



MINISTRY OF ECONOMY  
DEPARTMENT OF STATISTICS MALAYSIA

# STATISTICAL CAPACITY BUILDING (STATCAB) PROGRAMME ONLINE TRAINING COURSE ON INTERNATIONAL TRADE STATISTICS AND BALANCE OF PAYMENTS

## BALANCE OF PAYMENTS

June 2023





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# OVERVIEW

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- 07**    **Residence, Household & Individuals and Enterprise**
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- Established in 1993
- Prior to that, the Division was a unit under Foreign Trade Division



## Three sections:

- International Investment
- Goods, Services and Income Account
- Services and FATS

**This division is responsible for the compilation,  
analysing and producing statistics:**

**Balance of Payments  
(BOP)**

1

**International Investment  
Position (IIP)**

3

**Foreign Direct Investment (FDI)  
&  
Direct Investment Abroad (DIA)**

2

**International Trade in  
Services (ITS)**

4

**Inward and Outward Foreign  
Affiliates (FATS) Statistics**

5

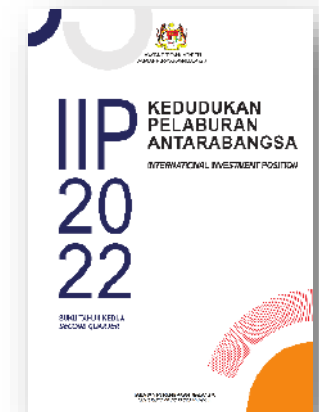
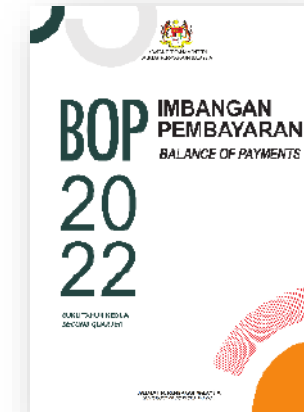




# Products



## 1. Quarterly



- i. Balance of Payments (BOP)
- ii. International Investment Position (IIP)

## 2. Annually



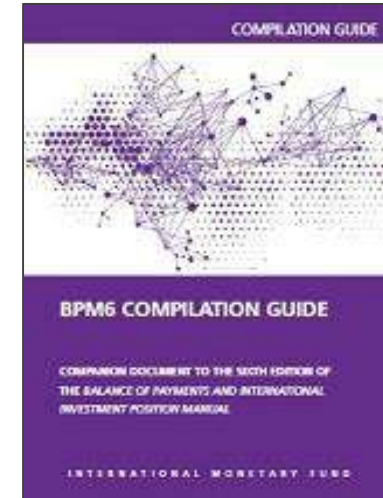
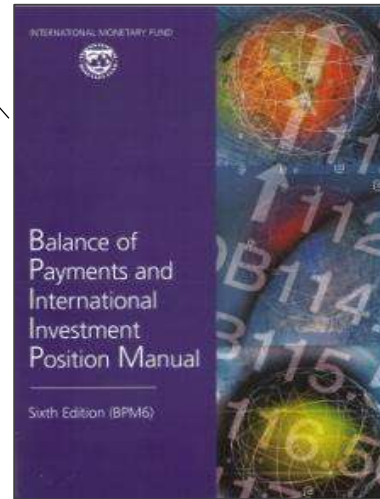
- i. Statistics on Malaysian Affiliates Abroad (Outwards FATS)
- ii. Statistics On Foreign Affiliates in Malaysia (Inwards FATS)

## 3. Biennially

- i. Statistics of International Trade in Services (SITS)
- ii. Statistics of Foreign Direct Investment in Malaysia (FDI)
- iii. Statistics on Malaysia's Direct Investment Abroad (DIA)

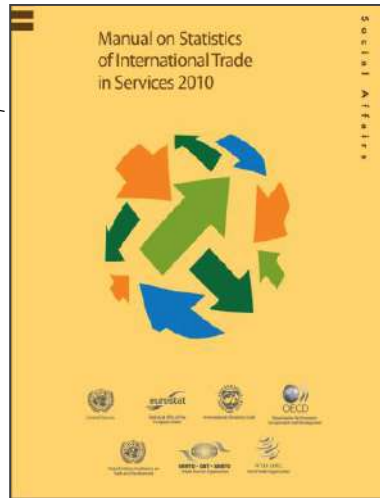


## Balance of Payments and International Investment Position Manual Sixth Edition (BPM6)

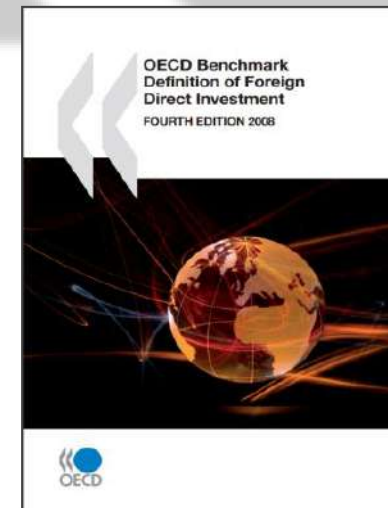
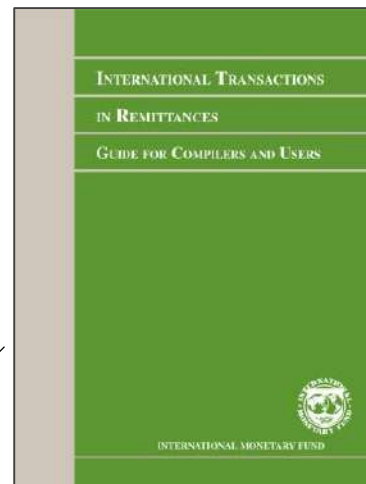


## BPM6 Compilation Guide

## Manual on Statistics of International Trade in Services 2010 (MSITS)



## International Transactions in Remittances Guide



## OECD Benchmark Definition of Foreign Direct Investment



# Use of Balance of Payments (BOP)



1. To see movement of our trading between resident and non-resident



3. To understand the movements in the exchange rate



2. To gauge investment in the country

4. To understand the trend and link between a change in interest rate condition and the amount, direction, and structure of external financial flows

## BALANCE OF PAYMENTS

Statistics that measure the international economic transactions between Malaysia and the rest of the world in terms of transactions in current, capital and financial accounts.

The balance of payments is a **statistical statement in double entry format**;

- |    |  |
|----|--|
| 01 | that summarizes transactions   |
| 02 | in goods, services, primary and secondary income, capital account, and financial items |
| 03 | between residents and nonresidents   |
| 04 | during a specific time period  |

## DOUBLE-ENTRY ACCOUNTING

- The basic accounting convention for an economy's BOP statement is that every recorded transaction is represented by two entries with exactly equal values.
- Each transaction is reflected as a credit and a debit entry.

## CONCEPT OF RESIDENCE

### RESIDENT



### Enterprises

is engaged in a significant amount of production and plans to do so over an indefinite or long period of time (Center of economic interest)



### Households & Individuals

#### Residence of Malaysia includes:

- Foreign workers (> 1 year in Malaysia)
- Foreign MNCs operate in Malaysia
- Malaysian working in Singapore that commute daily

Intention to be present for a period of 1 year or more

#### EXCEPTIONAL a period of 1 year :

- Diplomatic representatives
- Military personal
- Students
- Medical patients
- Ship's crew
- Seasonal/Cross-worker
- Refugees, guest workers, expatriate experts
- International Bodies

- ✓ **Economic connections of a unit to an economic territory**
  - ❖ Not based on nationality, legal criteria, or currency used
- ✓ **Expressed as an economic unit's *center of predominant economic interest***



# BALANCE OF PAYMENTS FRAMEWORK



**MALAYSIA**

## 01 CURRENT ACCOUNT

- 1 Goods
- 2 Services
- 3 Primary Income
- 4 Secondary Income

## 02 CAPITAL ACCOUNT

- 1 Acquisitions/ disposals of non produced non financial assets
- 2 Capital Transfers

## 03 FINANCIAL ACCOUNT

- 1 Direct Investment →
  - 01 Direct Investment Abroad (DIA)
  - 02 Foreign Direct Investment (FDI)
- 2 Portfolio Investment
- 3 Other Investment
- 4 Financial Derivative

## 04 RESERVE ASSET

## ERRORS AND OMISSIONS

### GOODS:

- Merchandise
- Merchanting
- Non Monetary Goods

### 12 COMPONENTS OF SERVICES :

- 01 Manufacturing Services on Physical Inputs Owned by Others
- 02 Maintenance and Repair Services
- 03 Transport
- 04 Travel
- 05 Construction
- 06 Insurance and Pension Services
- 07 Financial Services
- 08 Changes for the intellectual property n.i.e
- 09 Telecommunication, Computer & Information Services
- 10 Other Business Services
- 11 Personal, Cultural and Recreational Services
- 12 Government Goods and Services n.i.e

### PRIMARY INCOME :

- 01 Compensation of Employees
- 02 Investment Income :
  - Dividend
  - Reinvested Earning
  - Interest



## CURRENT ACCOUNT

- External trade statistics
- International Trade in Services Survey
- International Transaction Reporting System
- Administrative Data
- Other economic indicators



## FINANCIAL AND CAPITAL ACCOUNT

- Joint-survey IIP - DOSM & BNM
- International Transaction Reporting System
- Administrative Data
- Other economic indicators



## Indicators for Compilation of BOP

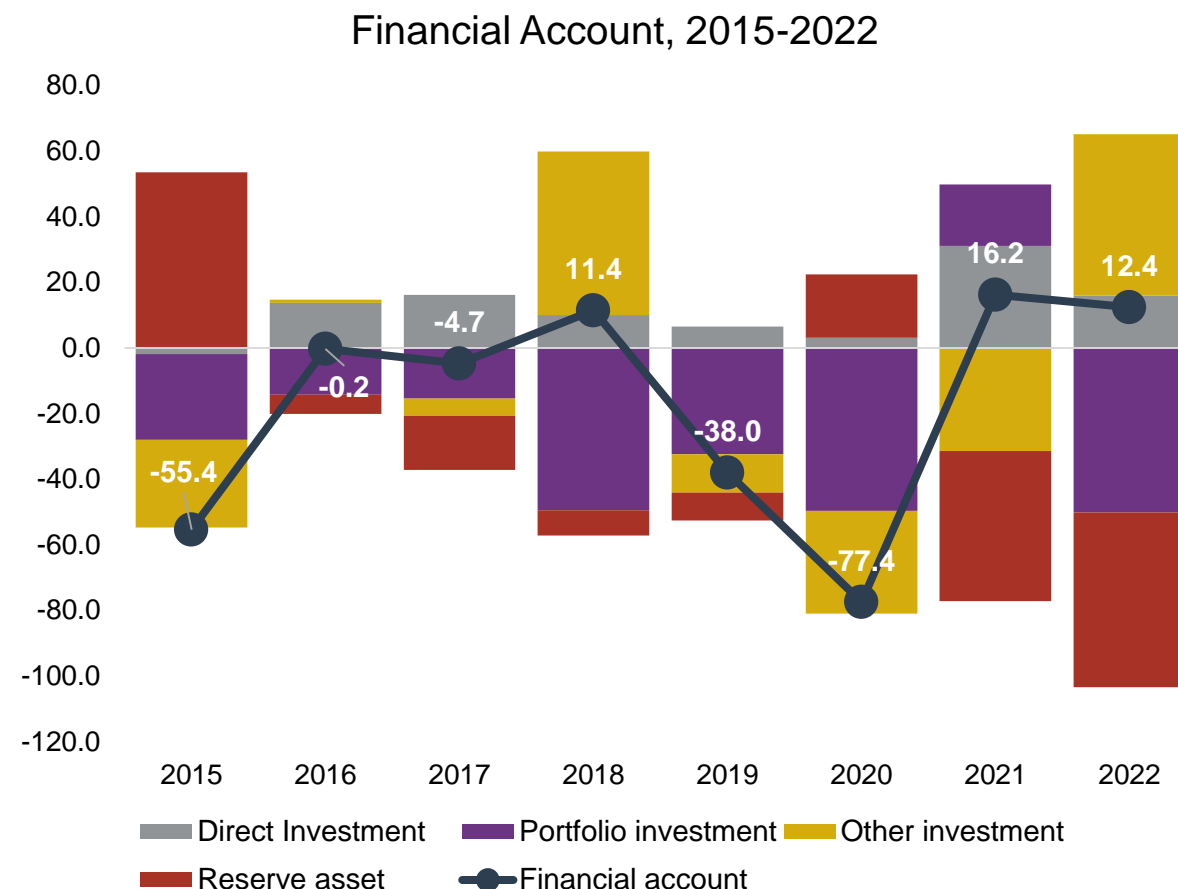
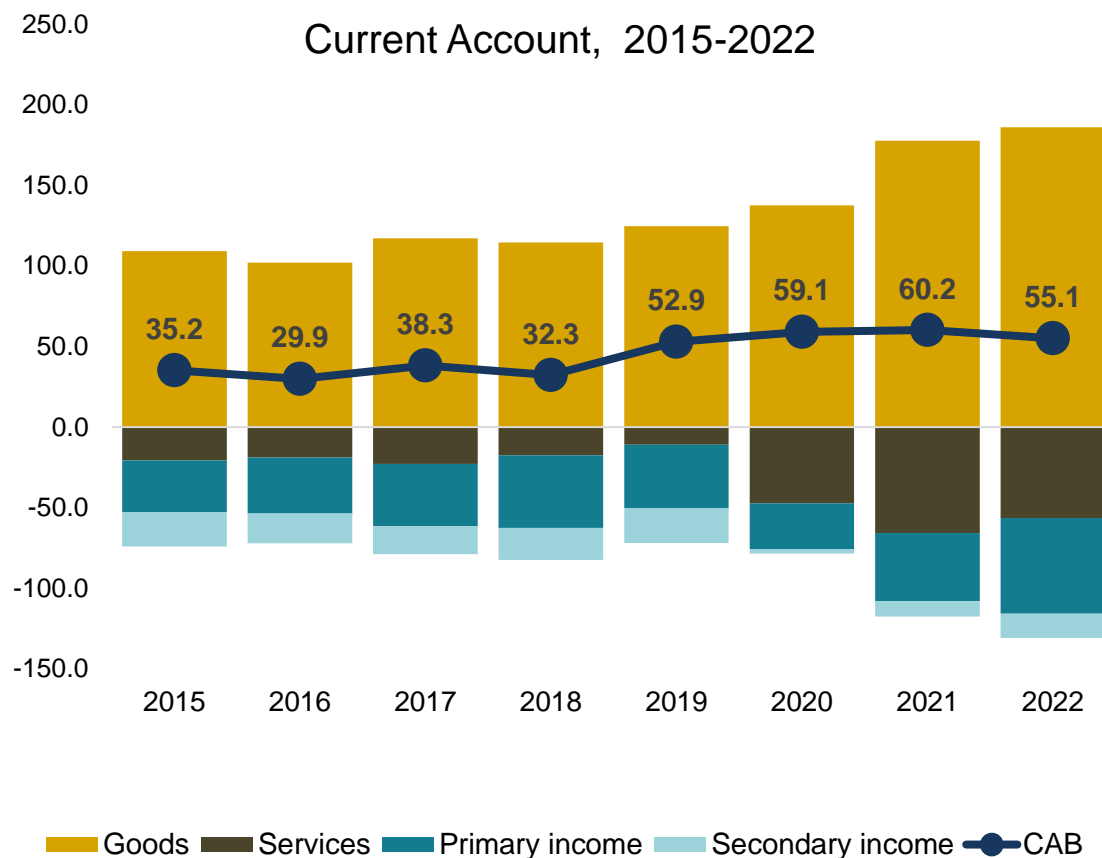


- ❖ GDP
- ❖ Foreign Exchange
- ❖ Commodity Prices Crude Oil
- ❖ Commodity Prices LNG
- ❖ Commodity Prices Palm Oil
- ❖ Commodity Prices Rubber
- ❖ Equity Market FBMKLCI
- ❖ CPI
- ❖ PPI
- ❖ Price Index (SPPI)
- ❖ Volume Index of Services
- ❖ Revenue (Current prices)
- ❖ Volume Index IPI
- ❖ Value of Sales - Manufacturing Industries
- ❖ Exports Volume Index
- ❖ Import Volume Index
- ❖ Goods (Trade)
- ❖ Transport
- ❖ Travel
- ❖ Money Supply (M1, M2, M3)
- ❖ Approved Investment MIDA

# BALANCE OF PAYMENTS - at a glance



“In 2022, Current Account Balance recorded a **surplus of RM55.1 billion** mainly contributed by net exports of Goods”



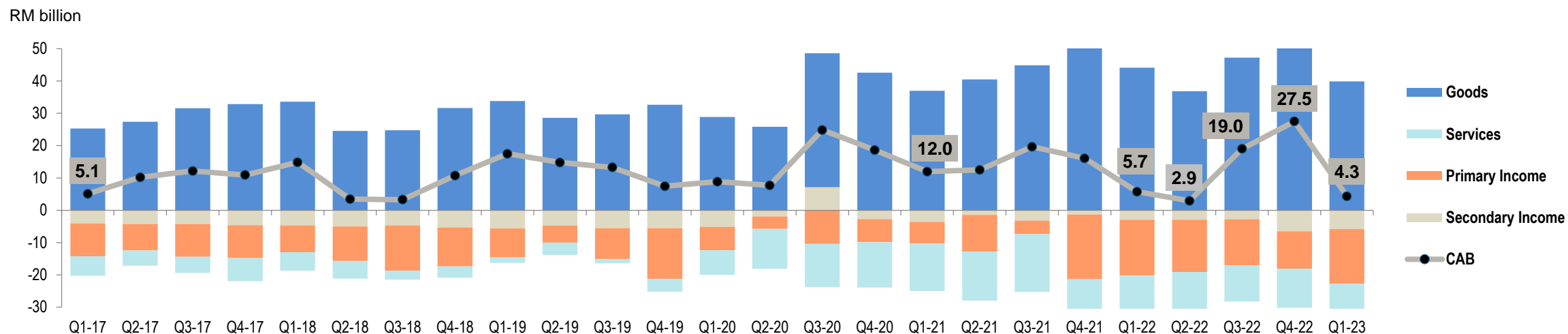
“Financial account recorded a **net outflow of RM12.4 billion** in 2022 mainly owing to net outflow in Other Investment and Direct Investment”





# BALANCE OF PAYMENTS - at a glance

## cont'd.



Component	2021	2022	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23
	<i>RM billion</i>						
<b>CURRENT ACCOUNT</b>	60.2	55.1	5.7	2.9	19.0	27.5	4.3
<i>Goods &amp; Services</i>	112.0	129.6	25.9	22.1	36.1	45.6	27.0
Goods	177.6	186.0	44.2	36.9	47.3	57.7	39.9
Services	-65.7	-56.4	-18.3	-14.8	-11.2	-12.1	-12.8
Primary Income	-42.2	-59.4	-17.3	-16.2	-14.3	-11.6	-16.9
Secondary Income	-9.6	-15.1	-2.9	-2.9	-2.8	-6.5	-5.9
<b>CAPITAL ACCOUNT</b>	-0.5	-0.5	-0.1	-0.1	-0.2	-0.1	-0.1

