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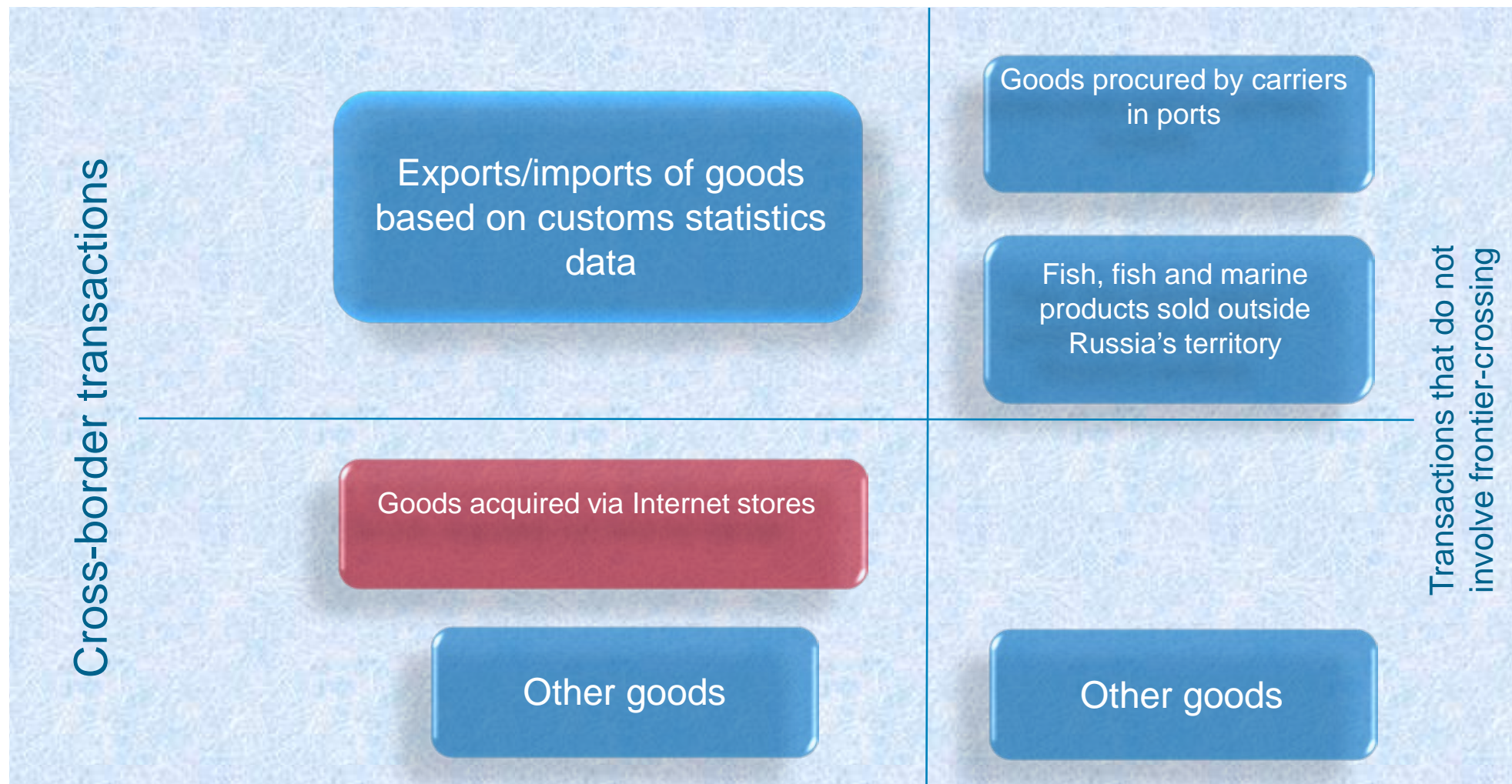
Venues for developing Russia's statistics of cross-border electronic trade in goods

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Bank of Russia

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External merchandise trade under balance of payments methodology



Definition of cross-border e-commerce in external sector statistics

IMF's «Balance of Payments and International Investment Position Manual» (BPM6):

- ❖ *E-commerce is a method of ordering or delivering products, at least partly, by electronic means, such as through Internet or other computer-mediated networks.*

«International Merchandise Trade Statistics: Concepts and Definitions 2010»:

- ❖ *The term “goods in electronic commerce” refers to goods that physically move across country borders as the result of transactions executed entirely, or to a significant extent, by electronic means.*

New definition of digital trade

- New definition of digital trade is provided in *Handbook on Measuring Digital Trade* presented in the framework of *Task Force on International Trade Statistics (TFITS)*, which includes representatives from the OECD, the World Bank, the IMF and the G20 developed and developing countries including the Russian Federation.

