



- The International Transactions Reporting System (ITRS) is an important source of data for BOP transactions in Lebanon in the absence of enterprise and household surveys, especially for the services sector.
- It entails transactions, according to their economic purpose, occurring between resident and nonresident sectors passing through the Lebanese banking sector or settled abroad.
- It is a monthly report aggregated by code, sector and partner country.

## Legal & Regulatory Framework:

- BDL circulars concerning BOP and specifically ITRS:
- **Residence circular:**
  - Basic Circular No. 24 (Decision No. 6170) issued on May 17, 1996, amended by Decision No. 7919 on September 7, 2001.
- **International Transactions Reporting System (ITRS):**
  - Basic Circular No. 90 issued on February 4, 2002, amended by:
    - Intermediary Circular No. 201 on September 14, 2009,
    - Intermediary Circular No. 315 on January 28, 2013.

## Recent developments

- **Amendments to the ITRS circular**
- ***First Amendment on September 14, 2009***
  1. A more detailed list of codes reducing the possibility of wrong coding,
  2. Breakdown by sector expanded to include the financial sector,
  3. Geographical breakdown by group of countries according to Arab Monetary Fund classification.
- ***Second Amendment on January 28, 2013***
  1. Geographical breakdown by country,
  2. Addition of total number and value of transactions below the 10,000 USD threshold.

## ITRS Facts and figures:

- ❖ Population:
  - ❖ 54 commercial banks
  - ❖ 16 medium and long term banks
- ❖ Codes: 108 codes
- ❖ Sectors covered: public, private, banking, embassies & international organizations, households and financial institutions.
- ❖ Average number of records treated on a monthly basis: ~ 8000
- ❖ Geographical breakdown: country level (227 countries)

## ITRS Facts and figures:

- ❖ BOP is compiled according to the fifth edition.
- ❖ Following EBOPS 2010 categories.
- ❖ Starting 2013, by partner country and mode of supply are followed.
- ❖ Data quality is regularly revised to meet best practice.
- ❖ Metadata is available on website.
- ❖ IT tools is a major input.

## ITRS Codes for Services

- ❖ Transportation services:
  - ❖ Sea transportation: Passenger, Freight, Other
  - ❖ Air transportation: Passenger, Freight, Other
  - ❖ Other transportation: Passenger, Freight, Other
- ❖ Travel services: Business, Personal
- ❖ Communication services: Postal and courier services, Telecommunication services
- ❖ Construction services: Abroad, in Lebanon
- ❖ Insurance services: Life insurance and pension funding, Freight insurance, Other direct insurance, Reinsurance, Auxiliary insurance services
- ❖ Financial services
- ❖ Computer & Information services: Computer services, Information services
- ❖ Royalties & License fees

## **ITRS Codes for Services** (continued)

- ❖ **Merchanting & other trade-related services**
- ❖ **Miscellaneous Business, Professional & Technical services:**
  - ❖ Legal services
  - ❖ Accounting, auditing, bookkeeping and tax consultation services
  - ❖ Business and management consultancy, public relations services
  - ❖ Advertising, market research, and public opinion polling services
  - ❖ Research and development
  - ❖ Architectural, engineering and other technical services
  - ❖ Agricultural, mining, and on-site processing services
  - ❖ Other business services
- ❖ **Personal, Cultural & Recreational services**
  - ❖ Audiovisual & related services
  - ❖ Other personal, cultural & recreational services
- ❖ **Government Services: Embassies and consulates, Military units**