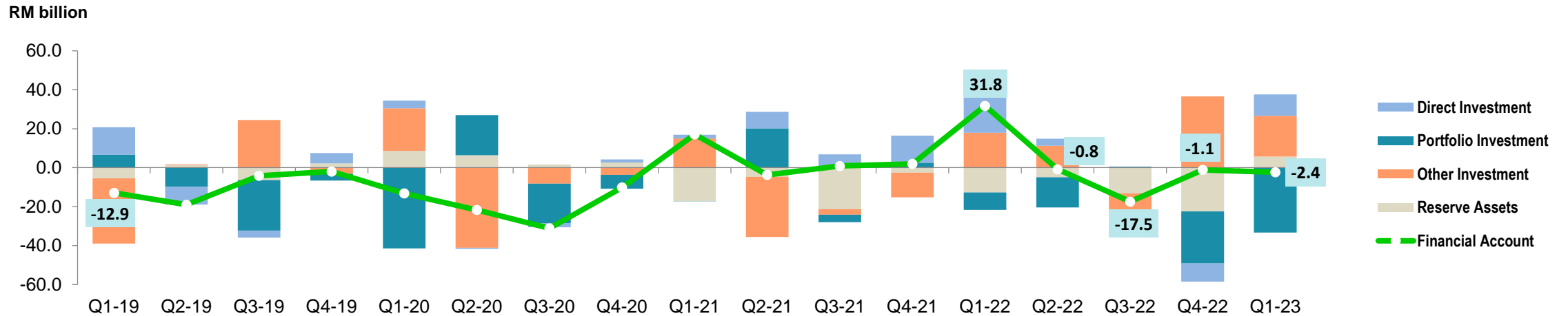
Note: \* Less than RM50 million

### Highlights





# BALANCE OF PAYMENTS - at a glance cont'd.



Component	RM billion	2021	2022	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23
<b>FINANCIAL ACCOUNT</b>		<b>16.2</b>	<b>12.4</b>	<b>31.8</b>	<b>-0.8</b>	<b>-17.5</b>	<b>-1.1</b>	<b>-2.4</b>
Direct Investment		31.1	15.9	22.5	3.6	-0.9	-9.3	10.9
Portfolio Investment		18.8	-50.6	-8.9	-15.4	0.5	-26.7	-33.3
Financial Derivative		-2.3	-2.2	0.2	-0.2	-0.4	-1.7	-0.9
Other Investment		-31.4	49.2	18.0	11.2	-16.5	36.6	20.9
<b>RESERVE ASSETS</b>		<b>-45.7</b>	<b>-53.4</b>	<b>-12.8</b>	<b>-4.9</b>	<b>-13.2</b>	<b>-22.5</b>	<b>5.7</b>
<b>ERRORS &amp; OMISSIONS</b>		<b>-30.3</b>	<b>-13.6</b>	<b>-24.6</b>	<b>2.9</b>	<b>11.9</b>	<b>-3.8</b>	<b>-7.6</b>

Note: \* Less than RM50 million

## Highlights





# GOODS

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# OUTLINES



01

Definition

02

Transactions

03

Goods – General Merchandise,  
Merchanting & Nonmonetary Gold

04

Summary of Conceptual Differences  
SNA/ BPM6 vs. IMTS

05

Data Sources



## Definition of Goods

### In SNA and BOP:

Goods are physical, produced items over which ownership rights can be established and whose **economic ownership** can be passed from one institutional unit to another by engaging in transactions.

The production of goods can be separated from its subsequent sale or resale.

- **IMTS**: records cross border movement of goods...
- Customs procedures ... inclusions/exclusions

## Definition

Exchange or transfer of **value** between two institutional units by **mutual agreement** (or by application of law)

## Particularities:

- In BOP, transactions are ***between residents and non-residents***
- ***Illegal transactions*** are treated the same way as legal transactions
- Transactions arranged by ***an agent*** are allocated to the countries of the parties, not to the country of the agent (the latter receives a fee, recorded as a service)
- ***Rearrangement*** of transactions (Rerouting (insurance); Partitioning (CIF/FOB adjustment))



# ECONOMIC TERRITORY VS. STATISTICAL AND CUSTOMS TERRITORY



## Economic Territory

- Area under the effective economic control of a single government
- **Included**: special zones (e.g., free trade zones, offshore financial centers), even though different regulatory and tax regimes may apply
- **Excluded**: embassies, foreign military bases

## Statistical Territory

- Territory of a country with respect to which trade data are being compiled, that is goods which enter or leave the statistical territory.
- May differ from the economic territory in data coverage

## Customs Territory

- Territory in which the customs law of a country applies, but...

For **Customs Unions**, cross-country flows of goods need of additional non-customs information

**Free trade zones or other special zones** may have different laws & tax policies, but national totals still needed, inclusions for bilateral comparisons



# TIME OF RECORDING



## BOP TRADE STATISTICS

- Recorded when a change of **ownership occurs**
- When parties **enter the goods in their books** as a real asset, and
- Make a corresponding change to their financial assets and liabilities



## CUSTOMS STATISTICS

- When **goods enter or leave the economic territory** of the compiling country
- Approximated by the **date of lodgment of the customs declaration**



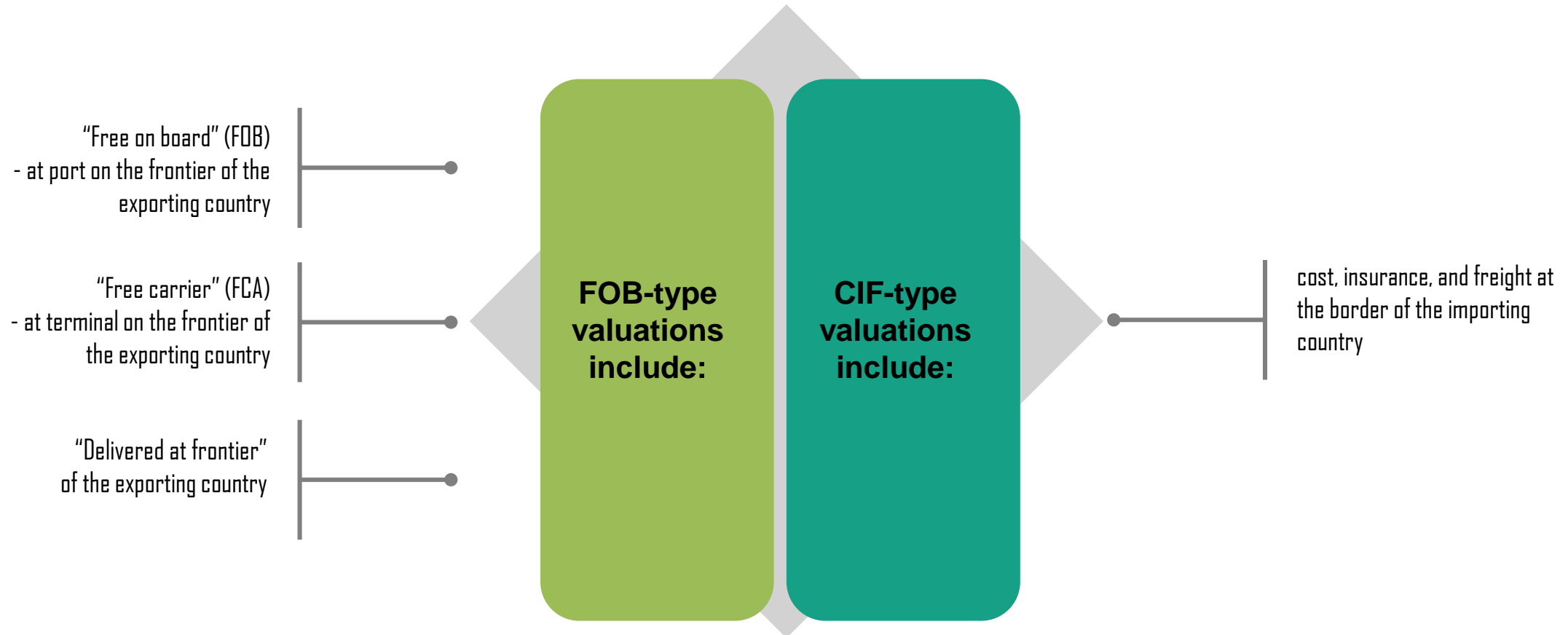
## TRANSACTION IN SERVICES

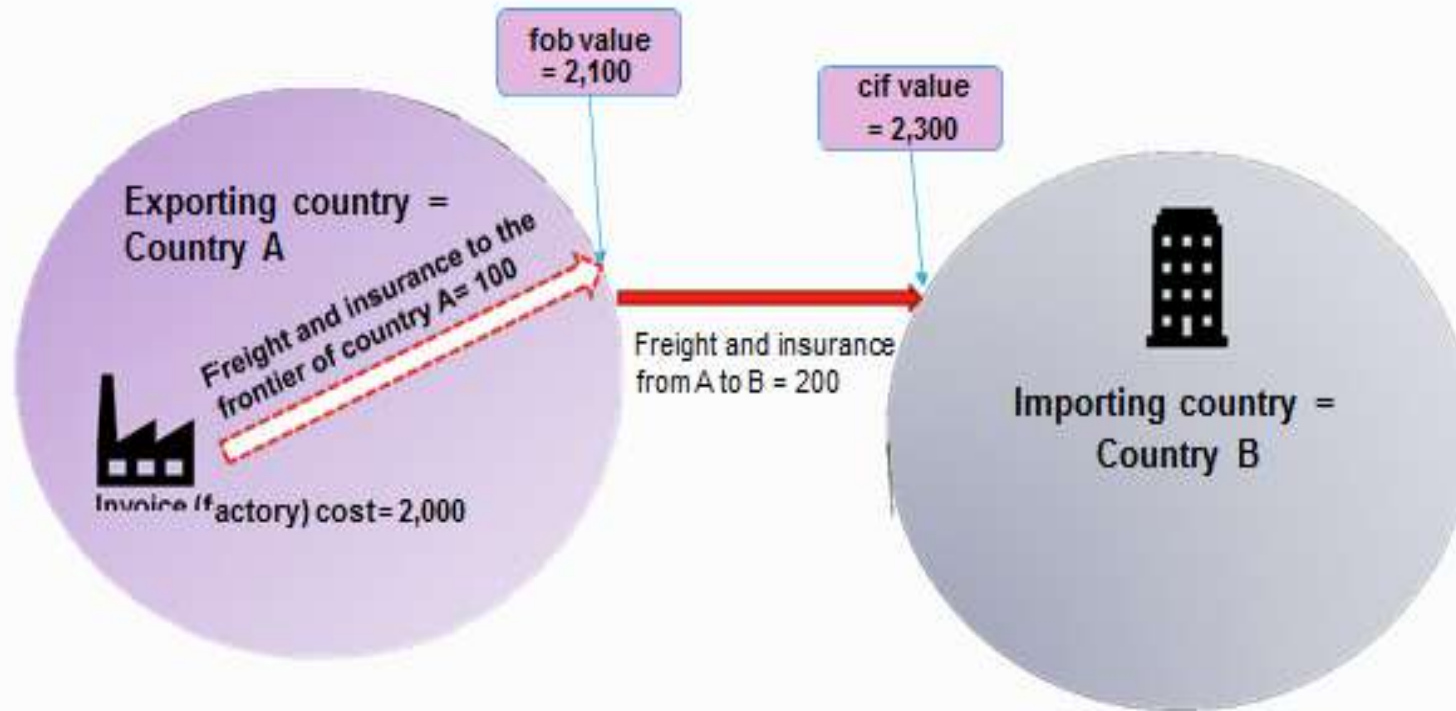
- when **services are rendered**
- when service are rendered: **accrual accounting**
- services supplied on the continuous basis such as construction
  - progressive payments
- advances payments and late settlements
  - when services are rendered



## A uniform point of valuation for goods is recommended

The point of uniform valuation is at the customs frontier of the economy from which the goods are first exported, i.e. **free on board (FOB)** which equals **invoice (factory) price plus cost of freight and insurance to the frontier of the exporter**





ACTIVITY	VALUE
Value of commodities at place of production in the exporting country A (factory gate price)	2,000
Cost of transportation to border of country A (domestic services provided by resident of country A)	100
Cost of transportation from border of country A to border of country B (services provided by resident of country C)	200
Value of commodities at place of delivery at border of country B (CIF value)	2,300
<b>FOB Value</b>	<b>2,100</b>

## The **FOB valuation** point means:

- Export taxes are treated as payable by the exporter
- Import duties and other taxes of the importing economy are payable by the importer

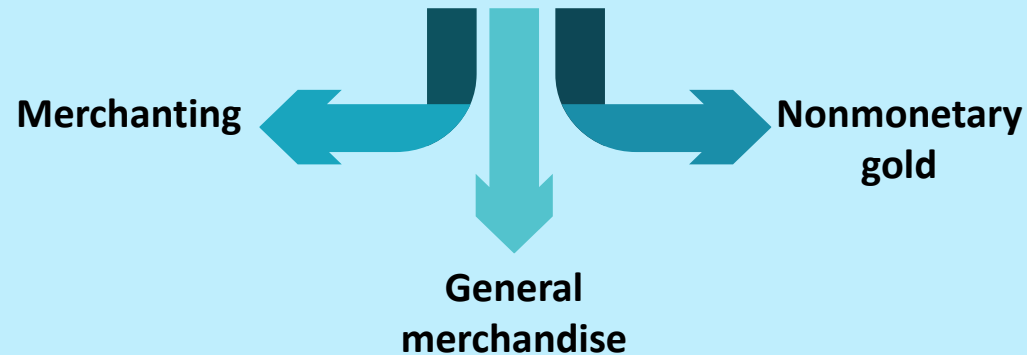




## Goods

- ✓ Covers exports and Imports of goods which **economic ownership is change** between resident and non resident.
- ✓ Both exports and imports are **valued at f.o.b**

### Goods Components in BPM6



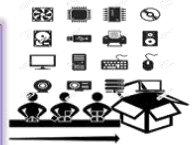
## GENERAL MERCHANDISE

### SPECIAL CASES...

#### a) **GOODS FOR PROCESSING**

"Because there is no change of ownership of goods between a resident and nonresident, or because the goods have no value, the following cases are excluded from general merchandise:

...(f) Goods for assembly, packing, labeling, or processing by an entity that does not own the goods concerned.."



#### Malaysia as **PROCESSOR**

##### **INWARD PROCESSING**

- Goods received from abroad for processing (GFP imports) and sent back to the owner (GFP export)
- Fees received consider MS credit (exports)



#### Malaysia as **PRINCIPAL**

##### **OUTWARD PROCESSING**

- Goods sent abroad for processing (GFP exports) and return to Malaysia (GFP imports)
- Fees paid consider MS debit (imports)



Goods temporarily exported or imported without a change of ownership.

#### b) **GOODS FOR STORAGE**



# GOODS FOR PROCESSING



part of activity involves in goods for processing



## Include

- oil refining
- liquefaction of natural gas
- assembly of clothing and electronics, cars
- labeling
- packing

## Exclude

- assembly of prefabricated constructions = construction services); and
- labelling and packing incidental to transport = transport services.



## *Specific cases for inclusion in goods*

- Banknotes and coins not in current circulation
- Cross-border supply of electricity, gas, and water (however, charges invoiced separately for the transmission, transport, or distribution of these products are included in services).
- Goods procured in resident ports by nonresident carriers and by resident carriers in nonresident ports
- Goods for the lessee under financial leases
- Equipment sold while outside the territory of residence of its original owner
- Ships, aircraft
- Trade between free trade zones and nonresidents



## *Specific cases for exclusion from goods.. e.g*

- Transit trade
- Migrants' personal effects
- Goods consigned to embassies, military bases etc. from their home authorities, and vice versa
- Goods temporarily exported or imported without a change of ownership, e.g. goods for repair, animals or artifacts for participation in exhibitions or competitions
- Returned goods
- Trade in goods between free trade zones and residents of the same economy

# HIGH VALUE OF CAPITAL GOODS\_TRANSPORT ARRANGEMENTS



Owners and operators of transport equipment may enter into a number of leasing or chartering arrangements. But for BOP purposes,

Aircraft Arrangements	Goods	Transport	Operational Lease
<b>Financial leasing</b> Goods for the lessee under financial leases	Classified under goods		
<b>Operational leasing</b> Chartering or hiring of a ship or boat, whereby no crew or provisions are included as part of the agreement.			The operator is responsible for equipping the vessel and supplying the crew. A lease without crew and if the lessee does not assume the risks and rewards of ownership.



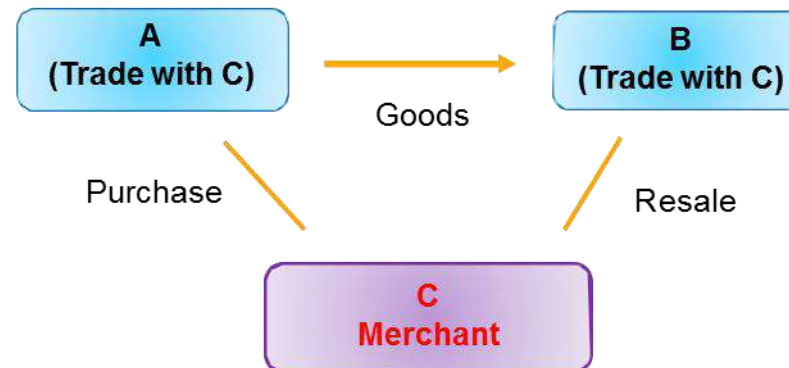


# GOODS – MERCHANTING



**Merchanting** is defined as the purchase of goods by a resident (of the compiling economy) from a non-resident combined with the subsequent resale of the goods to another non-resident **without the goods being present in the compiling country**.

- The **acquisition of goods** by merchants is shown under goods as a negative export of the economy of the merchant.
- The **sale of the good** is shown under merchanting as a positive export of the economy of the merchant.





## Merchanting arrangements:

- used for wholesaling and retailing; and
- also in commodity dealing and for the management and financing of global manufacturing processes

*If the form of the goods does not change*

- goods are included under merchanting
- selling price reflects minor processing costs and wholesale margins

BOP requires information on value of:

- acquisition of goods by merchants
- sale of the goods by merchant
- Difference = **“net exports” of goods under merchanting**

*it includes merchants' margins, holding gains/losses, and changes in inventories of goods under merchanting*



## Example : Merchanting

Because the books did not change their physical form, the transactions are recorded as merchanting.

Balance of payments entries for country A are as follows:

Net exports of goods under merchanting	8 (credit)
Goods acquired under merchanting (from country B)	-12 (credit) (negative exports)
Goods sold under merchanting (to country D)	20 (credit)

Countries B and D will register in their balance of payments, export (12) and import (20) of general merchandise, respectively.





## a Treatment in IMTS:

Goods under merchanting are excluded from international merchandise trade statistics.

## b Treatment in BOP (BPM6):

BPM6 records goods under merchanting separately (in addition to general merchandise) as a negative export when acquired by a resident from a non-resident, and as an export when sold by a resident to a non-resident.



