Trade related classifications
EBOPS (Services)
SITC Rev 5 (Services)

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Relationship among (trade) product classifications

- Primary classification in data collection
  - HS
  - EBOPS

- Analytical classifications
  - SITC
  - BEC
  - W/120
  - CPC goods/services
EBOPS = Extended Balance of Payments Services

Based on the forthcoming BPM7
BOP and EBOPBS Services

- Mainly product-based, and three of them transactor-based
  - There was a push in BPM7 to make it purely product-based, but it was rejected

- EBOPS further breaks down the services categories in connections with GATS (General Agreement on Trade in Services)
Summary of BOP Guidance Note C6 Update

- Moderate changes on the first level of breakdown
  - Because countries focus first to compile the first level before the deeper granular level
  - In Telecommunications, computer, and information services
  - In Other business services

- No changes on the information needed by globalization and digitalization
  - Follow the CPC revision

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<thead>
<tr>
<th>BPM6</th>
<th>Proposed Changes</th>
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<tbody>
<tr>
<td>1.A.b.9 Telecommunications, computer, and information services</td>
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<tr>
<td>1.A.b.9.1 Telecommunications services</td>
<td>1.A.b.10 Computer, and information services</td>
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<td>1.A.b.9.2 Computer services</td>
<td>1.A.b.10.1 Computer services</td>
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<td>1.A.b.9.3 Information services</td>
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<td>1.A.b.12 Professional and management consulting services</td>
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<td>1.A.b.13 Trade-related services</td>
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<td>1.A.b.10.3 Technical, trade-related and other business services</td>
<td>1.A.b.14 Operating leasing services</td>
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Status

- Further consider progress in BMP7 drafting
- Intention of waiting until ISIC and CPC are finalized this/following year;
- ISIC (classes and the explanatory notes) being finalized in 2022 for UNSC endorsement in 2023.
- Also, CPC being finalized in 2023 for UNSC endorsement in 2024
Issues (of high importance)

- Scope between goods, services, and other products
- Treatment of bundled services (travel, construction)
- Treatment of services with new delivery systems, including digital trade
- Treatment of intermediation of services
- Alternative aggregations to facilitate various user needs, including for GVCs, gender, environment and other purposes
SITC = the Standard International Trade Classification

Based on the forthcoming HS 2027
Background

• Analytical framework classification

• Indications are that many users still find the classification useful for analytical purposes
  ❑ In a decennial survey (2016-2017), 82 out of 108 respondents publish data in SITC
  ❑ The global consultation on ITS research topics in Dec 2021 re-affirmed the need for SITC revision

• The last revision of SITC 4 was undertaken in 2006, aligning with HS 2002
Issues

• Deteriorating correspondence with newer version of HS
  ❑ Amendments in HS 2022, notably on electronic components
  ❑ Increasing number of 1:N and N:N relationships
• Revision cycles, if required

Relationships between HS editions and SITC 4

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<th>1ToN</th>
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Summary / Discussion

The outcome of global consultation on research topics in Dec 2021 shows that SITC is actively being used by compilers/users.

The plan is to align the next revision of SITC with HS 2027

Another issue is about the revision cycle:

Should it be aligned with HS in a fixed cycle or depending on the scale of drifting with HS?
Thank you