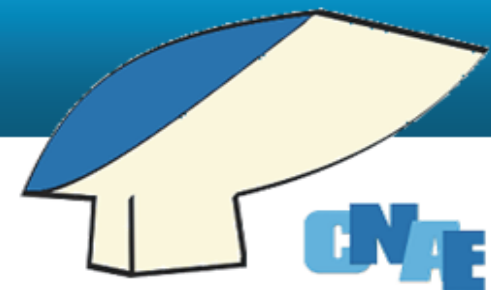


II Seminário da Classificação Nacional de Atividades Econômicas - CNAE

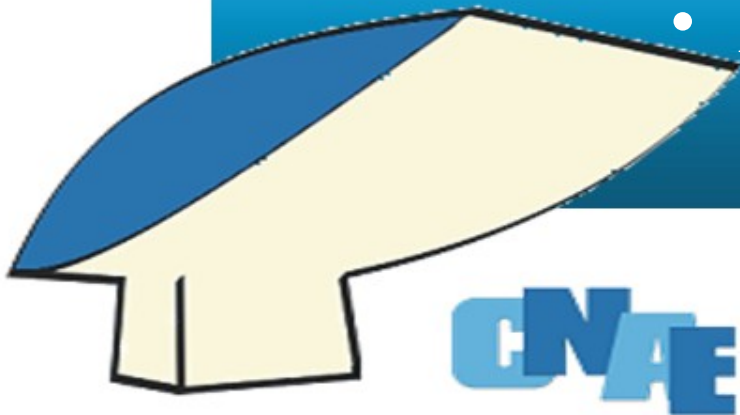
International Standard Classifications



Diálogo Econômico do Brasil com o Mundo

ISIC Rev.4

- **Need for comparable data**
- **Objectives of the ISIC' revision**
- **ISIC revision process**
- **Major changes in ISIC**
- **Implementation process**
- **Acceptance of ISIC**



Need for comparable data

- **Growing effects of globalization**
- **Need to compare data between countries for policy reasons**
 - Trade data
 - Production data / enterprise demographics
- **Requires comparable methods and standards that need to be followed**



Standard frameworks

- **A number of international standards are being revised**
 - **System of National Accounts (SNA)**
 - **Balance of Payments (BOP)**
 - **International recommendations for Industrial Statistics (IRIS)**



Standard frameworks

- **The revised standard frameworks rely on international standard classifications that are also revised**
 - **International Standard Industrial Classification of All Economic Activities (ISIC)**
 - **Central product Classification (CPC)**
 - **International Standard Classification of Occupations (ISCO)**



Standard frameworks

- **These frameworks are being revised in a consistent way to allow comparable treatment across countries for**
 - **Classifications**
 - **Concepts**
 - **Compilation methods**



Standard frameworks

- **Data sharing among different agencies (inside and outside the statistical domain) is facilitated through use of common standard classifications**
 - **Use of administrative data by statistical offices becomes more reliable**



Objectives of the ISIC revision

- **Relevance**
 - Reflect new industries, new production patterns, new needs for economic analysis
- **Comparability**
 - Improve linkages to major regional classifications
- **Continuity**
 - Maintain close links to the previous version of ISIC



Objectives of the ISIC revision

- **Main task: Balancing the three objectives**
- **Since ISIC will be an international standard, the process should**
 - **get as many countries as possible involved**
 - **Provide each country with the option to contribute**
 - **Create a classification that represents not only the view of one specific region**



ISIC revision process

- **Mandated by the UN Statistical Commission in 1998**
 - Including mandate for ISIC Rev.3.1
- **Work was coordinated by an Expert Group**
- **Detailed work carried out by a Technical Subgroup**
- **Focused work on ISIC Rev.4 started in 2001**



ISIC revision process

- **World-wide consultation**
 - Set up in three rounds
 - Carried out through questionnaires
- **Focus first on conceptual issues, then increasingly more detailed structure issues**
- **On average, 60-70 countries provided detailed replies**



Major changes in ISIC Rev.4

- **Reflects new industries and concepts**
 - E.g. “Information and communication”, “Waste management”, “Professional activities”
- **Responds more to user needs**
- **Provides more detail at all levels of the classification**
- **Provides detailed explanatory notes**



Major changes in ISIC Rev.4

- Increased detail

	ISIC Rev.3	ISIC Rev.4
Sections	17	21
Divisions	60	88
Groups	159	238
Classes	292	419



Major changes in ISIC Rev.4

- **Maintains strong link to European classification (NACE)**
 - Full compatibility at all levels
- **Improves comparability with North American, Australian and other classifications**
 - Better alignment of detailed definitions



Implementation process

- **Expert Group has agreed on the following implementation schedule:**
 - **Adoption of revised national classifications, based on ISIC Rev.4, by 2009**
 - **International data reporting to begin in 2012**
- Application of the new classification in individual surveys and the need for backcasting depends on countries' schedules**



Implementation process

- **Tools assisting in the implementation are being developed**
 - **Correspondence tables**
 - **Alphabetical index**
 - **“Companion guide to ISIC and CPC”**
 - **Support forum**
 - **Documents on recoding of business registers, form design, backcasting**



Acceptance of ISIC

- **ISIC is the only activity classification applicable for world-wide comparisons**
 - **ISIC Rev.3 was adopted as national classification by more than 100 countries**
 - **Implementation took a long time**
 - **For ISIC Rev.4, a large number of countries is committed to adopt the new classification as soon as possible**
 - **By 2012, the number should exceed that of the ISIC Rev.3 implementation**



Acceptance of ISIC

- **With the development and adoption of CNAE 2.0, Brazil initiates the implementation process in Latin America**

