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CLASSIFICATIONS OF EXPENDITURE ACCORDING TO PURPOSE:

Classification of the Functions of Government (COFOG)

**Classification of Individual Consumption
According to Purpose (COICOP)**

**Classification of the Purposes of Non-Profit Institutions
Serving Households (COPNI)**

**Classification of the Outlays of Producers
According to Purpose (COPP)**

UNITED NATIONS, New York, 2000

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PREFACE

The present publication presents four classifications of expenditure according to purpose: the Classification of the Functions of Government (COFOG), the Classification of Individual Consumption According to Purpose (COICOP), the Classification of the Purposes of Non-Profit Institutions Serving Households (COPNI) and the Classification of the Outlays of Producers According to Purpose (COPP). These classifications were approved by the United Nations through its Statistical Commission at the thirtieth session of the Commission in March 1999.

In 1995, the Inter-Secretariat Working Group on National Accounts (ISWGNA) invited the Organisation for Economic Cooperation and Development (OECD) to produce revised versions of three of the four classifications of expenditure according to purpose included in the 1993 System of National Accounts, namely, COFOG, COICOP and COPNI. At the same time, ISWGNA invited the United Nations to revise the fourth classification, COPP. The revised versions of COFOG, COICOP and COPNI have been prepared by the OECD Statistics Directorate and the revision of COPP has been conducted by the United Nations Statistics Division.

Throughout the revision process, OECD consulted regularly with the Statistical Office of the European Communities (Eurostat), the United Nations Statistics Division and the national statistical agencies of its member countries. Earlier versions of the classifications were considered at various meetings of national accounts experts held in Luxembourg, Paris and Geneva and organized by OECD, Eurostat and the Economic Commission for Europe. Drafts of the four classifications circulated by the United Nations for comments, were also reviewed by national and international statistical agencies worldwide.

This publication includes detailed explanatory notes for categories of COFOG, COICOP, COPNI and COPP, although the notes do not cover every eventuality or every country situation. It is expected that valuable practical experience in the application of these classifications will contribute to their improvement and refinement. Consequently, OECD, Eurostat and the United Nations Statistics Division have established a consultation process to determine how new products and changing circumstances should be treated. Decisions will be made on a case-by-case basis in keeping with the primary criteria of the classifications and the practicalities of data availability. Announcements of corrections and updates will be posted to the United Nations Statistics Division Classifications Web site (www.un.org/Depts/unsd/class/class1.htm). National statistical agencies and other users with questions or queries may contact the Classifications Hotline at chl@un.org.

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Part one

INTRODUCTION

CHAPTER I

CLASSIFICATIONS OF EXPENDITURE ACCORDING TO PURPOSE IN THE 1993 SYSTEM OF NATIONAL ACCOUNTS

Introduction

1. The 1993 SNA¹ includes four classifications of expenditure according to purpose.² These four classifications are included in the present publication as follows:

COFOG: Classification of the Functions of Government;
COICOP: Classification of Individual Consumption According to Purpose;
COPNI: Classification of the Purposes of Non-Profit Institutions Serving Households;
COPP: Classification of the Outlays of Producers According to Purpose.

2. COFOG, COICOP, COPNI and COPP have three levels of detail which are referred to as follows:

01. Division (or two-digit level);
01.1 Group (or three-digit level);
01.1.1 Class (or four-digit level).

3. It is at the class or four-digit level that the classifications are now defined. The 1993 SNA, however, outlines only the structures of the classifications - at the two-digit level for COPNI and at the three-digit level for COFOG, COICOP and COPP. The structures are based on previous classifications - namely, the Classification of the Functions of Government published in 1980;³ the Classification of Household Goods and Services of the 1968 SNA;⁴ the Classification of the Purposes of Private Non-Profit Bodies Serving Households of the 1968 SNA; and the Classification of Outlays of Industries by Purpose published in draft in 1975.⁵

4. The task of restructuring and defining the classifications was undertaken by the Organisation for Economic Cooperation and Development (OECD) and the United Nations Statistics Division. OECD, working in close collaboration with the Statistical Office of the European Communities (Eurostat), was responsible for COFOG, COICOP and COPNI. The United Nations Statistics Division was responsible for COPP. The details of COFOG, COICOP, COPNI and COPP are presented in parts two through five of the present publication.

¹ Commission of the European Communities, International Monetary Fund, Organisation for Economic Co-operation and Development, United Nations and World Bank, *System of National Accounts 1993* (United Nations publication, Sales No. E.94.XVII.4).

² The 1993 SNA used the term *functional* classifications. The Statistical Commission at its twenty-eighth session recommended that in future functional classifications should be referred to as *classifications of expenditure according to purpose*.

³ *Classification of the Functions of Government*, Statistical Papers, No. 70 (United Nations publication, Sales No. E.80.XVII.17).

⁴ *A System of National Accounts*, Studies in Methods, No.2, Rev.3 (United Nations publication, Sales No. E.69.XVII.3).

⁵ *Draft Classification of Outlays of Industries by Purpose (COIP)* (ST/ESA/STAT/83), 3 November 1975.

Purpose and function

5. The terms "purpose" and "function" are used interchangeably in the 1993 SNA; the term "object" was used in the 1968 SNA. The three words are all used to convey the same meaning, that is to say, the "socio-economic objectives" that institutional units aim to achieve through various kinds of outlays.

6. The four classifications are primarily designed to classify transactions undertaken by households, non-profit institutions serving households (NPISHs), government and producers that result in "payables", that is to say, money paid or due for the acquisition of current and capital goods or of labour and other services, for the acquisition of financial assets or for the extinction of financial liabilities. More specifically:

- COFOG and COPNI are used to classify a range of transactions, including outlays on final consumption expenditure, intermediate consumption, gross capital formation and capital and current transfers, by general government and NPISHs respectively;
- COICOP is used to classify only a single kind of outlay, namely, the individual consumption expenditures of households, NPISHs and general government;
- COPP is used to classify intermediate consumption and capital outlays of mainly non-financial and financial corporate enterprises.

7. The full definitions of the institutional sectors for which the classifications are designed are given in chapter IV entitled "Institutional units and sectors" of the 1993 SNA and are not repeated here.

Uses of classifications of expenditure according to purpose

8. Chapter XVIII entitled "Functional classifications" of the 1993 SNA describes the three uses of these classifications.

9. The first use relates specifically to COFOG. Government services can benefit households either individually or collectively. COFOG is used to distinguish between the individual and collective services provided by general government. Expenditures on individual services are treated as social transfers in kind. They are deducted from the total final consumption expenditure of government to obtain actual final consumption of government (or actual collective consumption) and added to the final consumption expenditures of households and NPISHs to obtain actual final consumption of households (or actual individual consumption) (see paras. 35 and 36 below).

10. The second use is to provide a wide range of statistics pertaining to expenditures by government, households, NPISHs and producers that experience has shown to be of general interest and amenable to a wide variety of analytic applications. For example, COFOG shows government expenditure on health, education, social protection and environmental protection as well as on financial and fiscal affairs, external affairs, defence and public order and safety; COICOP shows household expenditure on food, clothing, housing, health and education, all of which are important indicators of national welfare; COPP may provide information on the "outsourcing" of business services, that is to say, on the increasing tendency for producers to outsource catering, cleaning, transport, auditing and other services that were previously carried out as ancillary activities within the enterprise.

11. The third use of the classifications is to provide users with the means to recast key aggregates of the System for particular kinds of analyses. For example:

- In studies of labour productivity, researchers often need a measure of "human capital" which is

normally derived from information on past expenditures on education. The four classifications of expenditure according to purpose identify expenditures on education incurred by households, NPISHs, government and producers;

- In studying the process of economic growth, researchers sometimes prefer to treat some or all research and development (R&D) expenditures as capital formation rather than as intermediate consumption. COFOG, COPNI and COPP identify R&D separately;
- In studies of household expenditure and saving, some researchers have found it more useful to regard expenditures on consumer durables as capital rather than as current expenses. COICOP provides for the separate identification of expenditures on durable goods;
- In studies of the impact of economic growth on the environment, researchers often need information on expenditures undertaken to repair or prevent damage to the environment. Protection of the environment is identified in COFOG, COPNI and COPP.

Purposes in common

12. Table 1.1 below lists some of the socio-economic objectives that are common to two or more of the four classifications. An [x] means that the purpose is considered relevant to a given institutional sector and is therefore identified in the classification applying to that sector; a hyphen (-) means either that the purpose is not relevant to the sector concerned or that it is not identified separately, because in most countries the value of expenditures corresponding to these categories is believed to be quantitatively insignificant.

Table 1.1. Examples of purposes of expenditure common to more than one classification

Purpose of expenditure	Households (COICOP)	Non-profit institutions serving households (COPNI)	General government (COFOG)	Corporate and unincorporated enterprises (COPP)
Health	x	x	x	x
Recreation	x	x	x	x
Culture	x	x	x	x
Education	x	x	x	x
Social protection	x	x	x	x
Environmental protection	-	x	x	x
Research and development	-	x	x	x
Housing	x	x	x	-
Transport	x	-	x	x
Communication	x	-	x	x
Disaster relief	-	x	x	-
Economic aid abroad	-	x	x	-
Religion	-	x	x	-

13. The purposes of expenditure identified in these classifications are those that are regarded as important in most countries in the closing years of the twentieth century. Particular countries may put high priority on purposes not listed in table 1.1 and, as time passes, some purposes identified in table 1.1 may be replaced by others that cannot now be foreseen. The need to adapt classifications of expenditure according to purpose to accommodate national requirements and to revise them to meet changing circumstances is common to all international classifications.

Related classifications

14. The four classifications of expenditure according to purpose covered in this publication are related to each other. They are also related to other international classifications which are listed in the chapters that deal specifically with COFOG, COICOP, COPNI and COPP. One international classification common to all these classifications, but not mentioned in those chapters, is the 1997 International Standard Classification of Education (ISCED-97).⁶ However, during the consultation process, many countries requested the retention of ISCED-76⁷ class *Education not definable by level* and it has therefore been retained in all these classifications.

⁶ United Nations Educational, Scientific and Cultural Organization, *International Standard Classification of Education 1997* (Paris, UNESCO, 1997).

⁷ United Nations Educational, Scientific and Cultural Organization, *International Standard Classification of Education* (Paris, UNESCO, 1976):

CHAPTER II

CLASSIFICATION OF THE FUNCTIONS OF GOVERNMENT (COFOG)

Uses of the classification

15. A major use of COFOG is to identify consumption expenditures that benefit individual households and that are transferred to Division 14 of COICOP in order to derive the 1993 SNA aggregate of actual final consumption of households (or actual individual consumption) (see paras. 35 and 36 below). The divisions, groups and classes covering these expenditures are clearly indicated in the classification.

16. COFOG also permits trends in government outlays on particular functions or purposes to be examined over time. Conventional government accounts are not usually suitable for this purpose, since they reflect the organizational structure of governments and time-series may be distorted by organizational changes. For example, if a government establishes a new department that brings together some of the functions previously administered by several departments or at several levels of government, it will not usually be possible to use conventional government accounts to compare expenditure on these purposes over time.

17. COFOG is also used for making intercountry comparisons of the extent to which governments are involved in economic and social functions. Just as COFOG helps to neutralize organizational changes in government within a country, so is it also indifferent to organizational differences between countries. In one country, for example, all functions connected with water supply may be undertaken by a single government agency, while elsewhere they may be distributed among departments dealing with environment, housing and industrial development. In a classification of expenditure according to purpose these various units can all be brought together under a single [water supply] function.

Units of classification

18. The units of classification are, in principle, individual transactions. This means that each purchase, wage payment, transfer, loan disbursement or other outlay should be assigned a COFOG code according to the function that the transaction serves. It is recommended that this principle should be strictly followed with regard to capital and current transfers and the net acquisition of financial assets. Where most other outlays are concerned, however, it will generally not be possible to use transactions as units of classification. Instead, COFOG codes will have to be assigned to agencies, offices, programme units, bureaux and similar units within government departments or ministries. All outlays by a particular unit, (other than transfers and net acquisition of financial assets) will then be given the COFOG code assigned to that unit.

19. When government bodies rather than transactions are used as classification units, it may happen that the smallest bodies that can be identified in the government accounts may perform more than one COFOG function. It may sometimes be possible to apportion outlays of multifunction bodies among COFOG functions by reference to the proportion of work-months devoted to the different functions. More often, it may be possible only to assign all outlays by multifunction units to whichever purpose appears to account for the largest part of total outlays.

Problems in identifying functions of government

20. Most government outlays can be unambiguously assigned to a single function in the classification but occasionally some judgement is called for. Particular difficulties may arise with regard to subsidies and loans of benefit to enterprises or establishments in agriculture, in manufacturing and in other categories of purpose. A main objective behind such government support may be, for example, to assure capacity to build naval vessels considered vital to national defence or to maintain living standards of important groups such as farmers or miners or to provide employment for workers in underutilized hospitals.

21. These political objectives are not to be confused with functions or purposes as the term is used in this publication. Hence, a government subsidy to shipyards is classified under Manufacturing; loans to farmers are classified under Agriculture; subsidies to coal mines are classified under Coal and other solid mineral fuels, and grants to hospitals are classified under Hospital services. Programmes, subsidies, loans or grants that are designed chiefly to increase employment opportunities in general - by removing discrimination based on gender or bias against disabled persons, for example - constitute an exception to this rule. These include programmes to increase employment in economically disadvantaged or underdeveloped regions. As such programmes do not focus on any single industry identified in COFOG, they are classified under General labour affairs.

Environmental protection

22. There will often be practical problems in identifying expenditures on environmental protection because those expenditures may appear as relatively minor items in the expenditures of administrative bodies that have quite different functions. Such problems could occur in connection with, for example, a ministry of agriculture that may have a programme to monitor the impact of chemical pesticides on the environment, a department of transport that may carry out a study of the consequences for the environment of a new road development or an energy ministry that may appoint a committee to study emissions of greenhouse gases. It is likely that in many countries total government outlays on protecting the environment are currently quite low, but as they may well grow in importance over the coming decades, compilers of COFOG statistics should make special efforts to allocate correctly all such expenditures to Environmental protection.

Treatment of ministries and administrative expenditures

23. Ministries are generally responsible for the formulation, administration, coordination and monitoring of overall policies, plans, programmes and budgets; for the preparation and enforcement of legislation; and for the production and dissemination of general information, technical documentation and statistics. Their treatment in COFOG is not uniform. Ministries concerned with finance and external affairs are assigned explicitly to a class. Those dealing with defence, public order and safety, environmental protection, housing and community amenities, health, recreation, culture and religion, education and social protection are assigned to the [not elsewhere classified] (n.e.c.) class of the relevant division. Ministries dealing with an industry or groups of industries are not assigned to any class. Consequently, the outlays of these ministries have to be shared across the classes for which they are responsible. For example, the outlays of the ministry of transport have to be divided between Road transport, Water transport, Railway transport, Air transport and Pipeline and other transport.

24. Administrative expenditures on general services, such as personnel services, supply and purchasing services, accounting and auditing services, computer and data-processing services, undertaken by ministries or by departments, agencies, offices, programme units, bureaux and similar units within ministries should be classified at the most detailed level possible, that is to say, at the class or four-digit level. If administrative expenditures overlap two or more classes, an attempt should be made in all cases to apportion expenditures between the classes concerned. If this approach is not feasible, the total should be allocated to that class that

accounts for the largest part of the total expenditure. Administrative expenditures that cannot be allocated by class are to be included in the n.e.c. class of the division.

Outlays covered in COFOG

25. Table 2.1 lists the outlays that are to be classified according to COFOG. The classification of final consumption expenditure (P3) is a priority since consumption expenditures on individual services are to be transferred to COICOP Division 14 in order to obtain actual final consumption of households (or actual individual consumption). The classification of gross capital formation (P5) is also important.

Table 2.1. Outlays to be classified according to COFOG

Outlay	1993 SNA transaction code
Final consumption expenditure <i>of which</i> : ⁸	P3
Intermediate consumption	P2
Compensation of employees	D1
Consumption of fixed capital	K1
<i>less</i> Market output	P11
Gross capital formation	P5
Subsidies	D3
Property income	D4
Social benefits other than social transfers in kind	D62
Other current transfers	D7
Capital transfers	D9
Securities other than shares	F3
Loans	F4
Shares and other equity	F5

26. COFOG could also be used to classify social contributions and taxes that serve a specific purpose such as those aimed at raising revenues for particular types of government expenditure or influencing behaviour in ways considered beneficial to the community, for example, by reducing consumption of tobacco or alcohol or encouraging non-polluting methods of production. The divisions of COFOG may also be useful for classifying government employment. At this stage, however, these additional uses are suggested for national experimentation and are not recommendations for international reporting.

⁸ Final consumption expenditure (P3) is not necessarily the sum of costs (P2, D1 and K1) less market output (P11). It also includes goods and services purchased by government from market producers for distribution directly to households as social transfers in kind. As there is no further processing of the goods and services, such purchases are treated as final and not intermediate expenditure (para. 9.79 of the 1993 SNA).

Consumption of fixed capital

27. It is likely that many countries will have particular difficulties in allocating consumption of fixed capital according to function. Consumption of fixed capital for national accounts purposes is almost invariably estimated by the perpetual inventory method (PIM). Although in principle PIM estimates could be generated for detailed functional units, in practice most countries compile aggregated figures for government capital stock and capital consumption. In these circumstances, approximative methods will have to be used to allocate consumption of fixed capital according to function. One possibility may be to distribute consumption of fixed capital according to "book value" depreciation if this is available for detailed organizational units within government. Another approach would be to distribute consumption of fixed capital among functions in proportion to gross fixed capital formation expenditure made over a number of earlier years.

Social protection

28. Social protection is another difficult area to treat uniquely within the classification. The problem is that some of the social benefits in kind that appear under Social protection in this classification could also fit into other parts of COICOP. For example, food stamps are clearly to be included under Social protection. However, for some analyses, it would be useful to have the data categorized as "Food and non-alcoholic beverages" in order to estimate the total actual consumption of food and non-alcoholic beverages. The simplest means of providing the data required for this type of analysis would be to show major expenditures under Social protection as memorandum items. The classification to be used for such memorandum items would be identical to the divisions of COICOP. For example, the total value of food stamps provided could be shown as "Food and non-alcoholic beverages" within Social protection. It has to be emphasized that this would be shown as a memorandum item within Social protection even when actual individual consumption was classified under COICOP. This would not be a reclassification of food stamps from COFOG Social protection to COICOP Food and non-alcoholic beverages.

Related classifications

29. The International Standard Industrial Classification of All Economic Activities (ISIC)⁹ is a classification of production units according to their kind of activity. COFOG is in practice very similar. In principle, its unit of classification is the individual transaction, but for many types of outlays the unit will often be the same government unit as for ISIC. Moreover, the criteria of classification - function in the case of COFOG and activity for ISIC - are conceptually rather similar. However, COFOG is more appropriate than ISIC for classifying government expenditures because the COFOG list of functions is more detailed than the ISIC list of activities, having been drawn up specifically to take account of the range and diversity of government activities.

30. For certain functions, COFOG has drawn on classifications that have been devised specifically for these purposes. The breakdown of environmental protection is based upon the Classification of Environmental Protection Activities (CEPA) as elaborated in the European System for the Collection of Economic Information on the Environment (SERIEE).¹⁰ Similarly, the breakdown of social protection is based on the European System

⁹ *International Standard Industrial Classification of All Economic Activities, Third Revision*, Statistical Papers, No. 4, Rev.3 (United Nations publication, Sales No. E.90.XVII.11).

¹⁰ Statistical Office of the European Communities, *European System for the Collection of Economic Information on the Environment* (Luxembourg, Eurostat, 1994).

of Integrated Social Protection Statistics (ESSPROS).¹¹ The definitions of basic research, applied research and experimental development are taken from the Frascati Manual 1993.¹²

31. It should be noted that "based upon" does not mean that there is a one-to-one correspondence between classes in COFOG and the related classifications. Class totals in COFOG are intended to be those that can be disaggregated in accordance with the details of the related classifications.

¹¹ Statistical Office of the European Communities, *European System of Integrated Social Protection Statistics* (Luxembourg, Eurostat, 1996).

¹² *The Proposed Standard Practice for Surveys of Research and Experimental Development*, in the series *The Measurement of Scientific and Technological Activities* (Paris, OECD, 1994).

CHAPTER III

CLASSIFICATION OF INDIVIDUAL CONSUMPTION

ACCORDING TO PURPOSE (COICOP)

Uses of the classification

32. COICOP is an integral part of the 1993 SNA, but it is also intended for use in three other statistical areas: household budget surveys, consumer price indices and international comparisons of gross domestic product (GDP) and its component expenditures. For all these uses, the basic COICOP classification will need to be made more detailed by further subdivision of the classes, but there are clear advantages, in terms of comparability between countries and between statistics in these different areas, if the basic structure of COICOP is maintained.

It must be recognized, however, that COICOP follows the concepts and definitions of the 1993 SNA and these are not necessarily appropriate for other applications. For example, in household budget surveys it is not practical to ask households for expenditure on insurance service charges as required by COICOP, and in consumer price indices some countries may include interest on housing loans which is excluded from COICOP.

33. The purposes defined in COICOP are based on the classifications of consumer expenditures which national statistical offices have developed for their own use to serve a variety of analytic applications. Although COICOP is not strictly linked to any particular model of consumer behaviour, the classification is designed to broadly reflect differences in income elasticities. For example, low-income households spend relatively high proportions of their budgets on food, clothing and housing, while richer households spend more on transport, education, health and recreation.

34. COICOP classes are divided into [services] (S), [non-durables] (ND), [semi-durables] (SD) and [durables] (D). This supplementary classification provides for other analytic applications. For example, it is sometimes useful to estimate the stock of [capital goods] held by households; goods in COICOP classes that are identified as durables provide the basic elements for such estimates.

Individual consumption

35. COICOP is used to identify individual consumption expenditures incurred by three institutional sectors: households, non-profit institutions serving households (NPISHs) and general government. Individual consumption expenditures are those that are made for the benefit of individual persons or households. More specifically:

- **All** consumption expenditures by households are defined as individual; COICOP Divisions 01 through 12 identify the purposes for which these expenditures are made;
- **All** consumption expenditures of NPISHs are also treated, by convention, as being for the benefit of individual households; COICOP Division 13 identifies the purposes for which the expenditures of NPISHs are made;
- Only **some** of the consumption expenditures of general government are defined as individual. Expenditures on general public services, defence, public order and safety, economic affairs, environmental protection and housing and community amenities are considered to be for the benefit of the community as a whole rather than for individual households. They are termed [collective

consumption expenditures (or actual final consumption of general government or actual collective consumption) and are excluded from COICOP. COICOP Division 14 identifies those government expenditures that are regarded as individual and classifies them by purpose, namely, health, education, social protection, recreation and culture.¹³

36. In the 1993 SNA, the individual consumption expenditures of both NPISHs and general government are termed social transfers in kind and are added to the individual consumption expenditures of households to obtain an aggregate called actual final consumption of households (or actual individual consumption). By bringing together the relevant expenditures of households, NPISHs and general government, COICOP identifies the expenditures that make up this aggregate and classifies them according to the purposes that they are designed to achieve.

Links between COICOP, COPNI and COFOG

37. COICOP is essentially divided into three parts:

Divisions 01 to 12	Individual consumption expenditure of households
Division 13	Individual consumption expenditure of NPISHs
Division 14	Individual consumption expenditure of general government

38. The purpose breakdowns within Divisions 13 and 14 of COICOP replicate the purposes in the classifications for NPISHs and general government, that is to say, in COPNI and COFOG respectively. Thus, once the consumption expenditures of NPISHs and general government have been classified according to COPNI and COFOG, the individual consumption expenditures in these two classifications can be transferred directly into Divisions 13 and 14 of COICOP.

Presentation of COICOP statistics

39. COICOP is arranged vertically: first the expenditures of households, next those of NPISHs and finally expenditures by general government. This is done for greater convenience in compilation of the data. In presenting statistics according to COICOP, it may be more informative to display them in a matrix, as indicated in table 3.1 below. The final column shows actual individual consumption by purpose and columns 2 through 4 show the contributions to this aggregate by the three institutional sectors involved: households, NPISHs and general government.

¹³ Paragraph 9.87 of the 1993 SNA identifies expenditures on part of the provision of housing, on part of the collection of household refuse and on part of the operation of the transport system as individual. The relevant parts of housing and transport are included under social protection. On the other hand, the collection of household refuse is now treated entirely as a collective service.

Table 3.1. Suggested presentation of COICOP statistics in matrix format

Purpose	COICOP: households	COICOP: NPISHs	COICOP: government	Actual individual consumption
Food and non-alcoholic beverages	01			01
Alcoholic beverages, tobacco, etc.	02			02
Clothing and footwear	03			03
Housing, water and fuel	04	13.1	14.1	04 + 13.1 + 14.1
Furnishings, household equipment, etc.	05			05
Health	06	13.2	14.2	06 + 13.2 + 14.2
Transport	07			07
Communication	08			08
Recreation and culture	09	13.3	14.3	09 + 13.3 + 14.3
Education	10	13.4	14.4	10 + 13.4 + 14.4
Restaurants and hotels	11			11
Social protection	12.4	13.5	14.5	12.4 + 13.5 + 14.5
Miscellaneous goods and services	12 (less 12.4)			12 (less 12.4)
Other services		13.6		13.6
Total				

Units of classification

40. For the household consumption expenditures in Divisions 01 through 12, the units of classification are expenditures for the acquisition of consumption goods and services. The basic data will usually come from one or more of the following sources: household expenditure surveys, statistics on retail sales, and [commodity flow] estimates which involve allocating the total supply of goods and services to intermediate and final uses. The important point to note is that the units of classification are expenditures on specific goods and services - they are not expenditures on purposes as such. Divisions 01 to 12 of COICOP convert these basic statistics into a purpose classification by grouping together the various goods and services that are deemed to fulfil particular purposes, such as nourishing the body, protecting it against inclement weather, preventing and curing illness, acquiring knowledge, travelling from one place to another, etc.

41. The units of classification for COICOP Divisions 13 and 14 are explained in the chapters dealing with COPNI and COFOG.

Multi-purpose goods and services

42. The majority of goods and services can be unambiguously assigned to a single purpose, but some goods and services could plausibly be assigned to more than one purpose. Examples include motor fuel which may be used to power vehicles classified as transport as well as vehicles classified as recreational, and snowmobiles and bicycles which may be bought for transport or for recreation.

43. The general rule followed has been to assign multi-purpose goods and services to the division that represents the predominant purpose. Hence, motor fuel is shown under *Transport*. Where the predominant purpose varies between countries, multi-purpose items have been assigned to the division that represents the main purpose in the countries where the item concerned is particularly important. As a result, snowmobiles and bicycles are both assigned to *Transport* because transport is their usual function in the regions where most of these devices

are purchased, that is to say, North America and the Nordic countries in the case of snowmobiles, and Africa, South-East Asia, China and the Low Countries of Northern Europe in the case of bicycles.

44. Examples of other multi-purpose items include: food consumed outside the home which is shown under *Restaurants and hotels* not *Food and non-alcoholic beverages*; camper vans which are shown under *Recreation and culture* not *Transport*; and basketball shoes and other sports footwear suitable for everyday or leisure wear which are shown under *Clothing and footwear* not *Recreation and culture*.

45. National statisticians are encouraged to reclassify multi-purpose items if they consider that an alternative purpose is more appropriate in their country. Such reclassifications should be footnoted.

Mixed purpose goods and services

46. Single outlays may sometimes comprise a bundle of goods and services that serve two or more different purposes. For example, the purchase of an all-inclusive package tour will include payments for transport, accommodation and catering services, while the purchase of educational services may include payments for health care, transport, accommodation, board, educational materials, etc.

47. Outlays covering two or more purposes are dealt with on a case-by-case basis with the aim of obtaining a purpose breakdown that is as precise as possible and consistent with practical considerations of data availability. Hence, purchases for package holidays are shown under *Package holidays* with no attempt to isolate separate purposes such as transport, accommodation and catering. Payments for educational services, on the other hand, should be allocated as far as possible to *Education, Health, Transport, Restaurants and hotels* and *Recreation and culture*.

48. Two other examples of mixed purpose items are: the purchase of in-patient hospital services which include payments for medical treatment, accommodation and catering; and the purchase of transport services which include meals and accommodation in the ticket price. In both cases, there is no attempt to isolate separate purposes. Purchases of in-patient hospital services are shown under *Hospital services* and purchases of transport services with accommodation and catering are shown under *Transport services*.

