



### SPECIAL FEATURE:

## UN ServiceTrade, A GLOBAL DATABASE ON INTERNATIONAL TRADE IN SERVICES

Since June 2007, a global database on International Trade in Services, UN ServiceTrade, is publicly and freely available at <http://unstats.un.org/unsd/servicetrade>. It displays data on International Trade in Services for around 80 countries over 2000-2006.

### I. Historical background

This worldwide database is an indirect product of the Interagency Task Force on Statistics of International Trade in Services (TFSITS), which was created in 1994 at the request of the General Agreement on Tariffs and Trade and the United Nations Conference on Trade and Development. Until 2002, the work of the Task Force focused on the development of a Manual on Statistics of International Trade in Services, which was approved by the United Nations Statistical Commission (UNSC) in 2002. This Manual sets out an international statistical framework for the compilation and dissemination of international trade in services data.

In 2003, the Task Force agreed that, as a part of the implementation plan of the Manual, the United Nations Statistics Division (UNSD), using its experience with the trade statistics database UN Comtrade (see International Trade Statistics Newsletter Issue number 7) would create a database of international trade in services in accordance with the (see the Report of the Inter-agency Task Force on Statistics of International Trade in Services to the UN Statistical Commission, issued as background document of the Statistical Commission 2004 at <http://unstats.un.org/unsd/statcom/doc04/trade-in-services.pdf>).

### II. A pilot version of UN ServiceTrade

A pilot version of this database (UN ServiceTrade) was tested throughout 2006 and the first half of 2007. Comments and suggestions received were used to enhance the database functionalities. This pilot version contained data for about 180 countries from 1948 to 2003, mostly based on the IFS publication. However, the database faced a number of problems:

1. Data came from five different sources (IMF, OECD, Eurostat, Caricom and National), often with discrepancies between sources.
2. Few categories were available.
3. Often, no breakdown by partners was provided.

With the goal of increasing the availability and the detail of data in UN ServiceTrade, UNSD sent out a general request for SITS data at the end of 2006. It was decided to limit the focus of this request to recent years (covering the period 2000-2005). The data were requested to contain official totals of exports and imports of services detailed by trading partners and categories of the Extended Balance of Payments Services Classification (EBOPS). However, if such detailed data were not available, UNSD would like to receive data in terms of the national classification. To ensure better comparability and understanding of the data by users, UNSD also requested explanatory notes (metadata) describing data sources, data compilation methods and classifications used.

Once received, the data processing included: (a) service codes to codes used in EBOPS, (b) country and area codes to UN 3-digit standard codes, (c) values expressed in terms of national currency to values in US dollars. Where necessary, certain adjustments were made to achieve

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a better compliance with MSITS recommendations.

### III. UN ServiceTrade: Data retrieval

#### a) Data access and extraction through the UN ServiceTrade website

There are two main tools for data extraction in UN ServiceTrade. The first one, "Shortcut query", allows the user to extract quickly data for a particular country. The default settings for it are "Total EBOPS services", partner World, most recent years and both imports and exports, but users can change these parameters. The second, "Express Selection", provides full flexibility in the selection of the query parameters data source, service category, reporter, partner, years and trade flows (exports and imports). Here, the convenient "Lookup" function supports users in their selection. The "Advanced Items" feature allows users to filter and sort the selected data. Within "Express Selection" the user can save queries for later use. To use this function, the user has to personalize his account (see Using "My ServiceTrade" to personalize data access and download).

An additional way of accessing data is checking the data availability (see below). All data can be easily downloaded (see Using "My ServiceTrade" of how to modify the download options).

#### b) Querying data availability

The "Data Availability" menu offers 6 options to check data availability and to access data: "Interactive", "In Graph", by "Reporters", "Services", "Years" and "Date of Loading". In each of these options users can consecutively narrow down their selection. Available data can immediately be ex-



tracted in whole or by specific element. A link to data availability is also offered within the sub menu "Service List" and "Country List" of the "Metadata and Reference" menu.

#### c) Description of services or countries, and country-specific metadata

In the "Metadata and Reference" menu users can choose either: "Service List" or "Country List" sub menu and view the complete list of UN ServiceTrade items and countries. The items in "Service List" are split into EBOPS Services, EBOPS Memorandum Items and Supplementary Items.