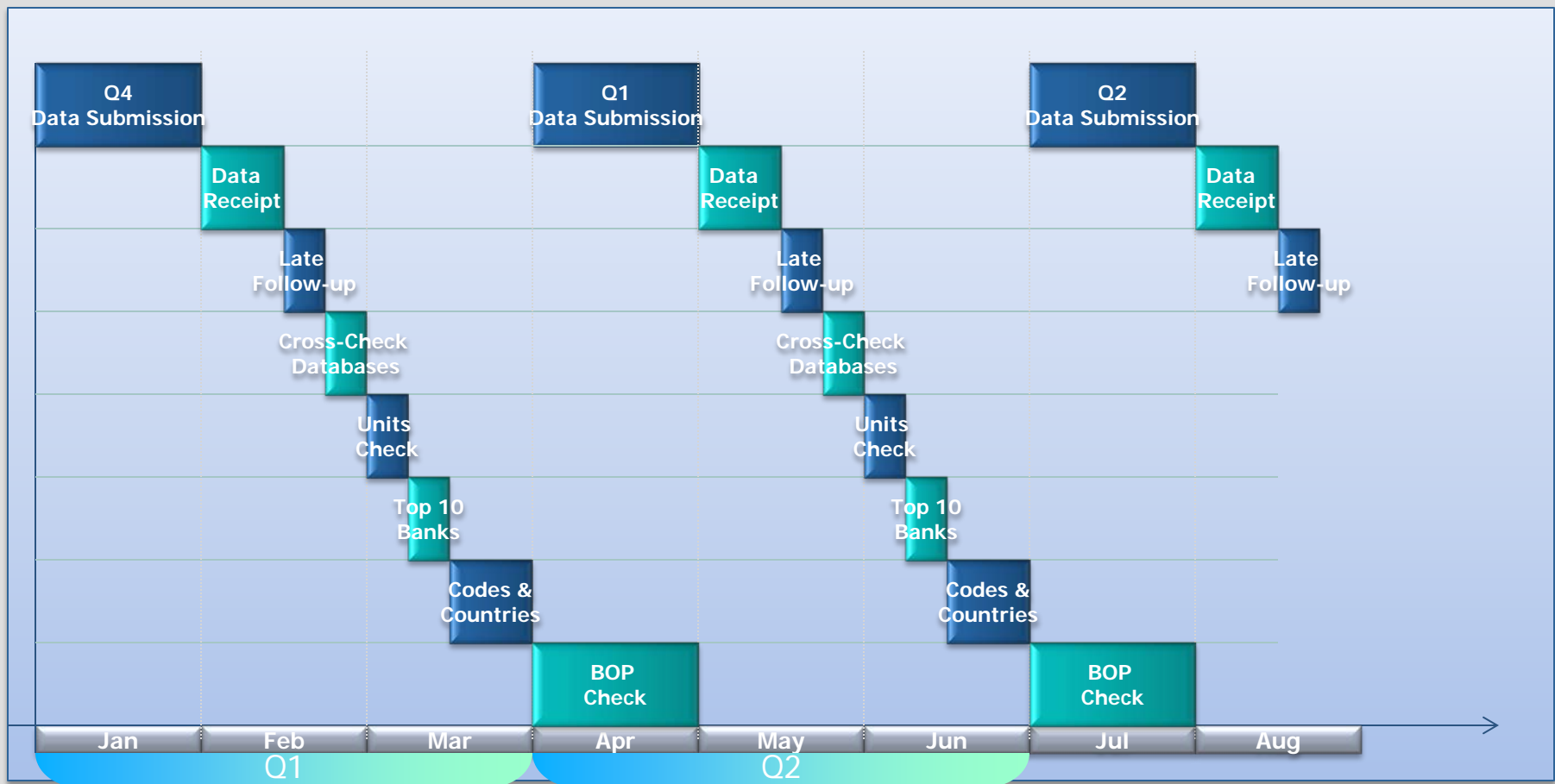
## **Limitations of Data Sources**

1. Bank reports capture only the transactions passing through the banking system and thus cash transactions are missing (estimation for some items)
2. Bank transactions: data are at risk of misclassification, code or unit errors.
3. Existence of a 10,000 USD threshold in the previous ITRS version, amended starting 2013 to include transactions under the threshold: report transactions passing from and to Lebanon by ranges as aggregates (below 2,000 USD, between 2,000 and 10,000 USD, and above 10,000 USD)
4. Insufficient data sources: cross-checking unavailable for some items (no enterprise or household surveys), partner countries' statistics (Lebanon is a small economy not identified by itself but usually included under others)
5. Example of ITRS limitation: With the introduction of Coordinated Direct Investment Survey data, the average change in relevant Foreign Direct investment reported data was 40% increase in 2013.

