



Third Meeting of the Informal Working Group on Data for Services Trade and Development Policies

20 November 2023, 14.00 – 15.30 Central European Time (CET)

Microsoft Teams Online Meeting

Draft outline of the WG Report

1. Trade policy data needs

Key questions:

1. What are some of the pressing policy data needs? Which data or indicators are key to understanding the role of services and services trade in structural transformation?
2. What are some of the hurdles to obtaining and using such data? What are some of the innovative ways to use existing data?

Takeaways from the previous meetings:

- There is a need to better understand the impact of trade policies on development outcomes, economic diversification, and structural transformation. This is an area where data gaps exist.
- For developing countries it is important to better understand the value added that comes from the integration of services and advanced manufacturing at the industry level. In this regard, input-output analysis has proven to be a useful method. However, there are significant data gaps in many developing countries to do such analysis.
- It is useful to link trade in services statistics with business and social statistics to aid in informed policy decisions, especially regarding gender and labor. This linkage can provide policymakers with valuable information on the impact of trade in services on labor markets, such as female employment, high/low skilled jobs, and transition to formal jobs.
- The potential richness of data collected by e-platforms, particularly in the e-commerce sector could provide valuable information for policymakers.

2. Data gaps

Key questions:

1. What are the most pressing trade in services data gaps that country policymakers face? Why is data availability so limited?
2. What challenges are developing countries facing in trade in services data collection? What are the barriers to compiling these data?

Takeaways from the previous meetings:

- More granular data, by sector or product breakdown, is crucial for a more comprehensive understanding of policy impacts. This is particularly important in specific service sectors, such as digitally enabled services, creative services, and other business services. Also important is bilateral service trade flows.
- Barriers faced by developing countries in collecting trade in service data include high cost of data collection, lack of IT infrastructure, knowledge, and institutional arrangements among line ministries.

3. Good practices

Key questions:

1. What are existing initiatives by international organizations or networks to support countries in filling data gaps?
2. What are examples of good practices in utilising trade in services data to formulate effective policies?

Takeaways from the previous meetings:

- Explore the use of micro datasets, such as VAT databases, for policy analysis. This includes understanding the service input intensity of firms and assessing how trade policies affect access to these service inputs.
- Use creative solutions, including leveraging private sector data (e.g., credit card data) and encouraging commercial service providers to share data. This approach could potentially offer new insights for policy formulation.

4. Priorities and recommendations

Takeaways from the previous meetings:

- Donor support is required for capacity-building to address data gaps and support the data needs of policymakers. This includes efforts to enhance the capabilities of

countries in data collection, compilation, and analysis in the area of trade in services.

- Promote using big data sources, such as telecom companies, hotel booking portals, e-platform data, and credit card companies, to supplement traditional data collection methods.
- Encourage cooperation between government agencies to provide more publicly available firm-level data to inform policymakers.
- Conduct a mapping exercise to understand the roles and efforts of different international and regional entities in the field, addressing overlaps, and ensuring a coherent approach.