"Service List" and "Country List" offer access to the data (click at "Data availability") and metadata (click "Metadata") by data source.

#### d) Quick Search

The "Quick Search" function (available in all pages) was designed to provide a connection to any information in UN ServiceTrade, including glossary or help pages. You can type, for instance, 'Armenia', 'travel' or '2004' and "Quick Search" will give you results as soon as it finds corresponding data.

#### e) "My UN ServiceTrade"

The database also offers several features for personalization of data access and download under the menu "My UN ServiceTrade". The prerequisite for using these features is that the user enters his/her email address at the "My UN ServiceTrade" sub menu "Account Info". Then users can customize his/her download format (sub

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### UN ServiceTrade in summary

The current scope of UN ServiceTrade is resident to non-resident trade in services and some related data series, broken down by EBOPS category and partner country, starting with the year 2000, on an annual basis. The main sources of data and metadata are National Statistical Offices, Central Banks and the Statistical Office of the European Communities. All values are expressed in US dollars. Services are classified according to the Extended Balance of Payments Services Classification (EBOPS), EBOPS memorandum items and some additional BOP components, namely: compensation of employees, workers remittances, migrant's transfers and direct investment.



The Manual on Statistics of International Trade in Services can be downloaded from:  
<http://unstats.un.org/unsd/pubs/>

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menu “Download Format”) or view his download history (sub menu “Download History”). In addition, users can save their queries in “Express Selection” for later use.

V. Next steps: Improving data quality and availability

In the near future, the next steps to be taken in order to improve the availability and the quality of data in UN ServiceTrade are the following:

- Enhance the data availability in UN ServiceTrade: more countries, more details by category and by partners;
- Enhance the data quality and comparability by more systematically providing metadata and explanatory notes;
- Provide to the users as well as the compilers a knowledge base in which they will find useful information about compilation of International Trade in Services statistics.

UNSD activities on Statistics of International Trade in Services Include:

#### *Methodological Work*

- ✓ Revision of the Manual on SITC

#### *Data Collection, Processing, and Dissemination*

- ✓ UN ServiceTrade database

#### *International Cooperation*

- ✓ Task force on Statistics of International Trade in Services
- ✓ Workshops on Compilation

For more information, visit  
<http://unstats.un.org/unsd/tradeserv/>

## COOPERATION WITH COUNTRIES AND AGENCIES: **REGIONAL WORKSHOP ON STATISTICS OF INTERNATIONAL TRADE IN SERVICES, TUNIS, 16-20 APRIL 2007**

UNSD participated in a regional workshop for African countries on Statistics of International Trade in Services (16-20 April in Tunis), organized by the Joint African Institute (ADB, IMF, World Bank). Current and forthcoming recommendations of Balance of Payments (BOP) and Statistics of International Trade in Services (SITS), as well as compilation issues, were part of the agenda.

Participants from 22 African countries included officials from Central Banks, National Statistical Offices, and Ministry of Economy and Planning. Presenters from international organizations came from IMF, WTO, UNWTO and UNSD.

WTO focused on GATS and Modes of Supply, while UNSD emphasized the importance of SITS in economic analyses, the Manual of SITS, the BOP, EBOPS and CPC classifications, data sources, Business

Registers and enterprise surveys. IMF addressed the coverage of BOP items Transportation, Travel and Other Services.

During discussions it was noted that countries mainly cover Transportation, Travel, Insurance services and Royalties and franchise fees. However, coverage and compilation differ largely among countries, due to different choices of data sources (e.g., ITRS, Surveys or administrative sources) and estimation methods.

In the workshop, the need for better institutional arrangements, better rapport with respondents of surveys and users of data and more efforts to setup business registers was identified. In particular, African countries require support in setting up business registers, integrating available administrative sources and grossing-up of basic ITRS data.

## COOPERATION WITH COUNTRIES AND AGENCIES: TASK FORCE ON INTERNATIONAL MERCHANDISE TRADE STATISTICS, ROME, 17-19 APRIL 2007

The annual meeting of the Task Force on International Merchandise Trade Statistics was held this year in Rome, Italy, from April 17 to 19, under the auspices of the Food and Agriculture Organization (FAO).

