



**United
Nations**

Department of
Economic and
Social Affairs



Statistics Division

Revision of Manuals on International Trade Statistics

Overview and progress

Secretariat of the Task Team on International Trade Statistics
United Nations Committee of Experts on Business and Trade Statistics
Statistics Division, Department of Economic and Social Affairs
Email: tradestat@un.org

**Presentation at SESRIC Training Course - International Trade Statistics and
Balance of Payments, (StatCaB Programme), 22 June 2023**

Manuals on international trade statistics



Background – 52nd Statistical Commission (2021)

Statistical Commission decision 2021 52/107:

- Endorsed revising **IMTS 2010** and **MSITS 2010**, while ensuring consistency with the update of other statistical standards, such as the **SNA and BOP**;
- Welcomed the creation of a new **task team** for the revision of the trade-related standards.

Task Team on International Trade Statistics

UN Committee of Experts on Business and Trade Statistics

Established in 2021:

- First meeting in October 2021
- Monthly meetings

Priorities:

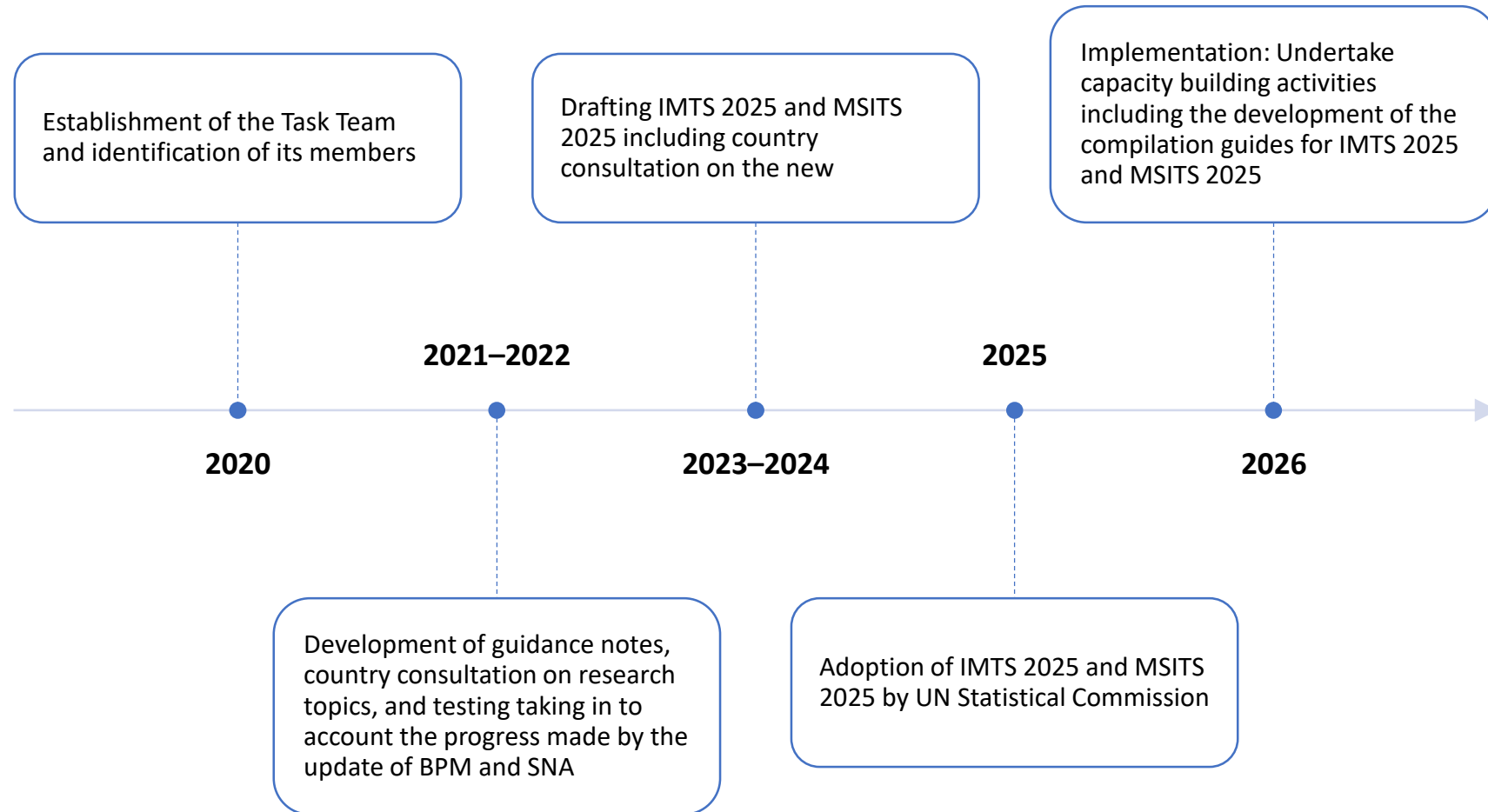
- **Revising the international trade statistics manuals**
- Integration between trade and business statistics
- Cross-cutting topics (e.g., GVC, digital trade)
- Capacity-building (maturity model, trade data tools)

