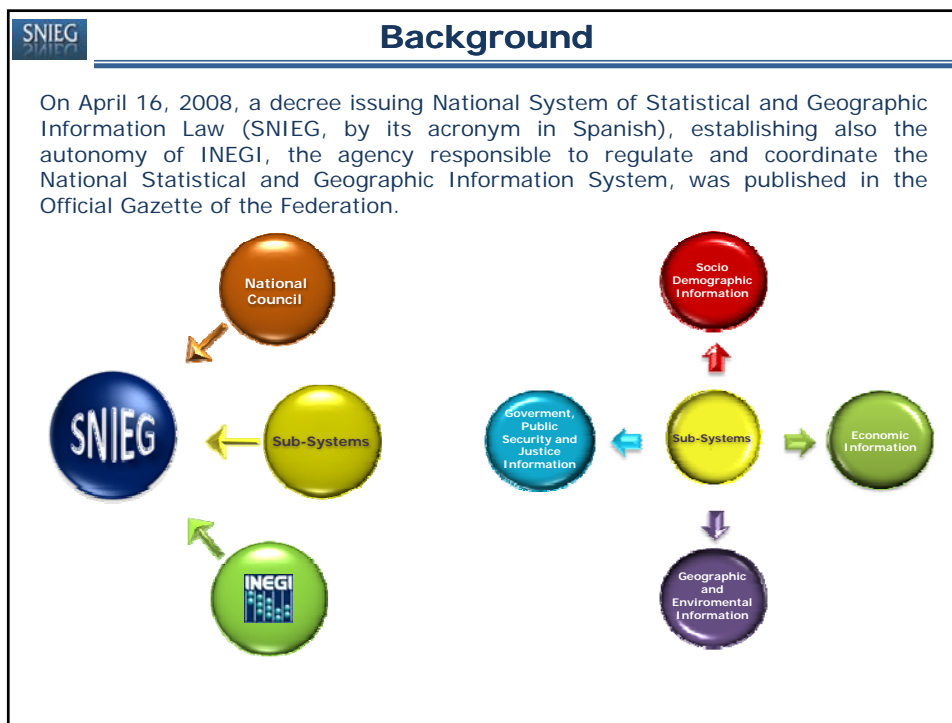


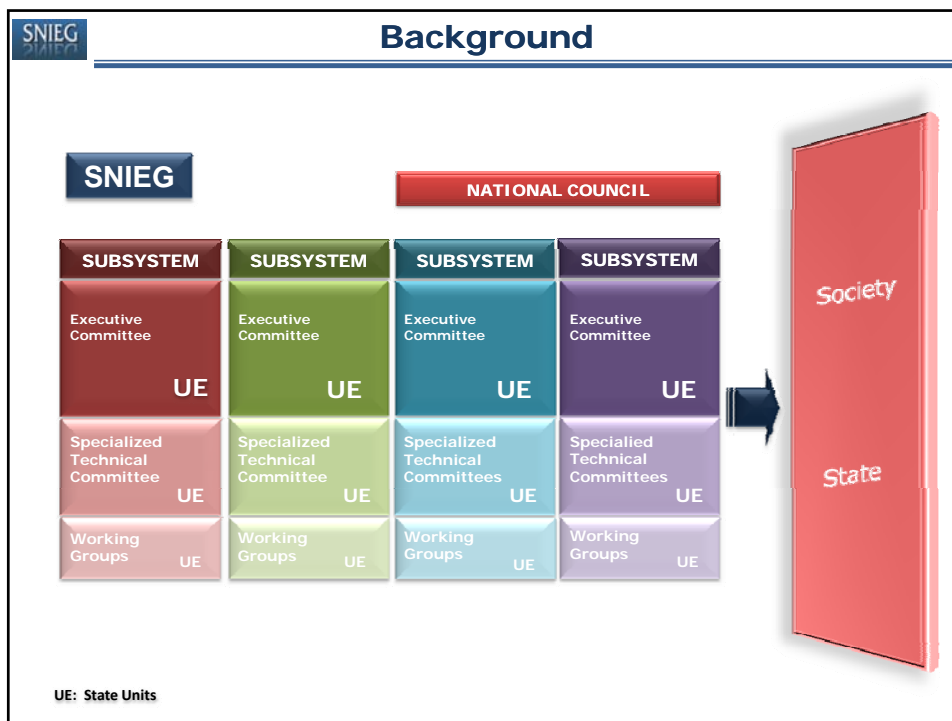
Meeting on compilation issues of International Merchandise Trade Statistics (IMTS) 2010

Producing International Merchandise Trade Statistics in Mexico and Implementation of the new recommendations

Specialized Technical Committee on Foreign Trade
Statistics of Mexico

Mexico City, December 6 – 9, 2011





SNIEG **Background**

In the third meeting of the National Economic Information Sub-system Executive Board, held on June 8, 2009, the proposal for the formation of the Specialized Technical Committee on Foreign Trade Statistics (STC-FTS), was accepted and it was established on October 29, 2009.