Handbook on measuring digital trade

Represents a roadmap for the periods ahead

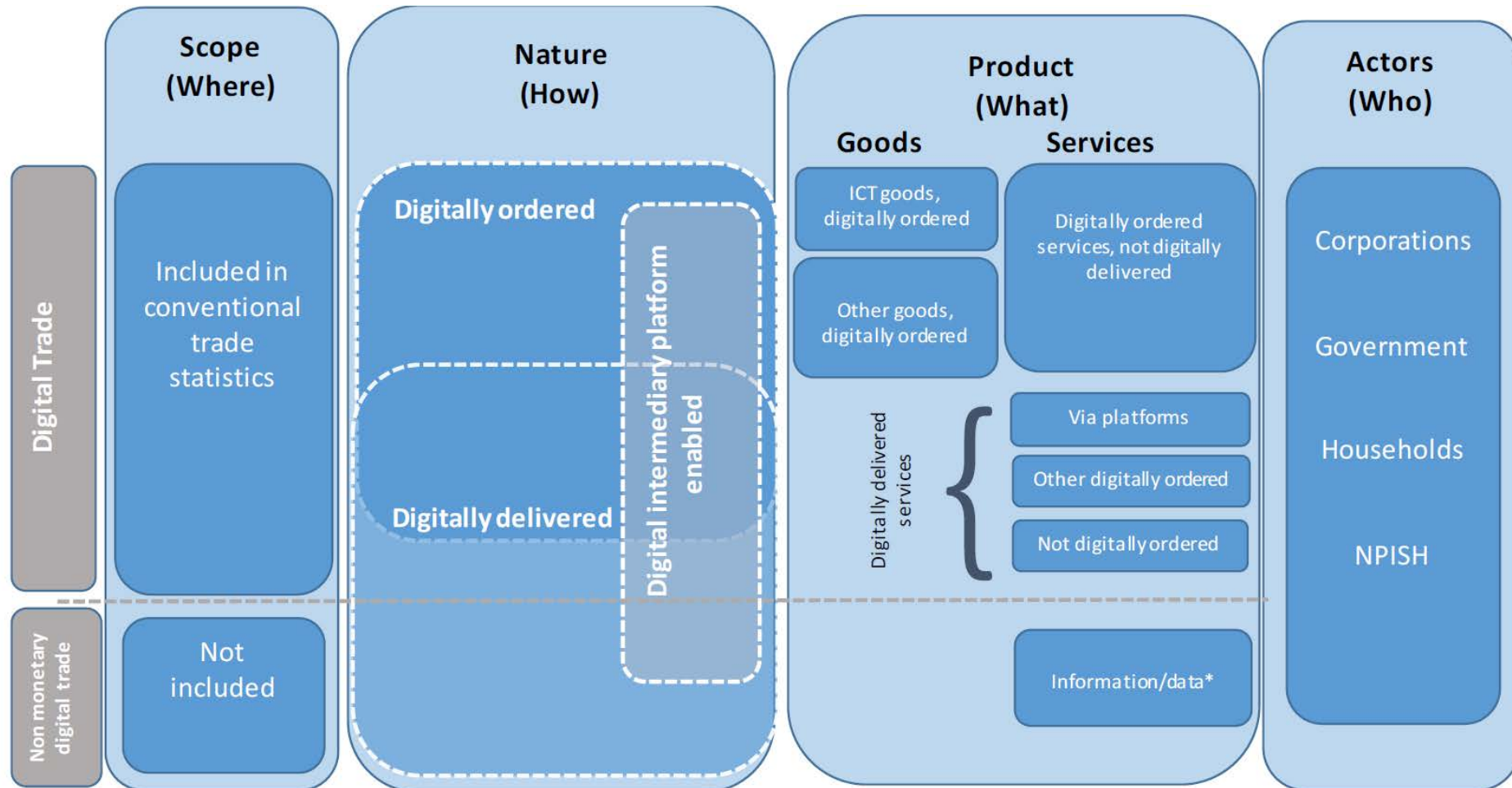
Reflects the results of three rounds of discussions within the TFITS working group on measuring digital trade

Includes materials of three studies prepared by the OECD and the IMF

Is supplemented by materials of political fora as well as those of the Directorate General of the European Commission on Trade, WTO, OECD and the G20 working groups on trade, investment, and digital trade

New definition of digital trade

○ Figure 1. The Conceptual Framework for Digital Trade



2. Model for assessing goods imports within the framework of cross-border e-commerce in the balance of payments of the Russian Federation in 2011-2013

- o Within the framework of cross-border e-commerce, goods are delivered via international postal shipments as goods for individuals' personal consumption.

$$\text{Goods imports within e-commerce} = \sum \left(\text{Quantity of incoming international postal shipments} \times \text{Average value of one shipment by type} \right)$$

Quantity of incoming international postal shipments with goods' inputs (IPS)

(Data from administrative records of Federal State Unitary Enterprise FGUP «Post of Russia»)

