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Agenda item 5

SUMMARY OF COUNTRIES' COMMENTS ON THE REVISION OF CLASSIFICATION SYSTEMS USED IN TRANSPORT STATISTICS (TRANS/WP.6/2004/Rev.1)

Note prepared by the ECE secretariat

INTRODUCTION

The paper summarises comments by countries on the document revision of classification systems used in transport statistics (TRANS/WP.6/2004/1/Rev.1). 18 countries replied to the written consultation (Armenia, Austria, Canada, Czech Republic, Denmark, Estonia, Germany, Kazakhstan, Kyrgyzstan, Latvia, Norway, Poland, Republic of Korea, Slovenia, Sweden, Switzerland, Turkey and United States). The more substantial comments are reproduced below.

COMMENTS ON THE REVISION OF CLASSIFICATION SYSTEMS USED IN TRANSPORT STATISTICS

Summary

Most of the countries support the adoption of the classification in its present form. However, some minor changes/corrections were identified in the text (e.g. the subheading for section 4 was missing). It is proposed that the UNECE Working Party on Transport Statistics (WP 6) takes responsibility for keeping the document up-to-date and making any necessary amendments or revisions.

There are also some proposals for more substantial changes. All proposals are communicated to the secretariat of the UNECE Working Party on Transport Statistics for future consideration.

Countries' comments

Austria:

Statistics Austria welcomes the revision of the transport classification, especially the use of the CPA as building blocks for the NST 2000.

Nevertheless, we have a few comments on the current version:

- it is quite unusual, in a classification with two hierarchical levels, to give the same name ("section") to both levels. There is a common terminology in international classifications for the various levels and so, usually, the two-digits are named "divisions" and the three digits "groups";
- generally, the three-digit level seems quite detailed and this may cause problems in practical implementation;
- section 04 is missing in the list;
- NST 2000 positions, which are not based on CPA, need a clear definition (explanatory note). An example is position 17.4 'Plant equipment, scaffolding' which seems to us quite unclear:
- the same is true for position 17.5 'Other non-market goods n.e.c.'. The scope of NST concerns physical goods, and thus any distinction between market and non-market is irrelevant and anyway not appropriate in transport statistics;
- it may be questioned whether it is necessary to distinguish between unidentifiable goods transported in containers and unidentifiable goods not transported in containers (the title of 19.2 is misleading as it says "other unidentifiable goods");
- as all CPA elements covering physical goods are covered by sections 01 13, there is no need or use for NST position 20 'Other goods n.e.c.'.

A last comment refers to the ongoing revision of CPA as part of the revisions of the international activity and product classifications. During 2006, the new CPA (CPA 2007) should be available. The structure of the revised CPA will, in part, be totally different compared to the current structure, as the new NACE (NACE Rev. 2) and the new ISIC (ISIC Rev. 4) will also, in part, be totally different in structure (and of course in the coding). In order to avoid a situation where, at the time when the NST 2000 should be set into force, a new CPA would be available and used in other statistical domains, adaptation of the current NST 2000 draft on the basis of CPA 2007 should be considered. This may, of course, mean that certain changes in the current structure of NST 2000 would be necessary, but a classification using outdated building blocks would thus be avoided.

Canada:

We have no comments on the "Revision of Classification Systems Used in Transport Statistics (NST 2000)" document.

In Canada, much as we have done with the industrial classification and NAICS, we have adopted an approach focused on harmonization of the coding of transported goods. This has been done to enable comparability between Canadian and United States measurement of the huge volume of goods moved between the two countries. This led to the development of the *Standard Classification of Transported Goods* (SCTG). The SCTG consists of a blend of transportation characteristics, commodity similarities, and industry-of-origin considerations, designed to create statistically significant categories. It is a structured list that is defined at its

less-detailed levels according to the Harmonized Commodity Description and Coding System (HS), and at more-detailed levels according to patterns of industrial activity. Other factors in the definition of categories were transportation considerations such as volume, revenue, value, origin and destination.

The SCTG is a joint Canada-U.S. initiative, designed to provide categories for the 1997 U.S. Commodity Flow Survey (CFS) and to improve the integration of Canadian transportation data, particularly for marine, truck, and rail. The classification is designed to permit easier comparison of Canadian and U.S. transportation data.

While the European and North American classification systems differ, both have a relationship to the Harmonized System and both have classes for goods that are not commodities (for example, empty pallets, empty containers) that are important to measure in the transportation field.

Estonia:

In the English/French version of the NST 2000 "Revision of Classification systems used in transport statistics", section 04 is absent which, in our opinion, should be added.

Germany:

In general, the Statistical Office in Germany agrees with the draft NST 2000. However, there are some modifications we would like to propose:

- group 15, section 15.2 "Parcels, small packages" refers to goods which are transported by parcels services whereas group 18 refers to "Grouped goods: a mixture of types of goods which are transported together". Therefore, section 04.9 is not a necessary classification and should be deleted. Section 0.48 should be renamed subsequently in "Other food products";
- the combination of numeral and letters in the codes (cp. "01.A" and "01.B") should be avoided. Only numeral codes should be used instead;
- the code and description of section 04 (2-digit) should for completeness be added (section 04 is missing at present);
- finally, since some CPA-references have been deleted, we were wondering where some products should be classified in the revised NST version. Clarification on the transfer of the deleted classification might be helpful for practical use of the revised NST.

<u>Note by the UNECE secretariat</u>: the list of products with deleted CPA references was forwarded to the WP.6 secretariat.

Latvia:

The Central Statistical Bureau of Latvia appreciates the work done on the preparation of the Revision of Classification Systems used in Transport Statistics(NST 2000) and is ready to introduce it after its adoption.

