UNITED NATIONS
DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION

The first stage of a worldwide consultation on the revised recommendations for international merchandise trade statistics

Consultation Paper

United Nations, New York

2008

Introduction

The United Nations Statistical Commission at its 39th session (26-29 February 2008) endorsed the initiative and strategy of the United Nations Statistics Division (UNSD) to revise the existing recommendations for international merchandise trade statistics contained in *International Merchandise Trade Statistics, Concepts and Definitions, Revision 2* (IMTS, Rev.2) and requested that the draft revised recommendations be submitted to the Commission for adoption at its 41st session in 2010.

The compilation advices provided in *International Merchandise Trade Statistics: Compiler Manual* (IMTS:CM) are to be considered and reviewed in the revision process as well[1].

The key element of the revision strategy is a worldwide consultation with national IMTS compilers. The consultation will be conducted in two stages: (i) initial consultation on issues most relevant for setting the scope of the future recommendations (April-June 2008) and (ii) consultation on the full text of the provisional draft of the revised recommendations (June-August 2009).

UNSD is assisted in the revision process by an Expert Group on International Merchandise Trade Statistics (EG-IMTS) consisting of national experts from several developed and developing countries and experts from international organizations. EG-IMTS met for the first time from 3 to 6 December 2007 in New York and selected 17 issues for which advice was needed at the global level in order to define the scope of the future revised recommendations. The report and presentations of this meeting can be found on the UNSD website (see http://unstats.un.org/unsd/trade/EG-IMTS/EG-IMTS%20web%20announcement.htm). The report is very useful if you need more information on the revision process.

In the questionnaire provided hereafter each of the 17 issues is presented in four parts, namely:

(1) reference to the relevant existing recommendations in IMTS, Rev.2, or to relevant text of IMTS:CM;

(2) relevant results of the survey of country practices (the 2006 National Compilation and Dissemination Practices [NCDP] questionnaire[2]);

(3) comments and some additional information;

(4) question(s) and respondent's comments.

Please provide your answers by clicking the appropriate boxes and type your comments in the **Respondent comments** text box. Please consider both conceptual merits and feasibility of implementation of any recommendation before providing your answers and comments.

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[1] IMTS, Rev.2 and IMTS:CM can be found on the UNSD website at http://unstats.un.org/unsd/trade/methodology%20IMTS.htm .

[2] An overview of the results of 2006 NCDP questionnaire can be found in chapter 1 of *International Merchandise Trade Statistics: Supplement to the Compilers Manual* (see http://unstats.un.org/unsd/trade).

We would like to stress that we very much welcome all comments that you may have on any of the issues.

At the end of the questionnaire we have reserved space for additional and general comments. In that space you can add your opinion on all other issues which you believe are relevant to be considered and which have not been explicitly mentioned in the questionnaire.

Please notice that the completed questionnaire should be sent back to UNSD at the latest by 4 July 2008.

Issues for the worldwide consultation

Issue 1: Coverage

1. Current recommendation

Coverage (IMTS, Rev.2, para. 14). As a general guideline, it is recommended that international merchandise trade statistics record all goods which add to or subtract from the stock of material resources of a country by entering (imports) or leaving (exports) its economic territory. Goods simply being transported through a country (goods in transit) or temporarily admitted or withdrawn (except for goods for inward or outward processing; see IMTS, Rev.2, para. 28) do not add to or subtract from the stock of material resources of a country and are not included in the international merchandise trade statistics. In many cases, a country's economic territory largely coincides with its customs territory, which is the territory in which the customs law of a country applies in full.

2. Results from the 2006 NCDP Questionnaire

Question :	Yes	No	N/A
As a general rule, do you include in trade statistics goods which enter (imports) or leave (exports) your economic territory (except for goods in transit and temporary admissions/ withdrawals)?	90.9	5	4.1

3. Comments

The operational meaning of the terms used in this definition is not always clear. In some cases (e.g., certain categories of goods admitted to the customs warehouses, goods cleared for home use but further transported to another country) compilers are not sure whether goods entering/leaving the economic territory should be considered as adding to (subtracting from) the material resources of a country, or not.

