

THIRTY-SIXTH MEETING OF
THE STANDING COMMITTEE OF
CARIBBEAN STATISTICIANS

RESTRICTED

SCCS/2011/36/3

24-26 October 2011

Belize City, Belize

15 October 2011

PROGRESS REPORT ON STATISTICS ON INTERNATIONAL TRADE IN SERVICES

1. INTRODUCTION

At the Thirty-Fifth Meeting of the Standing Committee of Caribbean Statisticians (SCCS), the Regional Statistics Programme of the Caribbean Community (CARICOM) Secretariat provided a synopsis on the current status of the Ninth European Development Fund (9th EDF), Caribbean Integration Support Programme (CISP) funded project - *Develop and Implement the CARIFORUM Economic Statistics Action Plan (CESAP) Trade in Services and Investment Statistics*.

This paper presents a brief review of the main outputs of the project as well as an update on the status of Regional International Trade in Services/Investment Flows Databases at the CARICOM Secretariat and the proposed Work and Activities for the period 2012/2013.

2. MAIN OUTPUTS OF THE PROJECT

2.1 Final Report of the Ninth EDF Funded Project – Develop and Implement the CARIFORUM Economic Statistics Action Plan

The final Report on the Ninth EDF Funded Project – Develop and Implement the CARIFORUM Economic Statistics Action Plan in Member States reflected on the following project outputs:

- (i) The current state of statistics of International Trade in Services in the Region post the CIDA and C-TRADECOM Funded Projects which were executed in 2001/2002 and 2004/2005. The conduct of a Baseline Situational Assessment and an analysis of the Trade in Services Questionnaire sought to update previous information obtained on project activity on the availability of Trade in Services/Investment Statistics in Member States and the capacity of Member States to produce the required statistics;
- (ii) The delivery of in-country technical assistance to enable the compilation of statistics on International Trade in Services and Investment details including the delivery of training, stakeholder sensitization and the implementation of activities to harmonize the statistical infrastructure in the Region;
- (iii) The outputs and recommendations emanating from the Regional Training Workshop, held from 22-26 November 2010 in the Bahamas, which sought to support the delivery of training in the compilation of statistics on Trade in Services and Investment;
- (iv) An overview of the other activities of the consultancy which entailed the refinement of Common Guidelines (an output of the preceding Trade in Services project); the conduct of the review and production of instruments for the collection of statistics on International Trade in Services/Investment Statistics, i.e. the Common Core Services Questionnaire which was adapted from Statistics Canada; the draft Revised List of Recommended Core Sectors for the Region and the preparation of the respective country CESAPs in this area.

2.2 The delivery of in-country technical assistance to enable the compilation of statistics on International Trade in Services and Investment Statistics

Having updated the availability of information available in-country as well as obtaining a fair idea of the capacity of the countries to produce the required statistics on International Trade in Services and Investment Statistics, based on the conduct of the Baseline Situational Assessment and the implementation of the Trade in Services Questionnaire, the consultant visited several Member States to provide technical assistance in the compilation of these statistics.

The technical assistance missions were informed by the updated Manual on Statistics of International Trade in Services 2010 (MSITS 2010), the updated System of National Accounts 2008, Balance of Payments and International Investment Position Manual, Sixth Edition (BPM 6), and the updated relevant classification systems, the Extended Balance of Payments Services (Classification) (EBOPS), the International Standard Industrial Classification of all Economic Activities, Rev. 4 (ISIC Rev 4) and the Central Product Classification Ver. 2 (CPC ver. 2).

The focus of the technical assistance was to enable countries that are currently not producing the Trade in Services Statistics according to the EBOPS to be able to produce such statistics on a sustained basis. For, those countries that are producing Statistics according to the EBOPS efforts were made to ensure that they adhere to the latest revision of the EBOPS as per the MSITS 2010 as well as to fill any existing gaps in the data.

2.3 Preparation of the Common Guidelines

With respect to the document on the Common Guidelines, this has been refined by the Consultant and is currently being reviewed internally by the Regional Statistics Programme.

The major expectation with regard to the preparation of the Common Guidelines was to enable the realisation of a harmonised approach for the production of statistics on Trade

in Services. Essentially, the document, *Common Guidelines for the Development of Statistics on International Trade in Services in the CARICOM Region*, presents operational guidance for the collection and compilation of statistics of international trade in services in the CARICOM Region. It represents a companion guide, in a regional context, to the recently approved and updated Manual on Statistics of International Trade in Services (MSITS) 2010.

