#### UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

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#### MULTI-YEAR EXPERT MEETING ON **Trade, Services and Development** 9th session

4–6 July 2022, Hybrid (online and Palais des Nations, Room XVII), 2.30–4.30 p.m. CEST

Session 1. Services trade, economic diversification and resilience to economic shocks

Statistics on international trade in services: Challenges, tools and resources

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\*The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.





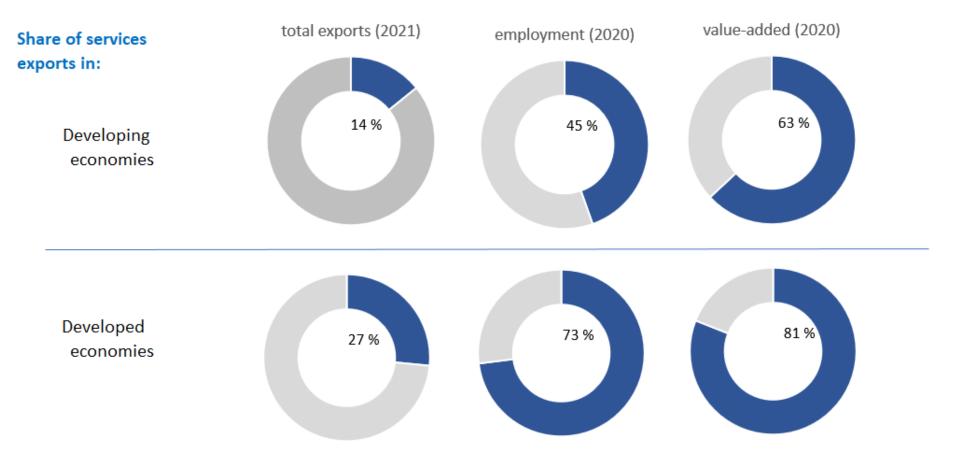
Multi-year Expert Meeting on Trade, Services and Development, 4-6 July 2022 United Nations Conference on Trade and Development

# Statistics on international trade in services Challenges, tools and resources





#### **Services are important – some statistics**



Sources: UNCTADstat for trade; ILO for employment; UNSD for value-added.



## **Quantifying services is challenging – definitions**

- Services are intangible, abstract and difficult to define
- Services, statistical definition (SNA-2008, BPM6-2009): "Services are the result of a production activity that changes the conditions of the consuming units or facilitates the exchange of products or financial assets. These types of service may be described as change effecting services and margin services, respectively."
- Services include 12 main items in BPM6 and EBOPS-2010 Statistical Classification:
  - Manufacturing services on physical inputs owned by others
  - 2. Maintenance and repair services n.i.e.
  - 3. Transportation
  - 4. Travel
  - 5. Construction
  - 6. Insurance and pension services

- 7. Financial services
- 8. Charges for the use of intellectual property n.i.e.
- 9. Telecommunications, computer and information services
- 10. Other business services
- 11. Personal, cultural and recreational services
- Government goods and services n.i.e.
- Extended **BOP S**ervices (EBOPS): more detailed > over 120 items
- Political and statistical classifications differ (W/120 = GATT classification)



### **Quantifying services is challenging – compilation**

• **Compilers vary**: Often national statistical office or the Central Bank & other national agencies as data are scattered

#### • Sources are multiple

- International transactions reporting system (ITRS)
- Surveys of enterprises / households / border surveys
- Administrative data / credit card records
- Mobile phone records
- Business associations' information
- Financial records

...

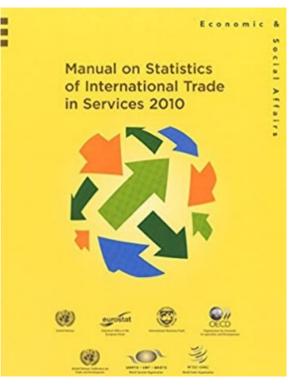
• Information from partner-countries and international organizations

- Challenges for developing economies
  - Statistical infrastructure: weak business registers
  - Financial support
  - Institutional arrangements between agencies
  - Trained experts
  - Technical aspects: dealing with nonresponse, respondents' trust
  - IT infrastructure: handling large data volumes
  - Publishing regularly: data may exist but are not processed and formatted for 'shop-windows'
  - Linkages to business statistics



## **Resources to address the challenge – guidance**

- Cooperation among national statistical offices and national central banks and international organizations: UNCTAD, UN Statistics Division, IMF, OECD, WTO, UNWTO, UN Regional Commissions, GCC, EUROSTAT, ...
- United Nations Committee on Business and Trade Statistics (UNCEBTS)
  - Task Teams on International Trade statistics
    - Revising UN Trade Statistics Manuals (IMTS and MSITS)
    - Started in January 2022, to finish in 2025
    - Aligns with the revisions of the System of National Accounts (SNA) and Balance of Payments (BOP)
- Working Party on International Trade in Goods and Services
- Voorburg Group on Service Statistics : constant price outputs of the service industries
- **Theme-specific groups**: mode of supply, digital economy, trade asymmetries, services trade by enterprise characteristics etc.
- Related statistical frameworks prescribe consistent principles
  - Manual on Statistics of International Trade in Services 2010 (MSITS)





### **Resources to address the challenge – data sources**

International organizations have a division of work to collate national statistics without burdening countries' statistical authorities.

- <u>Eurostat</u>: data for EU countries + candidates
- <u>OECD</u>: other OECD countries + associates
- <u>IMF BoP</u>: other countries/territories, mainly developing & LDCs
  - services detail required by IMF is limited
  - partner statistics are not included

#### UNCTADstat Data Center

- <u>UNCTAD and WTO</u> data sets combine these plus:
  - National data to improve detailed coverage
  - UNCTAD-WTO estimates



#### Visit us at: https://unctad.org/statistics

#### **Resources to address the challenge – support**



<u>Offering:</u> Full package for trade-inservices statistics, first developed with UEMOA commission



**Deliverables:** 

Harmonized questionnaire

Support in survey design and implementation

Recommendations for imputation and estimation

Modulable services statistics information system

Training and skills development

Dissemination guidance



Participants had access to manuals, multimedia presentations, tests, surveys, forum and webinars

### Where to go next?

Services trade too important not to be measured, especially for developing countries

- Means for structural transformation and stronger resilience and competitive advantage
- Need to manage the process of servicification, but on what basis when services are undermeasured
- Better data would provide a handle on what is happening to steer the process

Need to step up support to inform policy - Working Group on Services Data?

- What are the key data needs?
- What tools and resources are available?
- What support we can already provide and what else is needed?
- Where to get funding to invest in what matters?