



Linking CPC to other classifications

United Nations Statistics Division



What links are possible?

- ☐ CPC is used for statistics based on products
 - Any classification that uses a product concept or can establish a link to a product concept can be linked to CPC
 - ☐ This makes a CPC-COFOG link easier than an ISIC-COFOG link
- ☐ In this presentation we will consider the most common applications:
 - HS, SITC, ISIC



CPC Ver.2 – HS 2007



CPC – HS link

- ❑ CPC provides basic definitions (building blocks) for services
- ❑ For goods, the HS provides these building blocks, i.e. each CPC goods subclass is the sum of HS subheadings
- ❑ Problem: HS is tailored for international trade and does not reflect all locally produced products in a suitable fashion



CPC – HS link

□ Examples:

- 1. Sugar cane – grouped with **Locust beans; fruit stones and kernels and other vegetable products (including unroasted chicory roots of the variety *Cichorium intybus sativum*) of a kind used primarily for human consumption, not elsewhere specified or included.**



CPC – HS link

□ Examples:

- 2. Software – included in **Discs, tapes, solid-state non-volatile storage devices, "smart cards" and other media for the recording of sound or of other phenomena, whether or not recorded, including matrices and masters for the production of discs, but excluding products of Chapter 37.**



CPC – HS link

□ Examples:

- 3. HS often groups raw and processed agricultural products (which are outputs of different industries)
- 4. HS agricultural products often do not distinguish source by animals (e.g. cow milk, vs. goat milk etc.)

□ Unlike for services, HS adds a constraint to possible CPC detail



CPC – HS link

- ☐ CPC provides detail beyond HS in a few selected areas
 - Total: 268 products (of 1501) = 17.8%
 - ☐ Out of which 195 for agriculture/food products
 - ☐ (Many splits will be reflected in the next HS revision)
 - Other main areas:
 - ☐ Books
 - ☐ Petroleum oils
 - ☐ Software
 - ☐ Toys
 - ☐ Computer equipment



CPC-HS link

- Since most CPC subclasses are defined through HS subheadings, the explanatory notes of the HS provide the basis for defining the content of these CPC subclasses
 - For subclasses that involve splits of HS subheadings, separate explanatory notes have been provided
 - Note: some text in the HS explanatory notes is not applicable to all CPC uses
 - E.g. software packaged with a computer



CPC – HS link (and more)

- ☐ In general, CPC has changed with the underlying HS categories
- ☐ For services, CPC provides the detail and other classifications, like EBOPS, use these building blocks



CPC Ver.2 – SITC Rev.4

CPC Ver.2 – BEC



CPC-SITC,BEC

- ☐ Since CPC and BEC are derived from HS, the link between CPC and these classifications is simply based on the established CPC-HS link with the appropriate aggregations
- ☒ Different aggregation structure results sometimes in split links between CPC and SITC or BEC
 - ☐ Use of simplified links?



CPC Ver.2 - ISIC Rev.4



CPC-ISIC link

- ☐ CPC classifies products, ISIC classifies activities/units
- ☐ What concept is used for the link?
- ☐ Most common: Link CPC products to the ISIC activities that produce them
 - Other options: link to activities that use them; link to ISIC industries that produce these products
 - ☐ Problem with latter: secondary production



CPC-ISIC link

- In most cases, a product can be attributed to a single activity that produces it
- There are exceptions, which complicate the link:
 - Products assigned to multiple activities
 - Products assigned to many/all activities/industries
 - Products assigned to no activity (not outputs of production)
- Note: although the link is to “activity” the above exceptions may go beyond that for practical reasons
 - E.g. trademarks, leasing of rights to use patents



CPC – ISIC link

- Products with multiple activity/industry links
 - Examples:
 - Mushrooms (output of growing or gathering)
 - Oysters (output of aquaculture or fishing)
 - Glycerol (output of different chemical processes)
 - Electrical capacitors (electric vs. electronic)
 - Sale of advertising space in print media (different media)
 - Internet access services (different providers)



CPC – ISIC link

- Reasons for multiple links:
 - Insufficient product detail
 - (could be fixed)
 - One product (with unique characteristics) can be produced by different industries
 - Subdividing these would create “artificial products”; goods not compatible with HS
- Forcing a single link may result in loss of data
 - Depends on application of this link for data collection and display



CPC – ISIC link

- Total number of CPC products with multiple ISIC links:
 - 66 (out of 2730) = 2.5%
- For most products, a regrouping by industry is possible
- No ISIC link shown for waste products
 - Could be produced by many industries, regardless of waste type
 - Some are not output of production



Alternate aggregations for CPC



Alternate aggregations for CPC

- Similar to alternate aggregations for ISIC, it may be useful to group products in ways different from the default CPC structure for specific purposes



Alternate aggregations

- No such aggregations existed in previous CPC versions
 - Although there was an alternate structure for financial products
- CPC Ver.2 introduces an alternate aggregation for products of the Information Economy



Products of the Information Economy

- ❑ This aggregation defines *ICT products* and *Content and media products* in terms of CPC subclasses
- ❑ This is a complement to the definition of the Information Economy (ICT sector and Content and media sector) in ISIC Rev.4



ICT products

- There are 99 ICT products, grouped into 10 broad level categories
 - Computers and peripheral equipment
 - Communication equipment
 - Consumer electronic equipment
 - Miscellaneous ICT components and goods
 - Manufacturing services for ICT equipment
 - Business and productivity software and licensing services
 - Information technology consultancy and services
 - Telecommunications services
 - Leasing or rental services for ICT equipment
 - Other ICT services



Content and media products

- There are 74 Content and media products, grouped into 6 broad level categories
 - Printed and other text-based content on physical media, and related services
 - Motion picture, video, television and radio content, and related services
 - Music content and related services
 - Games software
 - On-line content and related services
 - Other content and related services



Thank you