



Jabatan Perangkaan  
MALAYSIA

# MALAYSIA INTERNATIONAL TRADE IN SERVICES STATISTICS COMPILATION PRACTICES



**WORKSHOP ON STATISTICS OF INTERNATIONAL TRADE IN  
SERVICES**

**HANOI, VIETNAM**

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**DEPARTMENT OF STATISTICS, MALAYSIA**



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# BOP FRAMEWORK

## CURRENT ACCOUNT

GOODS

SERVICES

INCOME

CURRENT TRANSFERS

## 11 COMPONENTS (BPM5)

1. Transportation
2. Travel
3. Communications services
4. Construction services
5. Insurance services
6. Financial services
7. Computer and information services
8. Royalties and license fees
9. Other business services
10. Personal, cultural, and recreational services
11. Government services n.i.e.

**Balance of Payments**

**Manual 5<sup>th</sup> Edition**  
**(BPM5)**

**ITS transaction  
between residents  
and non-residents**



# Compilation of ITS Data

## Data sources

- International Transaction Reporting System (ITRS)-BNM
- Enterprise survey
- Surveys of travellers and household expenditure surveys
- Official sources and government transactions



# ITS Statistics - Current Practices



Components	Data source	
	Credit	Debit
Transportation	International Trade in Services Survey- Transport (ITS 1)	Administrative data (custom), ITS 1 and ITIS (BNM),
Travel	Tourism Malaysia, ITIS (BNM)	BNM, Survey, ITS 1, Administrative data, Immigration
Communication services	ITIS (BNM)	ITIS (BNM)
Construction services	ITIS (BNM)	ITIS (BNM)
Insurance services	ITIS (BNM)	ITIS (BNM)
Financial services	ITIS (BNM)	ITIS (BNM)
Computer and Information services	ITIS (BNM)	ITIS (BNM)
Royalty and license fees	ITIS (BNM)	ITIS (BNM)
Other business services	ITIS (BNM)	ITIS (BNM)
Personal, cultural and recreational services	ITIS (BNM)	ITIS (BNM)
Government transaction n.i.e	ITIS (BNM)	Administrative data

# Data Sources for Cash BOP – controlled by Central Bank (BNM)

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**Central Bank  
Of Malaysia Act  
2009**

Empowers BNM to collect any necessary information for maintaining the records of balance of payments and international investment position

- Cash flow records for economic transactions between residents and non-residents, which are effected through the **domestic banking system**
- **Inter-company accounts** – record all payables and receivables between resident and non-resident companies arising from offsetting arrangements
- **Overseas accounts** – record resident companies' debits and credits with non-resident banks

*Source: Bank Negara Malaysia*

# Cash vs Accrual Recording

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## Differences in timing of recording and change of ownership