4. Question(s)

Question 1: Do you agree that the existing recommendation for coverage should be further elaborated by the clarification of the meaning of the terms used in it including “adding to or subtracting from the stock of material resources”, “being simply transported” and “temporary admission”?

YES ☐ **NO** ☐

Respondent comments:

Issue 2: Use of change of ownership between residents and non-residents

1. Current recommendation

Except for several special cases (e.g., ships) and a reference to annex A, IMTS, Rev.2 does not provide further guidance on use of the change of ownership between resident and non-resident in international merchandise trade statistics.

2. Results from the 2006 NCDP Questionnaire

Question	Yes	No	N/A
Do you use change of ownership (between residents and non-residents) as a basis for inclusion of certain goods in trade statistics?	28.8	64.5	6.7
Can your office compile detailed commodity by partner trade statistics on the basis of change of ownership?	26.4	66.9	6.7

3. Comments

It is suggested that the applicability of the principle of change of ownership between resident and non-resident in IMTS needs to be more clearly defined to assist compilers in making their decisions with respect to particular cases. This is needed also in view of a stricter application of this principle in the sixth edition of the Balance of Payments manual (BPM6). For instance, the case of "goods for processing without change of ownership" has attracted a lot of attention because of its economic importance in the modern age of globalization (see Issue 4).

4. Question(s)

Question 2: Do you agree that

(i) the reasons for use of change of ownership between residents and non-residents as an additional criterion for inclusion of certain categories of goods should be clarified?

YES ☐ **NO** ☐

Respondent comments:

(ii) the list of such categories be reviewed?

YES ☐ **NO** ☐

Respondent comments:

Issue 3: Packaged software

1. Current recommendation(s)

IMTS, Rev.2, makes a distinction between packaged software (or audiovisual products), which is recommended to be included, and software "developed to order". The following paragraphs give the details.

> ***Goods used as carriers of information and software*** (IMTS, Rev.2, para. 27). This category includes, for example, (a) packaged sets containing diskettes or CD-ROMs with stored computer software and/or data developed for general or commercial use (not to order), with or without a users' manual, and (b) audio- and videotapes recorded for general or commercial purposes (see para. 123 below for recommendation on valuation). However, (i) diskettes or CD-ROMs with stored computer software and/or data, developed to order, (ii) audio- and videotapes containing original recordings, and (iii) customized blueprints etc. are to be excluded from international merchandise trade statistics.
>
> Under IMTS, Rev.2, para.48 ***Goods treated as part of trade in services*** it is stated that "this category includes (i) diskettes or CD-ROMs with stored computer software and/or data, developed to order, (ii) audio- and videotapes containing original recordings, and (iii) customized blueprints etc."

2. Results from the 2006 NCDP Questionnaire

Question: Do you INCLUDE in trade statistics:	Yes	No	N/A
Goods used as carriers of information and software developed for general or commercial use (e.g., packaged sets containing CD-ROM or DVD with stored computer software and/or data); Note: this category excludes materials developed "to order".	76.8	14.9	8.3

3. Comments

IMTS, Rev.2, does not make a distinction between periodic or perpetual licenses to use for these packaged computer software and audiovisual products. All these packaged software products are recommended to be included (IMTS, Rev.2, paragraph 27). In BPM6, all packaged (called 'non-customized') software or audiovisual products, which is provided on disk or other device with a perpetual license to use is included in General merchandise BOP. However, if these products are provided on disk or other device with a periodic license fee, they are excluded from general merchandise BOP because there is no change of economic ownership of the goods. The license fee is included under trade in services. The question is whether the existing IMTS, Rev.2 recommendation on "Goods used as carriers of information and software" should be updated to clarify its scope by referring to different

types of licenses as trade statisticians may be asked to provide additional information on the license fees of these traded goods for balance of payments compilers.

4. Question(s)

Question 3: Do you agree

(i) that the existing recommendation (IMTS, Rev.2, para 27) for inclusion of goods used as carriers of information and software[3] should be updated with respect to its scope?

