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> STATISTICS DIVISION INTERNATIONAL TRADE STATISTICS BRANCH

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Country Presentation

# Statistics - Tanzania

Presentation by the National Bureau of Statistics of Tanzania

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The National Bureau of Statistics (NBS) was officially launched as an Executive Agency on 26<sup>th</sup> March 1999. It is the only agency in Tanzania mandated to provide official statistics to the Government, business community and the public at large. The transformation of the pure government department geared towards improving the performance for the production and dissemination of statistics.

## 2.0 The NBS Roles

The NBS has been mandated to carry out statistical activities in Tanzania Mainland in accordance with the statistics Act of 2002. The Act stipulates the NBS Roles as follows:

- > To provide statistics to the government, business community and general public as well as international organizations for use in planning and decision-making
- > To coordinate statistical activities so as to produce statistics that are consistent.

Therefore the **NBS mission** is "to facilitate planning and decision making within the government and the business community, to stimulate research and inform public debate through the provision of relevant, reliable and timely statistics and quality statistical services in general"

## 3.0 Sources and Methods for compilation of the External Trade Statistics

The key source of international merchandise trade statistics in Tanzania is the Declaration or Single Bill of Entry (SBE) administered by the Customs and Excise Department (CED) to clear cross border goods. Normally exporters and importers of merchandise goods through Customs Authority fill these forms. The data are then captured using Automated SYstem for CUstoms DAta Management (ASYCUDA) at the entry points. Customs Data is then processed using EUROTRACE system to produce necessary statistical tables for the country's foreign trade. EUROTRACE is a computer system for the collection and analysis of external trade statistics, and was devised by the European Community's Statistical Office (Eurostat). The software is installed at both Customs and National Bureau of Statistics. In this respect the National Bureau of Statistics is acquiring validated trade data from Customs and Excise Department into its database on regular basis.

Before acquiring computerized systems for production of Customs data and therefore external trade statistics in 1995, different methodologies were used by different Institutions to come up with trade figures. These figures could not be reconciled thus making them questionable. For example, export figures were obtained mainly from crops marketing boards that deal with cash crops such as coffee, pyrethrum, cotton, cashew nuts, sisal, tea and cloves.

The established Tri-partite technical committee that included National Bureau of Statistics (NBS), Bank of Tanzania (BOT) and Customs and Excise Department of Tanzania Revenue Authority (TRA) agreed to harmonize methodologies and that the Customs data has been used exclusively as a source of international merchandise trade statistics as from 1995. Usually NBS is invited to provide views during designing of the customs declaration forms so as to take care of statistical information.

## **3.1 Some concepts and Definition used**

**3.1.1 System of Trade:** Foreign trade statistics are compiled according to the "General" System of trade as defined by the United Nations Statistical Office. Thus the general trade system, in principal, presents all goods entering the country (**imports**) and all goods leaving the country (**exports**).

**3.1.2 Commodity Classification:** Both export and import statistics are classified and published according to the Harmonized Commodity Description and Coding System (Harmonized System or HS96).

**3.1.3 Statistical Period:** The reference period is the calendar month and the calendar year.

**3.1.4 Country Classification:** The country classifications used and their associated codes resemble those developed by the International Organization for Standardization (ISO3166: 93) and are adopted by most of the trading countries for Customs purposes.

## **3.1.5** Valuation

Export refers to Free On Board (FOB) value. Import refers to Cost, Insurance and Freight (CIF) value. Both are stated in Tanzania Shillings (TSHS)

## **3.1.6 Unit of Measurement**

All quantities are stated in net weight Kilograms.

**3.1.7 Country of destination** means the final known country to which exported goods were dispatched.

**3.1.8 Country of origin** is the country in which the goods have been produced, grown or manufactured.

## 4.0 Data handling

Data handling is mostly done by Customs Statistics Section. It involves management of declarations, manual data checking, consistency checks and data validation. However, NBS works very closely with the Customs office in matters pertaining to training, configuration and installation of the system. My colleague from customs will highlight more on data handling procedures.

## 5.0 Presentation

Foreign trade information compiled is presented:

-Commodity by Country -Country by commodity

Basically a combination of Commodity, Country and Period type of statistics are normally obtained from the system to meet users demand.

Other details on intra-country, geography or economic zones statistics can be included. For example trade data on East African Community (EAC), Southern African Development

Community (SADC), Common Market for Eastern and Southern Africa (COMESA), Africa, America, Asia and etc can be produced.

To a larger extent production of external trade statistics follows Common Statistics Rules and Regulations as adopted by the meeting of the COMESA Council of Ministers held in Lusaka, ZAMBIA, from 7 to 8 April 1997.

#### 6.0 Tanzania's Merchandise Trade Statistics

#### VALUE OF TANZANIA'S FOREIGN TRADE

				Shs. Million		
Type of Goods	1999	2000	2001	2002	2003	
Exports	462,888	588,416	738,857	926,892	1,267,322	
Domestic exports	419,976	532,863	673,981	853,158	1,178,027	
Re-exports	42,912	55,553	64,876	73,734	89,295	
Imports	1,236,567	1,217,367	1,517,151	1,615,037	2,277,176	
Total Value of Merchandise Trade	1,699,455	1,805,783	2,256,008	2,541,929	3,544,498	
Balance of Merchandise Trade	-773,679	-628,951	-778,294	-688,145	-1,009,854	
Exchange Rate (Shs/US\$)	748.1	800.7	876.4	966.6	1038.4	

Source: TRA

#### 6.1 Main imports and exports commodities for the year 2003

For the year 2003, main commodities imported were distillate fuels [gas oils (9%)], Other wheat than durum wheat (3.4%), Light/ medium oils and preparations [motor spirit (gasoline) premium/aviation kerosene (3.9%)], Motor vehicles for the transport of goods not exceeding 5 tonnes (1.9%), Worn clothing and other worn articles (1.3%).

Domestic exports are mainly comprised of minerals, fish fillets and traditional cash crops. Unwrought gold, non monetary contributed about 32 percent, frozen, fresh or chilled fish fillets (9%), gold ores and concentrates (4.9%), cashew nuts, in shell, fresh or dried (3.4%), raw coffee (3.4%), cotton (3.3%), semi-manufactured gold (3.3%) and tobacco (2.7%).

#### 6.2 Main imports and exports partners

When considering composition of trade by partner countries for imports for the period of 2003, South Africa contributed about 13%, Japan (8%), India (8%), Bahrain (7%), United Arab Emirates (7%), China (5%), Kenya (5%) and United Kingdom (5%). In total these countries contribute more than half (58%) of the volume of trade in Tanzania for the imports. The trend for the past five years is almost the same.

For the exports, United Kingdom was leading by 32%, followed by Japan (7%), Kenya (7%), France (6%), and India (6%). Again these countries consumed more than half (58%) of our total exports.

#### 7.0 Weakness

The issue of data quality remains our most important concern, though there has been some improvement since the introduction of the two sister computer systems, namely ASYCUDA system for customs data and EUROTRACE system for production of external trade statistics. Incorrect completion of the declaration forms by traders, under-invoicing and other problems still exist. However, efforts have been made by our counterpart at customs to address the problem for further action.

#### 8.0 Conclusion

Regular training courses on compilation of foreign trade statistics, at both national and international level is of great importance. It will impart knowledge and allow sharing of experiences in line with acceptable international standards and best practices. Computerizations need to be enhanced with connectivity between Customs offices and National Statistical Offices (NSOs) to improve data accessibility. Enhancement of cooperation between these two institutions will endeavour fulfillment of the primary goal of producing credible and quality trade statistics.