

Industrial production statistics introduced - PRODCOM

Statistics Explained

In the [European Union \(EU\)](#), industrial production statistics are presented annually according to the PRODCOM survey, which is based on a statistical classification (the [PRODCOM list](#)) comprising a large number of goods related to Mining and quarrying, Manufacturing and Materials recovery, as described in the Statistical Classification of Economic Activity of the European Union (hereafter referred as [NACE](#)). It measures only the production carried out by enterprises on the national territory of the reporting countries.

This article will concentrate on the details regarding the PRODCOM survey and the PRODCOM list.

Overview

PRODCOM statistics aim at providing a full picture at EU level of developments in industrial production for a given product or for an industry in a comparable manner across countries. This aim became more important together with the establishment of the single market in 1992, and with rapid changes occurring in Europe the statistical system had to adapt to these changes.

The acronym PRODCOM comes from the French “PRODuction COMmunautaire” (Community Production). The PRODCOM list is updated every 2 or 3 years by the PRODCOM Expert Group. The headings of the [PRODCOM list](#) are linked to those from the [Combined Nomenclature \(CN\)](#) used to compile International Trade in Goods statistics, which thus enables direct comparisons between industrial production statistics and trade statistics (see below). PRODCOM headings are coded using an eight-digit numerical code, the first six digits of which are identical to those of the [Statistical Classification of Products by Activity \(CPA\)](#) code. The PRODCOM list is therefore also fully consistent with the CPA, while further detailing the CPA product categories.

PRODCOM statistics are broken down to a detail level of almost 3900 products available in the PRODCOM list. The main indicators of the production sold during the calendar year are collected and published both in monetary (EUR) and physical (kg, m2, number of items, etc.) terms.

Eurostat releases in its database PRODCOM statistics for the EU as a whole as well as by Member State. The EU total excludes currently three EU Member States which are exempt from transmitting industrial production data given their small share in the EU total; these are Cyprus, Malta and Luxembourg.

How are PRODCOM statistics measured?

As mentioned above, PRODCOM statistics are based upon data on manufacturing of goods produced by the enterprises on the national territory. These enterprises carry out one or more activities at one or more locations and may comprise one or more legal units. When an enterprise is active in more than one economic activity, then the value added and turnover that it generates, the persons it employs, and the values of all other statistical variables will be classified under the enterprise's principal activity. The principal activity is normally the one that generates the largest amount of value added. For PRODCOM statistics, the survey population consists of enterprises whose principal activity or one of its secondary activities was manufacturing of goods during the reference period.

PRODCOM statistics are compiled from the enterprises that cover at least 90 % of the national production per NACE class and employ at least 20 people (different thresholds may nonetheless be adopted by countries in exceptional cases). The territory covered in each country refers to the specifications of the Nomenclature of Countries and Territories for the External Trade Statistics of the Community and Statistics of Trade between Member States.

Indicator definitions for key PRODCOM statistics

PRODCOM statistics consist of the following set of indicators:

- the physical volume of production sold during the survey period,
- the value of production sold during the survey period,
- the physical volume of actual production during the survey period, including any production which is incorporated into the manufacture of other products from the same undertaking.

The national statistical institutes transmit this set of indicators to Eurostat on an annual basis, six months after the end of the reference year.

Which parts of the economy does PRODCOM cover?

The PRODCOM statistics cover the industrial production (with the exception of military products and some energy products) carried out by enterprises classified within the Sections B, C and E of NACE Rev. 2, which include:

- Section B - Mining and quarrying
 - Division 07 - Mining of metal ores
 - Division 08 - Other mining and quarrying
 - Division 09 - Mining support service activities
- Section C - Manufacture
 - Division 10 - Manufacture of food products
 - Division 11 - Manufacture of beverages
 - Division 12 - Manufacture of tobacco products
 - Division 13 - Manufacture of textiles
 - Division 14 - Manufacture of wearing apparel
 - Division 15 - Manufacture of leather and related products
 - Division 16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials
 - Division 17 - Manufacture of paper and paper products
 - Division 18 - Printing and reproduction of recorded media
 - Division 19 - Manufacture of coke and refined petroleum products
 - Division 20 - Manufacture of chemicals and chemical products
 - Division 21 - Manufacture of basic pharmaceutical products and pharmaceutical preparations
 - Division 22 - Manufacture of rubber and plastic products
 - Division 23 - Manufacture of other non-metallic mineral products

- Division 24 - Manufacture of basic metals
- Division 25 - Manufacture of fabricated metal products, except machinery and equipment
- Division 26 - Manufacture of computer, electronic and optical products
- Division 27 - Manufacture of electrical equipment
- Division 28 - Manufacture of machinery and equipment n.e.c.
- Division 29 - Manufacture of motor vehicles, trailers and semi-trailers
- Division 30 - Manufacture of other transport equipment
- Division 31 - Manufacture of furniture
- Division 32 - Other manufacturing
- Division 33 - Repair and installation of machinery and equipment
- Section E - Materials recovery
 - Division 38 (38.32) - Recovery of sorted materials

Uses and examples

PRODCOM statistics may be used to answer such questions as:

- Which countries are rather specialised in the production of a given product - for example, the manufacture of aerospace equipment?
- How productive is a particular industry, such as the manufacture of pharmaceutical products, in terms of physical volume and the value of production sold during a year?
- Which country has the lowest or the highest value per unit for the production of a certain product?
- Is there a shift in the manufacture of a group of products over the years? Or is it a trend or a one-time product over the years?

