



Standard Industrial Classification (SBI 2025)

Adding a fifth level

19 April 2024

Introduction

The Standard Industrial Classification (SBI) will be updated in 2025. The previous version was the SBI 2008. With a few exceptions, the first four levels of the SBI are derived from the European [NACE Rev 2.1](#). Countries may make their own proposals for additional details by adding a fifth level, subject to certain rules. The current proposal aims to retain the fifth level from the SBI 2008 wherever possible, taking those rules into account.

Context

While preparing for the SBI 2025 update, Statistics Netherlands (CBS) initially set the goal of reducing the number of fifth levels.

The main reason for reducing the number of fifth levels was the limited number of CBS publications related to the fifth level and the fact that not all detailed information is available.

Moreover, no active maintenance takes place on the SBI classifications (except for the largest enterprises and changes suggested by the businesses themselves) and the risk of errors increases as the classification becomes more detailed.

We therefore drew up guidelines for the new fifth-level classification in SBI 2025. Using these guidelines, we looked at the statistical relevance and significance (in terms of turnover and size) of the current fifth-level classifications. An initial proposal was published in October 2023.

New proposal

Soon after publication and active outreach to external stakeholders, it became clear that the proposal to reduce the number of fifth-level classifications did not enjoy support among all stakeholders. SBI is considered a useful tool which, due to its public availability, is frequently used by various organisations, and not only for statistical purposes.

For example, the fifth level in SBI classifications is used extensively by industry associations. This level of detail is necessary for adequate policymaking and is also used by other organisations. During the COVID-19 crisis, for instance, the allocation of financial support measures was based on the SBI classification. Pension funds also use

the SBI classification to determine whether businesses are obliged to join an industry pension fund. Furthermore, the SBI is used to decide whether a collective labour agreement applies, and which one.

These factors led us to deem statistical relevance to be of secondary importance, and CBS has therefore decided to retain the majority of fifth-level information from the SBI 2008 in the SBI 2025. In concrete terms, this means that the existing fifth-level categories have been retained wherever possible.

For SBI codes with fifth levels that have been removed or subdivided or merged, CBS has considered whether and how the fifth level from the SBI 2008 could be incorporated into the SBI 2025. New insights regarding fifth-level subdivisions from a statistical perspective were also taken into account, resulting in the following proposal.

More information on the current status can be found on www.cbs.nl/sbi/en