**Nonmonetary gold** cover all gold other than monetary gold. Nonmonetary gold can be in the form of :

- **bullion** (that is, gold bullion takes the form of coins, ingots, or bars with a purity of at least 995 parts per thousand),
- **gold powder**, and
- gold in **other unwrought or semi manufactured forms**.

**Excluded**: jewellery, watches, and so forth that contain gold, which are included under general merchandise

# SUMMARY OF CONCEPTUAL DIFFERENCES SNA / BPM6 VS. IMTS



	SNA / BPM6	IMTS
<b>Principle of recording</b>	Change of ownership	Cross border movement of goods
<b>Definition of territory</b>	Economic territory	Customs territory
<b>Time of recording</b>	When the <b>change of ownership</b> occurs	When <b>goods enter/leave</b> the customs territory
<b>Valuation</b>	FOB / invoice price	Different measures... <i>WTO Customs Valuation Agreement</i> ; FOB, CIF, etc
<b>Classification</b>	CPC, ISIC, etc., ... <i>bridging</i>	HS, SITC



- Most countries use IMTS as the main data sources for compiling the goods account
- However IMTS normally based on customs forms are designed with view to administrative requirements and may need adjusting for Trade/SNA/Bop statistics purposes)



**Enterprise Surveys – e.g Merchanting  
Airlines companies  
Government/other agencies**

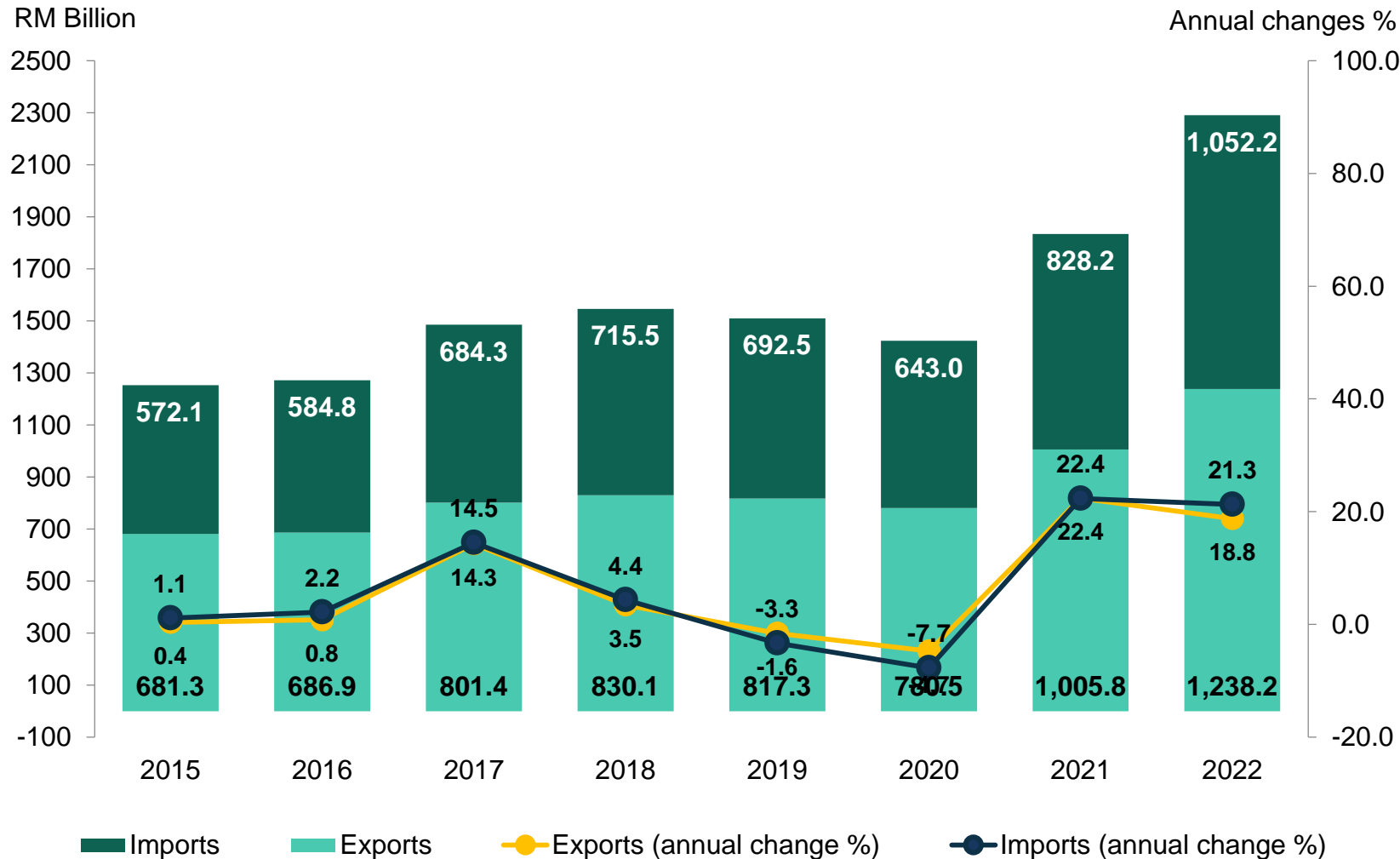




# PERFORMANCE OF GOODS



## Exports, Imports and Net of Trade in Services, 2015-2022



“In 2022, Goods account recorded a surplus of **RM186.0 billion**”

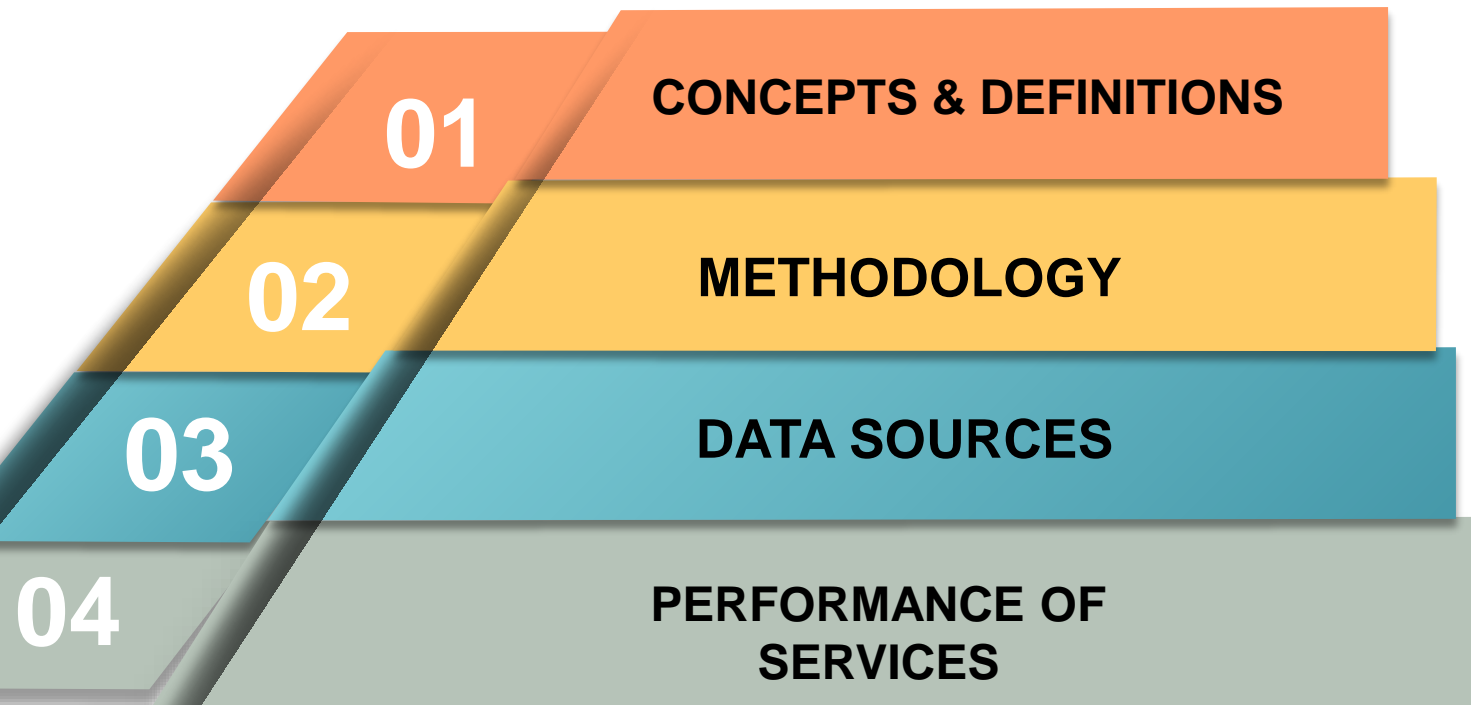
# SERVICES

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# Outline





- Services – intangible products and activities;
- Often difficult to separate from goods;
- Results of the *production process* that:
  - *change the condition* of the consuming units
    - **Changes in the condition of the consumer's goods**: the producer works directly on goods owned by the consumer by **transporting, cleaning, repairing or otherwise transforming them**
    - **Changes in the physical condition of persons**: the producer transports the persons, provides them with **accommodation, provides them with medical or surgical treatments, improves their appearance, etc.**
    - **Changes in the mental condition of persons**: the producer provides **education, information, advice, entertainment or similar services in a face to face manner.**
  - *facilitate the exchange* of products or financial assets
  - *not* generally *separate items* over which ownership rights can be established
  - *Cannot* generally *be separated from their production*





# Classification of International Trade in Services



## 1. Manufacturing Services on Physical Inputs Owned by Others

## 2. Maintenance and Repair Services

## 3. Transport

### 3.1 Sea Transport

3.1.1 Freight

3.1.2 Passenger and others

### 3.2 Air Transport

3.2.1 Freight

3.2.2 Passenger and others

### 3.3 Other Transport

3.3.1 Postal and Courier Services

3.3.2 Others

## 4. Travel

### 4.1 Business

### 4.2 Personal

4.2.1 Health-related

4.2.2 Education-related

4.2.3 Others

## 5. Construction

## 6. Insurance and Pension Services



**Notes:** The classification are based on Balance of Payments and International Investment Position Manual (BPM6) and Extended Balance of Payments Classification (EBOPS 2010)

## 7. Financial Services

## 8. Charges for the Use of Intellectual Property

## 9. Telecommunication, Computer & Information Services

9.1 Telecommunications

9.2 Computer

9.3 Information

## 10. Other Business Services

### 10.1 Research and Development Services

### 10.2 Professional and Management Consulting Services

10.2.1 Legal

10.2.2 Accounting

10.2.3 Business and Management Consulting

### 10.3 Technical, Trade-Related and Other Business Services

10.3.1 Architectural, Engineering and Other Technical

10.3.2 Operating Leasing

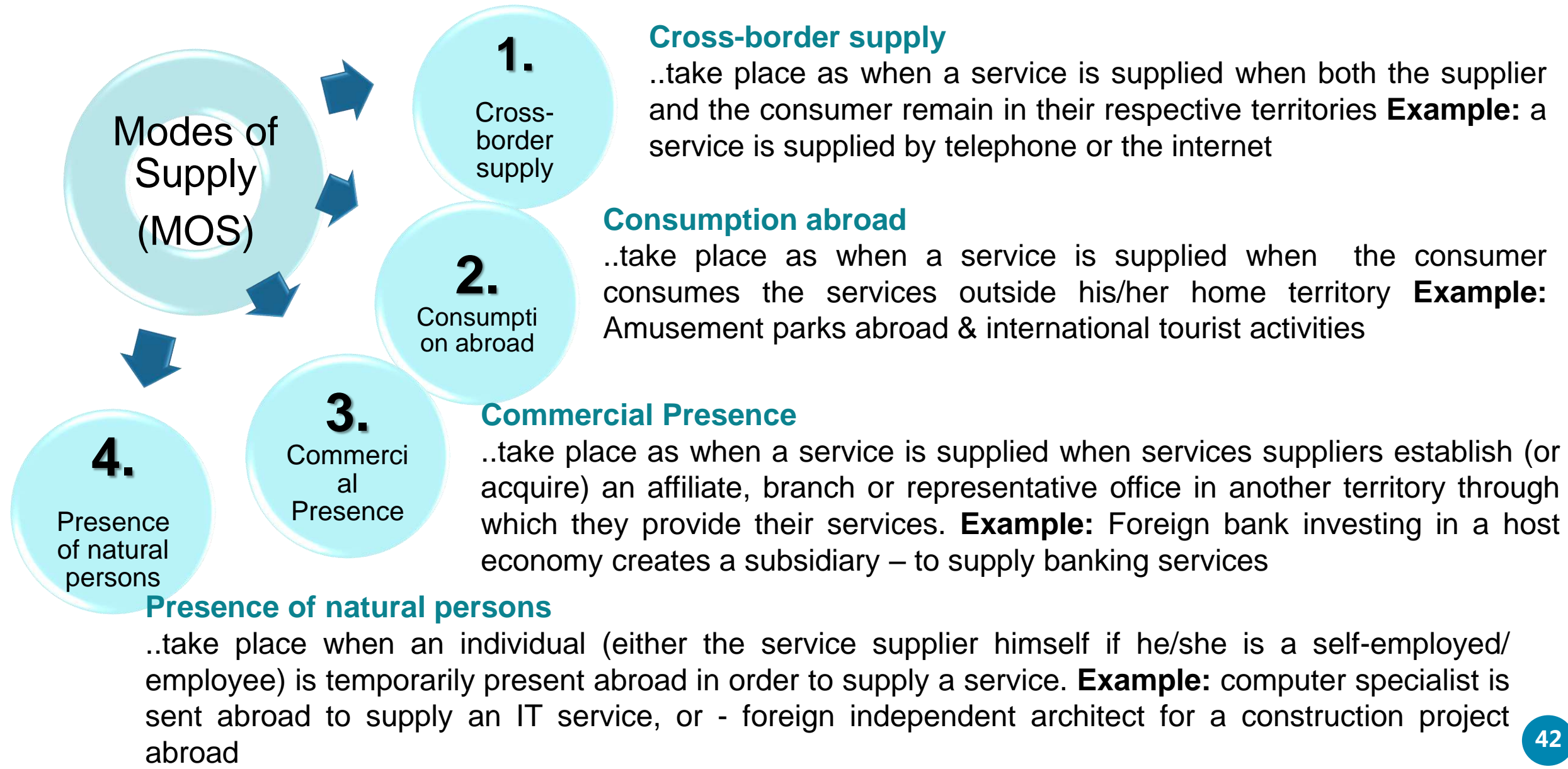
10.3.3 Trade-Related and Other Business Services

## 11. Personal, Cultural and Recreational Services

## 12. Government Goods and Services n.i.e.



# Mode of supply





## Concept & Definition

Manufacturing services by an entity, **processor**, that does not own the goods and that is paid a fee by the **owner**.

Ownership of the goods  
“**processed**” does not  
change.

- Thus, no general merchandise transaction is recorded between the **processor** and the **owner**.

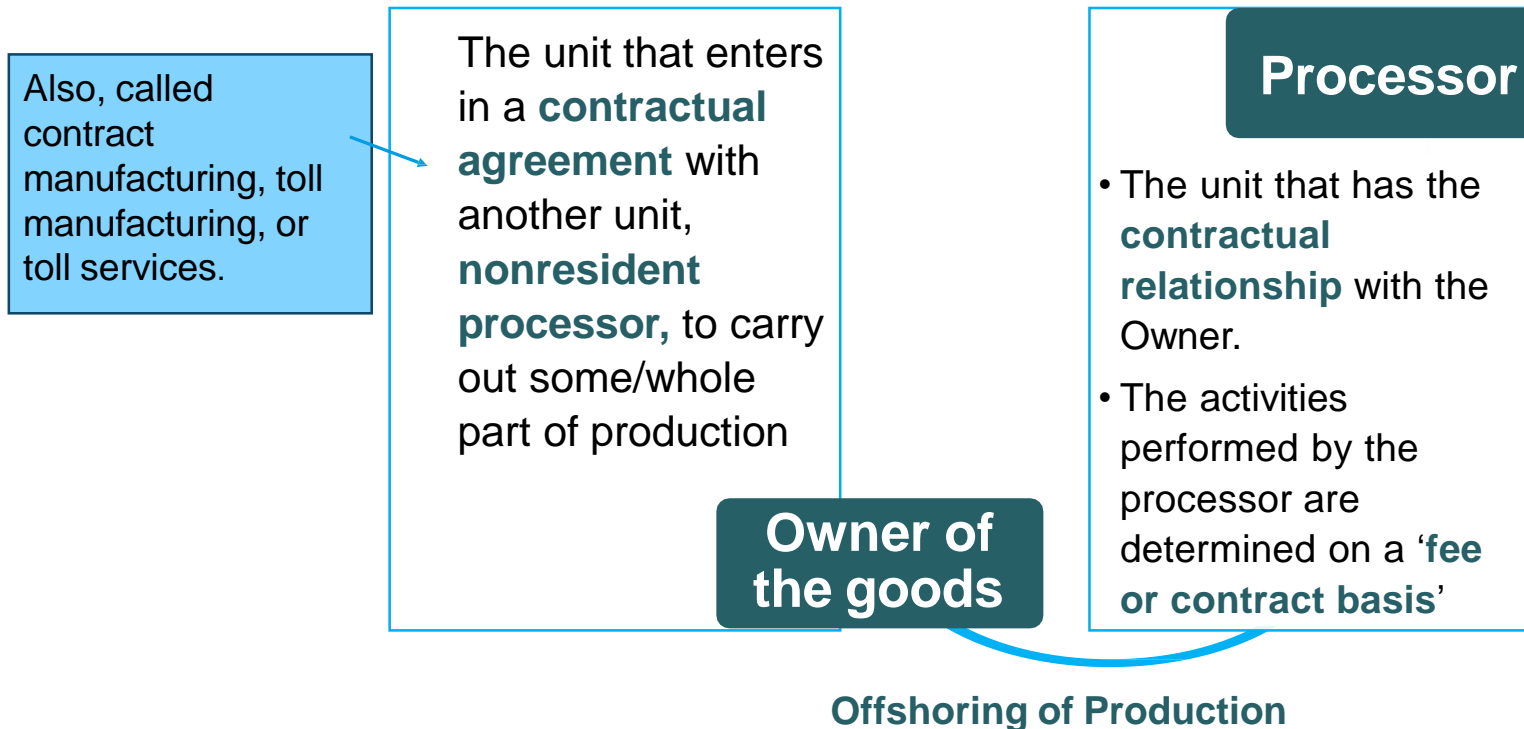
Manufacturing services on  
physical inputs owned by  
others.

- Cover:
- processing, assembly, labeling, packing....undertaken by enterprises, **processor**



## Concept & Definition

### Owner and Processor Relationship





## Concept & Definition

**Goods For Processing (GFP)** : *BPM6 para 10.22, Page 153:*

“Because there is **no change of ownership** of goods between a resident and nonresident, or because the goods have no value, the following cases are **excluded** from general merchandise:

(f) Goods for assembly, packing, labeling, or processing by an entity that does not own the goods concerned..”

