



UNITED NATIONS  
DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS  
STATISTICS DIVISION

**Update of the Compilers Manual  
for International Merchandise Trade Statistics**

**Report on the results  
of the worldwide consultation  
on the annotated draft outline  
of the updated IMTS Compilers Manual**

**United Nations, New York**

**2011**

## Introduction

1. The United Nations Statistical Commission at its forty-first session (23-26 February 2010) adopted “International merchandise trade statistics: concepts and definitions 2010” (IMTS 2010) and endorsed the proposed implementation programme, including the preparation of the revised *International Merchandise Trade Statistics Compilers Manual* (IMTS Compilers Manual).
2. The Expert Group on International Merchandise Trade Statistics (EG-IMTS) supports the United Nations Statistics Division (UNSD) in the update of the IMTS Compilers Manual. It has developed the chapter outline for the Manual during 2010 and at its first virtual meeting on the update of the IMTS Compilers Manual from 12 January to 28 February 2011 agreed on the contents of individual chapters as reflected in the annotated draft outline which is provided in Annex II.
3. Two further virtual meetings of the EG-IMTS are planned during 2011 to discuss the drafts of the individual chapters. The first one of these two is currently taking place and the second one is scheduled for September. The EG-IMTS is expected to meet in December 2011 for a physical meeting to review and endorse the provisional draft text of the updated IMTS Compilers Manual for submission to the UN Statistical Commission in 2012 as an information item.
4. The purpose of this worldwide consultation was to invite countries to review the suggested contents of the individual chapters of the updated IMTS Compilers Manual, as reflected in the draft annotated outline and to send their comments and suggestions in order to ensure that this Manual addresses the issues and needs of compilers of merchandise trade statistics in all countries and regions.
5. This report presents the results of this consultation which was conducted between March and May 2011. A total of 86 countries returned the response form (reproduced in Annex I), 23 developed and 63 developing and transitional countries.<sup>1</sup> Of those, 49 countries provided comments, often giving very detailed feedback on the different chapters and individual issues.
6. UNSD is very grateful to all respondents. The comments provide a very important and useful input and guidance for the drafting process. This report will be posted on the UNSD website<sup>2</sup> and it will be provided together with all individual comments to the EG-IMTS.

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<sup>1</sup> There is no established convention for the designation of “developed” and “developing” countries or areas in the United Nations system. In common practice, Japan in Asia, Canada and the United States in northern America, Australia and New Zealand in Oceania, and Europe are considered “developed” regions (see <http://mdgs.un.org/unsd/mdg/Host.aspx?Content=Data/RegionalGroupings.htm>).

<sup>2</sup> Please see <http://unstats.un.org/unsd/trade/EG-IMTS/EG-IMTS%20web%20announcement.htm>.

7. The quantitative results and the comments of countries show that the overwhelming majority of countries agree with the suggested contents of the individual chapters. Part A of this report contains a brief summary of the quantitative results and Part B contains a summary/reproduction of the comments provided by countries.

#### **A. Overview of the quantitative results**

8. The overwhelming majority of countries agreed with the suggested scope and structure of the individual chapters of the updated IMTS Compilers Manual as reflected in the annotated draft outline. Over 90 percent of countries agreed with the suggested contents of the chapters in part I to V (see table 1). The rate of agreement was with 86 percent slightly less for part VI. For none of the parts disagreement (no-replies) exceeded 5 percent.

**Table 1:  
Replies of countries: Do you agree with scope and structure of the chapters as reflected in the draft annotated outline?**

| Results  | Yes | No | No Opinion |
|--|-----|----|------------|
| a) Part I Legal framework and data sources (chapters 1 to 4)                             | 92% | 3% | 5%         |
| b) Part II Data compilation (chapters 5 to 11)   | 92% | 3% | 5%         |
| c) Part III Compilation of particular data items (chapters 12 to 17)                     | 94% | 1% | 5%         |
| d) Part IV Compilation of data on trade in selected categories of goods (chap. 18 to 24) | 92% | 1% | 7%         |
| e) Part V Metadata and dissemination (chapter 25 to 26)                                  | 94% | 1% | 5%         |
| f) Part VI External trade indices and seasonally adjusted data (chapter 27 to 28)        | 86% | 5% | 9%         |

#### **B. Summary of the individual comments**

9. Regarding Chapter 1 (Legal framework) it was indicated to
  - a. address issues of confidentiality when linking customs and non-customs records and sharing integrated databases among different national agencies, since these different records may be separately protected by respective legal provisions in the law of the country; include guidelines on suppressing the identities of individual reporting establishments without reducing the usefulness of establishment level data;
  - b. include information on the conceptual framework, at least as a summary and reference, as in the 2004 version of the IMTS Compilers Manual.

10. Regarding Chapter 2 (Customs declarations and related customs records) it was indicated to
  - a. include details of World Customs Organization (WCO) standard items;
  - b. regarding “goods simply being transported through a country” (IMTS 2010, para. 1.41-1.42) spell out in more detail the specific conditions under which the lodgement of trade declarations should be waived and in particular, address the issue of consolidation/deconsolidation and repacking of the goods, preferably by providing operational guidelines;
  - c. describe the impact of globalization on the quality and availability of information from customs declarations (for example, some information is not known by the declarant); describe the difficulties of obtaining the necessary information when simplified customs procedures are used; inform about the filling-in of customs declarations in customs unions (for example, EU);
  - d. list the standard customs procedure codes to be followed by all countries;
  - e. define each custom procedure code and provide examples;
  - f. include information about advantages and limitations of customs data.
11. Regarding Chapter 3 (Non-customs administrative and other sources) it was indicated to
  - a. cover the issue of data quality of additional sources;
  - b. discuss possible solutions (such as imputation/estimation) in the event of inconsistencies between customs data and other sources of information (e.g. in case of non-submission/late submission of trade declarations identified from cargo manifests);
  - c. provide references to the documents where information about non-customs sources of information is available (for example, ship registration law and practice, etc.);
  - d. cover goods in electronic commerce in light of future challenges;
  - e. include information on the required transformation (coding) of non-customs data and its combination with customs data.
12. Regarding Chapter 4 (Enterprise surveys and other surveys) it was indicated to
  - a. discuss having a Coordinated Trade Data Survey (CTDS) as a way of exchanging bi-lateral / multi-lateral data on merchandise trade;
  - b. describe good practices, if possible with the inclusion of links to specific documents that could help (in particular related to specific goods or movements such as electricity, gas, vessels and aircraft);
  - c. describe different survey methods (if such different methods are available);
  - d. under cross border trade surveys highlight the importance of informal cross border trade, describe its advantages as a source of data in LDC’s, describe its methodology, data collection instruments, data coding and integration, etc. (the country indicated its willingness to contribute to the write up); take note that informal cross border trade transactions are significant in most developing countries and should be given sufficient space in this compilation manual and should cover the standardization of methodology, data collection instruments, data processing and integration, etc.;

