

Measuring Digital Trade – state of play

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Market capitalisation

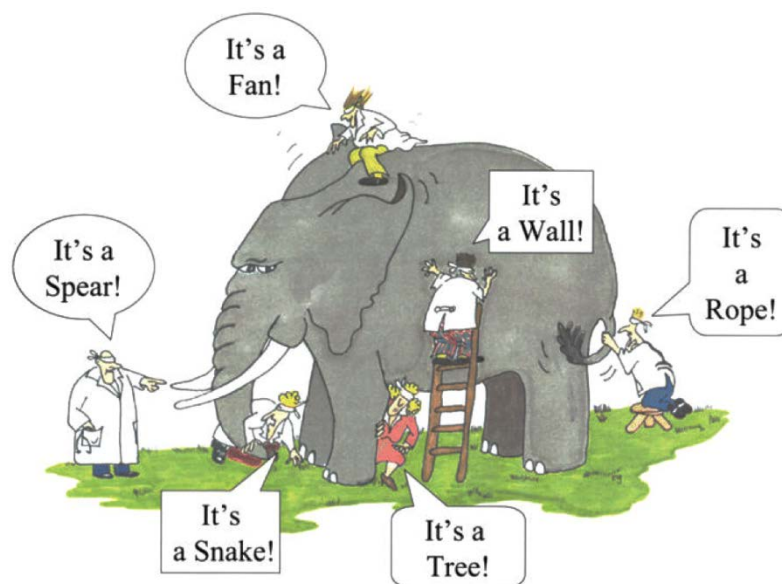
- **Apple market cap closes above \$900 billion (Source: CNBC.com/8 November 2017)**
- **Alphabet: \$757.5bn (15/2/2018)**
- **Amazon: \$707.7bn (15/2/2018)**
- **Alibaba: \$481.00bn (15/2/2018)**
- **In comparison: GDP in 2016**
 - » Spain: \$1 232 billions
 - » Mexico: \$1 047 billions
 - » Switzerland \$ 670 billions

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Digital trade – what is it?

There is no clear definition in statistics...

Part product
Part consumption
Part intermediation
Part business
Part household
Part national
Part international



Source: James Tebrake, Director General, Macroeconomic Accounts, Statistics Canada, *"Capturing the Digital Economy in Canada's Macroeconomic Accounts"*

Trade statistics

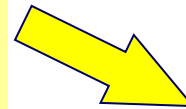
Trade in merchandise

Value

quantity*price

origin and destination

“customs”



Trade in services

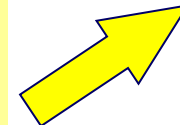
Value

-quantity (?)*price (?),

-origin and destination

- mode of supply

“payments”

