



**REGIONAL WORKSHOP ON THE COMPILATION OF TRADE IN  
SERVICES STATISTICS  
ABU DHABI, UNITED ARAB EMIRATES  
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# Importance of Trade and Services Statistics

## National and Regional Economies

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1. Experience of countries in the Arab region in the liberalization of the services sector is recent and thus requires national statistical systems to build a good set of relevant data for policy makers
2. Arab countries Members of WTO committed to trade negotiations to liberalize trade in services requires good information on the issues at stake to enable them negotiate in favor of their economies, people and environment,
3. Significant contribution of national services sector in many of the economies of the Arab region (especially non-oil producers) requires good knowledge of benefits and costs of protecting or opening the services sector,
4. Penetration of foreign service providers to local markets, especially in the countries of the region (oil exporters and diversified economies )

# Importance of Trade and Services Statistics

## National and Regional Economies

5. Differences in the structure of the economies and GDP generates incentives to engage in trade driven by product differentiation in order to respond to differences in incomes and preferences.
6. Integration of services, labor and/or capital markets has important potential welfare gains as evidenced in many studies (decoupled from goods market integration)



- Scarcity of available data on international trade in services in the region
- Data producers Challenges

## [Arab Integration: A 21st Century Development Imperative](#)

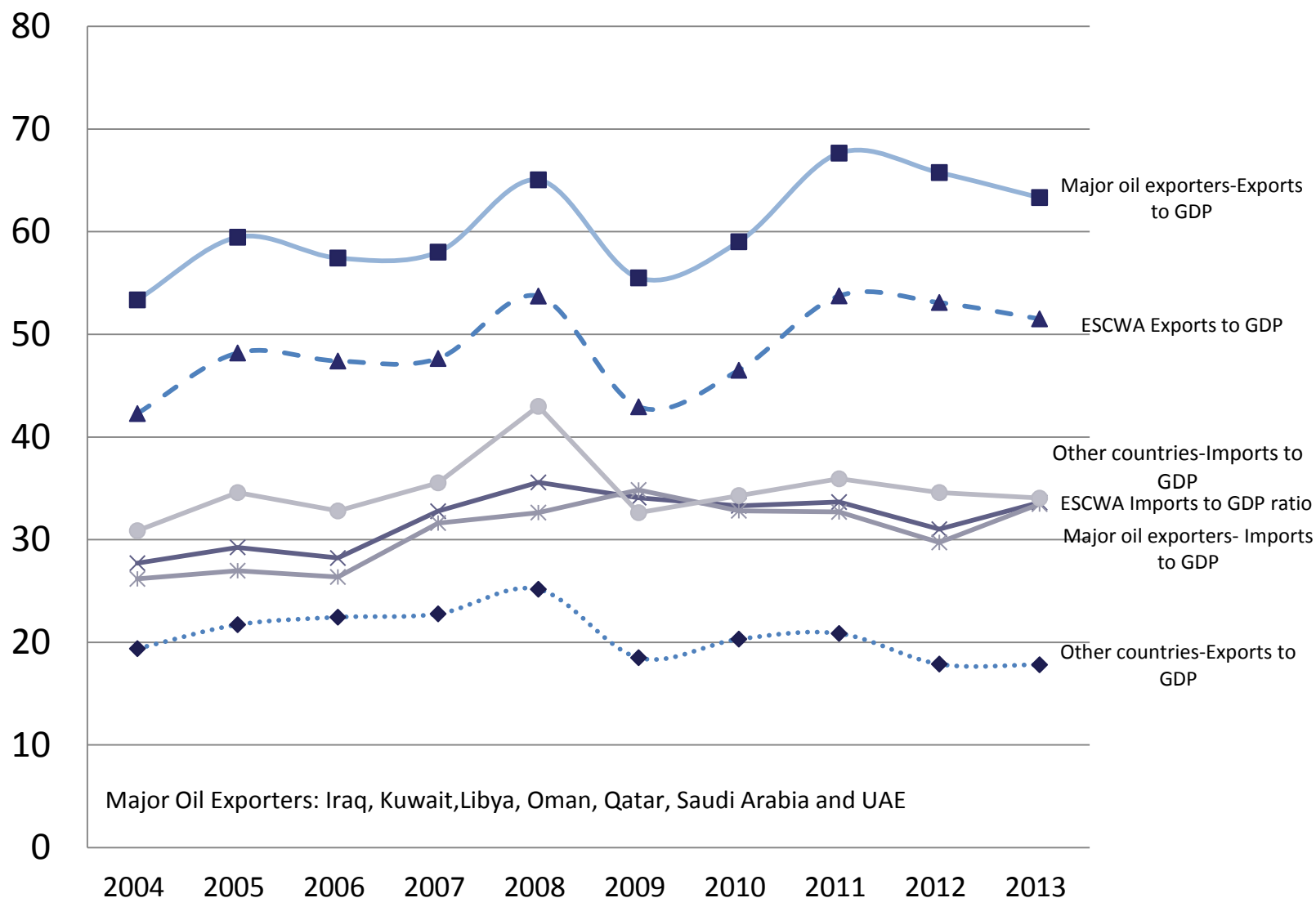


- The services sector contributes significantly to the economies of most Arab countries in terms of share of GDP, exports and employment.
- Despite the barriers that still constrain trade in services, it has become the backbone of the economies of many Arab countries, which are allowing the entry of Arab and foreign investors and facilitating competition between national and foreign companies operating in certain sectors. Ref: UNESCWA 2014. [Arab Integration A 21st Century Development Imperative](#)

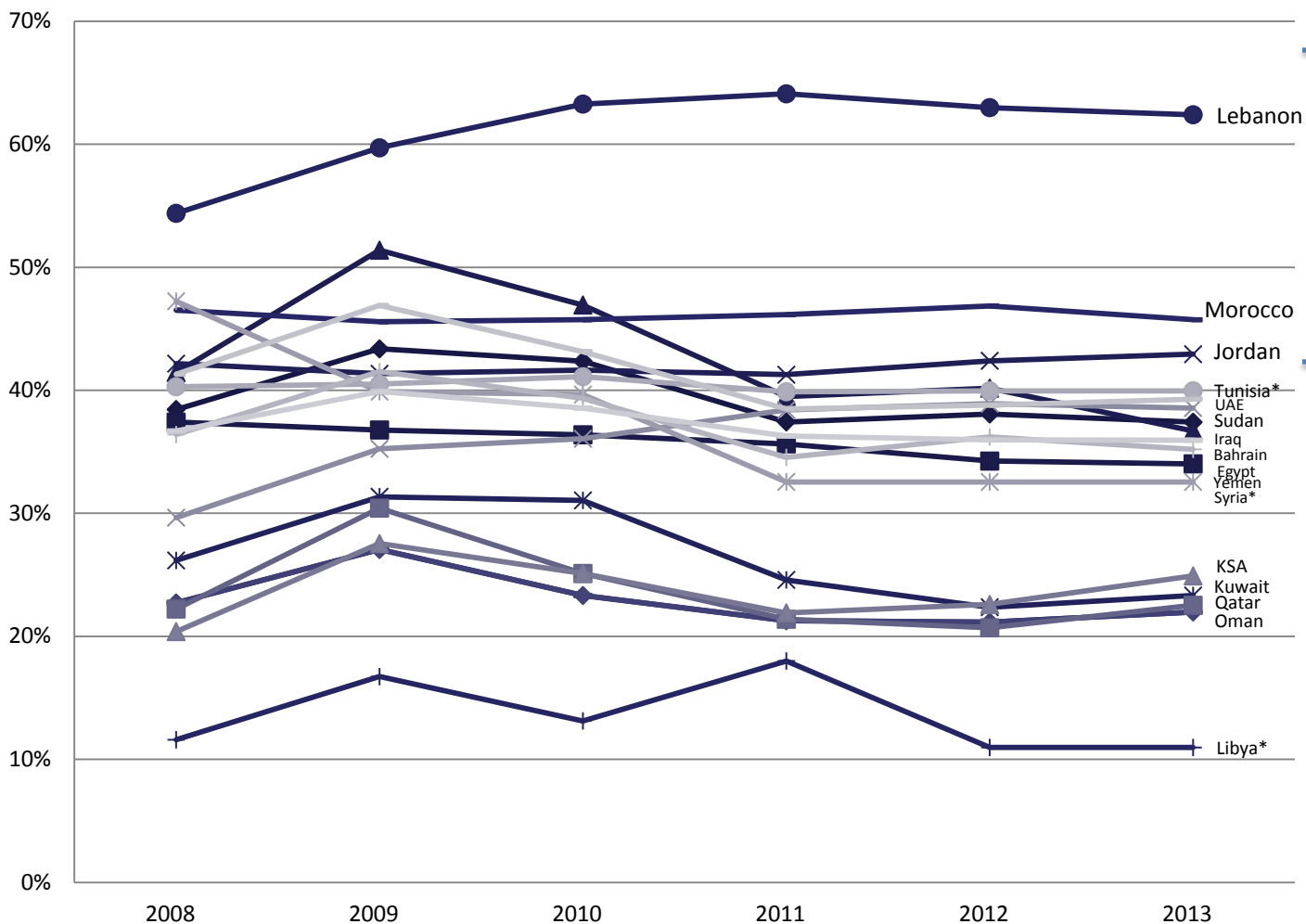
Completing the Pan-Arab Free Trade Area (PAFTA) would consist of:

