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Country Presentation

Statistics - Malawi

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Malawi :Country report on Current Practice in respect to
Compilation of International Merchandise Trade Statistics

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External Trade

Abbreviations

MRA –Malawi Revenue Authority

NSO-National Statistical Office

SLA-Services Level Agreement

Malawi like the rest of the COMESA region rely on custom data as the only source of international merchandise trade statistics . The other sources like survey of enterprises that handle export or import have never been done although business register surveys or capital flows surveys of the same have been done in the past but the scope was not to capture international merchandise trade per se. The reasons is mainly due to the fact that custom data is still a cheap and rich resource of international merchandise trade data. However, an updated sampling frame for companies dealing in import and export goods can also be easily acquired from the customs for sample surveys than in cases with other surveys.

In year 2003 about 99 percent of domestic exports that passed through custom control post, passed through automated custom offices. In terms of number there only 6 customs office that are now automated out of the 26 custom offices operating through the country. **See Annex: table 1.1.** This type of arrangement presents its own challenges as well opportunities; one of the strong credit for this technological advancements is that data processing is now fast and challenges so far is on data quality; it is now a problem since data entry is done in a different processing environment where quality control is not prerequisite. Sensitization campaigns are under way to bring to attention the issues of data quality in the forefront at earliest production levels of international merchandise trade data as possible.

In the our agreement¹ between the supplier and compiler of international merchandise trade data, customs has an obligation to supply all trade transaction to National Statistical Office (NSO) for compiling of trade statistics. The NSO has the mandatory of selecting transactions that constitute trade statistics according to international standards that guide compilation of international merchandise trade.

¹Malawi Revenue Authority and National Statistical Office

Malawi collect its international merchandise trade statistics under general trade systems. Under this system international merchandise trade is recorded at the point of entry/exit into/from statistical territory, unlike special trade where commodities recorded at point of entry/ exit into/from free circulation area.

Custom procedure codes, CPCs, are created by the customs official and NSO selects the code that has to be processed. Therefore, the decision to exclude or include certain CPCs in our trade data is exclusively of NSO making. Mixture of common sense and international standard requirements play a role in the process of making such decisions.

For example the following CPC are not included in compilation of trade statistics:-

- (a) Commercial samples**
- (b) Imports of goods for fair**
- (c) Imports for government of other country**
- (d) Human remains**
- (e) Transfer from bonded warehouse to bonded warehouse**

In absence of any technological hitch data is supposed to be transferred from MRA offices to NSO external trade data processing unit within the first two weeks of the following month as per our Service Level Agreement (SLA). This requirement has not be met due to upgrading of ASYCUDA software from 2.7 ASYCUDA version to ++ version

in most automated ports. The implementation of ASYCUDA ++ version started January this year. Hopefully, next year things will normalise. By virtue of the agreement NSO process data within the second two weeks in the following month. So that the latest trade figures publish at the end of the month are the previous month figures. As already alluded to this arrangement has not be tasted to the limit to see if this arrangement can withstand under varied conditions but hopeful that this can be done, provided there are no further impeding developments.

Monthly figures are scrutinise for consistence in elementary way like:-

- (a) Records of each month is checked against the previous months records
- (b) Major commodities are checked against the same in preceding year and same month

(c) Ports records are checked for each month to avoid slippages

Where ever the gaps are identified, figures are deemed as provisional, meaning its likely to change after publishing quarterly figures. Where ever consistency of the figures are not in question the figures are publish as final although whenever changes are instituted we indicate the figures as revised. The errors are subjected to farther investigations at MRA offices. Normally, the bill of entry with suspected errors are checked and mistakes cleared. This is supposed to be done within the quarter.

The figures compiled from NSO are published without consultation with our collaborating agencies although I do not see why not NSO should starting consulting all collaborating agencies before publishing trade figures. There are a lot of fora hereby all collaborating agencies meet this could only play to own advantages; disseminate data before someone ask for it.

On an ending note, plans are underway to implement an-SLQ programme to restrict the range of unit value within acceptable limit. For example a record which deviates by 15% of the average unit value has to undergo further verification.

In conclusion, Malawi National Statistical Office is mandated to collect, compile, analysis and disseminate official data but in case of international merchandise trade data collecting is done by the statutory body concerned with custom control, Malawi Revenue Authority (MRA). Most of international merchandise trade data is in electronic form by the time is dispatch to external trade processing unit. This development presents challenges as well as advantages. In compilation of international merchandise trade data, international conversions dealing with compilation of international merchandise trade is used as much as possible. Data preparation is supposed to last for a month then published. One of the obstruct this arrangement has met, is upgrading of ASYCUDA software. Finally, meeting with collaborating agencies before the release of monthly trade data will be tried as one way of promoting access to international merchandise trade data.

Reference

United Nations, Economic and Social Affairs. New York,1998. International Merchandise Trade Statistics Concept and Definitions Series M, No.52,Rev.

