Workshop on the Methodology and Data Compilation of International Merchandise Trade Statistics (IMTS)

Phnom Penh, 2-5 February 2010

Agenda item 17: Commodity classification and quantity measurement
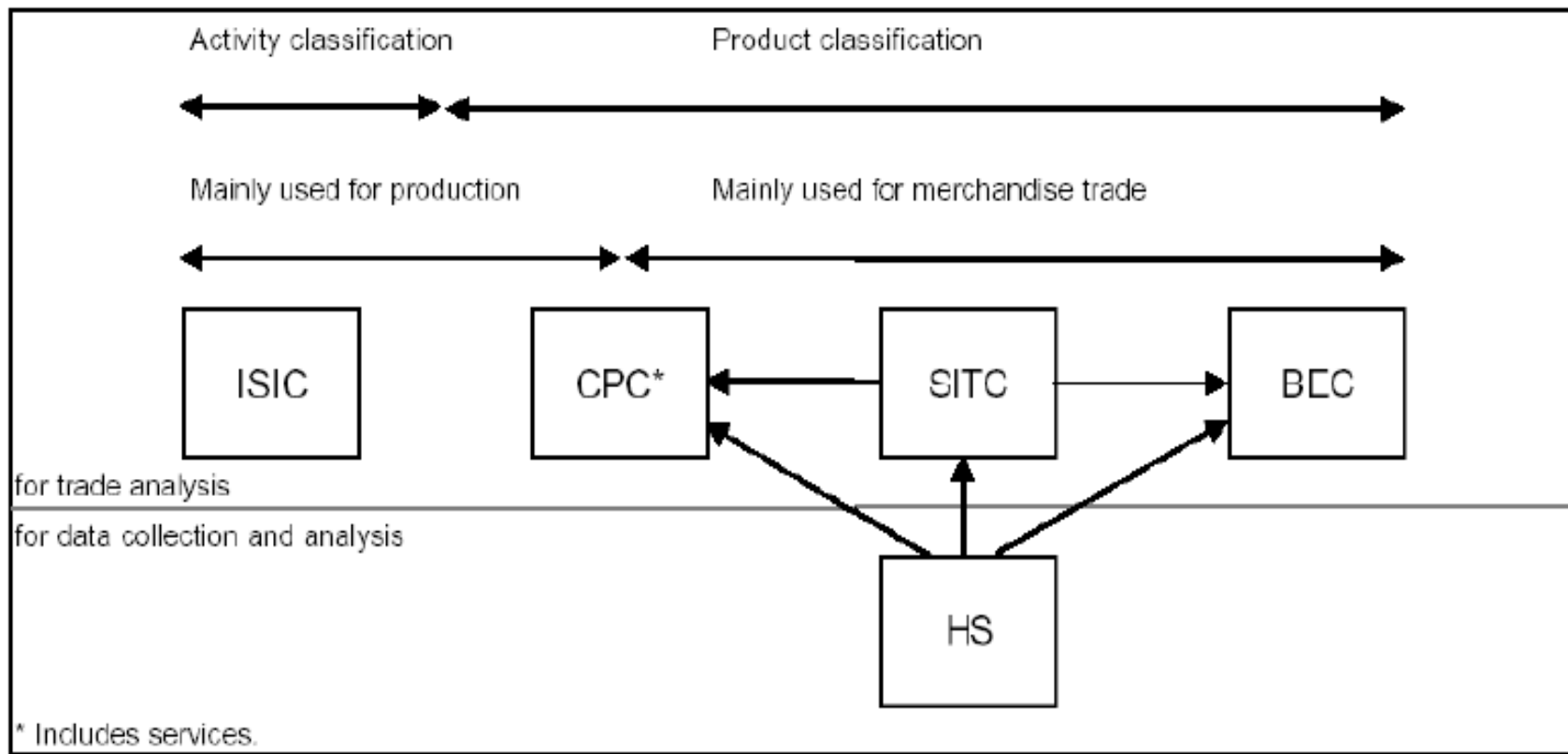
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Introduction

- IMTS2010 Chapter III: Commodity Classifications

  A. Harmonized Commodity Description and Coding System (HS)

  B. Standard International Trade Classification (SITC)

  C. Classification by Broad Economic Categories (BEC)

  D. Central Product Classification (CPC)

  E. International Standard Industrial Classification of All Economic Activities (ISIC)

- IMTS2010 Chapter V: Quantity Measurement

Overview

Graph 3.1: Relationship between different classifications

Correspondence tables

- Describe the relationship between different classifications (or versions) by providing the relationship between the elements (codes) at the detailed level

- Use to convert HS to other classifications, for analytical purpose

- UNSD website provide access to correspondence and conversion tables

Recommendations

IMTS2010 Recommendations:

❑Use HS for the collection, compilation and dissemination of IMTS [3.11]

❑In addition to HS, use SITC for the dissemination and the analysis of IMTS according to user requirements [3.19]

IMTS2010 Encouragements:

❑Use the most current version of HS [3.11]

Note on ISIC

- Unlike HS, SITC, CPC (product classification), ISIC is the classification of productive activities
  - Nevertheless, correspondence table between HS, SITC, CPC and ISIC can be established
- This correspondence may be useful when analyzing trade flows by activity categories
  - However, alternative approach by identifying the activity of the trader, should be given preference

Quantity Measurement

Importance of Quantity Information

"…provides an additional dimension for the measurement of international movement of goods and which allows the verification of trade values and the construction of trade index number"

"…used for the compilation of transportation statistics, the calculation of food balances as well as for environmental and energy statistics."

- In 1995, WCO adopted a recommendation on the use of standard units of quantity to facilitate the collection, comparison and analysis of international statistics based on the Harmonized System
    - The standard units of quantity is specified for each HS 6-digit subheading

Recommendations

IMTS2010 Recommendations:

❑Collect or estimate, validate and report quantity information in WCO standard units of quantity <u>and</u> in net weight on all trade transactions [5.5]

❑Apply the same quantity units within one sub-heading (6-digit HS). If not, provide a clear description [5.6]

❑Identify estimated quantities, as deemed necessary and provide information of methodology used [5.7]

Thank you for your attention!