- e. discuss the possibility of household surveys as a data source.
13. Regarding Chapter 5 (Institutional arrangements) it was indicated to
- a. cover the classification of customs regimes according to the special and general trade system;
  - b. cover the development of Memorandums of Understanding (MOU) with the relevant institutions;
  - c. provide a framework for institutional collaboration, data reconciliation and exchange among institutions.
14. Regarding Chapter 6 (Statistical territory and organization of data collection) it was indicated to
- a. add examples of good practices covering data collection and processing systems and industrial/commercial free zones transactions;
  - b. discuss the allocation of offshores to statistical territories (offshores on the high seas vs. in coastal areas);
  - c. describe the advantages and disadvantages of the general trade and the special trade system and list the countries applying each system (note by UNSD: see the Explanatory Notes on UN Comtrade at <http://comtrade.un.org/db/mr/daExpNotebyRepYear.aspx>);
  - d. provide definitions of industrial free zones, free trade zone, premises for customs warehousing, etc.
15. Regarding Chapter 7 (Integration of data from different sources) it was indicated to
- a. indicate that more detail on items such as "merchanting", "goods for processing", "shuttle trade" etc. which may not be captured through customs records or other administrative records would be provided in Part IV (Compilation of data on trade in selected categories of goods).
16. Regarding Chapter 8 (Data processing and database management) it was indicated to
- a. include some recommendations on the integration of Customs trade declaration systems with other trade control systems, such as licensing systems for sensitive commodities and systems facilitating specific types of trade, with a view on reducing the reporting burden of the trade and logistics sectors;
  - b. discuss data compilation via Eurotrace.
17. Regarding Chapter 9 (Data quality: assurance, measurement and reporting) it was indicated to
- a. include specific types and examples of error checking; give recommendations how best to test the data (for each item of the SAD);
  - b. discuss common causes for the discrepancy between bilateral trade statistics of the respective trading partners and give some operational guidelines for conducting reconciliation studies; some country cases, e.g. US-Canada and US-China (including issue of re-exports via Hong Kong) would be helpful;

- c. include discussion of issues to which trade statistics compilers should pay special attention in ensuring data quality in the event of great economic fluctuations (i.e. caused by the recent financial crises);
  - d. discuss the plausibility checks and automatic controls during the processing at Customs and at the responsible agency;
  - e. inform whether countries practice a risk analysis before checking the data in detail; describe what is checked and how (i.e. use of statistical models to detect outliers, automatic procedures) and discuss whether countries conduct audits of their data processing systems.
18. Regarding Chapter 10 (Data compilation in the case of customs union) it was indicated to
- a. discuss the impact of customs unions on the statistical reporting of partner countries;
  - b. cover the reconciliation of intra-customs union trade flows;
  - c. provide examples on how to determine the country of origin when the customs declaration shows only an EU abbreviation without country definition; provide some guidelines on which trading partner should be indicated in such cases.
19. Regarding Chapter 11 (Integrating trade and business statistics) it was indicated to
- a. discuss issues and solutions regarding discrepancies between the goods flows and the corresponding financial entries in the book accounts of companies;
  - b. add a new item about the particular advantages and the specific problems in linking foreign trade and MNE/FDI statistics (the country indicated its willingness to contribute to the write up); consider the implementation of new statistics based on this link as a priority;
  - c. discuss the relation to, and possibilities of linking to trade in services.
20. Regarding Chapter 12 (Time of recording) it was indicated to
- a. set a standard time of recording when goods enter or leave the economic territory of a country to be followed by all national agencies involved in the compilation of IMTS.
21. Regarding Chapter 13 (Commodity classification) it was indicated to
- a. provide guidelines to compilers about the possibility of identifying through the ISIC code (or compatible classification) the predominant economic activities of the enterprises that are importing the goods;
  - b. further clarify the practical use of chapters 98 and 99 which cause significant discrepancies in the data between partner countries;
  - c. mention for which purposes each classification can be used;
  - d. provide correspondence and conversion tables from HS to all other mentioned classifications in additional annexes.
22. Regarding Chapter 14 (Valuation) it was indicated to
- a. cover quality evaluation;