Previously, the inter-agency relationship in this area was done by the Working Group on Foreign Trade (WGFT) that was functioning from the early 80's; thus the transition from WGFT to a Committee was smooth and has been actually a part of itself.

Some of the main achievements of the previous Working Group are:

- Generating timely trade balance as a result of collective work
- Incorporate statistics to the *Business and Consumer Data Schedule*
- Defining the sectors that comprise the balance of trade

SNIEG

STC-FTS Objective

The Committee aims to discuss and agree upon statistical treatment criteria to be applied to the customs declaration information in order for it to be used in the elaboration of the foreign trade statistics. It also conducts research to improve the quality of the statistics and to set the publication dates, which part of a general time schedule for the release of the information that INEGI publishes each half year in advance.

The Committee has the task to guarantee the production of International Merchandise Trade Statistics registering Mexican exports and imports, total and by country. This information constitutes a basic input in the elaboration of other economic statistics for the System of National Accounts of Mexico and the Balance of Payments statistics.

The International Merchandise Trade Statistics provides relevant information for economic analysis, design and assessment of public policies and decision making process. This information is of national and international users concern.

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STC-FTS Members

The Working Group on Foreign Trade Statistics (WGFTS), as part of the STC-FTS, is responsible for the production of official statistics on this subject.

Member institutions activities:

Tax Administration Service of Mexico (SAT):

SAT registers and provides administrative records about the customs operations related to foreign trade flows.

  **Customs Administration**

SNIEG **STC-FTS Members**

Ministry of Economy:

Establishes general Laws concerning foreign trade, carries out and disseminates regulatory information and foreign trade statistics, updates and provides also the customs duties catalog comprising the General Import and Export Tax Law.

 → **General Directorate of Foreign Trade**

Banco de México:

Performs the statistical treatment and analysis of the customs records that leads to the official statistics on foreign trade.


 → **Directorate of Economic Measurement**

SNIEG **STC-FTS Members**

National Institute of Statistics and Geography (INEGI):