Data collection: from 2011

Periodicity: quarterly

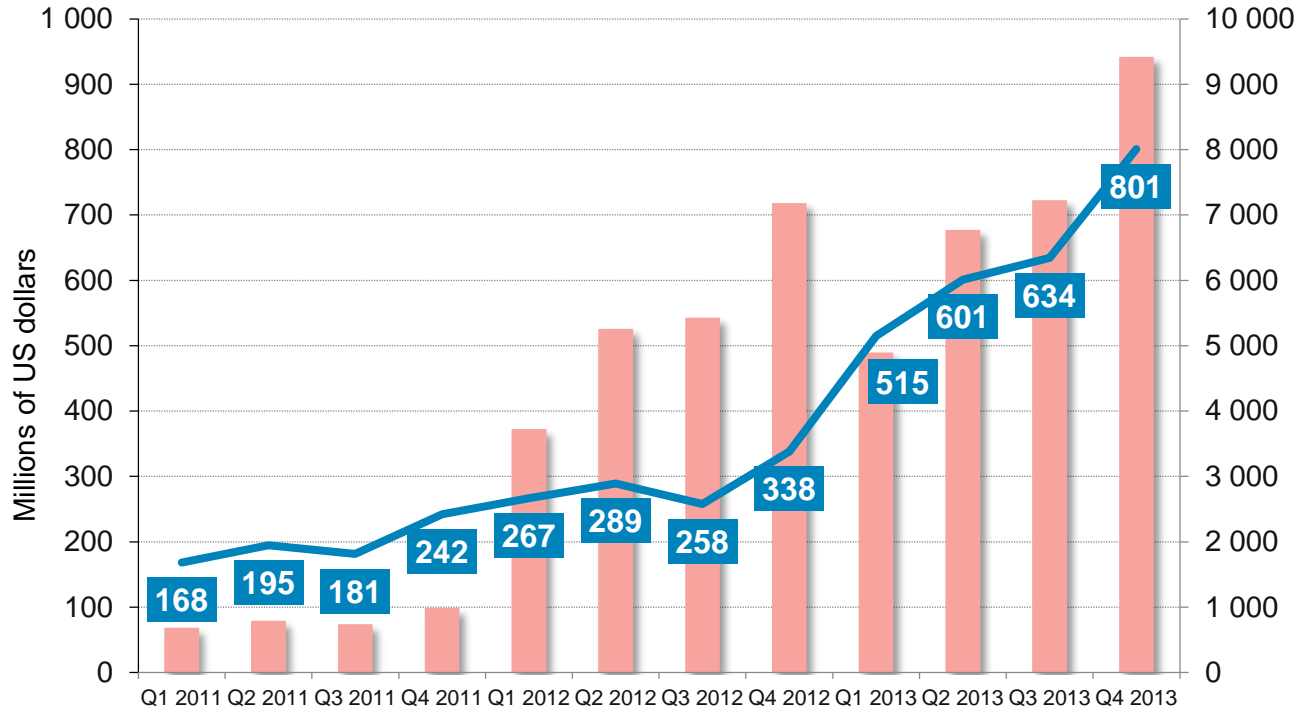
Compilation detail: by type of IPS (parcels, EMS-shipments, small packages)

Expert appraisal of the average value of one international postal shipment (IPS)

(taking into account estimates of Federal State Unitary Enterprise FGUP «Post of Russia», Federal Customs Service of Russia, Association of Companies in Internet-Trade (ACIT), published in the mass media)

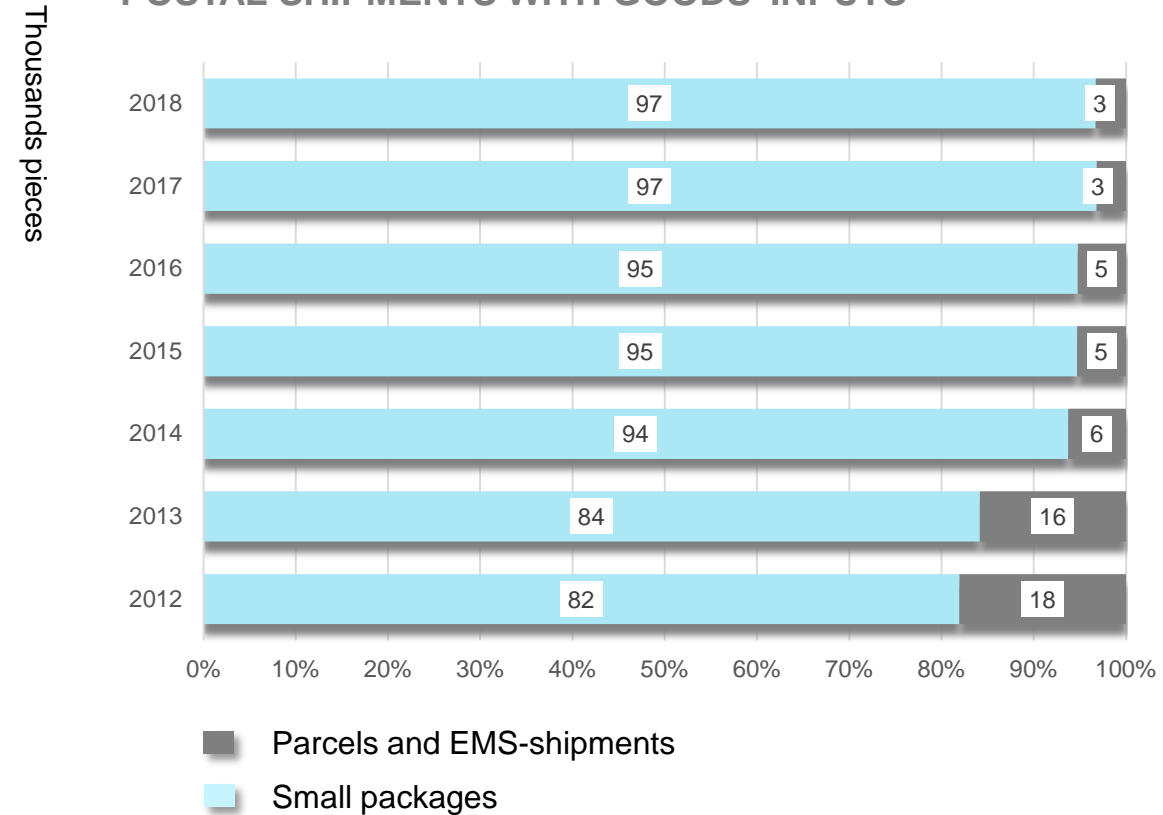
On average
250\$ - per parcel and EMS-shipment,
50\$ - per small package

DYNAMICS OF GOODS IMPORTS WITHIN THE FRAMEWORK OF E-COMMERCE IN THE RUSSIAN FEDERATION IN 2011-2013



— Imports of goods within e-commerce (left scale)
 ■ Quantity of incoming IPS (right scale)

