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DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS

STATISTICS DIVISION
INTERNATIONAL TRADE STATISTICS BRANCH

Workshop

Compilation of International Merchandise Trade Statistics

*Organized by the United Nations Statistics Division,
the United Nations Conference on Trade and Development and
the Economic Commission for Africa*
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Participants

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Purpose of Workshop

Identify difficulties and find solutions for a timely and high quality compilation of international merchandise trade statistics while using mostly automated customs systems. Clarify the roles of the Customs office and the National Statistical Office to achieve this goal.

Presentations

UNECA, UNCTAD and UNSD presented their respective activities in the field of International Merchandise Trade Statistics. In addition, UNSD gave an overview of the new IMTS, Compilers Manual and demonstrated the UN Comtrade database on the Internet. FAO explained in depth its work in the processing of international trade statistics. Further, there were presentations on ASYCUDA, its functionalities and its world wide installation (by UNCTAD) and on the use of EUROTRACE in the COMESA region (by COMESA).

The participants gave a total of 18 thorough presentations of the work of Customs and the National Statistical Office (NSO) in the field of external trade statistics. Customs Officers explained their work with respect to the processing of the Customs Declarations from the time that the importer or exporter declares the goods until the moment that the registrations are released in electronic (or paper) format to the NSO. The presentations included the following points:

- Do you use ASYCUDA or another system? Which offices are automated?
- Number of Customs Offices in your Country; are there difficulties with remote offices.
- Number of Declarations handled per month/year; how many electronically and how many in paper format.
- What is the time schedule of processing the declarations?
- How many different Customs Procedures are used in the country? Can you give numbers on how many declarations per customs procedure?
- Do you check the Classification of the goods? How?
- What are the procedures put in place for the Valuation of the goods?
- What are the procedures for identifying the country of import and the country of export?

The Statistical Officers described the processing of the information received from Customs (and other sources) until the moment that the International Merchandise Trade Statistics are officially published. Where applicable, the following points were included:

- What is the mandate of the Statistical Office with respect to International Merchandise Trade Statistics?
- Which other sources do you use besides Customs Declarations?
- Do you have to key-punch paper declarations or do all declarations come in electronic format?
- Do you get all declarations from Customs, or does the Customs office make a selection for you?
- What system of trade is used in your country?
- How do you decide which customs procedures should be excluded from the trade statistics?
- What checks do you do on the data received from Customs?
- How is the arrangement with Customs if declarations seem to have errors?
- What is the time schedule of processing the declarations?
- Do you get together with Customs and other agencies before the official publication of the trade statistics?

Discussions

ASYCUDA

A number of participating Customs administrations are still using ASYCUDA version 2.7 (Gambia, Tanzania) or in the process of moving to version ++ (Ethiopia and Uganda). It was recommended to move as soon as possible to ASYCUDA ++ because the support for version 2.7 will be phased out over the next few years.

DTI (Direct Trader Input) has the potential to increase the efficiency of processing Customs declarations dramatically, but only if traders can do it on their own. In Malawi and Ethiopia the traders are still directly assisted by Customs officers to fill forms, which makes DTI ineffective.

Documentary checks (an option inside ASYCUDA) should be used in cases where high risk coding errors can be intercepted. For instance, in Malawi the codes SA could be intercepted and manually inspected to avoid that SA (Saudi Arabia) was erroneously used instead of ZA (South Africa). Similarly, in Sudan CH (Switzerland) could be checked to determine if CN (China) should have been used instead.

EUROTRACE

Problems with DOS version. Some countries (Gambia and Ghana) reported problems with the old version of EUROTRACE, where it is difficult to retrieve reports and difficult to enter commodity codes of a length of more than 6-digits.

Problems with Windows version. Even though the new version of EUROTRACE is generally seen as an improvement over the old version, Ethiopia reported some bugs in the operation of the software and reported that use of this version requires knowledge of RDBMS.

COMPLETENESS of data

Customs data are incomplete.

Surveys regarding trade between COMESA countries and USA and between COMESA and EU member countries showed that trade was under-reported by the COMESA countries. The outcome of these surveys should be discussed between Customs and NSO and adjustments should be made in areas which showed to be under-reported.

Low value trade threshold.

Uganda reported extensively on the importance of Informal Cross-Border trade (ICBT). ICBT, low value trade (below threshold trade) and unreported (or late reported) trade at remote offices should be estimated. These estimates should be added to the registered trade and reported together as the official trade of the country. As mentioned by Uganda, these estimates are significant in relation to the overall picture of food supply in rural and remote areas.