- b. add/include a subsection regarding “Estimation and imputation of value data” (such as in Chapter 15 regarding quantity data);
  - c. give practical guidance on the treatment of transfer pricing, credit notes, and the valuation of transactions by non-residents, such as foreign enterprises having only VAT registration;
  - d. provide information about the new Incoterms 2010 that came into effect on 1 January 2011;
  - e. discuss freight and insurance as independent variables;
  - f. indicate that more details on transfer pricing would be provided in Chapter 20 (Goods which cross borders as a result of transactions between related parties).
23. Regarding Chapter 15 (Quantity measurement) it was indicated to
- a. review the quantity measurement units as some quantity units recommended by WCO appear not to be in line with commercial practices;
  - b. provide/ publish conversion factors;
  - c. discuss quantity measurement and possible errors.
24. Regarding Chapter 16 (Partner country) it was indicated to
- a. discuss in more detail the challenges in determining the country of consignment and provide some practical rules, i.e. in cases such as consolidation/deconsolidation of the goods at article level by freight forwarders;
  - b. illustrate the country of consignment with more examples as it is a new information requirement;
  - c. include the validation of partner country trade flows using mirror statistics (using UN Comtrade, ITC Trademap databases, etc.).
25. Regarding Chapter 17 (Mode of transport) it was indicated to
- a. include the consideration of other modes of transport used under informal cross border trade e.g. carried by individuals, bicycle, push carts, animals like donkeys, etc.
26. Regarding Chapter 18 (Scope of IMTS) it was indicated to
- a. discuss the kinds of economic activities which give rise to special categories of goods such as goods on consignment, goods for processing, goods for storage, goods in transit, goods temporarily admitted and dispatched, goods for maintenance and repair and the conditions under which these goods are to be included in trade statistics; provide detailed operational guidelines for the exclusion of “goods simply being transported through a country”, e.g. how long the length of halt of the goods be allowed, and what kind of consolidation/deconsolidation of the goods by freight forwarders be allowed; further, indicate any measures that may help to correctly record the country of origin and the country of consignment in the trade statistics of the partner countries;
  - b. clarify whether the trade of VAT registered non-residents is included in the scope of IMTS.

27. Regarding Chapter 19 (Goods for processing) it was indicated to
  - a. include a detailed description of the challenges in implementing the recommendations of 2008 SNA/BPM6 on processing;
  - b. provide an explanation of how IMTS2010 relates to other frameworks, particularly MSIT2010, BPM6, SNA08 and WCO frameworks;
  - c. provide more details on how to capture “Goods for Processing”.
28. Regarding Chapter 21 (Electricity, gas, oil and water) it was indicated to
  - a. use price information available from Electricity Stock Exchanges under the condition of a free market for electricity.
29. Regarding Chapter 22 (Ships and aircraft) it was indicated to
  - a. discuss the issue of partner country (economic ownership vs. flag principle) and provide best practices;
  - b. include the treatment of satellites as a case study;
  - c. include a new item "(vi) Concepts and definitions" in order to clarify concepts like "economic ownership".
30. Regarding Chapter 23 (Other special cases: Goods acquired by all categories of travellers, Media, whether or not recorded, waste, fishing products, leased goods, returned goods) it was indicated to
  - a. include the case of donations;
  - b. consider the overlap with tourism statistics in the case of goods acquired by travelers;
  - c. discuss goods traded (bought and sold) together with licenses, which might or might not be provided separately;
  - d. include the treatment of “leasing of oil and gas equipment” such as barges and rigs;
  - e. consider excluding “Goods acquired by all categories of travelers” within the “Other special cases”, given that those goods are out of the scope of the IMTS, as they are regarded as services and consequently included in the “Travel” item of the Balance of Payments;
  - f. include guidelines for collecting data on goods procured in ports (e.g. purchases of aviation fuel, aircraft parts by foreign vessels, etc.);
  - g. clarify cross border transactions in audio and visual tapes, etc.
31. Regarding Chapter 24 (Overview of data compilation for national accounts and balance of payment purposes) it was indicated to
  - a. discuss in detail the treatment of travelers’ purchases of goods in IMTS and BOP compilation, and the extent of possible double-counting of these goods in statistics of trade in goods and trade in services;
  - b. include goods for ‘pick-and-pack’ (with consolidation/deconsolidation of the goods at article level by freight forwarders) as one of the categories to be discussed in this

- chapter, with operational rules concerning their treatment as trade in goods or trade in services in IMTS and BOP compilation;
- c. discuss the following categories of goods under goods for processing: goods acquired to be processed abroad without passing through the territory of the owner and goods sold after processing without passing through the territory of the owner;
  - d. discuss the conceptual differences of trade in goods between IMTS and BoP Manual;
  - e. tackle the issue of VAT registered non-residents both from IMTS and BoP/NA point of view; give detailed guidelines on the CIF-FOB adjustment methods; provide recommendations on the treatment of change of ownership of offshores from IMTS and BoP/NA point of view;
  - f. cover the issue of re-exports covering the following elements: definition of re-export, purposes of identifying re-exports, methods for estimating provisional import and re-export flows, country practices;
  - g. make appropriate references to trade in services because this part of the BOP needs to be compared and coordinated with trade in goods the most;
  - h. consider not to include this chapter in the Compiler Manual, as it seems to be more a chapter oriented to users rather than to compilers; take note that albeit there is an alignment between NA and BP, the treatment of some specific transactions might be different and that no reference to national accounts is made under scope;
  - i. cover under migrants' effects how to treat the import / export of good with high value (i.e. a foreign painter imports his paintings for his residence).
32. Regarding Chapter 25 (Metadata) it was indicated to
- a. include a reference to metadata provided to international organizations;
  - b. discuss how to measure statistical coverage;
  - c. provide, to some extent, a standard format of metadata;
  - d. mention timeliness; consider that international standards such as the IMF's GDDS and SDDS seem to be an essential part of the metadata;
  - e. include data sources and compilation methodology under metadata.
33. Regarding Chapter 26 (Dissemination) it was indicated to
- a. detail the requirements for reporting to international agencies and inform about the cooperation between those agencies;
  - b. include the dissemination of trade in goods and services data according to business characteristics;
  - c. indicate that the variables to be made available depend on the country's capability in implementing IMTS 2010;
  - d. remove the section concerning combining trade in goods with trade in services as it is not within the scope of IMTS.

