



System of
Environmental
Economic
Accounting

Update on Classifications



United Nations

Engagement from the UNCEEA on various classification revision process set up by the Committee of Experts on International Statistical Classification

The International Standard Industrial Classification of All Economic Activities (ISIC)

Central Product Classification (CPC) - currently under revision]

Standard International Energy Classification (SIEC) - currently under revision

Classification of Functions of Government (COFOG) – currently under revision

Classification of Environmental Functions (being finalized)



Update on ISIC and CPC revisions

ISIC revision has concluded, and a limited number of environmental activities have been included:

- > 2611 Manufacture of solar cells, solar panels and photovoltaic inverters
- > 3511 Electric power generation activities from non-renewable sources
- > 3512 Electric power generation activities from renewable sources
- > 8413 Regulation of the activities of providing environmental services
- > Split activities in 9103 “Botanical and zoological gardens and nature reserve activities”

CPC revision - On-going until the end of 2023 with expected adoption at the UN Statistical Commission in 2024.
Environmental issues to be addressed

- > Forestry products
- > Environmental goods and services
- > Waste
- > Links with the Classification of Environmental Functions
- > Identification of existing issues from selected “satellite” accounts
- > Fisheries
- > Improve the alignment with Standard International Energy Classification (SIEC)
- > Review underlying principles, application, and use of CPC

Update on SIEC and COFOG revisions

SIEC revision - On-going until the end of 2024 with expected adoption at the UN Statistical Commission in 2025.

Environmental issues to be addressed

- > Improvement of the harmonization between SIEC and CPC
- > Overall review the classification of renewable energy products
- > Including additional breakdowns or collapsing existing breakdowns

COFOG revision – Inception meeting on April 2023, timeline to be confirmed. Potential environmental issues to be addressed

- > Alignment with the Classification of Environmental Functions
- > Mapping to policy targets and international reporting requirement
- > taxonomies on biodiversity finance, climate change finance and sustainable finance
- > Secondary purpose environmental expenditure

Classification of Environmental Functions

- Material developed by Eurostat and the European countries
- Global consultation launched in 2022, with 40 countries, 5 international organizations and 2 experts providing feedback.
- To finalize the Classification of Environmental Functions (CEF) for its adoption by the UN Statistical Commission as an international standard classification, the UN Committee of Experts on International Statistical Classifications (UNCEISC) Bureau, which upon consultation with the UNCEEA, will need to sign off on the classification to be part of the family of international classifications.
- Working group, consisting of experts from the environmental accounts, NACE Task force on CEF and classifications, has been established by the UNSEISC to review the responses received as part of the global consultation and advise on the changes to the CEF.