Type of product

49. Most classes comprise either goods or services. Classes containing goods are denoted by ND, SD or D indicating [non-durable], [semi-durable] or [durable] respectively. S denotes classes consisting of [services]. The distinction between non-durable goods and durable goods is based on whether the goods can be used only once, or repeatedly or continuously over a period of considerably more than one year (para. 9.38 of the 1993 SNA). Moreover, durables, such as motor cars, refrigerators, washing machines and televisions, have a relatively high purchasers' price. Semi-durable goods differ from durable goods in that their expected lifetime of use, though more than one year, is often significantly shorter and their purchasers' price is substantially less (para. 6.93 of the 1968 SNA).

50. Some classes contain both goods and services because it is difficult for practical reasons to break them down into goods and services. Such classes are usually assigned an S, as the service component is considered to be predominant. Similarly there are classes that contain either both non-durable and semi-durable goods or both semi-durable and durable goods. Again, such classes are assigned an ND, SD or D according to which type of good is considered to be the most important.

Links with the Central Product Classification

51. The Central Product Classification (CPC)¹⁴ is closely linked with COICOP since expenditures on products are the basic building blocks of COICOP classes. Thus, correspondences can be established between categories of CPC and COICOP.

¹⁴ *Central Product Classification (CPC), Version 1.0*, Statistical Papers, No. 77, Ver.1.0 (United Nations publication, Sales No. E.98.XVII.5).

CHAPTER IV

CLASSIFICATION OF THE PURPOSES OF NON-PROFIT INSTITUTIONS

SERVING HOUSEHOLDS (COPNI)

Uses of the classification

52. By convention, all consumption expenditures of non-profit institutions serving households (NPISHs) are treated as individual consumption in the 1993 SNA. The main use of COPNI is to classify expenditures by NPISHs in a manner consistent with the purposes of the individual consumption expenditures of households and general government in order to obtain the 1993 SNA aggregate of actual final consumption of households (or actual individual consumption) (see paras. 35 and 36 above).

53. COPNI can also be used to facilitate international comparisons of the activities of NPISHs. In many countries, activities of these institutions are an important complement to government activities in respect of supplying education, health and social protection services to the population. In some countries, NPISHs are also becoming prominent in non-traditional areas such as environmental protection, the protection of human rights and the defence of minority groups. COPNI identifies these newer purposes as well as more traditional ones such as provision of health and education services.

Units of classification

54. In principle, COPNI classifies individual outlays of NPISHs according to the purpose they serve. In most countries, however, there is little information about the activities of NPISHs and so, for practical reasons, the NPISHs themselves will usually constitute the units of classification. Many, perhaps most, NPISHs have a single purpose and can be unambiguously allocated to one of the purposes listed in the classification. Even if a broadly defined NPISH performs two or more functions - such as a religious organization running hospitals and schools as well as organizing religious ceremonies - it will usually be possible to distinguish separate units for each function. If it is not possible to identify a separate unit for each function, or to have an estimation related to each one, then the NPISH as a whole will have to be assigned to the purpose that predominates in terms of employment or total expenditure.

55. An exception to the above concerns trust funds and charitable organizations that fund research and scientific studies in two or more functions. Outlays for such studies should be allocated separately to the relevant functions and not assigned to the predominant function.

Outlays covered in COPNI

56. Table 4.1 below lists the outlays that can, in principle, be classified according to COPNI. Because of the paucity of statistics on NPISHs in the majority of countries, it is unlikely that all the outlays listed in the table can be classified by COPNI. The main emphasis should be on the classification of final consumption expenditure (P3) since this is to be transferred to COICOP Division 13 in order to obtain actual final consumption of households (or actual individual consumption).

Table 4.1. **Outlays to be classified according to COPNI**

Outlay	1993 SNA transaction code
Final consumption expenditure <i>of which</i> : ¹⁵	P3
Intermediate consumption	P2
Compensation of employees	D1
Consumption of fixed capital	K1
<i>less</i> Market output	P11
Gross capital formation	P5
Subsidies	D3
Property income	D4
Social benefits other than social transfers in kind	D62
Other current transfers	D7
Capital transfers	D9
Securities other than shares	F3
Loans	F4
Shares and other equity	F5

¹⁵ Final consumption expenditure (P3) is not necessarily the sum of costs (P2, D1 and K1) less market output (P11). It also includes goods and services purchased by NPISHs from market producers for distribution directly to households as social transfers in kind. As there is no further processing of the goods and services, such purchases are treated as final and not intermediate expenditure (para. 9.79 of the 1993 SNA).

Related classifications

57. An International Classification of Non-Profit Organisations (ICNPO) has been developed at the Institute for Policy Studies of the Johns Hopkins University.¹⁶ It consists of 12 major groups such as Culture and recreation, Education and research, Health, Social services, Environment, Religion and so forth which are similar to the divisions of COPNI. However, the ICNPO is an activity classification rather than a classification by purpose. Thus in the ICNPO all research, for example, is allocated to a single subgroup rather than to the purposes it serves, as in COPNI. Data classified according to the ICNPO would therefore need some - usually minor - adjustments to convert them to COPNI.

¹⁶ Lester M. Salamon and Helmut K. Anheier, *The International Classification of Non-Profit Organisations: ICNPO - Revision 1, 1996*, Working Paper, No. 19 (Baltimore, Maryland, Institute for Policy Studies, Johns Hopkins University, June 1996).

CHAPTER V

CLASSIFICATION OF THE OUTLAYS OF PRODUCERS

ACCORDING TO PURPOSE (COPP)

Scope of COPP

58. The scope of COPP, given its name, deals with expenditures of producers and in particular with market producers of the (non-financial and financial) corporate sector (para. 18.14 of the 1993 SNA). For practical reasons, COPP may not be used to classify production-related expenditures of government, non-profit institutions serving households (NPISHs) and households, as the bulk of production of these sectors is allocated to their final consumption expenditures, which are well analysed through the use of COFOG, COPNI and COICOP.

59. Outlays of enterprises by purpose may be divided into current and capital expenditures as indicated in table 5.1 below. **Capital expenditures** include capitalized current expenditures (treated as gross capital formation in the 1993 SNA), investment in produced fixed assets (also treated as gross capital formation in the 1993 SNA) and investment in non-produced fixed assets. **Current operating expenditures** include outlays on intermediate goods and services, compensation of employees, other taxes on production less subsidies, consumption of capital and operating surplus. **Capitalized current expenditures** are outlays of enterprises, for instance, to develop software, to construct roads or to carry out major repairs or improvement of capital goods.

60. Outlays of enterprises by purpose may overlap. In case users want to avoid multiple responses, it is recommended that the expenditure be classified according to the major objective that it serves. For example, expenditure on information management may support any function of the enterprise, be it marketing, research and development, or current production programmes, among others. Where the main objective of these expenditures is information management, it should be separated out from all functions and classified as part of *Outlays on information management*.

Analytical uses of COPP

61. COPP and also the other classifications of expenditure according to purpose have two distinct roles in analysis. The first one is to serve analysis of expenditures across sectors and the second one encompasses sector-specific analysis. In the first role, classifications of purpose are used in satellite analyses of various types and applied only to non-capitalized current operating expenditures (as defined in paragraph 59 above), which are the ultimate economic responses to policy concerns. In this role, COPP would be applied to non-capitalized current operating expenditures of producers and COFOG, COICOP and COPNI would be applied to final consumption expenditure of government, households and NPISHs, respectively. Current operating expenditures of producers would include intermediate consumption of imputed output of ancillary activities, which are treated as separate establishments in satellite analyses.

Table 5.1 Outlays to be classified according to COPP

Outlays	Non-capitalized current operating expenditures*	Capital expenditures	
		Capitalized current expenditures*	Investment in fixed assets*
01 Outlays on infrastructure	x	x	x
01.1 Outlays on road and land construction and improvement	x	x	x
01.2 Outlays on engineering and related technological work	x		x
01.3 Outlays on information management	x	x	x
01.3.1 Outlays on operating purposes of information management	x		x
01.3.2 Outlays on development of software		x	x
02 Outlays on research and development	x		x
03 Outlays on environmental protection	x		x
04 Outlays on marketing	x		x
05 Outlays on human resource development	x		x
06 Outlays on current production programmes, administration and management	x		x

* The term commonly used in business accounting.

62. The second use of the classifications of expenditure according to purpose is in sector-specific analyses. The sector-specific classification of expenditures would show the various means through which a sector provides the economic responses to policy concerns. Thus, in the case of COFOG, the government may pursue policy objectives through final consumption expenditure, capital formation, current and capital transfers, or loans provided to other sectors. The household sector may apply COICOP in sector-specific analyses through final consumption expenditures, property income, and current transfers. Another example concerns education grants or other education support given by producers to employees; under certain conditions the latter expenses may be treated as part of compensation of employees in kind and allocated to final consumption expenditure of households. Such expenditures may be classified in COPP as part of the purpose category to which the workers' activities contribute, which in most instances would be different from the purpose category of *Education* to which the final consumption expenditure of households would be allocated. From the examples, it may be clear that aggregation across sectors should not be pursued, because it may lead to double counting the expenditures to be recorded by different sectors under different purpose categories.

63. In principle, COPP and other purpose classifications are applied in the sector-specific analyses to the type of expenditures identified for each sector in chapter XVIII entitled "Functional classifications" of the 1993 SNA. That this may be implemented in a flexible manner implies that under certain circumstances sector-specific analyses may also include selected items of revenues and liability items. Thus, in the case of producers, in COPP it may be interesting not only to identify expenditures such as *Outlays on research and development*, and *Outlays on environmental protection*, or expenditures on the construction of roads as part of *Outlays on infrastructure*, but also to classify in these categories the capital transfers and loans that producers may receive to finance these expenditures.

Ancillary activities

64. When using COPP in analyses across sectors, the classification units of COPP are either single intermediate consumption elements such as products purchased for particular purposes, or "vectors" of items that together serve a particular purpose and are included in the imputed output of ancillary activities that is allocated to intermediate consumption.

65. Ancillary activities in satellite analyses are separated out as establishments. The latter separation requires additional statistical data, as ancillary activities are not treated as separate establishments in the 1993 SNA. According to paragraph 5.13 of the 1993 SNA, "an ancillary activity is not undertaken for its own sake but purely in order to provide supporting services for the principal or secondary activities with which it is associated. Therefore, both the System and ISIC treat ancillary activities as integral parts of the principal or secondary activities with which they are associated". Typical ancillary activities that may be carried out are transporting, storing, marketing, various kinds of financial and business services, computing, communications, training, security, maintenance, etc. (Typical examples are given in paragraph 5.9 of the 1993 SNA.) Although the central framework of the SNA does not demand information about ancillary activities, it is necessary to obtain the information for specialized satellite studies in which ancillary activities of enterprises play a role. Typical examples may be studies on research and development, environment, education, health and so forth (chap. XXI entitled "Satellite analysis and accounts" of the 1993 SNA). Another example is the analysis of the impact of "information technology" on productivity when the processing and communication of information are typical ancillary activities (para. 5.16 of the 1993 SNA).

66. In principle, data on ancillary activities may be obtained directly from the accounting system of the enterprise. However, given the nature and size of ancillary activities as compared with the principal or secondary activity they support, in practice it sometimes may be very difficult to collect the data for such activities. Such separation of ancillary activities may be even more complex than the separation in input-output analysis of homogenous production units (establishments) which, as defined in paragraph 15.14 of the 1993 SNA, "is a producer unit in which only a single (non-ancillary) productive activity is carried out". Following this practice, paragraph 5.47 of the 1993 SNA suggests that ancillary activities "may have to be estimated subsequently by transforming the data supplied by enterprises on the basis of various assumptions or hypotheses", similar to those for homogeneous production units.

Specific features of COPP and its relation to other classifications

67. Two sets of criteria may be of importance for COPP. The first is based on an assessment of the type of policy studies (for example, growth studies, environmental impact studies, etc.) for which COPP may be used. In this assessment, account will be taken of the use of COPP in satellite analyses in which ancillary activities

are treated as separate establishments. The second criterion responds to the guidance of the Expert Group on International Economic and Social Classifications, which in its report recommended that COPP be harmonized with other classifications, in particular with the three other classifications of expenditure according to purpose and also with activity and product classifications needed to classify ancillary activities and their output (E/CN.3/1995/16, para. 14).

68. The multiple use of objectives of the classification is to facilitate its application in a variety of studies, in which other classifications also play a role. It is recognized, however, that the use of different policy objectives may result in ambiguities in the allocation of expenditures to individual categories of COPP. To avoid this, clear accounting rules are needed to guide the user in interpreting the scope of each category in relation to others. Furthermore, detailed subcategories are required that would allow reclassification of individual purpose categories in line with the objectives of alternative policy studies. While these conditions may not be specific to COPP, they may need to be addressed more urgently, as COPP is a pivotal classification that requires links not only with other classifications of expenditure according to purpose, but also with product and activity classifications.

Purposes that may be addressed by COPP

69. Since the predecessor of COPP, the Draft Classification of Outlays of Industries by Purpose (COIP) (ST/ESA/STAT/83) was developed more than 20 years ago, much has changed with regard to economic development as well as with regard to analytical demands. Originally, the Statistical Commission at its sixteenth session in 1970 focused on the relevance of research and development to economic growth.¹⁷ Two other important issues that were identified in COIP were pollution abatement and control and social welfare.

70. When the categories of COPP were being established, the main objective was to identify expenditures that influenced enterprises' productivity and opportunities for growth. This would render COPP an effective instrument in the analysis of the dynamic economic processes in which enterprises play a role. One has to remember such terms as "product cycles", "business cycles" and "birth and death of enterprises", among others, to be aware of the process of "creative destruction" as described by Schumpeter. Producers have to be innovative, and they have to try to stay ahead of their competitors although they have an imperfect knowledge of the always changing market environment. They have to anticipate changes of the factors that determine their decisions. They have to decide about the right time to introduce new products, to conquer new markets, to apply new production technologies, to reorganize their enterprise and so forth.

71. One category of COPP that is an essential indicator for carrying out such types of tasks is *Outlays on research and development*. Another category of the type that captures the dynamics going on within enterprises is *Outlays on infrastructure*. Examples of typical areas of expenditure for this new category are (internal/external) communication, including computer networks and the corresponding software, and even expenditures for organizational changes of an enterprise. Expenditures in the category *Outlays on human resource development*, for example, on training and health care, aim at the improvement of an important production factor by enhancing its capabilities.

72. Other challenges or even obstacles for producers could stem from the fact that governments try to influence the decisions of enterprises through legal obligations or restrictions with regard to concerns such as pollution control or waste disposal. That the producers are then forced to fulfil legal requirements means that they will have to devote expenditures to the meeting of those requirements. However, even without legal requirements producers may decide to put more emphasis on environmental protection in order to prevent such legal obligations or because they see a marketing advantage in their contribution to a "greener" environment.

¹⁷ *Official Records of the Economic and Social Council, Sixteenth Session, Supplement No. 2 (E/4938) para. 10.*

73. To say that COPP categories may concentrate on expenditures that will extend and improve the enterprise's productivity and opportunities for growth means that COPP may identify in its main categories expenditures that have, at least to some extent, less the character of intermediate consumption and more that of investment. Although the distinction between intermediate consumption and gross capital formation, as stated in paras. 6.159 and 10.46 of the 1993 SNA, "is not clear-cut", ordinary, regular maintenance and repair do belong mainly to the former and major renovations or enlargements of fixed assets to the latter, because major renovations or enlargements of fixed assets "may enhance their efficiency or capacity or prolong their expected working lives" (para. 6.160 of the 1993 SNA). The investment character may in principle be found also in expenditures on research and development and computer software, for example (paras. 6.163 and 10.92 respectively of the 1993 SNA).

COPP in relation to other purpose classifications

74. When reviewing COPP in the light of the other classifications of expenditure according to purpose, one can say that COPP categories cannot address all corporate sector concerns and need the help of the classifications of expenditure according to purpose of other sectors to address specific issues. Thus COFOG, as the classification of the government's purposes, would help to address analysis of the social concerns of workers, and COFOG would also assist in addressing infrastructural issues faced by enterprises. The same would hold for environmental protection expenses that are borne by the government as well as by households; they may be analysed jointly by COPP, COFOG and COICOP.

75. Therefore, an effort has been made to harmonize COPP with the divisions of COFOG, COICOP and COPNI that reflect policy concerns of the government and concerns related to households that overlap with those of enterprises. This applies, for instance, to *Health* and *Education*, which are concerns addressed by all four sectors. However, as the emphasis of enterprises in addressing concerns may be different from that of the government and households, those concerns need not be reflected at the same digit level of all classifications of expenditure according to purpose. Some (for example, *Marketing*) are reflected at the division level in COPP but not in the others. *Defence*, and *Public order and safety*, among others, are reflected at the division level in COFOG but not in COPP or COICOP. Other concerns (for example, *Environmental protection*) are reflected at the division level in COPP and COFOG but only at the class level in COICOP.

76. Another reason for looking at all classifications of expenditure according to purpose together is that the 1993 SNA introduced a new concept, namely, actual consumption (para. 9.72 of the 1993 SNA). The immediate consequence of the introduction of that concept for the classifications of expenditure according to purpose was that, for all expenditures related to social transfers in kind from the government and NPISHs to households, COFOG, COICOP and COPNI had to be harmonized. Within the conceptual constraints of the 1993 SNA, COPP is not affected by this new concept. However, this may change if one recognizes that not only the government and NPISHs, but also enterprises, contribute to the welfare of households.

77. Enterprises' contributions to the welfare of households are recorded in the 1993 SNA as intermediate consumption or as wages and salaries in kind. "Goods or services that employers are obliged to provide to their employees in order for them to be able to carry out their work are treated as intermediate consumption" (para. 7.39 of the 1993 SNA.) Some examples of such goods and services provided to employees are given in paragraph 6.155 of the 1993 SNA. "Remuneration in kind ... consists of goods and services that are not necessary for work and can be used by employees in their own time, and at their own discretion, for the satisfaction of their own needs or wants or those of other members of their households" (para. 7.39 of the 1993 SNA). Once these expenses are treated as remuneration in kind, they end up in final consumption of households and are then classified according to purpose on the basis of COICOP. Paragraph 7.40 of the 1993 SNA lists many goods and services that may be treated as remuneration in kind. In order to capture the contributions of enterprises to the welfare of households not only through wages and salaries in kind but also through some sort of social transfers, including cultural

transfers in kind, it is proposed that the categories of COPP be used in satellite analysis, to isolate expenditure categories of enterprises as ancillary activities contributing to the welfare of households. In the terminology used above, those expenditures would have the character of investments in human capital, and might include expenditures of enterprises on education or training of the employees (for example, training courses, vocational training), on health expenses (medical check-ups that go beyond the requirements of work, immunization) and so forth. (More details on the conceptual treatment of human capital can be found in a paper by van Tongeren and Becker.¹⁸) Use of COPP for these purposes requires that the categories of COPP be harmonized with those of COICOP and other purpose classifications, so that the corresponding intermediate and final consumption expenditures can be aggregated across sectors.

COPP in relation to activity and product classifications

78. In developing COPP, it has been taken into account that this classification will be used mainly to classify production cost, capital formation and other production-related data that are identified by establishments. As those data are also classified by the International Standard Industrial Classification of All Economic Activities (ISIC) categories, a close relation between COPP and ISIC, and also with the Central Product Classification (CPC) is essential. This is all the more so, as COPP would be used in particular to identify production-related data of ancillary activities of enterprises that are not treated as establishments in the core national accounts analysis, but need to be identified as separate units in satellite accounts dealing with issues such as education, health, environmental protection and R&D, among others. On the other hand, as has already been stated, COPP is not strictly a classification of production expenditures, and may also be used to classify other data such as loans, capital transfers and interest payments that are related to the funding of production activities and investments used. For these reasons, not all ISIC and CPC main categories need to be reflected in divisions of COPP, and some may be related to classes of COPP.

79. COPP categories can be easily identified with ISIC, Rev. 3, and CPC Version 1.0, categories. In many areas, CPC provides more details than ISIC. For example, research and development is sub-classified in ISIC Division 73 *Research and development*, according to two areas of research, namely, natural sciences and engineering, and social sciences and humanities. CPC Division 81 *Research and development services*, distinguishes 12 different categories for research and development. That both classifications subclassify those items by the field of research means that COPP is also subclassified by the field of research instead of by the stage of research (basic research, applied research and so forth) as was the case in COIP.

80. COPP Division 01 *Outlays on infrastructure*, for example, can be described by ISIC Division 64 *Post and telecommunications*; Division 72 *Computer and related activities*; and Group 742 *Architectural, engineering and other technical activities*. It can be described also by the respective services categories of CPC. For example CPC Version 1.0, Division 83 *Other professional, scientific and technical services*, groups together various services such as computer consulting services, architectural, engineering and other technical services. This COPP division can also be related to CPC Group 841 *Telecommunications services*.

81. As a result of the revision, COPP is subdivided into six divisions that correspond to the nine divisions distinguished in its previous version, COIP, as indicated in table 5.2 below.

¹⁸ Jan van Tongeren and Bernd Becker, "Integrated satellite accounting, socio-economic concerns and modelling", paper presented at the 23rd General Conference of the International Association for Research in Income and Wealth, St. Andrews, Canada, 21-27 August 1994.

Table 5.2. Correspondence between COPP and COIP

COPP	COIP
01 Outlays on infrastructure	2* Outlays on repair and maintenance
	3 Outlays on engineering and related technological work
02 Outlays on research and development	2* Outlays on repair and maintenance
	4 Outlays on research and development
03 Outlays on environmental protection	2* Outlays on repair and maintenance
	5 Outlays on pollution abatement and control
04 Outlays on marketing	2* Outlays on repair and maintenance
	6 Outlays on sales promotion
05 Outlays on human resource development	2* Outlays on repair and maintenance
	8 Outlays on employee welfare and morale
06 Outlays on current production programmes, administration and management	1 Outlays on current production programmes
	2* Outlays on repair and maintenance
	7 Outlays on external transportation
	9 Outlays on general administration

Note: An asterisk (*) denotes partial correspondence, meaning that the category *Outlays on repair and maintenance* is distributed across all six COPP divisions because it is no longer considered a purpose category.

Part two

**CLASSIFICATION OF THE FUNCTIONS OF GOVERNMENT
(COFOG)**

COFOG: DIVISIONS

- 01** *General public services*
- 02** *Defence*
- 03** *Public order and safety*
- 04** *Economic affairs*
- 05** *Environmental protection*
- 06** *Housing and community amenities*
- 07** *Health*
- 08** *Recreation, culture and religion*
- 09** *Education*
- 10** *Social protection*

COFOG: BREAKDOWN BY DIVISION AND GROUP

01 GENERAL PUBLIC SERVICES

- 01.1 EXECUTIVE AND LEGISLATIVE ORGANS, FINANCIAL AND FISCAL AFFAIRS, EXTERNAL AFFAIRS
- 01.2 FOREIGN ECONOMIC AID
- 01.3 GENERAL SERVICES
- 01.4 BASIC RESEARCH
- 01.5 R&D GENERAL PUBLIC SERVICES
- 01.6 GENERAL PUBLIC SERVICES N.E.C.
- 01.7 PUBLIC DEBT TRANSACTIONS
 - 01.8 Transfers of a general character between different levels of government

02 DEFENCE

- 02.1 MILITARY DEFENCE
- 02.2 CIVIL DEFENCE
- 02.3 FOREIGN MILITARY AID
- 02.4 R&D DEFENCE
- 02.5 DEFENCE N.E.C.

03 PUBLIC ORDER AND SAFETY

- 03.1 POLICE SERVICES
- 03.2 FIRE-PROTECTION SERVICES
- 03.3 LAW COURTS
- 03.4 PRISONS
- 03.5 R&D PUBLIC ORDER AND SAFETY
- 03.6 PUBLIC ORDER AND SAFETY N.E.C.

04 ECONOMIC AFFAIRS

- 04.1 GENERAL ECONOMIC, COMMERCIAL AND LABOUR AFFAIRS
- 04.2 AGRICULTURE, FORESTRY, FISHING AND HUNTING
- 04.3 FUEL AND ENERGY
- 04.4 MINING, MANUFACTURING AND CONSTRUCTION
- 04.5 TRANSPORT
- 04.6 COMMUNICATION
- 04.7 OTHER INDUSTRIES
- 04.8 R&D ECONOMIC AFFAIRS
- 04.9 ECONOMIC AFFAIRS N.E.C.

05 ENVIRONMENTAL PROTECTION

- 05.1 WASTE MANAGEMENT
- 05.2 WASTE WATER MANAGEMENT

- 05.3 POLLUTION ABATEMENT
- 05.4 PROTECTION OF BIODIVERSITY AND LANDSCAPE
- 05.5 R&D ENVIRONMENTAL PROTECTION
- 05.6 ENVIRONMENTAL PROTECTION N.E.C.

06 HOUSING AND COMMUNITY AMENITIES

- 06.1 HOUSING DEVELOPMENT
- 06.2 COMMUNITY DEVELOPMENT
- 06.3 WATER SUPPLY
- 06.4 STREET LIGHTING
- 06.5 R&D HOUSING AND COMMUNITY AMENITIES
- 06.6 HOUSING AND COMMUNITY AMENITIES N.E.C.

07 HEALTH

- 07.1 MEDICAL PRODUCTS, APPLIANCES AND EQUIPMENT
- 07.2 OUTPATIENT SERVICES
- 07.3 HOSPITAL SERVICES
- 07.4 PUBLIC HEALTH SERVICES
- 07.5 R&D HEALTH
- 07.6 HEALTH N.E.C.

08 RECREATION, CULTURE AND RELIGION

- 08.1 RECREATIONAL AND SPORTING SERVICES
- 08.2 CULTURAL SERVICES
- 08.3 BROADCASTING AND PUBLISHING SERVICES
- 08.4 RELIGIOUS AND OTHER COMMUNITY SERVICES
- 08.5 R&D RECREATION, CULTURE AND RELIGION
- 08.6 RECREATION, CULTURE AND RELIGION N.E.C.

09 EDUCATION

- 09.1 PRE-PRIMARY AND PRIMARY EDUCATION
- 09.2 SECONDARY EDUCATION
- 09.3 POST-SECONDARY NON-TERTIARY EDUCATION
- 09.4 TERTIARY EDUCATION
- 09.5 EDUCATION NOT DEFINABLE BY LEVEL
- 09.6 SUBSIDIARY SERVICES TO EDUCATION
- 09.7 R&D EDUCATION
- 09.8 EDUCATION N.E.C.

10 SOCIAL PROTECTION

- 10.1 SICKNESS AND DISABILITY
- 10.2 OLD AGE
- 10.3 SURVIVORS

- 10.4 FAMILY AND CHILDREN
- 10.5 UNEMPLOYMENT
- 10.6 HOUSING
- 10.7 SOCIAL EXCLUSION N.E.C.
- 10.8 R&D SOCIAL PROTECTION
- 10.9 SOCIAL PROTECTION N.E.C.

COFOG: DEFINITION BY CLASS

01 GENERAL PUBLIC SERVICES

01.1 EXECUTIVE AND LEGISLATIVE ORGANS, FINANCIAL AND FISCAL AFFAIRS, EXTERNAL AFFAIRS

01.1.1 Executive and legislative organs (CS)

- Administration, operation or support of executive and legislative organs.

Includes: office of the chief executive at all levels of government - office of the monarch, governor-general, president, prime minister, governor, mayor, etc.; legislative bodies at all levels of government - parliaments, chambers of deputies, senates, assemblies, town councils, etc.; advisory, administrative and political staffs attached to chief executive offices and legislatures; libraries and other reference services serving mainly executive and legislative organs; physical amenities provided to the chief executive, the legislature and their aides; permanent or ad hoc commissions and committees created by or acting on behalf of the chief executive or legislature.

Excludes: ministerial offices, offices of heads of departments of local governments, interdepartmental committees, etc. concerned with a specific function (classified according to function).

01.1.2 Financial and fiscal affairs (CS)

- Administration of financial and fiscal affairs and services; management of public funds and public debt; operation of taxation schemes;
- operation of the treasury or ministry of finance, the budget office, the inland revenue agency, the customs authorities, the accounting and auditing services;
- production and dissemination of general information, technical documentation and statistics on financial and fiscal affairs and services.