34. Regarding Chapter 27 (External trade indices) it was indicated to
  - a. treat other indicators of foreign trade;
  - b. cover this topic in more detail, maybe with examples;
  - c. discuss the lack of needed/ credible quantity and weight information;
  - d. provide examples in order to give a clear understanding;
  - e. take note that appropriate resources and guidance to compile those indices is required;
  - f. provide references to existing guides on how to calculate price indices;
  - g. discuss data quality issues (e.g. declarations leading to wrong unit values) and discuss complementing customs data with enterprise survey data;
  - h. discuss different compilation methods for external trade indices.
35. Regarding Chapter 28 (Seasonally adjusted data) it was indicated to
  - a. include examples of other countries' good practices, including examples of countries that follow a different calendar, i.e. Islamic countries.
36. Regarding the relationship of different chapters it was indicated to:
  - a. take note of the possible overlap of Chapter 13 with Chapters 5 and 9 regarding validation and editing checks and communication with Customs authorities;
  - b. combine or re-arrange the sequence of Chapters 6 and 18 as those are closely related;
  - c. move Chapter 6 after Chapter 2 and Chapter 11 after Chapter 7;
  - d. avoid redundant structure in Chapters 7 and 11;
  - e. merge Chapters 7 and 11 as they look similar;
  - f. move part (i) of Chapter 7 to Chapter 2.
37. In addition it was suggested to
  - a. take account of and provide reference to related international standards and not to contradict those (i.e. in Chapter 24 and 27);
  - b. provide a brief tabular summary of the key features of IMTS across countries (note by UNSD: see UNSD website containing the results of a survey of national practices at [http://unstats.un.org/unsd/tradereport/introduction\\_MM.asp](http://unstats.un.org/unsd/tradereport/introduction_MM.asp));
  - c. provide illustrative examples in all chapters if possible;
  - d. emphasize the role of customs agencies and the need for training regarding Part III (Compilation of particular data items);
  - e. cover different regions when presenting examples;
  - f. consider that many chapters apply to other institutions than the statistical institute;
  - g. consider having a help desk at UN where countries (compilers) could send questions regarding trade in goods;
  - h. consider to conduct long-term training (3 to 12 months) for qualified staff;

- i. seek (UNSD) contact with data providers, in particular Customs, to ensure that the available guidance (IMTS2010 and Compilers Manual) reaches them.

## Annex I: Response Form

**Contact information:** Please provide your contact information:

**Name:**

**Position:**

**Institution:**

**E-mail:**

**Country:**

**Question:** Do you agree with scope and structure of the chapters as reflected in the draft annotated outline?

**a) Part I Legal framework and data sources (chapters 1 to 4)**

YES  NO  NO opinion

**b) Part II Data compilation (chapters 5 to 11)**

YES  NO  NO opinion

**c) Part III Compilation of particular data items (chapters 12 to 17)**

YES  NO  NO opinion

**d) Part IV Compilation of data on trade in selected categories of goods (chap. 18 to 24)**

YES  NO  NO opinion

**e) Part V Metadata and dissemination (chapter 25 to 26)**

YES  NO  NO opinion

**f) Part VI External trade indices and seasonally adjusted data (chapter 27 to 28)**

YES  NO  NO opinion

**Respondent comments and suggestions** (please indicate the chapter(s) to which they relate):

Please explain any NO replies:

Please indicate any compilation issues that should be covered in addition or provide any other comments and suggestions that you may wish to make:

Please return the completed form to UNSD (e-mail address [comtrade@un.org](mailto:comtrade@un.org)) by 22 April the latest. Thank you very much for your answers and comments.

## ANNEX II

### **Annotated draft outline of the updated International Merchandise Trade Statistics Compilers Manual** (as of 28 February 2011)

#### **Part I        Legal framework and data sources**

#### **Chapter 1    Legal framework**

*Scope.* This chapter covers country practices in the establishment and maintenance of the legal framework (and its elements) within which trade statistics are collected, compiled and disseminated. It includes, for instance, the relevant laws and regulations (legal status) concerning customs records and other data sources, the laws and regulations governing the relationship between the compiling agency and data suppliers, the rights of the national statistical offices to survey traders or enterprises, and by the same token the duty of enterprises to respond. The chapter deals also with the legal issues related to the rights of enterprises and individual traders to ensure adequate data confidentiality.

*Structure.* The chapter might consist of several sections focusing on:

- (i) Description of general legal framework for trade statistics;
  - a. The importance of the legal framework: an overview of general issues
  - b. Legal status of customs records;
  - c. Legal status of other sources;
  - d. Confidentiality of traders data ;
  - e. Institutional arrangements;
- (ii) Examples of existing legal frameworks in several countries and their impact on the organization of the national trade statistics programmes.

#### **Chapter 2    Customs declarations and related customs records**

*Scope.* This chapter describes customs declarations as the most prevalent source of trade data. It will define the declaration and the declarant, and elaborates on the use of important customs procedures of the Revised Kyoto Convention, which can ensure comparability among international trade statistics, if countries apply the convention uniformly. The chapter will describe issues and practices related to the time of lodgement, and will go into the information which is required to complete the customs declaration. Further the chapter will describe the additional information available to customs and its use for statistical purposes.

*Structure.* The chapter might consist of the following:

- (i) Definition of customs declaration, declarant and importer/exporter;
- (ii) Customs procedures under the Revised Kyoto Convention;
- (iii) Lodgement of declarations and data collection issues;
- (iv) Other procedures and the use of customs procedure codes;
- (v) Information needed to fill customs declarations;
- (vi) Adding enterprise identification to link with the national trade and business register;

- (vii) Use of electronic declarations;
- (viii) Country practices in training of filling the declaration;
- (ix) Additional records available at Customs;
- (x) Access and use of information available at customs.

### **Chapter 3 Non-customs administrative and other sources**

*Scope.* This chapter describes non-customs sources of information, which can be useful to supplement customs data and to assist in the cross-checking of customs data; they are not generally recommended as substitutes for customs data. Non-customs administrative sources include foreign shipping manifests, currency exchange records and records of monetary authorities (International Transactions Reporting System), parcel post and letter post records, aircraft and ship registers, administrative records associated with taxation and reports from Commodity Boards, etc.

*Structure.* The chapter might consist of the following sections:

- (i) Foreign Shipping Manifest;
- (ii) Currency exchange records and records of monetary authorities;
- (iii) Parcel post and letter post records;
- (iv) Aircraft and ship registers;
- (v) Administrative records associated with taxation;
- (vi) Data Exchanges;
- (vii) Additional sources.

