



TRADE IN SERVICES STATISTICS: LEBANON'S EXPERIENCE

OUTLINE

1. Legal and Regulatory framework
2. Methodology
3. Compilation Practices and Data Sources
4. Collaboration with data providers
5. Dissemination of Statistics

1. LEGAL AND REGULATORY FRAMEWORK

- Banque du Liban (BDL) is the agency designated to compile and disseminate the balance of payments including trade in services statistics.
- Banque du Liban has the authority to collect data from the public sector, banks, and financial institutions.
- The Central Administration of Statistics (CAS) has the responsibility to conduct surveys targeting the private sector.

BDL circulars related to BOP/Trade in Services Statistics

- *Residence circular: 24/1996, Classification of Residents and Non-Residents.*
- **Payment cards:** 63/1997, *payments and withdrawals using credit and debit cards, through automated teller machines (ATM), points of sale (POS), over the counter, internet and other.*
- **Cash Electronic Transfers (CET):** 69/2000, *Electronic transfers through money transfer companies (MTC).*
- **International Transactions Reporting System (ITRS):** 90/2002, *Transactions passing to, from and within the Lebanese banking sector between residents and non-residents according to their economic purpose.*

2. METHODOLOGY

- BOP is compiled in accordance with the definitions and classifications of the fifth edition of the IMF's Balance of Payments Manual:
 - BPM5 presentation (since 2002)
 - BPM6 presentation (ongoing project)
- BOP is:
 - compiled on a monthly basis in millions of US dollars.
 - available six months after the reference period.
 - covers all types of transactions between residents and the rest of the world.
 - Data are recorded at the date of payment or receipt
 - Transactions in foreign currencies are converted at market exchange rates (on the transaction date if available. If not, average rates for the shortest period applicable are used.)

3. COMPILATION PRACTICES AND DATA SOURCES

Services

- The Four GATS Modes of Supply of Services:
 - The General Agreement on Trade in Services (GATS) by the World Trade Organization (WTO) defines the four following modes of supply of services in the Manual on Statistics of International Trade in Services (MSITS):

Mode 1: Cross Border Supply	Captured through ITRS, trade operations, BDL departments, payment cards circular, and a model for travel
Mode 2: Consumption abroad	
Mode 3: Commercial presence	
Mode 4: Presence of natural persons	FDI, the Foreign Affiliates Trade Statistics (FATS) is an ongoing project

3. COMPILATION PRACTICES AND DATA SOURCES

Services

- **Transportation Services:**

- in terms of **sea**, **air**, and **other** transport
- classified by passenger, freight
- derived from Public Sector Operations (PSO), International Transactions Reporting System (ITRS), and Customs.
- Estimation:
 - **Freight payments** are estimated as a percentage of the value of imports c.i.f. weighted by type of carrier.

- **Insurance Services:**

- in terms of: Life insurance, Pension funding, Freight insurance, Reinsurance, and Other insurance
- derived from Public sector Operations, ITRS, Insurance Control Commission and Customs.
- **Freight insurance** is estimated by applying a percentage rate on the value of imports c.i.f. weighted by port

3. COMPILATION PRACTICES AND DATA SOURCES

Services

• Travel Services:

Travel	Sub-Item	Sources of Data
Business		PSO and ITRS/travel for business reasons
Personal	Health	PSO and Cash Electronic Transfers (CET)/medical & hospitalization
	Education	PSO and Cash Electronic Transfers (CET)/study
	Other	Banks / Payment Cards <ul style="list-style-type: none"> • Payments inside Lebanon by non-residents, using cards issued in Lebanon and abroad • Payments outside Lebanon by residents, using cards issued in Lebanon
		MTC / CET Cash Electronic Transfers (inflows and outflows) per nationality on a monthly basis with purpose "Travel and Tourism"
		Banks / ITRS Travel for personal reasons
		General Security and Ministry of Labor Estimation Model : Assignment of estimated travel spending amounts per nationality

3. COMPILATION PRACTICES AND DATA SOURCES

Services

- **Other Services:**
 - Communication services (Postal and courier services, Telecommunication services)
 - Construction services
 - Financial services
 - Computer and information services
 - Royalties and license fees
 - Other business services (research and development, professional and management consultancy, technical, Merchanting and other trade-related services)
 - Personal, cultural and recreational services (audio-visual and other services)
 - Government services (embassies and consulates, military units)

4. COLLABORATION WITH DATA PROVIDERS

Services

Payment cards and Cash Electronic Transfers data

- Data Collection:
 - Transactions' data are received electronically from banks and money transfer companies (MTC) on a monthly basis.
- Control Steps:
 - Follow-up is made on late submissions.
 - Data quality control is made to detect any discrepancies.

4. COLLABORATION WITH DATA PROVIDERS

Services

ITRS

- Data Collection:
 - Banks' monthly data is sent quarterly within a delay of one month after the concerned quarter.
 - Data is received through a secure program between BDL and the respondent banks (E-STR) that includes encrypted security.
- Control Steps:
 - Follow up with late respondents.
 - Units check: ITRS Data is in thousands of USD.
 - Top 10 banks data analysis (with regards to historical reporting).
 - Codes, sectors and countries' distribution study.
 - Data entry into two parallel databases for cross-checking

5. DISSEMINATION OF STATISTICS

CENTRAL BANK OF LEBANON:

Bop / Trade in Services Statistics dissemination:

- **Annually:** Detailed BOP sent to the IMF and the AMF and several international organizations
- **Quarterly:** Summarized BOP report, trade and portfolio investments' data published.
<http://www.bdl.gov.lb/downloads/index/9/148/Quarterly-Bulletins.html>
- **Monthly:** time series data disseminated on the BDL's website
<http://www.bdl.gov.lb/app/webroot/statistics/>

5. DISSEMINATION OF STATISTICS

CENTRAL ADMINISTRATION OF STATISTICS:

For National Accounts purposes:

- Imports/exports of services used to compile **GDP by expenditure side, GNI and GNDI, Supply and Use tables.**
- **Annually** published within the **Rest of the World** Account and NA tables.
- **Quarterly** disseminated within **National Accounts tables** .
- **Smooth and regular coordination between BDL and CAS**
- **Discrepancy detection exercise: difference in the estimation of travel services (SUT vs Model)**
- **Published in Lebanese currency** after multiplying the values published by BDL in US dollars by the weighted calculated exchange rate due to exchange rate fluctuations.