Integration with Business Statistics: Horizontal dimension
MANDATE OF THE TASK TEAM ON INTERNATIONAL TRADE STATISTICS (TT ITS):

Revise trade statistics manual: IMTS 2010 and MSITS 2010 in collaboration with other stakeholders

Enhance the integration between trade and business statistics

Promote capacity building activities and collaborate on ongoing technical assistance projects

Coordinate the Integration of work program with other entities
Defining a list of research items for revision of the:

- IMTS 2010
- MSITS 2010

List incorporating the research agenda on:

- digitalization
- globalization
- well-being and sustainability
- extended business registers

Topics for research broken down by vertical/horizontal integration
• Strategy for the Task Team on International Trade Statistics:

  • Define list of guidance notes
  • Set priorities and modalities

• Vertical integration:
  • Specific issues regarding BPM/SNA
  • ISIC/CPC
  • Timeline depends on their completion

• Horizontal integration:
  • More flexible
  • Need to align with other existing initiatives
HORIZONTAL INTEGRATION OF ITS:

- Globalization
- Digitalization
- Well-being & Sustainability
- Extended business registers

RESEARCH TOPICS:

- Digital trade and e-commerce
- Global value chains
- Linking trade and business – TEC/STEC and beyond
- Well-being
- Sustainability
- FATS
- Classification BEC Rev. 5; Business Function
- Classification linked to ISIC/CPC
h.1 Digital Trade Including Conceptual Framework, Price And Volume Measurement (Goods And Services)

- IMTS 2010 does not consider new emerging topics such as e-commerce and digital trade.
- The first one is most used, but the second one needs a better and consensual definition.
- The challenge will be not only well defined the concept of digital trade but how to measure it.
- Nevertheless, it already exists prices on the market for ICT goods and services, which could be helpful as a starting point.
h.2 Global Value Chains (Goods And Services)

- GVC have become a dominant international trade issue during these three last decades.
- It is essential to consider this topic as part of the IMTS update and align with the new version of the SNA and BPM.
- GVC are part of the globalization process.
- This new way of production is done mainly by multinational enterprises - have well developed national SBR linked to Global Group Registers.
h.3 Linking Trade And Business Statistics (Goods And Services)

- Increasing interest for the international community to link trade and business statistics.
- IMTS 2010 and MSITS 2010 recognized the importance of this development.
- Trade by Enterprise Characteristics (TEC) and Services Trade by Enterprise Characteristics (STEC).
- Linking trade and business statistics: to access information on businesses' demography and dynamics, which could complement the trade data, enriching businesses' analysis on trade.
- Several options for linking trade (SBR, SBS, etc.).
h.4 Impact Of Trade On Environment And Sustainability (Goods And Services)

- Trade intersects with the environment and climate change in a multitude of ways.
- Trade is also directly related to many sustainable development goals (poverty reduction, food security, decent work, responsible consumption and production, life below water and on land).
- The current level of details and structure of trade data does not allow in-depth analyses of these relationships.
- Improvements to trade classifications should be explored or development of new classifications, and the inclusion of additional details in trade data can facilitate these analyses.
- Micro-data linking.
h.5 Impact Of Trade On Well-Being, Labor, Gender And Productivity (Goods And Services)

- International trade as an engine for inclusive economic growth and poverty reduction.
- An important mean to achieve the Sustainable Development Goals (SDGs), with linkages to people's wellbeing directly or indirectly.
- Linkages of trade and wellbeing are less developed and require some consideration, in collaboration with other groups (Task Teams on well-being and sustainability).
- Includes also trade in goods and services produced under infra-labor conditions.
h.6 Foreign Affiliates Statistics (FATS) (Goods And Services)

- Multinational enterprises (MNEs) pose growing challenges for the compilation of macroeconomic statistics, especially in how to attribute their activities to specific economies.
- Direct investment and Activities of MNEs statistics provide valuable insights into the operations and financing of MNEs.
- Differences between the two sets of statistics, that can make it difficult to use them together.
- Reconciliation of the two sets of statistics could provide comprehensive and consistent data on the financing and operations of MNEs.
- Possibility of separately identifying foreign-controlled corporations, domestic MNEs, and other corporations in the Institutional Sector Accounts.
h.7 Classification: BEC Rev.5, Business Functions (Goods And Services)

• The fifth revision of the BEC (BEC Rev.5) is the outcome of a long and complex review process.
• Experimental correspondence tables between BEC Rev.5 and HS/ CPC/ EBOPS /ISIC have been developed based on the principle of the predominant use of goods.
• There is a need to pilot and implement trade data conversion and dissemination.
• The work on the Classification of Business Functions (CBF) is ongoing including a global consultation on the draft structure.
• The CBF is intended to facilitate the specific analysis of outsourcing and GVCs and to support integration of international trade, businesses and globalization.
h.8 Impact Of ISIC And CPC Revisions (Goods And Services)

- ISIC and CPC are under revision with the timeline of completion in 2022.
- It is expected that new industrial activities would be added in ISIC with corresponding products breakdown in CPC.
- It is important to analyze the impact of such revisions to the IMTS and SITS.
NEXT STEPS:

Experts (TT – ITS) would work on specific guidance notes:

✓ Development of the list of issues regarding each guidance note
✓ Drafting of the guidance notes
✓ Consultation phase is envisaged
✓ Inclusion in the Manual/Compilation Guide Update
Thank you for your attention!

SIDE EVENT OF THE 53RD SESSION OF THE UN STATISTICAL COMMISSION
15 FEBRUARY 2022

CRISTINA.NEVES@INE.PT