



Brussels, XXX  
[...] (2024) XXX draft

ANNEX 1 – PART 1/2

**ANNEX**

**to the**

**COMMISSION DELEGATED REGULATION (EU) .../...**

**amending Regulation (EC) No 138/2004 of the European Parliament and of the Council,  
as regards references to the statistical classification of economic activities NACE  
established by Regulation (EC) No 1893/2006 of the European Parliament and of the  
Council**

## ANNEX

Annex I to Regulation (EC) No 138/2004 is amended as follows:

- (1) throughout the Annex, ‘NACE Rev. 2’ is replaced by ‘NACE’;
- (2) Part I is amended as follows:
  - (a) in section B, point 1 ‘Basic unit’, point 1.10 is replaced by the following:

‘1.10 The local kind-of-activity unit (local KAU) is the part of a KAU which corresponds to a local unit. The local KAU is called an establishment in the 2008 SNA and the International Standard Industrial Classification of All Economic Activities (ISIC). A KAU groups all the parts of an institutional unit in its capacity as a producer contributing to the performance of an activity at class level (four digits) of the NACE\* (the reference classification for economic activities, cf. 1.55) and corresponds to one or more operational subdivisions of the institutional unit. The institutional unit’s information system must be capable of indicating or calculating for each local KAU at least the value of production, intermediate consumption, compensation of employees, the operating surplus and employment and gross fixed capital formation (ESA 2010, 2.148). The local unit is an institutional unit, or part of an institutional unit, producing goods or services situated in a geographically identified place.

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\* Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains (OJ L 393, 30.12.2006, p. 1, ELI: <http://data.europa.eu/eli/reg/2006/1893/oj>).’;

- (b) section F is amended as follows:
  - (i) in point 1 ‘General’, point 1.56 is replaced by the following:

‘1.56 NACE is a more detailed version of the ISIC, adapted to specifically European circumstances. NACE is also directly linked to the statistical classification of products by activity (CPA) \*\* within the European Union, which in turn is based on the Central Product Classification (CPC).

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\*\* Regulation (EC) No 451/2008 of the European Parliament and of the Council of 23 April 2008 establishing a new statistical classification of products by activity (CPA) (OJ L 145, 4.6.2008, p. 65, ELI: <http://data.europa.eu/eli/reg/2008/451/oj>).’;

- (ii) point 2 ‘Definition of the characteristic activities of agriculture’ is amended as follows:
  - in point 1.62, second sentence, footnote 10 is deleted;
  - point 1.64 is replaced by the following:

‘1.64 All units which perform characteristic activities of the agricultural industry of the EEA must be included. The units in question perform the activities included in the following groups in NACE:

    - Groups 01.1 and 01.2: Growing of non-perennial and perennial crops (excluding, for production of seeds, the units not engaged in seed multiplication);
    - Group 01.3: Plant propagation;

- Group 01.4: Animal production;
- Group 01.5: Mixed farming;
- Group 01.6: Support activities to agriculture and post-harvest crop activities (excluding units which perform agricultural service activities other than contract work – i.e. units which operate irrigation systems or seed processing for propagation);
- Group 01.7: Hunting, trapping and related service activities.’;

(iii) point 4 ‘Observations concerning various items’ is amended as follows:

- in point 1.71, first sentence, footnote 12 is deleted;
- point 1.89 is replaced by the following:

‘1.89 Animal husbandry performed on farms for remuneration (the provision of land for livestock) is agricultural contract work since it is part of the agricultural production process. This heading does not, however, include the private rearing and care of saddle horses, since these activities do not constitute the production of goods but a genuine service within the meaning of the ESA 2010 (section S of NACE).’;

- point 1.92 is replaced by the following:

‘1.92. This group of activities comprises the following activities: (i) hunting and trapping on a commercial basis; (ii) taking of animals (dead or alive) for food, fur or skin, or for use in research, in zoos or as pets; (iii) production of fur skins or reptile or bird skins from hunting or trapping activities. It should be noted that the production of hide and leather from slaughterhouses and hunting performed as a sports or recreation activity are not included as characteristic activities of the agricultural industry. Additionally, the ‘hunting’ group does not comprise the breeding of game on holdings, which should be recorded under Class 01.48 ‘Raising of other animals’.’.