UNITED NATIONS
DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS

STATISTICS DIVISION
TRADE STATISTICS BRANCH

TASK FORCE ON STATISTICS OF INTERNATIONAL TRADE IN SERVICES
Vienna, 26-27 March 2008

Note by UNSD

Proposal to postpone the submission of the updated Manual on Statistics of International Trade in Services to the 41st session of the UN Statistical Commission in 2010

Background

1. During the 36th session of the UN Statistical Commission in 2005, the Task Force on Statistics of International Trade in Services presented a report, in which a time line for updating of the Manual of SITS was proposed, including submission of the updated manual at the 40th session in 2009. The relevant text is given in the annex of this note. The Commission took note of the report.

2. From a parliamentary point of view this does not mean that the Commission requested a 2009 deadline. If the Task Force decides to change its current deadline to 2010, it may do so.

The 39th session of the UN Statistical Commission

3. During the discussion of the report on merchandise trade statistics at the 39th session of the Statistical Commission meeting (26-29 February 2008), a number of countries (Canada, Australia and Cuba) expressed the view that more coherence is needed between IMTS and SITS in the forthcoming revised manuals. In the UNSD view this implies that synergies, overlap and differences in all aspects (concepts, definitions, valuation, compilation methods, etc.) need to be discussed, clarified and – to the extent possible – agreed between the two Task Forces responsible for the revisions of the manuals.

4. Clarifying and possibly harmonizing the many issues which involve both goods and services are significant and long term tasks for both Task Forces. However, a strong statement of cooperation on these issues can be delivered by the Task Forces if both revised manuals and a joint report are submitted at the 41st session of the Commission in 2010.

5. There are a number of positive elements to this proposal of postponement. First, there will be more time to have a worldwide consultation on the full draft of the revised manual (which is a pre-requisite before submission to the SC). In the existing schedule, as presented in the 2005 Task Force report to the Statistical Commission, this worldwide consultation was foreseen for the period April-July 2008. The report of the Task Force meeting of September 2007 has a slightly shifted period from May to August 2008.

6. The question at this Task Force meeting is not only if the full draft will be ready by May 2008, but also if issues in relation to merchandise trade have been given due consideration. The completion of the revision process is working on a tight schedule and short-cuts on important elements of the update process may lead to problems at the Statistical Commission.

7. Secondly, some drafting of BPM6 and the updated SNA93 (and the handbooks with relation to FATS) are still underway and will only be finished during the course of this year. It would certainly be helpful if extra time would be available to assess all implications of the new publications and to further evaluate the consequences for the updated MSITS.

8. Finally, and maybe most importantly, the Task Forces on SITS and IMTS will have more time to discuss matters of common interest. The March meeting in Vienna is the first joint meeting between the two Task Forces. Whereas TFIMTS will have more than a year to consider issues brought about at the joint meeting, TFSITS would have only one month to possibly incorporate text on the overlapping issues of SITS and IMTS in the updated manual.

9. The main reason to keep MSITS on track would be that its publication would appear shortly after publication of BPM6 and SNA93, Revision 1.

Conclusion

10. It is proposed to submit the revised manuals of SITS and IMTS at the same time, namely at the 41st session of the UN Statistical Commission in 2010. It is further proposed to submit a joint report of the two Task Forces at the same Commission meeting, in which the efforts of cooperation of the two Task Forces is described and in which the differences and complementarities of merchandise trade and trade in services are explained.

ANNEX
Parliamentary context

In the report of the 36th session of the UN Statistical Commission (1-4 March 2005), the Commission took note of the report of the Task Force on Statistics of International Trade in Services, which mentioned the following on the updating of the Manual on Statistics of International Trade in Services:

> **Following the revision of BPM5, the activity and product classifications ISIC and the Central Product Classification (CPC), together with a planned chapter on the supply of services through the movement of natural persons, it will be necessary to update MSITS in order to maintain its usefulness and credibility for countries. The Task Force has agreed on a timetable to produce an updated MSITS by the end of 2008, for submission to the Statistical Commission in 2009. Apart from the above-mentioned driving factors and practical experience in implementing MSITS, because of its relative newness, the planned update would be limited in scope. In particular:**
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> - **The process would begin in 2005 with a review of EBOPS and issues to be included in scope of the updating;**
> - **June-December 2006: Task Force to review issues for revised MSITS and produce a draft outline of the updated MSITS, including EBOPS;**
> - **February-June 2007: consultations on the revised EBOPS and outline of the updated MSITS;**
> - **July 2007-March 2008: Task Force to review comments and draft the updated MSITS;**
> - **April-July 2008: worldwide consultation on first complete draft updated MSITS;**
> - **September-December 2008: Task Force to review comments and produce the final draft for submission to the Statistical Commission in 2009.**