COMPOSITION OF INCOMING INTERNATIONAL POSTAL SHIPMENTS WITH GOODS' INPUTS

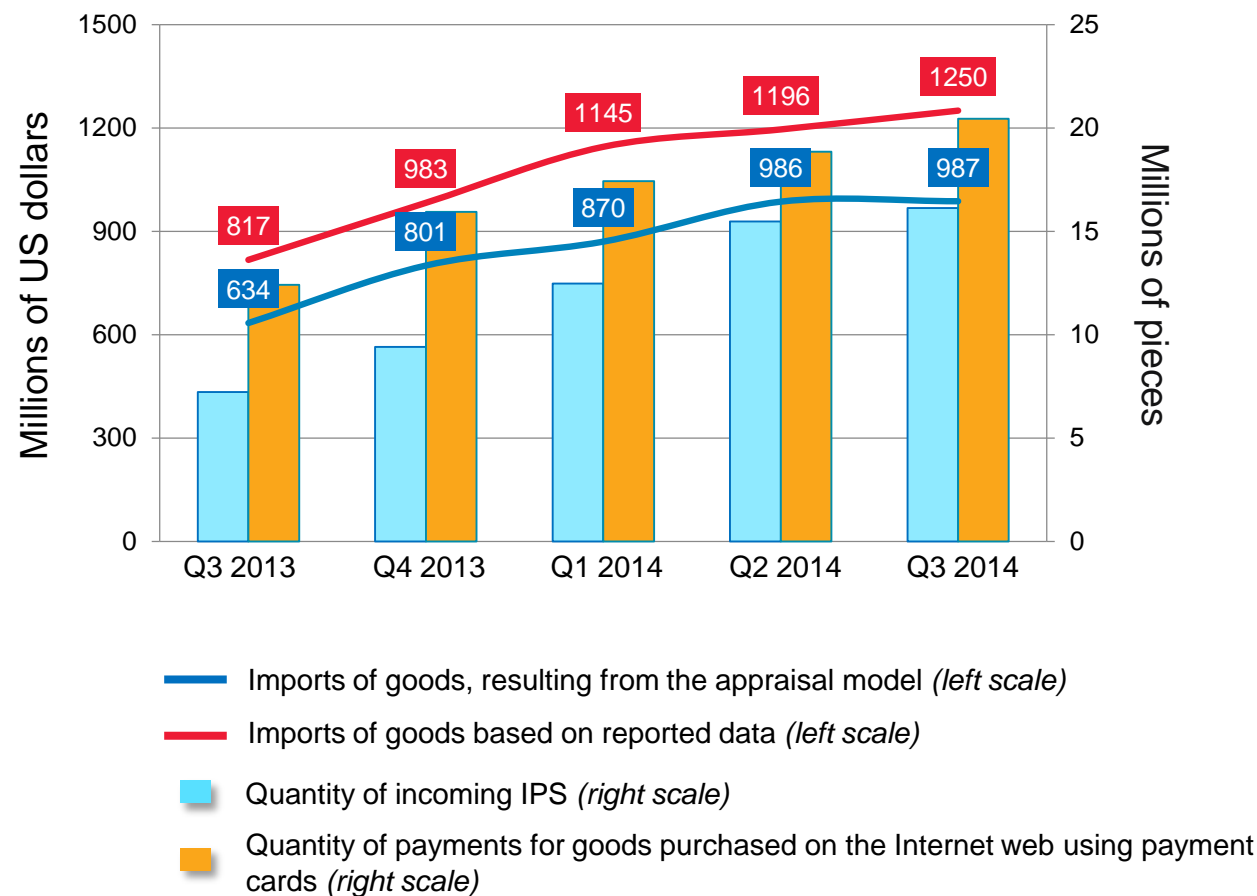


■ Parcels and EMS-shipments
 ■ Small packages

Shortcomings in the approach to constructing the model for assessing volumes of goods imports within cross-border e-commerce using data on incoming postal shipments:

- Complexity of appraising the average value of one transaction and adjusting it, taking into account changes in the economic situation;
- Lack of information on volumes of resident individuals' purchases in foreign Internet stores delivered via private carriers (DHL, FedEx, etc.).

TRANSITION FROM THE MODEL FOR ASSESSING GOODS IMPORTS WITHIN E-COMMERCE TOWARDS COMPILING INFORMATION BASED ON BANKS' REPORTS



3. Methods of compiling goods imports' aggregates within e-commerce based on reported data after 2014

1. Bank reporting form

«Information about transactions with the use of payment cards and infrastructure designated for transactions to withdraw (deposit) funds in cash and effect payments for goods (works, services) with or without the use of payment cards»

Data collection: data collected from Q3 2013 and used for compiling the aggregate – from Q1 2014

Periodicity: quarterly

Aggregates: - quantity of transactions (number)
- total payments for goods (thousands of rubles)

Compilation detail: - by credit institutions
- by individuals and legal entities (including individual entrepreneurs - IPs)¹

¹ Such breakdown is stipulated by the differences in the rules for issuing payment cards at the request of legal entities (and IPs) and for individuals (cards issued at the request of legal entities and IPs have limitations on the list of transactions).