The Task Force, which was created in 1992 to improve international cooperation in the collection, processing and dissemination of international merchandise trade statistics, is convened by the World Trade Organization and gathers specialists of International Merchandise Trade Statistics from Eurostat, FAO, the International Monetary Fund, the Organisation for Economic Cooperation and Development, the United Nations Statistics Division, the UN Conference on Trade and Development, and the UN Regional Commissions.

This year, UNSD presented 14 reports on the various subjects of the agenda. Some of the most relevant topics discussions included the following:

- The timetable and procedures for revising the Concepts and Definitions of International Merchandise Trade Statistics (IMTS, Rev. 3), to be finalised by 2009 and adopted by the Statistical Commission in 2010.

- The inclusion in the forthcoming Manual on Export and Import Price Indices of an additional chapter on the uses, advantages and disadvantages of unit value indices in merchandise trade statistics.
- The new, interactive inter-agency Common Data Set, available since early March on the Task Force's website.
- The Task Force's future role in the international statistical framework to redefine its terms of references for taking account of changed economic environments and emerging analytical needs.

The meeting, was opened by Haluk Kasnakoglu, Director of Statistics at FAO. He highlighted the importance of inter-agency cooperation in data collection and the excellent co-operation of OECD, UNSD, and FAO in this respect. He also described FAO's implementation of a classification scheme based on the Harmonised System that allows to integrate related FAO statistics.

The Inter-Agency Task Force on  
International Merchandise Trade Statistics

## COOPERATION WITH COUNTRIES AND AGENCIES: WORKSHOP ON INTERNATIONAL MERCHANDISE TRADE STATISTICS, LIMA, 7-11 MAY 2007

With the cooperation of ECLAC and the Andean Community (CAN), UNSD conducted a regional workshop on International Merchandise Trade Statistics on 7-11 May in Lima, where current and possible new recommendations of International Merchandise Trade Statistics (IMTS) and Balance of Payments (BOP), as well as other compilation issues, were clarified and discussed.

In the workshop participated 16 countries from Latin America and the Caribbean, plus Canada, with delegates from National Statistical Offices, Central Banks and Customs Administrations. The international organizations attending the workshop were UNSD, CAN, UN/ECLAC, ALADI, Eurostat, OECD, as

well as two consultants of the ANDESTAD project.

The main purpose of the workshop was to clarify existing recommendations of IMTS and to explore new recommendations for the 2010 revision of the manual. Emphasis in this regard was given to (i) conceptual differences between IMTS and Balance of Payments, (ii) preference for reporting according to the General Trade System and its coverage, and (iii) time of recording.

There were excellent presentations of country experiences in Goods for processing, Data Quality Control, Valuation, and Foreign Trade Index calculation. The follow-

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Download the minutes of the meetings of the Inter-Agency Task Force on International Merchandise Trade Statistics from [http://imts.wto.org/task\\_e.htm](http://imts.wto.org/task_e.htm)

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ing are the main recommendations that result from the discussions:

- To report inward processing as subset of imports and outward processing as subset of exports;
- To report country of imports (origin) and country of exports (final destination) for re-exports;
- To clarify the exclusion of repairs, as well as inclusion/exclusion of bunkers;
- To report Imports both in FOB and in CIF terms;

- To improve data quality by enhanced checking of customs declaration;
- To clarify and improve the methodology to calculate foreign trade Price Indices.

At a side meeting, the CAN secretariat expressed interest in strengthening the co-operation with UNSD, specifically by developing a training. Furthermore, in its presentation ALADI made reference to the ongoing process aimed towards a Memorandum of Understanding between UNSD and ALADI.

## COOPERATION WITH COUNTRIES AND AGENCIES: WCO COUNCIL MEETING, 28-30 JUNE 2007

The World Customs Organization (WCO) held the 109th /110th Sessions of the Customs Co-operation Council at its Headquarters in Brussels, from 28-30 June 2007. The sessions provided an opportunity for high-level debate on strategic issues and for reviewing the work done by the different WCO Committees during the past year.

In the meeting, the WCO reported about the progress of its Columbus program, which reviews the status of customs administration in 100 countries and whose results will be of significance for UNSD's own activities of aimed at improving the compilation of International Merchandise Trade Statistics (IMTS) in all countries.

