



United Nations Statistical Commission

Forty-First Session
23 - 26 February 2010

Seminar on International Trade statistics:

Finding answers for a changing world,
new challenges and opportunities



Thursday, 25 February 2010
Conference Room A
Temporary North Lawn Building
3:00 - 5:00pm

web: <http://unstats.un.org>

United Nations Statistics Division
Department of Economic and Social Affairs

From MSITS 2002 to MSTIS 2010

Seminar on International Trade Statistics: Finding answers for a changing world, new challenges and opportunities, 25 February 2010, New York



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Outline of the presentation

- **MSITS 2002**
- **Update of the Manual**
- **Main changes in MSITS**
- **MSITS 2010 at the 41st Session of the Statistical Commission**
- **Structure of MSITS 2010**
- **Timetable of the revision of MSITS 2008 – 2010**
- **UN ServiceTrade database**
- **Implementation**



Birth of the Manual



- ❖ Published in 2002 jointly by seven international organizations (Task Force on Statistics of International Trade in Services (TFSITS))
 - ❖ Eurostat, IMF, OECD, UNCTAD, UNSD, UNWTO, WTO

- ❖ Response to increased needs
 - ❖ Globalization – demand for more comprehensive and better integrated approach to statistical issues
 - ❖ Needs of GATS which became effective in 1995



Need to update the manual

After implementing the manual many changes occurred, like:

- Experience of compilers in countries and international organization;
- Revision of the System of National Account, the Balance of Payment methodology, classifications (ISIC, CPC)
- Also changes in practice of trading services



Need to updated the manual



2. Update of the Manual

MSITS update started in 2006 – worldwide consultation was held to consult with countries about the major issues

A consultation document (and questionnaire) was sent worldwide in 2006 to NSOs (UNSD), BOP correspondents (IMF), National Trade Delegations (WTO), international and regional organizations.

A second and a third round of the worldwide consultation were held in 2008 and 2009 to verify the new draft and approve the draft text

A consultation document (and questionnaire) was sent worldwide to NSOs (UNSD), BOP correspondents (IMF), National Trade Delegations (WTO), international and regional organizations.



3. Main changes in MSITS

Changes elaborated in the second version of MSITS (1/3)

Impact of SNA revision

SNA93 → BPM6 → MSITS

44 issues on SNA93, some of them with sub-issues. All the issues concerning the Rest of the World Account have **DIRECT** influence on BPM6

Partner country

✓ Inclusion of a breakdown by partner country to the second, third and fourth recommendation in the priority list

Modes of supply

✓ A separate chapter added to give a more detailed discussion of modes of supply



3. Main changes in MSITS

Changes elaborated in the second version of MSITS (2/3)

Mode 4

✓ A separate chapter (V) on modes of supply, including the presence of natural persons (Mode 4)

Inward and outward FATS

✓ A more clear separation of inward and outward FATS in Chapter IV

Enhancing trade in services data analysis

An additional analytical annex

BOP versus FATS

✓ Integration of a clear distinction between BOP resident / non-resident statistics and FATS statistics



Changes elaborated in the second version of MSITS (3/3)

Consequences of BPM6 and updated SNA (SNA 2008)

- ✓ *Processing of goods and Repairs and maintenance of movable goods* to be reclassified from goods to services (two main components in EBOPS)
- ✓ *Merchandising* to be moved in the opposite direction (removed from *Other business services*)
- ✓ *Other Business Services* component to be split and replaced by three main BOP/EBOPS categories:
 - *Research and development services*
 - *Professional and management consulting services*
 - *Technical, trade-related and other services*



Revised version of the MSITS

- Task Force finalized the report to the UN Statistical Commission (submitted on 30 November 2009) and was placed on the Commission web-site at:
<http://unstats.un.org/unsd/statcom/doc10/BG-MSITS2010.pdf>
- TFSITS asked the Commission the following:
 - Review and adopt the revised ***Manual on Statistics of International Trade in Services, MSITS 2010.***



TFSITS asked the Commission the following:

- Endorse the MSITS 2010 implementation programme including preparation of a compiler guidance, providing technical assistance to countries
- Request TFSITS to continue their work aiming, inter alia, to further develop the analytical potential of international trade in services statistics to more effectively address globalization and related issues
- Support the TFSITS initiatives with regard to facilitating countries' data compilation using MSITS 2010 recommendations



Structure of MSITS 2010: chapters

- **Summary**
- **Chapter I - General introduction and foundations of the Manual**
- **Chapter II - Conceptual framework for the development of statistics on international trade in services**
- **Chapter III - Services transactions between residents and non-residents**
- **Chapter IV - Foreign affiliates statistics and the international supply of services**
- **Chapter V – Statistics on the international supply of services by mode**



Structure of MSITS 2010: Annexes

- **Annex I – 2010 Extended Balance of Payments Services Classification (EBOPS 2010)**
- **Annex II – ISIC Rev. 4 Categories for Foreign Affiliates in services (ICFA Rev.1)**
- **Annex III – Extract from the General Agreement on Trade in Services**
- **Annex IV – Services Sectoral Classification List - GNS/W/120**
- **Annex V – Clarifying the relationship between MSITS 2010 and Tourism**

Other annexes will be published in electronic format at the TF website



6. Timetable of the revision of MSITS 2008 -- 2010

Timetable of the revision of MSITS 2008 – 2010

November 2008 to February 2009: TFSITS to review comments and re-draft MSITS chapters

March-April 2009 TFSITS meeting and joint meeting with TFIMTS

Bangkok: review comments; and review the revised Chapters;
review need for extra cross-cutting material affecting goods and services

June 2009 Finalize draft of MSITS Chapters and annexes;

Summer 2009 Prepare revised EBOPS-CPC and other concordances;

July–September 2009 Post the draft for final review, contacting countries to explicitly inform them about the possibility for input to this review and to publicize with Expert Groups;

September 2009 TFSITS meeting Paris

November 2009 Prepare submission to UNSC 2010 in coordination with TFIMTS;

March 2010: TFSITS meeting, Beirut: focus on implementation strategies

Spring-Summer 2010 Prepare MSITS 2010 publication.



UN ServiceTrade

- UNSD developed and maintains the UN ServiceTrade database, a global database covering resident to non-resident trade in services data detailed by reporter country, by EBOPS service categories and by partner countries.
- Currently UNSD is in the process of improving the UN ServiceTrade database.

<http://unstats.un.org/unsd/servicetrade/>



- The Statistical Commission endorsed the implementation programme and urged TFSITS to develop a detailed timeline for the implementation including the preparation of a Compilation Guidance;
- The coming TFSITS meeting in March 2010 the details of the implementation programme will be discussed

Further information about the activities of the Statistics of International Trade in Services Section is available at:

<http://unstats.un.org/unsd/tradeserv/default.htm>