2. Data of electronic money operators (EMOs) PayPal, Qiwi, YandexMoney

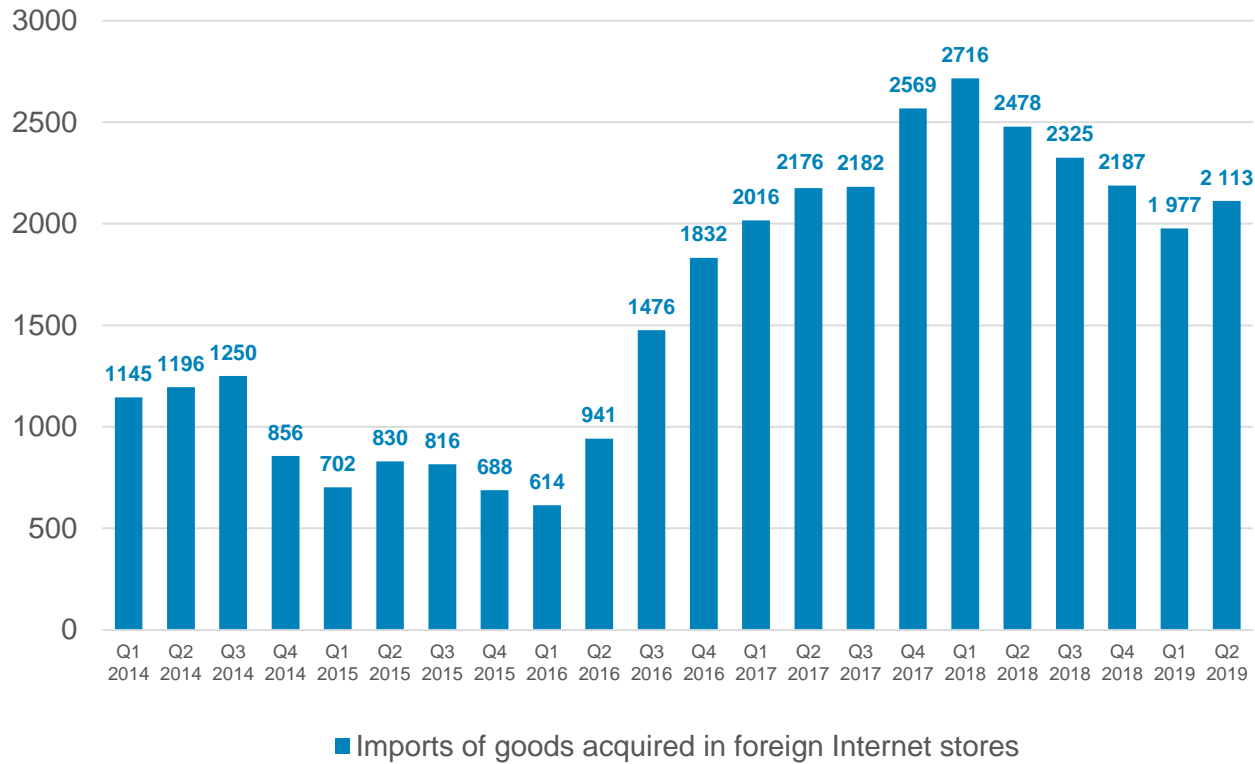
Data collection: data collected from Q4 2013 and used for compiling the aggregate – from Q1 2014

Periodicity: quarterly

Aggregate: total electronic money transfers for purchasing goods (millions of US dollars)

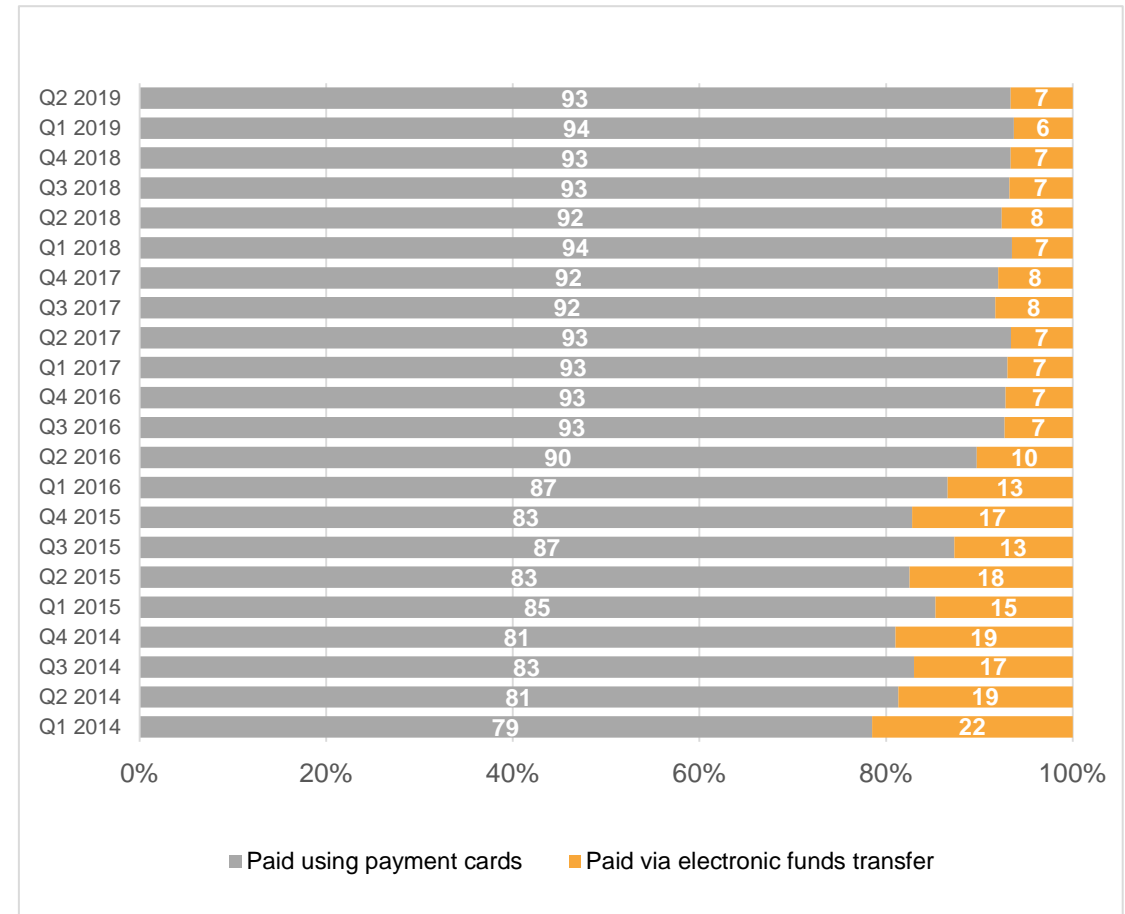
DYNAMICS OF GOODS IMPORTS WITHIN THE FRAMEWORK OF E-COMMERCE IN THE RUSSIAN FEDERATION IN 2014-2018