Includes: financial and fiscal affairs and services at all levels of government.

Excludes: underwriting or flotation charges and interest payments on government loans (01.7.0); supervision of the banking industry (04.1.1).

01.1.3 External affairs (CS)

- Administration of external affairs and services;
- operation of the ministry of external affairs and diplomatic and consular missions stationed abroad or at offices of international organizations; operation or support of information and cultural services for distribution beyond national boundaries; operation or support of libraries, reading rooms and reference services located abroad;
- regular subscriptions and special contributions to meet general operating expenses of international organizations.

Excludes: economic aid to developing countries and countries in transition (01.2.1); economic aid missions accredited to foreign governments (01.2.1); contributions to aid programmes administered by

Note: CS and IS denote collective services and individual services respectively.

international or regional organizations (01.2.2); military units stationed abroad (02.1.0); military aid to foreign countries (02.3.0); general foreign economic and commercial affairs (04.1.1); tourism affairs and services (04.7.3).

01.2 FOREIGN ECONOMIC AID

01.2.1 Economic aid to developing countries and countries in transition (CS)

- Administration of economic cooperation with developing countries and countries in transition;
- operation of economic aid missions accredited to foreign governments; operation or support of technical assistance programmes, training programmes and fellowship and scholarship schemes;
- economic aid in the form of grants (in cash or in kind) or loans (regardless of interest charged).

Excludes: contributions to economic development funds administered by international or regional organizations (01.2.2); military aid to foreign countries (02.3.0).

01.2.2 Economic aid routed through international organizations (CS)

- Administration of economic aid routed through international organizations;
- contributions in cash or in kind to economic development funds administered by international, regional or other multinational organizations.

Excludes: aid to international peacekeeping operations (02.3.0).

01.3 GENERAL SERVICES

This group covers services that are not connected with a specific function and which are usually undertaken by central offices at the various levels of government. It also covers those services connected with a particular function that are undertaken by such central offices. For example, the compilation of industry, environment, health or education statistics by a central statistical agency is included here.

01.3.1 General personnel services (CS)

- Administration and operation of general personnel services, including development and implementation of general personnel policies and procedures covering selection, promotion, rating methods, the description, evaluation and classification of jobs, the administration of civil service regulations and similar matters.

Excludes: personnel administration and services connected with a specific function (classified according to function).

01.3.2 Overall planning and statistical services (CS)

- Administration and operation of overall economic and social planning services and of overall statistical services, including formulation, coordination and monitoring of

overall economic and social plans and programmes and of overall statistical plans and programmes.

Excludes: economic and social planning services and statistical services connected with a specific function (classified according to function).

01.3.3 Other general services (CS)

- Administration and operation of other general services such as centralized supply and purchasing services, maintenance and storage of government records and archives, operation of government owned or occupied buildings, central motor vehicle pools, government operated printing offices, centralized computer and data processing services, etc.

Excludes: other general services connected with a specific function (classified according to function).

01.4 BASIC RESEARCH

Basic research is experimental or theoretical work undertaken primarily to acquire new knowledge of the underlying foundations of phenomena and observable facts, without any particular application or use in view.

01.4.0 Basic research (CS)

- Administration and operation of government agencies engaged in basic research;
- grants, loans or subsidies to support basic research undertaken by non-government bodies such as research institutes and universities.

Excludes: applied research and experimental development (classified by function).

01.5 R&D GENERAL PUBLIC SERVICES

Applied research is original investigation undertaken in order to acquire new knowledge, but directed primarily towards a specific practical aim or objective.

Experimental development is systematic work, drawing on existing knowledge gained from research and practical experience, that is directed to producing new materials, products and devices; to installing new processes, systems and services; or to improving substantially those already produced or installed.

01.5.0 R&D General public services (CS)

- Administration and operation of government agencies engaged in applied research and experimental development related to general public services;
- grants, loans or subsidies to support applied research and experimental development related to general public services undertaken by non-government bodies such as research institutes and universities.

Excludes: basic research (01.4.0).

01.6 GENERAL PUBLIC SERVICES N.E.C.

01.6.0 General public services n.e.c. (CS)

- Administration, operation or support of general public services such as registration of voters, holding of elections and referendums, administration of non-self-governing and trust territories, etc.

Includes: general public services that cannot be assigned to (01.1), (01.2), (01.3), (01.4) or (01.5).

Excludes: public debt transactions (01.7); transfers of a general character between different levels of government (01.8).

01.7 PUBLIC DEBT TRANSACTIONS

01.7.0 Public debt transactions (CS)

- Interest payments and outlays for underwriting and floating government loans.

Excludes: administrative costs of public debt management (01.1.2).

01.8 TRANSFERS OF A GENERAL CHARACTER BETWEEN DIFFERENT LEVELS OF GOVERNMENT

01.8.0 Transfers of a general character between different levels of government (CS)

- Transfers between different levels of government that are of a general character and not allocated to a particular function.

02 DEFENCE

02.1 MILITARY DEFENCE

02.1.0 Military defence (CS)

- Administration of military defence affairs and services;
- operation of land, sea, air and space defence forces; operation of engineering, transport, communication, intelligence, personnel and other non-combat defence forces;
- operation or support of reserve and auxiliary forces of the defence establishment.

Includes: offices of military attachés stationed abroad; field hospitals.

Excludes: military aid missions (02.3.0); base hospitals (07.3); military schools and colleges where curricula resemble those of civilian institutions even though attendance may be limited to military personnel and their families (09.1), (09.2), (09.3) or (09.4); pension schemes for military personnel (10.2).

02.2 CIVIL DEFENCE

02.2.0 Civil defence (CS)

- Administration of civil defence affairs and services; formulation of contingency plans; organization of exercises involving civilian institutions and populations;
- operation or support of civil defence forces.

Excludes: civil protection services (03.2.0); purchase and storage of food, equipment and other supplies for emergency use in the case of peacetime disasters (10.9.0).

02.3 FOREIGN MILITARY AID

02.3.0 Foreign military aid (CS)

- Administration of military aid and operation of military aid missions accredited to foreign governments or attached to international military organizations or alliances;
- military aid in the form of grants (in cash or in kind), loans (regardless of interest charged) or loans of equipment; contributions to international peacekeeping forces including the assignment of manpower.

02.4 R&D DEFENCE

Definitions of basic research, applied research and experimental development are given under (01.4) and (01.5).

02.4.0 R&D Defence (CS)

- Administration and operation of government agencies engaged in applied research and experimental development related to defence;
- grants, loans or subsidies to support applied research and experimental development related to defence undertaken by non-government bodies such as research institutes and universities.

Excludes: basic research (01.4.0).

02.5 DEFENCE N.E.C.

02.5.0 Defence n.e.c. (CS)

- Administration, operation or support of activities such as formulation, administration, coordination and monitoring of overall policies, plans, programmes and budgets relating to defence; preparation and enforcement of legislation relating to defence; production and dissemination of general information, technical documentation and statistics on defence; etc.

Includes: defence affairs and services that cannot be assigned to (02.1), (02.2), (02.3) or (02.4).

Excludes: administration of war veterans' affairs (10.2).

03 PUBLIC ORDER AND SAFETY

03.1 POLICE SERVICES

03.1.0 Police services (CS)

- Administration of police affairs and services, including alien registration, issuing work and travel documents to immigrants, maintenance of arrest records and statistics related to police work, road traffic regulation and control, prevention of smuggling and control of offshore and ocean fishing;

- operation of regular and auxiliary police forces, of port, border and coast guards, and of other special police forces maintained by public authorities; operation of police laboratories; operation or support of police training programmes.

Includes: traffic wardens.

Excludes: police colleges offering general education in addition to police training (09.1), (09.2), (09.3) or (09.4).

03.2 FIRE-PROTECTION SERVICES

03.2.0 Fire-protection services (CS)

- Administration of fire-prevention and fire-fighting affairs and services;
- operation of regular and auxiliary fire brigades and of other fire-prevention and fire-fighting services maintained by public authorities; operation or support of fire-prevention and fire-fighting training programmes.

Includes: civil protection services such as mountain rescue, beach surveillance, evacuation of flooded areas, etc.

Excludes: civil defence (02.2.0); forces especially trained and equipped for fighting or preventing forest fires (04.2.2).

03.3 LAW COURTS

03.3.0 Law courts (CS)

- Administration, operation or support of civil and criminal law courts and the judicial system, including enforcement of fines and legal settlements imposed by the courts and operation of parole and probation systems;
- legal representation and advice on behalf of government or on behalf of others provided by government in cash or in services.

Includes: administrative tribunals, ombudsmen and the like.

Excludes: prison administration (03.4.0).

03.4 PRISONS

03.4.0 Prisons (CS)

- Administration, operation or support of prisons and other places for the detention or rehabilitation of criminals such as prison farms, workhouses, reformatories, borstals, asylums for the criminally insane, etc.

03.5 R&D PUBLIC ORDER AND SAFETY

Definitions of basic research, applied research and experimental development are given under (01.4) and (01.5).

03.5.0 R&D Public order and safety (CS)

- Administration and operation of government agencies engaged in applied research and experimental development related to public order and safety;
- grants, loans or subsidies to support applied research and experimental development related to public order and safety undertaken by non-government bodies such as research institutes and universities.

Excludes: basic research (01.4.0).

03.6 PUBLIC ORDER AND SAFETY N.E.C.

03.6.0 Public order and safety n.e.c. (CS)

- Administration, operation or support of activities such as formulation, administration, coordination and monitoring of overall policies, plans, programmes and budgets relating to public order and safety; preparation and enforcement of legislation and standards for the provision of public order and safety; production and dissemination of general information, technical documentation and statistics on public order and safety.

Includes: public order and safety affairs and services that cannot be assigned to (03.1), (03.2), (03.3), (03.4) or (03.5).

04 ECONOMIC AFFAIRS

04.1 GENERAL ECONOMIC, COMMERCIAL AND LABOUR AFFAIRS

04.1.1 General economic and commercial affairs (CS)

- Administration of general economic and commercial affairs and services, including general foreign commercial affairs; formulation and implementation of general economic and commercial policies; liaison among different branches of government and between government and business;
- regulation or support of general economic and commercial activities such as export and import trade as a whole, commodity and equity markets, overall income controls, general trade promotion activities, general regulation of monopolies and other restraints on trade and market entry, etc.; supervision of the banking industry;
- operation or support of institutions dealing with patents, trademarks, copyrights, company registration, weather forecasting, standards, hydrologic surveys, geodesic surveys, etc.;
- grants, loans or subsidies to promote general economic and commercial policies and programmes.

Includes: consumer education and protection.

Excludes: economic and commercial affairs of a particular industry (classified to (04.2) through (04.7) as appropriate).

04.1.2 General labour affairs (CS)

- Administration of general labour affairs and services; formulation and implementation of general labour policies; supervision and regulation of labour conditions (hours of work, wages, safety, etc.); liaison among different branches of government and between government and overall industrial, business and labour organizations;
- operation or support of general programmes or schemes to facilitate labour mobility, to reduce sex, race, age and other discrimination, to reduce the rate of unemployment in distressed or underdeveloped regions, to promote the employment of disadvantaged or other groups characterized by high unemployment rates, etc.; operation of labour exchanges; operation or support of arbitration and mediation services;
- production and dissemination of general information, technical documentation and statistics on general labour affairs and services;
- grants, loans or subsidies to promote general labour policies and programmes.
- *Excludes:* labour affairs of a particular industry (classified to (04.2) through (04.7) as appropriate); provision of social protection in the form of cash benefits and benefits in kind to persons who are unemployed (10.5.0).

04.2 AGRICULTURE, FORESTRY, FISHING AND HUNTING

04.2.1 Agriculture (CS)

- Administration of agricultural affairs and services; conservation, reclamation or expansion of arable land; agrarian reform and land settlement; supervision and regulation of the agricultural industry;
- construction or operation of flood control, irrigation and drainage systems, including grants, loans or subsidies for such works;
- operation or support of programmes or schemes to stabilize or improve farm prices and farm incomes; operation or support of extension services or veterinary services to farmers, pest control services, crop inspection services and crop grading services;
- production and dissemination of general information, technical documentation and statistics on agricultural affairs and services;
- compensation, grants, loans or subsidies to farmers in connection with agricultural activities, including payments for restricting or encouraging output of a particular crop or for allowing land to remain uncultivated.

Excludes: multi-purpose development projects (04.7.4).

04.2.2 Forestry (CS)

- Administration of forestry affairs and services; conservation, extension and rationalized exploitation of forest reserves; supervision and regulation of forest operations and issuance of tree-felling licences;
- operation or support of reforestation work, pest and disease control, forest fire-fighting and fire prevention services and extension services to forest operators;
- production and dissemination of general information, technical documentation and statistics on forestry affairs and services;

- grants, loans or subsidies to support commercial forest activities.

Includes: forest crops in addition to timber.

04.2.3 Fishing and hunting (CS)

This class covers both commercial fishing and hunting, and fishing and hunting for sport. The fishing and hunting affairs and services listed below refer to activities that take place outside natural parks and reserves.

- Administration of fishing and hunting affairs and services; protection, propagation and rationalized exploitation of fish and wildlife stocks; supervision and regulation of freshwater fishing, coastal fishing, ocean fishing, fish farming, wildlife hunting and issuance of fishing and hunting licences;
- operation or support of fish hatcheries, extension services, stocking or culling activities, etc.;
- production and dissemination of general information, technical documentation and statistics on fishing and hunting affairs and services;
- grants, loans or subsidies to support commercial fishing and hunting activities, including the construction or operation of fish hatcheries.

Excludes: control of offshore and ocean fishing (03.1.0); administration, operation or support of natural parks and reserves (05.4.0).

04.3 FUEL AND ENERGY

04.3.1 Coal and other solid mineral fuels (CS)

This class covers coal of all grades, lignite and peat irrespective of the method used in their extraction or beneficiation and the conversion of these fuels to other forms such as coke or gas.

- Administration of solid mineral fuel affairs and services; conservation, discovery, development and rationalized exploitation of solid mineral fuel resources; supervision and regulation of the extraction, processing, distribution and use of solid mineral fuels;
- production and dissemination of general information, technical documentation and statistics on solid mineral fuel affairs and services;
- grants, loans or subsidies to support the solid mineral fuel industry and the coke, briquette or manufactured gas industries.

Excludes: solid mineral fuel transportation affairs (classified to the appropriate class of group 04.5).

04.3.2 Petroleum and natural gas (CS)

This class covers natural gas, liquefied petroleum gases and refinery gases, oil from wells or other sources such as shale or tar sands and the distribution of town gas regardless of its composition.

- Administration of petroleum and natural gas affairs and services; conservation, discovery, development and rationalized exploitation of petroleum and natural gas resources; supervision and regulation of the extraction, processing, distribution and use

- of petroleum and natural gas;
 - production and dissemination of general information, technical documentation and statistics on petroleum and natural gas affairs and services;
 - grants, loans or subsidies to support the petroleum extraction industry and the industry refining crude petroleum and related liquid and gaseous products.
- Excludes:* petroleum or gas transportation affairs (classified to the appropriate class of group 04.5).

04.3.3 Nuclear fuel (CS)

- Administration of nuclear fuel affairs and services; conservation, discovery, development and rationalized exploitation of nuclear material resources; supervision and regulation of the extraction and processing of nuclear fuel materials and of the manufacture, distribution and use of nuclear fuel elements;
- production and dissemination of general information, technical documentation and statistics on nuclear fuel affairs and services;
- grants, loans or subsidies to support the nuclear materials mining industry and the industries processing such materials.

Excludes: nuclear fuel transportation affairs (classified to the appropriate class of group 04.5); disposal of radioactive wastes (05.1.0).

04.3.4 Other fuels (CS)

- Administration of affairs and services involving fuels such as alcohol, wood and wood wastes, bagasse and other non-commercial fuels;
- production and dissemination of general information, technical documentation and statistics on availability, production and utilization of such fuels;
- grants, loans or subsidies to promote the use of such fuels for the production of energy.

Excludes: forest management (04.2.2); wind and solar heat (04.3.5) or (04.3.6); geothermal resources (04.3.6).

04.3.5 Electricity (CS)

This class covers both traditional sources of electricity such as thermal or hydro supplies and newer sources such as wind or solar heat.

- Administration of electricity affairs and services; conservation, development and rationalized exploitation of electricity supplies; supervision and regulation of the generation, transmission and distribution of electricity;
- construction or operation of non-enterprise-type electricity supply systems;
- production and dissemination of general information, technical documentation and statistics on electricity affairs and services;
- grants, loans or subsidies to support the electricity supply industry, including such outlays for the construction of dams and other works designed chiefly to provide electricity.

Excludes: non-electric energy produced by wind or solar heat (04.3.6).

04.3.6 Non-electric energy (CS)

- Administration of non-electric energy affairs and services which chiefly concern the production, distribution and utilization of heat in the form of steam, hot water or hot air;
- construction or operation of non-enterprise-type systems supplying non-electric energy;
- production and dissemination of general information, technical documentation and statistics on availability, production and utilization of non-electric energy;
- grants, loans or subsidies to promote the use of non-electric energy.

Includes: geothermal resources; non-electric energy produced by wind or solar heat.

04.4 MINING, MANUFACTURING AND CONSTRUCTION

04.4.1 Mining of mineral resources other than mineral fuels (CS)

This class covers metal-bearing minerals, sand, clay, stone, chemical and fertilizer minerals, salt, gemstones, asbestos, gypsum, etc.

- Administration of mining and mineral resource affairs and services; conservation, discovery, development and rationalized exploitation of mineral resources; supervision and regulation of prospecting, mining, marketing and other aspects of mineral production;
- production and dissemination of general information, technical documentation and statistics on mining and mineral resource affairs and services;
- grants, loans or subsidies to support commercial mining activities.

Includes: issuance of licences and leases, regulation of production rates, inspection of mines for conformity to safety regulations, etc.

Excludes: coal and other solid fuels (04.3.1), petroleum and natural gas (04.3.2) and nuclear fuel materials (04.3.3).

04.4.2 Manufacturing (CS)

- Administration of manufacturing affairs and services; development, expansion or improvement of manufacturing; supervision and regulation of the establishment and operation of manufacturing plants; liaison with manufacturers' associations and other organizations interested in manufacturing affairs and services;
- production and dissemination of general information, technical documentation and statistics on manufacturing activities and manufactured products;
- grants, loans or subsidies to support manufacturing enterprises.

Includes: inspection of manufacturing premises for conformity with safety regulations, protection of consumers against dangerous products, etc.

Excludes: affairs and services concerning the coal processing industry (04.3.1), the petroleum refinery industry (04.3.2) or the nuclear fuel industry (04.3.3).

04.4.3 Construction (CS)

- Administration of construction affairs and services; supervision of the construction industry; development and regulation of construction standards;
- production and dissemination of general information, technical documentation and statistics on construction affairs and services.

Includes: issuance of certificates permitting occupancy, inspection of construction sites for conformity with safety regulations, etc.

Excludes: grants, loans and subsidies for the construction of housing, industrial buildings, streets, public utilities, cultural facilities, etc. (classified according to function); development and regulation of housing standards (06.1.0).

04.5 TRANSPORT

04.5.1 Road transport (CS)

- Administration of affairs and services concerning operation, use, construction and maintenance of road transport systems and facilities (roads, bridges, tunnels, parking facilities, bus terminals, etc.);
- supervision and regulation of road users (vehicle and driver licensing, vehicle safety inspection, size and load specifications for passenger and freight road transport, regulation of hours of work of bus, coach and lorry drivers, etc.), of road transport system operations (granting of franchises, approval of freight tariffs and passenger fares and of hours and frequency of service, etc.) and of road construction and maintenance;
- construction or operation of non-enterprise-type road transport systems and facilities;
- production and dissemination of general information, technical documentation and statistics on road transport system operations and on road construction activities;
- grants, loans or subsidies to support the operation, construction, maintenance or upgrading of road transport systems and facilities.

Includes: highways, urban roads, streets, bicycle paths and footpaths.

Excludes: road traffic control (03.1.0); grants, loans and subsidies to road vehicle manufacturers (04.4.2); street cleaning (05.1.0); construction of noise embankments, hedges and other anti-noise facilities including the resurfacing of sections of urban highways with noise reducing surfaces (05.3.0); street lighting (06.4.0).

04.5.2 Water transport (CS)

- Administration of affairs and services concerning operation, use, construction and maintenance of inland, coastal and ocean water transport systems and facilities (harbours, docks, navigation aids and equipment, canals, bridges, tunnels, channels, breakwaters, piers, wharves, terminals, etc.);
- supervision and regulation of water transport users (registration, licensing and inspection of vessels and crews, regulations concerning passenger safety and freight security, etc.), of water transport system operations (granting of franchises, approval of

freight tariffs and passenger fares and of hours and frequency of service, etc.) and of water transport facility construction and maintenance;

- construction or operation of non-enterprise-type water transport systems and facilities (such as ferries);
- production and dissemination of general information, technical documentation and statistics on water transport system operations and on water transport facility construction activities;
- grants, loans or subsidies to support the operation, construction, maintenance or upgrading of water transport systems and facilities.

Includes: radio and satellite navigation aids; emergency rescue and towing services.

Excludes: grants, loans and subsidies to shipbuilders (04.4.2).

04.5.3 Railway transport (CS)

- Administration of affairs and services concerning operation, use, construction or maintenance of railway transport systems and facilities (railway roadbeds, terminals, tunnels, bridges, embankments, cuttings, etc.);
- supervision and regulation of railway users (rolling stock condition, roadbed stability, passenger safety, security of freight, etc.), of railway transport system operations (granting of franchises, approval of freight tariffs and passenger fares and of hours and frequency of service, etc.) and of railway construction and maintenance;
- construction or operation of non-enterprise-type railway transport systems and facilities;
- production and dissemination of general information, technical documentation and statistics on railway transport system operations and on railway construction activities;
- grants, loans or subsidies to support the operation, construction, maintenance or upgrading of railway transport systems and facilities.

Includes: long-line and interurban railway transport systems, urban rapid transit railway transport systems and street railway transport systems; acquisition and maintenance of rolling stock.

Excludes: grants, loans and subsidies to rolling stock manufacturers (04.4.2); construction of noise embankments, hedges and other anti-noise facilities including the resurfacing of sections of railways with noise reducing surfaces (05.3.0).

04.5.4 Air transport (CS)

- Administration of affairs and services concerning operation, use, construction and maintenance of air transport systems and facilities (airports, runways, terminals, hangars, navigation aids and equipment, air control amenities, etc.);
- supervision and regulation of air transport users (registration, licensing and inspection of aircraft, pilots, crews, ground crews, regulations concerning passenger safety, investigation of air transport accidents, etc.), of air transport system operations (allocation of routes, approval of freight tariffs and passenger fares and of frequency and levels of service, etc.) and of air transport facility construction and maintenance;

- construction or operation of non-enterprise-type public air transport services and facilities;
- production and dissemination of general information, technical documentation and statistics on air transport system operations and on air transport facility construction;
- grants, loans or subsidies to support the operation, construction, maintenance or upgrading of air transport systems and facilities.

Includes: radio and satellite navigation aids; emergency rescue services; scheduled and non-scheduled freight and passenger services; regulation and control of flying by private individuals.

Excludes: grants, loans and subsidies to aircraft manufacturers (04.4.2).

04.5.5 Pipeline and other transport (CS)

- Administration of affairs and services concerning operation, use, construction and maintenance of pipeline and other transport systems (funiculars, cable cars, chairlifts, etc.);
- supervision and regulation of users of pipeline and other transport systems (registration, licensing, inspection of equipment, operator skills and training; safety standards, etc.); of pipeline and other transport systems operations (granting of franchises, setting tariffs, frequency and levels of service, etc.) and of pipeline and other transport systems construction and maintenance;
- construction or operation of non-enterprise-type pipeline and other transport systems;
- production and dissemination of general information, technical documentation and statistics on the operation and construction of pipeline and other transport systems;
- grants, loans or subsidies to support the operation, construction, maintenance or upgrading of pipeline and other transport systems.

04.6 COMMUNICATION

04.6.0 Communication (CS)

- Administration of affairs and services concerning construction, extension, improvement, operation and maintenance of communication systems (postal, telephone, telegraph, wireless and satellite communication systems);
- regulation of communication system operations (granting of franchises; assignment of frequencies, specification of markets to be served and tariffs to be charged, etc.);
- production and dissemination of general information, technical documentation and statistics on communication affairs and services;
- grants, loans or subsidies to support the construction, operation, maintenance or upgrading of communication systems.

Excludes: radio and satellite navigation aids for water transport (04.5.2) and air transport (04.5.4); radio and television broadcasting systems (08.3.0).

04.7 OTHER INDUSTRIES

04.7.1 Distributive trades, storage and warehousing (CS)

- Administration of affairs and services concerning the distributive trade and the storage and warehousing industry;
- supervision and regulation of wholesale and retail trade (licensing, sales practices, labelling of packaged food and other goods intended for household consumption, inspection of scales and other weighing machines, etc.) and of the storage and warehousing industry (including licensing and control of government-bonded warehouses, etc.);
- administration of price control and rationing schemes operating through retailers or wholesalers regardless of the type of goods involved or intended consumer; administration and provision of food and other such subsidies to the general public;
- production and dissemination of information to the trade and to the public on prices, on the availability of goods and on other aspects of the distributive trade and the storage and warehousing industry; compilation and publication of statistics on the distributive trade and the storage and warehousing industry;
- grants, loans or subsidies to support the distributive trade and to the storage and warehousing industry.

Excludes: administration of price and other controls applied to the producer (classified according to function); food and other such subsidies applicable to particular population groups or individuals (10).

04.7.2 Hotels and restaurants (CS)

- Administration of affairs and services concerning construction, extension, improvement, operation and maintenance of hotels and restaurants;
- supervision and regulation of hotel and restaurant operations (regulations governing prices, cleanliness and sales practices, hotel and restaurant licensing, etc.);
- production and dissemination of general information, technical documentation and statistics on hotel and restaurant affairs and services;
- grants, loans or subsidies to support the construction, operation, maintenance or upgrading of hotels and restaurants.

04.7.3 Tourism (CS)

- Administration of tourism affairs and services; promotion and development of tourism; liaison with the transport, hotel and restaurant industries and other industries benefiting from the presence of tourists;
- operation of tourist offices at home and abroad, etc.; organization of advertising campaigns, including the production and dissemination of promotional literature and the like;
- compilation and publication of statistics on tourism.

04.7.4 Multi-purpose development projects (CS)

Multi-purpose development projects typically consist of integrated facilities for generation of power, flood control, irrigation, navigation and recreation.

- Administration of affairs and services concerning construction, extension, improvement, operation and maintenance of multi-purpose projects;
- production and dissemination of general information, technical documentation and statistics on multi-purpose development project affairs and services;
- grants, loans or subsidies to support the construction, operation, maintenance or upgrading of multi-purpose development projects;

Excludes: projects with one main function and other functions that are secondary (classified according to main function).

04.8 R&D ECONOMIC AFFAIRS

Definitions of basic research, applied research and experimental development are given under (01.4) and (01.5).

04.8.1 R&D General economic, commercial and labour affairs (CS)

- Administration and operation of government agencies engaged in applied research and experimental development related to general economic, commercial and labour affairs;
- grants, loans or subsidies to support applied research and experimental development related to general economic, commercial and labour affairs undertaken by non-government bodies such as research institutes and universities.

Excludes: basic research (01.4.0).

04.8.2 R&D Agriculture, forestry, fishing and hunting (CS)

- Administration and operation of government agencies engaged in applied research and experimental development related to agriculture, forestry, fishing and hunting;
- grants, loans or subsidies to support applied research and experimental development related to agriculture, forestry, fishing and hunting undertaken by non-government bodies such as research institutes and universities.

Excludes: basic research (01.4.0).

04.8.3 R&D Fuel and energy (CS)

- Administration and operation of government agencies engaged in applied research and experimental development related to fuel and energy;
- grants, loans or subsidies to support applied research and experimental development related to fuel and energy undertaken by non-government bodies such as research institutes and universities.

Excludes: basic research (01.4.0).

04.8.4 R&D Mining, manufacturing and construction (CS)

- Administration and operation of government agencies engaged in applied research and experimental development related to mining, manufacturing and construction;
- grants, loans or subsidies to support applied research and experimental development related to mining, manufacturing and construction undertaken by non-government bodies such as research institutes and universities.