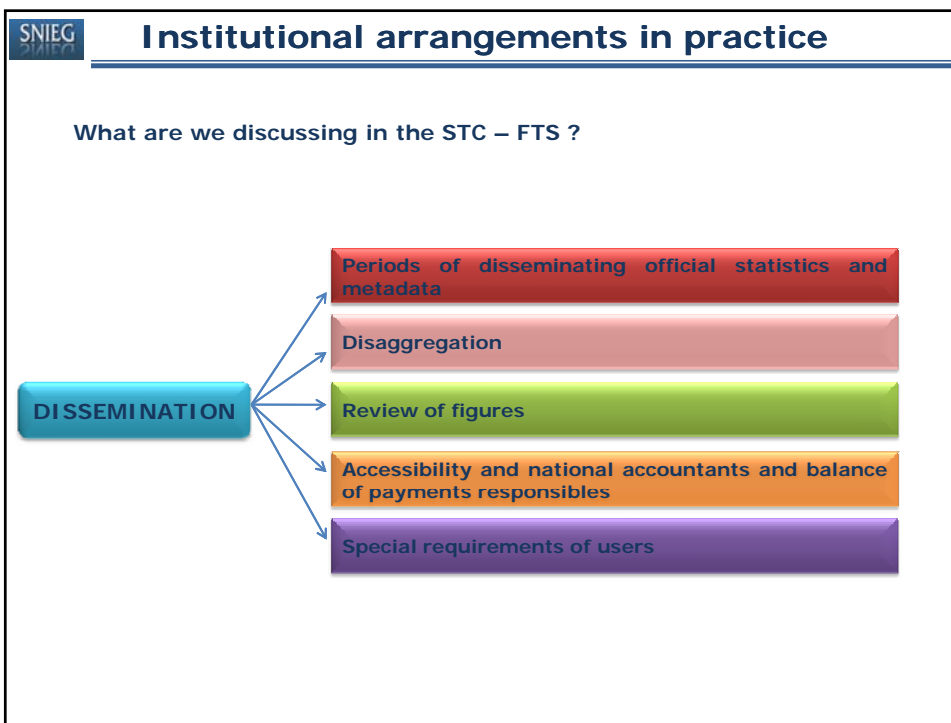
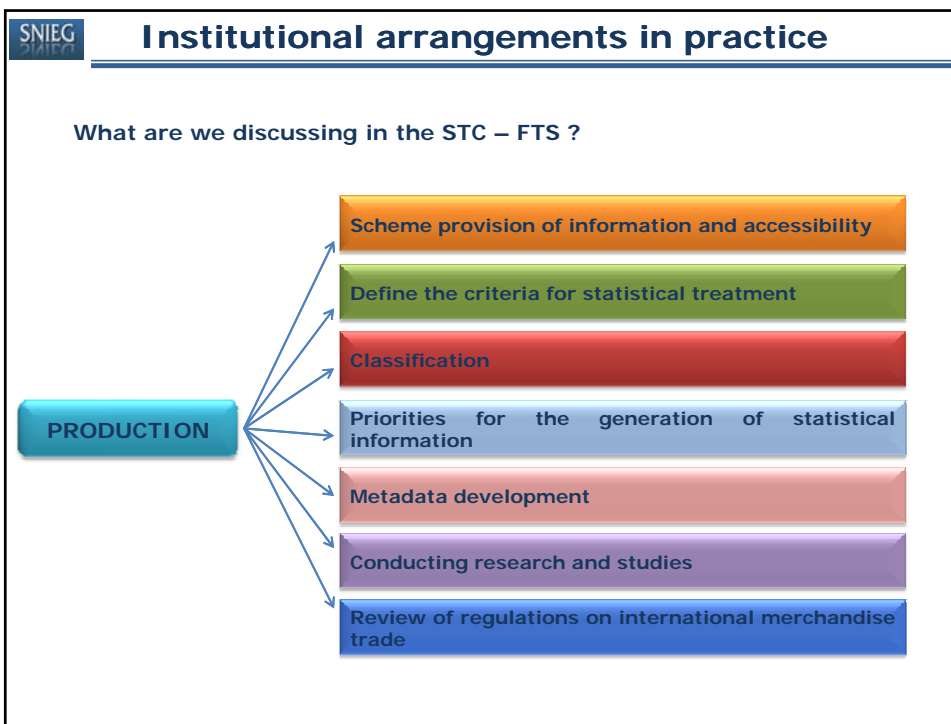
Participates in the definition of conceptual and methodological criteria of the statistical treatment, based on the guidelines established in the accepted international manuals for international merchandise trade statistics; such as, IMTS 2010, BOP Manual, among others.

