



Implementation of MSITS 2010: Compilers Guide and the UN Expert Group

Regional Seminar on International Trade Statistics
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United Nations Statistics Division
Statistics of International Trade in Services Section



Outline

Outline of the presentation

- **Implementation of MSITS 2010**
- **MSITS 2010 Compilers Guide**
- **Timeframe of the implementation of MSITS 2010**

1. Implementation MSITS 2010

MSITS 2010 recommends a complete set of elements, for implementation by compilers, that build on internationally agreed standards so as to enable them to progressively achieve comparability of published statistics on the international supply of services.

1. Implementation MSITS 2010

Recommended core elements

1. BPM6

Implement the BPM6 recommendations, including the definition, valuation, classification and recording of services transactions between residents and non-residents.

1. Implementation MSITS 2010

Recommended core elements

2. EBOPS 2010: first part — disaggregation/1

Compile balance of payments data according to EBOPS 2010, which involves disaggregating the BPM6 standard components for services into EBOPS 2010 sub-components.

Main EBOPS classification is developed and carried out in stages, compilers should commence identifying those EBOPS sub-components that are of major economic importance to their own economies.

1. Implementation MSITS 2010

Recommended core elements

2. EBOPS 2010: first part — disaggregation/2

Where data for related supplementary items are available, these supplementary items should also be compiled.

The aim is to report partner country detail, first, at the level of services trade as a whole and then for each of the main types of services in BPM6 and EBOPS 2010.

1. Implementation MSITS 2010

Recommended core elements

3. FDI statistics

Collect complete statistics on FDI (that is, the flows, income and period-end positions) classified by ISIC, Rev.4, activities as complements to FATS.

For those countries that must delay the implementation of FATS, FDI statistics provide useful complementary information on *commercial presence*.

It is further recommended that partner country detail be reported both in the aggregate and for the major activity categories.

1. Implementation MSITS 2010

Recommended core elements

4. FATS: basic variables/1

Record certain basic FATS-related variables, such as

- sales (turnover) and/or output,
- employment,
- value added,
- exports and imports of goods and services and
- number of enterprises.

1. Implementation MSITS 2010

Recommended core elements

4. FATS: basic variables/2

To achieve comparability, the service items are classified by specified activity categories based on ISIC, Rev.4. When reporting to international organizations ICFA, Rev.1 could be used to improve comparability with the data recorded according to the first and second recommendations.

It is recommended that partner country detail be reported both in the aggregate and for the major industry categories within ICFA, Rev.1.

1. Implementation MSITS 2010

Other recommended element

1. EBOPS 2010: second part — completion

Complete the implementation of EBOPS 2010 to the extent relevant to the compiling economy, including the supplementary items.

Supplementary items should be compiled where the data are available as part of the data-collection process for the related EBOPS components.

Other supplementary items and complementary groupings should be compiled where there is a demand for these data in the compiling economy.

1. Implementation MSITS 2010

Other recommended element

2. FATS: further details/1

Augment the basic FATS variables by compiling data on additional aspects of the operations of foreign affiliates, such as assets, compensation of employees, net worth, net operating surplus, gross fixed capital formation, taxes on income, research and development expenditures, and purchases of goods and services.

Detail of sales by product is desirable, not least because of the potential comparability between FATS data and trade between residents and non-residents.

1. Implementation MSITS 2010

Other recommended element

2. FATS: further details/2

While compilation on this basis may well have to remain a long-term goal for most countries, as a first step towards a product basis, countries may wish to disaggregate sales in each industry between services and goods. In addition, countries that are building their statistical systems for FATS on existing data systems that already include product detail may wish to use this detail from the outset because it could help them monitor commitments under GATS that are specified in terms of services products.

Similarly, countries that are building their FATS data systems from the ground up should consider, from the outset, the feasibility of providing for a product dimension.

1. Implementation MSITS 2010

Other recommended element

3. Trade between related and unrelated parties

Within the statistics on trade in services between residents and non-residents, separately identify the trade with related parties from that with unrelated parties

4. Value of the supply of services by GATS modes

Allocate the services transactions between residents and non-residents and FATS sales (or output) of services over the GATS modes of supply.

5. Presence of natural persons

Collect statistics on the number of natural persons under the GATS framework, both those from the compiling economy present abroad and foreign natural persons present in the compiling economy (flows and stocks of persons). The statistics would be collected in the context of the supply of services, taking into account the needs, resources and special circumstances of the compiling economy.