- Completing the free movement of goods within PAFTA, notably through the elimination of unnecessary non-tariff measures;
- Implementing the regional initiative to liberalise services trade, including identifying a number of services sectors for early regional liberalisation (e.g., trade facilitation and transport, banking and finance, and communication and information); and
- Strengthening the institutional rules and discipline applicable to regional trade and other policies of common interest (Chauffour (2011), ["Trade Integration as a Way Forward for the Arab World: A Regional Agenda"](#), World Bank Policy Research Working Paper 5581.).

# Total Trade to GDP in ESCWA Countries (%)



## Share of Services Sector to GDP in ESCWA Countries (%)



Data Sources: UNESCWA, 2015. The **National Accounts** Studies of the Arab Region, **Bulletin** No.34

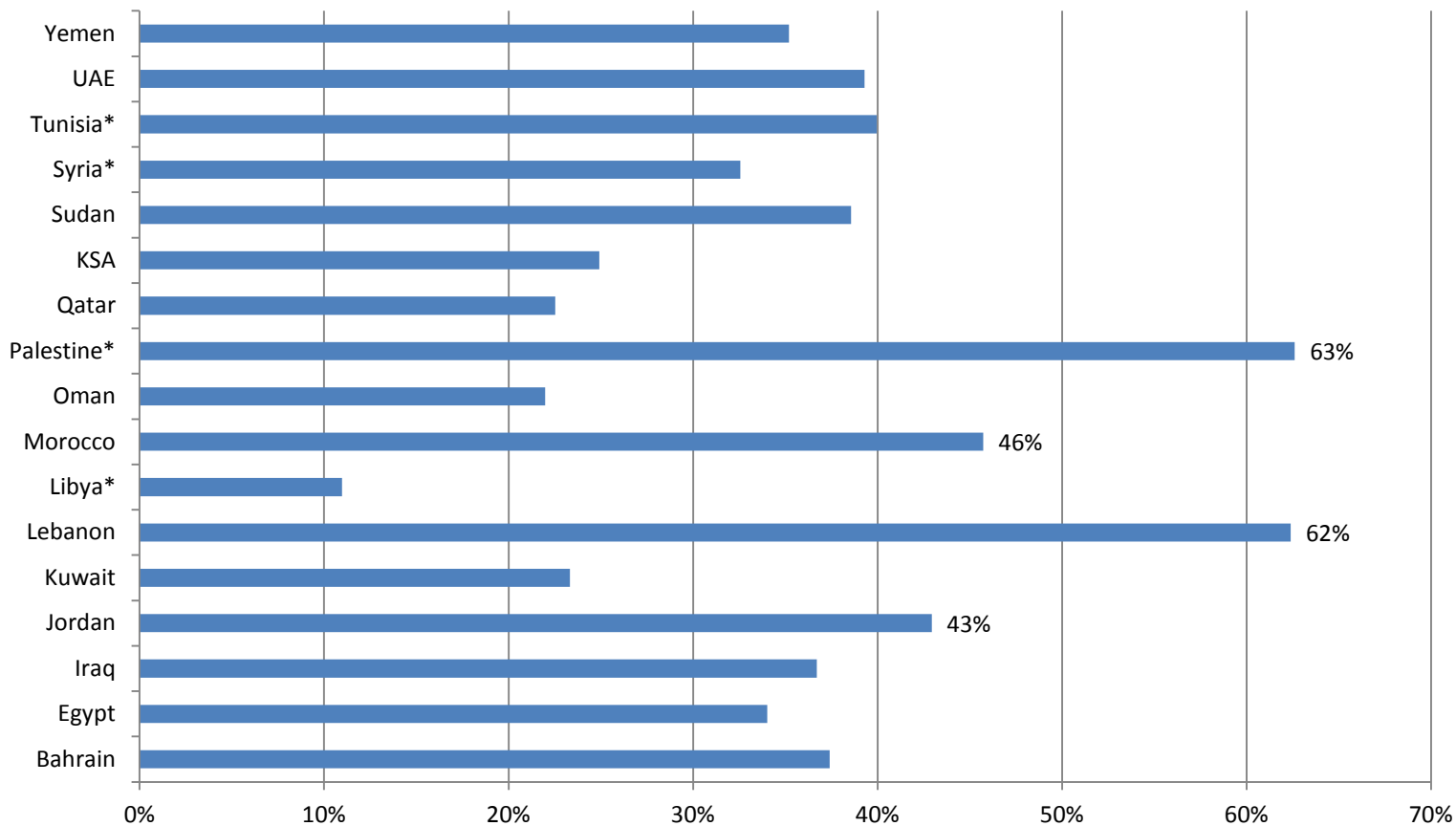
Table III-4: Gross domestic product by kind of economic activity, at constant prices (2000)\*