YES ☐ **NO** ☐

Respondent comments:

(ii) that the existing recommendation (IMTS, Rev.2, para 27) for inclusion of goods used as carriers of information and software should be clarified with respect to its scope by referring to different types of licenses?

YES ☐ **NO** ☐

Respondent comments:

[3] For instance, packaged sets containing diskettes or CD-ROMs with stored computer software and/or data developed for general or commercial use [not to order]

Issue 4: Goods for processing

1. Current recommendation

Goods for processing (IMTS, Rev.2, para 28). These are goods sent abroad or brought into a country for processing, including processing under contract. Examples are oil refining, metal processing, vehicle assembly and clothing manufacture. These goods and goods resulting from such processing should be recorded as imports and exports of the respective countries.

2. Results from the 2006 NCDP Questionnaire

Question: Do you INCLUDE in trade statistics:	Yes	No	N/A
Goods for processing (i.e., goods sent abroad or brought into your country for processing, including processing under contract and processing under the inward processing procedure)	83.5	9.1	7.4

3. Comments

International trade has been at the centre of many recent discussions on globalization, be it through the off-shoring of the production process, operations of multinationals, foreign direct investments or trade negotiations. Production processes of garments, motor vehicles, televisions or computers are now often spread across several countries not only to reduce labor and capital costs but also, for instance, to benefit from investment incentives offered by the host countries. Even though treatment of ***goods for processing*** in the statistical sense is by no means a new discussion, it gained a lot of new attention because of its increasing economic importance, especially for economies like China and Mexico. Another reason is that the 1993 SNA, Rev1 and BMP6 now specifically recommend that if goods are being processed abroad but ownership of the goods have not been passed on to the processing company, the transaction is to be treated as an international trade in service[4] to terminate an exception to the principle of change in ownership which had been in place in the previous editions of these manuals.

In BPM6 ***goods for processing*** are described as goods for assembly (excluding assembly of prefabricated constructions, which are included under constructions services), packing, labeling, or processing by an entity that does not own the goods concerned (both inward and outward movements of such goods). Since there is no change of ownership, these transactions (which are included in IMTS) are not included in general merchandise BOP.

[4] In BPM6, IMF introduces the wording "Manufacturing services on physical inputs owned by others" instead of goods for processing, to stress the fact that services are applied to the goods, which have not changed ownership to the manufacturer.

Instead the value of processing is included in international transactions of services under the BOP component of "manufacturing services on physical inputs owned by others". However, identification of the relevant transactions is complicated. In addition valuation of transactions in goods is not the same as that of transactions in services.

4. Question(s)

Question 4: Do you agree

(i) that the existing recommendation (IMTS, Rev.2, para 28) for inclusion of ***goods for processing*** should be maintained but updated to clarify its scope?

YES ☐ **NO** ☐

Respondent comments:

(ii) that the existing recommendation (IMTS, Rev.2, para 28) for inclusion of ***goods for processing*** should be supplemented by a new recommendation that ***goods for processing*** with physical inputs owned by others be separately recorded?

YES ☐ **NO** ☐

Respondent comments:

Issue 5: Transactions between parent and affiliated branches

1. Current recommendation

According to IMTS, Rev.2, *Goods which cross borders as a result of transactions between parent corporations and their direct investment enterprises (affiliates/branches)* are to be included (IMTS, Rev. 2, paragraph 29).

2. Results from the 2006 NCDP Questionnaire

Question: Do you INCLUDE in trade statistics:	Yes	No	N/A
Goods which cross borders as a result of transactions between parent corporations and their direct investment enterprises (affiliates/branches)	74.4	14	11.6

3. Comments

According to BPM6, when affiliated enterprises are separate legal entities, their transactions should be treated according to the parties' own arrangements as to whether there is a change of ownership or not. (BPM6, paragraph 10.21). If there is no change of ownership the transaction will be excluded from General merchandise BOP, unless there is a resale of the transferred goods. If, in general, trade between affiliated entities does not entail a change of ownership, it will be very useful for BOP compilers to know which transactions were made between affiliates. IMTS statisticians may be requested to provide this additional information.

