

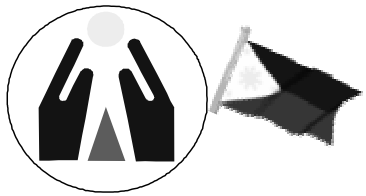


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Country Paper

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Calculation of the Statistical Value of Imports and Exports in the Philippines

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Concepts

- WTO Agreement on Valuation used as basis for calculating statistical value of goods
- FOB -Type Value – statistical value of Philippine imported and exported goods in Monthly Press Releases
- Data for international Freight and Insurance of goods compiled separately
- CIF – Type Value of Imports and Exports available and published in Annual Publications



IMPORTS

Source Documents:

- **BOC Import Entry and Internal Revenue Declaration (BC-IERD)** – document filed for imported merchandise with dutiable value of more than P2,000. Filed in 7 copies, the 2nd copy is marked “National Statistics Office Copy”.
- **BOC Single Administrative Document (SAD)**

BOC/PEZA Warehousing Entry (CEWE or BC Form 242) – joint BOC-PEZA Warehousing Entry form used in the examination and assessment of importation intended for Export Processing Zones
- **Automated Cargo Operation System (ACOS) Electronic Files**



IMPORTS

Source Documents

- **BOC Informal Import Declaration and Entry (BC Form 177)** – document filed for importation with dutiable value of P2,000 or less and personal and household effects whenever duty, tax or other charges are collectible.
- **Bill of Lading for Vessels/Airway Bill for Aircraft** – used as identifier and reference material when matching the import document against the inward foreign manifest.
- **Certificate of Import**
- **Company Invoice** –
- **PEZA Application for Import Permit**
- **Transshipment Form**



Calculation of Statistical Value

EXPORTS

Source Documents

DTI Form – Export Declaration (ED4)

- implemented under DTI Department Administrative Order No. 3 - 96 dated 30 July 1996. Used by all kinds of exporters – general, BOI-registered and PEZA-registered. Filed in 4 copies, NSO copy is the 3rd copy.

DTI Form with Foreign Exchange Proceeds – authorizes an exporter to export a commodity with foreign exchanges proceeds

DTI Form without Foreign Exchange Proceeds – authorizes an exporter to ship items such as samples, replacements, refills, specimens, gifts, households, printed matters with no foreign exchange remittances



Calculation of Statistical Value

EXPORTS

Source Documents

- **BOC Single Administrative Document (SAD)**
- PEZA Export Tally (PEZA Form 8104) – this form authorizes a PEZA-registered company to export his zone-made goods
- Certificate of Origin for Generalized System of Preference (**GSP Form A**) – issued by BOC to exporters whose products are eligible for preferential tariff treatment under the GSP scheme of the importing country.
 - certifies the country of origin of the imported goods.
 - whenever Form A is attached to the EDs, entries on this form will always prevail because this is issued on the basis of actual shipment.



Calculation of Statistical Value

EXPORTS

Source Documents

- ASEAN Common Effective Preferential Tariff Scheme Certificate of Origin (ASEAN CEPT **Form D**) – used when the trading arrangement is between ASEAN member countries and the products are eligible for tariff treatment
- **Form E** – Trade with China, collected starting June 2006

Attachments to EDs that are vital to processing:

- Company Invoice
- Inspectors Permit
- Special Permit to Load (SPL)
- **Automated Electronic Documentation System (AEDS) Electronic Files, starting January 2003**



IMPORTS

IERD/SAD

<u>Item</u>	<u>Box Number</u>
Country of Origin	Box 16
Packages and Description of Goods	Box 31
Gross Weight (Kilo)	Box 35
Quantity	Box 31
Preferential Treatment	Box 36
Terms of Delivery (TOD)	Box 20
Total Customs Value (TCV)	Box 22
Foreign Currency (FC)	Box 22
Exchange Rate	Box 23
Freight (F) – mandatory item	Box 9a
Insurance (I) – mandatory item	Box 9b