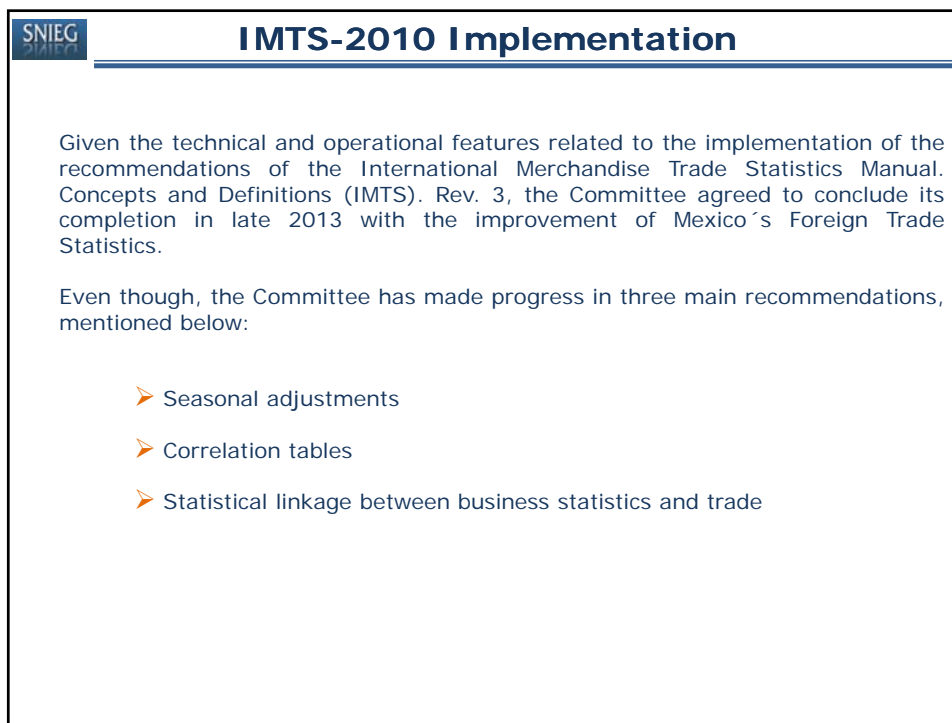
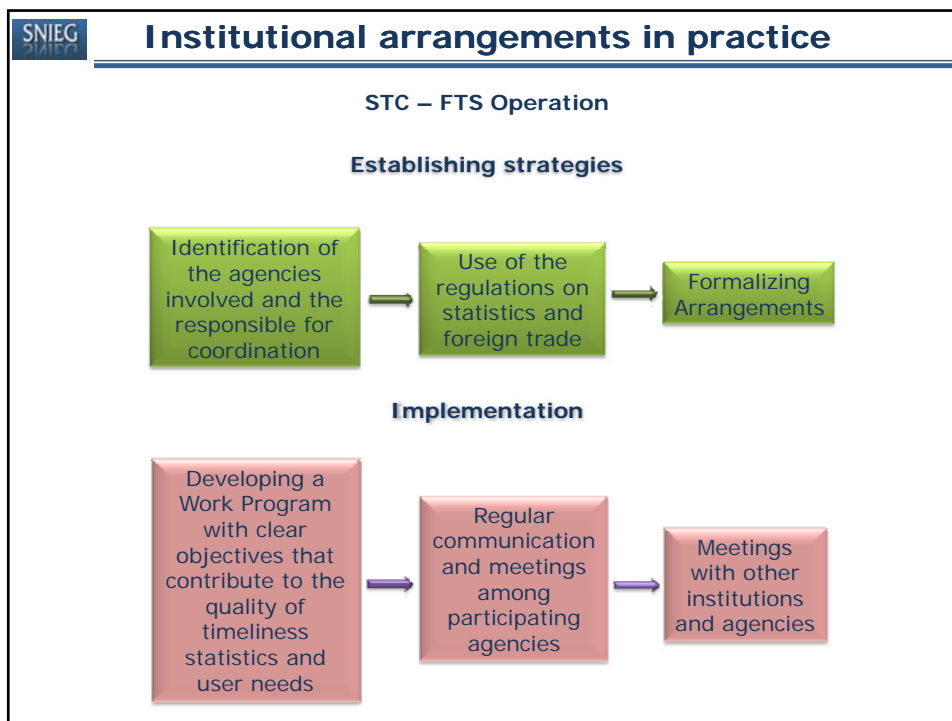
Also Coordinates the Working Group activities and is responsible for disseminating Mexico's official Trade Balance. Promotes also a better understanding of trade flows of goods abroad, and establishes research projects such as statistical reconciliation with the U.S. and Canada, among others.

 → **General Directorate of Economic Statistics**

| SNIEG | STC-FTS Structure |
|---|-------------------|
| Chairman: | |
| <ul style="list-style-type: none"> ➤ National Institute of Statistics and Geography: General Directorate of Economic Statistics | |
| Technical Secretary: | |
| <ul style="list-style-type: none"> ➤ National Institute of Statistics and Geography: Directorate of Foreign Trade and Administrative Records | |
| Secretary: | |
| <ul style="list-style-type: none"> ➤ Tax Administration Service: <i>Deputy-administration of Competences and Customs Modernization</i> | |
| Members: | |
| <ul style="list-style-type: none"> ➤ Banco de México: Real Sector Analysis and Measurement Division ➤ Ministry of Economy: General Directorate of Foreign Trade ➤ Tax Administration Service: <i>Deputy-administration of Customs Operation</i> | |

| SNIEG | Main functions |
|---|----------------|
| There are specific roles for each position in the Committee: | |
| <p>For instance, the Chairman is in charge of organizing and leading meetings and verify that the agreements are implemented, also requests to State Units information required by the Executive Chairman of the National Economic Information Subsystem as well as establishes actions leading to compliance and enforcement of the technical standards and regulations issued by INEGI. The Technical Secretary integrates work schedules for meetings, submit them to the Chairman for approval and monthly reports of activities and submit them for consideration by the full Committee and enforcement of the Laws and regulations issued by INEGI for capturing, processing and disseminating statistical information.</p> | |
| <p>The responsibility of the Secretary is to prepare the Committee's meetings minutes and its sequence. Supports in conformity with the Committee's Chairman documentation arising from the course of action of this collegiate board. The Members of the Committee attend meetings and vote, participate in the development of methodologies, indicators, technical standards, as well as information to be considered of national interest of the representing State Units and conduct analysis of international experiences and best practices on the Committee's object issues.</p> | |





SNIEG

IMTS-2010 Implementation

Seasonally adjusted data:

The IMTS 2010 urges countries to carry out seasonal adjustment of trade information on a monthly and/or quarterly basis, according to an internationally accepted method that meets each country's requirements. Accordingly, the STC-FTS established publishing the foreign trade adjusted time series from January 2010

It is worth mentioning that the Committee decided that the ideal method for seasonal adjustment would be the **X12-ARIMA** (Autoregressive Model Integrated Moving Average).

