

**Sixteenth Meeting of the  
IMF Committee on Balance of Payments Statistics  
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**Inter-Agency Task Force on Statistics of International Trade in Services: Status Report**

**Prepared by the Statistics Department  
International Monetary Fund**

## INTER-AGENCY TASK FORCE ON STATISTICS OF INTERNATIONAL TRADE IN SERVICES: STATUS REPORT

### Introduction

1. In late 2002, the international agencies represented in the Inter-agency Task Force on Statistics of International Trade in Services<sup>1</sup> (Task Force) published in hard copy, in English, the *Manual on Statistics of International Trade in Services (Manual)*. Hard copy editions are now available in English, Chinese, and Spanish.

2. The work of the Task Force now focuses on (i) promotion of the implementation of the *Manual* through various means; (ii) development of compilation guidance; and (iii) development of an appropriate framework and guidelines for the compilation of data related to the movement of individuals to provide services (in the terminology of the General Agreement on Trade in Services: mode 4, provision of services through the presence of natural persons.<sup>2</sup>)

### Implementation of the *Manual*

3. At its last meeting (November 3–4, 2003), the Task Force reviewed the implementation by countries of the guidelines contained in the *Manual*, and noted that encouraging progress had been made. Implementation is being monitored and progress to date is summarized in material prepared by the OECD for the Task Force meeting and is separately tabled as BOPCOM-03/43. This sets out tools for assessment of the quality of trade in services data through (i) a Eurostat-OECD methodological soundness questionnaire covering balance of payments trade in services sent in 2003 to member countries of OECD and Eurostat, and to European Union candidate countries and (ii) the use of mirror statistics for the bilateral and multilateral assessment of international data comparability.

### Compilation Guidance

4. The Task Force has identified two main areas on which immediate work is focused—the provision of guidance on (i) alternative methods of compilation of the *travel services* component of the Extended Balance of Payments Services classification and (ii) compilation

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<sup>1</sup> Comprising representatives of Eurostat (the Statistical Office of the European Communities), IMF, Organisation for Economic Co-operation and Development (OECD), United Nations Conference on Trade and Development (UNCTAD), United Nations Statistics Division (UNSD), and the World Trade Organization (WTO).

<sup>2</sup> Mode 4 is described in paragraphs 2.19-2.21 and 2.94-2.97 of the *Manual*, and Annex 1 of the *Manual*.

of statistics on the activities of foreign affiliates (FATS). For the first of these, IMF staff will work in association with the World Tourism Organization (WTO/OMT) and the Chairman of the Eurostat Technical Group Travel to build on the work previously produced for Eurostat by a consultant. This group will first develop an outline structure for a training module that would serve as a model for other compilation guidance modules produced by the Task Force. The development of guidance for travel services will use this structure and incorporate existing compilation guidance, including that of the *Balance of Payments Compilation Guide* and the guidelines for travel surveys that have been developed by WTO/OMT. Guidance will be for the classification recommended in the *Manual*, but will bear in mind possible changes that may be introduced as a result of the revision of *BPM5*.

5. Regarding the development of compilation guidance for FATS, UNCTAD is preparing a set of four volumes that will comprise a manual to assist countries in the compilation of statistics about foreign direct investment and the operations of transnational corporations. The Task Force will ask UNCTAD to consider producing guidance, in cooperation with members of the Task Force, on the compilation of FATS statistics, consistent with the *Manual*, within this framework.

6. Areas identified for the development of compilation guidance in the future include construction, engineering, insurance and financial services, households' transactions, and compensation of employees. No timetable has been set for these developments.

#### **Developments relating to Mode 4 statistics**

7. The *Manual* does not include guidelines for the collection and dissemination of statistics relating to mode 4 supply of services, although Annex 1 to the *Manual* describes this mode of supply and describes existing statistics that provide some information in this area. The UNSD, announced in September 2003 the creation of a technical sub-group of the Task Force that will work to develop (i) a methodological report that will elaborate Annex 1 of the *Manual* and (ii) guidelines for the collection of data on this mode of supply of services. A copy of the terms of reference for this sub-group and further reference to its proposed program of work can be found as the attachment to BOPCOM-03/17. The Committee should note that the terms of reference includes provision for the involvement of national experts in the work of the sub-group.

#### **Coordination Issues**

8. The Task Force has provided comments to the IMF on the draft Annotated Outline for the revision of *BPM5*. Further involvement is envisaged. The IMF will participate in the work of the technical sub-group.