Millions of US dollars

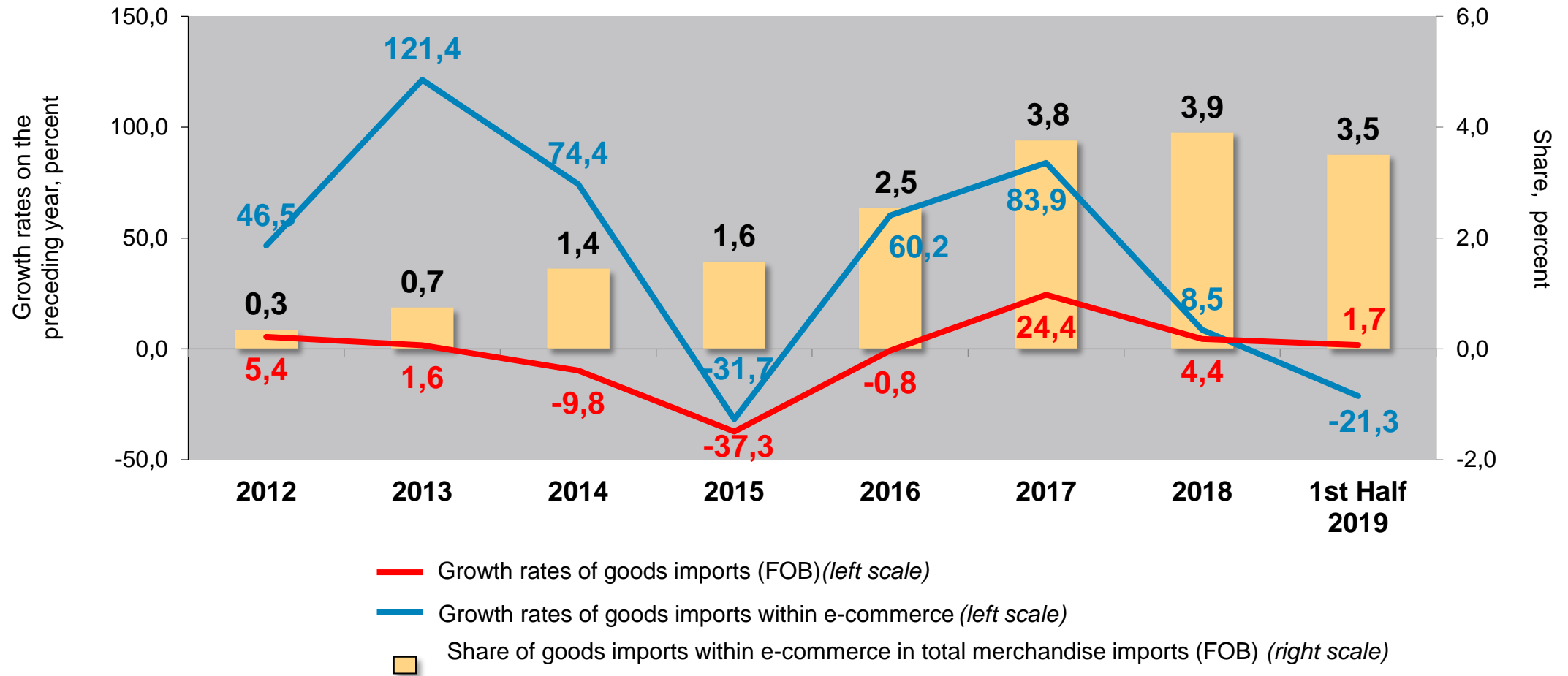


COMPOSITION OF GOODS IMPORTS WITHIN THE FRAMEWORK OF E-COMMERCE IN THE RUSSIAN FEDERATION BY PAYMENT METHOD

Percent



DYNAMICS OF RELATIVE GOODS IMPORTS' INDICATORS WITHIN E-COMMERCE IN THE RUSSIAN FEDERATION



4. Problem of double counting

Absence of the possibility to separate total values of goods acquired by individuals for personal consumption and for further resale



High probability of multiple recording of goods imports volumes entering the retail trade network, which have not been captured by customs statistics