2. MSITS 2010 Compilers Guide

TFSITS adopted an implementation programme for drafting a Compilers Guide for MSITS 2010, to make available good country practices, and to provide technical assistance at its last meetings in 2010 and 2011.

A proposal to establish a UN Expert Group to facilitate the drafting process was reported to and adopted by the UN Statistical Commission in February 2012.

2. MSITS 2010 Compilers Guide

First meeting of EG-SITS took place from 29 to 31 March 2012 in New York.

The main objective of this meeting is to

- review the annotated outline of all chapters of the Compilers Guide and
- provide guidance on its scope and the content of each of the individual chapters

2. MSITS 2010 Compilers Guide

The Compiler Guide planned to have the following 5 parts:

1. (Introduction)
2. General framework
3. Data collection
4. Data compilation
5. Data dissemination
6. Cross-cutting issues

1. Statistical infrastructure

Chapters:

1. Conceptual framework
2. Legal framework
3. Institutional arrangements

2. MSITS 2010 Compilers Guide

1. Statistical infrastructure/1

It clarifies the modes of supply framework of MSITS 2010 covering both the treatment of resident-nonresident transactions of services and of Foreign Affiliates Statistics (FATS), as well as other statistical domains. It deals with the legal framework within which statistics on the international supply of services are collected, compiled and disseminated. It cover also the legal acts defining the roles and responsibilities of national statistical offices, central banks, ministries of trade and other governmental institutions involved in the compilation of trade in services statistics and Foreign Affiliates Statistics (FATS) and which are at the basis of many institutional arrangements.

2. MSITS 2010 Compilers Guide

1. Statistical infrastructure/2

It describes challenges and good practices in setting up effective institutional arrangements between various agencies involved in compilation of statistics on the international supply of services such as national statistical offices, central banks, ministries of trade and others. It will provide details of country experiences in setting up such arrangements under various circumstances, including the specificity of national legal frameworks.

2. **Data collection**

Chapters:

4. Introduction and overview of data sources within the modes of supply framework
5. Registers and survey frames
6. Enterprise and establishment surveys
7. Surveys of persons and households
8. International Transaction Reporting System
9. Administrative records
10. Other data sources
11. Comparing data sources

2. Data collection/1

It describes the main data sources and their main advantages and shortcomings in the context of the modes of supply framework. It will also cover the distinction between direct and indirect reporting, and the relationships between the various data sources and policy options regarding their use. This chapter should also explain where applicable the role that IT can play in the data collection process as well as the roles of quality management and metadata.

2. MSITS 2010 Compilers Guide

2. Data collection/2

It highlights the central role of the statistical business register in the organization of data collection. Good practices in establishing and maintenance of the business registers under various circumstances will be discussed to assist countries. It will focus on a general description of enterprise and establishment surveys; types of surveys, organization of surveys; and advantages and shortcomings of surveys. The chapter may also provide a description of how some specific services industries function.

2. MSITS 2010 Compilers Guide

2. Data collection/3

It focuses on general description of household surveys; organization of such surveys (advantages and shortcomings). It also describes the International Transaction Reporting System (ITRS) (advantages and limitations). It further describes administrative records, which can be used to obtain information relevant for resident-nonresident transactions in services, as well as other types of information relevant in the context of the recommendations of MSITS2010.

2. MSITS 2010 Compilers Guide

2. Data collection/4

It describes all other relevant data sources. It will in particular present how they can be used for collecting useful information for resident-nonresident transactions in services, FATS and non-monetary indicators on modes of supply. It will more profoundly describe the advantages and shortcomings of the various data sources for responding to all information needs of MSITS2010 and gives country experiences as to these advantages and shortcomings.

