

Report of the Meeting of the Task Force on Statistics of International Trade in Services

OECD, Chateau de la Muette, Paris 25 September 2008

Welcome and opening

1. Mr Joaquim Oliveira Martins OECD Head of Structural Economic Statistics Division opened the meeting and welcomed participants. He said that OECD had chaired the TFSITS (TF) for many years and he raised the question of future arrangements for chairing the TF for reflection. He emphasised the priority that OECD attached to a successful completion of the revised Manual on Statistics of International Trade in Services (MSITS) and he stated that OECD would continue to work closely with partner organisations to achieve this goal. The main aim of this meeting was to agree the roadmap to complete the Manual and to agree who does what and by when. He encouraged more joint work on trade in goods and services with the merchandise trade TF. He wished the TFSITS a successful and fruitful meeting.
2. The agenda was adopted. A list of participants is attached at Annex 1 and the agenda at Annex 2.

Summary outcome of the OECD WPTGS

3. OECD reported on the outcome of the OECD Working Party on Trade in Goods and Trade in Services Statistics (WPTGS) on 22-24 September in respect of points of interest for the TF. Highlighted was the need for an extension of existing cooperation on data collection in trade in services and a suggestion from countries to explore the possibility of a common framework for data collection in trade in services that all international organisations concerned could use. OECD would follow this up bilaterally with UNSD and report back to the next TF meeting.
4. Other themes reported on were the work on trade and globalisation, links between international trade and business statistics; a proposal for an alternative presentation of trade in goods and services by product and activity also related to input-output tables; and the presentation of the draft Chapters and annexes of the revised MSITS, which had led to some discussion and comments. **It was also noted that OECD proposals presented at WPTGS on the treatment of trade statistics in Intellectual property products would be added to the TF's Worldwide consultation (WWC) web pages and that OECD countries had agreed to consider these proposals in their comments on the draft materials.**

Revision of the Manual on Statistics of International Trade in Services

5. The TF discussed outline plans to complete the revision of the Manual as set out in the Worldwide consultation document. It was noted that the draft Chapter III, on services transactions in the balance of payments, was still incomplete insofar as it had still to be aligned with the final BPM6, which should be available around the end of 2008, and depending on which additional EBOPS items were approved, appropriate descriptive text on these would also be included.
6. The WWC had been underway since 29 August 2008. **OECD and UNSD undertook to catalogue the responses by mid December 2008 and provide a recommended TF response to the consultation by end January 2009.**

7. The TF discussed the remaining annexes and texts required to complete the Manual, and agreed the following actions, division of tasks and responsibilities as set out in table 1 below.

Table 1

Text	Lead organisation	Action	Deadline	Comments
OECD Intellectual property proposals	UNSD	Post on TF WWC web page	17 October	
WWC responses	OECD, UNSD	Catalogue of responses	Mid December 2008	
	OECD, UNSD	Summary and recommendations for TF	End January 2009	
Chapter I	UNSD	Redraft	End February 2009	Extra text needed on differences from first edition
Chapter II	WTO	Redraft	End February 2009	
Chapter III	IMF	Redraft	End February 2009	
Chapter IV	OECD	Redraft	End February 2009	Consider OECD FDI comment on removing recommendation regarding immediate counterparties
Chapter V	WTO	Redraft (or annotated redraft)	End February 2009	
Annex I (EBOPS)	IMF/OECD	Redraft	End February 2009	Environmental services (refine proposal) WTO, OECD TAD, UNCTAD
Annex II (EBOPS-CPC)	UNSD/IMF	Draft	End January 2009	WTO to propose how to include GNS list
Annex III (ICFA-EBOPS)	Eurostat/UNSD	Draft	End February 2009	
Annex IV (GATS extract)		No change		
Annex V (GNS list)		No change		
Annex VI TSA and IRTS	UNWTO	Redraft	End February 2009	
Analytical Annex	OECD in consultation with WTO and WHO	Redraft	End February 2009	OECD TAD to review; include health annex in main text; review against Chapter V. Question remains of whether a paper or Electronic only annex is preferred
Cross-cutting issues affecting goods and services	IMF/OECD/WTO	Draft textboxes in Chapters III-V	End February 2009	No annex
Annex on differences from first edition	UNSD	Draft	June 2009	Include correspondence EBOPS2002vEBOPS2010
Glossary	UNCTAD	Draft	End February 2009	

Bibliography	UNSD	Draft	June 2009	
ACRONYMS list	UNCTAD	Draft	June 2009	
Index	All	Draft	June 2009	
Subsequent programme stages				
TFSITS meeting March 2009 Bangkok				
Redraft Chapters and Annexes	All		June 2009	UNSD to provide some editing input. Question of language translations of the final public draft for review.
Post final drafts for public review with notice to countries on the possibility of input.	UNSD		June – August 2009?	
TFSITS Review comments September 2009				
Prepare submission for UNSC 2010	Chair and UNSD		November 2009	
Prepare MSITS publication			Spring-Summer 2010	

