categories	CPC Services	HS Goods
Category 1	Agriculture, forestry, fishing, food, beverages, tobacco	178	972
Category 2	Mining, quarrying, refinery, fuels, chemicals, electricity, water, waste treatment	75	983
Category 3	Construction, wood, glass, stone, basic metals, housing, electrical appliances, furniture	224	1313
Category 4	Textile, apparel, shoes, jewelry, leather	88	895
Category 5	Transport equipment and services, travel, postal services	136	180
Category 6	ICT, media, computers, business and financial services	289	441
Category 7	Health, pharmaceuticals, education, cultural, sport	126	178
Category 8	Government, military and other	168	139
Total	All products	1284	5101

Experience from Eurostat

➢ BEC Rev.5 brings together goods and services; and the end-use dimension

➢ **For the first time** Eurostat estimated the final and intermediate use of the **EU trade in services – as an experimental statistics**
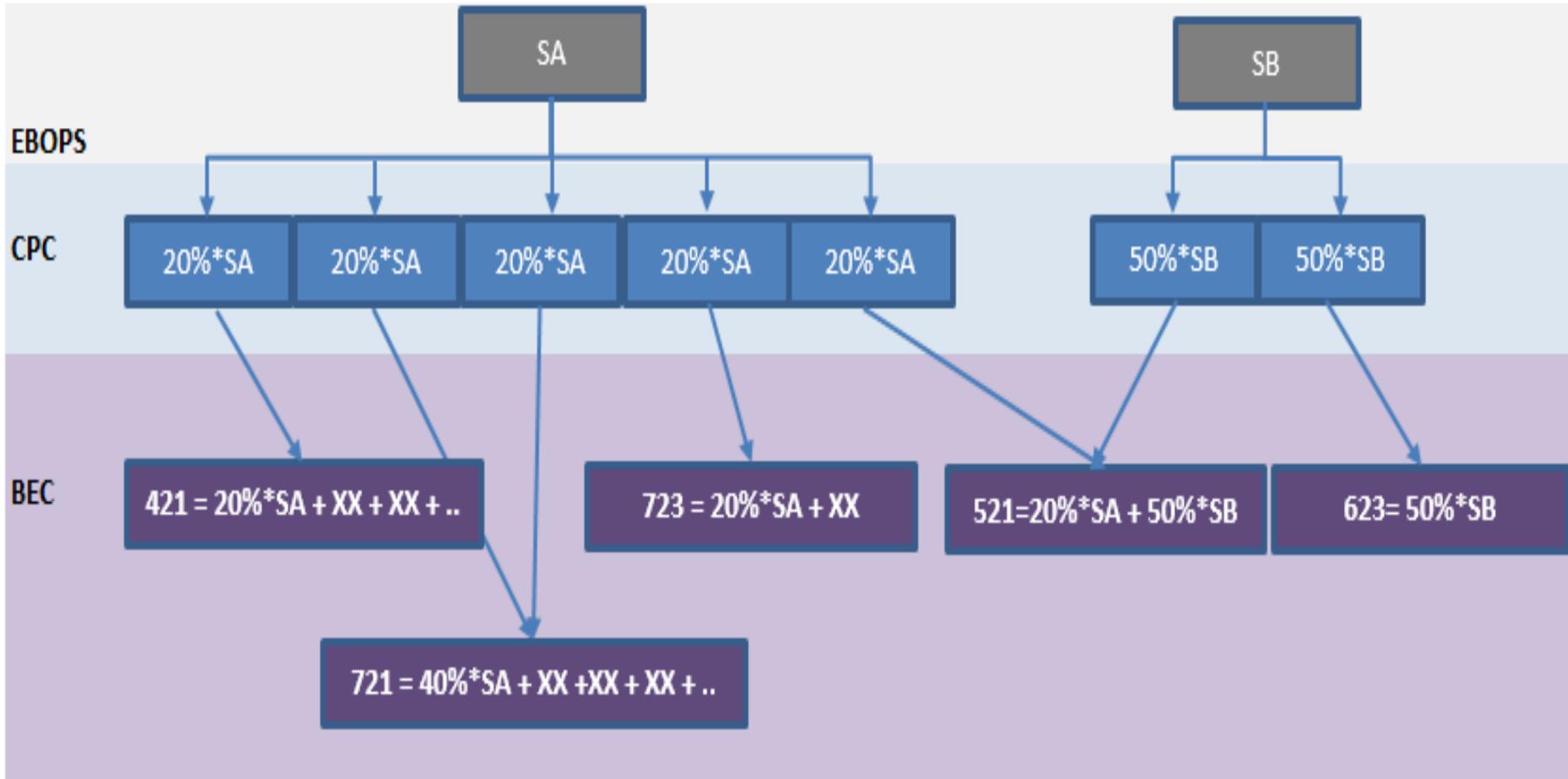
EU intermediate and final services, partner Extra-EU (%)

EU total trade volumes, partner Extra-EU
(Billion Euro)

	2013	2014	2015	2016	2017
Intermediate services (export+import)	834	930	1.098	1.116	1.130
Final services (export+import)	434	438	504	486	503

What we did?

➢ Distribution of the **EBOPS items** to the relevant **BEC codes**;

➢ The **draft correlation table between** CPC, BEC and EBOPS - established by the Inter-agency Task Force of International Trade Statistics.

AN EXAMPLE

Thank you

Please send your comments to
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