2. MSITS 2010 Compilers Guide

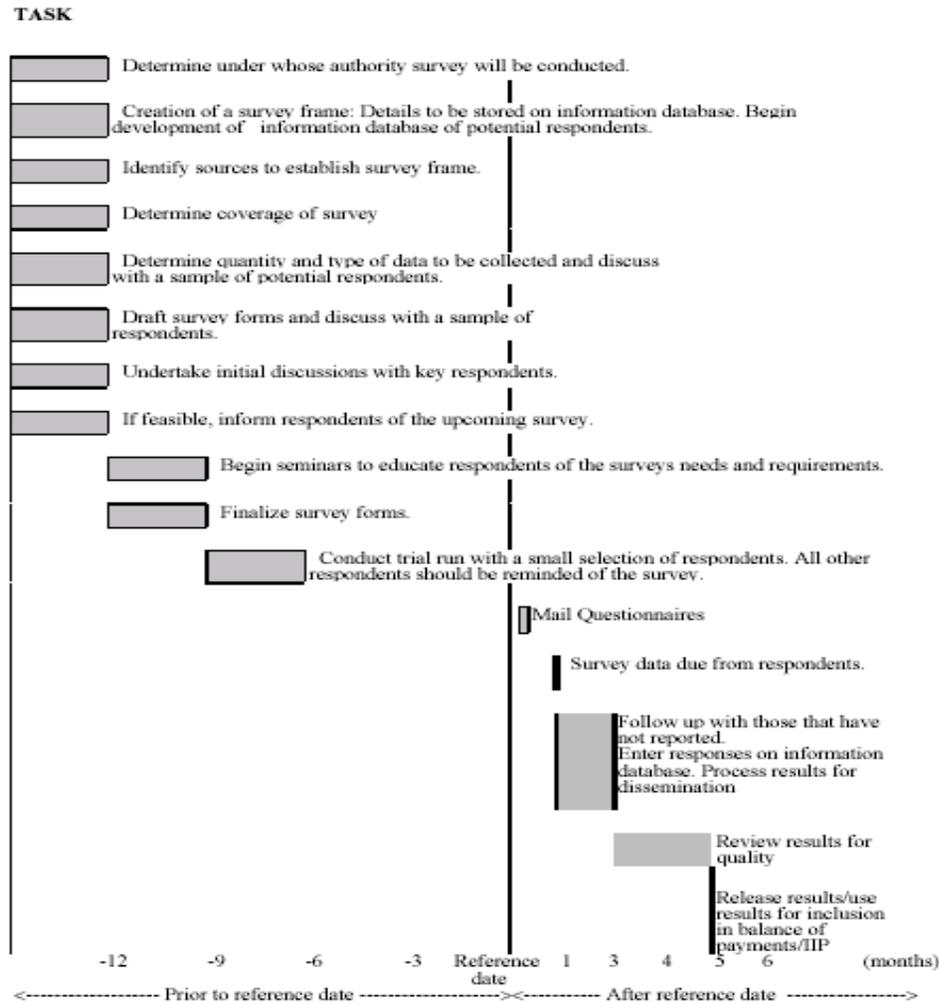
Example from the *Balance of Payments and International Investment Position Compilation Guide* (currently under drafting by IMF)

CHAPTER 2: HOW TO CONDUCT A SURVEY

- A. Introduction
- B. Timetable
- C. Responsibility for producing official statistics
- D. Creating or updating a survey frame
- E. Draft survey questionnaire
- F. Communication with respondents
- G. Low coverage or low response rates
- H. Editing/validating collected data

2. MSITS 2010 Compilers Guide

Box 2.1 Draft Timetable for Conducting an Enterprise Survey



3. **Data compilation**

Chapters:

12. Introduction and overview of data compilation within the modes of supply framework
13. Integration of data from different sources
14. Compilation of resident/non-resident trade in services statistics
15. Compilation of FATS and the international supply of services
16. Compilation of other indicators for modes of supply
17. Estimation and modeling of missing data, forecasting and back-casting

2. MSITS 2010 Compilers Guide

3. Data compilation/1

It reiterates the four modes of supply and the importance of compiling sufficiently detailed resident-nonresident trade in services and foreign affiliates statistics. It also shows the importance to compile the four modes of supply by distinguishing the modes within each of the resident-nonresident trade in services categories, as well as by distinguishing mode 4 within the statistics of foreign affiliates.

2. MSITS 2010 Compilers Guide

3. Data compilation/2

It identifies good practices in data integration, emphasizes the merge and cross-check data collected from various sources for compiling resident-nonresident trade in services statistics, FATS/FDI. It also recaps and extends on the BPM6 compilation guide focusing on the statistical processing aspects. It will provide examples of good practices in compilation of resident/non-resident trade in services statistics. It describes the compilation of foreign affiliate statistics, including confidentiality issues and possible exchange of data among countries.

2. MSITS 2010 Compilers Guide

3. Data compilation/3

It describes the compilation of the other indicators, in particular non-monetary aspects, of the modes of supply (mainly mode 4).

