Country Note

Ethiopia

Introduction

International Merchandise Trade is the movement of goods between nations either as import or export or re-exports. When it comes to International Merchandise Trade Statistics (IMTS), it is then the recording of all goods which adds to (import) or subtract from the stock (export) by entering or leaving its economic territory. Ethiopia is currently using IMTS rev.2 .

Concepts and Definitions

Imports: Goods are regarded as imports when they are brought into the country either directly or into bonded warehouses, irrespective of whether such goods are for consumption

Exports: Goods locally produced or manufactured are regarded as exports when they are taken out of the country.

Re-exports: Goods are regarded as re-exports when they are taken out of the country in the same form as they were imported from other country without any transformation. Re-packing and grading processes are not considered as part of the transformation process.

Trade System

The trade system used in Ethiopia is general. Under this system, the national boundary of the country is used as the statistical frontier. All goods leaving the country (except specific exclusions) are recorded, whether or not such goods are subject to clearance. Goods entering or leaving customs frontier are recorded in the statistics. We also compile data on a special trade system. This is the case when goods are temporarily admitted in to Ethiopia. These goods may leave or pay duty upon completion of their mission. If the goods stayed on our country they are subjected to pay the customs duty and taxes and the status changed from temporary importation to direct trade category and will be reported as special trade statistics.

Commodity Classification

The external trade statistics of Ethiopia are compiled on the basis of Harmonized System (HS). Theses classifications include broad heading of commodity at 4- digit level and detailed description at 8-digit commodity level with 21 sections. Currently we are using HS 2007 which includes some additional commodity classifications. These have reduced and avoided not to use n.e.s. for those which were not included in the earlier version but added in the HS 2007.

Mode of Transport

Central Statistical Agency (CSA) of Ethiopia gets data by mode transport and compiles trade statistics. The mode of transport could be road, rail, air, sea and possibly combinations because we are a land locked country.

Valuation

Imports are valued on Cost Insurance and Freight (CIF) basis i.e. the value of goods in the market at the customs frontier of the importing country including all charges for transport and insurance. Exports are valued on Free on Board (FoB) basis, i.e. the value of goods in the market at the customs frontier of the country, including all costs of transporting the goods to the customs frontier. The currency used for import is that country's currency together with its equivalent in local currency (ET Birr) but reports are ET Birr only.

Quantity Measurement

All commodities were quantified in kilograms of the gross weight and the net weight, even though capturing in Supplementary Units (SU) was available and were done with out proper care given to the system of recording. Recently we are able to get the information and provide

to data users as to their need. This was assisted by COMESA in handling at the customs and CSA.

Partner Country

Imports are classified according to country of origin where goods are given the final form in which they are imported into the country. For goods imported via Djibouti, if information regarding the country of origin cannot be ascertained, such imports were included under the value of imports from Djibouti, i.e. under the same category as goods produced/manufactured in Djibouti. But after having such problems quite for some time, data capturing and extraction should look and take countries prior to Djibouti. Exports are classified according to the country of destination.

Data Source

Customs declarations are the sole source of import and export trade statistics, we get data from customs.

Data Quality and Metadata

Standard format for capturing data are based on declaration forms. From the captured declaration forms, data are extracted for statistical purposes by customs. Date of registration and assessment was a problem but at the moment assessment date is taken because of partial exports/imports was taking place when taking the registration date and this leads to errors in the statistical application. Total number of fields used for data extraction by customs for CSA data base are 51 for export/import.

When CSA get data from customs,

- CSA check totals of imports and exports against customs totals and accept if the difference is minimum (about 2-3%), further investigation of the cause of difference if rejection is high and see if omissions are available.

- Always take updates made by customs, i.e. if HS, CPC, Offices, etc… are added

- Indicators should have Date, HS, CPC, Country, Value, Quantity, etc… are added

- Compile merchandize trade statistics of Ethiopia on annual basis done so far and there is a   plan to compile on biannual basis when having timely data.

- Produce tables to users as to their needs

- Release through website www.csa.gov.et

Supplementary Topics

Need for index calculation is there. But the problem of good and timely data hindered from doing so. Once when trying to calculate the unit value index for export, high variation on unit values of the selected commodities prevail the index calculation. It needs proper methodological application and timely data supply. No export or import index is done by CSA.