a- Industries

- Agriculture, hunting, forestry and fishing
- Mining and quarrying
- Manufacturing
- Electricity, gas and water
- Construction
- Wholesale and retail trade, restaurants and hotels
- Transport, storage and communication
- Financial institutions and insurance
- Real estate and business services
- Community, social and personal services
- Total industries

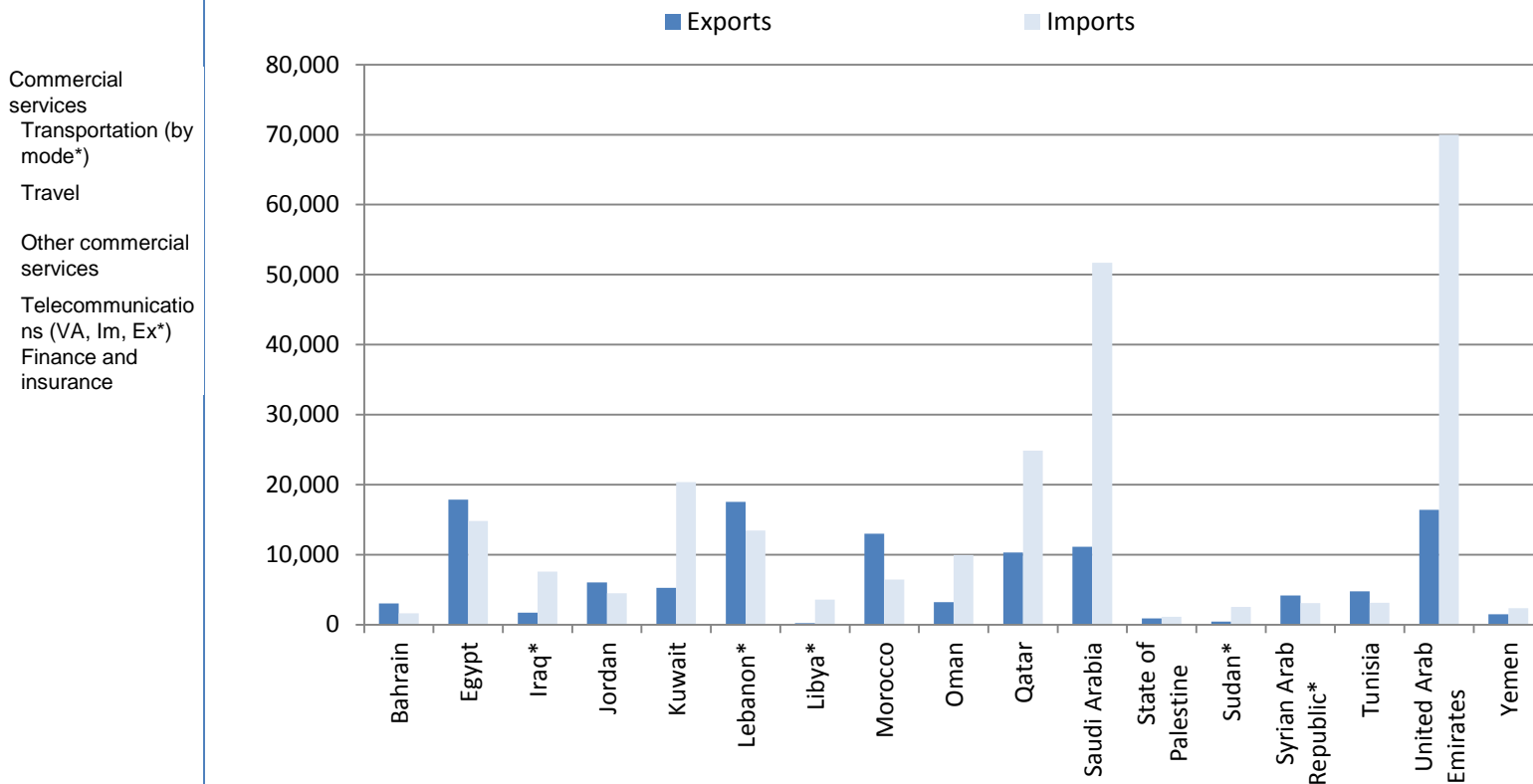
b- Producers of Government services

## Share of Services Sector in GDP in ESCWA Countries 2013 (\*2012)



Data Sources: UNESCWA, 2015. The **National Accounts** Studies of the Arab Region, **Bulletin** No.34

