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INTERNATIONAL TRADE STATISTICS: JOINT MEETING (PARIS, 8-12 JUNE 1964) OF STATISTICAL AND CUSTOMS EXPERTS FROM INTERNATIONAL ORGANIZATIONS, NATIONAL STATISTICAL OFFICES AND CUSTOMS ADMINISTRATIONS ON THE INTERNATIONAL EXCHANGE OF EXTERNAL TRADE STATISTICS

(Report by the Secretary-General)

1. Active co-operation on the international level between statisticians and customs officials gave rise to the United Nations Standard International Trade Classification, Revised approved in 1960 by the Commission (resolution 6 (XI)), which had been developed jointly by the Statistical Office of the United Nations and the Customs Co-operation Council. It is a rearrangement into statistical order of the items of the Tariff Nomenclature promulgated in 1955 by the Council. The development of the STTC, Revised, resulted from the recognition by statistical and customs authorities alike that planning for the eventual statistical use of the data collected by customs from import and export declarations should begin with the basic terms in which customs data were collected.

2. The need for this co-ordination of activities received impetus from the rapidly growing importance of external trade in the world economy and the increased demand for timely information adapted for statistical use. In each country the statistical authorities and, in so far as they produced external trade statistics, the customs authorities also, were under pressure to supply detailed data for the trade in individual commodities not only of their own countries but of other countries as well. As the detail required frequently went beyond that normally published by Governments, this development might lead to demands on each Government by a number of other Governments for data in forms, such as punched cards or

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magnetic tape, other than the printed form in which they are normally distributed. The processing and publication of these data in a number of countries might lead to a burdensome duplication of effort. It was to avoid duplication of this kind that the Commission set up the International Trade Statistics Centre at the Statistical Office (resolution 11 (XII)).

3. With these developments in mind, France's Direction Générale des Douanes et Droits Indirects invited the Statistical Office and the Customs Co-operation Council jointly to invite international organizations and Governments to a meeting in Paris to discuss problems of current interest bearing on the international exchange of external trade statistics. Representatives of twenty-four countries and nine international organizations attended the meeting. A limited number of copies of the list of participants and of the report of the meeting will be available to the members of the Commission at the time of its session. The conclusions reached by the meeting on the items of the agenda are summarized below.

4. The meeting began its work with a tour of the statistical centre of the French customs service and was much impressed by the efficiency of the data compilation by computer (IBM 1401) and the facilities provided for making available to the public computer tabulations containing data more detailed than those published in printed form.

5. After discussing methods of improving the international comparability of external trade statistics, the meeting recommended that the Statistical Office in consultation with other interested international organizations prepare a paper based on the work to date of the Statistical Commission and setting out draft recommendations for the treatment of the main categories of commodities in the inward and the outward flows in international trade and that countries should be requested to describe their methods of treating each of these flows in their national systems. The results of this work should be discussed at a future meeting of statistical experts and customs experts. Furthermore the study was recommended of the possibility of bringing together the common elements of national customs declarations to form a uniform international section for use in all customs declarations.

6. The importance of reducing the burden on Governments of reporting detailed trade data to a number of international organizations was emphasized and the
meeting was pleased to note that plans had been and were being made to minimize this duplication by making full use of the facilities of the International Trade Statistics Centre at the Statistical Office. It was further suggested that keys between national classifications and the SITC should regularly be published.

7. The experts considered ways of meeting the international demand for statistics in greater commodity detail than that made available by the SITC and noted that national Governments were collecting and publishing international data for commodities of particular interest to them. There was agreement that ways should be considered to avoid duplication in activities of this sort by using the Centre to meet these demands and that the Centre should experiment in collecting data of special interest to Governments in greater detail than the SITC provides by subdivision of the SITC beyond the fifth digit in those areas, using detailed information available on the magnetic tapes of national Governments, it being understood that the supply by Governments of the data in the additional detail would be optional. The following resolution was adopted:

"The Joint Meeting of Statistical and Customs Experts: taking note of the need by the governments, international organizations and business interests for current trade data in commodity detail greater than afforded by the 1,312 items of the SITC, and taking note of the availability, though in dispersed form, of many of these data on the magnetic tapes used by governments to store their trade statistics, recommends to the United Nations Statistical Commission that it consider the advisability of experimenting at the International Trade Statistics Centre in the use of the technical methods suggested by the Meeting to satisfy the more urgent of the demands for data of this kind."

8. Referring (a) to the exact correlation, established through co-operation between the Customs Co-operation Council and the Statistical Office connecting the Brussels Tariff Nomenclature and the SITC; (b) to the co-operation between the French and Spanish customs administrations on the one hand and the Statistical Office on the other in producing French and Spanish versions of Commodity Indexes for the Standard International Trade Classification, Revised (Statistical Papers, Series M, No. 38, vols. I, II); and (c) to the Statistical Office key showing the classification in the United Nations International Standard Industrial Classification of the industrial process which normally gives rise to each commodity listed in the SITC (E/CN.3/307), the meeting expressed satisfaction with the
progress which was being made, both nationally and internationally, in harmonizing
classifications originally designed to serve different purposes. It drew attention
to the usefulness of computer methods in converting data according to one
classification into data classified (exactly or approximately) according to another
and felt that these methods reduced the importance of developing multiple-purpose
classifications which might, in order to accommodate the multiple needs, have to
contain headings of little intrinsic interest resulting from the cross-
classification of systems designed to meet differing needs. The meeting emphasized
that economists and statisticians keep in mind in suggesting new subdivisions that
it was essential that the criteria on which subdivision was to be based should be
applicable by the agency (e.g. customs) collecting the data; for instance, customs
could not, as a rule, determine which among a number of possible end uses was the
one for which goods were intended or by which of a number of processes otherwise
identical goods had been produced.

9. In view of the close connexion between statistics of international trade and
of transport, the meeting requested the Statistical Office, in collaboration with
the specialized agencies, the regional economic commissions and the various groups
of countries having problems in this field, to draft recommendations designed to
set up international standards for transport statistics relating to the movement
of goods in international trade, giving attention to methods of obtaining data on
the insurance and freight component of the value of commodities moving in
international trade.

10. The international agencies involved - mainly the United Nations and the Customs
Co-operation Council - were assured by the meeting that the help of the national
administrations of a number of countries was available in the large field of
technical assistance to developing countries in improving the basis of their
external trade statistics.

11. The meeting finally expressed the view that the discussion had shown that
meetings of national statisticians and customs experts offered an effective method
for achieving improvement in external trade statistics and furthering international
comparability. It was felt that future meetings should be held and should be
designed to cover specific topics of concern to the majority of countries and that
these meetings could when necessary be preceded by small working groups which might
prepare proposals for consideration. For this purpose, the Statistical Office and the Customs Co-operation Council were requested to consult with member States on the topics to be discussed.

12. The Commission may wish particularly to consider the proposals made by the meeting that the International Trade Statistics Centre should experiment in the collection, in certain critical areas, of commodity data more detailed than provided for by the SITC (see para. 7) and the suggestions made for future joint meetings of statistical experts and customs experts (see paras. 5 and 11).