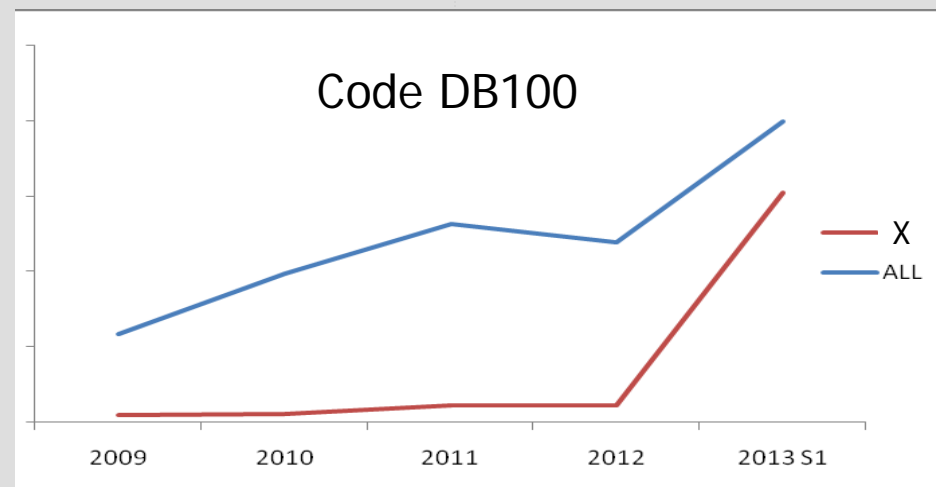
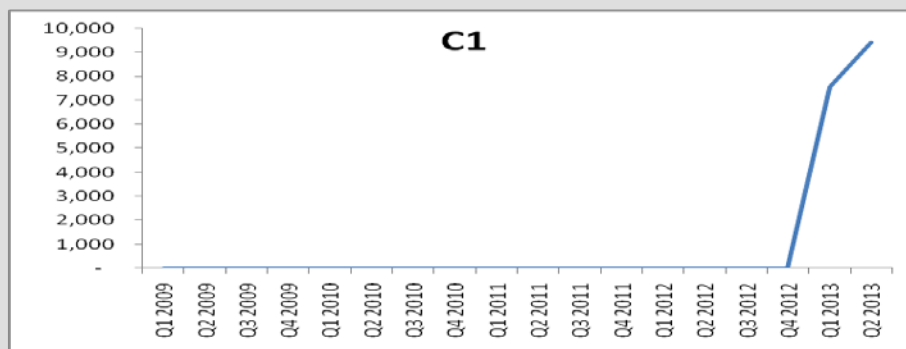
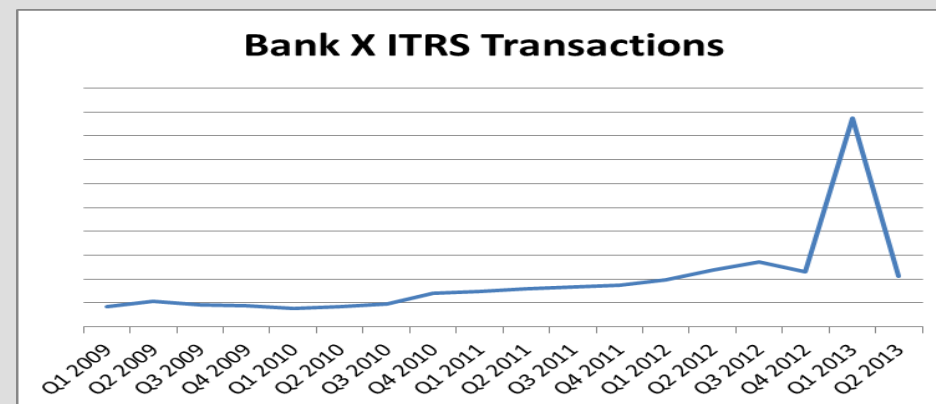
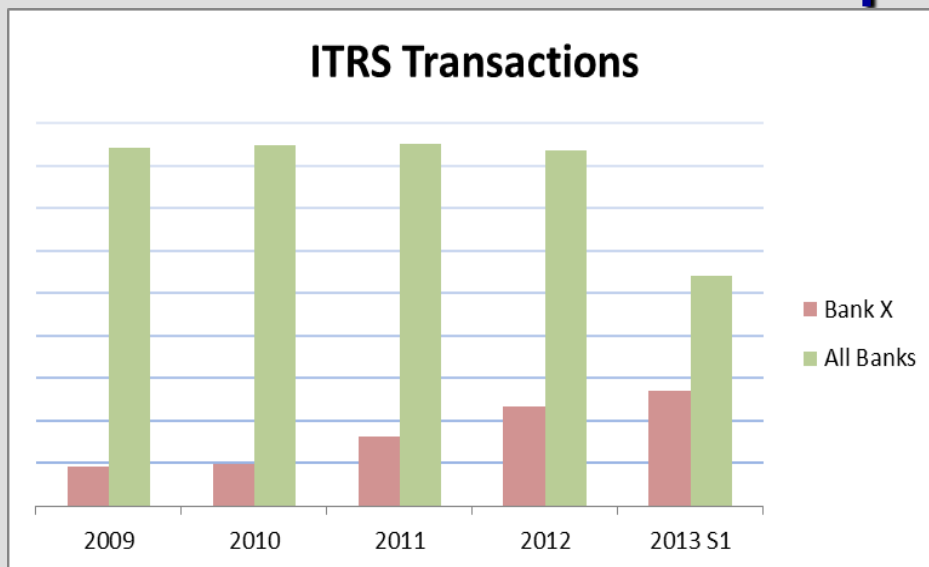
# ITRS procedures

