



Workshop on the updated and new recommendations for International Merchandise Trade Statistics (IMTS 2010) and their implementation in countries of the Sub-Saharan region, Lusaka, 1-5 November, 2010

**Country Note** 

**Mauritius** 

### (PRELIMINARY VERSIONS)

#### **MAURITIUS**

### 1. Trade System

Mauritius compiles Trade figures according to the **General Trade System** as recommended by the United Nations. Using the national boundary as the statistical frontier,

- Imports include goods brought in directly for domestic consumption plus goods imported into customs bonded warehouses
- Exports cover domestic exports and re-exports which include re-exports from customs bonded warehouses. Domestic exports are defined as goods of national origin. Re-exports are goods which are exported in the same condition as imported or after undergoing minor operations which leave them essentially unchanged.
- Ships stores and bunkers are included in total exports and are shown separately.
- Trade by parcel post is also included in imports and exports

#### 2. Valuation

Imports are valued on a C.I.F. (Cost, Insurance and Freight) basis whilst exports on a F.O.B. (Free On Board) basis.

C.I.F. value is the value in the market at the Customs frontier of a country of her imports of merchandise, other goods, etc. including all charges for transporting and insuring the goods

from the country of exports to the given country but excluding the cost of unloading from the ship, aircraft etc. unless it is borne by the carrier.

F.O.B. value is the value in the market at the Customs frontier of a country of her exports of merchandise and other goods, including all costs of transporting the goods to the Customs frontier, export duties and the cost of loading the goods on to the carrier unless the latter cost is borne by the carrier.

### Pricing

All imports and exports transactions are priced in Mauritian Rupees. Every week the Customs notify the Trade Unit of the effective exchange rates. The exchange rate for a fixed period of the week is used for all transactions carried out during the following week. Mauritius also uses the midpoint between buying and selling rates for currency conversions in compliance with the recommended practices of IMTS.

### Quantity measurement

The unit of measurement is the net weight in kilogram and the supplementary units (metre, litre, etc. are also captured on the bills of entry and produced in the tables.

### (3) Exceptions to coverage

- All items on bills of entries are taken into consideration with the following exception: Imports
- Imports of a value not exceeding Rs 1,000
- Transshipment
- Re-warehousing
- Returned goods, postage stamps, bank notes and coins
- Empty containers
- Personal effects
- Goods imported by duty free shops

- Fish and other sea products landed in Mauritius from High Seas by Mauritian Vessels
- Goods returning after repairs abroad

### **Exports**

- All exports of a value not exceeding Rs 1,000
- Returned goods
- Postage stamps, bank notes and coins
- Empty containers
- Goods sent for repairs abroad
- Personal effects
- Local sales and transfers

Special inbuilt programs allow the exclusion of these items before production of tables. The Customs procedure Code (CPC) which indicates the status of a commodity with respect to the Customs and fiscal regulations help also to determine whether the transaction is to be included or not. Customised list of CPCs allow the production of tables by the General and Special Trade for the compilation of trade Statistics and National Accounts Statistics respectively. All goods in transit are recorded in Special Customs Procedure Code (CPC) and excluded.

Trade in illegal goods (drugs and narcotics) are excluded

## (4) Classification

#### **Commodity Code**

Commodities are coded according to the Harmonised Commodity Description and Coding System Nomenclature (HS2007). However, for the purposes of economic analysis and to facilitate international comparison of trade by commodity data, the commodities are also classified according to the Standard International Trade Classification (Revision 4) or SITC Rev.

4. The HS and the SITC Rev. 4 are six and five digit codes respectively but have been extended to eight and seven digits to accommodate national requirements.

The Customs Department is entirely responsible for the maintenance of all classifications namely commodity, country, CPC (Customs Procedure Code), rate of duty etc. Reference files for classifications are kept by the External Trade Statistics Unit as part of the computer

processing system. The Trade Unit maintains the linking of the HS and SITC Rev. 3 and any additional classification needed.

# (5) Partner Country

For statistical purposes, imports are classified by country of origin, i.e., the country in which the goods have been produced or manufactured. Exports, on the other hand, are classified by country of destination, i.e., country known at the time of dispatch to be the final country where goods will be delivered.

Processing of foreign trade data is done in-house at the CSO using a tailor-made application developed by CISD (Central Information System Division) of the Ministry of Information Technology. The programs have been written in Visual Basic plus SQL Server as database. The in-house processing has improved the quality of trade data since basic consistency checks have been incorporated into the system.

### (6) Institutional arrangement

The Customs and Excise Department of the Mauritius Revenue Authority is the principal source of foreign trade data. Each month, about 65,000 bills of entry are lodged electronically through the Customs Management System (CMS), a piece of software developed for the Customs and Excise Department to capture and process customs data.

To ensure the production and dissemination of reliable and timely trade statistics a very close cooperation and coordination is maintained with the Customs Department especially the computer Unit. Senior officers of these two Departments meet regularly to discuss and clear all matters concerning trade Statistics.

Besides, briefing sessions have been organized with the Customs declarants to make them conscious of the need of accurate statistics and proper reporting.