Excludes: basic research (01.4.0).

04.8.5 R&D Transport (CS)

- Administration and operation of government agencies engaged in applied research and experimental development related to transport;
- grants, loans or subsidies to support applied research and experimental development related to transport undertaken by non-government bodies such as research institutes and universities.

Excludes: basic research (01.4.0).

04.8.6 R&D Communication (CS)

- Administration and operation of government agencies engaged in applied research and experimental development related to communication;
- grants, loans or subsidies to support applied research and experimental development related to communication undertaken by non-government bodies such as research institutes and universities.

Excludes: basic research (01.4.0).

04.8.7 R&D Other industries (CS)

- Administration and operation of government agencies engaged in applied research and experimental development related to other sectors;
- grants, loans or subsidies to support applied research and experimental development related to other sectors undertaken by non-government bodies such as research institutes and universities.

Includes: distributive trades, storage and warehousing; hotels and restaurants; tourism and multi-purpose development projects.

Excludes: basic research (01.4.0).

04.9 ECONOMIC AFFAIRS N.E.C.

04.9.0 Economic affairs n.e.c. (CS)

- Administration, operation or support activities relating to general and sectoral economic affairs that cannot be assigned to (04.1), (04.2), (04.3), (04.4), (04.5), (04.6), (04.7) or (04.8).

05 ENVIRONMENTAL PROTECTION

The breakdown of environmental protection is based upon the Classification of Environmental Protection Activities (CEPA) as elaborated in the European System for the Collection of Economic Information on the Environment (SERIEE) of the Statistical Office of the European Communities (Eurostat).

05.1 WASTE MANAGEMENT

This group covers collection, treatment and disposal of waste.

Waste collection includes sweeping of streets, squares, paths, markets, public gardens, parks, etc.; collection of all types of waste, whether selective by type of product or undifferentiated covering all waste, and their transport to place of treatment or discharge.

Waste treatment includes any method or process designed to change the physical, chemical or biological character or composition of any waste so as to neutralize it, to render it non-hazardous, to make it safer for transport, to make it amenable for recovery or storage or to reduce it in volume.

Waste disposal includes final placement of waste for which no further use is foreseen by landfill, containment, underground disposal, dumping at sea or any other relevant disposal method.

05.1.0 Waste management (CS)

- Administration, supervision, inspection, operation or support of waste collection, treatment and disposal systems;
- grants, loans or subsidies to support the operation, construction, maintenance or upgrading of such systems.

Includes: collection, treatment and disposal of nuclear waste.

05.2 WASTE WATER MANAGEMENT

This group covers sewage system operation and waste water treatment.

Sewage system operation includes management and construction of the system of collectors, pipelines, conduits and pumps to evacuate any waste water (rainwater, domestic and other available waste water) from the points of generation to either a sewage treatment plant or to a point where waste water is discharged to surface water.

Waste water treatment includes any mechanical, biological or advanced process to render waste water fit to meet applicable environment standards or other quality norms.

05.2.0 Waste water management (CS)

- Administration, supervision, inspection, operation or support of sewage systems and waste water treatment;

- grants, loans or subsidies to support the operation, construction, maintenance or upgrading of such systems.

05.3 POLLUTION ABATEMENT

This group covers activities relating to ambient air and climate protection, soil and groundwater protection, noise and vibration abatement and protection against radiation.

These activities include construction, maintenance and operation of monitoring systems and stations (other than weather stations); construction of noise embankments, hedges and other anti-noise facilities including the resurfacing of sections of urban highways or railways with noise reducing surfaces; measures to clean pollution in water bodies; measures to control or prevent the emissions of greenhouse gases and pollutants that adversely affect the quality of the air; construction, maintenance and operation of installations for the decontamination of polluted soils and for the storage of pollutant products; transportation of pollutant products.

05.3.0 Pollution abatement (CS)

- Administration, supervision, inspection, operation or support of activities relating to pollution abatement and control;
- grants, loans or subsidies to support activities relating to pollution abatement and control.

05.4 PROTECTION OF BIODIVERSITY AND LANDSCAPE

This group covers activities relating to the protection of fauna and flora species (including the reintroduction of extinct species and the recovery of species menaced by extinction), the protection of habitats (including the management of natural parks and reserves) and the protection of landscapes for their aesthetic values (including the reshaping of damaged landscapes for the purpose of strengthening their aesthetic value and the rehabilitation of abandoned mines and quarry sites).

05.4.0 Protection of biodiversity and landscape (CS)

- Administration, supervision, inspection, operation or support of activities relating to the protection of biodiversity and landscape;
- grants, loans or subsidies to support activities relating to the protection of biodiversity and landscape.

05.5 R&D ENVIRONMENTAL PROTECTION

Definitions of basic research, applied research and experimental development are given under (01.4) and (01.5).

05.5.0 R&D Environmental protection (CS)

- Administration and operation of government agencies engaged in applied research and experimental development related to environmental protection;
- grants, loans or subsidies to support applied research and experimental development

related to environmental protection undertaken by non-government bodies such as research institutes and universities.

Excludes: basic research (01.4.0).

05.6 ENVIRONMENTAL PROTECTION N.E.C.

05.6.0 Environmental protection n.e.c. (CS)

- Administration, management, regulation, supervision, operation and support of activities such as formulation, administration, coordination and monitoring of overall policies, plans, programmes and budgets for the promotion of environmental protection; preparation and enforcement of legislation and standards for the provision of environmental protection services; production and dissemination of general information, technical documentation and statistics on environmental protection.

Includes: environmental protection affairs and services that cannot be assigned to (05.1), (05.2), (05.3), (05.4) or (05.5).

06 HOUSING AND COMMUNITY AMENITIES

06.1 HOUSING DEVELOPMENT

06.1.0 Housing development (CS)

- Administration of housing development affairs and services; promotion, monitoring and evaluation of housing development activities whether or not the activities are under the auspices of public authorities; development and regulation of housing standards;
- slum clearance related to provision of housing; acquisition of land needed for construction of dwellings; construction or purchase and remodelling of dwelling units for the general public or for people with special needs;
- production and dissemination of public information, technical documentation and statistics on housing development affairs and services;
- grants, loans or subsidies to support the expansion, improvement or maintenance of the housing stock.

Excludes: development and regulation of construction standards (04.4.3); cash benefits and benefits in kind to help households meet the cost of housing (10.6.0).

06.2 COMMUNITY DEVELOPMENT

06.2.0 Community development (CS)

- Administration of community development affairs and services; administration of zoning laws and land-use and building regulations;
- planning of new communities or of rehabilitated communities; planning the improvement and development of facilities such as housing, industry, public utilities, health, education, culture, recreation, etc. for communities; preparation of schemes for financing planned developments;
- production and dissemination of general information, technical documentation and

statistics on community development affairs and services.

Excludes: plan implementation, that is, the actual construction of housing, industrial buildings, streets, public utilities, cultural facilities, etc. (classified according to function); agrarian reform and land resettlement (04.2.1); administration of construction standards (04.4.3) and housing standards (06.1.0).

06.3 WATER SUPPLY

06.3.0 Water supply (CS)

- Administration of water supply affairs; assessment of future needs and determination of availability in terms of such assessment; supervision and regulation of all facets of potable water supply including water purity, price and quantity controls;
- construction or operation of non-enterprise-type of water supply systems;
- production and dissemination of general information, technical documentation and statistics on water supply affairs and services;
- grants, loans or subsidies to support the operation, construction, maintenance or upgrading of water supply systems.

Excludes: irrigation systems (04.2.1); multi-purpose projects (04.7.4); collection and treatment of waste water (05.2.0).

06.4 STREET LIGHTING

06.4.0 Street lighting (CS)

- Administration of street lighting affairs; development and regulation of street lighting standards;
- installation, operation, maintenance, upgrading, etc. of street lighting.

Excludes: lighting affairs and services associated with the construction and operation of highways (04.5.1).

06.5 R&D HOUSING AND COMMUNITY AMENITIES

Definitions of basic research, applied research and experimental development are given under (01.4) and (01.5).

06.5.0 R&D Housing and community amenities (CS)

- Administration and operation of government agencies engaged in applied research and experimental development related to housing and community amenities;
- grants, loans or subsidies to support applied research and experimental development related to housing and community amenities undertaken by non-government bodies such as research institutes and universities.

Excludes: basic research (01.4.0); applied research and experimental development into construction methods or materials (04.8.4).

06.6 HOUSING AND COMMUNITY AMENITIES N.E.C.

06.6.0 Housing and community amenities n.e.c. (CS)

- Administration, operation or support of activities such as formulation, administration, coordination and monitoring of overall policies, plans, programmes and budgets relating to housing and community amenities; preparation and enforcement of legislation and standards relating to housing and community amenities; production and dissemination of general information, technical documentation and statistics relating to housing and community amenities.

Includes: administration, operation or support activities relating to housing and community amenities that cannot be assigned to (06.1), (06.2), (06.3), (06.4) or (06.5).

07 HEALTH

Government outlays on health include expenditures on services provided to **individual** persons and services provided on a **collective** basis. Expenditures on individual services are allocated to groups (07.1) through (07.4); expenditures on collective services are assigned to groups (07.5) and (07.6).

Collective health services are concerned with matters such as formulation and administration of government policy; setting and enforcement of standards for medical and paramedical personnel and for hospitals, clinics, surgeries, etc.; regulation and licensing of providers of health services; and applied research and experimental development into medical and health-related matters. However, overhead expenses connected with administration or functioning of a group of hospitals, clinics, surgeries, etc. are considered to be individual expenditures and are classified to groups (07.1) through (07.4) as appropriate.

07.1 MEDICAL PRODUCTS, APPLIANCES AND EQUIPMENT

This group covers medicaments, prostheses, medical appliances and equipment and other health-related products obtained by individuals or households, either with or without a prescription, usually from dispensing chemists, pharmacists or medical equipment suppliers. They are intended for consumption or use outside a health facility or institution. Such products supplied directly to outpatients by medical, dental and paramedical practitioners or to in-patients by hospitals and the like are included in outpatient services (07.2) or hospital services (07.3).

07.1.1 Pharmaceutical products (IS)

- Provision of pharmaceutical products such as medicinal preparations, medicinal drugs, patent medicines, serums and vaccines, vitamins and minerals, cod liver oil and halibut liver oil, oral contraceptives;
- administration, operation or support of the provision of pharmaceutical products.

07.1.2 Other medical products (IS)

- Provision of medical products such as clinical thermometers, adhesive and non-adhesive bandages, hypodermic syringes, first-aid kits, hot-water bottles and ice bags, medical hosiery items such as elasticated stockings and knee-pads, pregnancy tests,

- condoms and other mechanical contraceptive devices;
- administration, operation or support of the provision of prescribed other medical products.

07.1.3 Therapeutic appliances and equipment (IS)

- Provision of therapeutic appliances and equipment such as corrective eyeglasses and contact lenses, hearing aids, glass eyes, artificial limbs and other prosthetic devices, orthopaedic braces and supports, orthopaedic footwear, surgical belts, trusses and supports, neck braces, medical massage equipment and health lamps, powered and unpowered wheelchairs and invalid carriages, “special” beds, crutches, electronic and other devices for monitoring blood pressure, etc.;
- administration, operation or support of the provision of prescribed therapeutic appliances and equipment.

Includes: dentures but not fitting costs; repair of therapeutic appliances and equipment.

Excludes: hire of therapeutic equipment (07.2.4).

07.2 OUTPATIENT SERVICES

This group covers medical, dental and paramedical services delivered to outpatients by medical, dental and paramedical practitioners and auxiliaries. The services may be delivered at home, in individual or group consulting facilities, dispensaries or the outpatient clinics of hospitals and the like.

Outpatient services include the medicaments, prostheses, medical appliances and equipment and other health-related products supplied directly to outpatients by medical, dental and paramedical practitioners and auxiliaries.

Medical, dental and paramedical services provided to in-patients by hospitals and the like are included in hospital services (07.3).

07.2.1 General medical services (IS)

This class covers the services provided by general medical clinics and general medical practitioners.

General medical clinics are defined as institutions which chiefly provide outpatient services which are not limited to a particular medical speciality and which are chiefly delivered by qualified medical doctors. General medical practitioners do not specialize in a particular medical speciality.

- Provision of general medical services;
- administration, inspection, operation or support of general medical services delivered by general medical clinics and general medical practitioners.

Excludes: services of medical analysis laboratories and x-ray centres (07.2.4).

07.2.2 Specialized medical services (IS)

This class covers the services of specialized medical clinics and specialist medical practitioners.

Specialized medical clinics and specialist medical practitioners differ from general medical clinics and general medical practitioners in that their services are limited to treatment of a particular condition, disease, medical procedure or class of patient.

- Provision of specialized medical services;
- administration, inspection, operation or support of specialized medical services delivered by specialized medical clinics and specialist medical practitioners.

Includes: services of orthodontic specialists.

Excludes: dental clinics and dentists (07.2.3); services of medical analysis laboratories and x-ray centres (07.2.4).

07.2.3 Dental services (IS)

This class covers the services of general or specialist dental clinics and dentists, oral hygienists or other dental operating auxiliaries.

Dental clinics provide outpatient services. They are not necessarily supervised or staffed by dentists; they may be supervised or staffed by oral hygienists or by dental auxiliaries.

- Provision of dental services to outpatients;
- administration, inspection, operation and support of dental services delivered by general or specialist dental clinics and by dentists, oral hygienists or other dental auxiliaries.

Includes: fitting costs of dentures.

Excludes: dentures (07.1.3); services of orthodontic specialists (07.2.2); services of medical analysis laboratories and x-ray centres (07.2.4).

07.2.4 Paramedical services (IS)

- Provision of paramedical health services to outpatients;
- administration, inspection, operation or support of health services delivered by clinics supervised by nurses, midwives, physiotherapists, occupational therapists, speech therapists or other paramedical personnel and of health services delivered by nurses, midwives and paramedical personnel in non-consulting rooms, in patients' homes or other non-medical institutions.

Includes: acupuncturists, chiropodists, chiropractors, optometrists, practitioners of traditional medicine, etc.; medical analysis laboratories and x-ray centres; hire of therapeutic equipment; medically prescribed corrective-gymnastic therapy; outpatient thermal bath or sea-water treatments; ambulance services other than ambulance services operated by hospitals.

Excludes: public health service laboratories (07.4.0); laboratories engaged in determining the causes of disease (07.5.0).

07.3 HOSPITAL SERVICES

Hospitalization is defined as occurring when a patient is accommodated in a hospital for the duration of the treatment. Hospital day-care and home-based hospital treatment are included, as are hospices for terminally ill persons.

This group covers the services of general and specialist hospitals, the services of medical centres, maternity centres, nursing homes and convalescent homes which chiefly provide in-patient services, the services of military base hospitals, the services of institutions serving old people in which medical monitoring is an essential component and the services of rehabilitation centres providing in-patient health care and rehabilitative therapy where the objective is to treat the patient rather than to provide long-term support.

Hospitals are defined as institutions which offer in-patient care under direct supervision of qualified medical doctors. Medical centres, maternity centres, nursing homes and convalescent homes also provide in-patient care but their services are supervised and frequently delivered by staff of lower qualification than medical doctors.

The group does not cover facilities such as military field hospitals (02.1), surgeries, clinics and dispensaries devoted exclusively to outpatient care (07.2), institutions for disabled persons and rehabilitation centres providing primarily long-term support (10.1.2), retirement homes for elderly persons (10.2.0). Neither does it cover payments to patients for loss of income due to hospitalization (10.1.1).

Hospital services include medicaments, prostheses, medical appliances and equipment and other health-related products supplied to hospital patients. It also includes non-medical expenditure of hospitals on administration, non-medical staff, food and drink, accommodation (including staff accommodation), etc.

07.3.1 General hospital services (IS)

- Provision of general hospital services;
- administration, inspection, operation or support of hospitals that do not limit their services to a particular medical speciality.

Excludes: medical centres not under the direct supervision of a qualified medical doctor (07.3.3).

07.3.2 Specialized hospital services (IS)

Specialized hospitals differ from general hospitals in that their services are limited to treatment of a particular condition, disease, or class of patient, for example, diseases of the chest and tuberculosis, leprosy, cancer, otorhinolaryngology, psychiatry, obstetrics, paediatrics and so forth.

- Provision of specialized hospital services;
- administration, inspection, operation or support of hospitals that limit their services to a particular medical speciality.

Excludes: maternity centres not under the direct supervision of a qualified medical doctor (07.3.3).

07.3.3 Medical and maternity centre services (IS)

- Provision of medical and maternity centre services;
- administration, inspection, operation or support of medical and maternity centre services.

07.3.4 Nursing and convalescent home services (IS)

Nursing and convalescent homes provide in-patient services to persons recovering from surgery or a debilitating disease or condition that requires chiefly monitoring and administering of medicaments, physiotherapy and training to compensate for loss of function or rest.

- Provision of nursing and convalescent home services;
- administration, inspection, operation or support of nursing and convalescent home services.

Includes: institutions serving old people in which medical monitoring is an essential component; rehabilitation centres providing in-patient health care and rehabilitative therapy where the objective is to treat the patient rather than to provide long-term support.

07.4 PUBLIC HEALTH SERVICES

07.4.0 Public health services (IS)

- Provision of public health services;
- administration, inspection, operation or support of public health services such as blood-bank operation (collecting, processing, storing, shipping), disease detection (cancer, tuberculosis, venereal disease), prevention (immunization, inoculation), monitoring (infant nutrition, child health), epidemiological data collection, family planning services and so forth;
- preparation and dissemination of information on public health matters.

Includes: public health services delivered by special teams to groups of clients, most of whom are in good health, at workplaces, schools or other non-medical settings; public health services not connected with a hospital, clinic or practitioner; public health services not delivered by medically qualified doctors; public health service laboratories.

Excludes: medical analysis laboratories (07.2.4); laboratories engaged in determining the causes of disease (07.5.0).

07.5 R&D HEALTH

Definitions of basic research, applied research and experimental development are given under (01.4) and (01.5).

07.5.0 R&D Health (CS)

- Administration and operation of government agencies engaged in applied research and experimental development related to health;
- grants, loans and subsidies to support applied research and experimental development related to health undertaken by non-government bodies such as research institutes and

universities.

Includes: laboratories engaged in determining the causes of disease.

Excludes: basic research (01.4.0).

07.6 HEALTH N.E.C.

07.6.0 Health n.e.c. (CS)

- Administration, operation or support of activities such as formulation, administration, coordination and monitoring of overall health policies, plans, programmes and budgets; preparation and enforcement of legislation and standards for the provision of health services, including the licensing of medical establishments and medical and paramedical personnel; production and dissemination of general information, technical documentation and statistics on health.

Includes: health affairs and services that cannot be assigned to (07.1), (07.2), (07.3), (07.4) or (07.5).

08 RECREATION, CULTURE AND RELIGION

Government outlays on recreation, culture and religion include expenditures on services provided to **individual** persons and households and expenditures on services provided on a **collective** basis. Individual expenditures are allocated to groups (08.1) and (08.2); expenditures on collective services are assigned to groups (08.3) to (08.6).

Collective services are provided to the community as a whole. They include activities such as formulation and administration of government policy; formulation and enforcement of legislation and standards for providing recreational and cultural services; and applied research and experimental development into recreational, cultural and religious affairs and services.

08.1 RECREATIONAL AND SPORTING SERVICES

08.1.0 Recreational and sporting services (IS)

- Provision of sporting and recreational services; administration of sporting and recreational affairs; supervision and regulation of sporting facilities;
- operation or support of facilities for active sporting pursuits or events (playing fields, tennis courts, squash courts, running tracks, golf courses, boxing rings, skating rinks, gymnasia, etc.); operation or support of facilities for passive sporting pursuits or events (chiefly specially equipped venues for playing cards, board games, etc.); operation or support of facilities for recreational pursuits (parks, beaches, camping grounds and associated lodging places furnished on a non-commercial basis, swimming pools, public baths for washing, etc.);
- grants, loans or subsidies to support teams or individual competitors or players.

Includes: facilities for spectator accommodation; national, regional or local team representation in sporting events.

Excludes: zoological or botanical gardens, aquaria, arboreta and similar institutions (08.2.0); sporting and recreational facilities associated with educational institutions (classified to the appropriate class of Division 09).

08.2 CULTURAL SERVICES

08.2.0 Cultural services (IS)

- Provision of cultural services; administration of cultural affairs; supervision and regulation of cultural facilities;
- operation or support of facilities for cultural pursuits (libraries, museums, art galleries, theatres, exhibition halls, monuments, historic houses and sites, zoological and botanical gardens, aquaria, arboreta, etc.); production, operation or support of cultural events (concerts, stage and film productions, art shows, etc.);
- grants, loans or subsidies to support individual artists, writers, designers, composers and others working in the arts or to organizations engaged in promoting cultural activities.

Includes: national, regional or local celebrations provided they are not intended chiefly to attract tourists.

Excludes: cultural events intended for presentation beyond national boundaries (01.1.3); national, regional or local celebrations intended chiefly to attract tourists (04.7.3); production of cultural material intended for distribution by broadcasting (08.3.0).

08.3 BROADCASTING AND PUBLISHING SERVICES

08.3.0 Broadcasting and publishing services (CS)

- Administration of broadcasting and publishing affairs; supervision and regulation of broadcasting and publishing services;
- operation or support of broadcasting and publishing services;
- grants, loans or subsidies to support: the construction or acquisition of facilities for television or radio broadcasting; the construction or acquisition of plant, equipment or materials for newspaper, magazine or book publishing; the production of material for, and its presentation by, broadcasting; the gathering of news or other information; the distribution of published works.

Excludes: government printing offices and plants (01.3.3); provision of education by radio or television broadcasting (09).

08.4 RELIGIOUS AND OTHER COMMUNITY SERVICES

08.4.0 Religious and other community services (CS)

- Administration of religious and other community affairs;
- provision of facilities for religious and other community services, including support for their operation, maintenance and repair;
- payment of clergy or other officers of religious institutions; support for the holding of

religious services; grants, loans or subsidies to support fraternal, civic, youth and social organizations or labour unions and political parties.

08.5 R&D RECREATION, CULTURE AND RELIGION

Definitions of basic research, applied research and experimental development are given under (01.4) and (01.5).

08.5.0 R&D Recreation, culture and religion (CS)

- Administration and operation of government agencies engaged in applied research and experimental development related to recreation, culture and religion;
- grants, loans and subsidies to support applied research and experimental development related to recreation, culture and religion undertaken by non-government bodies such as research institutes and universities.

Excludes: basic research (01.4.0).

08.6 RECREATION, CULTURE AND RELIGION N.E.C.

08.6.0 Recreation, culture and religion n.e.c. (CS)

- Administration, operation or support of activities such as formulation, administration, coordination and monitoring of overall policies, plans, programmes and budgets for the promotion of sport, recreation, culture and religion; preparation and enforcement of legislation and standards for the provision of recreational and cultural services; production and dissemination of general information, technical documentation and statistics on recreation, cultural and religion.

Includes: affairs and services relating to recreation, culture and religion that cannot be assigned to (08.1), (08.2), (08.3), (08.4) or (08.5).

09 EDUCATION

Government outlays on education include expenditures on services provided to **individual** pupils and students and expenditures on services provided on a **collective** basis. Expenditures on individual services are allocated to groups (09.1) through (09.6); expenditures on collective services are assigned to groups (09.7) and (09.8).

Collective educational services are concerned with matters such as formulation and administration of government policy; setting and enforcement of standards; regulation, licensing and supervision of educational establishments; and applied research and experimental development into education affairs and services. However, overhead expenses connected with administration or functioning of a group of schools, colleges, etc. are considered to be individual expenditures and are classified to groups (09.1) through (09.6) as appropriate.

The breakdown of education is based upon the level categories of the 1997 International Standard Classification of Education (ISCED-97) of the United Nations Educational, Scientific and Cultural Organization (UNESCO).

This division includes military schools and colleges where curricula resemble those of civilian institutions, police colleges offering general education in addition to police training and the provision of education by radio or television broadcasting. Expenditures so incurred are classified to groups (09.1) to (09.5) as appropriate.

09.1 PRE-PRIMARY AND PRIMARY EDUCATION

09.1.1 Pre-primary education (IS)

- Provision of pre-primary education at ISCED-97 level 0;
- administration, inspection, operation or support of schools and other institutions providing pre-primary education at ISCED-97 level 0.

Excludes: subsidiary services to education (09.6.0).

09.1.2 Primary education (IS)

- Provision of primary education at ISCED-97 level 1;
- administration, inspection, operation or support of schools and other institutions providing primary education at ISCED-97 level 1.

Includes: literacy programmes for students too old for primary school.

Excludes: subsidiary services to education (09.6.0).

09.2 SECONDARY EDUCATION

09.2.1 Lower-secondary education (IS)

- Provision of lower-secondary education at ISCED-97 level 2;
- administration, inspection, operation or support of schools and other institutions providing lower-secondary education at ISCED-97 level 2;
- scholarships, grants, loans and allowances to support pupils pursuing lower-secondary education at ISCED-97 level 2.

Includes: out-of-school lower-secondary education for adults and young people.

Excludes: subsidiary services to education (09.6.0).

09.2.2 Upper-secondary education (IS)

- Provision of upper-secondary education at ISCED-97 level 3;
- administration, inspection, operation or support of schools and other institutions providing upper-secondary education at ISCED-97 level 3;
- scholarships, grants, loans and allowances to support pupils pursuing upper-secondary education at ISCED-97 level 3.

Includes: out-of-school upper-secondary education for adults and young people.

Excludes: subsidiary services to education (09.6.0).

09.3 POST-SECONDARY NON-TERTIARY EDUCATION

09.3.0 Post-secondary non-tertiary education (IS)

- Provision of post-secondary non-tertiary education at ISCED-97 level 4;
- administration, inspection, operation or support of institutions providing post-secondary non-tertiary education at ISCED-97 level 4;
- scholarships, grants, loans and allowances to support students pursuing post-secondary non-tertiary education at ISCED-97 level 4.

Includes: out-of-school post-secondary non-tertiary education for adults and young people.

Excludes: subsidiary services to education (09.6.0).

09.4 TERTIARY EDUCATION

09.4.1 First stage of tertiary education (IS)

- Provision of tertiary education at ISCED-97 level 5;
- administration, inspection, operation or support of universities and other institutions providing tertiary education at ISCED-97 level 5;
- scholarships, grants, loans and allowances to support students pursuing tertiary education at ISCED-97 level 5.

Excludes: subsidiary services to education (09.6.0).

09.4.2 Second stage of tertiary education (IS)

- Provision of tertiary education at ISCED-97 level 6;
- administration, inspection, operation or support of universities and other institutions providing tertiary education at ISCED-97 level 6;
- scholarships, grants, loans and allowances to support students pursuing tertiary education at ISCED-97 level 6.

Excludes: subsidiary services to education (09.6.0).

09.5 EDUCATION NOT DEFINABLE BY LEVEL

09.5.0 Education not definable by level (IS)

- Provision of education not definable by level (that is, educational programmes, generally for adults, which do not require any special prior instruction, in particular vocational training and cultural development);
- administration, inspection, operation or support of institutions providing education not definable by level;
- scholarships, grants, loans and allowances to support students pursuing education programmes not definable by level.

09.6 SUBSIDIARY SERVICES TO EDUCATION

09.6.0 Subsidiary services to education (IS)

- Provision of subsidiary services to education;
- administration, inspection, operation or support of transportation, food, lodging, medical and dental care and related subsidiary services chiefly for students regardless of level.

Excludes: school health monitoring and prevention services (07.4.0); scholarships, grants, loans and allowances in cash to defray the costs of subsidiary services (09.1), (09.2), (09.3), (09.4) or (09.5).

09.7 R&D EDUCATION

Definitions of basic research, applied research and experimental development are given under (01.4) and (01.5).

09.7.0 R&D Education (CS)

- Administration and operation of government agencies engaged in applied research and experimental development related to education;
- grants, loans and subsidies to support applied research and experimental development related to education undertaken by non-government bodies such as research institutes and universities.

Excludes: basic research (01.4.0).

09.8 EDUCATION N.E.C.

09.8.0 Education n.e.c. (CS)

- Administration, operation or support of activities such as formulation, administration, coordination and monitoring of overall educational policies, plans, programmes and budgets; preparation and enforcement of legislation and standards for the provision of education, including licensing of educational establishments; production and dissemination of general information, technical documentation and statistics on education.