Leadership, broad representation:

- TT-ITS is led by Morocco and Portugal
- Worldwide representations, including nine OIC Member States (Indonesia, Türkiye, Tunisia, State of Palestine, Cameroon, Malaysia, Morocco, Mauritania, Nigeria)



Timeline - General



Research Agenda: Vertical and Horizontal integration

Vertical integration

- Upstream harmonization of ITS with macroeconomic statistical frameworks, including BPM and SNA
- Downstream integration with the various data sources, including customs, administrative and survey data

Horizontal integration

- Globalization
- Digitalization
- Well-being
- Sustainability

Research Agenda: Vertical

- v.1 Scope of IMTS and SITS
- v.2 Impact of the BPM updates
- v.3 Bilateral trade asymmetry (goods and services)
- v.4 Informal Cross Border Trade (Goods And Services)
- v.5 Recording Principle – Change Of Ownership Instead Of Cross-Border For Selected Commodities (Goods)
- v.6 Trade System – Improved Coverage By Implementing General Trade System Exclusively (Goods)
- v.7 Valuation – Utilizing Invoice Value In Addition To CIF, FOB (Goods)
- v.8 Price And Volume Measurement (Goods And Services)
- v.9 Factoryless Goods Producers And Merchanting (Goods)
- v.10 Measurement Of Modes Of Supply (Services)
- v.11 SITS Classifications EBOPS (Services)
- v.12 Trade Flow, Nature Of Transactions And Customs Procedure Codes (Goods)
- v.13 Valuation on specific transactions/products (Goods and Services)
- v.14 Alternative data sources – high-frequency data sources (Goods and Services)
- v.15 Upgrading SDMX-IMTS to Technical Specification version 3.0 (Goods)
- v.16 Clarification on Cultural Products Resulting From Creative Industries (Goods and Services)
- v.17 Revision of the Standard International Trade Classification (SITC) (Goods)
- v.18 Indicators on Trade Statistics (Goods and Services)

Guidance Notes in the first global consultation

Dedicated handbook

Research Agenda: Horizontal

- **h.1 Digital Trade Including Conceptual Framework, Price And Volume Measurement (Goods And Services)**
- **h.2 Global Value Chains (Goods And Services)**
- **h.3 Linking Trade And Business Statistics (Goods And Services)**
- h.4 Impact Of Trade On Environment And Sustainability (Goods And Services)
- **h.5 Impact Of Trade On Well-Bering, Labor, Gender And Productivity (Goods And Services)**
- h.6 Foreign Affiliates Statistics (FATS) (Goods And Services)
- h.7 Classification: BEC Rev.5, Business Functions (Goods And Services)
- h.8 Impact Of ISIC And CPC Revisions (Goods And Services)

Guidance Notes in the first global consultation

Dedicated handbook



So far ... (as of June 2023)

- **Conceptual issues**
- **The first round of global consultations**
 - **Consolidated proposal of topics for update**
 - **IMTS and MSITS: manual outlines**
 - **HIBTS outline**

Handbook on Integrating Business and Trade Statistics (HIBTS)

- Integration on business and trade statistics – development of dedicated Handbook

Update of related standards

- Macroeconomic frameworks
 - SNA (2025)
 - BPM (2025)
- Classifications
 - ISIC (2023)
 - CPC (2024)
 - HS (2027)