Non-Customs sources.

Some of the participating countries use sources other than Customs; for instance Nigeria, Ghana and Kenya use data from Oil companies and Ghana uses additional information from the Electricity Company. A good relation with the concerned companies is necessary to receive timely and accurate data.

Is enterprise survey necessary?

In the case of the exports of Malawi, it was possible to approach the important exporting companies directly to make sure that all the exports was properly reported. In general, it is good practice to conduct periodically enterprise surveys (especially on the exports side) to make sure that the figures received from the Customs declarations are accurate and complete.

QUALITY of data (Including TIMELINESS)

Timeliness

High Risk Declarations are selected in ASYCUDA via the Sensitivity tool. It means that certain declarations need further checking due to the combination of commodity, transaction value and trader. These declarations may require physical examination. If a large portion of the declaration is selected as High Risk, it may be necessary to re-examine the sensitivity function of ASYCUDA and adjust the criteria used. Physical examination will result in a delay of the processing of the declarations.

As implicitly mentioned earlier, the timeliness of the reporting of trade data could be improved by (initially) estimating the trade of the Remote Offices. A good relation with the offices that provide the non-Customs data is essential for timely reporting of these data.

Accuracy

At the Customs department checking of the accuracy of commodity codes and country codes should be done. The ASYCUDA tool of documentary checks could prove helpful here.

The NSO should do data checking in all its aspects. A mechanism should be in place to correct errors that are found. In this respect a Service Level Agreement (SLA) between Customs and NSO is very useful. The SLA should indicate the period in which Customs should reply to the questions of the NSO.

What is acceptable as minimum Quality in minimum Time?

In this age of fast telecommunication, the availability of provisional data is seen as a must for most NSO. Provisional data could be provided by the NSO on the basis of the processed data from ASYCUDA/ EUROTRACE with an estimate of the not-yet-reported data. Some estimates (see "Low value trade threshold" above) could even exist in the Final trade data, as long as the estimates are well documented.

GENERAL TRADE SYSTEM

The Recommendation in the IMTS, Concepts and Definitions regarding the Trade System is to use the General Trade System which means that all entries into warehouse, free zones and processing zones should be registered and reported at date of entry. Ethiopia mentioned that in its case the date of recording was set at the time when the duties on the goods were assessed. For warehousing of goods the assessment date could be much later than the date of initial registration.

Custom Procedure Codes (CPC). It was not clear in all cases which office decides if a transaction will be included or excluded from the trade statistics. ASYCUDA could help in the sense that there is a module which would decide on inclusion/exclusion based on the CPC code.

REPORTING of the trade data

Gambia reported some problems with EUROTRACE in relation to the production of reports. The new version of EUROTRACE apparently has more features to assist in the reporting of trade statistics.

Provisional versus Final data. As mentioned above, Provisional data could be provided by the NSO on the basis of the processed data from ASYCUDA/ EUROTRACE plus an estimate of the not-yet-reported data. Final data could then be delivered at a later stage.

The National Authority for publishing trade statistics. By law the NSO in most countries is the official authority to publish trade statistics. In practice, other offices sometimes also provide trade data. It may be good practice that the NSO agrees with the other agencies in the countries that all requests for trade data will be channeled via the NSO. Such agreement would avoid that offices of the same country provide different trade figures, as was reportedly the case in Ethiopia.

Conclusion

Six main issues were identified during the workshop meeting, namely (1) ASYCUDA as a system for processing declarations by Customs, (2) EUROTRACE as a tool for producing trade statistics by the NSO, (3) the possible lack of COMPLETENESS of the data, (4) the importance of the QUALITY (including TIMELINESS) of the data, (5) the recommendation by the United Nations for the GENERAL TRADE SYSTEM and the consequences for registration of the different Customs Procedures and, finally, (6) the difficulties faced in the REPORTING of the trade data.

These issues were discussed because of their importance for the trade statistics and because the respective roles of Customs and NSO are not always clearly defined. Some of the recommendations which were made are (i) to switch as soon as possible the full automated customs system to ASYCUDA ++ and (ii) to implement the latest version of EUROTRACE so that processing and reporting of trade statistics becomes easier. No final conclusions were reached other than that at the national level the two administrations should follow through each of these issues and adjust where necessary.