Nevertheless we have two comments on technical issues:

- all 3 official versions of NST 2000 should be identical in the layout;
- in the English/French version, the heading of Section 4 on page 3 is missing.

Poland:

According to the mandate, which was given by the UNECE Working Party on Transport

Statistics, the second level of the new Transport Statistics Classification NST-2000 has been prepared jointly by Poland and France. The above-mentioned classification has been adopted and recommended for implementation in all Member States during the 55th session of UNECE WP.6.

However, we would like to stress that there is no sub-section 03.4 and 03.05 or section 04 in the document Transport Statistics (NST 2000) (TRANS/WP.6/147, para.18).

The missing sections are as follows:

Section	Sub-section	Description	Classification
			CPA
	03.4	Salt	14.4
	03.5	Sand, gravel, clay, other stones, earth and minerals	14.1, 14.2, 14.5
04		Food products, beverages and tobacco	15, 16

Republic of Korea:

We do not have any type of classification concerning transport statistics that is similar to CSTE and NST/R. Therefore, we do not think we are in a position to comment on it. Nevertheless, we think it is necessary to remove the non-useful group in NST/R and link NST 2000 to CPA that is common in European Community. In addition, this new classification system could serve as a good reference in reviewing setting out a classification system and producing statistics in Korea in the future.

Slovenia:

The NST2000 classification of goods for transport statistics has been under preparation since 2000. We were involved in the preparation of the classification and the adoption of proposals and remarks by member states via the UNECE WP.6 in Geneva. Therefore, we have no comments regarding the contents of the classification.

In contrast to the presently used classification of goods for transport statistics NSTR/Rev.1, the NST2000 is mostly well linked with the CPA and CPC. Of course, there are some differences since transport includes non-commercial goods, goods in containers, goods on pallets, etc. The new NST2000 classification of goods, which will replace the present NSTR/Rev. 1 classification (which is only linked to CTSE and SITC), will be for road and railway transport introduced by special Commission regulations for each of the two modes of transport while, for transport by sea, a Commission decision will be applied. The anticipated start of implementation is 2006 for the areas where the appropriate legal basis will be adopted in 2005. In this respect, many participants of the October 2004 meeting of the Coordinating Committee for Transport Statistics had serious doubts about the possibility of implementing the classification in such a short time. We also warned about the problem of the break in time series and requested more time to prepare conversion tables between the two classifications. Eurostat promised to send to Member States its proposal regarding the transition period at the beginning of 2005, but so far we have not received this document. We agree with the opinion

of many other countries that the use of the new classification at the two-digit level (data collection and dissemination) should start in 2007 for all modes of transport.

Switzerland:

- we propose that the document is accepted as it now stands;
- we propose that the Conference encourages the UNECE WP.6 as specialists in transport statistics to keep the document up-to-date as needs and statistical environment may change in the future;
- we spotted a need for certain minor changes in the document. These alterations do not change the substance of the document, they just increase its clarity. We have already approached the secretariat of WP.6 on this issue. The secretariat was open and positive regarding these suggestions by Switzerland.

Turkey:

We want to add some CPA 2002 titles to the draft NST-2000, as follows;

40.21.10	Coal gas, water gas, producer gas and similar gases, other than petroleum gases		
72.21.20	Recorded data bearing media of a kind used in automatic data processing machines		
74.81.11	Photographic plates and film, exposed but not developed		
74.81.12	Photographic plates and film, exposed and developed, for offset reproduction		
74.81.13	Microfilms, exposed and developed		
74.81.14	Other photographic plates and film, exposed and developed		
92.11.11	Cinematographic film, exposed and developed, of a width ³ 35 mm		
92.11.12	Cinematographic film, exposed and developed, of a width < 35 mm		
92.11.20	Magnetic tapes with sound and vision recordings		

These titles should be evaluated, and new codes should be added to the draft NST-2000 or under the suitable codes of the draft NST-2000.

Volume-physical units and measurement units (e.g. kg = 1500) should be defined in the draft NST 2000.

We have prepared a correspondence table between NST-2000 and CPA 2002 with 6 digits. We have also added volume units using PRODCOM and CN classifications. However, this proposal should be checked and examined.

<u>Note by the UNECE secretariat</u>: the proposal was forwarded to the UNECE WP.6 secretariat.

United States:

We do have some comments on document TRANS/WP.6/2004/1/Rev.1 on the Revision of Classification Systems Used in Transport Statistics (NST 2000). We had the document reviewed by staff of the Research and Innovative Technology Administration, Bureau of Transportation Statistics in the U.S. Department of Transportation. They provided the following comments:

- while recommending endorsement of NST 2000, the Bureau of Transportation Statistics noted that the NST 2000 would impact future data submissions from the United States on UN related questionnaires. Differences exist between the classifications used in collecting goods movement/freight data in the United States and the NST 2000 classification system. While data from the United States would be available for some of the NST 2000 categories, data comparability and harmonization would be affected for other categories, such as:
 - (a) NST 2000 Section 12 Transport equipment;
 - (b) NST 2000 Section 14 Household and municipal waste;
 - (c) NST 2000 Section 15 Mail, parcels;
 - (d) NST 2000 Section 17 Goods movement in the course of household and office removals.

This assessment is made from the description of the categories provided. If a further decomposition of the categories and corresponding definitions could be provided, a more comprehensive assessment could be made;

• an equivalent classification system to the NST 2000 that mixes product and services categories does not exist in North America. To help the United States compile comparable data that corresponds to the NST 2000 categories, it is suggested that the corresponding Harmonized System (HS) code be included along with the CPA classification on document TRANS/WP.6/2004/1/Rev.1. The schematic provided outlining the relationship between the European and UN Classification systems (document TRANS/WP.6/2004/3) shows a link between the NST 2000 and the HS. This will assist the North American countries to maintain compatibility with the NST 2000.

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