Topics for consultation

- [Topic #1: Definition, scope and delineation of goods and services]
- [Topic #2: Comprehensive review on the impact of BPM 6 updates]
- [Topic #3: Definition and delineation of Informal Cross Border Trade (ICBT)]
- [Topic #4: Valuation – utilizing invoice value in addition to CIF and FOB]
- [Topic #5: Measurement of digital trade]
- [Topic #6: Linking of trade and business statistics]
- [Topic #7: Change of ownership in IMTS v. BOP]
- [Topic #8: Clarification on cultural products resulting from creative industries]
- [Topic #9: Impact of trade on wellbeing, labour, and productivity]
- [Topic #10: Draft outlines for IMTS and MSITS]
- [Topic #11: Draft outline for the Handbook on Integrating Business and Trade Statistics (HIBTS)]



[Topic #1: Definition, scope and delineation of goods and services]

- Seeks to clarify the distinction between services and goods regarding their delineation and recording in trade in goods or services
- Proposes emphasizing the distinction between how products are defined and how they are recorded, expanding the MSITS 2010 definition of services to explicitly cover **knowledge capturing products** that are services, and providing additional examples to better operationalize the definition of services
- Regarding goods printed/manufactured using an **additive manufacturing process** (e.g., 3-D printing) acquired from abroad
- Also recommends that non-fungible tokens (NFTs) that are classified as either consumption or assets according to SNA/BPM GN DZ.10 would be recorded as services

Furthermore, for consistency in classification of NFTs that convey no ownership rights as services in the case that they transition to valuables, this Note recommends that the 2008 SNA para. 10.13 definition of valuables be generalized to define valuables as *products* rather than *goods*



[Topic #2: Comprehensive review on the impact of BPM 6 updates]

- Sub Task Team on GNV.2 coordinating with the whole Task Team on incorporating BPM updates into trade manuals
- Ensure that all of the updates to BPM6 relevant to trade are incorporated into trade manuals
- Output a table for the appendix(ices) of the trade manual(s) to identify all BPM6 updates that impact IMTS and/or MSITS



[Topic #3: Definition and delineation of Informal Cross Border Trade (ICBT)]

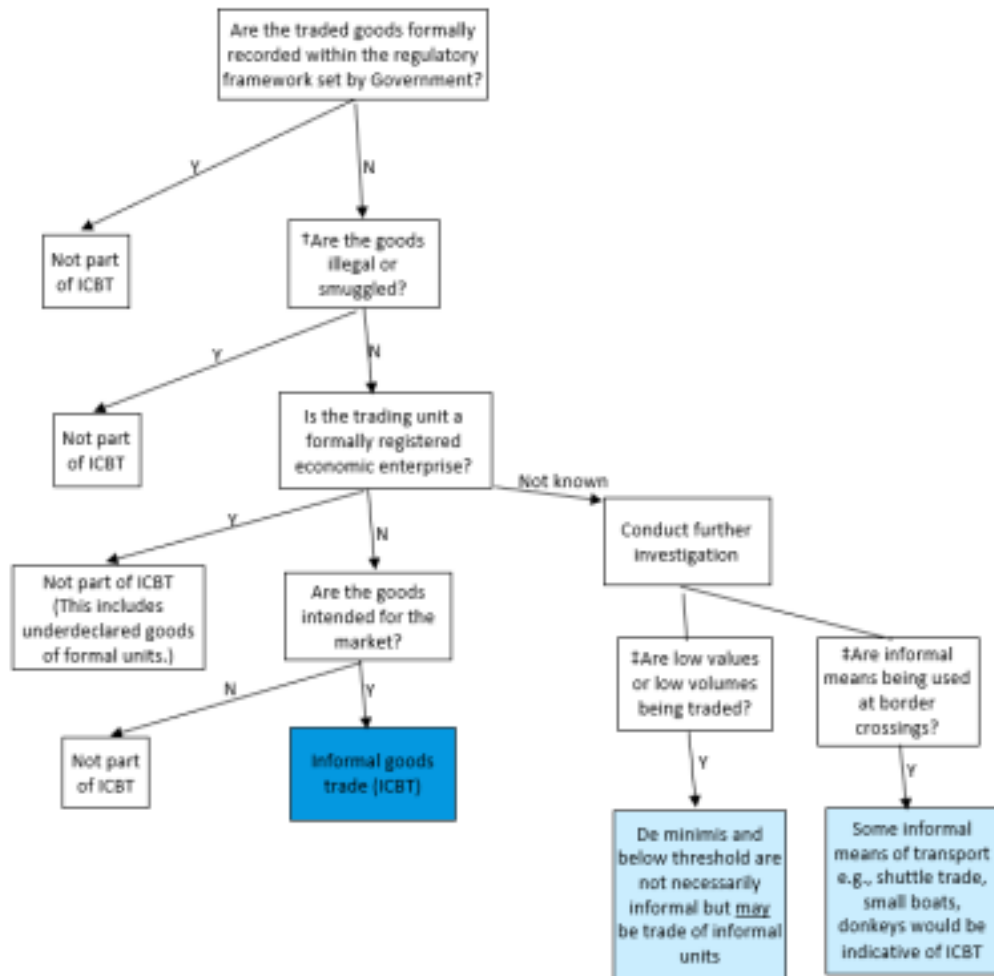
- Defines the informal cross-border trade (ICBT) both in IMTS and MSITS that can be consistent with country best practices and the informal economy conceptual framework as described by the guidance note by the joint SNA/BPM updates (IE.1)
- Proposed definition based on delineating transactions that are not covered by formal arrangements (in law or in practice).

