

C.4. Compiling more detailed mode of supply statistics for resident/non-resident trade in services

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Specific considerations regarding mode 4

14.401. It is suggested that the compiler investigate how to collect and compile more details for items where mode 4 (presence of natural persons) is deemed important for the compiling economy. Professional and management consulting services (mainly business services) are generally considered to be predominantly provided (or consumed) through mode 1 (cross-border supply) or mode 4 as the provision of those services often necessitates proximity to the consumer. Alternatively, providing processing services or maintenance and repair services would most likely involve mode 2 (consumption abroad) or mode 4. Therefore, including a question that asks for the share of mode 4 for specific services categories may be sufficient to greatly improve the statistics on the international supply of services by mode.

Specific considerations regarding mode 2

14.402. As presented in MSITS 2010, some EBOPS components are strongly linked to the supply of services through mode 2, including manufacturing services, maintenance and repair services and travel and waste treatment. Travel has the most obvious link to mode 2 supply of services. In that context BPM6^[1] and MSITS 2010^[2] propose an alternative breakdown of travel into goods, local transport services, accommodation services, food-serving services and other services. That level of detail would already serve many information needs, including those related to mode 2. It is particularly important to identify goods separately, as they are of minor interest from a GATS-trade in services perspective.

14.403. There are various possibilities for compiling such breakdowns for the travel item, such as the use of credit card data, border surveys or household surveys, which are often used in the context of data models. Tax-free purchases could be used as complementary sources to separately estimate the goods purchased by persons going abroad for travel reasons, because those travelling can request a refund for the VAT paid on the goods when exporting the goods.

14.404. In the case of credit card data, the use of information included in merchant codes is suggested. That could enable a more detailed analysis of travel and tourism data and would also allow the identification of transport services and the extraction of data separated by goods and services. For example, payments by or to a company that provides maintenance and repair services would be reported, since that company provides services and the payments must be reported. Also, such merchant code categories as hotels/motels/inns/resorts, car rentals or tourist attractions and exhibits are subject to reporting. Using merchant code information from credit card data has several advantages, including the relatively low cost for compilers, and the fact that, in addition to the EBOPS travel item, other services categories, namely other business services, communication services, government services, could be compiled or verified.

14.405. In addition, customs data could help to identify thresholds in order to adjust travel and goods, according to the EBOPS concept, accordingly (i. e., durable goods and valuables).^[3] Such adjustment would entail the calculation of totals on travel-related inflow from travel survey data or credit card data and the value of the total amount of valuables and durable goods in excess of custom thresholds from customs data; efforts must be made to avoid double-counting.

Include pages:

[Country experience: New Zealand on collecting data on modes of supply](#)

[Country experience: Turkey \(Chapter 14\)](#)

[Country experience: Portugal \(Chapter 14 C.4\)](#)

[Back to C. Allocation of resident/non-resident trade in services to modes of supply](#)

[1] See BPM6, paras. 10.85-10.100.

[2] See MSITS 2010, paras. 3.115-3.131.

[3] BPM6, MSITS 2010 and ITRS 2008 have different treatments concerning some goods purchased by those travelling: the BPM6 and MSITS 2010 travel item excludes purchases of valuables and consumer durables above a customs threshold, whereas ITRS 2008 includes all such purchases, irrespective of the threshold; see MSITS 2010, box III.5, for the relationship between data on travel and tourism statistics.