



UNITED NATIONS
DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION

Expert Group on International Merchandise Trade Statistics
First meeting
New York, 3-6 December 2007

Country Presentation
United Kingdom

Item 8: Commodity Classification and Mode of Transport

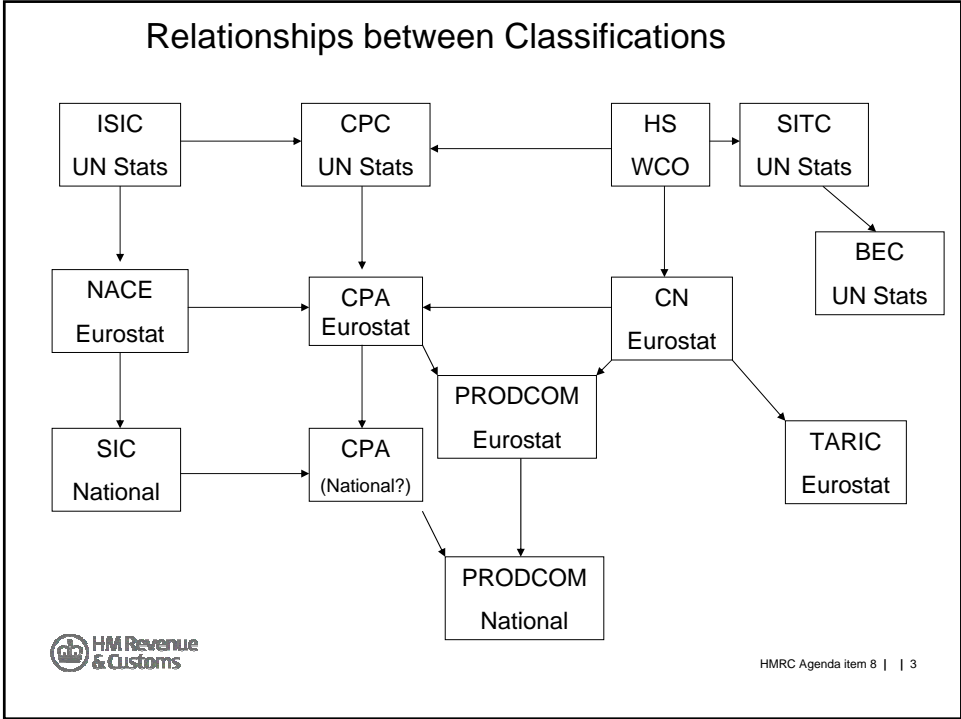


Commodity Classification & Mode of Transport

Sandra Tudor
HM Revenue & Customs
United Kingdom



Classification Relationships
Drivers for Change
CN modernisation – a case study
Issues
Mode of Transport



UK Usage of Classifications

- **HS** – For overseas trade statistics
- **SITC** – For overseas trade statistics
- **CN** – For intra-EU classification of goods
- **SIC** – Industrial and Business Statistics

Drivers for Changing Classifications

- **Keep up with technological developments**
- **Respond to political initiatives, eg enable the monitoring of environmentally friendly products, eg biofuels**
- **Need to balance the impact on data providers with the requirements of data users**
- **Keep classifications 'manageable'**



HMRC Agenda item 8 | | 5

CN Modernisation – a case study

2005 EU Task Force to review CN8.

Criteria included

- Date created
- Nature: Tariff, Statistical or Mixed
- Specific or Residual (ie 'other')
- Purpose: WTO/WCO requirement; EU policy; statistical; structural. Eg. New products; Control of products; Trade commitments (eg GATT, CAP).
- Community level (eg EU trade policy) or National, ie of interest to just one country, eg Scotch Whisky!
- Trade Value



HMRC Agenda item 8 | | 6

Other Classification Issues

- New Goods
- Accurate classification of goods
- National Nomenclatures v Economic Area Nomenclatures
- Accuracy of correlations



HMRC Agenda item 8 | | 7

Mode of Transport

- Used to determine statistical value (delivery terms)
- Used to analyse new interests, eg food miles
- UK Customs collect
 - Mode of transport at the border
 - Inland mode of transport
 - Identity and nationality of mode of transport at departure
 - Identity and nationality of mode of transport crossing the border

but only available for non-EU trade in UK



HMRC Agenda item 8 | | 8

Mode of Transport

•Issues

- Mode can vary over the delivery chain, do we need MoT at the border or more detail?
- Incoterms are complex and not always understood.
- For analysing the environmental impact we need the entire chain, is part of this collected elsewhere?



HMRC Agenda item 8 | 9



Thank you

Sandra Tudor
HM Revenue & Customs
3rd Floor, Alexander House
21 Victoria Avenue,
Southend On Sea,
Essex
United Kingdom
SS99 1AA

Telephone no. +44 (0)1702 367166
Sandra.Tudor@hmrc.gsi.gov.uk