

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

RESTRICTED

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Group of Negotiations on Services

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COMMUNICATION FROM THE EUROPEAN COMMUNITIES

Statistics on International Trade in Services

The following communication has been received from the delegation of the European Communities and is circulated to the members of the Group of Negotiations on Services at the request of the delegation.

Statistical Office  
of the  
European Communities

Luxembourg, 10 September 1987

International Trade in Services

Work being done in the Statistical Office of the European Communities

1. Information available at present

Generally speaking, the information currently available on international trade in services comes from balance-of-payments statistics; in principle, that information is then broken down according to the standard components in the fourth edition of the International Monetary Fund's Balance of Payments Manual. However, Eurostat also collects more detailed data from the member States of the European Community by means of two questionnaires:

- a "geographical breakdown" questionnaire requesting further details concerning services (Annex I)
- an "Other services - Other" questionnaire, which breaks down the item "Other services" in the preceding questionnaire (Annex II).

These questionnaires are entirely consistent with the IMF scheme since the data requested only breaks down the standard components of the IMF Manual, i.e.:

- Transport (2.1 of Annex I)
- Insurance on transport (2.2)
- Travel (2.3)
- Investment income (2.4)
- Other official goods, services and income (2.6 Government transactions)
- Other private goods, services and income
  - Labour income (2.5)
  - Other services income (2.7 Other services).

2. Nomenclature: classification of invisibles trade

- (a) Eurostat is currently preparing a classification of invisibles trade. This classification should ultimately provide more detailed and more harmonized data on international trade in services. The nomenclature is to be guided by the following constraints:
- It must be consistent with the United Nations Central Product Classification (CPC) so that statistics from the various sectors can be used jointly with those of the new classification for economic-analysis and statistical purposes. It should be noted, however, that both the CPC and the Eurostat classification are still at the planning stage and that the consistency between the two nomenclatures may be brought about by the adaptation of either one of them.
  - It must be consistent with the IMF Manual, since statistics on international trade in services are only a sub-set of balance-of-payments statistics. It should be added that IMF is planning to revise its Manual and that the Eurostat classification will then have to be consistent with the new system of balance-of-payments statistics. However, as IMF is concerned with world-level statistics, its services nomenclature might be less detailed than that of Eurostat.
  - It must also be as consistent as possible with national accounts. In this respect, the planned classification is to adapt to the guidelines laid down at the last Washington meeting (23 March-2 April 1987), during which the experts sought to reduce the differences between the concepts and definitions of the United Nations System of National Accounts and those of the Balance of Payments Manual.
  - The OECD, too, is working on a nomenclature on international trade in services, with which the Eurostat classification would also have to be harmonized.
- (b) The Eurostat classification will be the subject of thorough discussion at the next meeting of the Working Group on Balance-of-Payments Statistics at Luxembourg on 1 and 2 October 1987.

Various problems will be considered including, in particular, those concerning:

- Tourism, which at present is treated differently in the IMF Manual and the CPC;

- Certain services (services between related companies) which are not broken down in the balance-of-payments statistics;
- Port services;
- The treatment of insurance in the balance of payments, which is different from that in the national accounts;
- Construction, which is treated as a service, in balance-of-payments statistical practice, whereas it is treated as a direct investment in national accounts;
- "Other official goods, services, and income".

3. Additional information requested of member States

To meet the growing needs for information, Eurostat will propose at the meeting of 1 and 2 October 1987 a new questionnaire to collect from the member States of the European Community more details under the existing information on international trade.

The new questionnaire is perfectly consistent with the present overall conceptual framework (fourth edition of the IMF Manual) but it is much more detailed than the existing questionnaires sent to the member States: the additional data should make it possible to respond not only to short-term requirements but also to the new orientations of the different systems (Eurostat/CPC/IMF Manual/SCN).

