Eurostat activities

Fourth Meeting of the United Nations Committee of Experts on Business and Trade Statistics
Day 4, 8 July 2021
OUTLINE

Overview of activities and legislative background

- STEC
- Services by BEC Rev. 5
Asymmetries analysis

Overview of Activities

ITSS

Add: enterprise characteristics (STEC)

Add: Modes of Supply

ITSS by BEC Rev. 5

Classifications

Correspondence tables

EBOPS
CPA
BEC
NACE

Methodology

Compliance
Quality reporting
- **International Trade in Services**
- **The data collection remains the same**

- **November 2019**
- European Business Statistics (EBS) Regulation 2019/2152
- **2 NEW data collections:**
  - Trade in services by enterprise characteristics (STEC)
  - International Supply of Services (ISS) by Mode of Supply

- **July 2020**
- General implementing act (GIA) of the EBS Regulation - Commission Implementing Regulation 2020/1197
- Defines the data requirements

- **2022 onwards**
- Full implementation:
  - International trade in services statistics
  - Trade in services by enterprise characteristics (STEC)
    - 1st reference year: **2022**
  - International Supply of Services by Mode of Supply
    - 1st reference year: **2023**
Already achieved

Regulation 184/2005

ITSS

To prepare the Modes breakdown (open issues)

Distribution Services

CiF/FoB

Remove/single out goods (Maintenance; Travel; Construction)

TARGET

• Mode 1 (ITSS)
• Mode 2 (ITSS)
• Mode 3 (FATS)
• Mode 4 (ITSS)

International Supply of Services

• Solve open issues
• Draft a Compilers Guide

TF

Annual data on imports and exports of International Supply of Services by Mode of Supply (MSITS 2010/GATS concept)

• 2021 – 1st edition
• 2023 – update
Task Force on Modes of Supply

- Draft the MoS Compiler’s Guide

- Members:
  - OECD, WTO, UNSD
  - DG TRADE
  - 14 EU/EFTA countries; US BEA; Statistics CA

- Meeting of 25 March 2021

- (Almost) final draft – June 2021
  - Comments by ITSS and FATS WGs, discussed at July ITSS meeting

- Finalise text by Sep 2021

- Publish by end 2021
Modes of Supply compilers guide

- Eurostat-WTO model – MSITS simplified model
- Adjustments:

- ITSS from BoP
  - Remove Goods
  - FATS
    - local turnover
    - remove goods

Advanced techniques (e.g. surveys)

Construction (partly Mode 3)
## Eurostat-WTO model (simplified version)

<table>
<thead>
<tr>
<th>Level</th>
<th>Category</th>
<th>Category description</th>
<th>EBOPS 2010</th>
<th>Mode type (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>SSW</td>
<td>Services (including distribution services)</td>
<td></td>
<td>M1</td>
</tr>
<tr>
<td>2</td>
<td>SA</td>
<td>Manufacturing services on physical inputs owned by others</td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>2</td>
<td>SB</td>
<td>Maintenance and repair services n.i.e.</td>
<td></td>
<td>90</td>
</tr>
<tr>
<td>3</td>
<td>SC</td>
<td>Transport</td>
<td></td>
<td>90</td>
</tr>
<tr>
<td>2</td>
<td>SD</td>
<td>Travel</td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>3</td>
<td>SD1</td>
<td>Goods (to be removed from travel)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>SE</td>
<td>Construction</td>
<td></td>
<td>50</td>
</tr>
<tr>
<td>2</td>
<td>SE</td>
<td>Construction (special case of intra-EU trade)</td>
<td></td>
<td>10</td>
</tr>
<tr>
<td>2</td>
<td>SF</td>
<td>Insurance and pension services</td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>2</td>
<td>SG</td>
<td>Financial services</td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>2</td>
<td>SI</td>
<td>Telecommunications, computer, and information services</td>
<td></td>
<td>80</td>
</tr>
<tr>
<td>2</td>
<td>SJ</td>
<td>Other business services</td>
<td></td>
<td>80</td>
</tr>
<tr>
<td>2</td>
<td>SK</td>
<td>Personal, cultural, and recreational services</td>
<td></td>
<td>75</td>
</tr>
<tr>
<td>3</td>
<td>SK1</td>
<td>Audio-visual and related services</td>
<td></td>
<td>70</td>
</tr>
<tr>
<td>4</td>
<td>SK11</td>
<td>Audio-visual services</td>
<td></td>
<td>70</td>
</tr>
<tr>
<td>4</td>
<td>SK12</td>
<td>Artistic related services</td>
<td></td>
<td>70</td>
</tr>
<tr>
<td>3</td>
<td>SK2</td>
<td>Other personal, cultural, and recreational services</td>
<td></td>
<td>75</td>
</tr>
<tr>
<td>4</td>
<td>SK21</td>
<td>Health services</td>
<td></td>
<td>75</td>
</tr>
<tr>
<td>4</td>
<td>SK22</td>
<td>Education services</td>
<td></td>
<td>75</td>
</tr>
<tr>
<td>4</td>
<td>SK23</td>
<td>Heritage and recreational services</td>
<td></td>
<td>75</td>
</tr>
<tr>
<td>4</td>
<td>SK24</td>
<td>Other personal services</td>
<td></td>
<td>75</td>
</tr>
<tr>
<td>2</td>
<td>SL*</td>
<td>Government goods and services n.i.e. debits (commercial services only)</td>
<td></td>
<td>10</td>
</tr>
<tr>
<td>2</td>
<td>SW**</td>
<td>Distribution services</td>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