**Manufacturing Services (MS)** : *BPM6 Para 10.62, Page 161:*

- ✚ “Manufacturing services owned by others **cover processing, assembly, labeling, packing**, and so forth undertaken by enterprises that do not own the goods concerned.
- ✚ The manufacturing is undertaken by an entity that does not own the goods and that is paid a fee by the owner.
- ✚ In this case, the ownership of the goods does not change, so no general merchandise transaction is recorded between the processor and the owner.”

*BPM6  
recommend  
change of  
“ownership  
principle” to  
recognize  
balance of  
payments  
transaction for  
GFP and MS*



## Concept & Definition

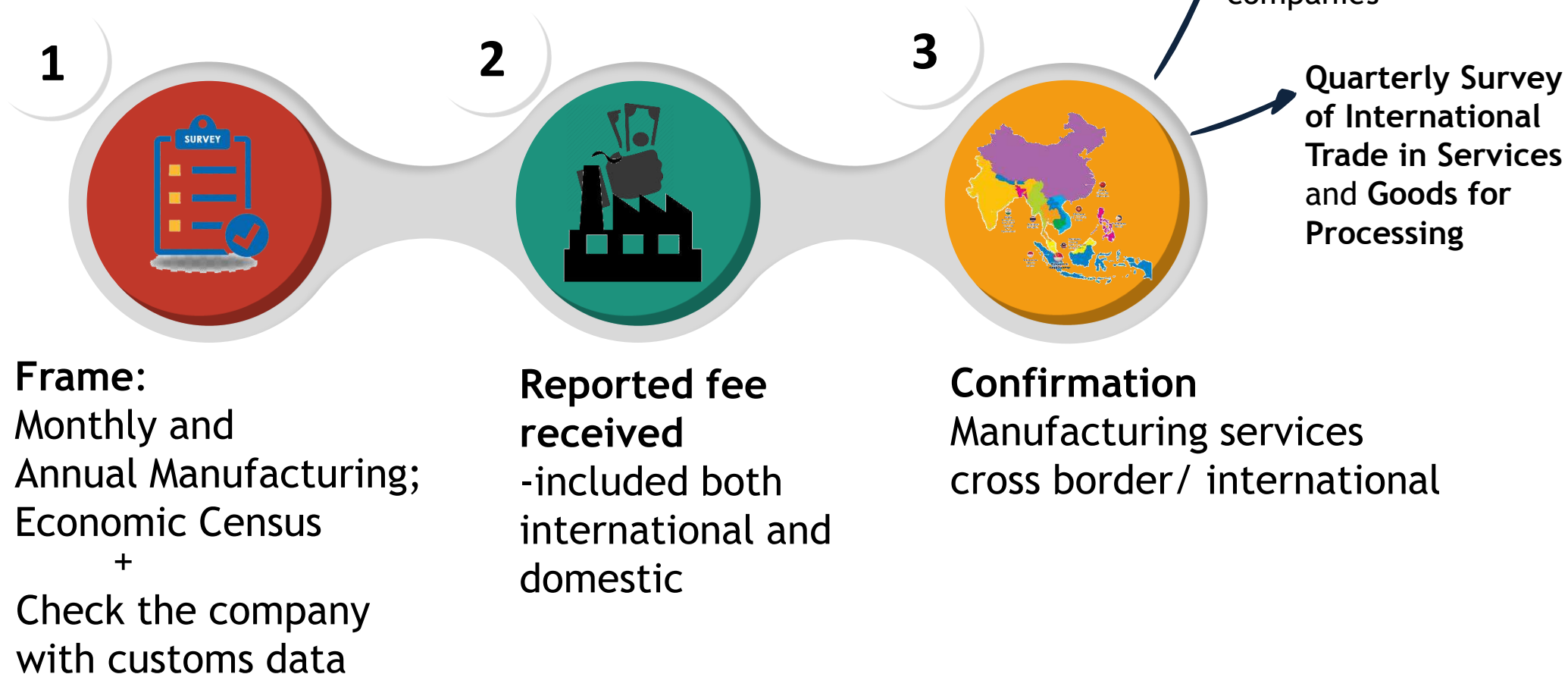
### Services Under Manufacturing Services on Physical Inputs Owned by Others

Include	Exclude
<ul style="list-style-type: none"><li>• oil refining</li><li>• liquefaction of natural gas</li><li>• assembly of clothing and electronics, cars</li><li>• labeling</li><li>• packing</li></ul>	<ul style="list-style-type: none"><li>• assembly of prefabricated constructions = construction services) ; and</li><li>• labelling and packing incidental to transport = transport services.</li></ul>





## Step to identify the companies involved







## Methodology and Data Sources

### Annual Manufacturing Survey

Soalan / Question : 8

#### PEROLEHAN / PENDAPATAN TURNOVER / INCOME

8.1 Jualan daripada produk yang dibuat / proses / pemasangan:  
*Sales of manufactured / processed / assembled products:*

Nilai / Value  
RM 20  
01

#### KEGUNAAN PEJABAT / OFFICE USE

Nilai di medan 2001 mesti sama dengan medan 2542 (Soalan 14)  
*Value in field 2001 must be equal to field 2542 (Question 14)*

8.2 Pendapatan daripada perkhidmatan perindustrian yang diberikan:  
*Income from industrial services rendered:*

8.2.1 Bayaran diterima bagi kerja memproses yang dibuat untuk  
pertubuhan lain yang menggunakan bahan mereka sendiri  
*Fee received for processing work done for other establishments'  
on their materials*

02

8.2.2 Pendapatan daripada kerja membaiki dan menyelenggarakan  
jentera dan kelengkapan pertubuhan lain  
*Income from repairs and maintenance work done on other  
establishments' machinery and equipment*

03

question related to  
manufacturing services

Soalan / Question :

16a

#### NILAI PRODUK BUATAN SENDIRI YANG DIEKSPORT VALUE OF OWN MANUFACTURED PRODUCTS EXPORTED

16.a1 Jika Soalan 8.1 dilaporkan, sila nyatakan peratus (%) eksport berdasarkan jumlah  
nilai jualan pada tahun rujukan  
*If Question 8.1 is reported, please state the percentage (%) of export based on total value of  
sales during the year*

71  15

Soalan / Question :

16b

#### EKSPORT BAGI KERJA MEMPROSES DAN MEMBAIKI & MENYELENGGARA UNTUK PERTUBUHAN LAIN EXPORT FROM PROCESSING WORK DONE AND REPAIR MAINTENANCE FOR OTHER ESTABLISHMENT

16.b2 Jika Soalan 8.2.1 dilaporkan, sila nyatakan peratus (%) pendapatan yang diterima dari  
luar negara bagi kerja memproses yang dibuat untuk pertubuhan lain  
*If Question 8.2.1 is reported, please state the percentage (%) of income received from abroad  
for processing work done for other establishment*

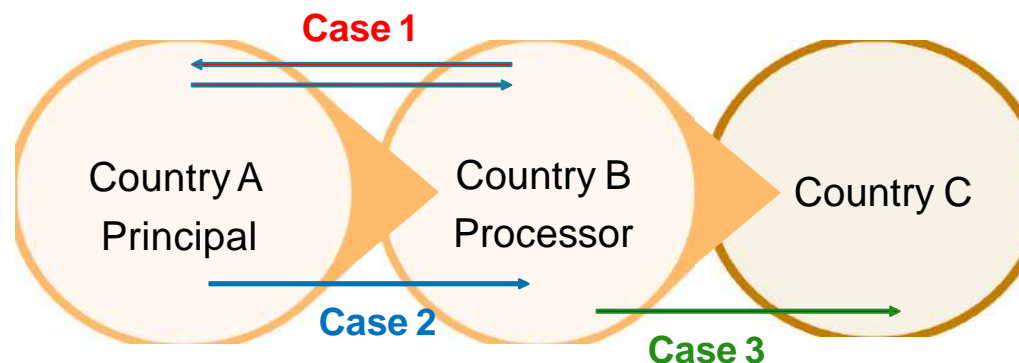
74  15

16.b3 Jika Soalan 8.2.2 dilaporkan, sila nyatakan peratus (%) pendapatan yang diterima dari  
luar negara bagi kerja membaiki dan menyelenggara jentera dan kelengkapan  
untuk pertubuhan lain  
*If Question 8.2.2 is reported, please state the percentage (%) of income received from abroad  
for repairs and maintenance work done for other establishment*

75  15



## Different Cases



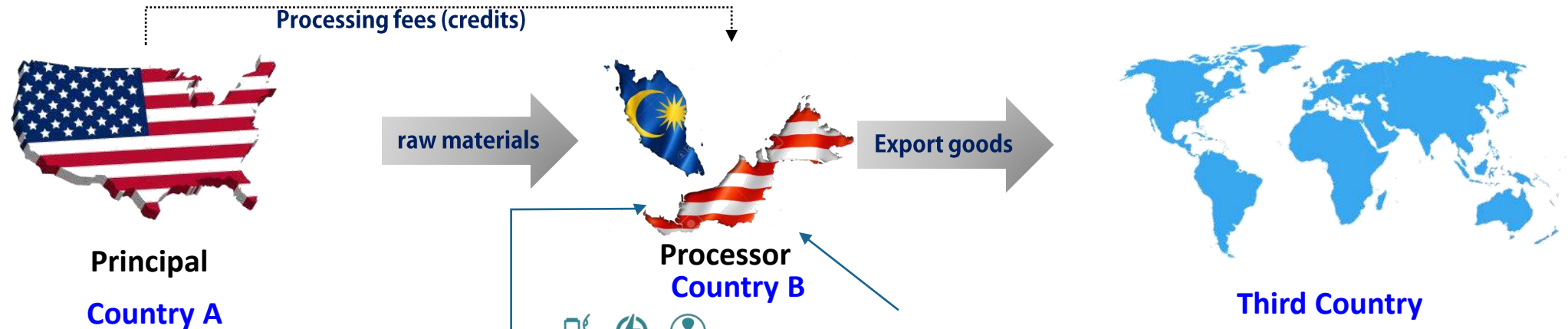
Case 1: Goods return to the country of origin after processing (Country A in example)

Case 2: Processed goods stay in the domestic economy of processor (Country B in example)

Case 3: Processed goods are shipped to third country (Country C in example)

Case 4: Mixed combinations

## CASE STUDY: GFP in Malaysia e.g INWARDS PROCESSING



### Malaysia as PRINCIPAL OUTWARD PROCESSING

- Goods sent abroad (export) for processing and return to Malaysia (import)
- Fees paid consider MS debit (import)

### Malaysia as PROCESSOR INWARD PROCESSING

- Goods received from abroad (import) for processing and sent back to the owner (export)
- Fees received consider MS credit (export)



## Concept and Definition



- Covers maintenance and repair work undertaken by residents on goods owned by nonresident
- May be performed at the site of repairer or elsewhere
- Includes value of repair work (including parts and materials supplied by repairer)
- Does not include the value of goods for repair



# Concept and Definition



## Include in Maintenance and Repair

Maintenance and repair of

- ✓ Aircraft
- ✓ Other transport equipment

## Not Include in Maintenance and Repair

- ✓ Cleaning of transport (should be included in transport)
- ✓ Construction repair and maintenance (construction)
- ✓ Maintenance and repair of computers (computer)

## Methodology and Data Sources

### DATA SOURCES

- ✓ **Quarterly Survey** of International Trade in Services. It consists of breakdown by sea, air and other mode
- ✓ Cross-checked with ITRS data/companies
- ✓ This MRS compilation also take into account the repairing machines/other factory equipment apart of aircraft and shipping.
- ✓ List of companies for licensed MRS operators of aircraft in Malaysia is gathered from Department of Civil Aviation (DCA), while for maritime is gathered from Ships Repair & Ship Building publication from Malaysian Industry-Government Group for High Technology (MIGHT)

### EXPORTS

Resident companies that undertaken maintenance and repair services of nonresident **aircraft, vessel**

### IMPORTS

**Airlines, vessel & machinery equipment** to nonresidents



## Concept and Definition

Services provided by all modes of transport performed by residents of economy for those of another where includes of:

- Carriage of passengers and the movement of goods (freight) as well as rentals (charters) of carriers with crew
- Supporting and auxiliary services: cargo handling, navigation fees and maintenance and cleaning of carriers
- Storage and warehousing activities, also includes in this components.
- Postal and courier services cover the pick-up, transport, and delivery of letters, newspapers etc., including post office counter and mailbox rental services



## Passenger Transport Services: Definition and Coverage

All international transport services of passenger provided between the compiling economy and abroad or between two foreign economies:

### Recording in the Compiling Economy

Passengers (Service Recipient)	Service Provider (carriers)	
	Non-Resident	Resident
	Non-Residents	Credit
	Residents	Debit

### Exclude

passenger services provided to nonresidents by resident carriers within the compiling economy (included under travel services).

- Carriers do not ask the residence of internal ticket buyers.

### Include

passenger services performed within an economy by nonresident carriers.



## Passenger Transport Services: Additional Coverage

---

Fees payable by carriers to travel agencies and other providers of reservation services.

---

On-board carriers' food, gifts, souvenirs.

---

Excess baggage charges.

---

Accompanying personal effects, including automobiles.

---

Taxes levied on passenger services.

---

Package tours fares (**exclude** cruise included in travel).

---

Rental of transport equipment with crew to transport persons.

---

Rentals or operational leases (OL) of vessels, aircraft, freight cars, or other commercial vehicles **with crews** for limited periods for the carriage of passengers.

## Passenger Transport Services: Methods of Compilation

Description	Source and Method of Compilation
Passenger	<b>Services Provided by Resident Transport Operators (credit)</b> -Enterprise Survey or ITRS from resident operators. -Data model based upon the number of nonresident passengers carried by resident operators, passengers' economies of origin, and average fare rates could be used.
	<b>Services Provided by Nonresident Transport Operators (debit)</b> -Enterprise survey or an ITRS from branches of nonresident operators or ticket selling agents. Ideally, data should be collected on earnings, rather than a ticket sales basis. -Data model on numbers of resident passengers carried by nonresident operators and classified by destination and data on average fares could be used.



## Transport Services: Some Transport Arrangements

Owners and operators of transport equipment may enter into a number of leasing or chartering arrangements.

But for BOP purposes, ONLY LEASES WITH CREW are included in TRANSPORT.

Vessels Arrangements	Transport	Operational Lease
<b>Bare boat or bare bottom charter</b> Chartering or hiring of a ship or boat, whereby <u>no crew or provisions</u> are included as part of the agreement.		The operator is responsible for equipping the vessel and supplying the crew.  A lease without crew and if the lessee does not assume the risks and rewards of ownership.
<b>Time charter</b> Chartering or hiring of a vessel for a specific period of time.		The operator is responsible to provide the crew. As above.
<b>Voyage charter</b> Hiring of a vessel and crew for a voyage between a load port and a discharge port.  Space charter, or slot charter are arrangement in which space on the vessel, rather than the whole vessel, is hired.	An exporter/importer hires, for a single voyage, a vessel to ship a bulk commodity.  Payment for these charters are classified as freight, transport.	

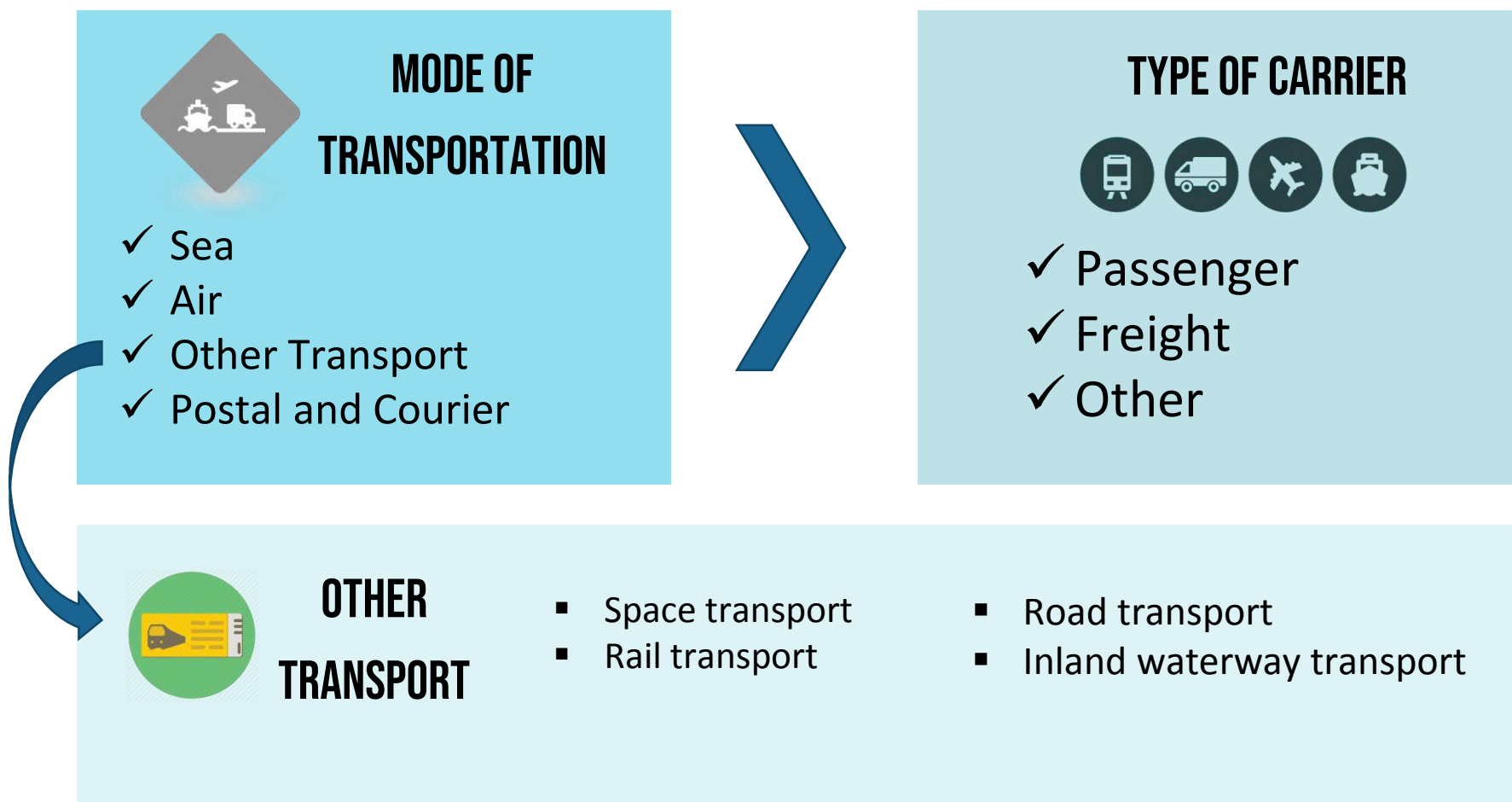


## Transport Services: Some Transport Arrangements (cont.)

Aircraft Arrangements	Transport	Operational Lease
<b>Wet leasing</b> Covers provision of an aircraft, complete crew, maintenance, and insurance for which payment is by the number of hours operated.	Normally used for short-term leasing and recorded under transport service.	
<b>Dry leasing</b> Covers provision of an aircraft <u>without</u> insurance, crew, ground staff, supporting equipment, maintenance, etc.).		Normally used for long-term leasing and recorded under operational leasing services.