It describes the use of models and estimates to complement the observed SITS/FATS data which are frequently needed because

(1) part of the information cannot be collected or can be gathered only at an unsustainable cost;

(2) the available sources cannot provide the required coverage, detail, frequency and/or timeliness foreseen by the international standards; and

(3) the various sources to be combined in the collection system are partially overlapping;

(4) limitations of estimating and modeling

4. **Data dissemination**

Chapters:

18. Introduction and overview of data dissemination within the modes of supply framework

19. Data dissemination

2. MSITS 2010 Compilers Guide

4. Data dissemination

It shows the need for a combined dissemination of the traditional BOP-based resident-nonresident trade in services transactions and foreign affiliates statistics while distinguishing among the four modes of supply. It also discusses the dissemination of non-monetary statistics relating to the four modes of supply. It describes the factors to take into consideration, when establishing the dissemination policy

5. **Cross cutting issues**

Chapters:

20. Quality management

21. Metadata

22. Use of information and communication technology

2. MSITS 2010 Compilers Guide

5. Cross cutting issues/1

It provides an overview of quality management at the level of the responsible agency, in particular when it comes to resident-nonresident trade in services statistics and FATS. It will describe all the information about the trade in services data and FATS as well as about other relevant statistics which should be considered metadata. It provides also advice and examples on how best to present and disseminate the metadata, in particular in relation to resident-nonresident trade in services statistics and FATS.

2. MSITS 2010 Compilers Guide

5. Cross cutting issues/2

It describes the use of ICT in all aspects of the compilation process, which includes electronic administration of surveys, electronic capturing of data, IT and data processing, database management, electronic dissemination and web-publishing.

Annexes

- A. Classification issues
- B. Trade indices and indicators
- C. Seasonally adjusted data
- D. Relationship between statistics on international trade in services and international merchandise trade statistics and issues with their integrated presentation

3. Time frame for implementation of MSITS 2010

Time frame for the implementation of MSITS 2010

- (1) **December 2011**, the United Nations Expert Group on Compilation of Statistics of International Trade in Services (EG-CSITS) was established to assist in the process of developing the Compilers Guide for MSITS 2010;
- (2) In **March 2012**, the first meeting of EG-CSITS took place. The main objective of the EG-CSITS meeting was to review the annotated outlines of all individual chapters of the Compilers Guide and to propose the scope of the Guide and the general content of each of the chapters;

3. Time frame for implementation of MSITS 2010

Time frame for the implementation of MSITS 2010

- (3) In **June 2012**, a revised annotated outline of the Compilers Guide is being finalized based on input received from EG-CSITS and is to send for world-wide consultation;
- (4) The first draft chapters of the Compilers Guide will be prepared during the **summer of 2012** and be discussed in a virtual meeting of EG-CSITS in the fall of 2012, and a second virtual meeting on further draft chapters in the spring of 2013;
- (5) The second face to face meeting of EG-SITS is tentatively scheduled for **June 2013** to finalize the Compilers Guide for MSITS 2010.

4. Electronic discussion group

The screenshot shows a web browser window titled "UNSD - Trade Statistics Branch - Windows Internet Explorer". The address bar shows the URL: <http://unstats.un.org/unsd/tradeserv/forum/default.aspx?g=forum>. The browser's menu bar includes "File", "Edit", "View", "Favorites", "Tools", and "Help". The Favorites bar shows "Inbox", "nokia suite download...", and "UNSD - Trade Sta...".

The main content area features the "UN ServiceTrade" logo at the top. Below the logo, it indicates the user is logged in as "Karoly" and provides navigation links: "My Profile", "My Inbox (2 Unread)", "My Albums", "My Topics", and "Logout". On the right side, there are links for "Forum", "Search", "Members", and "Help".

The forum header for "UNSD - Trade Statistics Branch" displays the current time as 3:52:19 AM, the user's last visit as Tuesday, March 06, 2012 3:38:01 AM, and a notification that there are 2 unread messages in the inbox.

A "ShoutBox" section is visible below the header. The main forum content is organized into a table with the following columns: "Forum", "Moderators", "Topics", "Posts", and "Last Post".

