

D. Allocating to individual EBOPS items and trading partners

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17.23 Compilers should make every possible effort to allocate collected data on services transactions to the appropriate individual EBOPS items. Throughout the data collection and compilation process, compilers should, as much as possible, avoid using existing or catch-all services categories (e.g., "other business services", "other business services n.i.e.", "services not allocated",^[1] "undefined") or catch-all partner categories (e.g., "not allocated", "undefined") to assign services transactions for which the precise identification of one EBOPS 2010/partner category is not readily clear. Indeed, assigning unidentified services transactions to EBOPS categories such as "other business services n.i.e." (or one of its parents, if that level of disaggregation is not available, e.g., "other business services")^[2] will artificially inflate, and sometimes in very large proportions, the value for that specific EBOPS category and its parent categories (e.g., "technical, trade-related and other business services" and "other business services"). Such a practice decreases the analytical usefulness and reliability of those statistics, and also increases bilateral asymmetries, because unidentified services will be classified in different ways by different reporting countries.

17.24 Consequently, compilers should strive to systematically allocate all services transactions to the relevant individual EBOPS services categories, as well as appropriate trading partners. To the extent possible, that allocation should be done at the most detailed level. If diverse transactions are bundled into a single payment or receipt, the compiler should, to the extent possible, estimate the relevant shares of services transactions and allocate estimations to items/partners, as relevant. It is advised to use the most appropriate modelling and statistical techniques, on the basis of the information available to compilers. Such practices should be clearly documented in the metadata to improve users' understanding with respect to the interpretation and quality of the data.

17.25 It is reiterated that compilers should make every effort to allocate all services transactions to individual EBOPS 2010 services categories; however, if there is no possible solution in a certain case, compilers should use a category labelled "not allocated", which will be shown at the same level as the main services items (i.e., not included within any of the services items) or main partners.^[3] The corresponding values should be included at the total services level only if such a category corresponds to the classification shown, or at the total world level, if it relates to the partner breakdown shown. Metadata should clearly document when total services or total partners include "not allocated" elements (see chapter 18).

17.26 Compilers should also establish rules to make allocations across the correct geographical partners if transactions are recorded under "services not allocated." One possible method of performing such an allocation is to consider the shares of geographical distribution evident in total world trade in services. It should be noted that the allocations by nature of transaction and by partner country are independent, e.g., it is sometimes the case that transactions cannot be allocated to individual services items, but can be allocated to trading partners.

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[1] The Eurostat *Balance of Payments Vademecum* (update October 2013 edition), defines "services not allocated" as follows: "This item was created due to the fact that some Member States are unable to allocate certain amounts to specific services. This results in a discrepancy between the sum of individual services and the total services item. If a Member State encounters this problem, please record such residual item under item 982 "Services not allocated". Only services whose origin cannot be determined should be included under this label."

[2] As defined in MSITS 2010, para. 3.252 and the EBOPS 2010-Central Product Classification (CPC2, version 2), available from correspondence table 10. http://unstats.un.org/unsd/tradeserv/tfsits/msits2010/ebops2cpc_detailed.htm.

[3] It is important to note that the role of EBOPS 2010 items labelled as "other" or "not included elsewhere (n.i.e.)" is not to include transactions for which the compiler cannot determine to which EBOPS item they belong to, but rather corresponds to a residual list of services which are not identified as belonging to specific EBOPS items. In other words, these "other" or "n.i.e." items are actually defined, and correspond to a specific list of CPC version 2 products (see EBOPS 2010-CPC version 2 correspondence table available from <http://unstats.un.org/unsd/tradeserv/TFSITS/msits2010/ebops2cpc.htm>).