

**7TH OECD INTERNATIONAL TRADE STATISTICS EXPERT MEETING ITS
and OECD-EUROSTAT MEETING OF EXPERTS IN TRADE-IN-SERVICES STATISTICS
(TIS)**

Tour Europe - Paris La Défense, Salle des Nations, 11 - 14 September 2006

Technical cooperation

item 23 b)

Technical Co-operation – note by WTO

The Hong Kong Ministerial Declaration

Annex C refers in para.10 to WTO, *inter alia*, to providing targeted technical assistance. It spells out that "... such assistance should be provided on, *inter alia*, compiling and analyzing statistical data on trade in services, [and] assessing interests in and gains from services trade, ..."

Background on statistics of international trade in services

In 2002, the UN Statistical Commission adopted the Manual on Statistics of International Trade in Services (MSITS) which is a joint output of the United Nations Inter-agency Task Force on Statistics of International Trade in Services (TFITIS). MSITS builds upon existing statistical frameworks such as the IMF's Balance of Payments Manual (BPM5) to measure trade flows related to modes 1, 2 and 4 and suggests the development of a new framework for collecting information on the activities of affiliates abroad, the Foreign Affiliate Trade in Services (FATS) statistical framework. Compilation guidance is currently not available except for the more general IMF Balance of Payments Compilation Guide. Eurostat is about to draft recommendations for the compilation of FATS statistics in the context of their FATS regulation which makes data reporting compulsory for EU member States.

On request of the World Bank, the WTO has produced a Training Module on MSITS in 2003 with respective slides. This module is freely available on the Internet and is being used by other international organizations and private consultants active in this field for capacity building activities.

WTO statistical capacity building in international trade in services

Current WTO activities, related to the recent adoption of MSITS, started in 2003 including presentations on services trade statistics in WTO's trade policy courses in Geneva. The WTO training module has served a number of activities that were organized ad hoc in co-operation with the World Bank, OECD, UN/ESCWA, Andean Secretariat (see Annex). All these activities were geared towards raising awareness for the existence of MSITS, not its concrete implementation, and addressed trade negotiators and statisticians alike.

What does WTO do to respond to the Hong Kong request?

- The **WTO training module** is already available online inclusive Powerpoint presentations. This is widely used, also by private consultants as feedback shows.
- Based on this module, regular lectures (1.5 hours) are included in Geneva-based **Trade Policy Courses** and also in similar courses held at regional level in the field, for example, a 1-day session was held in Senegal organized by the Islamic Development Bank and WTO).
- It is envisaged to add to specific national and regional **seminars on trade in services** a module on international trade in services statistics, mirroring the experience from courses in Non-Agricultural Market Access negotiations where discussions of the subject are combined with capacity building activities on tariff-related information.
- Specific National Seminars on Statistics on International Trade in Services are offered (as part of the Member's 2 Seminars/year) including, for example, updates on services negotiations.
- The WTO could envisage to include partial funding in its Technical Assistance plan for regional awareness Seminars on the condition that other international organizations join in for the funding of such an event.

National Seminars are designed according to the audience (statisticians or trade negotiators). A first 2-day Seminar was held for Chinese Taipei focussing on international statistical concepts, overview

on data collection tools, and the use of country-specific data to analyse trade flows in a GATS context. Based on the countries' requests, similar Seminars will be offered by WTO.

Issues for further consideration

It should be highlighted that technical assistance to assist countries in **compiling international services trade statistics** would have to be addressed to *national statistical data compilers such as Central Banks and National Statistical Offices, and as necessary, relevant Ministries*. Such a technical assistance would have to be of long-term commitment to analyse individual needs, coordinate specific technical assistance programmes, donors, mode of delivery (workshops, field missions, etc.), and to evaluate and monitor progress of activities. It would have to be carried out in co-operation with other international organizations and consultants.

To develop a standard tool similar to data quality assessment frameworks that allows to identify data gaps in countries (conceptual differences between MSITS and existing country data) could be a useful start. A central repository on international and bilateral activities (country requests, donors, consultancy firms, etc.) would probably facilitate the organization and implementation of technical assistance in the field (design of surveys, etc.) and could eventually be envisaged by WTO.

Annex

- Trade Policy courses, WTO headquarters (since end 2003)
- Seminar on Services Trade and International Negotiation, Washington, D.C., April 2004, World Bank.
- OECD Project on Trade in Services in South Eastern Europe (SEE), "Capacity building seminars on measuring trade in services" (WTO), Tirana, Albania, April 2004, Sofia, Bulgaria, April 2004, Skopje, FYR Macedonia, April 2004, Chisinau, Moldova, June 2004
- "Measuring Trade in Services", half day presentation for Egyptian Delegation, WTO Headquarters, July 2004
- UN ESCWA, "A regional Seminar on Statistics of International Trade in Services", Beirut , Lebanon, December 2004 (UN ESCWA, UNSD, IMF, UNCTAD, WB, WTO)
- "Second Meeting of Andean Government Officials on Statistics of International Trade in Services", Andean Community headquarters, Lima, Peru, July 2005 (Andean Secretariat, IMF, WTO)
- Regional Trade Policy Course, "Measuring Trade in Services", Dakar, Senegal, February 2006 (IDB, WTO)
- WTO statistical capacity building seminar on "Statistics of International Trade in Services", Chinese Taipei, 16-17 May 2006.
- Seminar on Trade in Services for the Organization of the Islamic Conference, 22-24 May 2006, Abu Dhabi, United Arab Emirates.