Working definition

Informal cross-border trade refers to imports and exports, by informal economic units, of legal goods and services, which do not comply with the regulatory framework and other procedures set by the government, and often go unrecorded into official national statistics of the trading countries



[Topic #3: Definition and delineation of ICBT]: decision tree



† IMTS (2010; para 1.59) excludes goods entering or leaving the economic territory of a country illegally. This category includes, for example, smuggling, trade in stolen vehicles and shipments of narcotic substances, the use or possession of which is illegal in one or both of the compiling countries. The International Classification of Crime for Statistical Purposes (ICCS) defines smuggling of goods as “acts consisting of customs fraud and the movement of goods across a frontier in any clandestine manner” (UNODC, 2015; WCO, 1977). Against this backdrop, it is recognised that even if some ICBT transactions fall within the category of smuggling, the bulk of these small-scale transactions are covered by de minimis clauses, and other provisions for example in Regional Economic Communities and thus, do not enter or leave the economic territory in an illegal or clandestine manner.

‡ It is formal trade if large values or volumes are being traded. It is also formal trade if normal means of transport are being used at the border crossing. Furthermore, de minimis, below threshold and informal (unregistered) means of transport are not ICBT when they involve a registered enterprise using workers to carry their goods across the border in smaller scale under de minimis to avoid duties (see Table 1, example #4).

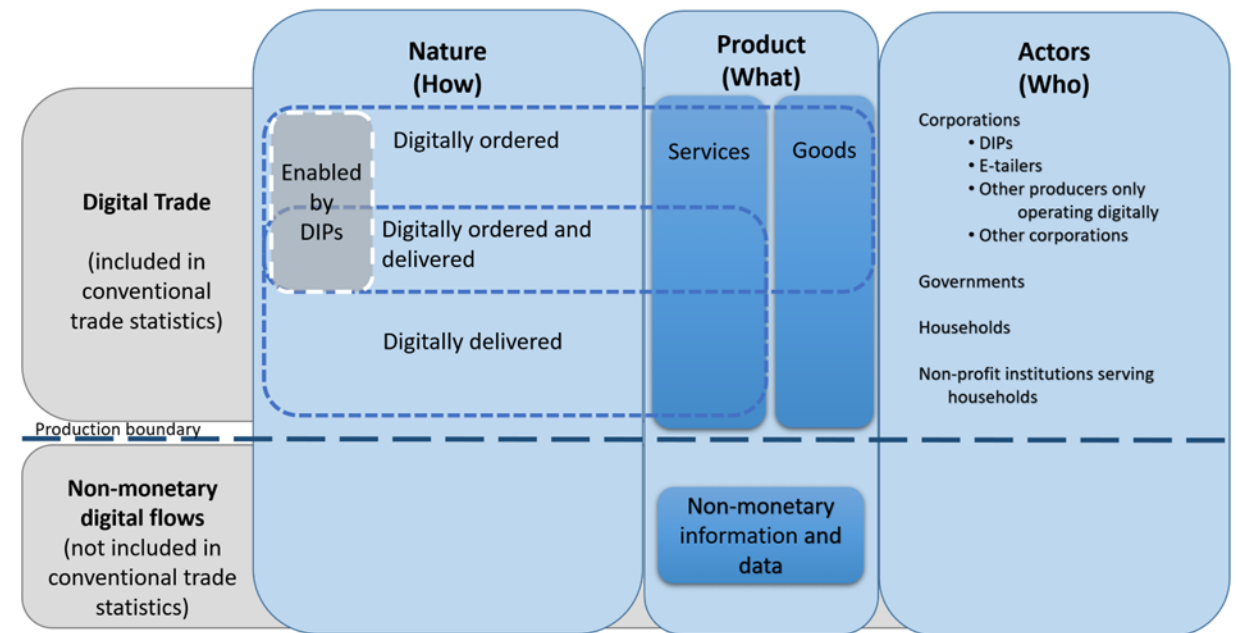
[Topic #4: Valuation – utilizing invoice value in addition to CIF and FOB]