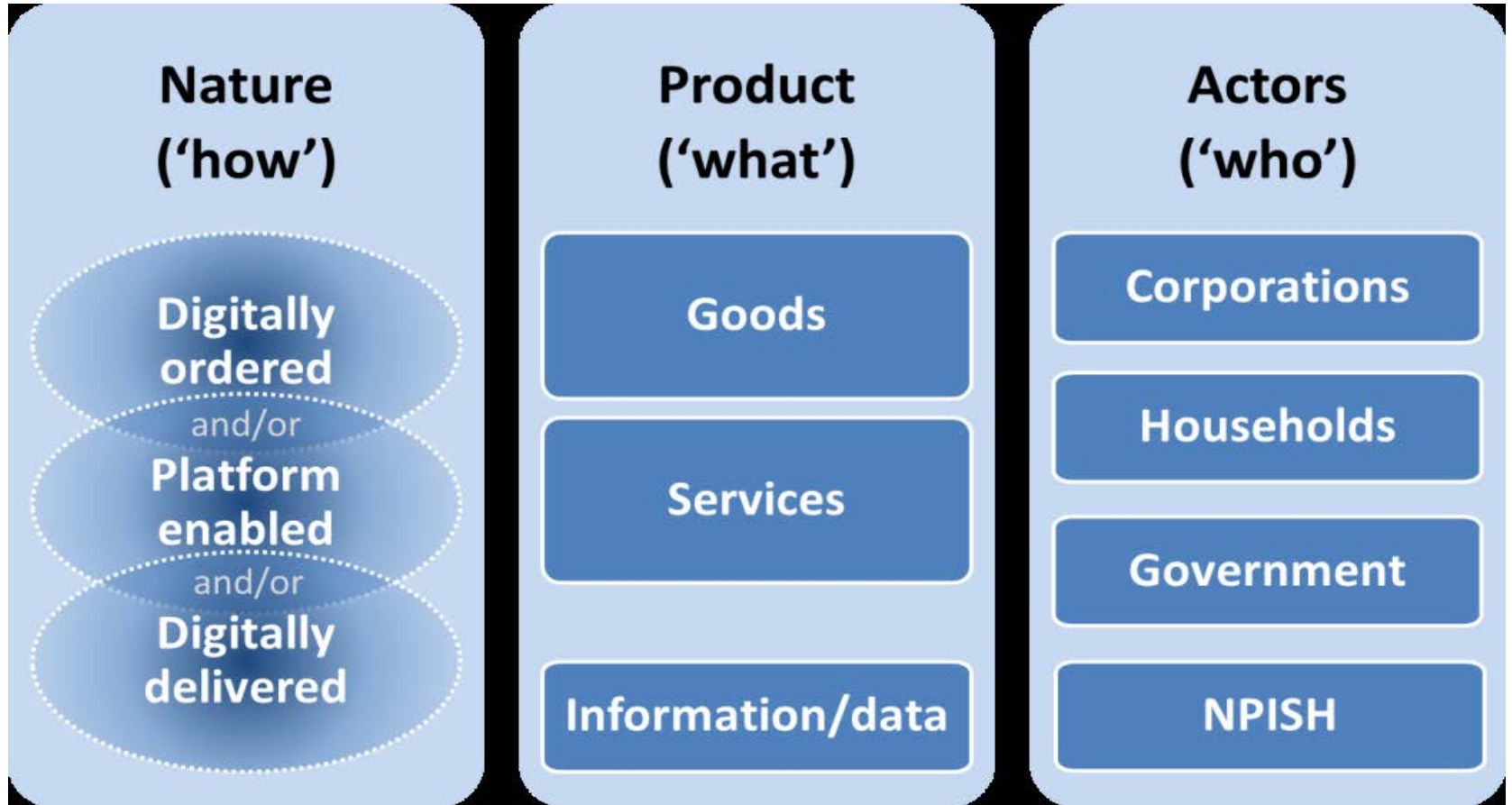


Digital trade

- Value?

- origin and destination?

Scope of digital trade



Source: UN Statistical Commission, E/CN.3/2018/17

What efforts are under way to measure it?

