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Classification and Turnover in Vietnamese Service Statistics

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Classification and Turnover in Vietnamese Services Statistics

The economy of Vietnam has been developing towards market economy, the services activities grow fast and play the important role in the economy. The changes of economic activities and management have been requiring the statistical methodology renovation following the international standards.

I. Service classification by VSIC

For services activity classifying, Vietnamese statistics use the Vietnam Standard Industrial Classification being developed in 1993 based on ISIC.Rev.3 and covered the Vietnamese conditions at that time. The economic categories are set up by economic activities of the nation regardless the industry of origin. The economic activities having the same characteristics will be classified in to the same categories. The major principles used in constructing VSIC are:

- The technical stages of productions
- The raw of materials of productions
- The major uses of output

In addition, the economic activities classification are also based on their important level in the national economy and the compilation of SNA

The services industries of VSIC include 14 categories from G to V as following:

G	Wholesale and retail trade; repair of motor vehicles, motorcycles and per household goods
H	Hotels and restaurants
I	Transport, storage and communications
J	Financial intermediation
K	<i>Science and technology activities</i>
L	<i>Real estate, renting and business activities</i>
M	<i>Public administration and defense; compulsory social security</i>
N	<i>Education</i>
O	<i>Health and social works</i>

<i>P</i>	<i>Cultural and sport activities</i>
<i>Q</i>	<i>Activities of membership party or organizations</i>
<i>T</i>	<i>Other community, social and personal service activities</i>
<i>U</i>	<i>Private households with employed persons</i>
<i>V</i>	<i>Other services</i>

In VSIC, some service activities under class of categories include:

A - 0140 0150 0200	Agricultural and animal husbandry service activities, except veterinary activities Hunting, trapping and game propagation including related service activities Forestry, logging and related service act
B 0500	Fishing, operation of fish hatcheries and fish farms; service activities incidental to fishing
C 1120	Service activities incidental to oil and gas extraction excluding surveying
D 2222	Service activities related to printing
F 4550	Renting of construction or demolition equipment with operator

However, these service activities are not measured in service sector of GDP because of limited data collection in Vietnam.

II. Service classification by VCPC

VCPC was issued in 1996. This classification is based on PCPC with 10 sections, 68 divisions, 294 groups, 1047 classes and 1813 sub-classes. The major principles used in constructing VCPC are followed the PCPC.

The service activities are classified into 4 sections from 6 to 9:

- 6 - Trade services; hotel and restaurant services
 - 61 - Sale, maintenance and repair services of motor vehicles and motorcycles
 - 62 - Commission agents' and wholesale trade services, except of motor vehicles and motorcycles
 - 63 - Retail trade services; repair services of personal and household goods
 - 64 - Hotel and restaurant services

- 7 - Transport, storage and communications services
 - 71 - Land transport services
 - 72 - Water transport services
 - 73 - Air transport services
 - 74 - Supporting and auxiliary transport services
 - 75 - Post and telecommunications services
- 8 - Business services; agricultural, mining and manufacturing services
 - 81 - Financial intermediation services and auxiliary services therefore
 - 82 - Real estate services
 - 83 - Leasing or rental services without operator
 - 84 - Computer and related services
 - 85 - Research and development services
 - 86 - Legal, accounting, auditing and book-keeping services; taxation services; market research and public opinion polling services; management and consulting services; architectural, engineering and other technical services
 - 87 - Business services n.e.c.
 - 88 - Agricultural, mining and manufacturing services
 - 89 - Intangible assets
- 9 - Community, social and personal services
 - 91 - Public administration and other services to the community as a whole; compulsory social security services
 - 92 - Education services
 - 93 - Health and social services
 - 94 - Sewage and refuse disposal, sanitation and other environmental protection services
 - 95 - Services of membership organizations
 - 96 - Recreational, cultural and sporting services
 - 97 - Other services
 - 98 - Private households with employed persons

- 99 - Services provided by extraterritorial organizations and bodies

III. Turnover of service industries

General speaking, the services statistics in Vietnam have underdeveloped than other statistical areas – both statistical methodology and data collection system. Monthly and quarterly, turnover of some selected services industries are estimated such as trade, hotel and restaurant, communication, without detailed by products. These data are provided for administrative policy planning and also for SNA.

Through the combination of regular report for state-owned enterprises and sample surveys for non-state owned enterprises conducted by GSO, turnover of trade, hotel and restaurant are compiled. For data collecting turnover, each establishment in the survey is classified into the industry which having the largest turnover.

As to communications industry, the reports of the Vietnam Post and Telecommunication Corporation (shared about 90% markets) are submitted to GSO. However, the number of communication enterprises have been increasing, so statistical regime should be diffused to them in order to collect information adequately, obtaining a clear picture of Vietnam communication services.

For estimating SNA, it is necessary to measure all service sector. So the statistical methods and data collection should be improved. The surveys will be focused on the important service areas as transportation. The detailed service products should be break downed

IV. Future directions

Because the services industries have been developed more and more and their contribution in GDP are growing in Vietnam, the service statistics are interested in by Government and data user in national and international. So GSO have a plan of improvement this statistical area.

- Methodology and Statistical systems
 - Studying international standards and experiences of foreign countries
 - Improving methodology and statistical regime to all service sectors
 - Promoting surveys and combining data sources

- Classification
 - Revising and updating new VSIC and VCPC based on the ISIC 3.1, CPC Version 1.1 and the changes of Vietnamese situations by GSO in the beginning of 2005. This works are expected to finish and submit to the Government by the end of 2005
 - Preparing and issuing the service classification for international trade purpose based EBOPS.