Customs data on certain commodities imported by government controlled bodies or on commodities that are exempted are verified against supplementary data from the following organizations or parastatal bodies:

(i) The State Trading Corporation for government imports of petroleum products, rice, flour and cement;

- (ii) The Mauritius Sugar Syndicate for provisional figures on exports of sugar;
- (iii) The Mauritius Marine Authority and Air Mauritius for imports and re-exports of marine vessels and aircraft; and
- (iv) Private Company for the supply of jet fuel top aircraft.

# Data sharing and coordination among data producing agencies

Monthly data (at microlevel) after first step validation are also supplied to the Ministry of Industry for producing additional reports for their internal use.

Data on Merchandise Trade are submitted to the Central Bank for the compilation of BOP statistics. Consequently, trade in services are compiled by the Central Bank and submitted to the Statistics Office for use in national accounts aggregates

Users of trade statistics

The main users are:-

- (i) Government bodies
- (ii) International and Economic Organisations
- (iii) Researchers
- (iv) Students
- (v) Private Organisations
- (vi) Bank of Mauritius
- (vii) Consultants
- (viii) Embassies
- (ix) Investors

# (7) Data Quality

The CSO also sets up a technical committee, grouping major producers and users of trade Statistics, to discuss matters pertaining to trade statistics. The committee provides expected trends (trade in major commodities, world prices, exchange rates etc.) for better forecasting exercises and suggestions for improvement in our publications.

### Reliability of customs data

### Data Editing

The External Trade Statistics Unit makes an elaborate and time-consuming exercise at editing stage to ensure the quality and reliability of trade data. Officers have to srutinize a listing of monthly imports (around 1100 pages) and another listing for monthly exports (around 500 pages) to identify inconsistencies and errors. The Trade unit is connected to the CMS with the authorization of viewing the Customs declarations only. This allows queries to be made on Customs bills of entries and in some cases, officers have to phone the Customs department for explanations or even query the importers and exporters directly for additional information. Unusual movements in trade are investigated. If they are genuine explanations are given and no adjustments are made. Around 1500 corrections are made every month and the checking exercise necessitates the full time work of 5 officers for three weeks every month.

Customs data are validated after proper editing. Thus officers of the External Trade Statistics Unit spend a considerable amount of time to check the data quality. Most of the checks are based on the comparison of unit value. When the unit price within a commodity class is out of range corrections are made on the quantity rather than on the value.

During clearance of goods at the Customs Department, the main concern is duty collection. Due to the volume of transactions handled by the Customs Department certain characteristics relevant to statistical operations tend to be overlooked namely:-

- (i) Improper classification of goods when there is no duty or the rate of duty is uniform.
- (ii) Incorrect use of CPCs (Customs Procedure Codes) namely for export transactions.
- (iii) Incorrect country of origin/destination.
- (iv) Incorrect use of currency units.

- (v) Incorrect conversion of foreign currencies into Mauritian Rupees leading to incorrect F.O.B or C.I.F values
- (vi) As from 2002, data on imports and exports include transactions of the Mauritius Freeport. With this integration, goods produced locally are leaving the country as reexports of Freeport instead of domestic exports.
- (vii) Input errors such as omission or addition of a figure in quantity or value

### (6) Assessment of intermediate data

While working monthly figures unusual movements in the trade figures by commodity or country are investigated regularly.

A user survey is being carried among our data users periodically to have a feedback on the relevance and utility of trade statistics among users. Steps are taken accordingly to improve data presentation.

Documentations on methodology are annexed to publications.

The CSO regularly participates in statistical meetings and seminars organized by international and regional organizations and by professional bodies

# (7)Revision studies and analyses

Provisional data are released quarterly with a time lag of 3 months and are finalised after 9 months.

Users are informed of all revisions made to data by the use of footnotes in the tables published. Documentation on revision to methodology are annexed to publications. Preliminary and revised data are identified by the use of footnotes.

Methodology, source data, and statistical techniques are annexed to the publications. Users are informed of major changes introduced in methodology, sources, and statistical techniques

## (8) Reporting and Dissemination

A Publication Programme is available on the CSO website at the very beginning of the year indicating the period covered and date of release of Economic and Social Indicators. Foreign trade statistics are available in the following publications:

- (i) Monthly Trade Statistics Bulletin
- (ii) An annual Digest of External Trade Statistics
- (iii) A quarterly Economic and Social Indicator on External Trade which comprise among other things:
  - Imports/exports by country;
  - Trade with International or Regional Organisations such as ACP, SADC, COMESA etc.; and
  - Imports/exports by commodity/section.
- (iii) A quarterly Economic and Social Indicator on Import and Export Price Indices

Besides the above publications a five-year series of detailed trade data by HS/country and a quarterly trade series including the trade balance are posted on the CSO website.

Besides regular reports, there are on-going requests for ad-hoc information. Data are available in hard copies and in electronic format and requests for information are usually made by phone, fax, or e-mail (cso\_trade@mail.gov.mu). Users can also visit the Trade/Publication units at the CSO or the Website http://statsmauritius.gov.mu.