### **Chapter 4 Enterprise surveys and other surveys**

*Scope.* This chapter describes challenges and good practices in enterprise and other surveys, which are needed to obtain information on transactions which are not be processed through customs, e.g., trade in electricity, ships' stores and bunkers, on which the information requirements by customs are reduced or on which additional information is required. Experiences from the European Unions's survey-based Intrastat system will be described as relevant for this chapter. Surveys may be desirable in general as they can be designed to satisfy the needs of various fields of statistics and to allow linking trade and business/ industry statistics.

*Structure.* The chapter might consist of the following:

- (i) General description of enterprise surveys;
- (ii) Use of enterprise identification numbers used on customs forms in enterprise surveys;
- (iii) Organization of surveys;
- (iv) Advantages and disadvantages of surveys;
- (v) Merging administrative data and survey data;
- (vi) Examples of good country practices;
- (vii) Cross-border surveys.

## **Part II      Data compilation**

### **Chapter 5      Institutional arrangements**

*Scope.* The chapter is intended to describe challenges and good practices in setting up effective institutional arrangements (in particular inter-institutional agreements) in the context of their characteristics identified in IMTS 2010. It will provide details of positive country experiences in setting up such arrangements under various country circumstances both in short and long term perspective.

*Structure.* The chapter might consist of several sections focusing on:

- (i) Typical national agencies involved in the compilation of IMTS such as customs administrations, national statistical offices, central banks, ministries of trade and other institutions;
- (ii) Purposes of institutional arrangements;
- (iii) Characteristics of effective institutional arrangements;
- (iv) Governance and mechanism of cooperation under different country circumstances such as diverse legal frameworks and resource availability; examples of good practices (several country cases to be described);
- (v) Immediate steps for improving the institutional arrangements (e.g., creating an inter-agency working groups to review the current inter-agency cooperation and to identify the areas where it should be strengthened, etc.);
- (vi) Longer term strategies for building effective institutional arrangements;
- (vii) Institutional arrangements and data quality.

### **Chapter 6      Statistical territory and organization of data collection**

*Scope.* This chapter deals with the key concept for determining the type of trade system applied - the statistical territory of a country. Countries should develop a description of their statistical territory suitable for use by compilers of the detailed trade data, and should make that description available to their trading partners and to international organizations. Differences between economic and geographical areas will be discussed. The relationship between the statistical territory and customs procedures (and their role in determining the statistical territory) will be covered as well. Good country practices are described which include, inter alia, a clear statement on whether or not the following territorial elements exist, and on whether or not they are included in the statistical territory: (a) Industrial free zones; (b) Commercial free zones; (c) Premises for customs warehousing; (d) Premises for inward processing; (e) Territorial waters; (f) Continental shelf; (g) Offshore and outer space installations; (h) Territorial enclaves of the compiling country in other countries; and (i) Territorial enclaves of other countries in the compiling country (exclaves). The organization of data collection and the application of the trade system are discussed in detail and examples/ good practices are provided.

*Structure.* The chapter might consist of the following sections:

- (i) General description of statistical territory;
- (ii) Elements of statistical territory;

- (iii) Organization of the data collection in respect to the different territorial elements;
- (iv) Application of the trade system:
  - a. General trade system;
  - b. Special trade system;
  - c. Moving to the general trade system;
- (v) Examples of good country practices.

## **Chapter 7 Integration of data from different sources**

*Scope.* The chapter is intended to describe challenges and good practices in merging customs and non-customs data (e.g. in adding non-customs to the customs data and substituting non-customs for the customs data), including merging of different information from the same source. To merge and cross-check data collected from customs and non-customs sources is quite a complex and time-consuming activity. The chapter highlights a number of issues that need to be addressed, such as (a) different data elements available from different sources; (b) conceptual differences between sources; (c) provision of different levels of detail; (d) delays in data forwarding, and the unsynchronized provision of data; (e) overlaps in the information provided (e.g., data on goods on consignment supplied by customs, and data on sales of the same reported by the controlling governmental agency) and (f) the overall efficient use of all data sources. Possible solutions are to run training programmes for staff and conduct regular meetings between staff of compiling and source agencies/ entities (including staff of large importing and exporting enterprises) to establish stable and efficient working arrangements; and to develop estimation and imputation procedures to deal with the issue of missing data fields.

*Structure.* The chapter might consist of the following sections:

- (i) Advantages and limitations of customs and non-customs data sources;
- (ii) General description of integration of data from different sources;
- (iii) Issues encountered when merging data;
- (iv) Possible approaches and solutions;
- (v) Examples of good country practices;
- (vi) Linking customs records and the national trade and business register;
- (vii) Integrated approach to economic statistics.

## **Chapter 8 Data processing and database management**

*Scope.* This chapter will describe data processing and data base management at customs and at the statistical agency responsible for the overall compilation of IMTS (the responsible agency). It will describe the characteristics, functions and differences of these systems, giving Asycuda and Eurotrace and/ or national systems as examples. Further, it will describe the data fields necessary for statistical purposes and how to obtain these data from the customs records.

*Structure.* The chapter might consist of the following sections:

- (i) Data processing and database management at Customs:
  - a. Requirements for automation at customs;

- b. Characteristics of data processing at customs and its interface with statistical data;
  - c. Examples of automated systems at customs;
- (ii) Data processing and database management at the responsible agency:
  - a. Characteristics of data processing, data flow and data transformations;
  - b. Examples of data processing systems;
- (iii) Data fields required for statistical purposes.

## **Chapter 9 Data quality: assurance, measurement and reporting**

*Scope.* This chapter will provide an overview of quality assurance at customs and the responsible agency. Major quality issues will be identified and discussed, including issues related to the editing of data, the responsibilities of each agency and minimum requirements for data quality. Further it will describe the measurement of quality and the process of producing quality reports and provide examples and best practices.