4. Question(s)

Question 5: Do you agree that the existing recommendation (IMTS, Rev.2, para 29) to include goods which cross borders as a result of transactions between parent corporations and their direct investment enterprises (affiliates/branches) is supplemented by a new recommendation that such goods should be separately identified?

YES ☐ **NO** ☐

Respondent comments:

Respondent comments (continued):

Issue 6: Downloadable or otherwise electronically delivered computer software and audiovisual products

1. Current recommendation

Downloadable or otherwise electronically delivered computer software and audiovisual products are not explicitly covered by IMTS, Rev.2 and BPM5. IMTS:CM does make reference in chapter 5, paragraph 125.

> (IMTS:CM, Ch. 5, para 125) The electronic transmission of *any* information (software, blueprints, books, music, engineering plans etc.) from one country to another is outside the scope of trade statistics since it is generally considered to be a service rather than a good.

2. Results from the 2006 NCDP Questionnaire

Not available.

3. Comments

BPM6 elaborates on this issue by stating that all non-customized software or audiovisual products, which are downloadable or otherwise delivered electronically, are excluded from general merchandise BOP and treated as part of trade in services.

4. Question(s)

Question 6: Do you agree that a new recommendation is needed to explicitly exclude electronic transmission of any downloadable product (e.g., software, blueprints, books, music, engineering plans, etc.) from one country to another as it is outside the scope of international merchandise trade statistics?

YES ☐ **NO** ☐

Respondent comments:

Issue 7: Asymmetric inclusions and exclusions

1. Current recommendations

In a number of cases IMTS, Rev.2 contains asymmetrical recommendations on inclusions and exclusions. For instance:

> ***Bunkers, stores, ballast and dunnage*** (IMTS, Rev.2, para 39) that are:
>
> (a) Acquired by national vessels or aircraft from foreign vessels or aircraft in the economic territory of a country, or are landed in national ports from foreign vessels or aircraft, are to be included in imports (for treatment in exports, see para. 59 (b) below);
>
> (b) Supplied to foreign vessels or aircraft in the economic territory of a country are to be included in exports (for treatment in imports, see para. 59 (a) below).
>
> ***Bunkers, stores, ballast and dunnage*** (IMTS, Rev.2, para 59) that are:
>
> (a) Acquired by national vessels or aircraft outside the economic territory of a country are to be excluded but recorded separately (for treatment in exports, see para. 39 (b) above);
>
> (b) Supplied by national vessels or aircraft to foreign vessels or aircraft outside the economic territory of a country or landed in foreign ports from national vessels or aircraft are to be excluded but recorded separately (for treatment in imports, see para. 39 (a) above)

2. Results from the 2006 NCDP Questionnaire

Question: Do you INCLUDE in trade statistics:	**Yes**	**No**	**N/A**
bunkers, stores, ballast and dunnage supplied to foreign vessels/aircraft in the economic territory of your country	52.9	35.5	11.6
bunkers, stores, ballast and dunnage landed in national ports from foreign vessels/aircraft	33.1	42.9	24
bunkers, stores, ballast and dunnage acquired by national vessels/aircraft from foreign vessels/aircraft in the economic territory of your country	29.8	47.1	23.1
Question: Do you EXCLUDE in trade statistics:	Yes	No	N/A
bunkers, stores, ballast and dunnage that are acquired by national vessels/aircraft outside the economic territory of your country;	49.6	21.5	28.9
bunkers, stores, ballast and dunnage that are supplied by national vessels/aircraft to foreign vessels/aircraft outside the economic territory of your country or landed in foreign ports from national vessels/aircraft;	46.3	22.3	31.4

