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Country Paper

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Compilation Practices of International Merchandise Trade Statistics of Malaysia

1. INTRODUCTION

Department of Statistics Malaysia (DOSM) is responsible for compilation and dissemination of foreign trade statistics. Trade data are being compiled and disseminated by DOSM at 1 to 9 digit level HS/SITC codes. Information on unit, quantity, value and country of origin by commodity as per international classifications and format are being compiled and presented. The direction of trade and commodities are also compiled by DOSM.

2. SCOPE AND COVERAGE

2.1 The **general** system of recording is adopted in compiling Malaysian external trade statistics. Under this system, the national boundary of the country is used as the statistical frontier. All goods entering or leaving the country (except specific exclusions) are recorded, whether or not such goods are subject to clearance. Accordingly, goods entering or leaving customs bonded warehouses, Free Trade Zones and Free Zones are recorded in the statistics.

2.2 Details of commercial and private ships and aircraft are also **included** in these statistics if they were imported or exported as goods purchased, sold or leased (financial) whether or not they arrived or departed under their own power.

3. COMMODITY CLASSIFICATIONS

The external trade statistics of Malaysia are compiled and classified on the basis of Harmonized Commodity description and coding system (HS). These classifications include broad heading of commodity at 4-digit level and detailed description at 9 digit level. DOSM also publishes trade statistics in SITC (Rev. 3) at 1 to 3 digit level. Recording of imports is made by country of consignment and exports by country of last destination. DOSM do not publish any trade data in terms of CPC (Common Product Classification) or ISIC. DOSM collects and compile and publish data by broad economic categories (BEC). Each category of the BEC is defined in terms of divisions, groups, subgroups and basic headings of the SITC.

4. SOURCE OF DATA

- 4.1 Import and export declarations (hard/soft copy) approved by the Malaysian Royal Customs Department and Free Zone Authorities.
- 4.2 Particulars on postal/courier packages are provided by the Malaysian Royal Customs Department, Pos Malaysia Bhd. and Keretapi Tanah Melayu Bhd. (KTMB).
- 4.3 Statements and export declarations on bunkers and stores supplied to ships and aircraft issued/approved by the Malaysian Royal Customs Department, Malaysian Airline System Berhad (MAS) and petroleum companies.
- 4.4 Statements on goods sold are supplied by the operators of Duty Free Shops.
- 4.5 Statements on the sale of electricity issued by 'Tenaga Nasional Berhad (TNB)'.

5. CONCEPTS AND DEFINITIONS

- 5.1 With effect from reference month **January 2000**, concepts and definitions used for the purpose of compiling these statistics are based on the **United Nations' International Merchandise Trade Statistics: Concepts and Definitions (IMTS, Rev. 2), 1998**.

5.2 Imports

Goods are regarded as imports when they are brought **into** the country either directly or into bonded warehouses, irrespective of whether such goods are for consumption, to be processed, use in manufacturing or subsequent re-exports to other countries. It is also termed as 'general imports'.

5.3 Exports

Goods (locally produced or manufactured or imported for subsequent re-exports) are regarded as exports when they are taken **out** of the country. It is also termed as 'general exports'.

5.4 **Re-exports**

Goods are regarded as re-exports when they are taken **out** of the country in the same form as they were **imported** without any **transformation**. Re-packing, sorting or grading processes are not considered as part of the transformation process.

5.5 **Balance Of Trade**

The balance of trade is the difference between the value of exports and imports. When exports exceed imports it is recorded as a **surplus** while a **deficit** is registered when imports exceed exports.

6. **BASIS OF VALUATION**

6.1 The **WTO Agreement on Valuation** is used as the basis of valuation for all transactions of goods.

6.3 **Imports** are valued on a **c.i.f. (cost, insurance and freight)** basis, that is, the value of the goods in the market at the statistical/customs frontier of the importing country, including all charges for transport and insurance whilst in transit **but** excluding the cost of unloading from the carrier **unless** it is borne by the carrier.

6.4 **Exports** are valued on a **f.o.b. (free on board)** basis, that is, the value of the goods in the market at the statistical/customs frontier of the exporting country, including all costs of transporting the goods to the statistical/customs frontier, export and other duties payable as well as the cost of loading the goods onto the carrier **unless** the latter cost is borne by the carrier.

7. **COUNTRY OF ORIGIN AND DESTINATION**

7.1 **Imports** are classified according to the country of origin of the goods, that is, the country where the goods are given the final form in which they are imported into the country. For goods imported via Singapore, if information regarding the country of origin cannot be ascertained, such imports are included under the value of imports from Singapore, that is, under the same category as goods produced/manufactured in Singapore.

- 7.2 **Imports of second-hand goods** are treated as originating from the country of consignment where the country of origin is not ascertainable.
- 7.3 **Exports** are classified according to the country of destination, that is, the country where it is expected that the goods will be consumed insofar as this can be ascertained at the time of export. In the case of goods shipped on an optional bill of lading, the country of the first port declared is taken as the country of destination. For goods exported via Singapore, if information regarding the country of destination of goods is not known/available, such exports are included under the value of exports to Singapore, that is, under the same category as goods consumed in Singapore.
- 7.4 **For bunkers and stores supplied to ships and aircraft**, the country of destination is determined according to the country of residence of the operator of the ship or aircraft.

8. MODE OF TRANSPORT

DOSM collects and compiles trade statistics by mode of transport. The mode of transport could be divided as air, sea, road, railway and others.

9. REPORTING AND DISSEMINATION

Monthly trade data on selected goods and 1-3 digit SITC are published in the Monthly External Trade Statistics and other publications of DOSM. All data are expressed in Malaysia standard currency (Ringgit Malaysia). There are other unpublished/ special tabulations are made available upon request.