

TFSITS (06)
TASK FORCE ON STATISTICS OF INTERNATIONAL TRADE IN SERVICES
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STA DATA COLLECTION OF THE EXTENDED BALANCE OF PAYMENTS SERVICES
COMPONENTS

Report by IMF

In July 15, 2003, the IMF's Statistics Department (STA) sent a letter to IMF member countries acknowledging the increasing demand for data on international trade in services for a number of purposes, such as the negotiation and monitoring of international agreements and the support of analyses of globalization. With this regard and following the arrival of the UN inter-agency *Manual on Statistics of International Trade in Services (MSITS)*, member countries were encouraged to report data according to the Extended Balance of Payments Services classification identified in *MSITS* where these data are of major importance in the compiling economy. The understanding was that STA would collect and disseminate the data. The balance of payments reporting form has been expanded accordingly (Attachment I).

For the annual data, 144 countries report data on international trade in services following the balance of payments standard components. All developed countries are reporting regularly, and regionally 60 percent of African countries, 70 percent of countries in the Asia region, 70 percent of countries in the Middle East, 90 percent of European countries, and 80 percent of countries in Western Hemisphere report these data (Attachment II).

Out of 144 countries reporting services standard components, 95 countries provide some data on the balance of payments supplementary information, focusing mainly on the further split of the travel component (health related, education related, and other); aggregated legal, management, consulting, and public relations services, and aggregated agricultural, mining, and on-site processing services. Around 50 percent of developed countries report some data for this category, and within the developing countries group the most active reporters are countries from Western Hemisphere and Europe.

Countries demonstrate poor reporting of the Extended Balance of Payments Services (EBOPS) extra detail. Twenty-seven countries report some data for this category, focusing mainly on gross insurance premiums and claims; a further split of the travel component; and freight transport on merchandise, valued on a transaction basis. Reporters are spread almost equally by region. Only three developed countries report data for these components.

Changes to the Balance of Payments Reporting Form to Include Encouraged Balance of Payments Services Components

The balance of payments reporting form has been expanded to cover the following:

- The additional breakdown of *Information services* into (i) *News agency services* and (ii) *Other information provision services*
- A breakdown of *Royalties and license fees* into (i) *Franchises and similar rights* and (ii) *Other royalties and license fees*
- A breakdown of *Other personal, cultural and recreational services* into (i) *Education services*, (ii) *Health services*, and (iii) *Other*
- Transportation services memorandum items for *Freight transport on merchandise, valued on a transaction basis* broken down by mode of transport
- Travel services memorandum items for (i) *Expenditure on goods*, (ii) *Expenditure on accommodation and food and beverage serving services*, and (iii) *All other travel expenditure*
- Insurance services memorandum items on (i) *Gross insurance premiums* and (ii) *Gross insurance claims* by type of insurance
- Financial services memorandum items on (i) *Financial intermediation services indirectly measured (FISIM)* and (ii) *Financial services including FISIM*
- Other business services memorandum items on *Merchanting gross flows*
- A memorandum item for *Audiovisual transactions*