Standard components breakdown transport by





## Freight Services: Definition

Transport services of  
objects other than people

Goods exports are  
usually valued FOB  
***Excludes*** freight  
services

### FOB valuation:

- all freight costs up to the customs frontier are shown as incurred by the exporter;
- all freight costs beyond the customs frontier (of exporter) are shown as incurred by the importer

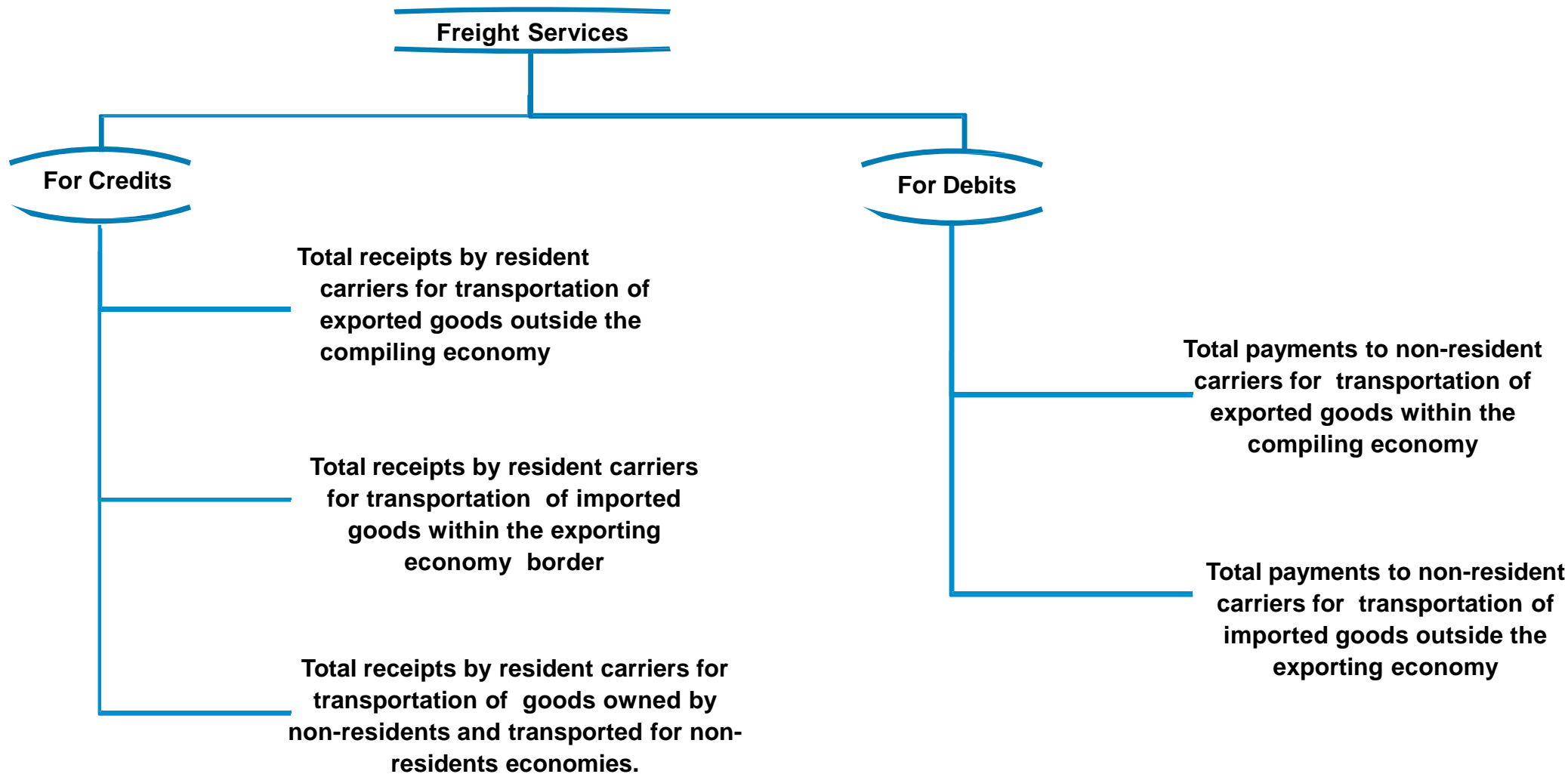
The treatment of  
freight services is a  
consequence of  
adopting FOB  
uniform valuation  
principle for goods

Goods imports  
usually valued CIF  
***Includes***  
insurance and  
freight charges





## Freight Services: Recording





## Freight Services: Some Issues

### FOB basis

- But...the delivery terms of contract between the exporter and importer may not be on FOB basis, but **ULTIMATELY** the importer pays for the goods and all transport (and insurance) costs whatever the delivery terms.

### Types of Freight Services

- Compilers should distinguish among:
  - Freight on imports
  - Freight on exports
  - Other freight
- Relates to the carriage of goods where there is no change of ownership

### Routing

- When, the arrangements for paying freight costs differ from the FOB terms of delivery, rerouting is needed.
- Rerouting of freight services may mean that a transaction that is actually between two residents is treated as a transaction between a resident and a nonresident and vice versa.



## Freight Services: Some Issues

### Distance

- The economy of origin of the imports—If the customs points of two territories are the contiguous, the c.i.f. and f.o.b. valuations are the same, so no adjustment is necessary.
- The distance that the good has to travel—the longer the distance, generally the greater the freight cost and usually the greater the insurance charge.

### CIF/FOB

- The relationship CIF/FOB varies according to type of good, weight, scale (bulk or not), special needs (such as refrigeration or careful handling), mode of transport, and distance travelled.
- CIF to FOB ratios changes over time, due to factors such as fuel prices, competition and technology.

## Freight Services: Methods of Compilation




Description	Source and Method of Compilation
<b>Freight on exports and imports of the compiling economy</b>	<p><b>Export Freight Services Provided by Residents (credit)</b></p> <ul style="list-style-type: none"> <li>-Enterprise survey or an ITRS from resident operators. If an ITRS is used, freight paid on exports by exporters to resident operators should be measured and added to freight on exports.</li> <li>-A data model could be used.</li> </ul>
	<p><b>Import Freight Services Provided by Nonresidents (debit)</b></p> <ul style="list-style-type: none"> <li>-An ITRS, if it provides a breakdown of import costs and if the amounts paid to resident operators by nonresident exporters are deducted.</li> <li>-Via an enterprise survey, branch offices and agents for nonresident operators or to estimate total freight on imports and to deduct from this estimate the income earned by resident transport operators from freight on imports. The latter item could be collected through an enterprise survey.</li> </ul>



## Other Transport Services: Definition and Coverage

**Covers** transport services that are auxiliary to transport and not directly provided for the movement of goods and persons.

Inclusions	Exclusions
<ul style="list-style-type: none"> <li>• Cargo handling billed separately from freight</li> <li>• Storage and warehousing</li> <li>• Packing and repacking</li> <li>• Towing not included in freight services</li> <li>• Pilotage and navigational aid for carriers</li> <li>• Air traffic control</li> <li>• Cleaning performed in ports and airports on transport equipment</li> <li>• Salvage operations</li> <li>• Agent's fees associated with passengers and freight transport (freight forwarding and brokerage services).</li> </ul>	<ul style="list-style-type: none"> <li>• Freight insurance (included in insurance services)</li> <li>• Goods procured in ports by nonresident carriers (included in goods)</li> <li>• Maintenance and repairs on transport equipment (included in maintenance and repair services n.i.e.)</li> <li>• Repair of railways facilities, harbors, and airfield facilities (included in construction).</li> </ul>

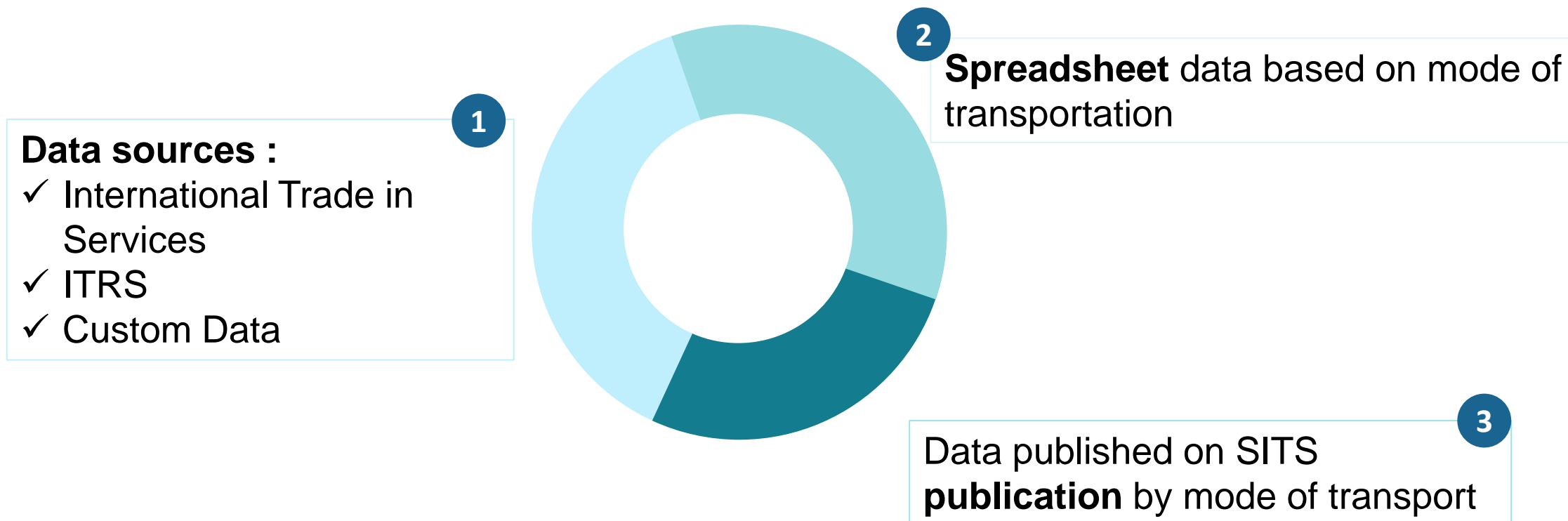
Several data sources (survey and administrative sources) used to capture the diversity of trade in services.

	International Trade in Services (ITS)	Administrative data	ITRS
 Passenger	✓		✓
 Freight	✓	✓	
 Others	✓		

 exports  
 imports

**Quarterly survey of ITS** contains of International Trade in Services Generic (ITS Generic) and Transport (ITS 1) exporters and importers resident companies.

Transport by carrier are easily can be obtained from the ITS, however, the compilation for **freight services** will be **different** especially for imports







## Concept and Definition

Travel includes goods and services acquired by persons undertaking study or medical care while outside the territory of residence. It also includes acquisitions of goods and services by seasonal, border and short term workers.

### Travel Breakdown

**1 Business traveler** covers travelers going abroad for business, include:

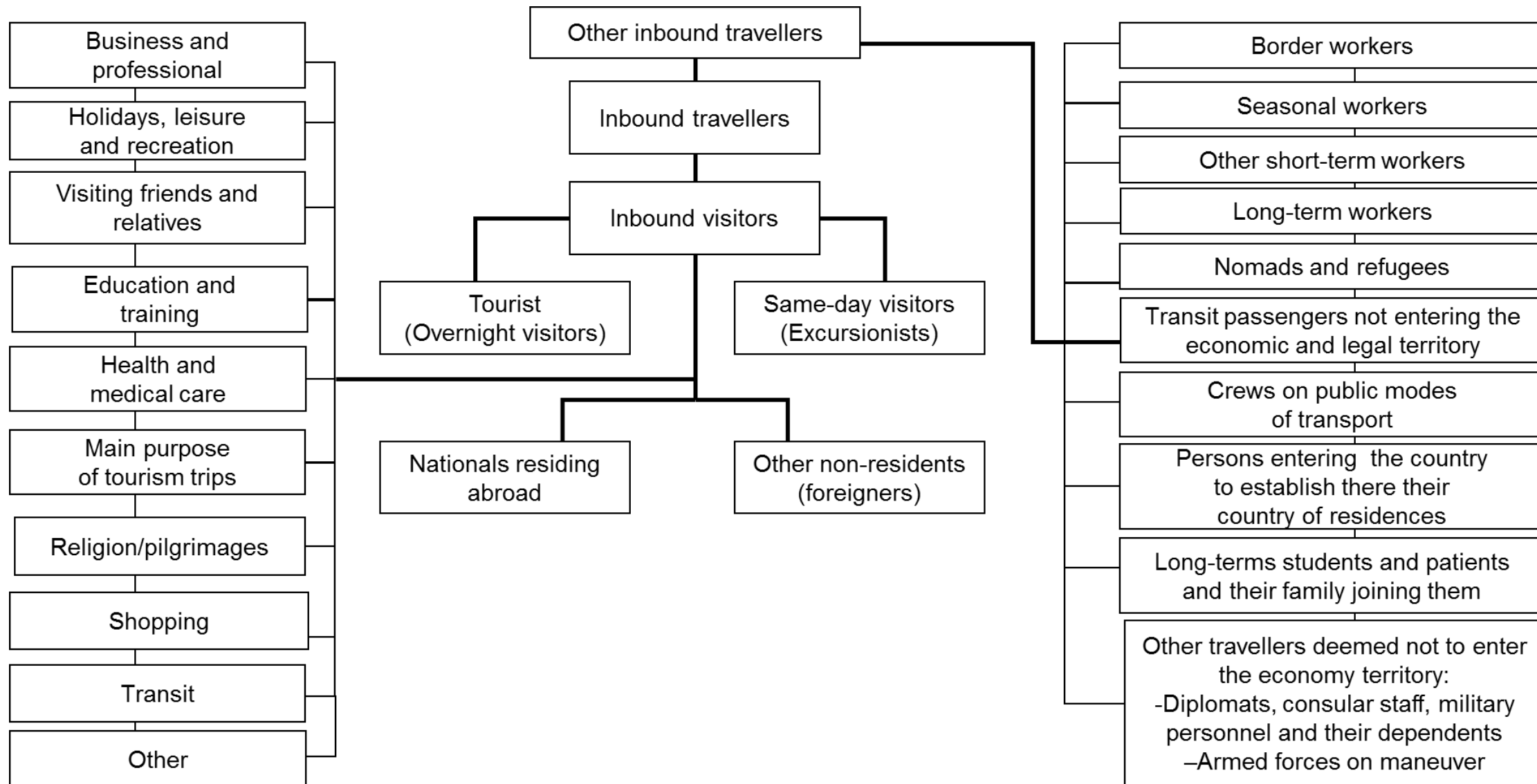
- Carrier crews stopping over
- Government employees on official travel
- Employees of international organizations on official business
- Employees travelling on behalf of their employer
- Self- employed nonresidents travelling for business purposes
- Seasonal, border, and other short term workers

**2 Personal travelers** are travelers going abroad for purposes other than business

- Health-related
- Education-related
- Other personal



# Concepts and definitions: Classification of inbound travellers



Source:  
IRTS 2008



# Data Source – Travel Exports



Sub-component	Data Source	Data Provider	Frequency
<b>1. Business</b>	1) Administrative Records 2) Departure Visitor Survey (DVS)	1) Immigration Department of Malaysia 2) Tourism Malaysia	1) Monthly 2) Annually
<b>2. Personal</b>			
Health-related	Administrative Records	Malaysia Healthcare Travel Council	Quarterly
Education-related	International Transaction Information System (ITIS)	Bank Negara Malaysia (Central Bank)	Quarterly
Others	1) Administrative Records 2) DVS	1) Immigration Department of Malaysia 2) Tourism Malaysia	1) Monthly 2) Annually



# Data Source – Travel Imports



Sub-component	Data Source	Data Provider	Frequency
<b>Business</b>	1) Border Town Survey (PRM) 2) International Transaction Information System (ITIS)	1) Department of Statistics, Malaysia 2) Bank Negara Malaysia (Central Bank)	1) Quinquennial 2) Quarterly
<b>Personal</b>	3) International Trade in Services Survey (ITS) 4) Malaysia Outbound Survey (MOS) 5) Administrative records	3) Department of Statistics, Malaysia 4) Tourism Malaysia 5) Immigration Department of Malaysia	3) Quarterly 4) Annually 5) Monthly
Health-related	ITIS	Bank Negara Malaysia (Central Bank)	Quarterly
Education-related	ITIS	Bank Negara Malaysia (Central Bank)	Quarterly
Others	1) PRM 2) ITIS 3) ITS 4) MOS 5) Administrative records	1) Department of Statistics, Malaysia 2) Bank Negara Malaysia (Central Bank) 3) Department of Statistics, Malaysia 4) Tourism Malaysia 5) Immigration Department of Malaysia	1) Quinquennial 2) Quarterly 3) Quarterly 4) Annually 5) Monthly



# Survey– Travel Imports



## BORDER TOWN SURVEY (PRM)

### METHODOLOGY

- **Face to face interview**
- Conducted on Arrival Area (on Returning Malaysian)
- **Quota sampling** based on flow in the entries point.
- Conducted once in **5 years**

### COVERAGE

- Total sample through out the year is up to **21,000 respondents**
- Covers the **mode of road and sea**
- The objective of the survey is to **obtain the average spending of Malaysian** residents in borders towns of neighboring countries (Indonesia, Singapore and Thailand).