Annex I

Geographical Breakdown by Reporting Country

	WORLD			GERMANY, F.R. OF		
	+	-	=	+	-	=
A. Goods services and income	.....	.....	.....	.....	.....	.....
1. Merchandise (fob)	.....	.....	.....	.....	.....	.....
2. Services and income	.....	.....	.....	.....	.....	.....
2.1 Transport	.....	.....	.....	.....	.....	.....
2.1.1 Sea - freight	.....	.....	.....	.....	.....	.....
2.1.2 Sea - passenger services	.....	.....	.....	.....	.....	.....
2.1.3 Air - freight	.....	.....	.....	.....	.....	.....
2.1.4 Air - passenger services	.....	.....	.....	.....	.....	.....
2.1.9 Other transport	.....	.....	.....	.....	.....	.....
2.2 Insurance on transport	.....	.....	.....	.....	.....	.....
2.3 Travel	.....	.....	.....	.....	.....	.....
2.4 Investment income	.....	.....	.....	.....	.....	.....
2.4.1 Reinvest. earn. on dir. invest.	.....	.....	.....	.....	.....	.....
2.4.2 Other direct investment income	.....	.....	.....	.....	.....	.....
2.4.3 Other investment income	.....	.....	.....	.....	.....	.....
2.5 Labour income	.....	.....	.....	.....	.....	.....
2.6 Government trans. (nie)	.....	.....	.....	.....	.....	.....
2.7 Other services	.....	.....	.....	.....	.....	.....
2.7.1 Property income	.....	.....	.....	.....	.....	.....
2.7.2 Banking	.....	.....	.....	.....	.....	.....
2.7.3 Non merchandise insurance	.....	.....	.....	.....	.....	.....
2.7.4 Construction/engineering	.....	.....	.....	.....	.....	.....
2.7.5 Films, broadcasting	.....	.....	.....	.....	.....	.....
2.7.9 Other services - other	.....	.....	.....	.....	.....	.....
B. Unrequited transfers	.....	.....	.....	.....	.....	.....
1. Private transfers	.....	.....	.....	.....	.....	.....
1.1 Workers' remittances	.....	.....	.....	.....	.....	.....
1.2 Other private transfers	.....	.....	.....	.....	.....	.....
2. Official transfers	.....	.....	.....	.....	.....	.....
C. Current account (A+B)	.....	.....	.....	.....	.....	.....
D. Direct investment	.....	.....	.....	.....	.....	.....
1.2 In foreign countries	.....	.....	.....	.....	.....	.....
1.2 On territ. of reporting country	.....	.....	.....	.....	.....	.....
	A	L/E	N/S	A	L/E	N/S
D2. Portfolio investment	.....	.....	.....	.....	.....	.....
D3. Other long-term capital	.....	.....	.....	.....	.....	.....
D3.1 Official sector	.....	.....	.....	.....	.....	.....
D3.2 Deposit banks	.....	.....	.....	.....	.....	.....
D3.3 Other sectors - other	.....	.....	.....	.....	.....	.....
D3.3.1 Trade credits	.....	.....	.....	.....	.....	.....
D3.3.2 Other	.....	.....	.....	.....	.....	.....
E. Basic balance (C+D)	.....	.....	.....	.....	.....	.....

Annex IIQuestionnaire on the Item "Other Services - Other"

DECLARING COUNTRY: .....

DATE: .....

YEAR: 198 ..

MONETARY UNIT: .....

ITEMS	EUR-10			EXTRA EUR-10			WORLD		
	(+)	(-)	(=)	(+)	(-)	(=)	(+)	(-)	(=)
OTHER SERVICES - OTHER *)	...	...	...	...	...	...	...	...	...
MISCELLANEOUS SERVICES RELATED TO TRADE	...	...	...	...	...	...	...	...	...
- commissions	...	...	...	...	...	...	...	...	...
- merchanting trade, net	...	...	...	...	...	...	...	...	...
- processing	...	...	...	...	...	...	...	...	...
- leasing	...	...	...	...	...	...	...	...	...
- other payments ancillary to trade	...	...	...	...	...	...	...	...	...
RESEARCH, CONSULTATION etc.	...	...	...	...	...	...	...	...	...
- technological	...	...	...	...	...	...	...	...	...
- other	...	...	...	...	...	...	...	...	...
CULTURAL AND INFORMATIVE ACTIVITIES	...	...	...	...	...	...	...	...	...
- films, TV, radio, video n.i.e	...	...	...	...	...	...	...	...	...
- newspapers, abonnements	...	...	...	...	...	...	...	...	...
- remuneration of artists, authors	...	...	...	...	...	...	...	...	...
- education n.i.e	...	...	...	...	...	...	...	...	...
- postal services	...	...	...	...	...	...	...	...	...
- other communication	...	...	...	...	...	...	...	...	...
- advertising, trade fares	...	...	...	...	...	...	...	...	...
- other	...	...	...	...	...	...	...	...	...
EXPLORATION (if not included in construction/engineering)	...	...	...	...	...	...	...	...	...
- oil, natural gas	...	...	...	...	...	...	...	...	...
- other	...	...	...	...	...	...	...	...	...
SERVICES BETWEEN RELATED COMPANIES n.i.e	...	...	...	...	...	...	...	...	...
OTHER SERVICES, MISCELLANEOUS	...	...	...	...	...	...	...	...	...
- employment n.i.e	...	...	...	...	...	...	...	...	...
- medical services n.i.e	...	...	...	...	...	...	...	...	...
-	...	...	...	...	...	...	...	...	...
-	...	...	...	...	...	...	...	...	...
-	...	...	...	...	...	...	...	...	...
-	...	...	...	...	...	...	...	...	...
-	...	...	...	...	...	...	...	...	...
-	...	...	...	...	...	...	...	...	...
-	...	...	...	...	...	...	...	...	...
-	...	...	...	...	...	...	...	...	...
- other	...	...	...	...	...	...	...	...	...

\*) Data as reported in the standard questionnaire