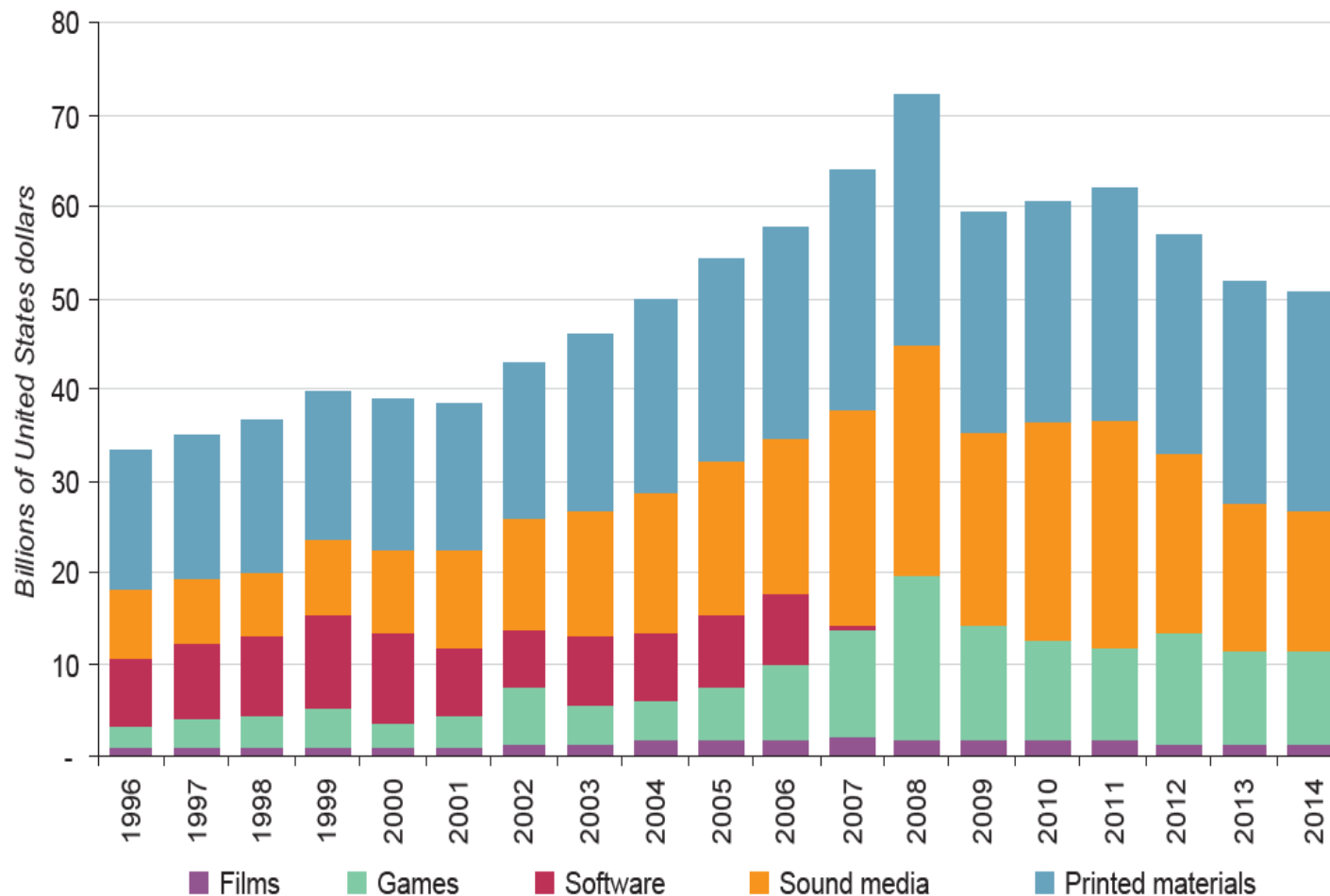
- G20 (Düsseldorf, 6/7 April 2017)
 - TFITS charged to close data gap by developing framework, inventory of pilot studies
- OECD/UNCTAD/UPU/WTO
 - Exploit UPU database (postal services & merchandise)
- WCO
 - Cross-Border E-Commerce Framework of Standards
- UNCTAD – ICT
 - Partnership on Measuring ICT for Development
 - Intergovernmental working group on e-commerce measurement
- OECD/IMF
 - Stocktaking of country pilot projects

Are existing statistical classifications fit for purpose?

- SNA (goods and services)
- Goods: HS (digitalisation of goods)
- Services: BOP, EBOPS, ICT Partnership, potentially IT-enabled, CPC (downloaded products...)
- “New” products?

