UN Comtrade Conversion table from HS2007 to SITC,Rev.3

Purpose:

The purpose of this table is to convert detailed data (6-digit sub-headings) provided by countries in the 2007 version of the Harmonized System (HS2007) into data according to the Standard International Trade Classification, Revision 3 (SITC, Rev.3) at the most detailed level possible. This will allow users of UN Comtrade to continue to extract time series data by sections, divisions, group, sub-group and basic headings of SITC, Rev.3, despite the fact that data for later years is provided in HS2007.

Please note that this data conversion is solely implemented for the convenience of data users. It is based on the best judgment of the staff at the United Nations Statistics Division but has no binding character whatsoever. Data users are free to convert the original data provided by countries to different classifications according to their own criteria.

Methodology

Correlation table

The United Nations Statistics Division (UNSD) constructed a table correlating the 2007 version of Harmonized System to Revision 3 of the Standard International Trade Classification (SITC, Rev.3). This table is the basis for the HS2007 to SITC,Rev.3 data conversion in UN Comtrade. There are four types of relationships between HS2007 and SITC,Rev.3 codes:

   a) relationship 1:1: one HS2007 sub-heading (6-digit) corresponds to one SITC, Rev.3 basic heading (4-, or 5-digit)

   b) relationship n:1: several HS2007 sub-headings correspond to one SITC, Rev.3 basic heading (4-, or 5-digit) (merge)

   c) relationship 1:n: one single HS2007 sub-headings corresponds to several SITC, Rev.3 basic headings (4-, or 5-digit) (split)

   d) relationship n:n: several HS2007 sub-headings correspond to several SITC,Rev.3 basic headings (4-, or 5-digit) (merge and split)

Conversion table

For all 1:1 and n:1 relationships the correlation table already provides a conversion from HS2007 to SITC,Rev.3 which is the case for 4781 out of the 5052 HS2007 sub-headings (95%). For all 1:n and n:n relationships (involving 271 HS2007 sub-headings and 895 SITC,Rev.3 basic headings) the SITC,Rev.3 code which provides the best approximation of the contents of the HS2007 sub-heading had to be identified/selected by reviewing the available quantitative information and by examining the contents of the correlated SITC, Rev.3 codes.

The identification of the most appropriate SITC,Rev.3 code was done by using first the so called quantitative approach and second by using the correlation between HS2007 and SITC,Rev.4 for HS2007 sub-headings which are correlated to SITC,Rev.3 codes which were retained in SITC,Rev.4. The contents of the remaining HS2007 sub-headings and their correlated SITC,Rev.3 basic level codes went through an additional review and in many cases HS2007 sub-headings were assigned to higher level codes than basic headings of SITC, Rev.3.

a) The quantitative approach (applied for 44 HS2007 sub-headings)

Available trade data for the years 2002-2006 for all correlated SITC, Rev.3 basic level codes were extracted from the UN Comtrade database. In 44 cases one SITC,Rev.3 basic headings which is only correlated to one particular HS2007 sub-heading accounted for a very high share (>75%) of the combined value of all SITC,Rev.3 basic headings correlated to this HS sub-heading. This SITC, Rev.3 basic heading was selected for the conversion of the particular HS sub-heading as, judged by the trade values, it represents the majority of what is contained in this HS2007 code.

Example 1: 4301.80 Raw furskins of other animals, whole will be converted to SITC,Rev.3 code 212.26 Raw furskins of seal, whole, with or without head, tail or paws

HS2007	Combined value	SITC,Rev.3	SITC,Rev.3 values	in %	Relationship
4301.80	113,815,555	212.21	4,060,580	4%	1 to n
4301.80	113,815,555	212.23	280,903	0%	1 to n
4301.80	113,815,555	212.24	2,409,050	2%	1 to n
4301.80	113,815,555	212.26	104,572,224	92%	1 to n
4301.80	113,815,555	212.29	2,492,798	2%	n to n

The quantitative approach can be considered as highly objective and reliable. Hence, this approach is given preference over other approaches despite the fact that the selection of the threshold of 75 percent is subjective. If a threshold of 85 percent would have been applied only 38 instead of 44 HS2007 sub-heading would have been assigned to SITC,Rev.3 basic level codes using this approach. For most of the 44 cases the results of this quantitative approach are confirmed by the approach of using the HS2007 – SITC, Rev.4 correlation (see next paragraph).

b) Using the HS2007 – SITC, Rev.4 correlation (applied for 129 HS2007 sub-headings)

The HS2007 to SITC, Rev.4 correlation provides a full conversion from HS2007 to SITC, Rev.4 as SITC,Rev.4 was constructed using HS2007 sub-headings as building blocks. Basic headings of SITC,Rev.3 where retained in SITC,Rev.4 only when their scope and meaning remained largely unchanged (see Standard International Trade Classification, Revision 4, United Nations publications, paragraph 14, page viii). Following this rationale, for 129 of the remaining 227 (271-44) HS2007 subheadings the correlated SITC, Rev.3 basic level code was selected which was retained in SITC, Rev.4 and correlated to the same HS2007 sub-heading.