*Structure.* The chapter might consist of the following sections:

- (i) Quality assurance:
  - a. An overview of the main elements of national quality assurance frameworks;
  - b. Quality assurance at customs;
  - c. Quality assurance at the responsible agency;
  - d. Major quality issues and how to approach them;
  - e. Country examples and best practices;
- (ii) Quality measurement and reporting:
  - a. Steps for producing data quality reports;
  - b. User-oriented quality reports – contents and examples;
  - c. Producer-oriented quality reports – contents and examples;
  - d. Measuring data quality;
- (iii) Inter-agency collaboration on data quality;
- (iv) Reconciliation studies, cross-country comparability and bilateral data exchanges.

## **Chapter 10 Data compilation in the case of customs union**

*Scope.* This chapter will briefly describe the variety of the existing customs unions concentrating on the implications for trade data collection and compilation. Good practices in organizing data collection mechanisms under various circumstances will be identified. Attention will be given to the cooperation of the member states to facilitate compilation of comparable and timely data on intra-union and extra-union trade and their dissemination. Also other multi-country non-Customs Union data exchanges will be covered.

*Structure.* The chapter might consist of several sections focusing on:

- (i) Description of main types of customs unions and their implications for trade data compilers;
  - a. European Union: Customs unions as a single market;

- b. Customs unions of developing and transitional countries;
- (ii) Current challenges and good practices in the organization of data compilation;
- (iii) Longer term strategies;
- (iv) Good practices in other multi-country data exchanges.

## **Chapter 11 Integrating trade and business statistics**

*Scope.* This chapter will describe the benefits and challenges in integrating trade and business statistics in data compilation and data dissemination. The possible approaches will be described and illustrated with examples. Special attention is devoted to the possibility of linking customs records to the national trade and business register, which may be a cost-effective way of integrating trade and business statistics. The conceptual issues and practical requirements (i.e. business identifier vs. tax identification number, establishment vs. enterprise, variables, etc.) of linking the data in practice and respective country experiences will be discussed.

*Structure.* The chapter might consist of the following sections:

- (i) Integrated approach to economic statistics;
- (ii) The benefits of integrating trade and business statistics;
- (iii) Integrating trade and business statistics in data compilation – possibilities and examples;
- (iv) Ensuring quality of the linked data sources and the quality of the linked/ integrated data;
- (v) Generation and dissemination of additional information – possibilities and examples;
- (vi) Required institutional and working arrangements.

## **Part III      Compilation of particular data items**

### **Chapter 12    Time of recording**

*Scope.* The chapter is anticipated to assist countries in the implementation of the general guideline that goods should be recorded at the time when they enter or leave the economic territory of a country. Experiences in the application of this guideline under different trade systems and circumstances will be described including challenges and good practices in the use of customs and non-customs sources of data. Special cases when the goods declaration only partially reflect the timing and contents of the shipment (e.g. as in the case of partial or periodic shipments, staggered consignments”) will be covered.

*Structure.* The chapter might consist of several sections focusing on:

- (i) Overview of the basic concepts and main approaches to the use of various data sources;
- (ii) Time of recording under general trade system;
- (iii) Time of recording under special trade system;
- (iv) Time of recording in case of special categories of goods or transactions;
- (v) Time of recording under special circumstances.

### **Chapter 13    Commodity classification**

*Scope.* This chapter is intended to provide the background information on the Harmonized Commodity Description and Coding System (HS), details of its 2007 and 2012 editions, the World Customs Organization HS revision policy. It will discuss the implementation and use of the 2012 edition. Further, the chapter is expected to assist trade data compilers to understand better the classification decisions by the national customs authorities, to set up appropriate validation and editing checks, to communicate more effectively with both customs authorities and the user community and to be able to assist in the formulation of proposals for the future revisions of the HS. Country experiences in the application of HS to cross border flows of goods where customs records are absent will be highlighted. The chapter will outline also the main features of other international commodity classifications, namely the Standard International Trade Classification (SITC), Central Product Classification (CPC), Classification by Broad Economic Categories (BEC) and their relationships with HS. Uses of these classifications for analytical and other purposes will be described, in particular the strengths and weaknesses of HS for economic analysis. The chapter will provide details on International Standard Industrial Classification of all Economic Activities (ISIC) and will explain its uses in trade data collection, compilation and dissemination. A family of the correspondence tables between various classifications will be described and explained in order to facilitate correct data conversion.

*Structure.* The chapter might consist of several sections focusing on:

- (i) The Harmonized Commodity Description and Coding System:
  - a. History of the HS, description of its 2007 and 2012 editions and the HS revision policy;
  - b. Application of the HS for coding traded goods – challenges and good practices;

- c. Country experiences in the use of the HS for data dissemination and analytical purposes;
  - d. Strengths and weaknesses of HS for economic analysis;
- (ii) Other classifications relevant to international merchandise trade statistics:
  - a. Standard International Trade Classification;
  - b. Central Product Classification;
  - c. Classification by Broad Economic Categories;
  - d. International Standard Industrial Classification of all Economic Activities;
- (iii) Correspondence tables between different classifications and their use in data conversion.

## **Chapter 14 Valuation**

*Scope.* This chapter will concentrate on the technical details of determining the statistical value of internationally traded goods (e.g. on adjustments to the invoice value in view of the use of different terms of delivery (Incoterms), determination of the statistical value in the cases where cross border movement of goods did not involve their sale). It will provide more detail on the approaches to valuation in selected difficult cases identified in IMTS 2010 (including software) and on additional valuation issues (i.e. allocation of transportation costs for combined shipments, discounts, etc.). Challenges and good practices in the FOB valuation of imported goods will be specially highlighted and examples will be provided. Case studies of trade transactions where more than one country is involved will be described.

*Structure.* The chapter might consist of several sections focusing on:

- (i) Statistical value and its components: an overview;
- (ii) Use of supporting documents;
- (iii) Compilation of the statistical value of imported goods;
  - a. General principles;
  - b. Details on the compilation of CIF value (use of the invoice price and the adjustments due to the use of different terms of delivery);
  - c. Emerging good practices in the compilation of FOB value of imported goods;
- (iv) Compilation of statistical values of exported goods;
  - a. General principles;
  - b. Details on the compilation of FOB value of exported goods (use of the invoice price and the adjustments due to the use of different terms of delivery); use of non-customs sources of data;
- (v) Valuation of selected categories of imported and exported goods (identified in IMTS 2010);
- (vi) Additional valuation issues;
- (vii) Issues of currency recording and conversion.