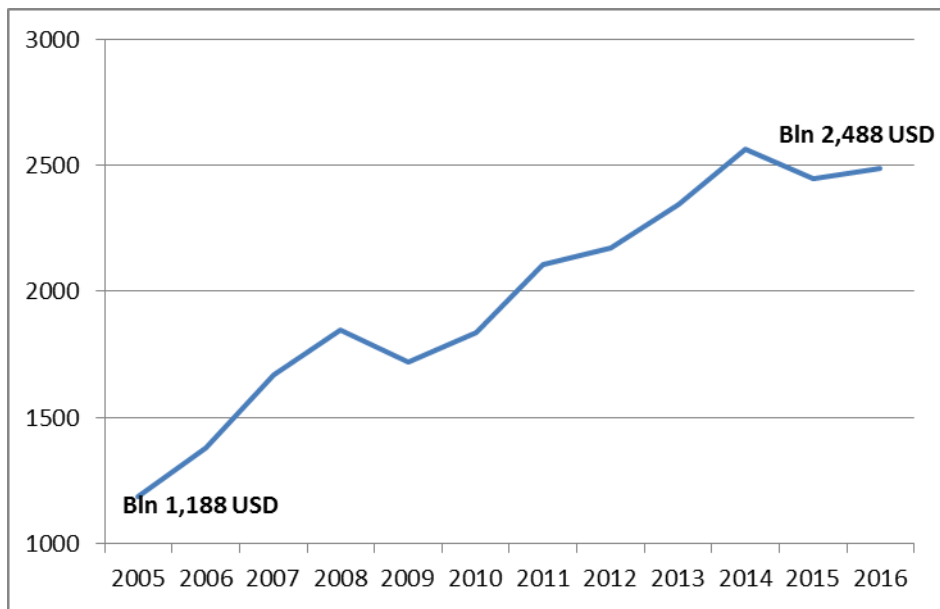
**Figure
7.3**

World exports of goods that can be digitized, 1996-2014



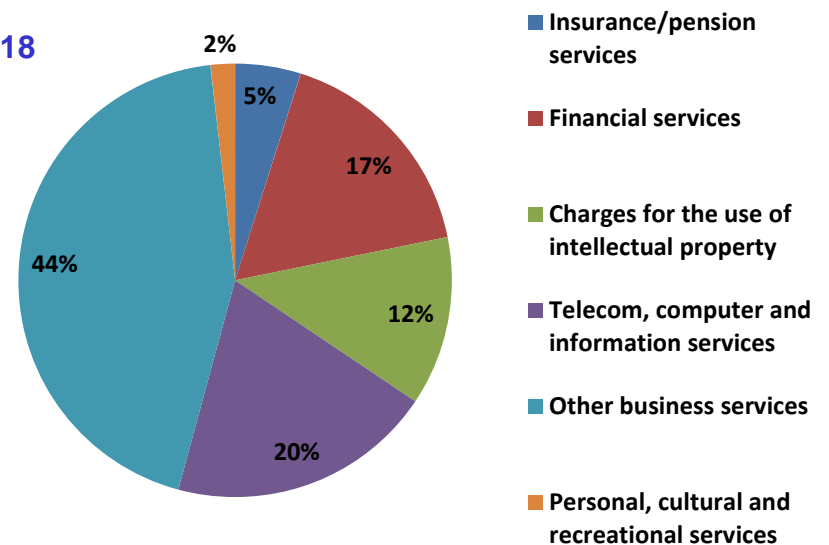
Source: ESCAP calculation using data from United Nations COMTRADE downloaded from WITS, accessed August 2016.