Legislation

PRODCOM statistics are compiled under the legal basis provided by [Council Regulation \(EEC\) NO 3924/1991](#) of 19 December 1991 and by [Commission Regulation \(EC\) No 0912/2004](#) of 29 April 2004 implementing the Council Regulation (EEC) No 3924/91 on the establishment of a Community survey of industrial production. Additionally, a Commission Regulation updating the PRODCOM classification is available annually since 2003.

Methodology

A summary of the methodology applied for PRODCOM statistics accompanies the data on Eurostat's website as a European Statistics Metadata System (ESMS) metadata file ([prodcom_esms](#)). The national European Statistics Metadata System (ESMS) metadata files, employed by countries for PRODCOM statistics are available under the ESMS metadata file ([prodcom_esms](#)).

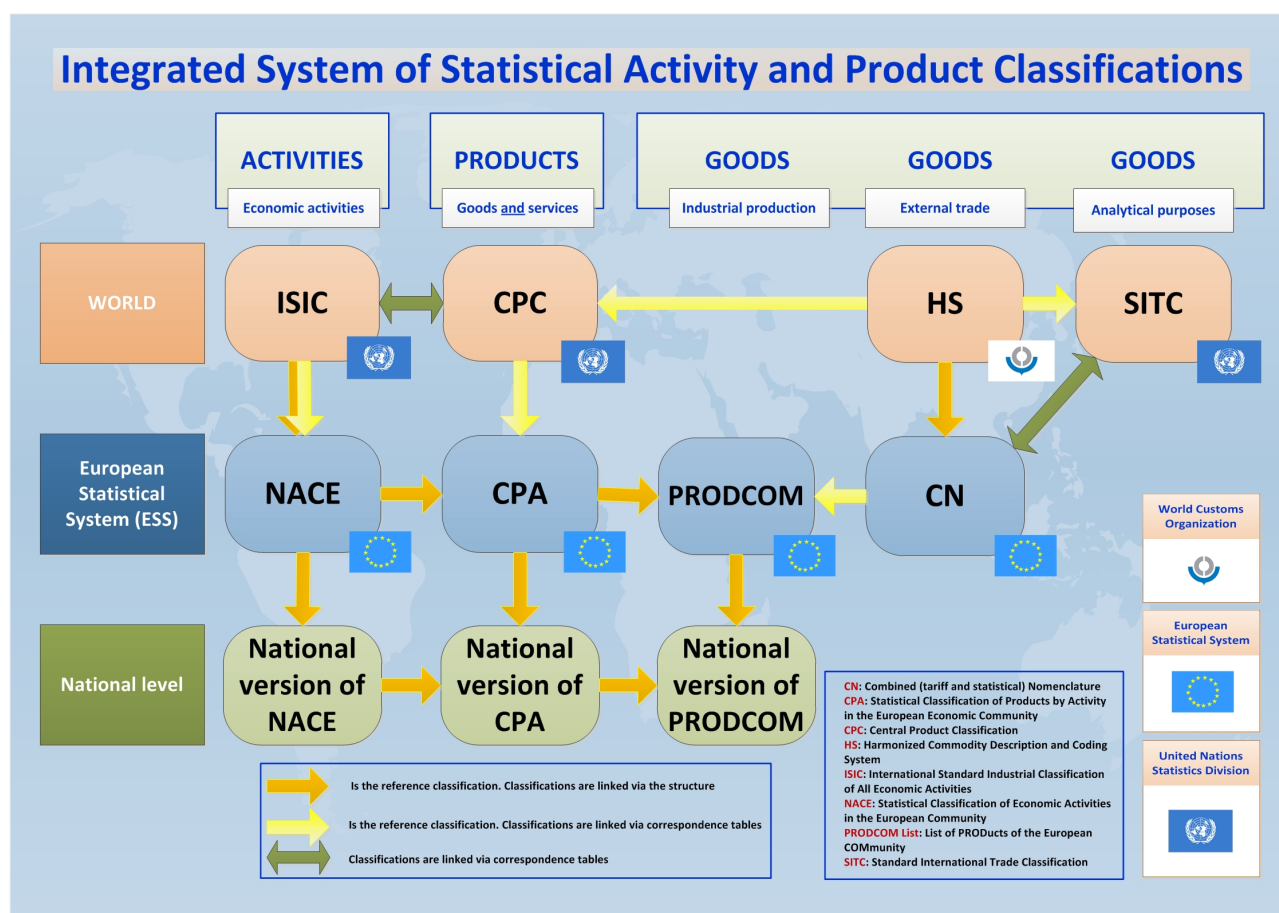
Classifications

As mentioned above, the enterprises which are surveyed for PRODCOM statistics are classified according to their activity and assigned to a particular NACE code. The revised **NACE Rev. 2** classification was adopted at the end of 2006, and is applicable to the PRODCOM Statistics since 2008 reference year. These changes in the classifications allowed a broader and more detailed collection of information to be compiled on industry, and provided the possibility to better identify new products from new areas of economic activity (such as technology-producing sectors).