2.4 Revised List of Core Sectors

A list of the core services industries was identified by the stakeholders of the Region during the CIDA-funded Project in 2001/2002. The Ninth EDF Funded Project sought to update the List of Core Sectors in keeping with current international standards hence, this revision was guided and informed by recommendations of the Manual on Statistics of International Trade in Services 2010 and also by developments and emerging trends in the services sectors in the CARICOM Region. Despite the recommendation that details of services accounts in BPM6 be given priority before attempts are made to introduce details of MSITS 2010, this revision goes on to capture the additional services details recommended in MSITS 2010.

2.5 The Regional Training Workshop

A Regional Training Workshop was held from 22-26 November 2010 in the Bahamas and was attended by almost all Member and Associate Member States as well as regional organizations, including, the Eastern Caribbean Central Bank (ECCB) and representatives from both the Central Banks and the National Statistical Offices. The Workshop was facilitated by the Trade in Services Consultant Ms. Lucilla Lewis.

The objective of the Workshop was to enable the reinforcement of the approaches to be used in the compilation of statistics on Trade in Services and on Investment; facilitate discussions on the production of a draft prototype questionnaire that can be used to collect more detailed data on International Trade in Services Statistics; and to foster the building of South-South Co-operation among statisticians and data compilers in these areas of statistics; as well as to provide technical support to Member States to enable

them to implement the recommendations to strengthen capabilities to produce these statistics.

Among the outputs included a core of trained persons in the Region with enhanced awareness and knowledge of services statistics collection and compilation; the encouragement of in-country coordination of agencies/personnel comprising users, suppliers and producers concerned with services to implement and monitor the development process of measuring the contribution to services.

3. UPDATE ON THE STATUS OF REGIONAL INTERNATIONAL TRADE IN SERVICES/INVESTMENT FLOWS (DETAILS) DATABASE AT THE CARICOM SECRETARIAT

3.1 Regional Trade in Services Database

The Regional Trade in Services database has been updated with data for eleven (11) Member States for the year 2010 and thirteen (13) Member States for the year 2009. Generally, the data have been extracted from the Services component of Member States Balance of Payments, compiled according to the Fifth Edition of the Balance of Payment Manual (BPM5).

Five (5) Member States were able to produce services statistics according to the Extended Balance of Payments Services (EBOPS) classification. These Member States are Barbados, Belize, Jamaica, Suriname and Grenada representing a slight improvement in EBOPS submissions as compared to previous years.

All the available data for 2010 have been disseminated on the Secretariat's web site. At the regional level, these include data on imports, exports and balance of trade by broad areas comprising Transportation, Travel, Commercial Services and Government Services. Detailed data on each Member State were also disseminated.

3.2 Investment Statistics

The Foreign Direct Investment (FDI) database at the CARICOM Secretariat attempts to present a comprehensive set of FDI statistics for reporting Member States. These data include inflows and outflows of FDI by source and destination, classification by component (which includes equity capital, reinvested earnings, divestment and other capital) and by industry/sector.

As at September 2011, the FDI database was updated with data for eleven (11) Member States for the year 2010. Of those seven countries, all submitted FDI data by type, nine (9) provided data by industry/sector and seven (7) provided data on sources/destinations. In effect, seven (7) Member States were able to provide a complete profile on investment statistics, that is, by type, source/destination and sector. It should be noted that several data gaps still exist in the reporting of these statistics by Member States, such as the provision of data by *sources/destinations* and *industry/sector* breakdown.

4. PROPOSED WORK

4.1 Proposed Activities

Some of the proposed work to be completed includes the following:

- (i) Finalisation of the Common Guidelines for the production of Statistics on Trade In Services;
- (ii) Delivery of the completed Common Questionnaire to collect data on services statistics;
- (iii) Production of a Third Report on International Trade in Services Statistics for the period 2005-2009;
- (iv) To continue to monitor the production and dissemination of services data at the Regional Level post the work of the Trade in Services consultancy;

- (v) To build capacity at the national and regional levels through the Help Desk Facility and attachment programmes.

ACTION REQUIRED

The **Meeting** is **invited** to:

- (i) **consider** the execution of work activities on the under the CISP, 9th EDF project, Develop and Implement the CARIFORUM Economic Statistics Action Plan (CESAP) Trade in Services and Investment Statistics;
- (ii) **commend** those Member States that cooperated in enabling successful outcomes to the Project activities;
- (iii) **urge** Member States to continue with the developmental work put in place during the Project.