in: UN ESCAP, Asia-Pacific Trade and Investment Report, 2016, chapter 7



Trade in services that can be delivered remotely, 2005-2016

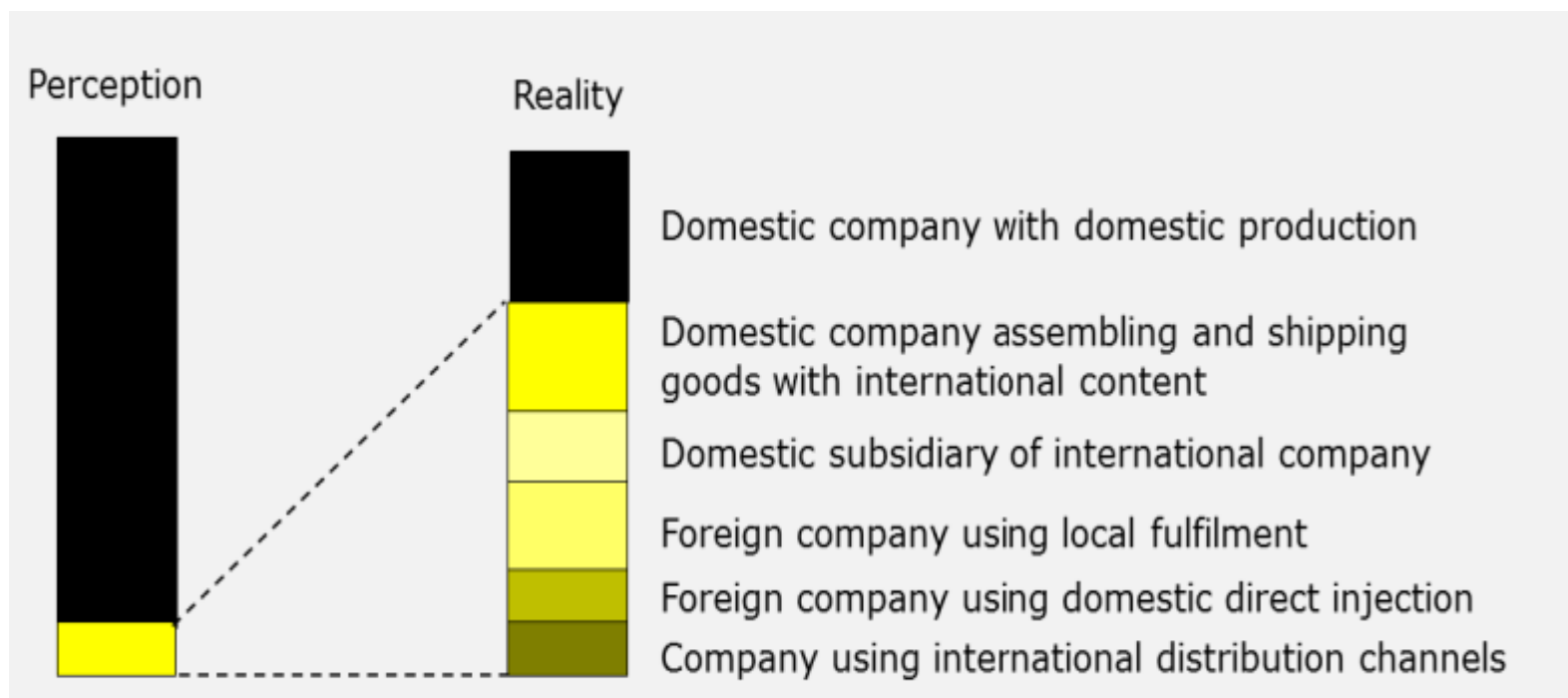
Source: WTO-UNCTAD-ITC joint dataset , 28 February 2018



How does it impact trade?

- Merchandise
 - Postal services, increase of small shipments
- Services
 - Location of consumer/producer (MoS?)
 - How to separate digital/non-digital? (ICT?)
 - Free online products (how to classify? value?)

What is the complexity?



Source: Copenhagen Economics, Principles of e-commerce delivery prices, Feb. 2016

A large share of online transactions that are perceived as domestic by consumers involve a cross-border element

Possible data sources

- Production
 - Enterprise surveys
- Consumption
 - Household surveys
- Linking data
- Automatic tracking
- Firm-level data

Need for innovative solutions?

- Public-private partnerships
- Legal arrangements/data confidentiality
- Case studies?
- Non-official statistics
- Official statistics
- Foreign trade statistics/Satellite Account

Handbook on Measuring Digital Trade

first draft planned for October 2018

- Policy questions on digital trade
- Conceptual framework on digital trade
- Compiling digitally ordered goods and services
- Compiling transactions facilitated by platforms
- Compiling digitally delivered transactions
- Classifications for digitally ordered goods and services

THANK YOU!