## **Chapter 15 Quantity measurement**

*Scope.* The chapter will focus on the collection, validation and reporting of quantity information in terms of the WCO standard units of quantity and in terms of net weight. The chapter will describe good practices in the conversion of non-standard quantity units to the WCO units. Attention will be given to challenges and good practices in estimating and imputing missing quantities.

*Structure.* The chapter might consist of several sections focusing on:

- (i) An overview of the WCO standard units of quantity;
- (ii) Concept of “net weight”;
- (iii) Compilation of quantity data from customs sources;
- (iv) Compilation of quantity data from non-customs sources;
- (v) Conversion factors from non-standard to standard units of quantity;
- (vi) Quality issues;
- (vii) Estimation and imputation of quantity data.

## **Chapter 16 Partner country**

*Scope.* The chapter is intended to describe details of the compilation of trade data by country of origin (imports) and country of last known destination (exports) and country of consignment (both imports and exports) including the specificity of the use of those concepts under different trade systems. Challenges and good practices (and case studies) in the approximation of those concepts in the absence of sufficient data sources and for specific categories of goods (i.e. ships and aircraft, etc.) will be described. Special attention will be given to the determination of country of consignment in view of the new recommendations contained in IMTS 2010 (e.g., an indicative list of commercial transactions/operations which change the legal status of goods will be provided).

*Structure.* The chapter might consist of several sections focusing on:

- (i) Country of origin and its use in import statistics:
  - a. Revised Kyoto Convention;
  - b. The status of the WCO work on the harmonized rules of origin;
  - c. Challenges in determining country of origin;
  - d. Country experiences in determination of origin of selected categories of goods;
- (ii) Country of last known destination and its use in export statistics:
  - a. Concept of country of last known destination;
  - b. Experiences in the approximation of country of last known destination;
- (iii) Country of consignment;
- (iv) Definitions of partner country in trade between members of a customs union;
- (v) Partner country coding for statistical purposes.

## **Chapter 17 Mode of transport**

*Scope.* The chapter is intended to provide technical details on the compilation and dissemination of international merchandise trade statistics by mode of transport at the most detailed commodity level. Special attention will be devoted to challenges and good practices in recording the means of transport used when goods enter or leave the economic territory of a country and to the recording of multiple / predominant mode of transport, whenever applicable. Experiences of countries applying the special trade system as well as the experiences in the use of customs and non-customs sources will be described.

*Structure.* The chapter might consist of several sections focusing on:

- (i) An overview of basic concepts and data sources;
- (ii) Country experiences in the classification of modes of transport;
- (iii) Compilation of mode of transport under the general system of trade;
- (iv) Compilation of mode of transport under the special system of trade;
- (v) Multiple modes of transport;
- (vi) Country examples and special cases;
- (vii) Quality issues.

## **Part IV      Compilation of data on trade in selected categories of goods**

### **Chapter 18    Scope of IMTS**

*Scope.* The chapter will elaborate the general guideline for the recording of merchandise trade and its application for specific categories of goods. In particular, it will focus on the definition and comparison of categories of goods which might be difficult to distinguish such as goods on consignment, goods for processing, goods for storage, goods in transit, goods temporarily admitted and dispatched, goods for maintenance and repair. Examples will be provided. One part will concentrate on categories of goods where the application of the concept of economic territory requires further explanation such as trade in ships and aircraft, bunkers and stores, travelers, enclaves/exclaves etc. A further part will deal with the issues of cross border trade and smuggling, customs and statistical threshold.

*Structure.* The chapter might consist of several sections focusing on:

- (i)      The general guideline;
- (ii)     Comparison of specific categories of goods;
- (iii)    Economic territory and categories of goods;
- (iv)    Cross-border trade and smuggling;
- (v)    Customs and statistical threshold, treatment of non-response.

### **Chapter 19    Goods for processing**

*Scope.* This chapter will define and provide examples for goods for processing. It will also explain what is not to be considered as goods for processing (i.e. goods in transit, goods for repair). The treatment of goods for processing in the 2008 SNA/ BPM6 will be explained. Challenges and good practices in the identification of goods for processing, including goods for processing where no change of ownership takes place will be described. The use of customs records and the relevant customs procedures for identifying goods for processing will be discussed.

*Structure.* The chapter might consist of several sections focusing on:

- (i)      Definition and examples of goods for processing;
- (ii)     Transactions and activities that are not goods for processing;
- (iii)    Treatment of goods for processing in the 2008 SNA/ BPM6;
- (iv)    Measuring trade in goods for processing – with or without change of ownership - and implications for the balance of payments compilation;
- (v)    Examples of good practices.

### **Chapter 20    Goods which cross borders as a result of transactions between related parties**

*Scope.* This chapter will define and provide examples for transactions between related parties. Ways to identify trade between related parties will be discussed.

*Structure.* The chapter might consist of several sections focusing on:

- (i) Definition of related parties and examples of trade between related parties;
- (ii) Purposes of identifying trade between related parties (including valuation);
- (iii) Ways to obtain information on trade between related parties;
- (iv) Good practices.

## **Chapter 21 Electricity, gas, oil and water**

*Scope.* This chapter will discuss the characteristics of transactions in which goods are delivered continuously across borders. Ways to measure these transactions (i.e. in cooperation with other agencies and the enterprises) will be discussed.

*Structure.* The chapter might consist of several sections focusing on:

- (i) Characteristics of trade in electricity, gas, oil and water;
- (ii) Recording of trade in electricity, gas, oil and water;
- (iii) Valuation issues and issues related to the timing of recording.

## **Chapter 22 Ships and aircraft**

*Scope.* This chapter explains the problem of identifying and recording trade in ships and aircraft and provides an outline of how this trade can be captured in an internationally comparable way; possible data sources will be discussed; the issue of leasing will be covered.