A number of recommendations relevant for IMTS compilation were discussed and adopted in the sessions. These include rules of origin and issues on valuation, the

Harmonized System, trade facilitation, and enforcement of customs regulations.

As the compilation of trade statistics is only one among several priorities of national customs administrations, it is important that trade statisticians actively participate in forums like this, so the needs of the statistical community can be taken into account.

For UNSD, for instance, it is highly important to preserve the quality of trade data in the UN Comtrade database. Thus, the WCO Council meeting provided an excellent opportunity for UNSD to discuss with staff of WCO issues of common concern, namely (1) WCO's contribution to the Supplement of the Compilers Manual, (2) the exact procedures and deadlines for submitting changes to the revised HS 2012 classification and (3) the data provision to the WCO.

## YOU HAVE ASKED US:

### HS CLASSIFICATION AT THE 6-DIGITS LEVEL AND HIGHER

**Q:** Regarding the HS classification, will I always find a 6 digit detailed commodity code in the trade data? Can it happen that there is only one subcategory (at 6 digit level) within a 5 digit code? For example, a case would be for code 12333.

**A:** The HS classification is completely built on 6-digit codes, which are aggregated first to a 4-digit level, and then to the 2-digit level. Please note that the HS classification does not have a 5-digit level (and also not a 1- or 3-digit level).

Yes, it is possible to have only one sub-category at the 6 digit level. Examples are codes 100300, 251400 or 270900 (the last one is the "Crude Oil" code). These three codes are reflected in exactly the same sense at the 4-digit level, as 1003, 2514 and 2709 respectively. As you may notice, these unique 6 digit codes always end in 00.

The Harmonized System classification is available at the World Customs Organization website:



## YOU HAVE ASKED US: AGGREGATION OF SITC SUBCATEGORIES

**Q:** Is it possible to find cases where subcategories of SITC do not add up the next higher category level?

**A:** Yes, it is possible. The table below gives an example of exports of Brazil in 2006 of SITC code 676 (Iron and steel bars, rods, angles, shapes and sections), and all available detail at the 4-digit level.

Brazil's Total Exports, 2006

SITC Code	Trade Value (Millions US\$)	Net Weight (Tons)
676	\$1,205.3	2,205,849
6761	\$443.3	896,211
6762	\$68.5	101,830
6763	\$63.2	22,139
6764	\$9.6	2,554
6768	\$202.6	389,325

This happens because (1) Brazil collects and reports data using the HS-2002 classification, and (2) a good correlation between the HS-2002 and SITC, Rev.3 at the detailed SITC level exists only for a sub-set of codes; all other HS-2002 codes in this area must be allocated to the SITC code 676. As a result, while total trade value for code 676 is correctly reflected, only for some 4-digit 676x codes trade can be reproduced.

## UPCOMING EVENTS:

### OECD INTERNATIONAL TRADE STATISTICS EXPERT MEETING, PARIS, 17-18 SEP. 2007

The 8th OECD International Trade Statistics Expert Meeting (ITS) will be held on 17-18 September 2007 at the OECD, Tour Europe, Paris La Défense. As in recent years, the meeting will include a joint session with the OECD-Eurostat Experts in Trade in Services Statistics, in which topics of relevance for both groups will be addressed.

The proposed creation of a Working Party on International Trade in Goods and Trade in Services Statistics will be one of the first topics on the Agenda. Also of particular interest will be the presentation of exhaustive

reports on quality reviews for OECD's yearly and monthly trade statistics.

Other important issues that will be discussed include: (1) the linking of trade and business statistics, (2) recent work on globalization and trade, (3) the revision of the Balance of Payments Manual, (4) the statistical treatment of transactions involving goods for processing, and (5) the revision of the manual on Statistics of International Trade in Services and work on remittances.

The detailed meeting agenda is available under <http://www.oecd.org/std/its>.

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## EDITORIAL NOTE

The Trade Statistics Newsletter is a quarterly publication prepared by the International Trade Statistics Section of the United Nations Statistics Division – Department of Economic and Social Affairs. This Newsletter is not an official document of the United Nations nor does it express the official position of the United Nations. Editorial team: Vladimir Markhonko, Ronald Jansen, Markie Muryawan, Matthias Reister, Alain Gaugris and Luis González (Executive Editor).

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