For the reference years 1995 to 2007 the PRODCOM data collected by a NACE Rev. 1.1 PRODCOM List classification has been converted where possible to NACE Rev.2. For 2008 onwards the PRODCOM statistics are collected and supplied by the reporting countries in NACE Rev. 2. classification.

Before industrial production data collection could start, it was necessary to draw up a common list of products to be covered. Drawing up the PRODCOM list was a unique opportunity for Eurostat, the National Statistical Institutes and the European Trade Associations to work together to produce a classification that would work on the micro, national and European levels. The two main objectives of this work were to enable measuring the industrial production and to allow linking production statistics to trade statistics. As PRODCOM statistics have to be comparable with trade statistics, which are based on the CN, there had to be a close relationship between the two nomenclatures. Furthermore, the basic building blocks for PRODCOM are NACE (Rev. 2, as from 2008) and the CPA. Therefore, the PRODCOM list had to be developed in close association with these nomenclatures.

To understand how the different nomenclatures fit together, and their links to world-wide nomenclatures, it is useful to consider the diagram below which gives an overview of the revised system of integrated statistical classifications. This diagram shows the clear links between the PRODCOM list and the CN, which then links up to the HS at a world-wide level.



Integrated system of international classifications

Policy context

Industrial production statistics collected within PRODCOM are used as one of the data sources in a number of policy areas covered mainly by the work of the Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (GROW). The European Commission's enterprise policies aim to create a favourable environment for business to thrive within the EU, creating higher productivity, economic growth, jobs and wealth. Many of the policies that have been introduced in recent years have been aimed at reducing administrative burdens, stimulating innovation, encouraging sustainable production, and ensuring the smooth functioning of the EU internal market. The central principles governing the internal market for services guarantee EU enterprises the freedom to establish themselves in other Member States, and the freedom to provide services on the territory of another EU Member State other than the one in which they are established. These central principles governing the internal market were set out in the EC Treaty. Since then, the Commission constantly aims at enhancing the competitiveness of the EU, improving the business and consumer environment and modernising Europe's industrial base. The [European Green Deal](#) is the new EU strategy, which aims at making Europe the first climate neutral continent in the world. All industrial value chains have a key role to play in achieving a climate neutral and circular economy. It is an opportunity for PRODCOM statistics to present the developments of the industrial ecosystems and help to monitor the circular economy.

At the European Council meeting of 20 June 2019, EU leaders agreed on a [new strategic agenda 2019-2024](#) among six Commission priorities belongs the EU's digital strategy. The EU's digital strategy aims to make this transformation work for people and businesses, while helping to achieve its target of a climate-neutral Europe by 2050.

On 10 March 2020, the Commission laid the foundations for an industrial strategy that would support the twin transition to a green and digital economy, make EU industry more competitive globally, and enhance Europe's open strategic autonomy. The [2020 Industrial Strategy](#) includes a list of actions to support the green and digital transitions of EU industry, many of which have already been adopted or launched. The pandemic has however drastically affected the speed and scale of this transformation. Companies pursuing sustainability and digitalisation are more likely to be among tomorrow's leaders. In this context, in order to accelerate the twin transitions, the Commission has proposed: • Transition pathways - to create jointly with industry and stakeholders transition pathways and to identify the actions needed. • Multi-country projects - to support the recovery efforts in joint projects to maximise investments under the Recovery and Resilience Facility. • Analysis of the steel sector - to ensure a clean and competitive steel industry.

Database

- [Prodcom - statistics by product \(prom\)](#) , see:

Sold production, exports and imports by PRODCOM list (NACE Rev. 2) - annual data (DS_056120)

Total production by PRODCOM list (NACE Rev. 2) - annual data (DS_056121)

Traditional international trade database access (ComExt) (comext)

Dedicated section

- [Prodcom - statistics by product](#)

Methodology

- [Prodcom User Guide](#)
- [Statistics on the production of manufactured goods](#) (ESMS metadata file — prom_esms)

Legislation

- [Correspondance tables \(NACE 1.1 <-> NACE 2\)](#)
- [Regulation \(EEC\) No 3924/91](#) of 19 December 1991 on the establishment of a Community survey of industrial production ([Summary](#))
- [Regulation \(EC\) No 912/2004](#) of 29 April 2004 implementing Council Regulation (EEC) No 3924/91 on the establishment of a Community survey of industrial production
- [Regulation \(EU\) No 1933/2019](#) of 6 November 2019 establishing for 2019 the Prodcom list of industrial products provided for by Council Regulation (EEC) No 3924/91