## MALAYSIA OUTBOUND SURVEY (MOS)

### METHODOLOGY

- Face to face interview
- Conducted on Arrival Area (on Returning Malaysian)
- Quota: 6,000 respondent by per year
- Reports was circulated on annual basis

### OBJECTIVE

- The **objective**:
  - to analyse the Malaysians outbound travelling pattern.
  - Country/ies Visited
  - Average Length of Stay (ALOS)
  - Main Purpose of Visit



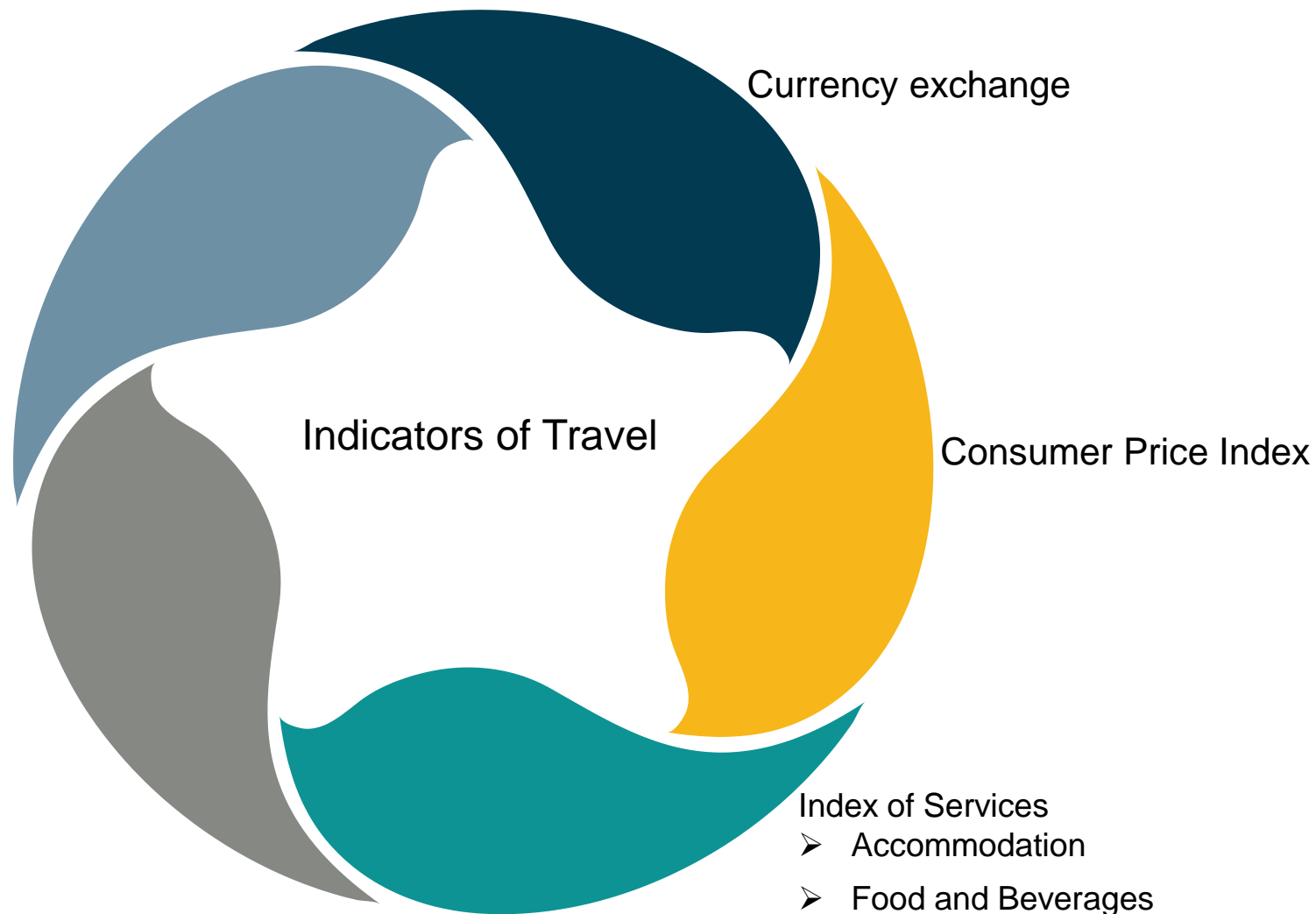
# Indicators of Travel



- Number of Hajj Performers (Tabung Haji)
- Number of Umrah Performers (Tourism Malaysia)
- Tourism Event (Tourism Malaysia)
- Outbound movement (JIM)
- Number of Foreign Student (MOHE)
- Number of Malaysian student in overseas (MOHE)

Index of Distributive Trade

- Retail



## Concept and Definition

- ◆ Covers both new and repair work which valued on a gross basis inclusive all goods and services used and cost of production
- ◆ Construction component is closely related with Direct Investment (DI), depending on period of the projects. If the construction works extends over a period of at least one year, it is classified as DI-related
- ◆ Most important to identify 'to whom the project been awarded'. Other pertinent criteria which also had been taken into consideration are



- i. Duration of the project (*if extend 1 year, strong indication of establishing branch*)
- ii. The maintenance of complete and separate set of account
- iii. The activity being subjected to tax-system in the host-economy
- iv. Existence of substantial physical presence such as site office
- v. Receipt of funds for its work for its own account





# Methodology and Data Sources



01

International Trade In Services Survey (ITS)

02

International Transaction Information System (ITIS)

03

Quarterly Construction Survey (QCS)

- i. Number of new projects abroad undertaken by resident establishment
- ii. Number of completed projects abroad
- iii. Number of on-going projects in Malaysia
- iv. Number of completed project in Malaysia taken by foreign contractor

## Details breakdown according to EBOPS recommendation

4

**Pembinaan (termasuk pengurusan projek serta meliputi kerja baru dan pembaikan)**

*Construction (including project management & covering new work and repair)*

**Pembinaan di luar negara/** *Construction located abroad*

**Berkaitan minyak dan gas/** *Oil and gas related* .....

**Lain-lain aktiviti pembinaan (tidak berkaitan minyak dan gas)** .....

*Other construction activities (non oil and gas related)*

**Pembinaan di Malaysia/** *Construction in Malaysia*

**Berkaitan minyak dan gas/** *Oil and gas related* .....

**Lain-lain aktiviti pembinaan (tidak berkaitan minyak dan gas)** .....

*Other construction activities (non oil and gas related)*





## INSURANCE AND PENSION BREAKDOWN

### 1 Direct insurance

- Life insurance
- Freight insurance
  - Other direct insurance

### 2 Reinsurance

### 3 Auxiliary insurance

### 4 Pension and standardised guarantee insurance

## Concept and Definition

01

### LIFE INSURANCE

- ✓ policyholder makes regular payments in return for an agreed sum, or an annuity, at a given date
- ✓ form of saving throughout entire life of the contract

02

### FREIGHT INSURANCE

- ✓ Insurance provided on goods that are in the process of being exported or imported
- ✓ Coverage against theft of, damage or other loss of freight
- ✓ Excluded: insurance of vehicle used for transport of goods

03

### OTHER DIRECT INSURANCE

- Covers all other forms of casualty:
- Accident and health insurance
  - Marine, aviation and other transport insurance
  - Fire and other property damage insurance
  - Pecuniary loss insurance
  - General liability insurance
  - Other insurance (travel, loans and credit card)

Source: BPM6 and MSITS 2010



# Concept and Definition



04

## REINSURANCE

- ✓ allows insurance risk to be transferred from one insurance provider to another
- ✓ direct insurers become policy holders and may pass on the entire risk / a proportion of risk / a risk above a given threshold (e.g. due to a catastrophic loss)
- ✓ undertaken by few companies and usually cross-border in nature

05

## AUXILIARY INSURANCE

Include

- ✓ Agent commission
- ✓ Insurance brokering and agency services
- ✓ Insurance and pension consultancy services
- ✓ Evaluation and adjustment
- ✓ Actuarial services etc

06

## PENSION SERVICES

Services provided by funds established to provide income on retirement and benefits for death or disability, for specific groups of employees

Source: BPM6 and MSITS 2010



01

Custom Data – estimation of freight insurance payments

02

International Transaction Reporting System (ITRS)

03

International Trade In Services Survey (ITS)

ITRS to determine the amount of the premium and claims for each of the component

Detailed of the information is gathered through data collection using ITS Survey from targeting insurance companies as a provider of these services (exports), and payments of these services from non-resident supplier (imports)

The estimation of percentage insurance over merchandise c.i.f. is derived from custom declaration

This calculation is complimented with the information gathered from freight forwarders/logistics/shipping agents. Mode of transport (air or sea or land) may lead to differs rate of insurance



## Concept & Definition

- Covers financial intermediation and auxiliary services, except those of insurance enterprises and pension schemes. These services include those usually provided by banks and other financial intermediaries and auxiliaries.
- Financial services may be charged for by: **explicit charges; margins on buying and selling transactions; asset management** costs deducted from property income receivable, in the case of asset-holding entities; or margins between the interest rate and the reference rate on loans and deposits (referred to as **financial intermediation services indirectly measured (FISIM)**). EBOPS 2010 identifies FISIM separately from all other financial services.

## Variable

- **Explicit charges**
  - ✓ Charges associated with deposits and lending, commissions and brokerage fees, fees related to letters of credit, financial leasing, money transfer, foreign exchange transactions, etc.
  - ✓ Margins on buying and selling transactions
- **Financial intermediation services indirectly measured (FISIM)**



## Data Sources

Data sources recommended by IMF are ITRS or bank statements; surveys on external stocks of assets and liabilities may also collect the explicit fees on financial transactions

In Malaysia, the data sources used are:

- ITRS
  - ✓ Data on explicit charges receive from abroad and paid to abroad
- Joint-survey IIP – DOSM&BNM
  - ✓ Primary Income subcomponents on:
    - ❖ loan interest receipt & payment for loan provided to overseas and acquire from overseas, and
    - ❖ deposit interest receipt & payment for deposit placed in abroad and deposit-taking in Malaysia
  - ✓ International Investment Position (IIP) subcomponents on:
    - ❖ Loan assets and liabilities
    - ❖ Deposits assets and liabilities



Thus, in Malaysia.....

The exports and imports of financial Services are compiled based on:

Financial Services = Explicit Charges + Financial  
intermediation services indirectly measured (FISIM)

## Concept and Definition

### Licensing fees for franchises and trademarks

- Covers fees or charges for the use of franchises and trademarks paid by the franchisee to the franchisor

### Royalty / licensing fee for using R&D results

- Includes charges for the use of R&D results for companies producing products using patents, copyrights, industrial designs of overseas companies

### License to reproduce and / or distribute computer software

- Includes licensing fees or fees by computer software owners who license dealers to reproduce the original computer software

### License to reproduce and / or distribute audio visuals and related products

- Covers fees charged by audio-visual owners and related products that give the dealer a license to reproduce the original audio visual or prototype

### Exports:

- 80% share : Royalties for usage of IP
- 20% share: License fees to reproduce and distribute IP

### Imports:

- foreign companies operating in Malaysia used patents, copyrights, industrial designs and so forth which owned by companies abroad. Hence, those companies are required to pay royalties to the patent owner



## Challenges

To distinguish the exact classification during the data collection stage:

- i) License fee to display content of television program (eg: Fox Movies, AXN, ESPN, HBO)  
owner – distributor – end user  
Transaction involve : Charges for the Use of Intellectual Property n.i.e
- ii) Content of the television program (encrypted television channel or downloaded content)  
owner – end user  
Transaction involve: Personal, Cultural & Recreational

## Data Sources

Data Sources SITS & Partner Country

- 1) ITS Survey
- 2) ITIS (BNM)





## Concept and Definition

### Telecommunication

- Covers the broadcast of sound, images, data or other information etc., by telephone, telex, radio and television cable transmission, radio and television satellite, electronic mail, facsimile, cellular telephone services, Internet backbone services and also including business network services, teleconferencing, and support services.

### Computer

- hardware and software related services and data processing services.
- *Excluded:*
  - Charges for licenses to reproduce or distribute software
  - Leasing of computers without an operator
  - Computer training courses not designed for a specific user
  - Non customised packaged software

### Information

- News agency services such as the provision of news, photographs, and articles to the media
- Database services - database conception, data storage, and data dissemination
- Non bulk subscriptions to newspapers, periodicals, etc.
- Library and archive services

## Telecommunication

usually based on the number of minutes used by end-users to make calls, send orders and so forth.

- In terms of transmission mode, it involves a combination of wired mode (fiber optic), non-wired or satellite.
- The charges also involve payments / receipts from hubbing activities which are transmission services from one country to another country calls

## Computer

Exports of computer services are also contributed by shared services or business services centers where the company is a regional hub to provide services to entities in a group of companies

Data Sources  
ITS Survey &  
ITIS (BNM)

Indicator  
Quarterly  
Services  
Survey

Computer and telecommunications services defined in terms of the nature of the services, not the method of delivery

Eg: accounting services- although it is delivered by computers or the Internet, only amount payable for transmission should be included under telecommunication services.





## Research and development services (R&D)

Covers services associated with basic research, applied research and experimental development of new products and processes and covers activities in the physical sciences, social sciences, and humanities.

- ❖ Provision of customised and non-customised R&D
- ❖ Sale of proprietary rights from R&D (patent, copy right arising from R&D, industrial process and others)

## Professional and management

- ❖ Legal services, accounting, management consulting, managerial services, and public relations services; and
- ❖ Advertising, market research, and public opinion polling services  
*A/so: services for the general management of a branch, subsidiary, or associate provided by a parent enterprise or other affiliated enterprise*

## Technical, trade related, and other business

- ❖ Includes agricultural, engineering, architectural and other technical, waste treatment and de-pollution, operational leasing
- ❖ Trade-related services cover commissions on goods and service transactions payable to merchants, commodity brokers, dealers, auctioneers, and commission agents.



## Data Sources

1

**International Trade  
in Services Survey  
(ITS)**

- Receipts were mainly coming from R&D in electric and electronic product.
- Meanwhile, payments mainly for R&D in vehicle, pharmaceutical and electric & electronic product

**Research and  
development  
services (R&D)**

2

**International  
Transaction  
Information System  
(ITIS)**

- shared services within the global network for corporate groups in Asia
- The presence of FDI companies in Malaysia and also DIA companies led to managerial services within the group

**Professional and  
management  
services**

- Main sub-component contribute for receipt and payment were architectural, engineering and other technical and trade-related services.
- Starting 2012, payments recorded a significant increase due to oil and gas related projects which involved the use of advanced technology and technical from overseas

**Technical, trade  
related, and other  
business services**



## Indicator

- 1 Services Producer Price Index (SPPI)
- 2 SPPI  
Professional
- 3 Index of Services
  - Professional
  - Wholesale and retail

## Challenges

- 1) Operational lease: record as goods or leasing (aircraft)
- 2) Architectural & engineering: In the aspect of contract award, basically the main contract is to design and build. Therefore, in designing and constructing cases it will involve the services of architects, engineering & other technical as well as construction which should be recorded under construction services and not as architectural & engineering



## Concept and Definition

### ***Audiovisual and related services***

- Services and associated fees related to the production of motion pictures (film or videotape), radio and television programs (live or on tape), and musical recordings
- Rentals of films, videotapes, etc
- Fees received by actors, directors, producers etc for productions abroad (if they are employees of the entity making payments =compensation of employees)
- Fees for distribution rights for a limited number of shows in specified areas
- Charges for access to encrypted television channels (such as cable and satellite services)

### ***Excludes:***

- Mass-produced recordings and manuscripts on CD-ROM, disk, paper are included in general merchandise
- Charges or licenses to reproduce or distribute radio, television, film, music are included in charges for the use of intellectual property n.i.e.



## ***Other cultural and recreational services***

- Other types of services such as those associated with museums, libraries, archives
- Other cultural, sporting and recreational activities
- Education services (such as the provision of correspondence courses)
- Health services (services provided in other economic territories)

### ***Excludes:***

- Education and health services provided to nonresidents *who are present in the territory of the service provider* are included in *travel*
- Acquisition of other personal, cultural, and recreational services (museums, gambling) by persons while outside their territory of residence is included in *travel*





## Concept and Definition

1

G&S supplied by and to enclaves, such as embassies, military bases and international organisation. e.g., office supplies, vehicles, repairs, electricity and rental of premises exclude construction of new or existing structures covers under construction

2

G&S acquired from the host economy by diplomats, consular staff and military personnel located abroad and their dependents

3

Services supplied by and to governments and not included in other categories of services e.g., Technical assistance on public administration is included in government services, Payments for police-type services (such as keeping order), supply of government licenses and permits

### In the Case of Malaysia

**Credit:** include the **supply of goods and services** to embassies, consulates, international organisation and other official entities of foreign governments located in Malaysia

**Debit:** covers **operating and capital expenditure** of Malaysia's embassies, high commissions, trade missions and students' department abroad.

**Excludes:** Transactions of public enterprises





## Data Sources

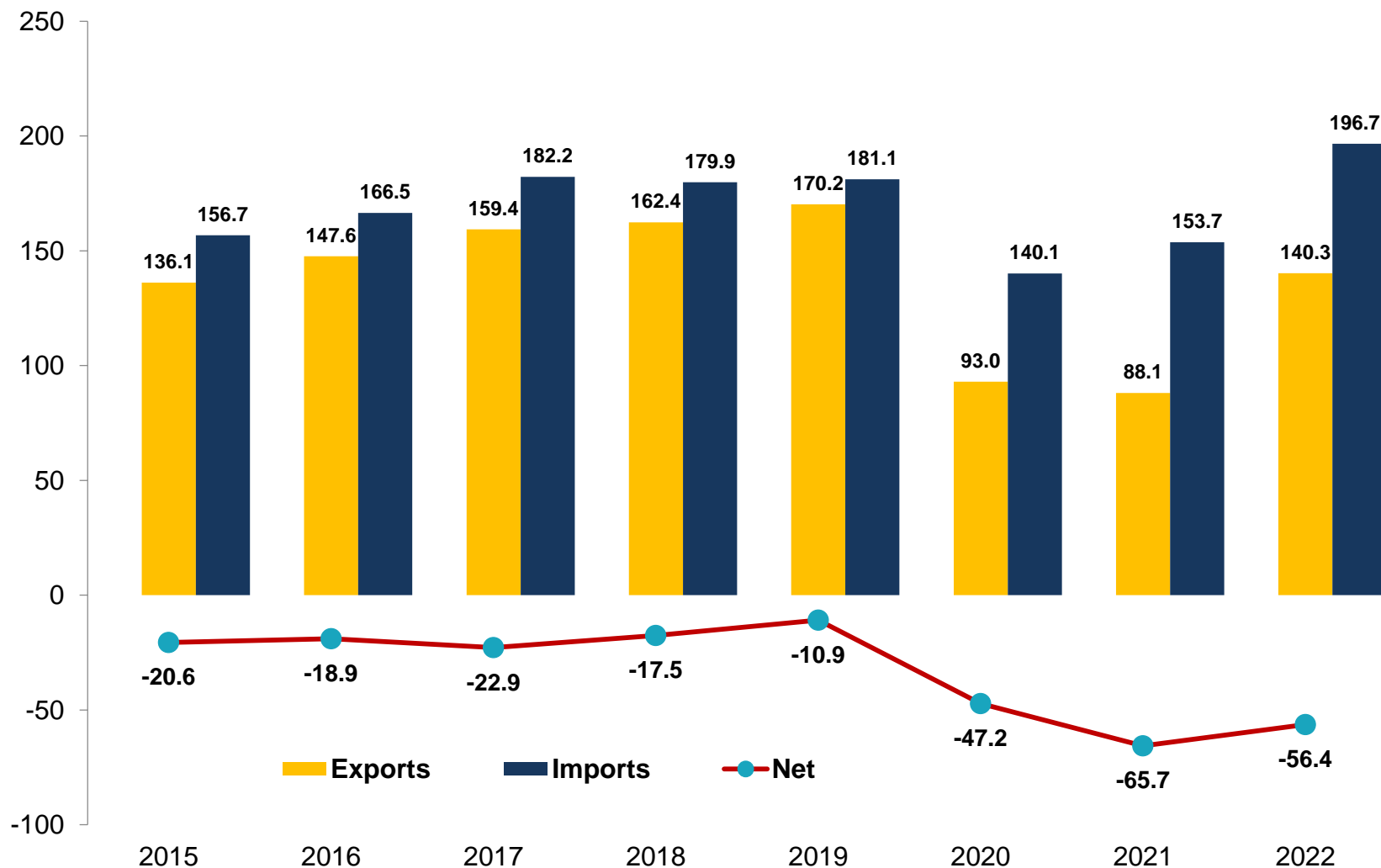
Items	Data Source
<b><u>Credit</u></b>	
Foreign Embassies/consulate	ITRS by country
Trade Commissions/Missions	ITRS by country
International Organisations in Malaysia	26 Intl. organisations & ITRS by country
<b><u>Debit</u></b>	
Malaysia's embassies expenditure abroad	Ministry of Foreign Affairs, Malaysia
Trade commissions/missions	ITRS by country
Students' Departments' expenditure abroad	Education Department, Malaysia
Statutory bodies' expenditure abroad	37 governments agencies