Example 2: 1207.99 Oil seeds & oleaginous fruits (excl. of 1206.00 & 1207.20-1207.91), whether/not broken will be converted to SITC,Rev.3 code 223.7 Oil-seeds and oleaginous fruits, n.e.s.. SITC, Rev.4 code 223.7 Oil-seeds & oleaginous fruits, n.e.s. .

HS2007	SITC,Rev.3	Relationship HS2007 - SITC,Rev.3	SITC,Rev.4	Relationship HS2007 - SITC,Rev.4
1207.99	222.7	1 to n	223.7	1 to n
1207.99	223.2	1 to n	223.7	1 to n
1207.99	223.5	1 to n	223.7	1 to n
1207.99	223.7	n to n	223.7	1 to n

c) Assignment of higher level SITC,Rev.3 codes than basic headings (applied for 50 HS2007 sub-headings)

50 of the remaining HS2007 sub-headings are correlated to SITC,Rev.3 basic headings of the same group (3-digit) or sub-group (4-digit) of SITC,Rev.3. The HS2007 sub-headings were assigned to these 3-digit or 4-digit codes.

Example 3: 2710.11 Light petroleum oils & preparations will be converted to SITC,Rev.3 Section 334 PETROLEUM PRODUCTS

HS2007	SITC,Rev.3	Relationship
2710.11	334.11	n to n
2710.11	334.12	n to n
2710.11	334.19	n to n
2710.11	334.21	n to n
2710.11	334.29	n to n
2710.11	334.3	n to n
2710.11	334.4	n to n
2710.11	334.5	n to n

d) Identification of most suitable SITC, Rev.3 code in the remaining cases

The remaining 48 HS2007 codes were assigned either to basic headings (26) or groups or subgroups (22) of SITC, Rev.3. Annex 1 provides the details of the decision on 4 HS2007 sub-headings for which the identification of the most appropriate SITC,Rev.3 code was most difficult.

All of the 271 HS2007 code assignments were compared with the results of a cascading code conversion, using first the existing conversion of HS2007 to HS2002 and then the existing conversion from HS2002 to SITC,Rev.3. Compared with the direct code assignment described above the cascading (in-direct) code assignment would result in more HS2007 codes converted to basic level codes of SITC, Rev.3 although there are also a number of cases where the opposite is the case. Overall this comparison re-confirmed the HS2007 to SITC,Rev.3 code assignments as there are only 9 cases where the direct and indirect methods lead to the assignment of codes in different SITC sections. 4 of these 9 cases are discussed in detail in Annex 1.

Annexes

Annex 1: Detailed discussion of 4 cases

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Case 1: 2937.50 Prostaglandins, thromboxanes & leukotrienes, their derivatives & structural analogues
Is assigned to SITC, Rev.3 code 541.59 instead of code 513.9 as suggested by a indirect conversion as 2937.50 should be rather viewed as a Medicinal and pharmaceutical products (SITC, Rev.3, section 541) than as Carboxylic acids and their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives (SITC, Rev.3 section 513). This view is also taken in the SITC, Rev.4 code assignment which uses HS2007 as building blocks.

Case 2: 8443.31 Machines which perform two/more of the functions of printing, copying/facsimile transmission, capable of connecting to an automatic data processing machine/to a network.
Case 3: 8443.32 Other printers, copying machines & facsimile machines, whether/not combined , exclud the ones which perform two/more of the functions of printing, copying/facsimile transmission; capable of connecting to an automatic data processing machine/to a network
Case 4: 8443.39 Other printers, copying machines & facsimile machines, whether/not combined , excl. 8443.31 & 8443.32
These three codes are assigned to SITC, Rev.3 code 751.3 instead of code 726.67 as suggested by the indirect conversion as these codes should be rather viewed as OFFICE MACHINES (SITC, Rev.3 section 751) than as PRINTNG,BOOKBINDNG MACHINES (SITC, Rev.3 section 726.). This view is also taken in the SITC, Rev.4 code assignment which uses HS2007 as building blocks.