



Work on the review of ISIC Rev.4

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Historical context for the work on ISIC Rev.4

2017

- The Expert Group on International Statistical Classifications discussed a report of the from the Technical Sub-Group ISIC (TSG-ISIC) treatment of factoryless goods producers (FGPs) and the treatment of intermediaries
- The Expert Group The EG agreed, at that time, that there was no need to review ISIC Rev.4 and that the TSG-ISIC should assess the issues on its work on factoryless good producers and the statistical units model and report back to the next EG meeting on whether ISIC Rev.4 needed review

Historical context for the work on ISIC Rev.4

2018-2020

- Work started on a detail review of proposals of change in NACE Rev.2 (*statistical classification of economic activities in the European Community*) and NAICS (*North American Industry Classification System*) and in the classifications of other countries
- The TSG-ISIC was mandated to:
 - Consolidate a list of issues on ISIC Rev.4 conduct a global consultation on those issues
 - Analyse the results of the global consultation
 - If necessary, recommend to the EG that a revision of ISIC take place

Historical context for the work on ISIC Rev.4

Jun 2019 – Meeting of the TSG-ISIC in New York

- Reviewed a number of issues with ISIC identified by countries and international/regional organizations
- Discussed several ways in which the classification can be made more flexible and more responsive by balancing the need to respond to new and emerging policy needs while at the same time ensuring consistency of time series
- Put together an initial list of issues

Sep-Oct 2019 – Global Consultation

- 114 responses (101 countries and 6 international organizations)

Nov 2019-Apr 2020 – Review of the responses and initial set of recommendations to the EG

Jun-Oct 2020 – Detailed discussion on the issues by the TSG-ISIC

Oct 2020 – Final report of the TSG-ISIC to the EG

Examples of main issues identified and discussed by the TSG-ISIC

- Section G - Wholesale and Retail Trade
 - Store and non-store retail distinction
 - Distinction between wholesale and retail trade
 - Scope of Section G (only tangible goods?)
- Intermediaries and Digital intermediaries
- Section J - Information and Communication
 - Telecommunication activities (Division 61) often integrated
 - Classification of media streaming (audio and video)



Examples of main issues identified and discussed by the TSG-ISIC

- Classification of Factoryless goods producers
- New activities in the financial sector
 - Crypto assets and digital ledgers
 - Fintech
- New activities
 - 3D printing, Drones, Robotics, Artificial intelligence, Cloud technologies, online education, etc.
- Better reflection of new and renewable energy sources
 - Electricity production, Biofuels, Electric cars and charging stations



Examples of main issues identified and discussed by the TSG-ISIC

- New breakdowns
- Grey areas (that need further clarification)
- Statistical units
- Overall update and maintenance of ISIC
 - How do we ensure a flexible and more responsive classification to new and emerging policy needs while ensuring consistency of time series?
 - There is a general recognition that the ISIC revision process needs to be aligned with the ongoing revision process of the SNA and BPM
 - There is a general recognition that the revision process has to be more dynamics allowing for more frequent quicker revisions

Next steps

- The TSG-ISIC is finalizing its recommendations on a possible revision of ISIC Rev.4 to the Expert Group (EG) on International Statistical Classifications (end of October)
- The EG will review the recommendations and submit a report to the 52nd UN Statistical Commission (end of November)
- The UN Statistical Commission will take up the issue of the revision of ISIC (March 2021)

Thank you

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