## ESCWA Exports and Imports of Commercial Services (million USD) 2013



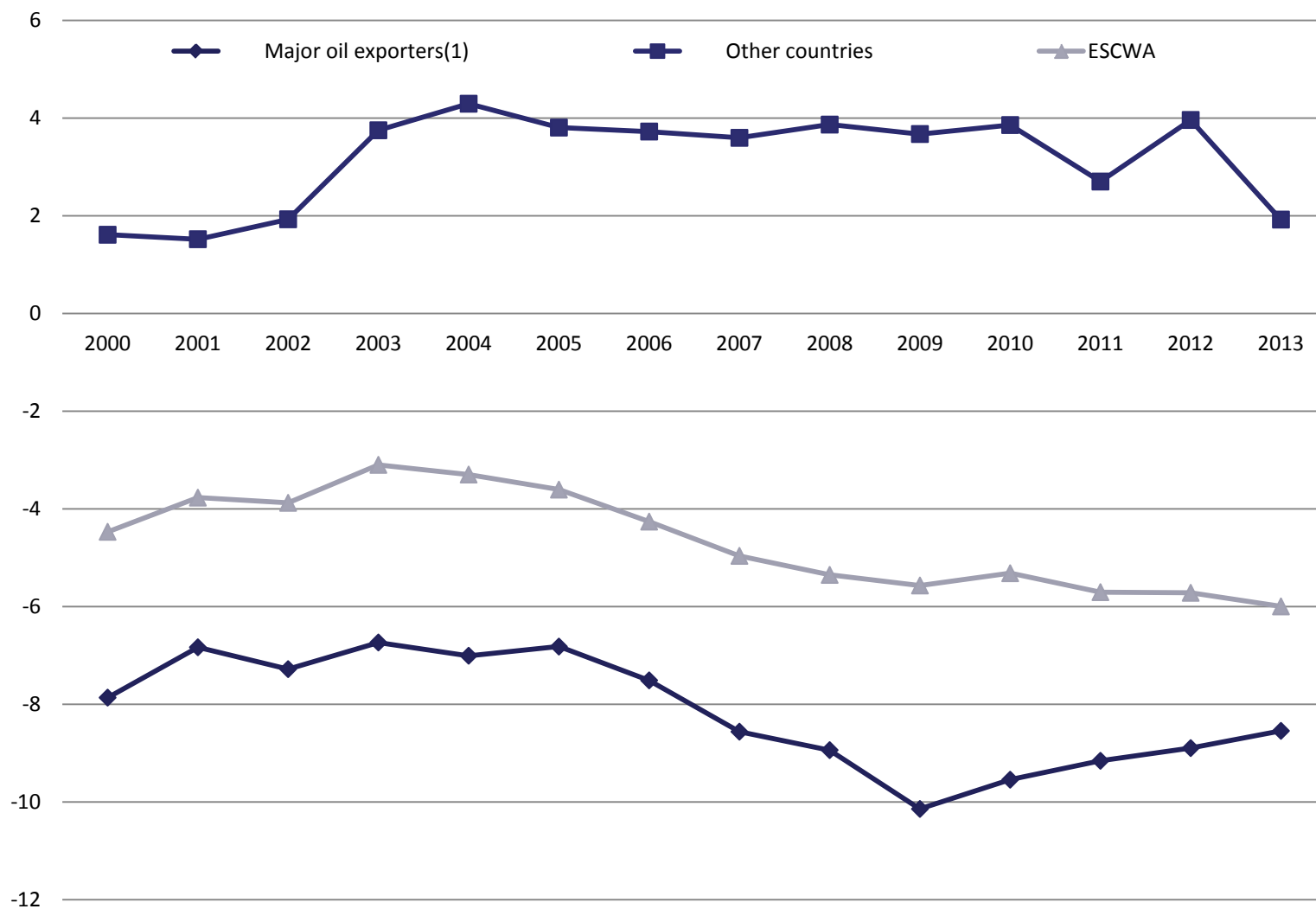
Sources WTO data

Notes: \* Numbers for: **Iraq, Lebanon, Libya, Sudan, and Syrian Arab Republic** were