Includes: education affairs and services that cannot be assigned to (09.1), (09.2), (09.3), (09.4), (09.5), (09.6) or (09.7).

10 SOCIAL PROTECTION

Government outlays on social protection include expenditures on services and transfers provided to **individual** persons and households and expenditures on services provided on a **collective** basis. Expenditures on individual services and transfers are allocated to groups (10.1) through (10.7); expenditures on collective services are assigned to groups (10.8) and (10.9).

Collective social protection services are concerned with matters such as formulation and administration of government policy; formulation and enforcement of legislation and standards for providing social

protection; and applied research and experimental development into social protection affairs and services.

The social protection functions and their definitions are based on the 1996 European System of Integrated Social Protection Statistics (ESSPROS) of the Statistical Office of the European Communities (Eurostat).

In ESSPROS, social protection includes health care, but this division does not include health care. Health care is covered by Division 07. Hence, medical goods and services provided to persons who receive the cash benefits and benefits in kind specified in groups (10.1) through (10.7) are classified under (07.1), (07.2) or (07.3) as appropriate.

10.1 SICKNESS AND DISABILITY

10.1.1 Sickness (IS)

- Provision of social protection in the form of cash benefits or benefits in kind that replace in whole or in part loss of earnings during a temporary inability to work due to sickness or injury;
- administration, operation or support of such social protection schemes;
- cash benefits, such as flat-rate or earnings-related sick leave payments, miscellaneous payments provided to help persons temporarily unable to work due to sickness or injury;
- benefits in kind, such as assistance with daily tasks provided to persons temporarily unable to work due to sickness or injury (home help, transport facilities, etc.).

10.1.2 Disability (IS)

- Provision of social protection in the form of cash benefits or benefits in kind to persons who are fully or partially unable to engage in economic activity or lead a normal life due to a physical or mental impairment that is either permanent or likely to persist beyond a minimum prescribed period;
- administration, operation or support of such social protection schemes;
- cash benefits, such as disability pensions paid to persons below the standard retirement age who encounter a disability which impairs their ability to work, early retirement benefits paid to older workers who retire before reaching the standard retirement age due to reduced capacity to work, care allowances, allowances paid to disabled persons undertaking work adapted to their condition or undergoing vocational training, other periodic or lump-sum payments paid to disabled persons for social protection reasons;
- benefits in kind, such as lodging and possibly board provided to disabled persons in appropriate establishments, assistance provided to disabled persons to help them with daily tasks (home help, transport facilities etc.), allowances paid to the person who looks after the disabled person, vocational and other training provided to further the occupational and social rehabilitation of disabled persons, miscellaneous services and goods provided to disabled persons to enable them to participate in leisure and cultural activities or to travel or to participate in community life.

Excludes: cash benefits and benefits in kind paid to disabled persons on reaching the standard retirement age (10.2.0).

10.2 OLD AGE

10.2.0 Old age (IS)

- Provision of social protection in the form of cash benefits and benefits in kind against the risks linked to old age (loss of income, inadequate income, lack of independence in carrying out daily tasks, reduced participation in social and community life, etc.);
- administration, operation or support of such social protection schemes;
- cash benefits, such as old-age pensions paid to persons on reaching the standard retirement age, anticipated old-age pensions paid to older workers who retire before the standard retirement age, partial retirement pensions paid either before or after the standard retirement age to older workers who continue working but reduce their working hours, care allowances, other periodic or lump-sum payments paid upon retirement or on account of old age;
- benefits in kind, such as lodging and sometimes board provided to elderly persons either in specialized institutions or staying with families in appropriate establishments, assistance provided to elderly persons to help them with daily tasks (home help, transport facilities etc.), allowances paid to the person who looks after an elderly person, miscellaneous services and goods provided to elderly persons to enable them to participate in leisure and cultural activities or to travel or to participate in community life.

Includes: pension schemes for military personnel and for government employees.

Excludes: early retirement benefits paid to older workers who retire before reaching standard retirement age due to disability (10.1.2) or unemployment (10.5.0).

10.3 SURVIVORS

10.3.0 Survivors (IS)

- Provision of social protection in the form of cash benefits and benefits in kind to persons who are survivors of a deceased person (such as the person's spouse, ex-spouse, children, grandchildren, parents or other relatives);
- administration, operation or support of such social protection schemes;
- cash benefits, such as survivors' pensions, death grants, other periodic or lump-sum payments to survivors;
- benefits in kind, such as payments towards funeral expenses, miscellaneous services and goods provided to survivors to enable them to participate in community life.

10.4 FAMILY AND CHILDREN

10.4.0 Family and children (IS)

- Provision of social protection in the form of cash benefits and benefits in kind to

- households with dependent children;
 - administration, operation or support of such social protection schemes;
 - cash benefits, such as maternity allowances, birth grants, parental leave benefits, family or child allowances, other periodic or lump-sum payments to support households and help them meet the costs of specific needs (for example, those of the lone parent families or families with handicapped children);
 - benefits in kind, such as shelter and board provided to pre-school children during the day or part of the day, financial assistance towards payment of a nurse to look after children during the day, shelter and board provided to children and families on a permanent basis (orphanages, foster families, etc.), goods and services provided at home to children or to those who care for them, miscellaneous services and goods provided to families, young people or children (holiday and leisure centres).
- Excludes:* family planning services (07.4.0).

10.5 UNEMPLOYMENT

10.5.0 Unemployment (IS)

- Provision of social protection in the form of cash benefits and benefits in kind to persons who are capable of work, available for work but are unable to find suitable employment;
- administration, operation or support of such social protection schemes;
- cash benefits, such as full and partial unemployment benefits, early retirement benefits paid to older workers who retire before reaching the standard retirement age due to unemployment or job reduction caused by economic measures, allowances to targeted groups in the labour force who take part in training schemes intended to develop their potential for employment, redundancy compensation, other periodic or lump-sum payments to the unemployed, particularly the long-term unemployed;
- benefits in kind, such as mobility and resettlement payments, vocational training provided to persons without a job or retraining provided to persons at risk of losing their job, accommodation, food or clothes provided to unemployed persons and their families.

Excludes: general programmes or schemes directed towards increasing labour mobility, reducing the rate of unemployment or promoting the employment of disadvantaged or other groups characterized by high unemployment (04.1.2); cash benefits and benefits in kind paid to unemployed persons on reaching the standard retirement age (10.2.0).

10.6 HOUSING

10.6.0 Housing (IS)

- Provision of social protection in the form of benefits in kind to help households meet the cost of housing (recipients of these benefits are means-tested);
- administration, operation or support of such social protection schemes;
- benefits in kind, such as payments made on a temporary or long-term basis to help

tenants with rent costs, payments to alleviate the current housing costs of owner-occupiers (that is to help with paying mortgages or interest), provision of low-cost or social housing.

10.7 SOCIAL EXCLUSION N.E.C.

10.7.0 Social exclusion n.e.c. (IS)

- Provision of social protection in the form of cash benefits and benefits in kind to persons who are socially excluded or at risk of social exclusion (such as persons who are destitute, low-income earners, immigrants, indigenous people, refugees, alcohol and substance abusers, victims of criminal violence, etc.);
- administration and operation of such social protection schemes;
- cash benefits, such as income support and other cash payments to the destitute and vulnerable persons to help alleviate poverty or assist in difficult situations;
- benefits in kind, such as short-term and long-term shelter and board provided to destitute and vulnerable persons, rehabilitation of alcohol and substance abusers, services and goods to help vulnerable persons such as counselling, day shelter, help with carrying out daily tasks, food, clothing, fuel, etc.

10.8 R&D SOCIAL PROTECTION

Definitions of basic research, applied research and experimental development are given under (01.4) and (01.5).

10.8.0 R&D Social protection (CS)

- Administration and operation of government agencies engaged in applied research and experimental development related to social protection;
- grants, loans and subsidies to support applied research and experimental development related to social protection undertaken by non-government bodies such as research institutes and universities.

Excludes: basic research (01.4.0).

10.9 SOCIAL PROTECTION N.E.C.

10.9.0 Social protection n.e.c. (CS)

- Administration, operation or support of activities such as formulation, administration, coordination and monitoring of overall social protection policies, plans, programmes and budgets; preparation and enforcement of legislation and standards for the provision of social protection; production and dissemination of general information, technical documentation and statistics on social protection.

Includes: provision of social protection in the form of cash benefits and benefits in kind to victims of fires, floods, earthquakes and other peacetime disasters; purchase and storage of food, equipment and other supplies for emergency use in the case of peacetime disasters; other social protection affairs and services that cannot be assigned to (10.1), (10.2), (10.3), (10.4), (10.5), (10.6), (10.7) or (10.8).

Part three

CLASSIFICATION OF INDIVIDUAL CONSUMPTION according to PURPOSE

(COICOP)

COICOP: DIVISIONS

01-12 *INDIVIDUAL CONSUMPTION EXPENDITURE OF HOUSEHOLDS*

- 01** **Food and non-alcoholic beverages**
- 02** **Alcoholic beverages, tobacco and narcotics**
- 03** **Clothing and footwear**
- 04** **Housing, water, electricity, gas and other fuels**
- 05** **Furnishings, household equipment and routine household maintenance**
- 06** **Health**
- 07** **Transport**
- 08** **Communication**
- 09** **Recreation and culture**
- 10** **Education**
- 11** **Restaurants and hotels**
- 12** **Miscellaneous goods and services**

13 *INDIVIDUAL CONSUMPTION EXPENDITURE OF NON-PROFIT INSTITUTIONS SERVING HOUSEHOLDS (NPISHs)*

14 *INDIVIDUAL CONSUMPTION EXPENDITURE OF GENERAL GOVERNMENT*

COICOP: BREAKDOWN BY DIVISION AND GROUP

01 - 12 INDIVIDUAL CONSUMPTION EXPENDITURE OF HOUSEHOLDS

01 FOOD AND NON-ALCOHOLIC BEVERAGES

- 01.1 FOOD
- 01.2 NON-ALCOHOLIC BEVERAGES

02 ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS

- 02.1 ALCOHOLIC BEVERAGES
- 02.2 TOBACCO
- 02.3 NARCOTICS

03 CLOTHING AND FOOTWEAR

- 03.1 CLOTHING
- 03.2 FOOTWEAR

04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS

- 04.1 ACTUAL RENTALS FOR HOUSING
- 04.2 IMPUTED RENTALS FOR HOUSING
- 04.3 MAINTENANCE AND REPAIR OF THE DWELLING
- 04.4 WATER SUPPLY AND MISCELLANEOUS SERVICES RELATING TO THE DWELLING
- 04.5 ELECTRICITY, GAS AND OTHER FUELS

05 FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE HOUSEHOLD MAINTENANCE

- 05.1 FURNITURE AND FURNISHINGS, CARPETS AND OTHER FLOOR COVERINGS
- 05.2 HOUSEHOLD TEXTILES
- 05.3 HOUSEHOLD APPLIANCES
- 05.4 GLASSWARE, TABLEWARE AND HOUSEHOLD UTENSILS
- 05.5 TOOLS AND EQUIPMENT FOR HOUSE AND GARDEN
- 05.6 GOODS AND SERVICES FOR ROUTINE HOUSEHOLD MAINTENANCE

06 HEALTH

- 06.1 MEDICAL PRODUCTS, APPLIANCES AND EQUIPMENT
- 06.2 OUTPATIENT SERVICES
- 06.3 HOSPITAL SERVICES

07 TRANSPORT

- 07.1 PURCHASE OF VEHICLES
- 07.2 OPERATION OF PERSONAL TRANSPORT EQUIPMENT
- 07.3 TRANSPORT SERVICES

08 COMMUNICATION

- 08.1 POSTAL SERVICES
- 08.2 TELEPHONE AND TELEFAX EQUIPMENT
- 08.3 TELEPHONE AND TELEFAX SERVICES

09 RECREATION AND CULTURE

- 09.1 AUDIO-VISUAL, PHOTOGRAPHIC AND INFORMATION PROCESSING EQUIPMENT
- 09.2 OTHER MAJOR DURABLES FOR RECREATION AND CULTURE
- 09.3 OTHER RECREATIONAL ITEMS AND EQUIPMENT, GARDENS AND PETS
- 09.4 RECREATIONAL AND CULTURAL SERVICES
- 09.5 NEWSPAPERS, BOOKS AND STATIONERY
- 09.6 PACKAGE HOLIDAYS

10 EDUCATION

- 10.1 PRE-PRIMARY AND PRIMARY EDUCATION
- 10.2 SECONDARY EDUCATION
- 10.3 POST-SECONDARY NON-TERTIARY EDUCATION
- 10.4 TERTIARY EDUCATION
- 10.5 EDUCATION NOT DEFINABLE BY LEVEL

11 RESTAURANTS AND HOTELS

- 11.1 CATERING SERVICES
- 11.2 ACCOMMODATION SERVICES

12 MISCELLANEOUS GOODS AND SERVICES

- 12.1 PERSONAL CARE
- 12.2 PROSTITUTION
- 12.3 PERSONAL EFFECTS N.E.C.
- 12.4 SOCIAL PROTECTION
- 12.5 INSURANCE
- 12.6 FINANCIAL SERVICES N.E.C.
- 12.7 OTHER SERVICES N.E.C.

13 INDIVIDUAL CONSUMPTION EXPENDITURE OF NON-PROFIT INSTITUTIONS SERVING HOUSEHOLDS (NPISHs)

- 13.1 HOUSING
- 13.2 HEALTH
- 13.3 RECREATION AND CULTURE
- 13.4 EDUCATION
- 13.5 SOCIAL PROTECTION
- 13.6 OTHER SERVICES

14 INDIVIDUAL CONSUMPTION EXPENDITURE OF GENERAL GOVERNMENT

14.1 HOUSING

14.2 HEALTH

14.3 RECREATION AND CULTURE

14.4 EDUCATION

14.5 SOCIAL PROTECTION

COICOP: DEFINITION BY CLASS

01 - 12 INDIVIDUAL CONSUMPTION EXPENDITURE OF HOUSEHOLDS

01 FOOD AND NON-ALCOHOLIC BEVERAGES

01.1 FOOD

The food products classified here are those purchased for consumption at home. The group excludes: food products sold for immediate consumption away from the home by hotels, restaurants, cafés, bars, kiosks, street vendors, automatic vending machines, etc. (11.1.1); cooked dishes prepared by restaurants for consumption off their premises (11.1.1); cooked dishes prepared by catering contractors whether collected by the customer or delivered to the customer's home (11.1.1); and products sold specifically as pet foods (09.3.4).

01.1.1 Bread and cereals (ND)

- Rice in all forms;
- maize, wheat, barley, oats, rye and other cereals in the form of grain, flour or meal;
- bread and other bakery products (crispbread, rusks, toasted bread, biscuits, gingerbread, wafers, waffles, crumpets, muffins, croissants, cakes, tarts, pies, quiches, pizzas, etc.);
- mixes and doughs for the preparation of bakery products;
- pasta products in all forms; couscous;
- cereal preparations (cornflakes, oatflakes, etc.) and other cereal products (malt, malt flour, malt extract, potato starch, tapioca, sago and other starches).

Includes: farinaceous-based products prepared with meat, fish, seafood, cheese, vegetables or fruit.

Excludes: meat pies (01.1.2); fish pies (01.1.3); sweetcorn (01.1.7).

01.1.2 Meat (ND)

- Fresh, chilled or frozen meat of:
 - bovine animals, swine, sheep and goat;
 - horse, mule, donkey, camel and the like;
 - poultry (chicken, duck, goose, turkey, guinea fowl);
 - hare, rabbit and game (antelope, deer, boar, pheasant, grouse, pigeon, quail, etc.);
- fresh, chilled or frozen edible offal;
- dried, salted or smoked meat and edible offal (sausages, salami, bacon, ham, pâté, etc.);
- other preserved or processed meat and meat-based preparations (canned meat, meat extracts, meat juices, meat pies, etc.).

Includes: meat and edible offal of marine mammals (seals, walruses, whales, etc.) and exotic animals (kangaroo, ostrich, alligator, etc.); animals and poultry purchased live for consumption as food.

Note: ND, SD, D and S denote non-durable goods, semi-durable goods, durable goods and services, respectively. See also paras. 49-50 of the Introduction to this publication.

Excludes: land and sea snails (01.1.3); lard and other edible animal fats (01.1.5); soups, broths and stocks containing meat (01.1.9).

01.1.3 Fish and seafood (ND)

- Fresh, chilled or frozen fish;
- fresh, chilled or frozen seafood (crustaceans, molluscs and other shellfish, sea snails);
- dried, smoked or salted fish and seafood;
- other preserved or processed fish and seafood and fish and seafood-based preparations (canned fish and seafood, caviar and other hard roes, fish pies, etc.).

Includes: land crabs, land snails and frogs; fish and seafood purchased live for consumption as food.

Excludes: soups, broths and stocks containing fish and seafood (01.1.9).

01.1.4 Milk, cheese and eggs (ND)

- Raw milk; pasteurized or sterilized milk;
- condensed, evaporated or powdered milk;
- yoghurt, cream, milk-based desserts, milk-based beverages and other similar milk-based products;
- cheese and curd;
- eggs and egg products made wholly from eggs.

Includes: milk, cream and yoghurt containing sugar, cocoa, fruit or flavourings; dairy products not based on milk such as soya milk.

Excludes: butter and butter products (01.1.5).

01.1.5 Oils and fats (ND)

- Butter and butter products (butter oil, ghee, etc.);
- margarine (including “diet” margarine) and other vegetable fats (including peanut butter);
- edible oils (olive oil, corn oil, sunflower-seed oil, cottonseed oil, soybean oil, groundnut oil, walnut oil, etc.);
- edible animal fats (lard, etc.).

Excludes: cod or halibut liver oil (06.1.1).

01.1.6 Fruit (ND)

- Fresh, chilled or frozen fruit;
- dried fruit, fruit peel, fruit kernels, nuts and edible seeds;
- preserved fruit and fruit-based products.

Includes: melons and water melons.

Excludes: vegetables cultivated for their fruit such as aubergines, cucumbers and tomatoes (01.1.7); jams, marmalades, compotes, jellies, fruit purées and pastes (01.1.8); parts of plants preserved in sugar (01.1.8); fruit juices and syrups (01.2.2).

01.1.7 Vegetables (ND)

- Fresh, chilled, frozen or dried vegetables cultivated for their leaves or stalks (asparagus, broccoli, cauliflower, endives, fennel, spinach, etc.), for their fruit (aubergines, cucumbers, courgettes, green peppers, pumpkins, tomatoes, etc.), and for their roots (beetroots, carrots, onions, parsnips, radishes, turnips, etc.);
- fresh or chilled potatoes and other tuber vegetables (manioc, arrowroot, cassava, sweet potatoes, etc.);
- preserved or processed vegetables and vegetable-based products;
- products of tuber vegetables (flours, meals, flakes, purées, chips and crisps) including frozen preparations such as chipped potatoes.

Includes: olives; garlic; pulses; sweetcorn; sea fennel and other edible seaweed; mushrooms and other edible fungi.

Excludes: potato starch, tapioca, sago and other starches (01.1.1); soups, broths and stocks containing vegetables (01.1.9); culinary herbs (parsley, rosemary, thyme, etc.) and spices (pepper, pimento, ginger, etc.) (01.1.9); vegetable juices (01.2.2).

01.1.8 Sugar, jam, honey, chocolate and confectionery (ND)

- Cane or beet sugar, unrefined or refined, powdered, crystallized or in lumps;
- jams, marmalades, compotes, jellies, fruit purées and pastes, natural and artificial honey, maple syrup, molasses and parts of plants preserved in sugar;
- chocolate in bars or slabs, chewing gum, sweets, toffees, pastilles and other confectionery products;
- cocoa-based foods and cocoa-based dessert preparations;
- edible ice, ice cream and sorbet.

Includes: artificial sugar substitutes.

Excludes: cocoa and chocolate-based powder (01.2.1).

01.1.9 Food products n.e.c. (ND)

- Salt, spices (pepper, pimento, ginger, etc.), culinary herbs (parsley, rosemary, thyme, etc.), sauces, condiments, seasonings (mustard, mayonnaise, ketchup, soy sauce, etc.), vinegar;
- prepared baking powders, baker's yeast, dessert preparations, soups, broths, stocks, culinary ingredients, etc.;
- homogenized baby food and dietary preparations irrespective of the composition.

Excludes: milk-based desserts (01.1.4); soya milk (01.1.4); artificial sugar substitutes (01.1.8); cocoa-based dessert preparations (01.1.8).

01.2 NON-ALCOHOLIC BEVERAGES

The non-alcoholic beverages classified here are those purchased for consumption at home. The group excludes non-alcoholic beverages sold for immediate consumption away from the home by hotels, restaurants, cafés, bars, kiosks, street vendors, automatic vending machines, etc. (11.1.1).

01.2.1 Coffee, tea and cocoa (ND)

- Coffee, whether or not decaffeinated, roasted or ground, including instant coffee;
- tea, maté and other plant products for infusions;
- cocoa, whether or not sweetened, and chocolate-based powder.

Includes: cocoa-based beverage preparations; coffee and tea substitutes; extracts and essences of coffee and tea.

Excludes: chocolate in bars or slabs (01.1.8); cocoa-based food and cocoa-based dessert preparations (01.1.8).

01.2.2 Mineral waters, soft drinks, fruit and vegetable juices (ND)

- Mineral or spring waters; all drinking water sold in containers;
- soft drinks such as sodas, lemonades and colas;
- fruit and vegetable juices;
- syrups and concentrates for the preparation of beverages.

Excludes: non-alcoholic beverages which are generally alcoholic such as non-alcoholic beer (02.1).

02 ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS

02.1 ALCOHOLIC BEVERAGES

The alcoholic beverages classified here are those purchased for consumption at home. The group excludes alcoholic beverages sold for immediate consumption away from the home by hotels, restaurants, cafés, bars, kiosks, street vendors, automatic vending machines, etc. (11.1.1).

The beverages classified here include low or non-alcoholic beverages which are generally alcoholic such as non-alcoholic beer.

02.1.1 Spirits (ND)

- Eaux-de-vie, liqueurs and other spirits.

Includes: mead; aperitifs other than wine-based aperitifs (02.1.2).

02.1.2 Wine (ND)

- Wine, cider and perry, including sake;
- wine-based aperitifs, fortified wines, champagne and other sparkling wines.

02.1.3 Beer (ND)

- All kinds of beer such as ale, lager and porter.
Includes: low-alcoholic beer and non-alcoholic beer; shandy.

02.2 TOBACCO

This group covers all purchases of tobacco by households, including purchases of tobacco in restaurants, cafés, bars, service stations, etc.

02.2.0 Tobacco (ND)

- Cigarettes; cigarette tobacco and cigarette papers;
- cigars, pipe tobacco, chewing tobacco or snuff.
Excludes: other smokers' articles (12.3.2).

02.3 NARCOTICS

02.3.0 Narcotics (ND)

- Marijuana, opium, cocaine and their derivatives;
- other vegetable-based narcotics such as cola nuts, betel leaves and betel nuts;
- other narcotics including chemicals and man-made drugs.

03 CLOTHING AND FOOTWEAR

03.1 CLOTHING

03.1.1 Clothing materials (SD)

- Clothing materials of natural fibres, of man-made fibres and of their mixtures.
Excludes: furnishing fabrics (05.2.0).

03.1.2 Garments (SD)

- Garments for men, women, children (3 to 13 years) and infants (0 to 2 years), either ready-to-wear or made-to-measure, in all materials (including leather, furs, plastics and rubber), for everyday wear, for sport or for work:
 - capes, overcoats, raincoats, anoraks, parkas, blousons, jackets, trousers, waistcoats, suits, costumes, dresses, skirts, etc.;
 - shirts, blouses, pullovers, sweaters, cardigans, shorts, swimsuits, tracksuits, jogging suits, sweatshirts, T-shirts, leotards, etc.;
 - vests, underpants, socks, stockings, tights, petticoats, brassières, knickers, slips, girdles, corsets, body stockings, etc.;
 - pyjamas, nightshirts, nightdresses, housecoats, dressing gowns, bathrobes, etc.;
 - baby clothes and babies' booties made of fabric.*Excludes:* articles of medical hosiery such as elasticated stockings (06.1.2); babies' napkins (12.1.3).

03.1.3 Other articles of clothing and clothing accessories (SD)

- Ties, handkerchiefs, scarves, squares, gloves, mittens, muffs, belts, braces, aprons, smocks, bibs, sleeve protectors, hats, caps, berets, bonnets, etc.;
- sewing threads, knitting yarns and accessories for making clothing such as buckles, buttons, press studs, zip fasteners, ribbons, laces, trimmings, etc.

Includes: gardening gloves and working gloves; crash helmets for motorcycles and bicycles.

Excludes: gloves and other articles made of rubber (05.6.1); pins, safety pins, sewing needles, knitting needles, thimbles (05.6.1); protective headgear for sports (09.3.2); other protective gear for sports such as life jackets, boxing gloves, body padding, belts, supports, etc. (09.3.2); paper handkerchiefs (12.1.3); watches, jewellery, cuff links, tiepins (12.3.1); walking sticks and canes, umbrellas and parasols, fans, keyrings (12.3.2).

03.1.4 Cleaning, repair and hire of clothing (S)

- Dry-cleaning, laundering and dyeing of garments;
- darning, mending, repair and altering of garments;
- hire of garments.

Includes: total value of the repair service (that is, both the cost of labour and the cost of materials are covered).

Excludes: materials, threads, accessories, etc. purchased by households with the intention of undertaking the repairs themselves (03.1.1) or (03.1.3); repair of household linen and other household textiles (05.2.0); dry-cleaning, laundering, dyeing and hiring of household linen and other household textiles (05.6.2).

03.2 FOOTWEAR

03.2.1 Shoes and other footwear (SD)

- All footwear for men, women, children (3 to 13 years) and infants (0 to 2 years) including sports footwear suitable for everyday or leisure wear (shoes for jogging, cross-training, tennis, basket ball, boating, etc.).

Includes: gaiters, leggings and similar articles; shoelaces; parts of footwear, such as heels, soles, etc., purchased by households with the intention of repairing footwear themselves.

Excludes: babies' booties made of fabric (03.1.2); shoe-trees, shoehorns and polishes, creams and other shoe-cleaning articles (05.6.1); orthopaedic footwear (06.1.3); game-specific footwear (ski boots, football boots, golfing shoes and other such footwear fitted with ice-skates, rollers, spikes, studs, etc.) (09.3.2); shin-guards, cricket pads and other such protective apparel for sport (09.3.2).

03.2.2 Repair and hire of footwear (S)

- Repair of footwear; shoe-cleaning services;
- hire of footwear.

Includes: total value of the repair service (that is, both the cost of labour and the cost of materials are covered).

Excludes: parts of footwear, such as heels, soles, etc., purchased by households with the intention of undertaking the repair themselves (03.2.1); polishes, creams and other shoe-cleaning articles (05.6.1); repair (09.3.2) or hire (09.4.1) of game-specific footwear (ski boots, football boots, golfing shoes and other such footwear fitted with ice-skates, rollers, spikes, studs, etc.).

04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS

04.1 ACTUAL RENTALS FOR HOUSING

Rentals normally include payment for the use of the land on which the property stands, the dwelling occupied, the fixtures and fittings for heating, plumbing, lighting, etc., and, in the case of a dwelling let furnished, the furniture.

Rentals also include payment for the use of a garage to provide parking in connection with the dwelling. The garage does not have to be physically contiguous to the dwelling; nor does it have to be leased from the same landlord.

Rentals do not include payment for the use of garages or parking spaces not providing parking in connection with the dwelling (07.2.4). Nor do they include charges for water supply (04.4.1), refuse collection (04.4.2) and sewage collection (04.4.3); co-proprietor charges for caretaking, gardening, stairwell cleaning, heating and lighting, maintenance of lifts and refuse disposal chutes, etc. in multi-occupied buildings (04.4.4); charges for electricity (04.5.1) and gas (04.5.2); charges for heating and hot water supplied by district heating plants (04.5.5).

04.1.1 Actual rentals paid by tenants (S)

- Rentals actually paid by tenants or subtenants occupying unfurnished or furnished premises as their main residence.

Includes: payments by households occupying a room in a hotel or boarding house as their main residence.

Excludes: accommodation services of educational establishments and hostels (11.2.0) and of retirement homes for elderly persons (12.4.0).

04.1.2 Other actual rentals (S)

- Rentals actually paid for secondary residences.

Excludes: accommodation services of holiday villages and holiday centres (11.2.0).

04.2 IMPUTED RENTALS FOR HOUSING

For coverage see note to (04.1) above.

04.2.1 Imputed rentals of owner-occupiers (S)

- Imputed rentals of owners occupying their main residence.

04.2.2 Other imputed rentals (S)

- Imputed rentals for secondary residences;
- imputed rentals of households paying a reduced rental or housed free.

04.3 MAINTENANCE AND REPAIR OF THE DWELLING

Maintenance and repair of dwellings are distinguished by two features: first, they are activities that have to be undertaken regularly in order to maintain the dwelling in good working order; second, they do not change the dwelling's performance, capacity or expected service life.

There are two types of maintenance and repair of dwellings: those which are minor, such as interior decoration and repairs to fittings, and which are commonly carried out by both tenants and owners; and those which are major, such as replastering walls or repairing roofs, and which are carried out by owners only.

Only expenditures which tenants and owner-occupiers incur on materials and services for minor maintenance and repair are part of individual consumption expenditure of households. Expenditures which owner-occupiers incur on materials and services for major maintenance and repair are not part of individual consumption expenditure of households.

Purchases of materials made by tenants or owner-occupiers with the intention of undertaking the maintenance or repair themselves should be shown under (04.3.1). If tenants or owner-occupiers pay an enterprise to carry out the maintenance or repair, the total value of the service, including the costs of the materials used, should be shown under (04.3.2).

04.3.1 Materials for the maintenance and repair of the dwelling (ND)

- Products and materials, such as paints and varnishes, renderings, wallpapers, fabric wall coverings, window panes, plaster, cement, putty, wallpaper pastes, etc., purchased for minor maintenance and repair of the dwelling.

Includes: small plumbing items (pipes, taps, joints, etc.), surfacing materials (floorboards, ceramic tiles, etc.) and brushes and scrapers for paint, varnish and wallpaper.

Excludes: fitted carpets and linoleum (05.1.2); hand tools, door fittings, power sockets, wiring flex and lamp bulbs (05.5.2); brooms, scrubbing brushes, dusting brushes and cleaning products (05.6.1); products, materials and fixtures used for major maintenance and repair (intermediate consumption) or for extension and conversion of the dwelling (capital formation).

04.3.2 Services for the maintenance and repair of the dwelling (S)

- Services of plumbers, electricians, carpenters, glaziers, painters, decorators, floor polishers, etc. engaged for minor maintenance and repair of the dwelling.

Includes: total value of the service (that is, both the cost of labour and the cost of materials are covered).

Excludes: separate purchases of materials made by households with the intention of undertaking the maintenance or repair themselves (04.3.1); services engaged for major maintenance and repair (intermediate consumption) or for extension and conversion of the dwelling (capital formation).

04.4 WATER SUPPLY AND MISCELLANEOUS SERVICES RELATING TO THE DWELLING

04.4.1 Water supply (ND)

- Water supply.

Includes: associated expenditure such as hire of meters, reading of meters, standing charges, etc.

Excludes: drinking water sold in bottles or containers (01.2.2); hot water or steam purchased from district heating plants (04.5.5).

04.4.2 Refuse collection (S)

- Refuse collection and disposal.

04.4.3 Sewage collection (S)

- Sewage collection and disposal.

04.4.4 Other services relating to the dwelling n.e.c. (S)

- Co-proprietor charges for caretaking, gardening, stairwell cleaning, heating and lighting, maintenance of lifts and refuse disposal chutes, etc. in multi-occupied buildings;
- security services;
- snow removal and chimney sweeping.

Excludes: household services such as window cleaning, disinfecting, fumigation and pest extermination (05.6.2); bodyguards (12.7.0).

04.5 ELECTRICITY, GAS AND OTHER FUELS

04.5.1 Electricity (ND)

- Electricity.

Includes: associated expenditure such as hire of meters, reading of meters, standing charges, etc.

04.5.2 Gas (ND)

- Town gas and natural gas;
- liquefied hydrocarbons (butane, propane, etc.).

Includes: associated expenditure such as hire of meters, reading of meters, storage containers, standing charges, etc.

04.5.3 Liquid fuels (ND)

- Domestic heating and lighting oils.

04.5.4 Solid fuels (ND)

- Coal, coke, briquettes, firewood, charcoal, peat and the like.

04.5.5 Heat energy (ND)

- Hot water and steam purchased from district heating plants.

Includes: associated expenditure such as hire of meters, reading of meters, standing charges, etc.; ice used for cooling and refrigeration purposes.

05 FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE HOUSEHOLD MAINTENANCE

05.1 FURNITURE AND FURNISHINGS, CARPETS AND OTHER FLOOR COVERINGS

05.1.1 Furniture and furnishings (D)

- Beds, sofas, couches, tables, chairs, cupboards, chests of drawers and bookshelves;
- lighting equipment such as ceiling lights, standard lamps, globe lights and bedside lamps;
- pictures, sculptures, engravings, tapestries and other art objects including reproductions of works of art and other ornaments;
- screens, folding partitions and other furniture and fixtures.

Includes: delivery and installation when applicable; base mattresses, mattresses, tatamis; bathroom cabinets; baby furniture such as cradles, high chairs and playpens; blinds; camping and garden furniture; mirrors, candleholders and candlesticks.

Excludes: bedding and sunshades (05.2.0); safes (05.3.1); ornamental glass and ceramic articles (05.4.0); clocks (12.3.1); wall thermometers and barometers (12.3.2); carrycots and pushchairs (12.3.2); works of art and antique furniture acquired primarily as stores of value (capital formation).

05.1.2 Carpets and other floor coverings (D)

- Loose carpets, fitted carpets, linoleum and other such floor coverings.

Includes: laying of floor coverings.

Excludes: bathroom mats, rush mats and doormats (05.2.0); antique floor coverings acquired primarily as stores of value (capital formation).

05.1.3 Repair of furniture, furnishings and floor coverings (S)

- Repair of furniture, furnishings and floor coverings.

Includes: total value of the service (that is, both the cost of labour and the cost of materials are covered); restoration of works of art, antique furniture and antique floor coverings other than those acquired primarily as stores of value (capital formation).

Excludes: separate purchases of materials made by households with the intention of undertaking the repair themselves (05.1.1) or (05.1.2); dry-cleaning of carpets (05.6.2).

05.2 HOUSEHOLD TEXTILES

05.2.0 Household textiles (SD)

- Furnishing fabrics, curtain material, curtains, double curtains, awnings, door curtains and fabric blinds;
- bedding such as futons, pillows, bolsters and hammocks;
- bedlinen such as sheets, pillowcases, blankets, travelling rugs, plaids, eiderdowns, counterpanes and mosquito nets;
- table linen and bathroom linen such as tablecloths, table napkins, towels and face cloths;
- other household textiles such as shopping bags, laundry bags, shoe bags, covers for clothes and furniture, flags, sunshades, etc.;
- repair of such articles.

Includes: cloth bought by the piece; oilcloth; bathroom mats, rush mats and doormats.

Excludes: fabric wall coverings (04.3.1); tapestries (05.1.1); floor coverings such as carpets and fitted carpets (05.1.2); electric blankets (05.3.2); covers for motor cars, motorcycles, etc. (07.2.1); air mattresses and sleeping bags (09.3.2).

05.3 HOUSEHOLD APPLIANCES

05.3.1 Major household appliances whether electric or not (D)

- Refrigerators, freezers and fridge-freezers;
- washing machines, dryers, drying cabinets, dishwashers, ironing and pressing machines;
- cookers, spit roasters, hobs, ranges, ovens and microwave ovens;
- air-conditioners, humidifiers, space heaters, water heaters, ventilators and extractor hoods;
- vacuum cleaners, steam-cleaning machines, carpet shampooing machines and machines for scrubbing, waxing and polishing floors;
- other major household appliances such as safes, sewing machines, knitting machines, water softeners, etc.

Includes: delivery and installation of the appliances when applicable.

Excludes: such appliances that are built into the structure of the building (capital formation).

05.3.2 Small electric household appliances (SD)

- Coffee mills, coffee-makers, juice extractors, can-openers, food mixers, deep fryers, meat grills, knives, toasters, ice cream makers, sorbet makers, yoghurt makers, hotplates, irons, kettles, fans, electric blankets, etc.

Excludes: small non-electric household articles and kitchen utensils (05.4.0); household scales (05.4.0); personal weighing machines and baby scales (12.1.3).

05.3.3 Repair of household appliances (S)

– Repair of household appliances.

Includes: total value of the service (that is, both the cost of labour and the cost of materials are covered); charges for the leasing or rental of major household appliances.

Excludes: separate purchases of materials made by households with the intention of undertaking the repair themselves (05.3.1) or (05.3.2).

05.4 GLASSWARE, TABLEWARE AND HOUSEHOLD UTENSILS

05.4.0 Glassware, tableware and household utensils (SD)

- Glassware, crystal ware, ceramic ware and china ware of the kind used for table, kitchen, bathroom, toilet, office and indoor decoration;
- cutlery, flatware and silverware;
- non-electric kitchen utensils of all materials such as saucepans, stewpots, pressure cookers, frying pans, coffee mills, purée makers, mincers, hotplates, household scales and other such mechanical devices;
- non-electric household articles of all materials such as containers for bread, coffee, spices, etc., waste bins, waste-paper baskets, laundry baskets, portable money boxes and strongboxes, towel rails, bottle racks, irons and ironing boards, letter boxes, feeding bottles, thermos flasks and iceboxes;

- repair of such articles.

Excludes: lighting equipment (05.1.1); electric household appliances (05.3.1) or (05.3.2); cardboard tableware (05.6.1); personal weighing machines and baby scales (12.1.3); ashtrays (12.3.2).

05.5 TOOLS AND EQUIPMENT FOR HOUSE AND GARDEN

05.5.1 Major tools and equipment (D)

- Motorized tools and equipment such as electric drills, saws, sanders and hedge cutters, garden tractors, lawnmowers, cultivators, chainsaws and water pumps;
- repair of such articles.

Includes: charges for the leasing or rental of do-it-yourself machinery and equipment.

05.5.2 Small tools and miscellaneous accessories (SD)

- Hand tools such as saws, hammers, screwdrivers, wrenches, spanners, pliers, trimming knives, rasps and files;
- garden tools such as wheelbarrows, watering cans, hoses, spades, shovels, rakes, forks, scythes, sickles and secateurs;

- ladders and steps;
- door fittings (hinges, handles and locks), fittings for radiators and fireplaces, other metal articles for the house (curtain rails, carpet rods, hooks, etc.) or for the garden (chains, grids, stakes and hoop segments for fencing and bordering);
- small electric accessories such as power sockets, switches, wiring flex, electric bulbs, fluorescent lighting tubes, torches, flashlights, hand lamps, electric batteries for general use, bells and alarms;
- repair of such articles.

05.6 GOODS AND SERVICES FOR ROUTINE HOUSEHOLD MAINTENANCE

05.6.1 Non-durable household goods (ND)

- Cleaning and maintenance products such as soaps, washing powders, washing liquids, scouring powders, detergents, disinfectant bleaches, softeners, conditioners, window-cleaning products, waxes, polishes, dyes, unblocking agents, disinfectants, insecticides, pesticides, fungicides and distilled water;
- articles for cleaning such as brooms, scrubbing brushes, dustpans and dust brushes, dusters, tea towels, floorcloths, household sponges, scourers, steel wool and chamois leathers;
- paper products such as filters, tablecloths and table napkins, kitchen paper, vacuum cleaner bags and cardboard tableware, including aluminium foil and plastic bin liners;
- other non-durable household articles such as matches, candles, lamp wicks, methylated spirits, clothes-pegs, clothes hangers, pins, safety pins, sewing needles, knitting needles, thimbles, nails, screws, nuts and bolts, tacks, washers, glues and adhesive tapes for household use, string, twine and rubber gloves.

Includes: polishes, creams and other shoe-cleaning articles; fire extinguishers for households.

Excludes: brushes and scrapers for paint, varnish and wallpaper (04.3.1); fire extinguishers for transport equipment (07.2.1); products specifically for the cleaning and maintenance of transport equipment such as paints, chrome cleaners, sealing compounds and bodywork polishes (07.2.1); horticultural products for the upkeep of ornamental gardens (09.3.3); paper handkerchiefs, toilet paper, toilet soaps, toilet sponges and other products for personal hygiene (12.1.3); cigarette, cigar and pipe lighters and lighter fuel (12.3.2).

05.6.2 Domestic services and household services (S)

- Domestic services supplied by paid staff employed in private service such as butlers, cooks, maids, drivers, gardeners, governesses, secretaries, tutors and au pairs;
- similar services, including babysitting and housework, supplied by enterprises or self-employed persons;
- household services such as window cleaning, disinfecting, fumigation and pest extermination;
- dry-cleaning, laundering and dyeing of household linen, household textiles and carpets;
- hire of furniture, furnishings, carpets, household equipment and household linen.

Excludes: dry-cleaning, laundering and dyeing of garments (03.1.4); refuse collection (04.4.2); sewerage collection (04.4.3); co-proprietor charges for caretaking, gardening, stairwell cleaning, heating and lighting, maintenance of lifts and refuse disposal chutes, etc. in multi-occupied buildings (04.4.4); security services (04.4.4); snow removal and chimney sweeping (04.4.4); removal and storage services (07.3.6); services of wet-nurses, crèches, day-care centres and other child-minding facilities (12.4.0); bodyguards (12.7.0).

06 HEALTH

This division also includes health services purchased from school and university health centres.

06.1 MEDICAL PRODUCTS, APPLIANCES AND EQUIPMENT

This group covers medicaments, prostheses, medical appliances and equipment and other health-related products purchased by individuals or households, either with or without a prescription, usually from dispensing chemists, pharmacists or medical equipment suppliers. They are intended for consumption or use outside a health facility or institution. Such products supplied directly to outpatients by medical, dental and paramedical practitioners or to in-patients by hospitals and the like are included in outpatient services (06.2) or hospital services (06.3).

06.1.1 Pharmaceutical products (ND)

- Medicinal preparations, medicinal drugs, patent medicines, serums and vaccines, vitamins and minerals, cod liver oil and halibut liver oil, oral contraceptives.

Excludes: veterinary products (09.3.4); articles for personal hygiene such as medicinal soaps (12.1.3).

06.1.2 Other medical products (ND)

- Clinical thermometers, adhesive and non-adhesive bandages, hypodermic syringes, first-aid kits, hot-water bottles and ice bags, medical hosiery items such as elasticated stockings and knee supports, pregnancy tests, condoms and other mechanical contraceptive devices.

06.1.3 Therapeutic appliances and equipment (D)

- Corrective eyeglasses and contact lenses, hearing aids, glass eyes, artificial limbs and other prosthetic devices, orthopaedic braces and supports, orthopaedic footwear, surgical belts, trusses and supports, neck braces, medical massage equipment and health lamps, powered and unpowered wheelchairs and invalid carriages, “special” beds, crutches, electronic and other devices for monitoring blood pressure, etc.;
- repair of such articles.

Includes: dentures but not fitting costs.

Excludes: hire of therapeutic equipment (06.2.3); protective goggles, belts and supports for sport (09.3.2); sunglasses not fitted with corrective lenses (12.3.2).

06.2 OUTPATIENT SERVICES

This group covers medical, dental and paramedical services delivered to outpatients by medical, dental and paramedical practitioners and auxiliaries. The services may be delivered at home, in individual or group consulting facilities, dispensaries or the outpatient clinics of hospitals and the like.

Outpatient services include the medicaments, prostheses, medical appliances and equipment and other health-related products supplied directly to outpatients by medical, dental and paramedical practitioners and auxiliaries.

Medical, dental and paramedical services provided to in-patients by hospitals and the like are included in hospital services (06.3).

06.2.1 Medical services (S)

– Consultations of physicians in general or specialist practice.

Includes: services of orthodontic specialists.

Excludes: services of medical analysis laboratories and x-ray centres (06.2.3); services of practitioners of traditional medicine (06.2.3).

06.2.2 Dental services (S)

– Services of dentists, oral hygienists and other dental auxiliaries.

Includes: fitting costs of dentures.

Excludes: dentures (06.1.3); services of orthodontic specialists (06.2.1); services of medical analysis laboratories and x-ray centres (06.2.3).

06.2.3 Paramedical services (S)

– Services of medical analysis laboratories and x-ray centres;

– services of freelance nurses and midwives;

– services of freelance acupuncturists, chiropractors, optometrists, physiotherapists, speech therapists, etc.;

– medically prescribed corrective-gymnastic therapy;

– outpatient thermal bath or sea-water treatments;

– ambulance services;

– hire of therapeutic equipment.

Includes: services of practitioners of traditional medicine.

06.3 HOSPITAL SERVICES

Hospitalization is defined as occurring when a patient is accommodated in a hospital for the duration of the treatment. Hospital day-care and home-based hospital treatment are included as are hospices for terminally ill persons.

This group covers the services of general and specialist hospitals, the services of medical centres, maternity centres, nursing homes and convalescent homes which chiefly provide in-patient health care, the services of institutions serving old people in which medical monitoring is an essential component and the services of rehabilitation centres providing in-patient health care and rehabilitative therapy where the objective is to treat the patient rather than to provide long-term support.

Hospitals are defined as institutions which offer in-patient care under direct supervision of qualified medical doctors. Medical centres, maternity centres, nursing homes and convalescent homes also provide in-patient care but their services are supervised and frequently delivered by staff of lower qualification than medical doctors.

This group does not cover the services of facilities, such as surgeries, clinics and dispensaries, devoted exclusively to outpatient care (06.2). Nor does it include the services of retirement homes for elderly persons, institutions for disabled persons and rehabilitation centres providing primarily long-term support (12.4).

06.3.0 Hospital services (S)

- Hospital services comprise the provision of the following services to hospital in-patients:
 - basic services: administration; accommodation; food and drink; supervision and care by non-specialist staff (nursing auxiliaries); first aid and resuscitation; ambulance transport; provision of medicines and other pharmaceutical products; provision of therapeutic appliances and equipment;
 - medical services: services of physicians in general or specialist practice, of surgeons and of dentists; medical analyses and x-rays; paramedical services such as those of nurses, midwives, chiropractors, optometrists, physiotherapists, speech therapists, etc.

07 TRANSPORT

07.1 PURCHASE OF VEHICLES

Purchases of recreational vehicles such as camper vans, caravans, trailers, aeroplanes and boats are covered by (09.2.1).

07.1.1 Motor cars (D)

- Motor cars, passenger vans, station wagons, estate cars and the like with either two-wheel drive or four-wheel drive.

Excludes: invalid carriages (06.1.3); camper vans (09.2.1); golf carts (09.2.1).

07.1.2 Motor cycles (D)

- Motor cycles of all types, scooters and powered bicycles.

Includes: sidecars; snowmobiles.

Excludes: invalid carriages (06.1.3); golf carts (09.2.1).

07.1.3 Bicycles (D)

- Bicycles and tricycles of all types.

Includes: rickshaws.

Excludes: toy bicycles and tricycles (09.3.1).

07.1.4 Animal drawn vehicles (D)

- Animal drawn vehicles.

Includes: animals required to draw the vehicles and related equipment (yokes, collars, harnesses, bridles, reins, etc.).

Excludes: horses and ponies, horse or pony-drawn vehicles and related equipment purchased for recreational purposes (09.2.1).

07.2 OPERATION OF PERSONAL TRANSPORT EQUIPMENT

Purchases of spare parts, accessories or lubricants made by households with the intention of undertaking the maintenance, repair or intervention themselves should be shown under (07.2.1) or (07.2.2). If households pay an enterprise to carry out the maintenance, repair or fitting, the total value of the service, including the costs of the materials used, should be shown under (07.2.3).

07.2.1 Spare parts and accessories for personal transport equipment (SD)

- Tyres (new, used or retreaded), inner tubes, spark plugs, batteries, shock absorbers, filters, pumps and other spare parts or accessories for personal transport equipment.

Includes: fire extinguishers for transport equipment; products specifically for the cleaning and maintenance of transport equipment such as paints, chrome cleaners, sealing compounds and bodywork polishes; covers for motor cars, motorcycles, etc.

Excludes: crash helmets for motorcycles and bicycles (03.1.3); non-specific products for cleaning and maintenance such as distilled water, household sponges, chamois leathers, detergents, etc. (05.6.1); charges for the fitting of spare parts and accessories and for the painting, washing and polishing of bodywork (07.2.3); radio-telephones (08.2.0); car radios (09.1.1); baby seats for cars (12.3.2).

07.2.2 Fuels and lubricants for personal transport equipment (ND)

- Petrol and other fuels such as diesel, liquid petroleum gas, alcohol and two-stroke mixtures;
- lubricants, brake and transmission fluids, coolants and additives.

Includes: fuel for major tools and equipment covered under (05.5.1) and recreational vehicles covered under (09.2.1).

Excludes: charges for oil changes and greasing (07.2.3).

07.2.3 Maintenance and repair of personal transport equipment (S)

- Services purchased for the maintenance and repair of personal transport equipment such as fitting of parts and accessories, wheel balancing, technical inspection, breakdown services, oil changes, greasing and washing.

Includes: total value of the service (that is both the cost of labour and the cost of materials are covered).

Excludes: separate purchases of spare parts, accessories or lubricants made by households with the intention of undertaking the maintenance or repair themselves (07.2.1) or (07.2.2); roadworthiness tests (07.2.4).

07.2.4 Other services in respect of personal transport equipment (S)

- Hire of garages or parking spaces not providing parking in connection with the dwelling;
- toll facilities (bridges, tunnels, shuttle ferries, motorways) and parking meters;
- driving lessons, driving tests and driving licences;
- roadworthiness tests;
- hire of personal transport equipment without drivers.

Excludes: hire of a car with driver (07.3.2); service charges for insurance in respect of personal transport equipment (12.5.4).

07.3 TRANSPORT SERVICES

Purchases of transport services are generally classified by mode of transport. When a ticket covers two or more modes of transport - for example, intra-urban bus and underground or inter-urban train and ferry - and the expenditure cannot be apportioned between them, then such purchases should be classified in (07.3.5).

Costs of meals, snacks, drinks, refreshments or accommodation services have to be included if covered by the fare and not separately priced. If separately priced, these costs have to be classified in Division 11.

School transport services are included, but ambulance services are excluded (06.2.3).

07.3.1 Passenger transport by railway (S)

- Transport of individuals and groups of persons and luggage by train, tram and underground.

Includes: transport of private vehicles.

Excludes: funicular transport (07.3.6).

07.3.2 Passenger transport by road (S)

- Transport of individuals and groups of persons and luggage by bus, coach, taxi and hired car with driver.

07.3.3 Passenger transport by air (S)

- Transport of individuals and groups of persons and luggage by aeroplane and helicopter.

07.3.4 Passenger transport by sea and inland waterway (S)

- Transport of individuals and groups of persons and luggage by ship, boat, ferry, hovercraft and hydrofoil.

Includes: transport of private vehicles.

07.3.5 Combined passenger transport (S)

- Transport of individuals and groups of persons and luggage by two or more modes of transport when the expenditure cannot be apportioned between them.

Includes: transport of private vehicles.

Excludes: package holidays (09.6.0).

07.3.6 Other purchased transport services (S)

- Funicular, cable-car and chairlift transport;
- removal and storage services;
- services of porters and left-luggage and luggage-forwarding offices;
- travel agents' commissions, if separately priced.

Excludes: cable-car and chairlift transport at ski resorts and holiday centres (09.4.1).

08 COMMUNICATION

08.1 POSTAL SERVICES

08.1.0 Postal services (S)

- Payments for the delivery of letters, postcards and parcels;
- private mail and parcel delivery.

Includes: all purchases of new postage stamps, pre-franked postcards and aerogrammes.

Excludes: purchase of used or cancelled postage stamps (09.3.1); financial services of post offices (12.6.2).

08.2 TELEPHONE AND TELEFAX EQUIPMENT

08.2.0 Telephone and telefax equipment (D)

- Purchases of telephones, radio-telephones, telefax machines, telephone-answering machines and telephone loudspeakers;
- repair of such equipment.

Excludes: telefax and telephone-answering facilities provided by personal computers (09.1.3).

08.3 TELEPHONE AND TELEFAX SERVICES

08.3.0 Telephone and telefax services (S)

- Installation and subscription costs of personal telephone equipment;
- telephone calls from a private line or from a public line (public telephone box, post office cabin, etc.); telephone calls from hotels, cafés, restaurants and the like;
- telegraphy, telex and telefax services;
- information transmission services; Internet connection services;
- hire of telephones, telefax machines, telephone-answering machines and telephone loudspeakers.

Includes: radio-telephony, radio-telegraphy and radiotelex services.

09 RECREATION AND CULTURE

09.1 AUDIO-VISUAL, PHOTOGRAPHIC AND INFORMATION PROCESSING EQUIPMENT

09.1.1 Equipment for the reception, recording and reproduction of sound and pictures (D)

- Television sets, video cassette players and recorders, television aerials of all types;
- radio sets, car radios, radio clocks, two-way radios, amateur radio receivers and transmitters;
- gramophones, tape players and recorders, cassette players and recorders, CD-players, personal stereos, stereo systems and their constituent units (turntables, tuners, amplifiers, speakers, etc.), microphones and earphones.

Excludes: video cameras, camcorders and sound-recording cameras (09.1.2).

09.1.2 Photographic and cinematographic equipment and optical instruments (D)

- Still cameras, movie cameras and sound-recording cameras, video cameras and camcorders, film and slide projectors, enlargers and film processing equipment, accessories (screens, viewers, lenses, flash attachments, filters, exposure meters, etc.);
- binoculars, microscopes, telescopes and compasses.

09.1.3 Information processing equipment (D)

- Personal computers, visual display units, printers and miscellaneous accessories accompanying them; computer software packages such as operating systems, applications, languages, etc.;
- calculators, including pocket calculators;
- typewriters and word processors.

Includes: telefax and telephone-answering facilities provided by personal computers.

Excludes: pre-recorded diskettes and CD-ROMs containing books, dictionaries, encyclopaedias, foreign language trainers, multimedia presentations, etc. in the form of software (09.1.4); video game software (09.3.1); video game computers that plug into a television set (09.3.1); typewriter ribbons (09.5.4); toner and ink cartridges (09.5.4); slide rules (09.5.4).

09.1.4 Recording media (SD)

- Records and compact discs;
- pre-recorded tapes, cassettes, video cassettes, diskettes and CD-ROMs for tape recorders, cassette recorders, video recorders and personal computers;
- unrecorded tapes, cassettes, video cassettes, diskettes and CD-ROMs for tape recorders, cassette recorders, video recorders and personal computers;
- unexposed films, cartridges and disks for photographic and cinematographic use.

Includes: pre-recorded tapes and compact discs of novels, plays, poetry, etc.; pre-recorded diskettes and CD-ROMs containing books, dictionaries, encyclopaedias, foreign language trainers, multimedia presentations, etc. in the form of software; photographic supplies such as paper and flashbulbs; unexposed film the price of which includes the cost of processing without separately identifying it.

Excludes: batteries (05.5.2); computer software packages such as operating systems, applications, languages, etc. (09.1.3); video game software, video game cassettes and video game CD-ROMs (09.3.1); development of films and printing of photographs (09.4.2).

09.1.5 Repair of audio-visual, photographic and information processing equipment (S)

- Repair of audio-visual, photographic and information processing equipment.

Includes: total value of the service (that is, both the cost of labour and the cost of materials are covered).

Excludes: separate purchases of materials made by households with the intention of undertaking the repair themselves (09.1.1), (09.1.2) or (09.1.3).

09.2 OTHER MAJOR DURABLES FOR RECREATION AND CULTURE

09.2.1 Major durables for outdoor recreation (D)

- Camper vans, caravans and trailers;
- aeroplanes, microlight aircraft, gliders, hang-gliders and hot-air balloons;
- boats, outboard motors, sails, rigging and superstructures;
- horses and ponies, horse or pony-drawn vehicles and related equipment (harnesses, bridles, reins, saddles, etc.);
- major items for games and sport such as canoes, kayaks, windsurfing boards, sea-diving equipment and golf carts.

Includes: fitting out of boats, camper vans, caravans, etc.

Excludes: horses and ponies, horse or pony-drawn vehicles and related equipment purchased for personal transport (07.1.4); inflatable boats, rafts and swimming pools for children and the beach (09.3.2).