- Using invoice values as the valuation methods for imports and exports is conceptually more consistent with the general conceptual principle of recording output at basic prices in National Accounts (G.1)
- GNV.7 discusses the options for IMTS to record the invoice value in addition to CIF, FOB
- CIF-FOB valuation implies a valuation at the point where the good crosses the border of the reporting country and is, therefore, in line with the cross-border principle applied in IMTS
- While CIF-FOB, therefore, should remain the valuation method used for IMTS disseminations, this note proposes encouraging countries also to collect invoice values to facilitate the transition for BPM and SNA
- Freight and insurance services
 - Importer v. exporter split
 - Record on transaction basis
- Different valuation methods and their relevance for the different statistics be clarified in IMTS

[Topic #5: Measurement of digital trade]

- The Handbook on Measuring Digital Trade (IMF, OECD, UNCTAD and WTO, forthcoming) sets up the statistical definition of digital trade and establishes a conceptual framework for measurement
- TT-ITS recommends the conceptual and measurement framework of digital trade be included in the updated MSITS and IMTS, with a short common chapter summarizing the most important concepts and presenting the reporting template for digital trade.

Conceptual framework





[Topic #6: Linking of trade and business statistic]

- Issues include concepts, data sources, and technical considerations for producing statistics from linking trade and business data (for goods and services)
- GNH.3 highlights the relevance of Microdata linking (MDL) for producing new statistics by effectively using existing data sets without increasing the response burden on respondents
- It recommends highlighting in trade manuals the importance of identifying the statistical unit (legal/enterprises/establishment) and the difficulties some countries may face.
- The GN includes alternatives for countries with different statistical infrastructures (e.g., structural business statistics surveys) without an SBR and/or a unique identifier in place for linking trade and business statistics.
- It also emphasizes the importance of indicators on quality



[Topic #7: Change of ownership in IMTS v. BOP]

- GNV.5 reviews and elaborates on the commodities under the principle of change of ownership based on countries' experiences
- Keep cross-border physical movement as the basic recording principle in IMTS
- Review the list of goods to be compiled based on change of ownership as an exception to the general cross-border principle
- Encourage countries with a major involvement in global production chains to publish supplementary (non-mandatory) statistical products, including
 - disaggregated data, say by Statistical Procedure Codes or Nature of transactions
 - help users understand and quantify the conceptual differences between IMTS and SITS/BoP figures and finding the figures most relevant to their purposes.



[Topic #8: Clarification on cultural products resulting from creative industries]

- GNV.16 clarifies conceptual issues related to cultural products resulting from cultural and creative industries.
- It recommends adding new categories on culture/creative trade to the travel in EBOPS.
 - The identification of handmade cultural goods could be achieved by countries by expanding their national customs classification at a further level of disaggregation.
- Furthermore, GNV.16 gives practical guidance on compiling trade data for assessing international trade in cultural and creative goods and services



[Topic #9: Impact of trade on wellbeing, labour, and productivity]

- Important links with the 2030 Agenda
 - Engine for inclusive economic growth and poverty reduction;
 - Positive effects on productivity
 - Impacts economic, environmental, and social wellbeing through its distributional effects and health impacts related to prices and types of goods and services traded
 - Trade can also exacerbate existing inequalities, including income and other inequalities by sex and ethnicity.
- GNH.5 proposes productivity related indicators; labour and wage related indicators; wellbeing and gender inequalities related indicators
- Furthermore, the GN also considers clarifying definitions for the Volume 2 of the Manual on the Principal Indicators on Business and Trade Statistics: exporter, importer, trader, two-way trader, domestic enterprise, and multinational enterprise (MNE)
- It is recommended that Volume 2 of the Manual on the Principal Indicators on Business and Trade Statistics mainstream data by sex, also by gender (where possible)