3. Comments

As indicated above this issue concerns, for instance, items that are either (a) acquired by national vessels or aircraft (in BPM6 terminology called mobile equipment operators in ports) outside the economic territory of a country or (b) supplied by national vessels or aircraft to foreign vessels or aircraft outside the economic territory of a country or landed in foreign ports from national vessels or aircraft. For IMTS, Rev.2, it is recommended that these items are to be excluded from IMTS but recorded separately for national accounts and balance of payments purposes (IMTS, Rev. 2, paragraph 59). To obtain such supplementary data a survey could be done on a representative sample of airlines and shipping companies requesting data on bunkers, stores, ballast and dunnage. However, such transactions taking place inside the economic territory of a country are included in IMTS exports and imports (IMTS, Rev. 2, paragraph 39). Another case with similar asymmetries is fish catch on high seas.

4. Question(s)

Question 7: Do you agree

(i) that as a general guideline, recommendations on inclusions and exclusions should be symmetrical (that is if a certain category of goods is recommended for inclusion in imports statistics it should be recommended for inclusion in exports statistics as well and vise versa)?

YES ☐ **NO** ☐

Respondent comments:

(ii) that all asymmetric inclusions and exclusions[5] be reviewed, and either reconfirmed, modified or canceled?

YES ☐ **NO** ☐

Respondent comments:

[5] For instance, bunkers supplied to foreign vessels or aircraft which are recommended for inclusion in exports statistics [IMTS, Rev.2, para 39, page 6], but recommended for exclusion from imports statistics [IMTS, Rev.2, para 59, page 8]

Issue 8: Adding mode of transport

1. Current recommendations

There is no explicit reference to mode of transport in IMTS, Rev.2. However, IMTS, Rev.1, (IMTS, Rev1, paragraph 148) recommended that countries should collect import and export data by mode of transport, broken down into three categories:

- Air
- Water (of which Sea, Inland waterway)
- Land (Railway, Road, Pipeline)

2. Results from the 2006 NCDP Questionnaire

Question :		All 122 countries or areas		
		Yes	No	N/A
If you compile trade statistics by mode of transport, do you identify the following modes:				
	Air	85.9	8.3	5.8
	Sea	76.0	13.2	10.8
	inland waterway	33.9	38.8	27.3
	Railway	53.7	28.1	18.2
	Road	66.2	19.8	14.0
	Pipeline	38.8	38.0	23.2

3. Comments

As most countries compile trade data by mode of transport it seems appropriate to review relevant IMTS, Rev.1 recommendations and further elaborate them in IMTS, Rev.3.

4. Question(s)

Question 8: Do you agree to include in IMTS, Rev.3 updated recommendations on compilation and dissemination of trade statistics by mode of transport?

YES ☐ **NO** ☐

Respondent comments:

Issue 9: Adding Imports on FOB-type basis

1. Current recommendation

(IMTS, Rev.2, para 116) To promote the comparability of international merchandise trade statistics and taking into account the commercial and data reporting practices of the majority of countries, it is recommended that:

(a) ***The statistical value of imported goods be a CIF-type value***

2. Results from the 2006 NCDP Questionnaire

Question :	Yes	No	N/A
Are data for international freight and insurance associated with the importation of goods available separately?	40.5	57.8	1.7
Do you compile and publish value of imported goods as a FOB-type value?	27.3	70.2	2.5

3. Comments

There is a growing interest in imports data valued FOB, because it is needed for reconciliation exercises and because it provides a basis for a more thorough analysis of international flows of goods and services. Furthermore, in view of harmonizing IMTS data with balance of payments statistics merchandise imports valued at FOB could be used without adjustments by BOP compilers.

4. Question(s)

Question 9: Do you agree

(i) that in addition to the existing recommendation on the valuation of imports[6] the statistical value of such goods should also be recorded on a FOB-type basis?

YES ☐ **NO** ☐

Respondent comments:

[6] IMTS, Rev.2, para 116, point (a), page 17) that the statistical value of imported goods be CIF-type value, a new recommendation to compile (as supplementary information

(ii) that the compilation of such FOB-type imports data should be at least at total level

YES ☐ **NO** ☐

Respondent comments:

(iii) that compilation of such FOB-type imports data at the detailed level should be encouraged?