Currently, a comment on the evolution of the seasonally adjusted time series is incorporated in INEGI'S press release, and the information is disseminated on the Internet on a monthly basis, in compliance with the international recommendations on this subject.

SNIEG

IMTS-2010 Implementation

The Correlation Table between the General Imports and Exports Tariff (TIGIE) and the North American Industrial Classification System (NAICS):

In 2008 the Ministry of Economy made the first efforts for the TIGIE-NAICS correlation intended for strategic sectors, thereby contributing to the design of policies for commercial or industrial development.

In January 2010, the SCT-FTS incorporated this topic into its Work Program 2010-2012. The Ministry of Economy was appointed as project leader.

Methodological principles:

The products described in TIGIE correlate with the economic activity of origin, i.e., where that activity obtains, produces or manufactures the product in study.

the Theoretical Correlation Table involves a one to one relationship between the TIGIE tariff and the types of economic activity in the NAICS, so that there can not be more than one kind of activity assigned to each merchandise item.

SNIEG

IMTS-2010 Implementation

The Correlation Table between the General Imports and Exports Tariff (TIGIE) and the North American Industrial Classification System (NAICS):

Advantages:

- Application of statistical information standards
- Provide statistical measurement instruments ad hoc
- Obtaining information at different levels of detail
- Strengthen macroeconomic statistics calculation
- Make feasible the comparison of our country's economic statistics

When the Theoretical TIGIE-NAICS correlation table be offered a more robust statistical information for users with more elements for analysis to facilitate decision-making and knowledge of the economic conditions of Mexico.

It is expected to collect the opinion from public agencies and Academia about this topic, so that the agreement meets the information needs of these sectors. It is worth mentioning that on September 9 an initial consultation with the Industry Chambers was made.

SNIEG

IMTS-2010 Implementation

Correlation tables:

Once concluded the correlation query TIGIE - NAICS with the sectors mentioned, it is planned to submit it to the Governing Board of the National Institute of Statistics and Geography to be considered as a technical standard of the National System of Statistical and Geographic Information (SNIEG), to be used by the State Units for the generation of foreign trade statistics at the class level of economic activity.

Linking manufacturing surveys and custom records

During the second half of this year, we began the activities concerning to Mexico's statistical link between foreign trade administrative records and industrial surveys.

Objective:

Develop a link between foreign trade records, Economic Census and manufacturing surveys in order to have a single base of statistical information for identifying the effects of international trade of goods in Mexico's production and manufacturing employment, as well as to produce figures on merchandise trade by enterprise characteristics.

SNIEG

IMTS-2010 Implementation

Linking manufacturing surveys and administrative records

Activities:

Initial work will consist in linking databases, identifying the companies from the information of establishments carry out by Economic Census and manufacturing surveys.

In the first stage of the project, the link will be aimed at larger companies, included in the manufacturing annual survey of INEGI those that contribute approximately with 80% of production's gross value

It is expected the permanent updating of the link in order to constantly identify the changes that has the conformation of the companies and data collecting from the manufacturing surveys, ensuring the accuracy of the new statistical results; thus contributing to the generation of export statistics by state of origin, which are also based on a methodology of the conformation of the companies, identifying the location of establishments that shape them.

SNIEG

IMTS-2010 Implementation

Implementation of the 2012 revision of the Harmonized System:

According with the recommendations of the World Customs Organization and the World Trade Organization, the Ministry of Economy will issue the 2012 update of the General Imports and Exports Tariff (TIGIE) as of January 1, 2012, which will be implemented in Mexico to the Harmonized System updates issued by these international bodies.

IMTS-2010 Implementation

The Work Program of the STC-FTS also provides the following activities:

- Periodic analysis of customs declarations in order to assess their use in the calculation of International Merchandise Trade Statistics of Mexico.
- Establish the criteria for the development of sectoral trade balances.
- Agree the methodology for the production of foreign trade statistics based on NAICS 2007.
- Generation of export statistics by region (State).
- Recommendations for the improvement of the customs registry in the field of statistics.

Thank you!

Gerardo Durand Alcántara

Deputy Director General of Economic Surveys
and Administrative Records
INEGI

On behalf of:
**Specialized Technical Committee on
Foreign Trade Statistics of Mexico**