1. Data submission: banks' monthly data is sent quarterly within a delay of one month after the concerned quarter
2. Data receipt: Data is received through a secure program between Banque du Liban and the respondent banks E-STR that includes encrypted security.
3. First control: confirm correct receipt of data and follow up with late respondents
4. Second control: After the receipt of all files, the data is entered into two parallel databases and cross checked for any discrepancies.
5. Third control: Units check and follow up with respondents that have unit errors.
6. Fourth control: Top 10 Banks check, follow up with banks that sent abnormal or unusual data.
7. Fifth control: Codes and countries check, follow up with banks that caused any abnormalities in the codes or countries' distribution.
8. Data is entered in the larger framework of BOP and checked against previous years. In case of abnormalities, the source of this abnormality is identified (by code, bank, sector and country). The bank is contacted by email, then by phone, and if the problem is not corrected the correspondents are invited to a meeting to discuss the incidence.

# ITRS procedures



## Follow up with Banks



نظام الإبلاغ عن المعاملات الدولية - نموذج (ITRS-3) الوضعية الشهرية (999) رقم و اسم المصرف  
كما في 2013/1/31

رقم	مجموع المعاملات	تحويل من الخارج	تحويل الى الخارج
110001	عدد المعاملات التي قيمتها أقل من 2,000 دولار		
120001	مجموع المعاملات التي قيمتها أقل من 2,000 دولار		
210001	عدد المعاملات التي قيمتها بين 2,000 و 9,999 دولار		
220001	قيمة المعاملات التي قيمتها بين 2,000 و 9,999 دولار		
310001	عدد المعاملات التي قيمتها تعادل أو تفوق 10,000 دولار		
320001	مجموع المعاملات التي قيمتها تعادل أو تفوق 10,000 دولار		

تصنيف المعاملات التي تعادل أو تفوق 10,000 دولار أميركي						إستبيان ألف (مقبوضات)		إستبيان باء (مدفوعات)	
						الجهة المستفيدة من المعاملة		الجهة الصادرة عنها أمر المعاملة	
رقم	رمز المعاملة	القطاع	الدولة	مقيم C1	غير مقيم C2	غير مقيم C3	مقيم C4	غير مقيم C5	غير مقيم C6
				القطاع المصرفي أو المالي الصادر عنه غير مقيم	القطاع المصرفي أو المالي الصادر عنه مقيم	القطاع المصرفي أو المالي الصادر عنه غير مقيم	القطاع المصرفي أو المالي الصادر عنه غير مقيم	القطاع المصرفي أو المالي الصادر عنه مقيم	القطاع المصرفي أو المالي الصادر عنه غير مقيم
000001	AA100	a	القطاع العام	1	1	1	1	1	1
000002	AD200	b	شركات القطاع الخاص	1	1	1	1	1	1
000003	AE100	c	مؤسسات القطاع المصرفي	1	1	1	1	1	1
000004	BA110	d	سفارات ومؤسسات دولية	1	1	1	1	1	1
000005	BA120	e	أشخاص طبيعيين - الاسر	1	1	1	1	1	1
000006	BA130	f	مؤسسات القطاع المالي	1	1	1	1	1	1
000007	BA210		القطاع العام	1	1	1	1	1	1
000008	BA220		شركات القطاع الخاص	1	1	1	1	1	1
000009	BA230		مؤسسات القطاع المصرفي	1	1	1	1	1	1
000010	BA310		سفارات ومؤسسات دولية	1	1	1	1	1	1
000011	BA320		أشخاص طبيعيين - الاسر	1	1	1	1	1	1