YES ☐ **NO** ☐

Respondent comments:

Issue 10: Strengthening country of consignment for imports

1. Current recommendation

(IMTS, Rev.2, para 150) Although no single method of attributing partner country is ideal, attribution by origin for imports meets what is considered to be a priority application of international merchandise trade statistics, namely, matters of trade policy and related economic analysis. Consequently, it is recommended that in the case of imports, the country of origin be recorded; ***that the country of consignment be collected as additional information***; and that in the case of exports, the country of last known destination be recorded.

2. Results from the 2006 NCDP Questionnaire

Question : Do you compile import statistics by	Yes	No	N/A
Country of origin?	90.9	7.4	1.7
Country of consignment?	46.3	47.1	6.6
Country of purchase?	29.8	64.4	5.8
Other?	13.2	43.0	43.8

3. Comments

The country of consignment for imports is generally seen as important information for reconciliation exercises and for calculating trade balances with individual partner countries.

4. Question(s)

Question 10: Do you agree that the existing recommendation to collect the country of consignment for imports as additional information (IMTS, Rev.2, para 150, page 23) should be strengthened by recommending to collect the country of consignment as the second partner attribution for imports alongside with the country of origin?

YES ☐ **NO** ☐

Respondent comments:

Respondent comments (continued):

Issue 11: Optional or recommended country of consignment for exports

1. Current recommendation

There is no reference to country of consignment for exports in IMTS, Rev.2.

2. Results from the 2006 NCDP Questionnaire

Question : Do you compile export statistics by	Yes	No	N/A
Country of last known destination?	91.7	5.8	2.5
Country of consignment?	19.8	62.0	18.2
Country of sale?	23.1	71.1	5.8
Other?	5.0	47.9	47.1

3. Comments

It is suggested that country of consignment (1) is better known to exporters than country of last known destination and can be used to check the validity of country of last known destination; and (2) is useful for reconciliation exercises.

4. Question(s)

Question 11: Do you agree that the country of consignment for exports should be

(i) the second recommended partner attribution alongside with country of the last known destination?

YES ☐ **NO** ☐

Respondent comments:

(ii) an encouraged optional partner attribution?

YES ☐ **NO** ☐

Respondent comments:

Issue 12: Use of non-customs source and data compilation strategies

1. Current recommendation

(IMTS, Rev.2, para 12) In a growing number of cases, full coverage of international merchandise trade statistics cannot be achieved by use of customs records only, either because the relevant transactions are no longer subject to customs controls or customs surveillance, or because the record keeping may not be adequate from the statistical point of view. It is recommended that in such cases, other sources be used. For instance, the member States of the European Union have developed, for the purposes of intra-Union merchandise trade statistics, a data collection system relying on monthly reporting by enterprises. Additional information is supplied via the fiscal authorities through the value-added tax collection system. Many countries utilize enterprise surveys as a means to collect data on transactions which may not be captured by customs authorities (e.g., trade in electricity, water, gas, petroleum and goods for military use). The international merchandise trade statistics of some other countries are based on the records of monetary authorities, and in the case of imports and exports of gold, most countries use data supplied by such authorities.

2. Results from the 2006 NCDP Questionnaire

Question :	Yes	No	N/A
Are customs declarations the main source of data?	88.4	9.1	2.5

Question : Do you use the following as additional sources of data:	Yes	No	N/A
Administrative records associated with taxation	29.7	62	8.3
Enterprise surveys	26.4	63.6	10
Aircraft and ship registers	23.1	68.5	8.4

3. Comments

The importance of non-customs data sources is increasing due to absence in customs documentation of some statistically important information. Also, the facilitation of customs formalities, elimination of tariff measures and elimination of customs documents altogether

among members of customs unions creates additional difficulties for trade data compilers. Therefore, it seems appropriate to provide more guidance on the use of non-customs source and on the corresponding data compilation strategies.