# MALAYSIA'S SERVICES PERFORMANCE



## Exports, Imports and Net of Trade in Services, 2015-2022



“ In 2022, exports of services recorded **RM 140.3 billion**, while imports registered **RM196.7 billion** ”



## Highlights

Components	Value (RM billion)																				
	Export							Import							Net						
	2021	2022	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	2021	2022	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	2021	2022	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23
SERVICES	88.1	140.3	24.5	32.1	39.8	43.8	41.0	153.7	196.7	42.8	46.9	51.0	56.0	53.8	-65.7	-56.4	-18.3	-14.8	-11.2	-12.1	-12.8
Manufacturing services	15.7	20.1	4.8	5.0	5.4	5.0	4.3	2.3	3.9	0.9	1.0	0.8	1.1	0.8	13.4	16.3	3.8	4.0	4.5	3.9	3.5
Maintenance & Repair services n.i.e.	1.7	2.5	0.5	0.6	0.7	0.6	0.7	2.3	3.1	0.5	0.7	0.9	0.9	0.8	-0.5	-0.6	-0.1	-0.0*	-0.2	-0.3	-0.1
Transport	16.5	25.6	4.5	5.7	7.8	7.6	6.9	48.3	59.6	13.8	15.1	15.4	15.4	14.3	-31.9	-34.0	-9.3	-9.4	-7.5	-7.8	-7.4
Travel	0.3	28.4	0.3	5.7	10.1	12.2	12.3	15.2	29.5	4.2	6.1	8.7	10.4	11.0	-14.9	-1.2	-3.9	-0.4	1.3	1.8	1.3
Construction	3.9	6.1	1.1	1.3	1.5	2.3	1.5	4.4	4.8	1.2	1.1	1.3	1.2	1.9	-0.5	1.3	-0.2	0.2	0.2	1.1	-0.4
Insurance & Pension services	2.0	2.7	0.7	0.6	0.6	0.7	0.7	10.4	12.2	2.7	3.3	3.4	2.8	2.7	-8.4	-9.5	-1.9	-2.6	-2.8	-2.1	-2.0
Financial services	2.4	2.5	0.6	0.6	0.7	0.7	0.6	2.5	2.6	0.5	0.7	0.6	0.8	0.7	-0.1	-0.1	0.0*	-0.1	0.1	-0.1	-0.1

Note: \* Less than RM50 million



# SERVICES – cont'd.



Components	Value (RM billion)																				
	Export							Import							Net						
	2021	2022	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	2021	2022	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	2021	2022	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23
Charges for the Use of Intellectual Property n.i.e	1.2	1.2	0.3	0.3	0.3	0.3	0.3	10.7	11.8	2.7	3.3	2.8	3.0	3.2	-9.5	-10.5	-2.5	-2.9	-2.5	-2.7	-2.8
Telecommunications, Computer & Info services	14.0	15.9	3.7	4.0	4.1	4.1	4.2	17.8	18.3	4.6	4.3	4.6	4.8	5.0	-3.8	-2.3	-0.8	-0.3	-0.5	-0.7	-0.7
Other Business Services	27.0	31.4	7.3	7.3	7.6	9.2	8.5	35.2	46.0	10.4	10.2	11.1	14.3	12.0	-8.2	-14.6	-3.1	-2.9	-3.5	-5.1	-3.6
Personal, Cultural & Recreational services	2.9	3.5	0.8	0.8	0.9	0.9	0.9	3.4	3.9	0.9	0.9	1.1	1.0	1.1	-0.5	-0.4	-0.1	-0.1	-0.1	-0.1	-0.2
Govt. Goods & services n.i.e.	0.3	0.4	0.1	0.1	0.1	0.1	0.1	1.2	1.0	0.2	0.2	0.3	0.3	0.2	-0.9	-0.7	-0.2	-0.2	-0.2	-0.2	-0.1

Note: \* Less than RM50 million

# ITS SURVEY

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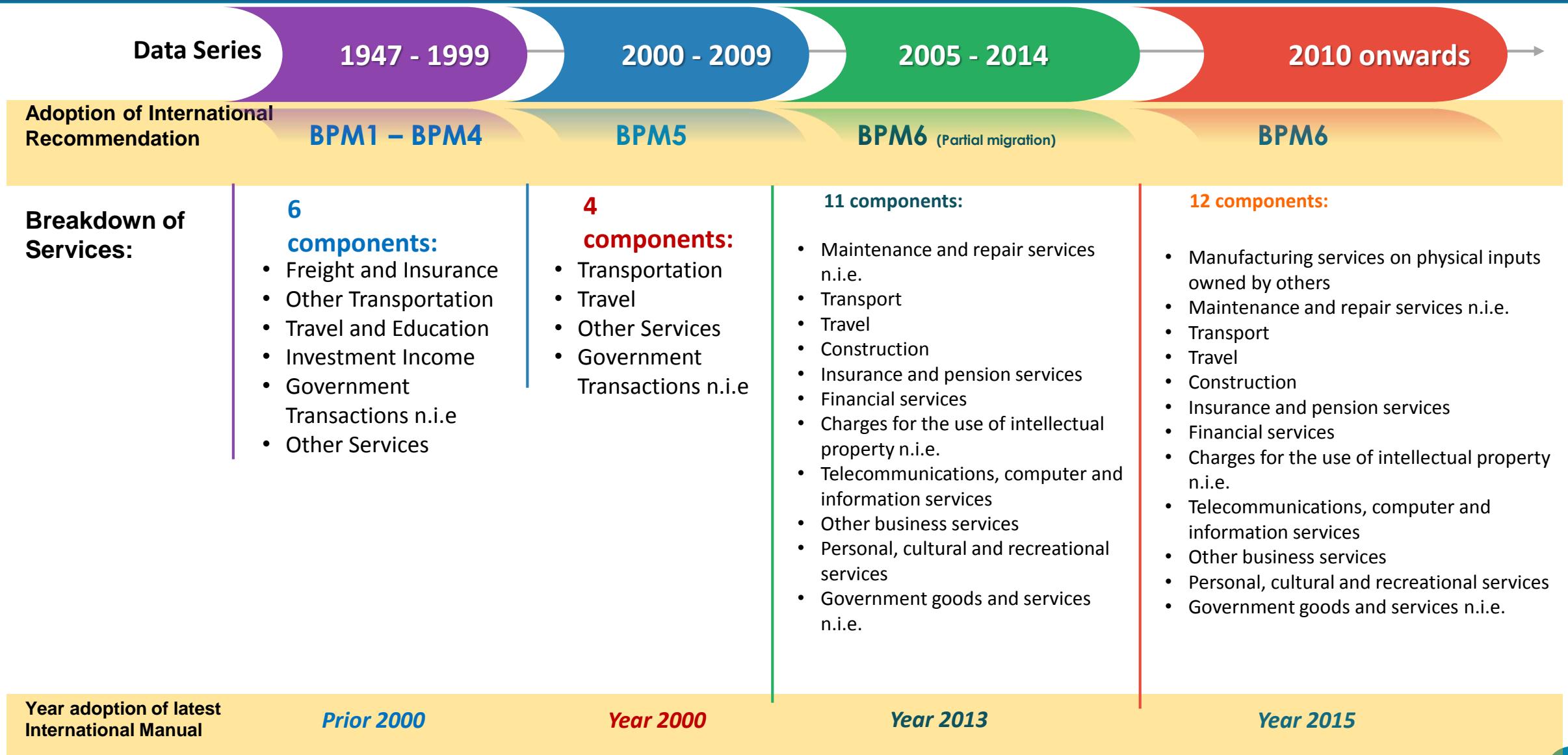
# Overview



- Introduction
- Evolution in Compilation
- Background
- Chronology
- Sample
- Frame Updating
- Framework/Operational
- Compilation
  - Transport & Construction
- Questionnaire
- Challenges



# Evolution of SITS Compilation





# Background ITS Survey



## Objectives



- To measure Malaysia's international trade in services transactions
- Data sources for BOP statistics

## Legal Provision



- Statistics Act 1965 (Revised 1989)
- Contents of the individual data are **CONFIDENTIAL** and cannot be divulged to any parties.

## Variables



- Value of **exports** (Receipts) of Services by components
- Value of **import** (Payments) of Services by components
- Partner Country

## Reference Manual



- Balance of Payments Sixth Edition (BPM6), IMF
- Manual on Statistics of International Trade in Services (MSITS), UN





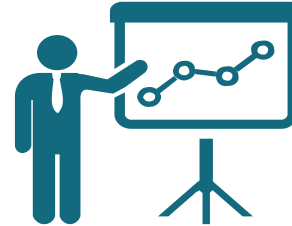
# ITS Survey and How it was Evolved



Data request to get  
information on exports  
& imports of services  
from companies

*prior to*

**2007**



Structured method  
in collecting data  
by having ITS survey:

- 2008: ITS Transport
- 2009: ITS TCI

**2008-2012**



Comprehensive ITS  
survey

- 2013: ITS Generic

**2013**

*onwards*

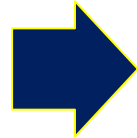


# Chronology of ITS Survey



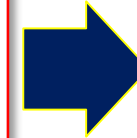
## Q1 2008

ITS Survey for Transport was launched



## Q1 2009

ITS Survey for Telecommunication,  
Computer & Information (TCI) was  
launched



## Q1 2013

Generic questionnaire for  
other services components  
was launched



## 2019

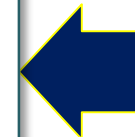
Improvement of system

2023: Ongoing upgrade and  
integrate questionnaires and  
system



## 2016

Enhancement on Generic  
questionnaire to obtain more detailed  
information on Mode of Supply (MOS)  
and e-commerce



## 2015

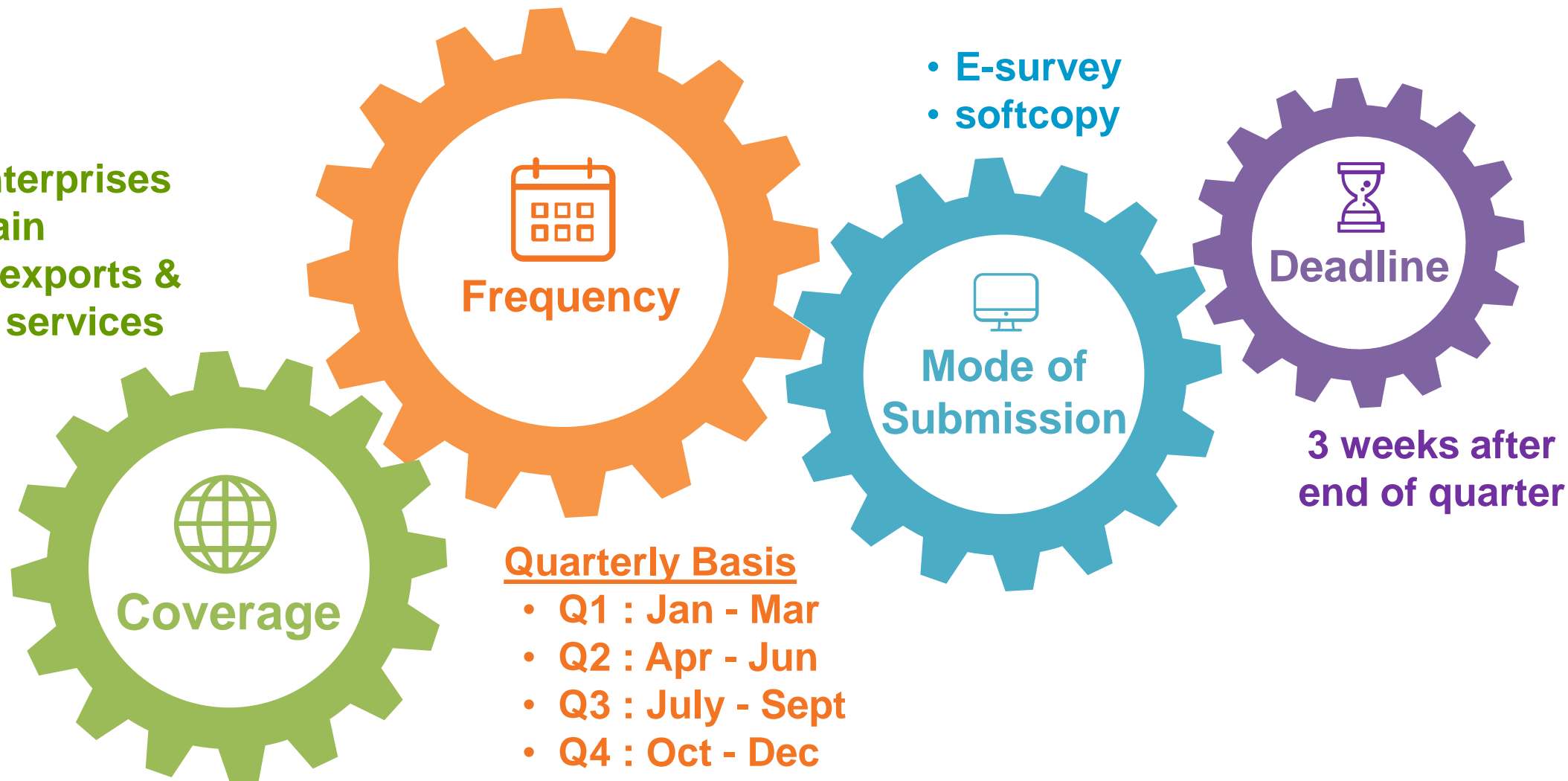
- Enhancement on Generic  
questionnaire to obtain more detailed  
information
- Consolidation of question: ITS for TCI  
was consolidated under Generic  
Questionnaire



# SITS: Framework



- 1,000++ enterprises
- Canvas main players of exports & imports of services





1

Source of  
Frame Updating

**ITRS**

**IIP**

**Economic Census**

2

Sample  
Selection

Services value  
2% and above

Services company  
reported Trade Credit

Services company  
reported International  
Transactions

3

Company  
Profiling

Mapped with  
**Malaysia Statistical Business Register**  
to get establishment's information

4

Survey  
Sample

Selected companies for ITS Survey  
**more than 1,000 companies**



# Frame Updating



✓ From IIP frame, those services company reported trade credit, may have transactions in services. Those companies will be cross-checked with Economic Census as well.

✓ From Economic Census, exporters and importers are filtered if they report the variables of exports and imports of services.

Seksyen /  
Section: E IMPORT DAN EKSPORT  
IMPORTS AND EXPORTS

E1 Sila laporkan jumlah import dan eksport bagi:  
Please report the total imports and exports of:

		Import / Imports RM				Eksport / Exports RM	
1	Barangan Goods	58		46	60		46
2	Perkhidmatan Services	59			61		

E2 Adakah pertubuhan tuan pernah mengeksport barangan / perkhidmatan dari tahun 2010 hingga 2014?  
Does your establishment exporting goods / services from 2010 to 2014?

467  
1 ☐ Ya / Yes  
2 ☐ Tidak / No

Note : Example of question in  
Economic Census



# Data Collection



Mode of submission is e-Survey and variables comprises of all type of services (except for Travel & Govt. Goods and services n.i.e.), as follows:

## 12 Components of services

1. **Manufacturing Services on Physical Inputs Owned by Others**
2. **Maintenance and Repair Services**
3. **Transport**
4. **Travel**
5. **Construction**
6. **Insurance and Pension Services**
7. **Financial Services**
8. **Charges for the use of intellectual property n.i.e**
9. **Telecommunication, Computer & Information Services**
10. **Other Business Services**
11. **Personal, Cultural And Recreational Services**
12. **Government Goods and Services n.i.e.**

The frame selection covers exporters & importers for all type of services, which involve cross-sectors.  
For examples:

Manufacturing company provides shared services (accounting, billing, database mgmt.) to sister company within the group.



Airlines company provides air passenger transport as well as computer services to subsidiary abroad.



Computer services provider also provides back-end banking operation (financial services) within the banking group.





# Operational of Survey ITS



**Sending  
questionnaire through  
e-mail on  
1st week  
after  
reference  
quarter by  
BOP  
Division**



**Data  
submission  
through  
e-survey/  
e-mail by  
respondents from  
15th – 17th  
after  
reference  
quarter**



**Follow up  
through  
telephone/field work for  
non-  
response  
cases**



**Consistency check of  
data/query**



# Generic Questionnaire (cont'd)



 <b>JABATAN PERANGKAAAN MALAYSIA</b> DEPARTMENT OF STATISTICS, MALAYSIA		<b>SOAL SELIDIK UMUM</b> GENERAL QUESTIONNAIRE									
<b>Sila buat satu salinan untuk rekod tuan</b> <i>Please make a copy for your record</i>		<b>Sulit selepas data diisi</b> <i>Confidential when filled with data</i>									
<b>SURVEI PERDAGANGAN PERKHIDMATAN ANTARABANGSA</b> <b>SURVEY OF INTERNATIONAL TRADE IN SERVICES</b> <b>Q2 2019</b> <b>APRIL - JUN</b>											
<b>Nama dan alamat syarikat</b> <i>Name and address of company</i>	<div style="border: 1px dashed black; width: 200px; height: 150px; margin: 0 auto;"></div>	<p><b>Sila lengkapkan dan kembalikan (sampul surat beralamat dibekalkan) kepada:</b> <i>Please complete and return (self addressed envelope attached) to:</i></p> <p><b>Ketua Perangkawan</b> Jabatan Perangkaan Malaysia Bahagian Perangkaan Imbangan Pembayaran Tingkat 3, Unit 01-05, Wisma Minlon Batu 12, Lebuhraya Sungai Besi 43300 Seri Kembangan, Selangor.</p> <p><b>Bagi sebarang pertanyaan, sila hubungi:</b> <i>For any enquiries, please contact:</i></p> <p><b>Tel. No./ Tel. No.:</b></p> <p><b>No. Faks/ Fax No.:</b> 03-8941 4681 <b>E-Mel/ E-Mail:</b></p>									
<p><b>Sebelum :</b> <b>15 JULAI 2019</b> <b>Before :</b></p> <p><small>(Jika No. Pendaftaran/ Nama Syarikat/ Alamat di atas berbeza, sila pinda) (If the above Registration No./ Company Name/ Address is different, please amend)</small></p> <p><small>1. The Department of Statistics, Malaysia is responsible to conduct the Survey of International Trade in Services. The main objective of the survey is to measure Malaysia's services transactions with other countries and is used in the compilation of balance of payments statistics. 2. The information is gathered under the provisions of the Statistics Act, 1965 (Revised - 1989). Section 5 of this Act requires all establishments operating in Malaysia to provide actual information or best estimates to the Department. The Act, stipulates that the contents of the individual returns are CONFIDENTIAL and will not be divulged to any person or institution outside this Department. Meanwhile, Section 7 under the same Act provides the penalty to the respondent that could not comply to the survey undertaken. 3. You are requested to provide information related to your company as stated above and return the completed questionnaire to the Department. 4. Your co-operation in ensuring the success of this survey is very greatly appreciated.</small></p> <p style="text-align: center;"> <b>DATO' SRI DR. MOHD UZIR MAHIDIN</b> KETUA PERANGKAWAN MALAYSIA CHIEF STATISTICIAN MALAYSIA</p>											
<b>Individu yang boleh dihubungi jika ada pertanyaan berkaitan soal selidik ini</b> <i>Person we should contact if any queries arise regarding this questionnaire</i>											
<b>Nama/ Name:</b>											
<b>Jawatan/ Designation:</b>											
<b>No. Telefon/ Telephone No:</b>		<b>No. Faks/ Fax No.:</b>									
<b>E-mel/ E-mail:</b>											
<b>Tandatangan:</b> <i>Signature:</i>		<b>Tarikh/ Date:</b>									
<b>Untuk Kegunaan Pejabat Sahaja/ For Office Use Only</b>											
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td style="width: 33%;">Perkara</td><td style="width: 33%;">Tarikh</td><td style="width: 33%;">Tandatangan</td></tr><tr><td>Response</td><td></td><td></td></tr><tr><td>Tangkapan Data</td><td></td><td></td></tr></table>			Perkara	Tarikh	Tandatangan	Response			Tangkapan Data		
Perkara	Tarikh	Tandatangan									
Response											
Tangkapan Data											