# ITRS as a source for BOP

Public Sector  
Operations

ITRS

$f_{ac}$  = 'P:\BOP\CHANGES\EXCHANGE-BPM5.XLS]2013-credit'!C29+(0.8\*'P:\BOP\CHANGES\EXCHANGE-BPM5.XLS]2013-credit'!C30)-LOOKUP(ROW(), 'P:\BOP\ITRS\database-itrs\ITRS\_ADJ.xlsx]2013'!\$A\$3:\$A\$200, 'P:\BOP\ITRS\database-itrs\ITRS\_ADJ.xlsx]2013'!B\$3:B\$200)

317		Government services, n.i.e.	5.55	1.56	4.06	4.34	0.75	4.27	-2.29	4.19	1.50	-0.12	0.58	0.29	24.68
318	2291..	Credit	6.08	3.00	5.34	5.36	3.78	6.67	3.59	6.12	4.34	2.04	1.40	2.16	49.87
319	3291..	Debit	-0.53	-1.44	-1.28	-1.01	-3.03	-2.40	-5.88	-1.94	-2.84	-2.15	-0.82	-1.87	-25.19
320		Embassies and consulates	5.55	1.56	4.06	4.34	0.75	4.27	-2.29	4.19	1.50	-0.12	0.58	0.29	24.68
321	2292..	Credit	6.08	3.00	5.34	5.36	3.78	6.67	3.59	6.12	4.34	2.04	1.40	2.16	49.87
322	3292..	Debit	-0.53	-1.44	-1.28	-1.01	-3.03	-2.40	-5.88	-1.94	-2.84	-2.15	-0.82	-1.87	-25.19
323		Military units and agencies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
324	2293..	Credit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
325	3293..	Debit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
326		Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
327	2294..	Credit													
328	3294..	Debit													

321															
	New	BK100/C1+C5/a,d	1		BK100/C1+C5									a,d	
		BK200/0.8*(C1+C5)/a,d	1		BK200/0.8*(C1+C5)									a,d	

Government Services: embassies and consulates	Office supplies, furnishings, operation and maintenance of official vehicles, official entertainment, administrative expenses, rent, travel expenses, transportation allowance, medical expenses, housing allowance...	BK100
	Revenues from embassy fees	
	Salaries for diplomats, representation compensation, compensation for emigration, family compensation, ...	BK200

# ITRS by trade partner in services account

Year	2013
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	Other Business Services		Travel (Personal)		Financial Services	
Country	Credit	Debit	Credit	Debit	Credit	Debit
Bahrain	3.13	4.53	2.70	1.20	16.26	0.26
Egypt	7.81	10.67	0.16	0.36	4.31	1.40
Jordan	26.88	34.76	0.72	11.31	16.94	2.45
Kuwait	14.69	3.58	2.18	3.23	29.13	0.46
Mauritania	0.03	0.00	0.00	0.00	0.00	0.00
Morocco	2.37	4.05	0.00	0.04	0.00	0.29
Oman	1.49	0.80	0.10	0.00	0.14	0.03
Palestinian territory, occupied	0.14	0.01	0.00	0.00	0.15	0.00
Qatar	80.24	25.79	1.09	0.29	3.50	2.41
Saudi Arabia	92.75	98.53	12.64	9.50	41.82	1.01
Sudan	2.81	2.53	0.01	0.00	0.00	0.00
Syrian Arab Republic	44.63	72.29	2.01	4.17	0.58	0.36
Tunisia	0.06	1.15	0.05	0.15	0.00	0.32
United Arab Emirates	134.43	147.05	13.91	7.04	85.57	5.17
<b>Grand Total</b>	<b>411.46</b>	<b>405.76</b>	<b>35.57</b>	<b>37.30</b>	<b>198.41</b>	<b>14.16</b>
<b>Balance</b>	<b>5.71</b>		<b>-1.73</b>		<b>184.25</b>	





***Thank you***