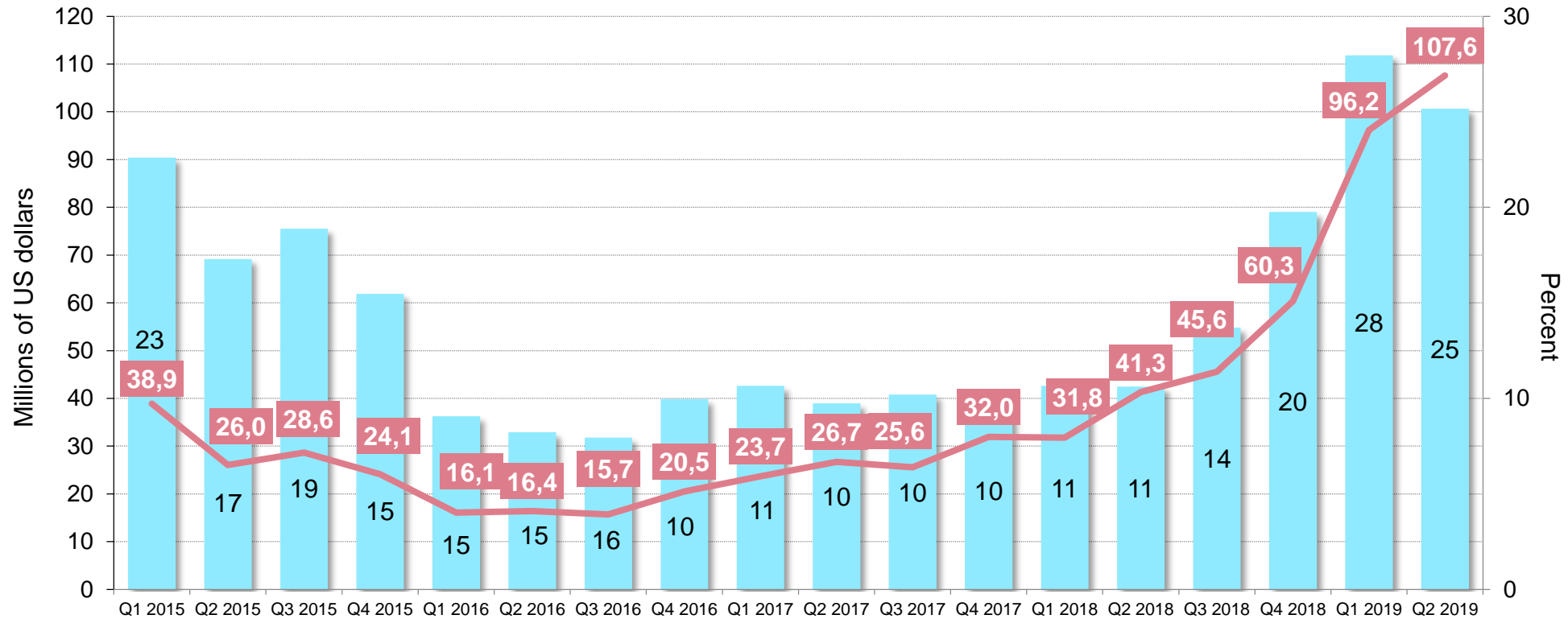
The need for introducing an adjustment for double counting in the model for assessing hidden («shadow») merchandise imports in the balance of payments of the Russian Federation



5. Specifics of estimating volumes of goods exports in the framework of e-commerce on the basis of banks reports

- ❑ Banks' reports allow to get data on values of goods (works, services), acquired via the Internet web with the use of payment cards issued outside the Russian Federation, without detailing goods and services separately;
- ❑ In order to identify the share of goods, in 2016 the first sample survey of credit institutions was carried out, with the weight of the sample in total volume of the foregoing aggregate in the report for 2015 constituting 95%;
- ❑ Factoring in data for the full coverage was based upon the average common ratio calculated for the sample;
- ❑ Data of the sample survey have been used to calculate goods exports volumes within e-commerce for the years of 2015 and 2016;
- ❑ Given the high volatility of the aggregates compiled from the sample, and in the absence of possibility to expand the array of reporting data in banks' regular reports because of constraints on increasing reporting burden on credit institutions, the annual sample surveys of credit institutions are conducted on a regular basis.

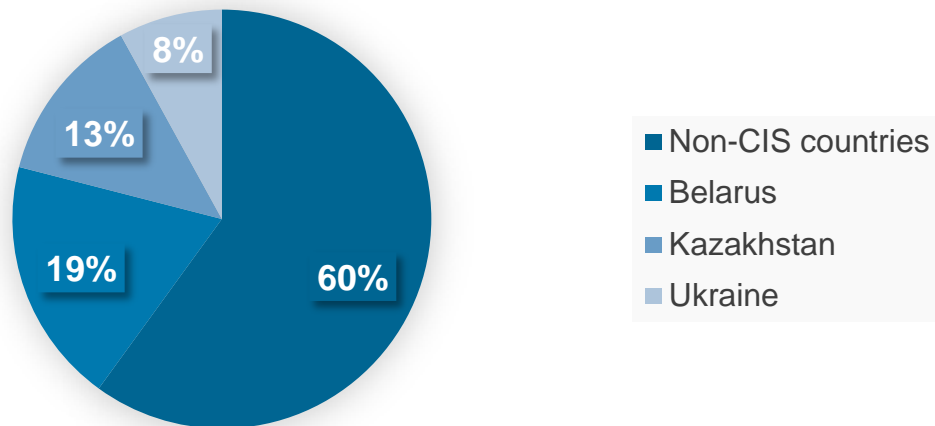
DYNAMICS OF GOODS EXPORTS WITHIN THE FRAMEWORK OF MERCHANDISE E-COMMERCE IN THE RUSSIAN FEDERATION