derived from the IFS Data Warehouse (IMF) for the last available year (2008)

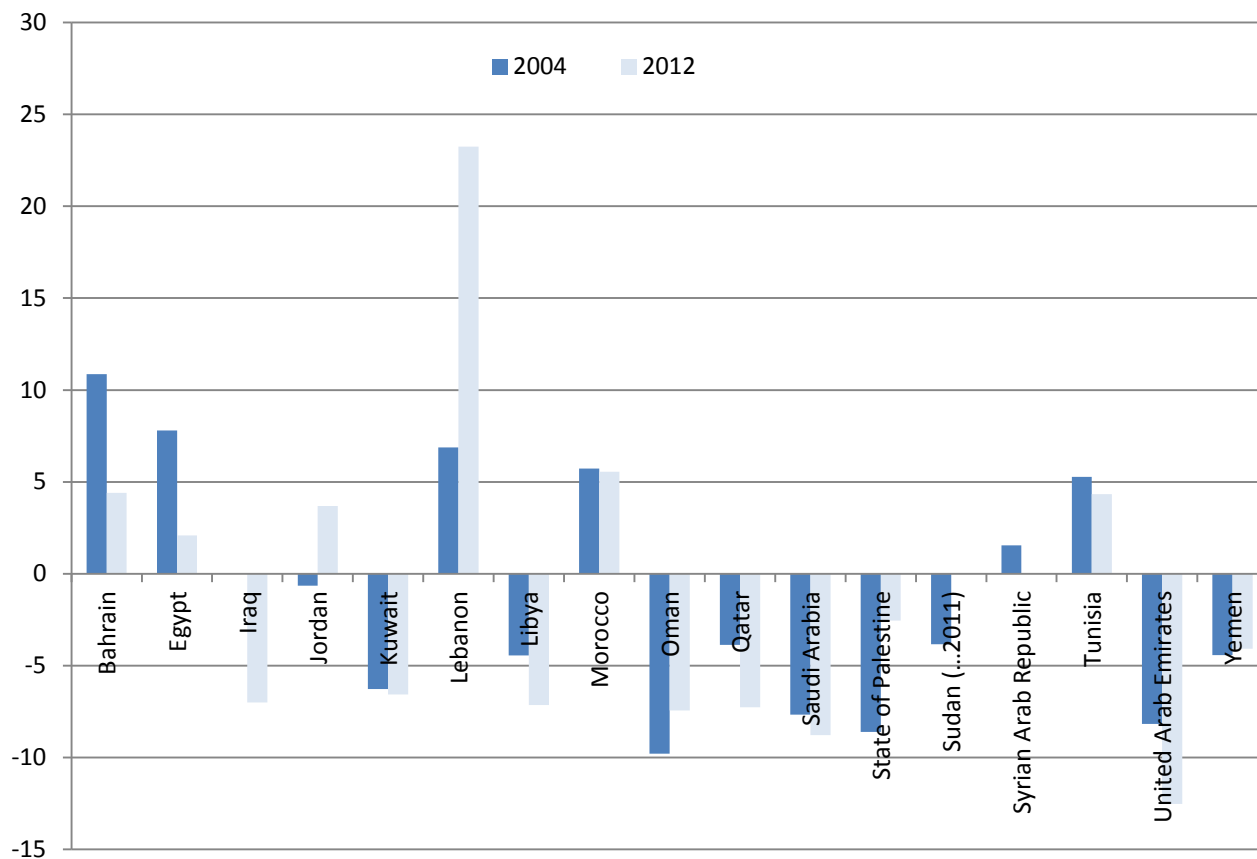
\*\* Numbers for the state of Palestine were derived from the Palestinian Central Bureau of Statistics.