8. Regarding Annex II, UNSD had begun working with IMF on an EBOPS 2010-CPC Ver. 2 correspondence and a first draft was expected by January 2009. WTO would make a proposal on how to present the GNS/W/120 list in the correspondence to make it easier to use.
9. For Annex III Eurostat, in consultation with UNSD, will provide a draft correspondence between EBOPS 2010 and ISIC rev.4.
10. Regarding the analytical annex there had been a number of expressions of support for the proposed Annex at the WPTGS. One suggestion was that it might be just an Internet annex which could then be updated from time to time. The TF discussed a suggestion to include recommendations on analysis in the Manual but, while subject to the WWC responses, decided against while noting that there was further potential and interest to work on trade in services indicators. The material on health services would be included in the main Analytical annex, and the whole Analytical annex would be reviewed for consistency with Chapters 3, 5 and BPM6.
11. Regarding the proposals on environmental services, subject to WWC responses, there was a perceived need to make best use of the EBOPS item “Waste treatment and depollution” and align this as far as possible with the proposal on “environmental services”, taking into account the related services categories of CPC Version 2. **(WTO, OECD TAD, UNCTAD, UNSD and IMF to take forward)**
12. The TF discussed how to deal with cross-cutting issues on goods and services in the Manual. Subject to the WWC responses it provisionally took the view that these might best be dealt with in the main chapters 3, 4, and 5 using text boxes.
13. Other texts required for the completion of the Manual were identified and included an index, a glossary, a bibliography and a list of acronyms. UNSD offered to do some editing for the June

2009 version and proposed that the TF consider providing some translations of the final draft of the Manual for public review. **This would be discussed at the next TF meeting.**

14. UNWTO underlined the importance of producing compilation guidance as soon as possible after the Manual is completed. The need to complement and not duplicate the planned IMF compilation guidance on BPM6 was mentioned. It is important that when the Manual is submitted to the UNSC that proposals for future work of the TF including plans on compilation guidance are elaborated. The TFSITS **agreed with the principle and to discuss this further at the next meeting** in March 2009.

Promoting trade in services statistics including in Emerging and Developing Countries - World Bank/OECD

15. UNSD presented plans for the next TFSITS newsletter. It was envisaged to publish the newsletter in November 2008, UNSD will circulate an initial draft for completion by the TF.
16. The World Bank presented a note setting out its perception of the problem of how to advance the implementation of the Manual in Emerging and Developing economies. It advocated a stock-taking of countries progress and plans, and in the context of limited resources in statistical offices, a sort of cost-benefit analysis to prioritise what types of service statistics would be most useful for policy analysis in different countries. **Banca d'Italia offered to provide a document on cost-benefit analysis of data collection.** TF members mentioned a number of upcoming training seminars on trade-in-services statistics (listed below). **The TF also agreed to give a detailed written response to the World Bank note with ideas for joint action. It was also agreed that World Bank, OECD and WTO would meet to discuss this further in Mexico in October.**
17. Upcoming trade-in-services statistics seminars include:
 - APEC countries 1-3 October 2008 in Manila
 - China MOFCOM 15-17 October 2008 Beijing
 - UNSD Workshop for the CIS countries 7-9 October 2008
 - Mexico and other countries from the region (Promexico) 29-31 October Mexico City
 - WHO Trade in Health Services 24-26 November Vietnam
 - ITC had technical cooperation planned in Pakistan and Philippines
 - World Bank planned a seminar in South Africa in the coming months.

Preparation of reports to IMF Balance of Payments Committee and UN Statistical Commission

18. A report of the TFSITS meeting and progress with the revision of the Manual would be prepared for the IMF Balance of Payments Committee and UNSC (as background document) in October.

Problems of data quality and historical consistency

19. The WTO briefly presented a paper illustrating problems of data quality and historical consistency in trade in services. The TF agreed to put this on the agenda of the next meeting.

Next meeting

20. The next meeting would be in ESCAP, Bangkok, 10-12 March 2009 with a joint day with the International Merchandise Trade Statistics Task Force.

Annex 1 List of TFSITS participants

Participant	Organization	E-mail address
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**Meeting of the Task Force on Statistics
of International Trade in Services (TFSITS)
25 September 2008**

OECD, Chateau de la Muette Conference Centre, Paris

Agenda

September 25 September 2008 9.30

1. Welcome and Opening

2. Adoption of the agenda TFSITS (2008) 2.1

3. Summary outcome of OECD WPTGS meeting 22-24 September discussion on Manual

4. Revision of the Manual on Statistics of International Trade in Services (MSITS)

- a. Review and update of plans, timetable and division of labour for revision of MSITS
- managing responses to the worldwide consultation TFSITS (2008) 2.2
- b. Remaining issues and inputs to the Manual
 - i) Intellectual property and software TFSITS (2008) 2.3
 - ii) Environmental services
 - iii) Health and education
 - iv) Concordances TFSITS (2008) 2.4
 - v) Other cross-cutting goods/services issue material TFSITS (2008) 2.5

5. Promoting trade in services statistics including in Emerging and Developing Countries - World Bank/OECD

- a. Balance of payments
- b. FATS

World Bank will set out the broad goals. The Task Force will be invited to brainstorm possibilities to move this forward. TFSITS (2008) 2.6

6. Promoting the MSITS

- a. TFSITS Website and Newsletter – UNSD
- b. Upcoming seminars and expert groups

7. Preparation of reports to IMF Balance of Payments Committee and UN Statistical Commission

8. Any other business

- a. Problems of data quality and historical consistency – WTO TFSITS (2008) 2.7

9. Date and location of next TF meeting (ESCAP Bangkok 10-12 March 2009 including one joint day with TF on merchandise trade)