[Topic #10: Draft outlines for IMTS and MSITS]

Modest changes except for

- (a) Better alignment between IMTS and MSITS
- (b) Introducing common titles and a few new chapters/sections for IMTS and MSITS
- (c) Upgrading a few sections to chapter level to enhance their prominence or relation with other sections/chapters:

<https://unstats.un.org/wiki/download/attachments/160137218/Draft%20outline%20IMTS%20and%20MSITS.pdf?version=1&modificationDate=1682564687314&api=v2>



Proposed Outline for IMTS

IMTS2010	IMTS2025
<i>Preface</i>	<i>Preface</i>
<i>Acknowledgements</i>	<i>Acknowledgements</i>
<i>Abbreviations and acronyms</i>	<i>Abbreviations and acronyms</i>
Introduction	I. Introduction
<i>Chapters</i>	<i>Chapters</i>
I. Scope and time of recording	II. Scope, recoding principle and time of recording (GNV.1, GNV.5)
II. Trade system	Trade system (leave as chapter or move to XI. Quality assurance framework???)
	III. Trade Flow, nature of transactions and Customs Procedure Codes (GNV.12)
	Global production arrangements and IMTS (and other GVC-related topics as own chapter instead of being under XIII???)
	IV. Informal cross-border trade (GNV.4)
III. Commodity classifications	V. Classifications related to IMTS
IV. Valuation	VI. Valuation
V. Quantity measurement	V. Quantity measurement
	VII. Price and volume (GNV.8) [option A – see chapter XIII i.e. with external trade indices]
VI. Partner country	VI. Partner country
VII. Mode of transport	VIII. Mode of transport
	IX. Bilateral trade asymmetry (GNV.3)
VIII. Data compilation strategies	X. Data compilation strategies
IX. Data quality and metadata	XI. Quality assurance framework: data quality and metadata
X. Dissemination	XII. Dissemination
XI. Supplementary topics	XIII. Analytical and frontier applications (working title)
<i>Annexes</i>	<i>Annexes</i>



Proposed Outline for MSITS

MSITS2010	MSITS2025
<i>Foreword</i>	<i>Preface</i>
<i>Acknowledgements</i>	<i>Acknowledgements</i>
<i>List of acronyms</i>	<i>Abbreviations and acronyms</i>
	I. Introduction
I. General introduction and foundations of the Manual	II. General introduction and foundations of MSITS
II. Conceptual framework for the development of statistics on international trade in services	III. Conceptual framework for the development of statistics on international trade in services
	IV. Classifications related to SITS
III. Services transactions between residents and non-residents	V. Services transactions between residents and non-residents
	Global production arrangements and MSITS (and other GVC-related topics as own chapter instead of being under VII???)
	Bilateral trade asymmetry (GNV.3) (own chapter??)
IV. Foreign affiliates statistics (FATS) and the international supply of services	VI. Foreign affiliates statistics (FATS) and the international supply of services
V. Statistics on the international supply of services by mode	V. Statistics on the international supply of services by mode
	VII. Analytical and frontier applications (working title)
<i>Annexes</i>	<i>Annexes</i>
<i>Glossary</i>	<i>Glossary</i>
<i>Bibliography</i>	<i>Bibliography</i>
<i>Index</i>	<i>Index</i>



[Topic #11: Draft outline for the Handbook on Integrating Business and Trade Statistics]

- Also, the UNSC 2023 welcomed the initiative to develop a Handbook on Integrating Business and Trade Statistics (HIBTS).
- The TT-ITS is taking the lead in the preparation of the HIBTS
- The goal of the HIBTS is to provide the conceptual and methodological framework related to the integration of business and trade statistics, including national best practices, as well as providing guidance for building and strengthening capacities on microdata linking (MDL) to allow compiling these statistics in an internationally comparable manner.
- The editing and drafting of the HIBTS began in March 2023 and are expected to be concluded by the end of 2024.
- Include as many countries' experiences as available
 - A digital platform to allow continuous updating of the countries' experiences
- GNH.3, as well as the responses in the global consultation, will be the building block for HIBTS



How can you all contribute?

Feedback during Global Consultations



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Thank you