4. Question(s)

Question 12: Do you agree to include a new recommendation on the use of non-customs sources and data compilation strategies (e.g., on use of enterprise surveys, statistical business registers etc.) in the context of a diminishing role of customs declarations, the promotion of an integrated approach to economic statistics and the needs for analysis of globalization?

YES ☐ **NO** ☐

Respondent comments:

Issue 13: Maintaining institutional arrangements

1. Current recommendation

IMTS, Rev.2 contains no recommendation regarding institutional arrangements required for the collection of basic information for the purpose of compiling IMTS. However, *International Merchandise Trade Statistics: Compilers Manual* (IMTS:CM) describes various institutional frameworks (IMTS:CM, chapter 2) and indicates some desirable practices in this area. For example:

> (IMTS:CM, Ch. 2, para 15) Compilers should establish a working arrangement with the organizations keeping records relevant to trade statistics (e.g., records of imports and exports of electrical energy, pipeline shipments of natural gas and crude oil, maintained by specialized governmental agencies). Compilers should also initiate, whenever appropriate, modifications to national legislation or relevant administrative regulations in order to establish a solid foundation for enhancing the quality and timeliness of trade statistics. This includes identifying governmental agencies involved in trade statistics and setting up a clear division of responsibility between them.
>
> (IMTS:CM, Ch. 2, para 22) The reliance by the statistical office on data from sources external to itself requires close cooperative relationships with all governmental departments and agencies involved. The statistical office and the customs agency - the largest data supplier - along with other source agencies, should establish a **memorandum of understanding** so that the roles and responsibilities of each party with regard to all aspects of the production and distribution of official statistics are clearly defined. The memorandum should be updated, as needed.

2. Results from the 2006 NCDP Questionnaire

Question :	Yes	No	N/A
Does your office have any memorandum of understanding or any similar working agreement with any of the mentioned agencies?	65.2	28.1	6.7
If you have working agreements with other agencies, does your office regularly meet or consult with these agencies before release of the trade statistics?	39.7	45.4	14.9

3. Comments

It is suggested to review these recommendations and include them into IMTS, Rev. 3 in order to highlight the importance of the institutional arrangements for compilation of a high quality trade statistics.

4. Question(s)

Question 13: Do you agree to include a new recommendation on the need to establish and maintain necessary institutional arrangements to ensure effective compilation of trade statistics?

YES ☐ **NO** ☐

Respondent comments:

Issue 14: Recommendations on quality of international merchandise trade statistics

1. Current recommendations

IMTS, Rev.2 covers the issue of data quality mostly from the perspective of reporting and dissemination (see chapter VIII). IMTS:CM contains a chapter on issues of data quality control (IMTS:CM, chapter 11).

2. Results from the 2006 NCDP Questionnaire

Not available

3. Comments

Since the introduction of IMTS, Rev.2 in 1998, a number of quality frameworks, reports and indicators were developed and implemented by international and regional organizations (IMF, OECD and Eurostat). Furthermore, separate chapters on data quality were included in newly developed international recommendations in other areas such as distributive trade statistics and industrial statistics. Therefore, it is suggested to cover the issue of data quality also in IMTS, Rev.3.

4. Question(s)

Question 14: Do you agree

(i) that IMTS, Revision 3, should provide recommendations on quality of international merchandise trade statistics,

YES ☐ **NO** ☐

Respondent comments:

(ii) that this includes assessment and reporting of data quality?

YES ☐ **NO** ☐

Respondent comments:

(iii) that this includes the use of some data quality indicators?

YES ☐ **NO** ☐

Respondent comments:

Issue 15: Providing additional recommendations on the compilation and dissemination of metadata of international merchandise trade statistics

1. Current recommendations

(IMTS, Rev.2, para 154) ***Dissemination***. The usefulness of international merchandise trade statistics, like other economic statistics, is enhanced when the needs of the user community are met. These user-needs include clear information on the sources and methods used to collect and compile the data, as well as timely, regular, reliable and accurate data. However, it is recognized that the objectives of timeliness, reliability and accuracy of the data may conflict. Therefore, it is recommended that data compilers:

(a) Publicly disseminate documentation on their sources and methods;

(b) Publicly announce scheduled release dates;

(c) Provide regular monthly reporting of data to the user community through publications and/or electronic media;

(d) Regularly revise data (when additional information is available), taking into due consideration user needs for reliable statistics.