# Generic Questionnaire (cont'd)



## MAKLUMAT PENGENALAN/ IDENTIFICATION PARTICULARS

### 1. Sila nyatakan aktiviti utama syarikat ini

Please state the principal activity of this company

(Untuk kegunaan pejabat sahaja/ For office use only)

--	--	--	--	--	--

### 2. Tarikh permulaan perniagaan bagi aktiviti ini

Commencement date of this business activity

--	--	--	--	--	--

### 3. Sila berikan peratus pemilikan ekuiti

Please provide the percentage of equity ownership

% Hak milik/ % Ownership

#### 3.1 Dipegang oleh Residen

Held by Residents

(i) **Swasta/ Private**

(ii) **Kerajaan/ Government**

#### 3.2 Dipegang oleh Bukan Residen

Held by Non-Residents

Nama negara Bukan Residen (sila sertakan lampiran berasingan sekiranya ruangan tidak mencukupi)

Names of Non-Resident countries (please provide separate attachment if space is not sufficient)

(i)

(ii)

(iii)

#### 3.3 Jumlah/ Total

100

### 4. Jumlah perolehan/ Total turnover

### 5. Jumlah perbelanjaan/ Total expenditure

**PERHATIAN : Sila rujuk Nota Penjelasan yang dikepilkan untuk penjelasan lanjut**

**ATTENTION : Please refer to the Explanatory Notes attached for further clarification**

- **Perdagangan Perkhidmatan Antarabangsa** meliputi perdagangan perkhidmatan (eksport dan import) antara residen dan bukan residen.
- **Perkhidmatan** merujuk kepada produk yang dibekalkan/ diterima selain daripada barangan.
- **Residen** ialah individu, enterpris atau organisasi lain yang lazimnya terletak di Malaysia untuk jangka masa sekurang-kurangnya satu tahun atau kepentingan ekonominya tertumpu di wilayah ekonomi Malaysia. Cawangan dan anak syarikat asing yang didaftarkan dan diperbadankan di Malaysia juga dianggap sebagai residen Malaysia.
- **Bukan Residen** ialah individu, enterpris atau organisasi lain yang lazimnya terletak di negara lain selain Malaysia atau tumpuan kepentingan ekonominya bukan di Malaysia. Cawangan dan anak syarikat milik residen Malaysia di luar negeri ialah bukan Residen Malaysia.
- **Asas akruan:** laporan pendapatan perkhidmatan yang diperoleh dan dibelanjakan dalam tempoh penyiasatan tidak kira sama ada amaun tersebut telah diterima atau dibayar, seperti dalam Akaun Untung & Rugi syarikat (kecuali perbelanjaan modal pembinaan).
- **Konsep pelaporan nilai kasar:** laporan transaksi pada asas kasar; iaitu jumlah nilai perkhidmatan yang diberikan (eksport/ kredit) dan diterima (import/ debit) walaupun ianya dilangsaikan secara asas bersih. Ini termasuklah transaksi perkhidmatan antara syarikat.
- **Negara rakan dagang:** laporan mengikut negara dagangan terbesar.
- **Mata wang pelaporan:** laporan dalam Ringgit Malaysia (RM).
- **Nilai pelaporan:** RM ribu.

- **International Trade in Services** cover services transaction (exports and imports) between residents and non residents.
- **Services** refer to products deliver/ receive other than goods.
- **A Resident** is any individual, enterprise or other organization ordinarily domiciled in Malaysia for a period of at least one year or has a centre of economic interest in economic territory of Malaysia. Malaysian registered branches and incorporated subsidiaries of foreign enterprises are also regarded as Malaysian residents.
- **A Non-Resident** is any individual, enterprise or other organization ordinarily domiciled in a country other than Malaysia or which centre of economic interest is other than Malaysia. Foreign branches and/ or subsidiaries of Malaysian companies are regarded as non Malaysian residents.
- **Accrual basis:** report income of services earned and expenses incurred during the period whether or not the amount had been received or paid, as recognised in company's Profit & Loss Account (except contruction capital expenditure).
- **Gross reporting concept:** report transactions on a gross basis; that is, the total value of services provided (export/ credit) and received (import/ debit) should be recorded even if they are settled on a net basis. This includes inter company services transactions.
- **Trading partner countries:** report according to the largest partner country.
- **Reporting currency:** report in Malaysian Ringgit (RM).
- **Reporting figures:** RM thousand.



# Generic Questionnaire (cont'd)



## Part A: Services Provided To/Received From Non-residents

BAHAGIAN PART <b>A</b>	PERKHIDMATAN YANG DIBERIKAN KEPADA/ DITERIMA DARIPADA BUKAN RES SERVICES PROVIDED TO/ RECEIVED FROM NON-RESIDENTS	Tandakan <input checked="" type="checkbox"/> item-item yang berkaitan Tick <input checked="" type="checkbox"/> related items	Kod Code
<b>1</b>	<b>Perkhidmatan pembuatan atas bahan mentah/item yang dimiliki oleh pihak lain</b> Manufacturing services on raw material/parts owned by others (Upah diterima atau dibayar kepada luar negara bagi aktiviti pembuatan penyumberan luar atau kontrak) (fees received or paid to foreign countries for outsourcing or contract manufacturing activities)		
	Berkaitan elektrik dan elektronik/ Electrical and electronics related	<input type="checkbox"/>	<b>010</b>
	Lain-lain (sila nyatakan)/ Others (please specify) <input type="text"/>	<input type="checkbox"/>	<b>020</b>
<b>2</b>	<b>Perkhidmatan penyenggaraan dan pembaikan</b> Maintenance and repair services		
	Pengangkutan laut/ Sea transport	<input type="checkbox"/>	<b>110</b>
	Pengangkutan udara/ Air transport	<input type="checkbox"/>	<b>120</b>
	Lain-lain (sila nyatakan)/ Others (please specify) <input type="text"/>	<input type="checkbox"/>	<b>130</b>
<b>3</b>	<b>Perkhidmatan pengangkutan dan aktiviti sokongan lain</b> Transport services and other supporting activities		
	Pengangkutan laut/ Sea transport:		
	Penumpang/ Passenger	<input type="checkbox"/>	<b>205</b>
	Muatan/ Freight	<input type="checkbox"/>	<b>210</b>
	Lain-lain/ Others	<input type="checkbox"/>	<b>215</b>
	Pengangkutan udara/ Air transport:		
	Penumpang/ Passenger	<input type="checkbox"/>	<b>220</b>
	Muatan/ Freight	<input type="checkbox"/>	<b>225</b>
	Lain-lain/ Others	<input type="checkbox"/>	<b>230</b>
	Lain-lain mod pengangkutan/ Other modes of transport:		
	Penumpang/ Passenger	<input type="checkbox"/>	<b>235</b>
	Muatan/ Freight	<input type="checkbox"/>	<b>240</b>
	Lain-lain/ Others	<input type="checkbox"/>	<b>245</b>
	Gudang dan penyimpanan/ Warehouse and storage	<input type="checkbox"/>	<b>250</b>
	Perkhidmatan pos dan kurier/ Postal and courier services	<input type="checkbox"/>	<b>255</b>
<b>4</b>	<b>Pembinaan (termasuk pengurusan projek serta meliputi kerja baru dan pembaikan)</b> Construction (including project management & covering new work and repair)		
	Pembinaan di luar negara/ Construction located abroad		
	Berkaitan minyak dan gas/ Oil and gas related	<input type="checkbox"/>	<b>310</b>
	Lain-lain aktiviti pembinaan (tidak berkaitan minyak dan gas) Other construction activities (non oil and gas related)	<input type="checkbox"/>	<b>320</b>
	Pembinaan di Malaysia/ Construction in Malaysia		
	Berkaitan minyak dan gas/ Oil and gas related	<input type="checkbox"/>	<b>330</b>
	Lain-lain aktiviti pembinaan (tidak berkaitan minyak dan gas) Other construction activities (non oil and gas related)	<input type="checkbox"/>	<b>340</b>

# Generic Questionnaire (cont'd)



## Part B: Services Provided To (Exports)/ Received From (Imports) Non-residents By Trading Partner Countries

PART <b>B</b>		PERKHIDMATAN YANG DIBERIKAN KEPADA (EKSPORT)/ DITERIMA DARIPADA (IMPORT) BUKAN RESIDEN MENGIKUT NEGARA RAKAN DAGANG SERVICES PROVIDED TO (EXPORTS)/ RECEIVED FROM (IMPORTS) NON-RESIDENTS BY TRADING PARTNER COUNTRIES									
Sila laporkan penerimaan dan pembayaran pada asas akrual/ Please report receipts and payments on accrual basis											
TERIMAAN/ RECEIPTS		Kod/ Code:		BAYARAN/ PAYMENTS							
		<input type="text"/> <input type="text"/> <input type="text"/>		<input type="text"/> <input type="text"/> <input type="text"/>							
Negara Country	Amaun Amount (RM'000)	Mode of Services Supplied (approximate in %)				Negara Country	Amaun Amount (RM'000)	Mode of Services Consumed (approximate in %)			
		No cross border by individual (supplier and consumer). Delivered via eg. internet, phone, mail	Delivered to non resident or their properties temporarily in Malaysia	Delivered by Malaysian temporarily working abroad	Total %			No cross border by individual (supplier and consumer). Consumed via eg. internet, phone, mail	Consumed by Malaysia's employees/p roperties temporarily abroad	Consumed from foreigners temporarily working in Malaysia	Total %
					0						0
					0						0
					0						0
					0						0
					0						0
					0						0
Lain-lain/ Others					0	Lain-lain/ Others					0
Jumlah/ Total	0					Jumlah/ Total	0				
					%						%
Percentage of above total services receipts through e-commerce					<input type="text"/>	Percentage of above total services payments through e-commerce					<input type="text"/>

# Generic Questionnaire (cont'd)



No	Type of Services	Code
1	Manufacturing services	
	Electrical and electronics related	010
	Others	020
2	Maintenance and repair services	
	Sea transport	110
	Air transport	120
	Others	130
3	Transport services and other supporting activities	
	Sea transport (Passenger, Freight, Others )	205, 210, 215
	Air transport (Passenger, Freight, Others )	220, 225, 230
	Other modes of transport (Passenger, Freight, Others )	235, 240, 245
	Warehouse and storage	250
	Postal and courier services	255





# Generic Questionnaire (cont'd)



No	Type of Services	Code
4	Construction	
	Construction located abroad (Oil and gas related, Other construction activities (non oil and gas related))	310, 320
	Construction in Malaysia (abroad (Oil and gas related, Other construction activities (non oil and gas related))	330, 340
5	Insurance and pension services	
	Direct insurance: Life (Premiums/Claims)	405, 410
	Direct Insurance: Freight (Premiums/Claims)	415, 420
	Other direct insurance (Premiums/Claims)	425, 430
	Reinsurance	435, 440
	Auxiliary insurance services (including commissions and brokerage)	445
	Pension and standardised guarantee services	450



# Generic Questionnaire (cont'd)



No	Type of Services	Code
6	Financial services (excluding interest)	
	Banking services	510
	Underwritings and transactions in securities	520
	Financial advisory services	530
	Investment/Asset management	540
	Others	550
7	Charges for the use of intellectual property	
	License fees for franchise and trademark	610
	Royalty/license fees for the use of outcomes of R&D (e.g: patents, copyrights, industrial designs)	620
8	Telecommunications services	
	Wired telecommunications services	705
	Wireless telecommunications services	710
	Satellite telecommunications services	715
	Other telecommunications services	720



# Generic Questionnaire (cont'd)



No	Type of Services	Code
9	Computer services	
	Computer software	
	Development of customised software and related licences	725
	Non-customised software and related licences	730
	Sales and purchases of ownership rights for software systems and applications	735
	Development of computer game software	740
	Licence to use computer software	745
	Other computer services	
	Computer consultancy	750
	Installation and maintenance of hardware and software	755
	Data-processing and hosting services	760
	Web page hosting services	765
	Other computer services activities	770



# Generic Questionnaire (cont'd)



No	Type of Services	Code
10	Information services	
	News agency	775
	Downloaded contents, excluding software (e.g. e-book)	780
	Other information services (e.g.: database services, web search portals)	785
11	Research and development (R&D) services	
	Provision of customized R&D	803
	Provision of non-customized R&D	806
	Sale or purchase of proprietary rights arising from R&D (e.g.: patents, copyrights)	809
12	Professional services and management consulting	
	Legal services	812
	Accounting, auditing & tax services	815
	Business and management consulting and public relations services	818
	Advertising, market research and public opinion polling services	821
	Management fees not included elsewhere	824



# Generic Questionnaire (cont'd)



No	Type of Services	Code
13	Technical, trade-related and other business services	
	Architectural, engineering, scientific and other technical services (including consultancy)	
	Architectural services	827
	Engineering services	830
	Scientific and other technical services	833
	Waste treatment and de-pollution services	836
	Services incidental to agricultural, forestry and fishing	839
	Services incidental to oil and gas extraction	
	Geological, geophysical and other exploratory stage services	842
	Consultancy services (including design and engineering)	845
	Drilling services	848
	Operations & maintenance services	851
	Other related services	854
	Services incidental to mining (non oil and gas related)	857

# Generic Questionnaire (cont'd)



No	Type of Services	Code
13	Technical, trade-related and other business services	
	Operating leasing services (without crew)	
	Sea transport	860
	Air transport	863
	Others (e.g: building, computer equipment)	866
	Trade-related services (e.g: commissions)	
	Goods	869
	Services	872
	Other business services not included elsewhere	875
14	Personal, cultural and recreational services	
	Audio-visual and related services	
	Audio-visual services (including contents of television programme)	905
	Artistic related services	910

# Generic Questionnaire (cont'd)



No	Type of Services	Code
14	Personal, cultural and recreational services	
	Other personal, cultural and recreational services	
	Health services	915
	Education services	920
	Heritage and recreational services (including sponsorship for sports events)	925
	Other personal services	930
	Licenses to reproduce and/ or distribute audio visual and related products	640



# Generic Questionnaire (cont'd)



## Part B: Services Provided To (Exports)/ Received From (Imports) Non-residents By Trading Partner Countries

### Mode of Supply

Mode 1

**No cross border by individual (supplier and consumer). Delivered /consumed via eg. internet, phone, mail**

Mode 2

- **Delivered to non resident or their properties temporarily in Malaysia**
- **Consumed by Malaysia's employees/properties temporarily abroad**

Mode 4

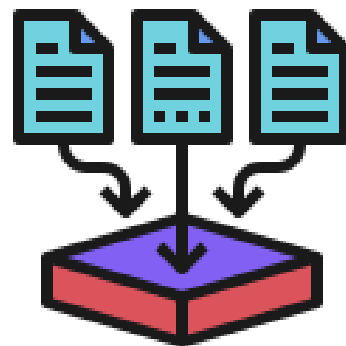
- **Delivered by Malaysian temporarily working abroad**
- **Consumed from foreigners temporarily working in Malaysia**

# Services Components and Possibility Mode of Supply



No	Services Component	Possibility Mode of Supply
1	Manufacturing Services	Consumption abroad
2	Maintenance and repair services	Consumption abroad/presence of natural person
3	Transport	Cross border supply/commercial presence
4	Travel	Consumption abroad
5	Construction	Commercial presence/presence of natural person
6	Insurance and pension services	Cross border supply
7	Financial services	Cross border supply
8	Telecommunications, computer and information services	Cross border supply/presence of natural person
9	Charges for the use of intellectual property	Cross border supply
10	Other business services	Cross border supply/presence of natural person
11	Personal, cultural and recreational services	Cross border supply/presence of natural person
12	Government goods and services	Cross border supply/presence of natural person

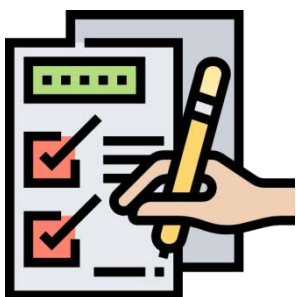
- International Trade in Services (ITS) Survey
- Quarterly Survey of Services (QSS)
- International Transactions Information System (ITIS)
- External trade & tourism data
- Annual Economic Survey (AES)



- Review indicators of external trade data, tourism data, QSS, AES and ITIS
- Frequency of foreign flights landing in Malaysia
- Frequency of local flights for international boarding
- Payments for Port charges
- Value of freight trade data declared by agent
- No. of international pax movement, Malaysian sea ports/ international airports & aircraft for departure & arrival



## REQUEST INFORMATION



## DATA COMPILATION

- Acceptance of ITS, QSS and ITIS
- Data extraction from respondents through ITS web
- Data query for validation/verification

## DATA ANALYSIS



## DISSEMINATION

- Website DOSM
- Social media (Facebook, Twitter, Instagram)
- Blog BOP ([bopstatsmy.wixite.com](http://bopstatsmy.wixite.com))
- Infographics
- Personal sharing by Chief Statistician to 4000 contacts (Head of agencies)

## "STATISTICS BLOOM IN HARMONY"

Doesn't matter far or near  
Strength in numbers  
we don't live in fear

Birds of feather flock together  
Statistics our form of adour  
We, will always live it up

So let us live in solidarity  
And in the world arena we'll  
succeed  
It is statistics that will come to be  
The reason we will bloom in  
harmony

Everybody undivided  
Data's where our hearts reside in  
There will always be a bind

Just like fire that ignites  
That's how brightly lit our dreams are  
We'll reach higher than the stars

Sending love to one another  
Leaving no one in a slumber  
We will stand with unity

Mustering our courage while  
Embracing our disparities  
We'll achieve our victory

One dream with unity  
One love with harmony



"STATISTICS BLOOM  
IN HARMONY"  
VIDEO

<https://bit.ly/StatisticsBloomInHarmony>

# THANK YOU



**StatsMalaysia**

[www.DOSM.gov.my](http://www.DOSM.gov.my)