09.2.2 Musical instruments and major durables for indoor recreation (D)

- Musical instruments of all sizes, including electronic musical instruments, such as pianos, organs, violins, guitars, drums, trumpets, clarinets, flutes, recorders, harmonicas, etc.;

- billiard tables, ping-pong tables, pinball machines, gaming machines, etc.
Excludes: toys (09.3.1).

09.2.3 Maintenance and repair of other major durables for recreation and culture (S)

- Maintenance and repair of other major durables for recreation and culture.
Includes: total value of the service (that is, both the cost of labour and the cost of materials are covered); laying up for winter of boats, camper vans, caravans, etc.; hangar services for private planes; marina services for boats; veterinary and other services (stabling, feeding, farriery, etc.) for horses and ponies purchased for recreational purposes.

Excludes: fuel for recreational vehicles (07.2.2); separate purchases of materials made by households with the intention of undertaking the maintenance or repair themselves (09.2.1) or (09.2.2); veterinary and other services for pets (09.3.5).

09.3 OTHER RECREATIONAL ITEMS AND EQUIPMENT, GARDENS AND PETS

09.3.1 Games, toys and hobbies (SD)

- Card games, parlour games, chess sets and the like;
- toys of all kinds including dolls, soft toys, toy cars and trains, toy bicycles and tricycles, toy construction sets, puzzles, plasticine, electronic games, masks, disguises, jokes, novelties, fireworks and rockets, festoons and Christmas tree decorations;
- stamp-collecting requisites (used or cancelled postage stamps, stamp albums, etc.), other items for collections (coins, medals, minerals, zoological and botanical specimens, etc.) and other tools and articles n.e.c. for hobbies.

Includes: video-game software; video-game computers that plug into a television set; video-game cassettes and video-game CD-ROMs.

Excludes: collectors' items falling into the category of works of art or antiques (05.1.1); unused postage stamps (08.1.0); Christmas trees (09.3.3); children's scrapbooks (09.5.1).

09.3.2 Equipment for sport, camping and open-air recreation (SD)

- Gymnastic, physical education and sport equipment such as balls, shuttlecocks, nets, rackets, bats, skis, golf clubs, foils, sabres, poles, weights, discuses, javelins, dumbbells, chest expanders and other body-building equipment;
- parachutes and other sky-diving equipment;
- firearms and ammunition for hunting, sport and personal protection;
- fishing rods and other equipment for fishing;
- equipment for beach and open-air games, such as bowls, croquet, frisbee, volleyball, and inflatable boats, rafts and swimming pools;
- camping equipment such as tents and accessories, sleeping bags, backpacks, air mattresses and inflating pumps, camping stoves and barbecues;
- repair of such articles.

Includes: game-specific footwear (ski boots, football boots, golfing shoes and other such footwear fitted with ice-skates, rollers, spikes, studs, etc.); protective headgear for sports; other protective gear for sports such as life jackets, boxing gloves, body padding, shin-guards, goggles, belts, supports, etc.

Excludes: crash helmets for motor cycles and bicycles (03.1.3); camping and garden furniture (05.1.1).

09.3.3 Gardens, plants and flowers (ND)

- Natural or artificial flowers and foliage, plants, shrubs, bulbs, tubers, seeds, fertilizers, composts, garden peat, turf for lawns, specially treated soils for ornamental gardens, horticultural preparations, pots and pot holders.

Includes: natural and artificial Christmas trees; delivery charges for flowers and plants.

Excludes: gardening gloves (03.1.3); gardening services (04.4.4) or (05.6.2); gardening equipment (05.5.1); gardening tools (05.5.2); insecticides and pesticides for household use (05.6.1).

09.3.4 Pets and related products (ND)

- Pets, pet foods, veterinary and grooming products for pets, collars, leashes, kennels, birdcages, fish tanks, cat litter, etc.

Excludes: horses and ponies (07.1.4) or (09.2.1); veterinary services (09.3.5).

09.3.5 Veterinary and other services for pets (S)

- Veterinary and other services for pets such as grooming, boarding, tattooing and training.

Excludes: veterinary and other services (stabling, farriery, etc.) for horses and ponies purchased for recreational purposes (09.2.3).

09.4 RECREATIONAL AND CULTURAL SERVICES

09.4.1 Recreational and sporting services (S)

- Services provided by:
 - sports stadiums, horse-racing courses, motor-racing circuits, velodromes, etc.;
 - skating rinks, swimming pools, golf courses, gymnasia, fitness centres, tennis courts, squash courts and bowling alleys;
 - fairgrounds and amusement parks;
 - roundabouts, see-saws and other playground facilities for children;
 - pin-ball machines and other games for adults other than games of chance;
 - ski slopes, ski lifts and the like;

- hire of equipment and accessories for sport and recreation, such as aeroplanes, boats, horses, skiing and camping equipment;
- out-of-school individual or group lessons in bridge, chess, aerobics, dancing, music, skating, skiing, swimming or other pastimes;
- services of mountain guides, tour guides, etc.;
- navigational aid services for boating.

Includes: hire of game-specific footwear (ski boots, football boots, golfing shoes and other such footwear fitted with ice-skates, rollers, spikes, studs, etc.).

Excludes: cable-car and chairlift transport not at ski resorts or holiday centres (07.3.6).

09.4.2 Cultural services (S)

- Services provided by:
 - cinemas, theatres, opera houses, concert halls, music halls, circuses, sound and light shows;
 - museums, libraries, art galleries, exhibitions;
 - historic monuments, national parks, zoological and botanical gardens, aquaria;
- hire of equipment and accessories for culture, such as television sets, video cassettes, etc.;
- television and radio broadcasting, in particular licence fees for television equipment and subscriptions to television networks;
- services of photographers such as film developing, print processing, enlarging, portrait photography, wedding photography, etc.

Includes: services of musicians, clowns, performers for private entertainments.

09.4.3 Games of chance (S)

- Service charges for lotteries, bookmakers, totalizators, casinos and other gambling establishments, gaming machines, bingo halls, scratch cards, sweepstakes, etc. (Service charge is defined as the difference between the amounts paid for lottery tickets or placed in bets and the amounts paid out to winners.)

09.5 NEWSPAPERS, BOOKS AND STATIONERY

09.5.1 Books (SD)

- Books, including atlases, dictionaries, encyclopaedias, textbooks, guidebooks and musical scores.

Includes: scrapbooks and albums for children; bookbinding.

Excludes: pre-recorded tapes and compact discs of novels, plays, poetry, etc. (09.1.4); pre-recorded diskettes and CD-ROMs containing books, dictionaries, encyclopaedias, foreign language trainers, etc. in the form of software (09.1.4); stamp albums (09.3.1).

09.5.2 Newspapers and periodicals (ND)

- Newspapers, magazines and other periodicals.

09.5.3 Miscellaneous printed matter (ND)

- Catalogues and advertising material;
- posters, plain or picture postcards, calendars;
- greeting cards and visiting cards, announcement and message cards;
- maps and globes.

Excludes: pre-franked postcards and aerogrammes (08.1.0); stamp albums (09.3.1).

09.5.4 Stationery and drawing materials (ND)

- Writing pads, envelopes, account books, notebooks, diaries, etc.;
- pens, pencils, fountain pens, ballpoint pens, felt-tip pens, inks, erasers, pencil sharpeners, etc.;
- stencils, carbon paper, typewriter ribbons, inking pads, correcting fluids, etc.;
- paper punches, paper cutters, paper scissors, office glues and adhesives, staplers and staples, paper clips, drawing pins, etc.;
- drawing and painting materials such as canvas, paper, card, paints, crayons, pastels and brushes.

Includes: toner and ink cartridges; educational materials such as exercise books, slide rules, geometry instruments, slates, chalks and pencil boxes.

Excludes: pocket calculators (09.1.3).

09.6 PACKAGE HOLIDAYS

09.6.0 Package holidays (S)

- All inclusive holidays or tours which provide for travel, food, accommodation, guides, etc.

Includes: half-day and one-day excursion tours; pilgrimages.

10 EDUCATION

This division covers educational services only. It does not include expenditures on educational materials, such as books (09.5.1) and stationery (09.5.4), or education support services, such as health-care services (06), transport services (07.3), catering services (11.1.2) and accommodation services (11.2.0).

It includes education by radio or television broadcasting.

The breakdown of educational services is based upon the level categories of the 1997 International Standard Classification of Education (ISCED-97) of the United Nations Educational, Scientific and Cultural Organization (UNESCO).

10.1 PRE-PRIMARY AND PRIMARY EDUCATION

10.1.0 Pre-primary and primary education (S)

- Levels 0 and 1 of ISCED-97: pre-primary and primary education.

Includes: literacy programmes for students too old for primary school.

10.2 SECONDARY EDUCATION

10.2.0 Secondary education (S)

- Levels 2 and 3 of ISCED-97: lower-secondary and upper-secondary education.
Includes: out-of-school secondary education for adults and young people.

10.3 POST-SECONDARY NON-TERTIARY EDUCATION

10.3.0 Post-secondary non-tertiary education (S)

- Level 4 of ISCED-97: post-secondary non-tertiary education.
Includes: out-of-school post-secondary non-tertiary education for adults and young people.

10.4 TERTIARY EDUCATION

10.4.0 Tertiary education (S)

- Levels 5 and 6 of ISCED-97: first stage and second stage of tertiary education.

10.5 EDUCATION NOT DEFINABLE BY LEVEL

10.5.0 Education not definable by level (S)

- Educational programmes, generally for adults, which do not require any special prior instruction, in particular vocational training and cultural development.
Excludes: driving lessons (07.2.4); recreational training courses such as sport or bridge lessons given by independent teachers (09.4.1).

11 RESTAURANTS AND HOTELS

11.1 CATERING SERVICES

11.1.1 Restaurants, cafés and the like (S)

- Catering services (meals, snacks, drinks and refreshments) provided by restaurants, cafés, buffets, bars, tearooms, etc., including those provided:
 - in places providing recreational, cultural, sporting or entertainment services: theatres, cinemas, sports stadiums, swimming pools, sports complexes, museums, art galleries, nightclubs, dancing establishments, etc.;
 - on public transport (coaches, trains, boats, aeroplanes, etc.) when priced separately;
- also included are:
 - the sale of food products and beverages for immediate consumption by kiosks, street vendors and the like, including food products and beverages dispensed ready for consumption by automatic vending machines;
 - the sale of cooked dishes by restaurants for consumption off their premises;
 - the sale of cooked dishes by catering contractors whether collected by the customer or delivered to the customer's home.

Includes: tips.

Excludes: tobacco purchases (02.2.0); telephone calls (08.3.0).

11.1.2 Canteens (S)

- Catering services of works canteens, office canteens and canteens in schools, universities and other educational establishments.

Includes: university refectories, military messes and wardrooms.

Excludes: food and drink provided to hospital in-patients (06.3.0).

11.2 ACCOMMODATION SERVICES

11.2.0 Accommodation services (S)

- Accommodation services of:
 - hotels, boarding houses, motels, inns and establishments offering “bed and breakfast”;
 - holiday villages and holiday centres, camping and caravan sites, youth hostels and mountain chalets;
 - boarding schools, universities and other educational establishments;
 - public transport (trains, boats, etc.) when priced separately;
 - hostels for young workers or immigrants.

Includes: tips, porters.

Excludes: payments of households occupying a room in a hotel or boarding house as their main residence (04.1.1); rentals paid by households for a secondary residence for the duration of a holiday (04.1.2); telephone calls (08.3.0); catering services in such establishments except for breakfast or other meals included in the price of the accommodation (11.1.1); housing in orphanages, homes for disabled or maladjusted persons (12.4.0).

12 MISCELLANEOUS GOODS AND SERVICES

12.1 PERSONAL CARE

12.1.1 Hairdressing salons and personal grooming establishments (S)

- Services of hairdressing salons, barbers, beauty shops, manicures, pedicures, Turkish baths, saunas, solariums, non-medical massages, etc.

Includes: bodycare, depilation and the like.

Excludes: spas (06.2.3) or (06.3.0); fitness centres (09.4.1).

12.1.2 Electric appliances for personal care (SD)

- Electric razors and hair trimmers, hand-held and hood hairdryers, curling tongs and styling combs, sunlamps, vibrators, electric toothbrushes and other electric appliances for dental hygiene, etc.;
- repair of such appliances.

12.1.3 Other appliances, articles and products for personal care (ND)

- Non-electric appliances: razors and hair trimmers and blades therefor, scissors, nail files, combs, shaving brushes, hairbrushes, toothbrushes, nail brushes, hairpins, curlers, personal weighing machines, baby scales, etc.;
- articles for personal hygiene: toilet soap, medicinal soap, cleansing oil and milk, shaving soap, shaving cream and foam, toothpaste, etc.;
- beauty products: lipstick, nail varnish, make-up and make-up removal products (including powder compacts, brushes and powder puffs), hair lacquers and lotions, pre-shave and after-shave products, sunbathing products, hair removers, perfumes and toilet waters, personal deodorants, bath products, etc.;
- other products: toilet paper, paper handkerchiefs, paper towels, sanitary towels, cotton wool, cotton tops, babies' napkins, toilet sponges, etc.

Excludes: handkerchiefs made of fabric (03.1.3).

12.2 PROSTITUTION

12.2.0 Prostitution (S)

- Services provided by prostitutes and the like.

12.3 PERSONAL EFFECTS N.E.C.

12.3.1 Jewellery, clocks and watches (D)

- Precious stones and metals and jewellery fashioned out of such stones and metals;
- costume jewellery, cuff links and tiepins;
- clocks, watches, stopwatches, alarm clocks, travel clocks;
- repair of such articles.

Excludes: ornaments (05.1.1) or (05.4.0); radio clocks (09.1.1); precious stones and metals and jewellery fashioned out of such stones and metals acquired primarily as stores of value (capital formation).

12.3.2 Other personal effects (SD)

- Travel goods and other carriers of personal effects: suitcases, trunks, travel bags, attaché cases, satchels, hand-bags, wallets, purses, etc.;
- articles for babies: baby carriages, pushchairs, carrycots, recliners, car beds and seats, back-carriers, front carriers, reins and harnesses, etc.;
- articles for smokers: pipes, lighters, cigarette cases, cigar cutters, ashtrays, etc.;
- miscellaneous personal articles: sunglasses, walking sticks and canes, umbrellas and parasols, fans, keyrings, etc.;
- funerary articles: coffins, gravestones, urns, etc.;
- repair of such articles.

Includes: lighter fuel; wall thermometers and barometers.

Excludes: baby furniture (05.1.1); shopping bags (05.2.0); feeding bottles (05.4.0).

12.4 SOCIAL PROTECTION

Social protection as defined here covers assistance and support services provided to persons who are: elderly, disabled, having occupational injuries and diseases, survivors, unemployed, destitute, homeless, low-income earners, indigenous people, immigrants, refugees, alcohol and substance abusers, etc. It also covers assistance and support services provided to families and children.

12.4.0 Social protection (S)

Such services include residential care, home help, day care and rehabilitation. More specifically, this class covers payments by households for:

- Retirement homes for elderly persons, residences for disabled persons, rehabilitation centres providing long-term support for patients rather than health care and rehabilitative therapy, schools for disabled persons where the main aim is to help students overcome their disability;
- help to maintain elderly and disabled persons at home (home-cleaning services, meal programmes, day-care centres, day-care services and holiday-care services);
- wet-nurses, crèches, play schools and other child-minding facilities;
- counselling, guidance, arbitration, fostering and adoption services for families.

12.5 INSURANCE

Service charges for insurance are classified by type of insurance, namely: life insurance and non-life insurance (that is, insurance in connection with the dwelling, health, transport, etc.). Service charges for multi-risk insurance covering several risks should be classified on the basis of the cost of the principal risk if it is not possible to allocate the service charges to the various risks covered.

Service charge is defined as the difference between claims due and premiums earned and premium supplement.

12.5.1 Life insurance (S)

- Service charges for life assurance, death benefit assurance, education assurance, etc.

12.5.2 Insurance connected with the dwelling (S)

- Service charges paid by owner-occupiers and by tenants for the kinds of insurance typically taken out by tenants against fire, theft, water damage, etc.

Excludes: service charges paid by owner-occupiers for the kinds of insurance typically taken out by landlords (intermediate consumption).

12.5.3 Insurance connected with health (S)

- Service charges for private sickness and accident insurance.

12.5.4 Insurance connected with transport (S)

- Service charges for insurance in respect of personal transport equipment;

- service charges for travel insurance and luggage insurance.

12.5.5 Other insurance (S)

- Service charges for other insurance such as civil liability for injury or damage to third parties or their property.

Excludes: civil liability or damage to third parties or their property arising from the operation of personal transport equipment (12.5.4).

12.6 FINANCIAL SERVICES N.E.C.

12.6.1 FISIM (S)

- Financial intermediation services indirectly measured.

12.6.2 Other financial services n.e.c. (S)

- Actual charges for the financial services of banks, post offices, saving banks, money changers and similar financial institutions;
- fees and service charges of brokers, investment counsellors, tax consultants and the like;
- administrative charges of private pension funds and the like.

12.7 OTHER SERVICES N.E.C.

12.7.0 Other services n.e.c. (S)

- Fees for legal services, employment agencies, etc.;
- charges for undertaking and other funeral services;
- payment for the services of estate agents, housing agents, auctioneers, salesroom operators and other intermediaries;
- payment for photocopies and other reproductions of documents;
- fees for the issue of birth, marriage and death certificates and other administrative documents;
- payment for newspaper notices and advertisements;
- payment for the services of graphologists, astrologers, private detectives, bodyguards, matrimonial agencies and marriage guidance counsellors, public writers, miscellaneous concessions (seats, toilets, cloakrooms), etc.

13 INDIVIDUAL CONSUMPTION EXPENDITURE OF NON-PROFIT INSTITUTIONS SERVING HOUSEHOLDS (NPISHs)

13.1 HOUSING

The same function is covered under COPNI Group 01.0.

This group corresponds to Group 04.1 (individual consumption expenditure of households on actual rentals for housing) and Group 14.1 (individual consumption expenditure of general government on housing).

13.1.0 Housing (S)

- As specified in COPNI 01.0.0. Corresponds to (04.1.1) and (14.1.0).

13.2 HEALTH

The same function is covered under COPNI Groups 02.1 to 02.6.

This group corresponds to Division 06 (individual consumption expenditure of households on health) and Group 14.2 (individual consumption expenditure of general government on health).

13.2.1 Pharmaceutical products (ND)

- As specified in COPNI 02.1.1. Corresponds to (06.1.1) and (14.2.1).

13.2.2 Other medical products (ND)

- As specified in COPNI 02.1.2. Corresponds to (06.1.2) and (14.2.2).

13.2.3 Therapeutic appliances and equipment (D)

- As specified in COPNI 02.1.3. Corresponds to (06.1.3) and (14.2.3).

13.2.4 Outpatient medical services (S)

- As specified in COPNI 02.2.1. Corresponds to (06.2.1) and (14.2.4).

13.2.5 Outpatient dental services (S)

- As specified in COPNI 02.2.2. Corresponds to (06.2.2) and (14.2.5).

13.2.6 Outpatient paramedical services (S)

- As specified in COPNI 02.2.3. Corresponds to (06.2.3) and (14.2.6).

13.2.7 Hospital services (S)

- As specified in COPNI 02.3.0. Corresponds to (06.3.0) and (14.2.7).

13.2.8 Other health services (S)

- As specified in COPNI 02.4.0, 02.5.0 and 02.6.0.

13.3 RECREATION AND CULTURE

The same function is covered under COPNI Groups 03.1 and 03.2.

This group corresponds to Group 09.4 (individual consumption expenditure of households on recreational and cultural services) and Group 14.3 (individual consumption expenditure of general government on recreation and culture).

13.3.1 Recreational and sporting services (S)

- As specified in COPNI 03.1.0. Corresponds to (09.4.1) and (14.3.1).

13.3.2 Cultural services (S)

- As specified in COPNI 03.2.0. Corresponds to (09.4.2) and (14.3.2).

13.4 EDUCATION

The same function is covered under COPNI Groups 04.1 to 04.7.

This group corresponds to Division 10 (individual consumption expenditure of households on education) and Group 14.4 (individual consumption expenditure of general government on education).

13.4.1 Pre-primary and primary education (S)

- As specified in COPNI 04.1.0. Corresponds to (10.1.0) and (14.4.1).

13.4.2 Secondary education (S)

- As specified in COPNI 04.2.0. Corresponds to (10.2.0) and (14.4.2).

13.4.3 Post-secondary non-tertiary education (S)

- As specified in COPNI 04.3.0. Corresponds to (10.3.0) and (14.4.3).

13.4.4 Tertiary education (S)

- As specified in COPNI 04.4.0. Corresponds to (10.4.0) and (14.4.4).

13.4.5 Education not definable by level (S)

- As specified in COPNI 04.5.0. Corresponds to (10.5.0) and (14.4.5).

13.4.6 Other educational services (S)

- As specified in COPNI 04.6.0 and 04.7.0.

13.5 SOCIAL PROTECTION

The same function is covered under COPNI Groups 05.1 and 05.2.

This group corresponds to Group 12.4 (individual consumption expenditure of households on social protection) and Group 14.5 (individual consumption expenditure of general government on social protection).

13.5.0 Social protection (S)

- As specified in COPNI 05.1.0 and 05.2.0. Corresponds to (12.4.0) and (14.5.0).

13.6 OTHER SERVICES

These functions are covered under COPNI Groups 06.0, 07.1, 07.2, 07.3, 08.1, 08.2, 09.1 and 09.2.

This group has no counterpart in Divisions 01 to 12 (individual consumption expenditure of households) or in Division 14 (individual consumption expenditure of general government).

13.6.1 Religion (S)

- As specified in COPNI 06.0.0.

13.6.2 Political parties, labour and professional organizations (S)

- As specified in COPNI 07.1.0, 07.2.0 and 07.3.0.

13.6.3 Environmental protection (S)

- As specified in COPNI 08.1.0 and 08.2.0.

13.6.4 Services n.e.c. (S)

- As specified in COPNI 09.1.0 and 09.2.0.

14 INDIVIDUAL CONSUMPTION EXPENDITURE OF GENERAL GOVERNMENT

14.1 HOUSING

The same function is covered under COFOG Group 10.6.

This group corresponds to Group 04.1 (individual consumption expenditure of households on actual rentals for housing) and Group 13.1 (individual consumption expenditure of NPISHs on housing).

14.1.0 Housing (S)

- As specified in COFOG 10.6.0. Corresponds to (04.1.1) and (13.1.0).

14.2 HEALTH

The same function is covered under COFOG Groups 07.1 to 07.4.

This group corresponds to Division 06 (individual consumption expenditure of households on health) and Group 13.2 (individual consumption expenditure of NPISHs on health).

14.2.1 Pharmaceutical products (ND)

- As specified in COFOG 07.1.1. Corresponds to (06.1.1) and (13.2.1).

14.2.2 Other medical products (ND)

- As specified in COFOG 07.1.2. Corresponds to (06.1.2) and (13.2.2).

14.2.3 Therapeutic appliances and equipment (D)

- As specified in COFOG 07.1.3. Corresponds to (06.1.3) and (13.2.3).

14.2.4 Outpatient medical services (S)

- As specified in COFOG 07.2.1 and 07.2.2. Corresponds to (06.2.1) and (13.2.4).

14.2.5 Outpatient dental services (S)

- As specified in COFOG 07.2.3. Corresponds to (06.2.2) and (13.2.5).

14.2.6 Outpatient paramedical services (S)

- As specified in COFOG 07.2.4. Corresponds to (06.2.3) and (13.2.6).

14.2.7 Hospital services (S)

- As specified in COFOG 07.3.1, 07.3.2, 07.3.3 and 07.3.4. Corresponds to (06.3.0) and (13.2.6).

14.2.8 Public health services (S)

- As specified in COFOG 07.4.0.

14.3 RECREATION AND CULTURE

The same function is covered under COFOG Groups 08.1 and 08.2.

This group corresponds to Group 09.4 (individual consumption expenditure of households on recreational and cultural services) and Group 13.3 (individual consumption expenditure of NPISHs on recreation and culture).

14.3.1 Recreational and sporting services (S)

- As specified in COFOG 08.1.0. Corresponds to (09.4.1) and (13.3.1).

14.3.2 Cultural services (S)

- As specified in COFOG 08.2.0. Corresponds to (09.4.2) and (13.3.2).

14.4 EDUCATION

The same function is covered under COFOG Groups 09.1 to 09.6.

This group corresponds to Division 10 (individual consumption expenditure of households on education), Group 13.4 (individual consumption expenditure of NPISHs on education).

14.4.1 Pre-primary and primary education (S)

- As specified in COFOG 09.1.1 and 09.1.2. Corresponds to (10.1.0) and (13.4.1).

14.4.2 Secondary education (S)

- As specified in COFOG 09.2.1 and 09.2.2. Corresponds to (10.2.0) and (13.4.2).

14.4.3 Post-secondary non-tertiary education (S)

- As specified in COFOG 09.3.0. Corresponds to (10.3.0) and (13.4.3).

14.4.4 Tertiary education (S)

- As specified in COFOG 09.4.1 and 09.4.2. Corresponds to (10.4.0) and (13.4.4).

14.4.5 Education not definable by level (S)

- As specified in COFOG 09.5.0. Corresponds to (10.5.0) and (13.4.5).

14.4.6 Subsidiary services to education (S)

- As specified in COFOG 09.6.0.

14.5 SOCIAL PROTECTION

The same function is covered under COFOG Groups 10.1 to 10.5 and Group 10.7.

This group corresponds to Group 12.4 (individual consumption expenditure of households on social protection) and Group 13.5 (individual consumption expenditure of NPISHs on social protection).

14.5.0 Social protection (S)

As specified in COFOG 10.1.1 to 10.5.0 and 10.7.0. Corresponds to (12.4.0) and (13.5.0).

Part four

CLASSIFICATION OF THE PURPOSES OF non-profit institutions

SERVING HOUSEHOLDS

(COPNI)

COPNI: DIVISIONS

- 01** ***Housing***
- 02** ***Health***
- 03** ***Recreation and culture***
- 04** ***Education***
- 05** ***Social protection***
- 06** ***Religion***
- 07** ***Political parties, labour and professional organizations***
- 08** ***Environmental protection***
- 09** ***Services n.e.c.***

COPNI: BREAKDOWN BY DIVISION AND GROUP

01 HOUSING

01.0 HOUSING

02 HEALTH

02.1 MEDICAL PRODUCTS, APPLIANCES AND EQUIPMENT

02.2 OUTPATIENT SERVICES

02.3 HOSPITAL SERVICES

02.4 PUBLIC HEALTH SERVICES

02.5 R&D HEALTH

02.6 OTHER HEALTH SERVICES

03 RECREATION AND CULTURE

03.1 RECREATIONAL AND SPORTING SERVICES

03.2 CULTURAL SERVICES

04 EDUCATION

04.1 PRE-PRIMARY AND PRIMARY EDUCATION

04.2 SECONDARY EDUCATION

04.3 POST-SECONDARY NON-TERTIARY EDUCATION

04.4 TERTIARY EDUCATION

04.5 EDUCATION NOT DEFINABLE BY LEVEL

04.6 R&D EDUCATION

04.7 OTHER EDUCATIONAL SERVICES

05 SOCIAL PROTECTION

05.1 SOCIAL PROTECTION SERVICES

05.2 R&D SOCIAL PROTECTION

06 RELIGION

06.0 RELIGION

07 POLITICAL PARTIES, LABOUR AND PROFESSIONAL ORGANIZATIONS

07.1 SERVICES OF POLITICAL PARTIES

07.2 SERVICES OF LABOUR ORGANIZATIONS

07.3 SERVICES OF PROFESSIONAL ORGANIZATIONS

08 ENVIRONMENTAL PROTECTION

08.1 ENVIRONMENTAL PROTECTION SERVICES

08.2 R&D ENVIRONMENTAL PROTECTION

09 SERVICES N.E.C.

09.1 SERVICES N.E.C.

09.2 R&D SERVICES N.E.C.

COPNI: DEFINITION BY CLASS

01 HOUSING

01.0 HOUSING

01.0.0 Housing

This class covers the following NPISHs:

- Associations that undertake the development, construction, management, leasing, financing, renovation and rehabilitation of housing.