Forum	Moderators	Topics	Posts	Last Post
UN Expert Group on the compilation of SITS				
12-23 March 2012: 1st virtual meeting of EG-CSITS First virtual meeting of the expert group on the compilation of statistics of international trade in services (EG-CSITS)	-	8	10	Ch 1: Statistical Infrastructure by Ronald 2/15/2012 4:13:25 AM
Resources for users				
Background documents Reference documents on trade in services	-	6	6	MSITS 2010 Compilers Guide background information by admin 2/24/2012 5:30:09 AM
How to use the Forum Technical resources	-	0	0	No Posts

At the bottom of the forum table, there are links for "Mark all forums as read", "Rss Feed", and "Atom Feed".

Below the forum table is a section for "Active Discussions" and "Latest Posts".

The Windows taskbar at the bottom shows the "start" button, several open applications including "UNSD - Trade S...", "SITS WS CARIC...", and "Microsoft Power...", and the system tray with the time "10:52 AM" and "Internet" connection status.

4. Electronic discussion group

12-23 March 2012: 1st virtual meeting of EG-CSITS - UNSD - Trade Statistics Branch - Windows Internet Explorer

http://unstats.un.org/unsd/tradeserv/forum/default.aspx?g=topics&f=3

File Edit View Favorites Tools Help

UN ServiceTrade

Logged in as: Karoly My Profile My Inbox (2 Unread) My Albums My Topics Logout Forum Search Members Help

UNSD - Trade Statistics Branch » UN Expert Group on the compilation of SITS » 12-23 March 2012: 1st virtual meeting of EG-CSITS

NEW TOPIC

Topics	Replies	Views	Last Post
Ch 1: Statistical Infrastructure admin, 2/6/2012 3:55:10 AM	1	3/	Ronald 2/15/2012 4:13:25 AM
Structure of the MSITS 2010 Compilers Guide admin, 2/14/2012 3:42:33 AM	0	9	admin 2/14/2012 3:42:33 AM
Scope of the MSITS 2010 Compilers Guide admin, 2/6/2012 3:55:27 AM	1	41	Karoly 2/13/2012 4:22:45 AM
Ch 2: Data sources admin, 2/6/2012 3:54:57 AM	0	14	admin 2/6/2012 3:54:57 AM
Ch 3: Data compilation admin, 2/6/2012 3:54:42 AM	0	7	admin 2/6/2012 3:54:42 AM
Ch 4: Quality Assurance and Metadata admin, 2/6/2012 3:54:16 AM	0	9	admin 2/6/2012 3:54:16 AM

start 12-23 March 20... SITS WS CARIC... Microsoft Power... Internet 150% 10:54 AM

5. *Balance of Payments and International Investment Position Compilation Guide*

The IMF Statistics Department is currently drafting the *Balance of Payments and International Investment Position Compilation Guide (BPM6 CG)*.

o **Table of Contents**

- Chapter 1. Introduction
- Chapter 2. How to Conduct a Survey
- Chapter 3. Specific Surveys of Businesses for Balance of Payments and IIP Purposes
- Chapter 4. International Transactions Reporting System
- Chapter 5. International Merchandise Trade Statistics
- Chapter 6. Data From Official and Administrative Sources
- Chapter 7. Selected IMF and Other International Organizations' Data Collection Initiatives

5. *Balance of Payments and International Investment Position Compilation Guide*

Table of Contents (continued)

- Chapter 8. Compiling Balance of Payments and International Investment Position Statistics—An Overview
- Chapter 9. The International Investment Position
- Chapter 10. The Financial Account
- Chapter 11. Goods
- Chapter 12. Services
 - (i) Transport, Travel, and Manufacturing Services
 - (ii) Other Services
- Chapter 13. Primary Income
- Chapter 14. Secondary Income
- Chapter 15. The Capital Account
- Chapter 16. Exceptional Financing
- Chapter 17. The Accessibility and Serviceability of the Statistics

5. *Balance of Payments and International Investment Position Compilation Guide*

Table of Contents (continued)

- Appendix I. *BPM6* Conversion Matrix
- Appendix II. Insurance Transactions and Positions, Pension and Standardized Guarantees Schemes
 - I. Insurance Transactions and Positions
 - II. Pension and Standardized Guarantees Schemes
- Appendix III. FISIM
- Appendix IV. Foreign Direct Investment
- Appendix V. Compiling Balance of Payments and IIP by Partner Country
- Appendix VI. Linkages with Other Macroeconomic Datasets
- Appendix VII. Model Survey Forms

6. MSITS 2010 pdf version

MSITS 2010 is available in pdf version (English, Spanish and Russian) at

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