International Transactions Reporting System (ITRS) -- introduction

Workshop on Statistics of International Trade in Service:
Challenges and Good Practices, Rio de Janeiro, 1 – 4 December 2009

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- **Selection of the compilation system**

- **Description of the IRTS system**

- **Responsibility for reporting**

- **The main classification categories**

- **Classification of transactions**

Selection of the most appropriate compilation system:

- Compatibility with BOP concepts

- Timeliness with which data are provided

- Quality of data coverage

- Respondent burden to the data provider

- Legal authority of the compiler

- Cost to the compiler

Description of the ITRS system

ITRS systems measures:

- Individual cash transactions that pass through domestic banks and enterprise bank accounts abroad,

- Non-cash transactions,

- Stock (balance sheet positions)

ITRS started as foreign exchange record systems and evolved as by-products of foreign exchange record system.

ITRS by type

ITRS by type:

Closed

Open

Partial

Responsibility for reporting

- The primary responsibility for reporting lies with the banking system. But with the abolition of exchange controls, a growing and more direct role has been devoted to companies.

- Residents are required to report their foreign payments to the Central Bank. The obligation applies to payments to and from non-residents.

- Domestic banks report their own payments and payments effected for their customers.

Responsibility for reporting

- A resident having an account abroad for receiving or effecting payments must report on the account directly to the Central Bank.

- Enterprises must submit information to the Central Bank on their payment accounts in banks abroad. The reporting principles for enter-prises are otherwise essentially the same as for banks.

The main classification categories

In order to facilitate the usefulness of the information, it must be submitted to the Central Bank in a specified form and classification scheme.

The main classification categories

- payment purpose,
- currency
- nonresident party's country of domicile

The responsibility for classifying lies with the data provider.

Classification of transactions

Banks report positions and transactions settled through their foreign correspondent accounts.

Classification of Transactions

- Balance of payments transactions should be coded for statistical recording:

  - at the time of transaction (complete information is readily available at that time);

  - by beneficiaries or remitters; and

  - in a way that enables statisticians to compile all standard components of the BOP statement and provide information for other purposes.

Classification of transactions

Codes should cover:

- standard components of balance of payments (i.e., current, capital, and financial transactions between residents and nonresidents);

- specific codes (more details) when required by specific needs of users;

- codes for 'neutral' transactions.