*Structure.* The chapter might consist of several sections focusing on:

- (i) Difficulties encountered in the measurement of trade in ships and aircraft;
- (ii) Existing practices for measuring trade in ships and aircraft;
- (iii) Possibilities for improving the international measurement of trade in ships and aircraft;
- (iv) Leasing;
- (v) Case studies.

## **Chapter 23 Other special cases (Goods acquired by all categories of travellers, Media, whether or not recorded, waste, fishing products, leased goods, returned goods)**

*Scope.* This chapter is intended to describe the characteristics and ways how to measure certain additional categories of goods where the application of the general guideline can pose difficulties, such as goods acquired by all categories of travellers, Media, whether or not recorded (including software), waste, fishing products, leased goods, returned goods, goods in e-commerce, goods sold in duty-free shops.

*Structure.* The chapter might consist of several sections focusing on:

- (i) Goods acquired by all categories of travellers;
- (ii) Media, whether or not recorded;
- (iii) Waste;

- (iv) Fishing products;
- (v) Leased goods;
- (vi) Returned goods.

## **Chapter 24 Overview of data compilation for national accounts and balance of payment purposes**

*Scope.* This chapter will briefly describe all categories of goods that are of special interest for balance of payment compilers. Further it will discuss how IMTS and BOP compilers could work together in capturing these goods and how data on these items could be harmonized between the two systems. Examples of the different recording in IMTS and balance of payments of certain categories of goods or transactions (in particular transactions in which more than two countries are involved) will be described;

*Structure.* The chapter might consist of several sections focusing on:

- (i) Goods for repair or maintenance;
- (ii) Goods entering or leaving the economic territory of a country illegally;
- (iii) Goods treated as part of trade in services;
- (iv) Goods for processing with or without change of ownership;
- (v) Returned goods;
- (vi) Migrants' effects;
- (vii) Goods lost or destroyed;
- (viii) Goods imported for construction projects by nonresident enterprises;
- (ix) Goods transferred from or to a buffer stock organization;
- (x) Goods which cross borders as a result of transactions between related parties;
- (xi) Common metadata to be provided by IMTS and BOP compilers.

## **Part V      Metadata and dissemination**

### **Chapter 25   Metadata**

*Scope.* This chapter will describe all the information about the trade data which should be considered metadata. It explains that metadata are relevant for the correct understanding of the content, coverage and limitations of the data, and should guide users on the correct interpretation of the trade statistics. Metadata exist at various levels of detail, namely at the overall level indicating what the coverage of the trade statistics is, and how data were collected and processed; at the next levels information can be given about the main data variables, such as commodity classification, country nomenclature and country coverage, or valuation, and on specific trade flows. This chapter will further provide advice and examples on how best to present and disseminate the metadata. Metadata should be consistently presented; they should be comprehensive and still easily accessible.

*Structure.* The chapter might consist of several sections focusing on:

- (i) Description of metadata for trade statistics:
  - a. Coverage;
  - b. Limitations and data quality;
  - c. Deviations from recommendations;
  - d. National nomenclatures;
  - e. Specific trade flows;
  - f. Access;
- (ii) Presentation of metadata;
- (iii) Dissemination of metadata;
- (iv) Country practices.

### **Chapter 26   Dissemination**

*Scope.* This chapter describes the factors to take into consideration, when establishing the dissemination policy at the responsible national agency. These factors are timely release of data (which has to be balanced with accuracy), statistical confidentiality, revision policy, cooperation with government entities, with compilers of balance of payments and national accounts, with users, with mass media, clarification of types of data issued, and the use of information technology to improve the data dissemination.

*Structure.* The chapter might consist of several sections focusing on:

- (i) Factors to consider in data dissemination:
  - a. Timeliness;
  - b. Statistical confidentiality;
  - c. Revision policy;
  - d. Users;
  - e. Ways of dissemination, use of IT technology and transmission standards;
  - f. Variables to be made available;
- (ii) Combining trade in goods with trade in services;
- (iii) Country practices.

## **Part VI External trade indices and seasonally adjusted data**

### **Chapter 27 External trade indices**

*Scope.* The chapter should give a general overview of the main fundamentals of price measurement in external trade avoiding the traditional dualism between price and UV as opposed measure of the same variable in a macroeconomic context (i.e. that of price deflators for NA purposes) but as two complementary indicators useful also in a micro-economic frame (they can help to describe and understand firm's behaviour; here the possibilities offered by linking trade and business registers have a role). It should be made clear that the two indicators have a different scope and that they come from different data sources and have a different reference population. The CM should clarify that, according to the several factors (scope of the indicator, budget and human resources constraint etc.), there are several methodological options to produce meaningful price measures.

*Structure.* Main aspects to be covered by the chapter:

- (i) General overview (*for instance: Why it is important to calculate some measure of price changes in external trade, macro Vs. microeconomic approach etc.*);
- (ii) Possible measurement approaches (*price and UV according to the aim of the indicators, the budget constraint, the characteristics of available data sources etc.*);
- (iii) Criticalities in the approaches (*pro and cons of the two measures such as quality changes, coverage, adjustments etc.*);
- (iv) Methodological issues (*choice of formulas, methods for measurement errors and outlier treatment, quality changes etc.*);
- (v) Other issues (*new challenges opened by the link with other statistical sources, use of foreign price indices*)
- (vi) *Best practices.*

### **Chapter 28 Seasonally adjusted data**

*Scope.* The chapter is intended to explain to a trade data compiler the concept of seasonally adjusted data, explain its analytical importance and the key features of the main approaches (such as model-based and filter-based) without focusing too much on technical details which are available in the relevant more technical documentation (the necessary references will be provided).

*Structure.* The chapter might consist of several sections focusing on:

- (i) Basic concepts for application in the compilation of seasonally adjusted trade data and uses of seasonally adjusted trade data;
- (ii) General principles and key features of the main approaches;
- (iii) Selected issues specific to trade data.