2. Results from the 2006 NCDP Questionnaire

Question :	Yes	No	N/A
Do you make documentation on your sources and methods publicly available?	74.4	18.2	7.4

3. Comments

In many instances complete metadata is not readily available as it is not an integral part of the external trade statistics dissemination. Metadata for IMTS are important for the correct interpretation of country trade statistics as well as for comparison trade data between countries in reconciliation exercises. It is, therefore, suggested to strengthen the existing recommendations on the compilation and dissemination of metadata.

4. Question(s)

Question 15: Do you agree that IMTS, Revision 3, should provide additional recommendations on the compilation and dissemination of metadata as an integral part of the regular work programme of trade statistics compilers?

YES ☐ **NO** ☐

Respondent comments:

Issue 16: Compilation of external trade indices

1. Current recommendation

(IMTS, Rev.2, para 160) ***Index numbers***. Although price indices are generally preferred, in practice, countries may not have the resources available to compile that information. It is recommended that all countries produce and publish volume (quantum) indices and either unit value or price indices for their total imports and exports on a monthly, quarterly and annual basis. Countries are also encouraged to calculate and publish such indices for the detailed commodity groups at least quarterly.

2. Results from the 2006 NCDP Questionnaire

Not available

3. Comments

A technical working group under the auspices of the IMF is preparing a manual on export and import price indices. This manual is written in line with the earlier manuals on Consumer Price Indices and Producer Price Indices and, in this way, explicitly prefers the use of price surveys in the calculation of export and import price indices. Majority of countries, however, continue to use unit values in the compilation of the indices of their external trade. They also indicated that there is not enough guidance in this area. In this context it might be desirable that IMTS, Rev.3 provides additional recommendations on compilation, dissemination and use of trade indices and calls for their further elaboration in a future update of the IMTS, Compilers Manual.

In 1999, UNSD sent a questionnaire on the compilation of trade index numbers to all national agencies and received responses on compilation practices from a total of 76 countries and one customs union. All 77 respondents compile unit value and/or price indices. Of these, 75 per cent calculate unit value indices only, 17 per cent price indices only and 8 per cent both unit value and price indices. All of the respondents produce series of annual indices. Sixteen per cent produce annual series only, 34 per cent produce both annual and quarterly series, and 36 per cent produce annual, quarterly and monthly series.

4. Question(s)

Question 16: Do you agree

(i) that IMTS, Rev.3 should provide more detailed recommendations on the compilation, dissemination and use of external trade indices?

YES ☐ **NO** ☐

Respondent comments:

(ii) that your country will be able to compile external trade indices based on price surveys in the next few years?

YES ☐ **NO** ☐

Respondent comments:

(iii) that unit values can be used in compilation of external trade indices under certain circumstances? If Yes, please, explain in Comments.

YES ☐ **NO** ☐

Respondent comments:

Issue 17: Compilation of seasonally adjusted data

1. Current recommendations

(IMTS, Rev.2, para 161) ***Seasonally adjusted data***. The publication of seasonally adjusted monthly/quarterly data, including both values and index numbers, provides additional valuable information required for economic analysis. Countries are encouraged to publish such data on a regular basis.

2. Results from the 2006 NCDP Questionnaire

Not available

3. Comments

Seasonally adjusted trade data are important for economic analysis. Some countries already have well established practices to produce and publish such data while many others do not do it. It might be desirable, therefore, to provide a more detailed explanation of the usefulness of the seasonally adjusted data and recommend (not just encourage) their compilation and dissemination on a regular basis.

4. Question(s)

Question 17: Do you agree that IMTS, Rev.3, should explicitly recommend the compilation and dissemination of the seasonally adjusted data?

YES ☐ **NO** ☐

Respondent comments:

General Comments: