Statistical classification of economic activities NACE Revision 2

2006/0011(COD) - 06/02/2006 - Legislative proposal

PURPOSE : to present a proposal on establishing the common statistical classification of economic activities within the Community, to be known as “NACE Rev. 2.”

PROPOSED ACT : Regulation of the European Parliament and of the Council.

CONTENT : in order to function, the internal market requires statistical standards applicable to the collection, transmission and publication of national and Community statistics so that undertakings, financial institutions, governments and all other operators in the single market can be provided with reliable and comparable statistical data. To this scope, it is vital that the various categories of the classification of activities in the European Community be interpreted uniformly in all the Member States.

Council Regulation 3037/90/EEC on the statistical classification of economic activities in the European Community established NACE Rev. 1. A revised version of NACE is proposed, which takes into account the development of the economy during the last 15 years and a major revision of other international classifications of activities. As a result, the proposed NACE Rev. 2 is more relevant with respect to the economic reality and more comparable with other international classifications.

NACE Rev. 2 will include:

- a first level consisting of headings identified by an alphabetical code (sections);

- a second level consisting of headings identified by a two-digit numerical code (divisions);

- a third level consisting of headings identified by a three-digit numerical code (groups);

- a fourth level consisting of headings identified by a four-digit numerical code (classes).

NACE Rev 2 is set out in Annex I.

Provision is made for the Member States to be able, in order to meet national requirements, to insert in their national classifications additional categories based on the statistical classification of economic activities in the European Community.

The Commission will be assisted by the Statistical Programme Committee set up by Council Decision 89 /382/EEC, in particular as regards the examination of problems arising from implementation of NACE Rev. 2, the smooth transition from NACE Rev. 1 to NACE Rev. 2, as well as the incorporation of amendments to NACE Rev. 2.

It should be noted that Council Regulation 2186/93/EEC established a common framework for setting up statistical business registers with harmonised definitions, characteristics, scope and updating procedures. Since the establishment of a revised statistical classification of economic activities implies the modification of the references to NACE Rev. 1 as well to amend a number of relevant instruments, several Regulations in this field will be amended. In addition, a number of Community instruments need to be amended, according to the specific procedures applicable to them, before transition to NACE Rev. 2. These are listed in the Regulation.