* Distribution services (SW) is added for the Eurostat-WTO model.
About 60% of the EU services exports to non-member countries were supplied via commercial presence (Mode 3)

EU-27 exports of services to non-member countries, 2017

Note: Estimates using the simplified Eurostat model. Modes 1, 2 and 4: ITSS exports, adjusted by excluding goods and including distribution services from trade in goods statistics. Mode 3: outward FATS data.
STEC


➢ Voluntary data collection

➢ STEC disseminated as experimental statistics:
  ➔ 15 countries; 2018 data

-European Business Statistics Regulation:
  ➔ STEC becomes an official statistic
  ➔ First reference year: 2022

✓ Publish all available data – Q2 2022
✓ Increased coverage – Q2 2023
Services trade by enterprise size class and country, partner "rest of the world", Exports (%)

Note:
Estonia, Finland, Lithuania, the Netherlands and Poland- 2018 data; Ireland and Luxembourg - 2017 data; Denmark and Norway - 2016 data; Belgium, Iceland, Hungary, Sweden - 2014 data; Austria and Czechia - 2013 data.
Source: Eurostat
Services by BEC Rev. 5

➢ BEC Rev. 5 includes services (and goods)
  ➢ Intermediate vs. final use
  ➢ Intermediate services → indication of GVC

- Pilot dataset for EU Services by BEC, 2019

- Based on BEC5 correlation table to EBOPS:
  https://unstats.un.org/unsd/trade/classifications/bec.asp#documents
Work on an improved allocation

➢ An EBOPS item may correspond to 2 or more BEC items, eg:

<table>
<thead>
<tr>
<th>EBOPS Description</th>
<th>CPC Code</th>
<th>CPC Description</th>
<th>BEC 5</th>
<th>End-Use</th>
<th>BEC 5 Review DESC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing services on physical inputs owned by others</td>
<td>88</td>
<td>Manufacturing services on physical inputs owned by others</td>
<td>421</td>
<td>INT</td>
<td>Textile, apparel, shoes</td>
</tr>
<tr>
<td>Moulding, pressing, stamping, extruding and similar plastic manufacturing services</td>
<td>892</td>
<td>Moulding, pressing, stamping, extruding and similar plastic manufacturing services</td>
<td>221</td>
<td>INT</td>
<td>Mining, quarrying, refinery, fuels, chemicals, electricity, water, waste treatment</td>
</tr>
<tr>
<td>Casting, forging, stamping and similar metal manufacturing services</td>
<td>893</td>
<td>Casting, forging, stamping and similar metal manufacturing services</td>
<td>221</td>
<td>INT</td>
<td>Mining, quarrying, refinery, fuels, chemicals, electricity, water, waste treatment</td>
</tr>
<tr>
<td>Packaging services</td>
<td>854</td>
<td>Packaging services</td>
<td>521</td>
<td>INT</td>
<td>Transport equipment and services, travel, postal services</td>
</tr>
</tbody>
</table>

➢ Previously a proportional allocation was used in these cases – not evidence-based
Work on an improved allocation

- Eurostat developed estimates of the allocation shares based on STEC data, supply-use tables, and modelling:

<table>
<thead>
<tr>
<th>EBOPS Description</th>
<th>modelled allocation share (%)</th>
<th>CPC Code</th>
<th>CPC Description</th>
<th>BEC 5 End-Use</th>
<th>BEC 5 Review DESC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing services on physical inputs owned by others</td>
<td>5%</td>
<td>88</td>
<td>Manufacturing services on physical inputs owned by others</td>
<td>421 INT</td>
<td>Textile, apparel, shoes</td>
</tr>
<tr>
<td>Manufacturing services on physical inputs owned by others</td>
<td>60%</td>
<td>892</td>
<td>Moulding, pressing, stamping, extruding and similar plastic manufacturing services</td>
<td>221 INT</td>
<td>Mining, quarrying, refinery, fuels, chemicals, electricity, water, waste treatment</td>
</tr>
<tr>
<td>Manufacturing services on physical inputs owned by others</td>
<td>893</td>
<td>Casting, forging, stamping and similar metal manufacturing services</td>
<td>221 INT</td>
<td>Mining, quarrying, refinery, fuels, chemicals, electricity, water, waste treatment</td>
<td>Services</td>
</tr>
<tr>
<td>Manufacturing services on physical inputs owned by others</td>
<td>35%</td>
<td>854</td>
<td>Packaging services</td>
<td>521 INT</td>
<td>Transport equipment and services, travel, postal services</td>
</tr>
</tbody>
</table>

- Work on calculating EU services by BEC is ongoing
- Data on EU services by BEC to be published by 2021
NOW

ITSS by EBOPS

STEC and MoS
(some data provided on voluntary basis)

FUTURE

ITSS by EBOPS & BEC

STEC

MoS
Thank you for your attention!

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