## Trade Balance to GDP in ESCWA Countries (%)



## Total trade balance in services % of GDP



# ITS and NA

1. The increasing proportion of enterprises running their business on an international scale and the growing cross-border movement of people, financial capital, goods and services pose specific problems to compilers of national statistics, in particular national accounts.
2. Re-design economic and business surveys i.e the trade in services surveys, to expand coverage of the survey including questions on international trade
3. The link of the trade in services surveys to the business register to upgrade methodology and avoid potential duplication
4. Coverage of inter-company trade in services supplemented with the use of administrative records (i.e corporate income tax data)
5. Improving bilateral trade statistics
6. Satellite accounts (Tourism)

# Priorities of Assistance

- 2008 SNA and Supporting Statistics: National Strategy for Implementation
- Business Registers: periodical updates of the registers with regard to establishments and companies and links to statistical registers ; big data and ICT tools
- Classifications: Yearly training workshops ISIC, CPC with UNSD and UNIDO, Correspondence between ISIC and MSITS
- Price Statistics and Price Indices
- Supply and use tables Technical Assistance through Regional Advisor (Increase the coverage through the supply)
- DA/XB projects: [Strengthening the development of international merchandise trade statistics and e-commerce 2006-09](#) and Short-term Economic Indicators 2014-16
- External Sector: capacity building FDI, remittances, International Trade in Goods and services with UNCTAD, IMF, WTO and UNSD

[See ESCWSA Website](#)

<http://www.escwa.un.org/divisions/teams.asp?teams=Economic%20Statistics&division=sd>

## ESCWA strategic objectives & priority areas for 2016-2017

Inclusive Development		Regional Integration		Good Governance & Resilience	
PRIORITY AREAS	1. Social justice	PRIORITY AREAS	1. Policy coherence	PRIORITY AREAS	1. Institutional development
	2. Knowledge economy, employment		2. Agreements and strategies		2. Participation and citizenship
	3. Sustainable Natural Resources				3. Resilience to crises and occupation

## Selected Regional Priority for 2016-1017

# Regional Integration

### Key Expected Accomplishments

- **Coordinate on science, technology and ICT**
- **Develop regional frameworks in line with international norms on the rights of women and gender equality**
- **Develop policies and implementation mechanisms on economic policy convergence**
- **Participate in regional consensus building process on international migration**
- **Strengthen regional collaboration on shared resources (food, water, energy)**
- **Develop cross-border infrastructure (transport, trade facilitation)**

### Targeted Outcomes:

#### Countries develop:

- Harmonized legal and regulatory frameworks and regional initiatives on STI and ICT
- Gender-specific sub regional / regional frameworks in line with international conventions, conferences and agreements
- Mechanisms for coordinating fiscal and monetary policies
- Policies that consider the regional development opportunities and challenges of international migration
- Platforms to improve coordination on food, water and energy; adopt resolutions to enhance regional cooperation on sustainability, and increase harmonized tools for food, water and energy security
- Plans to adopt programmes based on the Trade Facilitation Agreement of the WTO and adopt ITSAM agreements



**UNESCWA-UNSD**



Objectives can be  
Accomplished in partnership  
with countries, regional and  
international organizations