EXPORTS

ED/SAD

<u>Item</u>	<u>Box Number</u>
Country of Destination	Box 17
Packages and Description of Goods	Box 31
Gross Mass (Kilo)	Box 35
Quantity	Box 31
FOB Value of Imported Raw Materials	Box 44
Terms of Delivery (TOD)	Box 20
Total Amount Invoiced (TAI)	Box 22
Foreign Currency (FC)	Box 22
Exchange Rate	Box 23
Freight (F) – not a mandatory item	
Insurance (I) – not a mandatory item	



Imports

Calculation of FOB

TOD	FC	TCV	F	I	FOB
FOB	US\$	TCV	F	I	FOB = TCV F = F
CFR	US\$	TCV	F	-	FOB = TCV - F F = F
CIF	US\$	TCV	F	I	FOB = TCV - F - I F = F I = I



Imports

Calculation of FOB

TOD	FC	TCV	F	I	FOB
CFR	US\$	TCV	-	-	$F^* = \text{CFR} \times 0.10$ $\text{FOB} = \text{TCV} - F^*$
CIF	US\$	TCV	-	-	$F^* = \text{CIF} \times 0.10$ $I^* = (\text{CIF} - F) \times 0.01$ $\text{FOB} = \text{TCV} - F^* - I^*$
FOB	US\$	TCV	-	I	$\text{FOB} = \text{TCV}$ $F^* = \text{TCV} \times 0.10$



Imports

Calculation of FOB

TOD	FC	TCV	F	I	FOB (US\$)
FOB	US\$	TCV	F	-	FOB = TCV F = F
FOB	US\$	TCV	-	-	FOB = TCV F* = TCV X 0.10



Imports

Freight Cost = 0, for commodities that come with its own power:

- Helicopter 792.11-00
- Aircrafts 792.20-00
- Yachts 793.19-02
- Tankers 793.22-00
- Barges 793.27-01
- Others vessels for transport of goods 793.27-09
- Trawlers and other Fishing vessels 793.24-01 ;
793.24.02
- Shifts, boats 793.28-01 ; 793.28-09
- Tugs 793.30-00
- **and for Petroleum products for international deliveries;**



Exports

FOB Value = Manufacturing Cost + Mark – Up

**Where Manufacturing Cost = Direct Material + Direct Labor
+ Manufacturing Overhead**

**Manufacturing Overhead = Indirect Cost + Expenses
+ Indirect Labor**

**Labor Cost = Production Workers' Salaries and
Wages/Compensation**

**Raw Material Cost = Raw Material Beginning
Inventory + Purchases –
Raw Material Ending Inventory**



Exports

FOB Value in Box 22 of ED/SAD should include:

Labor Cost

Cost of raw materials locally sourced

Cost of imported raw materials directly purchased

Cost of imported raw materials on consignment

Constructive importations

**Value of Raw Materials – derived from pro-forma invoice
attached to EDs**

**Value of Raw Materials = Total Value of Shipment
– Value Added**

Value Added = Testing Cost + Assembly Cost



Exports

Imputation of Freight

PSCC Specific Edit Reference File used to estimate the freight cost.

Freight cost = Gross Kilo x Median Freight Cost per Kilogram corresponding to the given commodity and country code.

- If the commodity code or country code is not found in the reference file, use the median freight cost of the commodity that is closely related to the given commodity or the country nearest to the given country.**
- Use Median Air Freight Charges if the commodity is transported by means of an airplane and Median Ocean (Water) freight if transported by means of ship**



Exports Insurance

For insurance, unless this information is available in the attachments such as the company invoice, no imputation is done for missing information.



Ensuring Data Quality

Compilation of IMTS is administrative-based, hence, the first check of quality is to ensure that documents collected in each port or airport are complete.

Checking if numbering of the forms is consecutive and follows the highest number assigned to documents during previous collection.

Missing documents are verified from Customs Collector and PEZA Officer.



Ensuring Data Quality

Electronics comprise about 60 percent of total exports or imports in the Philippines and their behavior can significantly affect the performance of IMTS. Part of quality check being done at the NSO is the monitoring of the monthly data of top 15 electronic companies. Significant drop or increase of exports or imports are validated with them.

Built-in range and consistency edit checks in the IMTS computer system.

Briefings with exporters, traffic managers and forwarders on the proper accomplishment of ED/IERD/SAD forms were conducted.



Philippine National Statistics Office

Thank you very much !