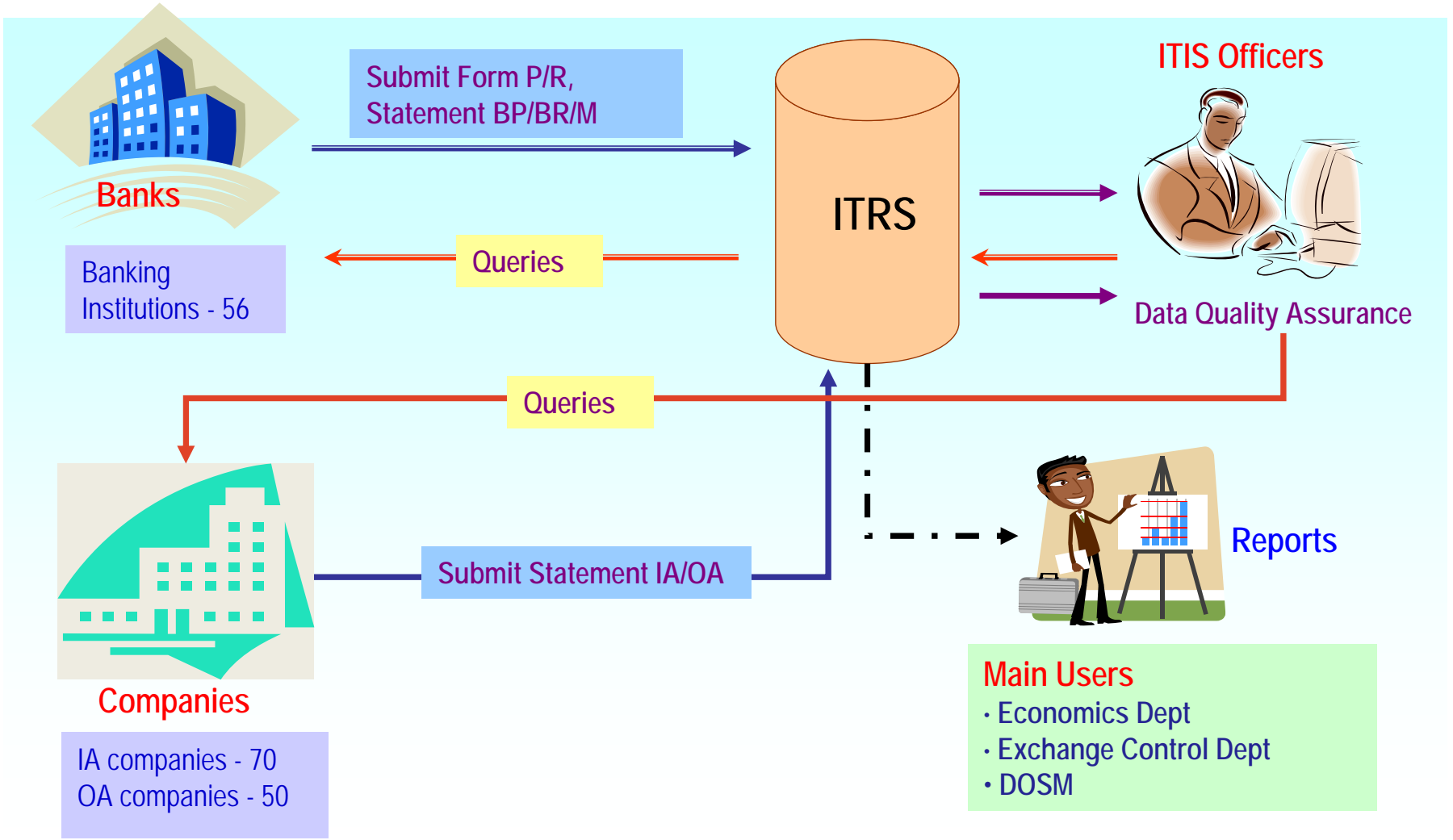
### Cash Basis

- revenues are recognised when cash is received and deposited
- expenses are recorded in the accounting period when bills are paid
- transactions recorded may be net flows

### Accrual Basis

- income is realised in the accounting period in which it is earned regardless of when the cash from these fees is received
- expenses are recorded as they are owed (e.g. when supplies are ordered, the printer finishes your brochure, employees actually perform the work, etc.), instead of when they are paid
- transactions recorded on gross flows

# Transaction flow of ITRS (Central Bank)



Source: Bank Negara Malaysia



**IMPROVEMENT  
ON STATISTICS  
OF INTERNATIONAL  
TRADE IN SERVICES  
(SITS)**

**The Manual on Statistics of  
International Trade in Services  
(2002)**

```
graph TD; A["The Manual on Statistics of International Trade in Services (2002)"] --> B["Balance of Payments Trade in services - EBOPS"]; A --> C["Foreign Affiliates statistics"]; A --> D["Statistics on the international supply of services by mode"];
```

Balance of Payments Trade  
in services - EBOPS

Foreign  
Affiliates  
statistics

Statistics on the international supply of services  
by mode



# Quarterly Survey of ITS 1 Transport

DOSM undertakes ITS survey Transport commencing first quarter 2008.



# Objectives of ITS Survey



Input to the Services Account in the compilation of Balance of Payments statistics and also for compilation according to EBOPS (Extended Balance of Payments Services Classification)



The production of data for international services by Modes of Supply



# Objectives of ITS Survey



Statistics on International Services by Trading Partners.



to compile statistics on foreign affiliates.

# ITS 1 -Transport



## Survey Coverage

canvasses enterprises involved in transportation activities and having international transactions (large company)



## Data Collection Methodology

The methodology for data collection is through a standard questionnaire. The questionnaire is sent to respondents on a quarterly basis. This survey is also conducted via web based.



## Manual and Classifications

BPM5, MSITS 2002, MSIC2008 and CPC version 1.0



# Statistics Produced



- ◆ Export and Import of Transportation
- ◆ Services by modes of supply
- ◆ Categories of Transportation Services by GATS Classification
- ◆ Inward FATS by Activities
- ◆ Inward FATS by Countries



# Moving Forward



## Expansion of ITS Survey

Commencing Q1 2009 the department undertaken:

ITS 2 - Telecommunication, Computer and Information (Developmental work)





# Issues and Challenges



## **Unable to obtain data on partner countries**

- Most respondents do not keep ready information on trading partners and thus need to allocate extra resources and additional man-hours to extract & compile such information. Some regard such information as highly confidential.



# Issues and Challenges



Difficulty in identify the business sector of some companies to classify them according to EBOPS and MSITS especially in ICT.



The account and record of some respondents are maintained and need approval from oversea headquarters.



# THANK YOU