Annex:

Table 1.1 Domestic exports handled by Port from 2000 to 2003 in Malawi Kwacha

Ranking on FOB	Total Value of domestic exports handled by ports 2000-3	Percentage of domestic exports handled by port (2000-2003)	Total value domestic exports handled by ports 2000	Percentage of domestic exports handled by ports (2000)	Total value domestic exports handled by ports 2001	Percentage of domestic exports handled by port (2001)	Total value domestic exports handled by ports (2003)	Percentage of domestic exports by handled port (2003)	Auto-mated ports ?
BLANTYRE	43,457	32.8	3,677	15.9	11,709	37.9	18,129	36.7	Y
LILONGWE	42,001	31.7	138	0.6	154	0.5	26,748	54.2	Y
MWANZA	37,362	28.2	14,696	63.7	14,869	48.1	4,200	8.5	Y
NAYUCHI	7,351	5.6	3,438	14.9	3,711	12.0	1.4	0.0	N
LILONGWE INTERNATIONAL AIRPORT	7,635	0.6	110	0.5	237	0.8	222	0.4	Y
MCHINJI	615	0.5	442	1.9	114	0.4	25	0.1	N
CHILEKA	227	0.2	109	0.5	52	0.2	14.86	0.0	Y
SONGWE	224	0.2	169	0.7	31	0.1	0.043	0.0	N
MULOZA	114	0.1	73	0.3	13	0.0	12	0.0	N
WANGWA	108	0.1	106	0.5	2	0.0	-	-	N
MZUZU	108	0.1	19	0.1	15	0.0	4.3	0.0	N
CHIPONDE	46	0	41	0.2	1	0.0	-	-	N
MARKA NYATHANNDI	35	0	35	0.1	-	0.0	-	-	N
DEDZA	32	0	2	0.0	3	0.0	7.5	0.0	N
KARONGA	6	0	6	0.0	-	0.0	-	-	N
NSANJE	5	0	5	0.0	-	0.0	-	-	N
BIRIWIRI	1	0	1	0.0	0	0.0	-	-	N
BALAKA	1	0	0	0.0	1	0.0	-	-	N
KAPORO	0	0	0	0.0	-	0.0	-	-	N
SALIMA	0	0	0	0.0	-	0.0	-	-	N
LIWONDE	1	0	0	0.0	-	-	-	-	N
TOTAL	132,456	100	23,067	100.0	30,912	100.0	49,364	100.0	

Historical summary of imports and exports 1941-2003 (a) (in thousand Kwacha(c))

Year	Imports (b)	Domestic exports	Re-export	Total exports	Trade balance
1942	1,798	2,746	48	2,794	996
1943	2,552	2,708	50	2,758	206
1945	3,366	2,944	60	3,004	-362
1946	3,242	3,662	90	3,752	510
1947	4,100	4,654	76	4,730	630
1948	7,166	5,418	104	5,522	-1,644
1949	11,184	8,342	82	8,424	-2,760
1950	15,086	9,318	144	9,462	-5,624
1951	14,588	9,844	260	10,104	-4,484
1952	17,490	11,596	202	11,798	-5,692
1953	15,160	12,276	322	12,598	-2,562
1964	28,640	23,008	1,992	25,000	-3,640
1965	40,804	27,084	1,698	28,782	-12,022
1966	54,292	27,670	7,146	34,816	-19,476
1967	50,852	33,104	7,804	40,908	-9,944
1968	58,180	33,558	6,486	40,044	-18,136
1969	61,478	36,588	7,384	43,972	-17,506
1970	71,367	40,577	9,120	49,697	-21,670
1971	89,750	49,577	9,725	59,302	-30,448
1972	102,913	55,142	9,344	64,486	-38,427
1973	114,651	68,802	11,117	79,919	-34,732
1974	157,726	89,634	11,812	101,346	-56,380
1975	218,663	106,283	15,839	122,122	-96,541
1976	188,480	141,030	10,592	151,622	-36,858
1977	209,764	171,970	8,360	180,330	-29,434
1978	284,747	148,784	6,873	155,657	-129,090
1979	324,838	176,305	5,403	181,708	-143,130
1980	357,294	215,268	12,712	227,980	-129,314
1981	312,443	232,710	11,266	243,976	-68,467
1982	322,729	245,539	7,454	252,993	-69,736
1983	362,868	283,150	6,025	289,175	-73,693
1984	381,705	430,751	9,927	440,678	58,973

1985	506,192	410,769	11,192	421,961	-84,231
1986	478,876	449,793	13,725	463,518	-15,358
1987	658,054	600,575	12,657	613,232	-44,822
1988	1,080,151	742,031	9,672	751,703	-328,448
1989	1,398,803	730,169	11,536	741,705	-657,098
1990	1,582,182	1,081,868	25,204	1,107,073	-475,109
1991	1,827,205	1,338,269	29,971	1,368,240	-458,965
1992	3,708,626	2,566,674	58,015	2,624,689	-1,083,937
1993	2,423,735	1,405,840	39,371	1,445,211	-978,524
1994	4,655,453	2,792,752	117,103	2,909,856	-1,745,597
1995	7,869,951	6,572,910	192,880	6,765,790	-1,104,161
1996	9,871,889	7,662,837	231,689	7,894,525	-1,977,364
1997	13,077,591	8,660,508	249,468	8,909,976	-4,167,615
1998	18,233,660	17,084,217	357,950	17,442,166	-791,494
1999	28,488,615	19,284,343	1,034,433	20,318,776	-8,169,839
2000	32,282,717	22,986,032	638,577	23,624,609	-8,658,108
2001	39,480,105	30,931,960	884,770	31,816,730	-7,663,375
2002	53,656,983	29,110,443	2,306,427	31,416,870	-22,240,113
2003	76,778,328	49,364,754	2,307,162	51,671,916	-25,106,412

(a) The period between 1954 to 1963 customs control was unified in three territories that formed the Federation of Rhodesia and Nyasaland. Trade statistics were compiled for the federal Area as a whole with the rest of the world, so that trade statistics for Malawi, during this period, were based on estimates and excluded trade with the two territories i.e. Zambia and Zimbabwe.

(b) Exports are valued at f.o.b. (free on board) or f. o. r (free on rail) at point of dispatch. Imports were valued f.o.b or f.o.b up to 1970 when a change was made to c.i.f (cost, insurance and freight)

(c) Exchange rate of K2 to £1.00 was used to convert values of commodities from Sterling pounds to Kwacha for pre-1964 data