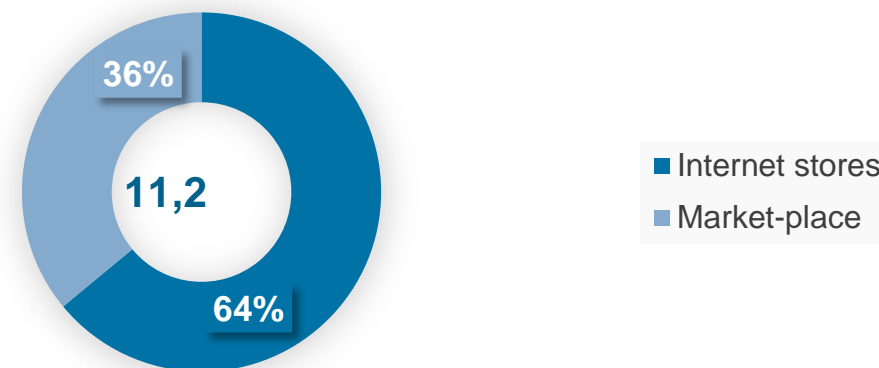
- Exports of goods within e-commerce (*left scale*)
- Share of goods in total value of goods and services acquired via the Internet web using payment cards issued outside the Russian Federation (*right scale*)

Goods acquired in Russian Internet stores*

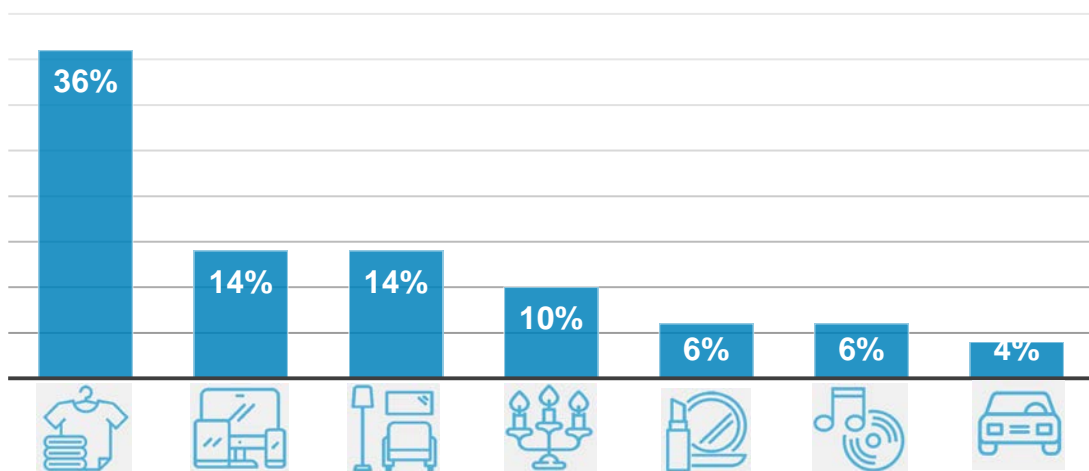
Geographic distribution in online-exports



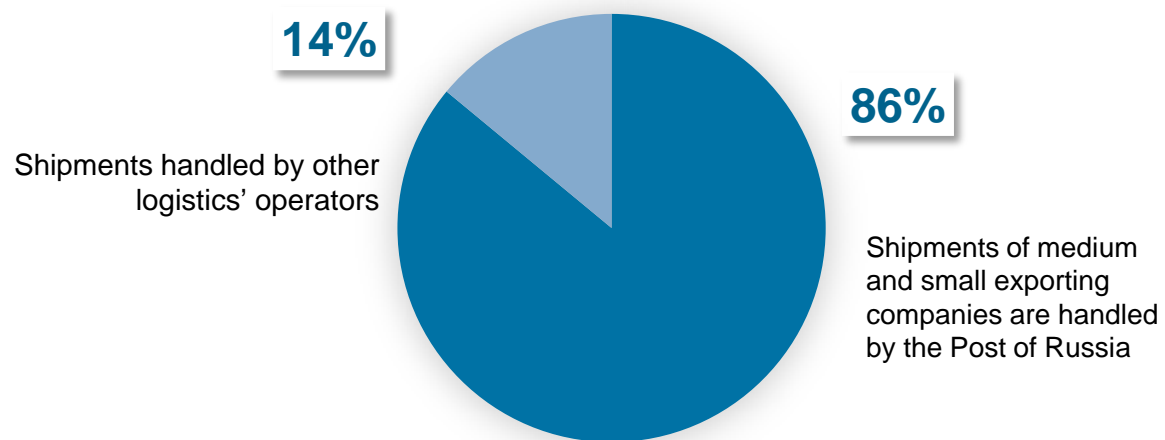
Shares of shipments by orders' source



Shares contributed to total receipts



Export shipments' logistics



* Source: Data Insight, ordered by eBay, Retail goods exports via Internet, 2018 — datainsight.ru/eBayCrossborder2018



6. Publication of cross-border e-commerce statistics

The information is posted quarterly on the Bank of Russia's official website under «Statistics / Macroeconomic financial statistics / External sector statistics / External trade in goods and services» directory as part of Table «External merchandise trade of the Russian Federation (under balance of payments methodology), detailed components» at the following address:

<http://www.cbr.ru/statistics/?PrtId=svs>



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