Presentation
Eurostat

Item 5: Need for revision
**Why International Merchandise Trade Statistics: Concepts and Definitions need a new revision?**

Expert Group on International Merchandise Trade Statistics

First meeting

New York, 3-6 December 2007

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**Background**

- The current version of IMTS (Rev.2) dates back to mid-1990s
- Since then, various aspects relating to the framework of international trade statistics have changed or will change:
  - Intensification of globalisation
  - Changes in related economic statistics
  - Changes in legal environment
  - Developments in data dissemination
Globalisation

- Volume of international trade grows faster than production
- Structure of international trade has changed; “new economies” have become important players in world economy
- Changes in the international production and supply chains
- Role of multinational enterprise groups and intra-firm trade

=> Consequences
- Countries specialise on production of certain goods or part of the production process => what is the linkage between production and international trade?
- Do we measure trade of goods or transfer of goods?

Changes in related economic statistics

- System of National Accounts
- Balance of Payments Manual
- Manual on Statistics of International Trade in Services

=> Consequences: re-consideration of recommendations and borderline cases such as
- Change of ownership
- Distinction between goods and services
- Processing
- Merchanting
- Repairs
- Valuation of goods
Changes in legal environment

- Reduction of barriers to trade
- Revised Kyoto Convention
- Reduction of burden on traders
  - Simplification of Customs formalities
  - Abolishing of Customs formalities
- => Consequences:
  - Customs data may sometimes be insufficient to fulfil all statistical needs
  - Recommendations needed on how to take these changes onboard

Developments in data dissemination

- Dissemination practices and tools
  - Electronic data dissemination has taken over traditional dissemination tools
- New statistics on international trade
  - Linkage of trade and business statistics
  - Trade by mode of transport, trade by invoiced currency,…
- Metadata and Quality
  - Key concepts for transparency of statistics: users need to understand and assess the statistics
- => Consequences
  - Recommendations for dissemination, metadata and quality
Revision of IMTS: Concepts and Definitions

- International trade statistics, in their current format, are well-established statistics which have a specific and significant role in the framework of economic statistics
- Changes and developments in the environment of international trade enforce to review the current recommendations and adapt them, where necessary
- However, it may not be desirable or feasible to adapt recommendations in such a way that all emerging issues can been taken onboard
- It is, nevertheless, important to acknowledge them and understand their consequences and impact