02 HEALTH

This division includes the following NPISHs:

- General and specialized hospitals, nursing and convalescent homes, medical and maternity centres, hospices for terminally ill persons;
- surgeries, clinics, vaccination centres and dispensaries;
- rehabilitation centres where the objective is to treat patients rather than to provide long-term support;
- volunteer organizations for ambulance crews and paramedical personnel that provide emergency medical services;
- organizations that promote public health and health education;
- organizations that provide medical services to persons who are victims of wars, famines and natural catastrophes whether in their own country or abroad;
- organizations that undertake research and scientific studies on medical and health matters and trust funds or charitable organizations that finance such activities;
- charitable foundations that provide financial support for hospitals, nursing homes, surgeries, etc. and charitable foundations that provide financial support for patients.

Includes: hospitals, nursing homes, surgeries, etc. funded by religious organizations.

Excludes: residential homes for elderly or disabled persons (05.1.0); shelters for homeless persons (05.1.0).

02.1 MEDICAL PRODUCTS, APPLIANCES AND EQUIPMENT

This group covers medicaments, prostheses, medical appliances and equipment and other health-related products obtained by individuals or households, either with or without a prescription, usually from dispensing chemists, pharmacists or medical equipment suppliers. They are intended for consumption or use outside a health facility or institution. Such products supplied directly to outpatients by medical, dental and paramedical practitioners or to in-patients by hospitals and the like are included in outpatient services (02.2) or hospital services (02.3).

02.1.1 Pharmaceutical products

- Provision of pharmaceutical products such as medicinal preparations, medicinal drugs,

patent medicines, serums and vaccines, vitamins and minerals, cod liver oil and halibut liver oil, oral contraceptives.

02.1.2 Other medical products

- Provision of medical products such as clinical thermometers, adhesive and non-adhesive bandages, hypodermic syringes, first-aid kits, hot-water bottles and ice bags, medical hosiery items such as elasticated stockings and knee pads, pregnancy tests, condoms and other mechanical contraceptive devices.

02.1.3 Therapeutic appliances and equipment

- Provision of therapeutic appliances and equipment such as corrective eyeglasses and contact lenses, hearing aids, glass eyes, artificial limbs and other prosthetic devices, orthopaedic braces and supports, orthopaedic footwear, surgical belts, trusses and supports, neck braces, medical massage equipment and health lamps, powered and unpowered wheelchairs and invalid carriages, “special” beds, crutches, electronic and other devices for monitoring blood pressure, etc.

Includes: dentures but not fitting costs; repair of therapeutic appliances and equipment.

Excludes: hire of therapeutic equipment (02.2.3).

02.2 OUTPATIENT SERVICES

This group covers medical, dental and paramedical services delivered to outpatients by medical, dental and paramedical practitioners and auxiliaries. The services may be delivered at home, in individual or group consulting facilities, dispensaries or the outpatient clinics of hospitals and the like.

Outpatient services include the medicaments, prostheses, medical appliances and equipment and other health-related products supplied directly to outpatients by medical, dental and paramedical practitioners and auxiliaries.

Medical, dental and paramedical services provided to in-patients by hospitals and the like are included in hospital services (02.3).

02.2.1 Medical services

- Provision of medical services by general medical practitioners and specialist medical practitioners.

Includes: services of orthodontic specialists.

Excludes: services of medical analysis laboratories and x-ray centres (02.2.3); services of practitioners of traditional medicine (02.2.3).

02.2.2 Dental services

- Provision of dental services by dentists, oral hygienists and other dental auxiliaries.

Includes: fitting costs of dentures.

Excludes: dentures (02.1.3); services of orthodontic specialists (02.2.1); services of medical analysis laboratories and x-ray centres (02.2.3).

02.2.3 Paramedical services

- Provision of paramedical services such as:
 - services of medical analysis laboratories and x-ray centres;
 - services of nurses and midwives;
 - services of acupuncturists, chiropractors, optometrists, physiotherapists, speech therapists, etc.;
 - medically prescribed corrective-gymnastic therapy;
 - outpatient thermal bath or sea-water treatments;
 - ambulance services other than hospital ambulance services;
 - hire of therapeutic equipment.

Includes: services of practitioners of traditional medicine.

Excludes: public health service laboratories (02.4.0); laboratories engaged in determining the causes of disease (02.5.0).

02.3 HOSPITAL SERVICES

Hospitalization is defined as occurring when a patient is accommodated for the duration of the treatment. Hospital day-care and home-based hospital treatment are included, as are hospices for terminally ill persons.

This group covers the services of general and specialist hospitals, the services of medical centres, maternity centres, nursing homes and convalescent homes which chiefly provide in-patient services, the services of institutions serving old people in which medical monitoring is an essential component and the services of rehabilitation centres providing in-patient health care and rehabilitative therapy where the objective is to treat the patient rather than to provide long-term support.

Hospitals are defined as institutions which offer in-patient care under direct supervision of qualified medical doctors. Medical centres, maternity centres, nursing homes and convalescent homes also provide in-patient care but their services are supervised and frequently delivered by staff of lower qualification than medical doctors.

This group does not cover facilities, such as surgeries, clinics and dispensaries, devoted exclusively to outpatient care (02.2). Nor does it include retirement homes for elderly persons, institutions for disabled persons and rehabilitation centres providing primarily long-term support (05.1).

02.3.0 Hospital services

- Provision of the following services to hospital patients:
 - basic services: administration; accommodation; food and drink; supervision and care by non-specialist staff (nursing auxiliaries); first aid and resuscitation; ambulance transport; provision of medicines and other pharmaceutical products; provision of therapeutic appliances and equipment;

- medical services: services of physicians in general or specialist practice, of surgeons and of dentists; medical analysis and x-rays; paramedical services such as those of nurses, midwives, chiropractors, optometrists, physiotherapists, speech therapists, etc.

02.4 PUBLIC HEALTH SERVICES

02.4.0 Public health services

- Provision of public health services such as preparation and dissemination of information on public health matters, family planning services, blood-bank operation (collecting, processing, storing, shipping), disease detection (cancer, tuberculosis, venereal disease), prevention (immunization, inoculation), monitoring (infant nutrition, child health), epidemiological data collection and so forth.

Includes: public health services delivered by special teams to groups of clients, most of whom are in good health, at workplaces, schools or other non-medical settings; public health services not connected with a hospital, clinic or practitioner; public health services not delivered by medically qualified doctors; public health service laboratories.

Excludes: medical analysis laboratories (02.2.3); laboratories engaged in determining the causes of disease (02.5.0).

02.5 R&D HEALTH

02.5.0 R&D Health

- Applied research and experimental development on subjects related to health.

02.6 OTHER HEALTH SERVICES

02.6.0 Other health services

- Health services provided by NPISHs and not classified under (02.1.1) to (02.5.0).

03 RECREATION AND CULTURE

03.1 RECREATIONAL AND SPORTING SERVICES

03.1.0 Recreational and sporting services

This class includes the following NPISHs:

- Clubs for playing indoor or outdoor sports, including fitness clubs, sailing, rowing and canoeing clubs;
- supporters' clubs for indoor or outdoor sports;
- clubs for games of skill or chance;
- youth clubs and organizations such as guides, scouts, young pioneers, YMCA and YWCA;
- clubs for outdoor activities such as rambling, hiking, caving and mountain climbing, parachuting, scuba diving, hang gliding, etc.;
- social clubs such as veteran associations, Lions and Rotary Club;

- associations for birdwatchers, butterfly hunters, model builders, stamp collectors, train-spotters, vintage car enthusiasts, antique collectors, etc.;
- animal shelters, animal hospitals and veterinary services for pets;
- organizations that seek finance for, or otherwise support, participation of sportspersons and game players in international competitions.

Excludes: organizations whose objective is to protect wild animals (08.1.0).

03.2 CULTURAL SERVICES

03.2.0 Cultural services

This class includes the following NPISHs:

- Libraries, museums and art galleries;
- historical, literary, humanistic and philosophical societies;
- theatre and dance groups, orchestras, choral and musical ensembles, etc. that produce live performances of plays, operas, ballets and other spectacles;
- photography, cinema and art clubs;
- associations for the maintenance and visiting of historical monuments, war cemeteries, zoological and botanical gardens and aquaria;
- fan clubs for actors, singers, film stars and other performing artists;
- television and radio broadcasting.

Excludes: associations that promote alternative lifestyles (07.1.0).

04 EDUCATION

This division includes the following NPISHs:

- Pre-primary and primary schools;
- secondary schools providing general, vocational or technical education;
- institutions providing post-secondary non-tertiary education;
- universities, colleges and the like providing tertiary education;
- organizations providing educational programmes not definable by level;
- parent-teacher associations;
- organizations that undertake research or other scientific studies on educational matters and trust funds and charitable foundations set up to finance such activities;
- charitable foundations that provide support for schools, colleges, universities, etc. and charitable foundations that provide bursaries and financial support for students.

Includes: schools for disabled persons where the main aim is to provide students with a general education rather than to help them to overcome their disability; night schools and educational institutes managed by trade unions and labour federations; seminaries and colleges for training priests, clerics, rabbis and other offices of religious organizations; education by radio or television broadcasting.

Excludes: crèches, play schools and other child minding facilities (05.1.0); schools for disabled persons where the main aim is to help students overcome their disability rather than to provide a general education (05.1.0).

The breakdown of educational services is based upon the level categories of the 1997 International Standard Classification of Education (ISCED-97) of the United Nations Educational, Scientific and Cultural Organization (UNESCO).

04.1 PRE-PRIMARY AND PRIMARY EDUCATION

04.1.0 Pre-primary and primary education

– Levels 0 and 1 of ISCED-97: pre-primary and primary education.

Includes: literacy programmes for students too old for primary school.

04.2 SECONDARY EDUCATION

04.2.0 Secondary education

– Levels 2 and 3 of ISCED-97: lower-secondary and upper-secondary education.

Includes: out-of-school secondary education for adults and young people.

04.3 POST-SECONDARY NON-TERTIARY EDUCATION

04.3.0 Post-secondary non-tertiary education

– Level 4 of ISCED-97: post-secondary non-tertiary education.

Includes: out-of-school post-secondary non-tertiary education for adults and young people.

04.4 TERTIARY EDUCATION

04.4.0 Tertiary education

– Levels 5 and 6 of ISCED-97: first stage and second stage of tertiary education.

04.5 EDUCATION NOT DEFINABLE BY LEVEL

04.5.0 Education not definable by level

– Educational programmes, generally for adults, which do not require any special prior instruction, in particular vocational training and cultural development.

04.6 R&D EDUCATION

04.6.0 R&D Education

– Applied research and experimental development on subjects related to education.

04.7 OTHER EDUCATIONAL SERVICES

04.7.0 Other educational services

– Educational services provided by NPISHs and not classified under (04.1.1) to (04.6.0).

05 SOCIAL PROTECTION

Social protection as defined here covers assistance and support services provided to persons who are: elderly, disabled, having occupational injuries and diseases, survivors, unemployed, destitute, homeless, low-income earners, indigenous people, immigrants, refugees, alcohol and substance abusers, etc. It also covers assistance and support services provided to families and children.

05.1 SOCIAL PROTECTION SERVICES

05.1.0 Social protection services

This class includes the following NPISHs:

- Retirement homes for elderly persons, residences for disabled persons, rehabilitation centres providing long-term support for patients rather than health care and rehabilitative therapy, schools for disabled persons where the main aim is to help students overcome their disability;
- organizations that provide home-cleaning services, meal programmes, day-care centres, day-care services, holiday-care and transport services for elderly and disabled persons;
- orphanages, crèches, nurseries, play schools, day-care centres and other child-minding facilities;
- organizations that provide counselling, guidance, arbitration, fostering and adoption services for families;
- single-parent agencies and services, family violence shelters;
- organizations that provide counselling to persons who are disaster victims, victims of assault and abuse and potential suicides;
- organizations that provide temporary shelters or housing for homeless persons;
- organizations that provide long-term support for persons who are gamblers, alcohol abusers and substance abusers;
- organizations that provide cash assistance, food, clothing, shelter and other services to persons who are refugees, immigrants, destitute and low-income earners;
- organizations that seek to improve conditions in prisons, including prison visitors and social rehabilitation;
- organizations that seek to provide opportunities for economic or social development for deprived groups of persons, whether in their own country or abroad.

05.2 R&D SOCIAL PROTECTION

05.2.0 R&D Social protection

This class includes the following NPISHs:

- Organizations that undertake applied research and experimental development on subjects related to social protection and trust funds and charitable foundations that finance such activities.

06 RELIGION

06.0 RELIGION

06.0.0 Religion

This class includes the following NPISHs:

- Organizations that promote religious beliefs, administer religious services and rituals, maintain places of worship, provide retreats for meditation or religious instruction;
- churches, convents, nunneries, monasteries, mosques, synagogues, temples, shrines, etc.

Includes: non-conventional cults and sects.

Excludes: hospitals, nursing homes, surgeries, etc. funded by religious organizations (02.2.1) to (02.4.0); maintenance of war cemeteries (03.2.0); schools, colleges, universities, etc. funded by religious organizations (04.1.0) to (04.5.0); seminaries and colleges for training priests, clerics, rabbis and other officers of religious organizations (04.1.0) to (04.5.0); orphanages and shelters for persons in distressed conditions funded by religious organizations (05.1.0).

07 POLITICAL PARTIES, LABOUR AND PROFESSIONAL ORGANIZATIONS

07.1 SERVICES OF POLITICAL PARTIES

07.1.0 Services of political parties

This class covers the following NPISHs:

- Political parties;
- political action groups and organizations that seek to enhance respect for human rights, whether in their own country or abroad;
- political action groups and groups formed to promote equal employment or political rights or to oppose discrimination on grounds of race, gender, age or sexual preference;
- political parties and political action groups mainly concerned with single issues such as the environment, the abolition of blood sports, gun control, capital punishment or right to life;
- research bodies directly linked to political parties and political action groups.

07.2 SERVICES OF LABOUR ORGANIZATIONS

07.2.0 Services of labour organizations

This class covers the following NPISHs:

- Trade unions, labour federations and similar groups whose purpose is to improve or maintain the living conditions of members.

Excludes: night schools and educational institutes managed by trade unions and labour federations (04.1.0) to (04.5.0).

07.3 SERVICES OF PROFESSIONAL ORGANIZATIONS

07.3.0 Services of professional organizations

This class covers the following NPISHs:

- Associations of members of particular professions which promote the interests of members, exchange information among members or issue regular publications on topics relevant to the professions.

08 ENVIRONMENTAL PROTECTION

08.1 ENVIRONMENTAL PROTECTION SERVICES

08.1.0 Environmental protection services

This class covers the following NPISHs:

- Organizations set up to prevent or remedy damage to the environment;
- associations that seek to protect wild animals or preserve particular species of animals, birds, fish, insects etc.;
- organizations that seek to preserve forests, wet-lands and areas of natural beauty.

Excludes: political parties mainly concerned with environment issues (07.1.0); associations that seek to prevent cruelty to domesticated animals (09.1.0).

08.2 R&D ENVIRONMENTAL PROTECTION

08.2.0 R&D Environmental protection

This class covers the following NPISHs:

- Organizations that undertake applied research and experimental development on subjects related to environmental protection and trust funds and charitable organizations set up to finance such activities.

09 SERVICES N.E.C.

09.1 SERVICES N.E.C.

09.1.0 Services n.e.c.

This class covers the following NPISHs:

- Community and neighbourhood organizations;
- organizations that seek to prevent cruel treatment of domesticated animals;
- organizations providing legal-aid services and related assistance;
- organizations carrying out economic forecasting and analysis;
- organizations providing services that cannot be assigned to Divisions 01 to 08.

09.2 R&D SERVICES N.E.C.

09.2.0 R&D Services n.e.c.

This class covers the following NPISHs:

- Organizations that undertake basic research and applied research and experimental development on subjects not classified to Divisions 02, 04, 05 or 08 and trust funds and charitable organizations set up to finance such activities.

Part five

**CLASSIFICATION OF THE OUTLAYS OF PRODucers ACCORDING TO PURPOSE
(COPP)**

COPP: DIVISIONS

- 01** *Outlays on infrastructure*
- 02** *Outlays on research and development*
- 03** *Outlays on environmental protection*
- 04** *Outlays on marketing*
- 05** *Outlays on human resource development*
- 06** *Outlays on current production programmes, administration and management*

COPP: BREAKDOWN BY DIVISION AND GROUP

01 OUTLAYS ON INFRASTRUCTURE

- 01.1 OUTLAYS ON ROAD AND LAND CONSTRUCTION AND IMPROVEMENT
- 01.2 OUTLAYS ON ENGINEERING AND RELATED TECHNOLOGICAL WORK
- 01.3 OUTLAYS ON INFORMATION MANAGEMENT

02 OUTLAYS ON RESEARCH AND DEVELOPMENT

- 02.1 OUTLAYS ON RESEARCH AND EXPERIMENTAL DEVELOPMENT ON NATURAL SCIENCES AND ENGINEERING
- 02.2 OUTLAYS ON RESEARCH AND EXPERIMENTAL DEVELOPMENT ON SOCIAL SCIENCES AND HUMANITIES

03 OUTLAYS ON ENVIRONMENTAL PROTECTION

- 03.1 OUTLAYS ON PROTECTION OF AMBIENT AIR AND CLIMATE
- 03.2 OUTLAYS ON WASTE WATER MANAGEMENT
- 03.3 OUTLAYS ON WASTE MANAGEMENT
- 03.4 OUTLAYS ON PROTECTION OF SOIL AND GROUNDWATER
- 03.5 OUTLAYS ON NOISE AND VIBRATION ABATEMENT
- 03.6 OUTLAYS ON PROTECTION OF BIODIVERSITY AND LANDSCAPE
- 03.7 OUTLAYS ON ENVIRONMENTAL PROTECTION N.E.C.

04 OUTLAYS ON MARKETING

- 04.1 OUTLAYS ON DIRECT SALES EFFORTS
- 04.2 OUTLAYS ON ADVERTISING
- 04.3 OUTLAYS ON MARKETING N.E.C.

05 OUTLAYS ON HUMAN RESOURCE DEVELOPMENT

- 05.1 OUTLAYS ON EDUCATION AND TRAINING
- 05.2 OUTLAYS ON HEALTH
- 05.3 OUTLAYS ON SOCIAL SERVICES

06 OUTLAYS ON CURRENT PRODUCTION PROGRAMMES, ADMINISTRATION AND MANAGEMENT

- 06.1 OUTLAYS ON CURRENT PRODUCTION PROGRAMMES
- 06.2 OUTLAYS ON EXTERNAL TRANSPORTATION
- 06.3 OUTLAYS ON SAFETY AND SECURITY
- 06.4 OUTLAYS ON MANAGEMENT AND ADMINISTRATION

COPP: DEFINITION BY CLASS

01 OUTLAYS ON INFRASTRUCTURE

Outlays on infrastructure to keep and extend the infrastructural capacity of the establishment and its potential for growth and productivity.

Excludes: expenditures on R&D (02); education and training (05.1); marketing (04); gross capital formation that can be related specifically to other objectives (02) to (06).

01.1 OUTLAYS ON ROAD AND LAND CONSTRUCTION AND IMPROVEMENT

01.1.0 Outlays on road and land construction and improvement

- Outlays on road and land construction and improvement purposes.

01.2 OUTLAYS ON ENGINEERING AND RELATED TECHNOLOGICAL WORK

01.2.0 Outlays on engineering and related technological work

- Outlays on engineering and related technological work to design structures, machines, apparatus or manufacturing processes or works for use separately or in combination; activities that are always directed towards a specific practical aim or application with little or no innovative element and that are therefore distinguished from R&D.

Includes: expenditures on engineering work (chemical, civil, mechanical, electrical, etc.) and on technological work (architecture, prospecting, geologic and hydrographic surveying, land surveying, control and non-research laboratory work, drafting, etc.).

01.3 OUTLAYS ON INFORMATION MANAGEMENT

Outlays on information management to collect, process, store and disseminate information relevant for decision making and monitoring as well as communicating information internally and externally.

Includes: expenditures on computers, computer networks and related services as well as on postal and telecommunication services.

Excludes: legal, accounting, auditing and bookkeeping services (06.4); market research (04.3).

01.3.1 Outlays on operating purposes of information management

01.3.2 Outlays on development of software

02 OUTLAYS ON RESEARCH AND DEVELOPMENT

Outlays on R&D contain an appreciable element of innovation or novelty. Includes outlays on basic research (to acquire new knowledge without particular application), applied research (to acquire new knowledge directed towards a specific aim) and experimental development (directed to producing new materials, products and devices, to installing new processes, systems and services, and to improving those already produced or installed).

Excludes: establishments whose current production programme is R&D (06.1); outlays on education combined with R&D (05.1); market research (04).

02.1 OUTLAYS ON RESEARCH AND EXPERIMENTAL DEVELOPMENT ON NATURAL SCIENCES AND ENGINEERING

02.1.0 Outlays on research and experimental development on natural sciences and engineering

- Outlays on systematic creative work in the field of natural sciences (mathematics, physics, astronomy, chemistry, etc.), medical sciences, agriculture, engineering and technology.

02.2 OUTLAYS ON RESEARCH AND EXPERIMENTAL DEVELOPMENT ON SOCIAL SCIENCES AND HUMANITIES

02.2.0 Outlays on research and experimental development on social sciences and humanities

- Outlays on systematic creative work in the field of social sciences (economics, psychology, sociology, legal sciences etc.), and humanities (linguistics and languages, arts, etc.); expenditures that may, among other things, produce new views concerning, and improved understanding of, political, economic and social phenomena.

03 OUTLAYS ON ENVIRONMENTAL PROTECTION

Expenditures on environmental protection cover the range of the Classification of Environmental Protection Activities (CEPA) which comprises protection of ambient air and climate; waste and waste water management; protection of soil and groundwater; noise and vibration abatement; protection of biodiversity and landscape; protection against radiation; outlays on measurement, control, laboratories and the like. Examples are expenditures that intend to reduce pollution in order to meet current or anticipated government regulations or in response to ethical or public relations considerations. The beneficiaries of such expenditures are mainly persons other than those connected to the establishment.

Excludes: outlays for measures intended to improve the health, comfort or safety of employees (05); R&D (02).

03.1 OUTLAYS ON PROTECTION OF AMBIENT AIR AND CLIMATE

03.1.0 Outlays on protection of ambient air and climate

- Outlays on prevention of air pollution through in-process modifications, treatment of exhaust gases and ventilated air, etc.

03.2 OUTLAYS ON WASTE WATER MANAGEMENT

03.2.0 Outlays on waste water management

- Outlays on prevention of water pollution through in-process modifications, sewerage networks, waste water treatment, treatment of cooling water, etc.

03.3 OUTLAYS ON WASTE MANAGEMENT

03.3.0 Outlays on waste management

- Outlays on prevention of waste production through in-process modifications, collection and transport of waste, treatment and disposal of hazardous waste, etc.

03.4 OUTLAYS ON PROTECTION OF SOIL AND GROUNDWATER

03.4.0 Outlays on protection of soil and groundwater

- Outlays on prevention of pollutant infiltration, decontamination, etc.

03.5 OUTLAYS ON NOISE AND VIBRATION ABATEMENT

03.5.0 Outlays on noise and vibration abatement

- Outlays on prevention of noise and vibration from road and rail traffic, air traffic noise, industrial process noise, etc.

03.6 OUTLAYS ON PROTECTION OF BIODIVERSITY AND LANDSCAPE

03.6.0 Outlays on protection of biodiversity and landscape

- Outlays on protection of nature and landscape (species, habitats, erosion protection, coastal protection, dune stabilization, protection against avalanches, fire protection, etc.).

03.7 OUTLAYS ON ENVIRONMENTAL PROTECTION N.E.C.

03.7.0 Outlays on environmental protection n.e.c.

- Outlays on other environmental protection activities, general administration of environmental affairs, etc.

04 OUTLAYS ON MARKETING

Outlays on marketing are defined as a set of related activities that establishments undertake to market the output of their production programmes. Marketing is defined very broadly to include not only direct sales efforts, but also related activities to facilitate sales such as advertising (to inform, maintain and expand markets), marketing research (to determine market potential), public relations (to produce a favourable public image), lobbying, etc.

Excludes: outlays on these purposes by establishments whose current production programme is marketing for others and direct sales efforts (for example, establishments classified in ISIC 7413 *Market research and public opinion polling*; ISIC 7430 *Advertising*; and the wholesale and retail trade components of ISIC 50-52) (06.1).

04.1 OUTLAYS ON DIRECT SALES EFFORTS

04.1.0 Outlays on direct sales efforts

- Expenditures on direct sales promotion characterized by a close relationship between sales force and customer.

Includes: outlays on personnel and equipment devoted to the task of selling current production such as showroom personnel, salespersons, sales representatives, sales engineers, sales managers and clerical staff, as well as showroom furniture, product samples, floor models, etc.

04.2 OUTLAYS ON ADVERTISING

04.2.0 Outlays on advertising

- Expenditures on advertising material (catalogues, brochures, etc.), space and broadcasting time or other means of distributing the advertising message; and personnel (photographers, models, draftsmen, media analysts and other technicians as well as supervisory and clerical staff).

04.3 OUTLAYS ON MARKETING N.E.C.

04.3.0 Outlays on marketing n.e.c.

- Outlays on marketing research, public relations, lobbying and participation in business and trade associations.

05 OUTLAYS ON HUMAN RESOURCE DEVELOPMENT

Outlays on human resource development are defined as a set of activities undertaken to improve efficiency of human resources as well as the granting of benefits to employees. Includes outlays on the respective equipment, facilities, personnel, etc.

Excludes: payments in kind such as provision of food or clothing, free or subsidized housing (06.1); safety devices and measures at work (06.3); contributions to cultural, recreational, educational facilities serving the general public (04.3).

05.1 OUTLAYS ON EDUCATION AND TRAINING

05.1.0 Outlays on education and training

- Outlays on educational activities (on-the-job training, vocational training, etc.) as well as on the respective equipment, facilities and personnel.

05.2 OUTLAYS ON HEALTH

05.2.0 Outlays on health

- Outlays on medical services (provision of emergency medical services, routine medical check-ups, etc.) as well as on the respective equipment, facilities and personnel.

05.3 OUTLAYS ON SOCIAL SERVICES

05.3.0 Outlays on social services

- Outlays on social, cultural and recreational activities (childcare centres, sports teams, orchestra, etc.); on the respective equipment (sports equipment, musical instruments, etc.); facilities (purchase or rental of playing fields, etc.) and personnel (coaches, trainer, etc.).

06 OUTLAYS ON CURRENT PRODUCTION PROGRAMMES, ADMINISTRATION AND MANAGEMENT

Current production programmes are a set of related activities that occur entirely or chiefly in the producing departments of establishments. An establishment's production programme is defined as the production of goods or services that characterize the ISIC category to which the establishment is classified.

06.1 OUTLAYS ON CURRENT PRODUCTION PROGRAMMES

06.1.0 Outlays on current production programmes

- Outlays on direct costs, namely, labour and materials, fabricated and semi-fabricated parts, supplies, etc.; direct overhead expenditures, namely, production supervision and associated clerical staff; outlays on tools, production machinery and long-lived equipment, buildings housing the production activities and transport equipment.

Includes: expenditures on other items intimately connected with the production programme (internal transportation of work in progress, on-line inspection staff).

Excludes: outlays on design (01.2); construction and testing of prototypes, laboratory personnel and equipment (02.1).

06.2 OUTLAYS ON EXTERNAL TRANSPORTATION

06.2.0 Outlays on external transportation

- Expenditures on transporting persons (work crew to worksite) or goods (work in progress) between establishments.

Excludes: internal transportation in an establishment (06.1).

06.3 OUTLAYS ON SAFETY AND SECURITY

06.3.0 Outlays on safety and security

- Expenditures on monitoring, guarding and protecting individuals and property.

Includes: expenditures on guarding buildings, offices, factories, construction sites, hotels, theatres, stores; expenditures on special means of protection such as guard dogs, armoured cars; expenditures on safety devices and measures, implementation of safety procedures, training in safety and emergency procedures.

Excludes: monitoring environmental, medical working or nutritional standards (06.4).

06.4 OUTLAYS ON MANAGEMENT AND ADMINISTRATION

06.4.0 Outlays on management and administration

- Expenditures on activities n.e.c. (accounting, purchasing, personnel work, legal work, etc.); on personnel at the high supervisory, administrative or management levels.

Excludes: expenditures on high-level executive offices directly responsible for marketing (04.3); R&D (02); environmental protection (03.7).