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International Merchandise Trade Statistics

**Workshop on the updated and new recommendations
for International Merchandise Trade Statistics (IMTS 2010)
and their implementation
in countries of the Sub-Saharan Africa region**

Lusaka, Zambia, 1-5 November, 2010

Agenda item 8:
IMTS 2010 and its implementation

Presentation by Matthias Reister
Chief, International Merchandise Trade Statistics Section
Trade Statistics Branch, United Nations Statistics Division
E-mail: reister@un.org

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1. Decisions by the Statistical Commission

2. Introducing IMTS 2010

3. IMTS 2010 implementation

4. Results from IMTS 2010 Implementation questionnaire

1. Decision of the Statistical Commission at its 41 session (23-26 February 2010)

41st Session
United Nations
Statistical Commission
23-26 February 2010

The Statistical Commission:

(a)   Expressed high appreciation of the efforts undertaken by UNSD in the organization of the efficient revision process including the conduct of the worldwide consultation and commended the Expert Group and Task Force on international merchandise trade statistics and countries for their contributions;

(b)   Adopted *International Merchandise Trade Statistics: Concepts and Definitions 2010* (IMTS 2010) and endorsed the implementation programme […], including the preparation of the revised IMTS Compilers Manual and continued technical assistance activities;

1. Decision of the Statistical Commission at its 41 session (23-26 February 2010)

(*continued*)

(c)   Requested the Expert Group and Task Force to continue their work, focus on the implementation of IMTS 2010 and <u>give a due consideration to national circumstances, harmonization of national and regional compilation practices</u> and the conduct of related comparison studies;

(d)   Requested that <u>more attention is given to strengthening institutional arrangements in countries</u> to ensure that proper national coordination mechanisms exist for the compilation of high quality international merchandise trade statistics; also, cooperation with compilers of statistics on international trade in services, balance of payments and national accounts should be ensured;

1. Decision of the Statistical Commission at its 41 session (23-26 February 2010)

41st Session
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(continued)

(e)   Recognized the importance of UN Comtrade as the global database and information platform on international merchandise trade and requested UNSD to enhance its features and metadata;

(f)   Advised that in the future research agenda a due consideration is given to the emerging trade policy needs and the globalization issues; in this context, linkage with business statistics and measuring merchandise trade in terms of value added should be further explored.

2. IMTS 2010

IMTS 2010: a 2 year long journey with broad support from countries

- Two rounds of worldwide consultation

  - In 2008 on 17 critical issues which define scope of revised recommendations – 115 countries participated- over 1,000 detailed comments

  - In 2009 on the full draft of the revised recommendations – over 100 countries participated, strongly supporting the provided draft text and the contents of the individual chapters (Countries saw it as a comprehensive and balanced as well as containing necessary updates and new recommendations. At the same time, countries confirmed that the main elements of the conceptual framework should be maintained.)

- 2nd meeting of EG-IMTS in November 2009

  - endorsed the draft text of IMTS 2010 subject to several amendments and clarifications

Overview of revised recommendations

- ## Continuity of conceptual framework

In accordance with the results of the worldwide consultation and conclusions of EG-IMTS the IMTS2010 retains the following previously adopted recommendations:

(a) **definition of the <u>scope</u> of international merchandise trade statistics as recording of goods which add to or subtract from the stock of material resources of a country by entering (imports) or leaving (exports) its economic territory,**

(b) **preference for the application of general <u>trade system</u>,**

(c) **use of the <u>Harmonized System</u> (HS) for basic data collection,**

(d) **use the FOB-type <u>statistical value</u> for exports and CIF-type statistical value for imports,**

(e) **use of the <u>net weight and the WCO quantity units</u>,**

(f) **use for <u>partner country</u> attribution country of goods origin (imports) and the last known destination (exports).**

Overview of revised recommendations

- ## New and updated recommendations

❖ **Update** of the recommendations concerning the scope of international merchandise trade statistics. (Clarifications, separate identification of certain transactions)

❖ **Updated and new** recommendations on valuation (encourages to compile or estimate imports on the FOB basis in addition to the standard CIF valuation; covers valuation of specific categories of goods)

❖ **Updated** recommendation to record quantity data. (recommendation further clarified)

❖ **Updated and new** recommendation for the recording of a second partner country.

Overview of revised recommendations

- ## New and updated recommendations

❖ **New recommendation to add mode of transport as an additional data dimension.**

❖ **New recommendation on the use of different data sources.**

❖ **New recommendation regarding the establishment of necessary institutional arrangements.**

❖ **New recommendations regarding data quality.**

❖ **New recommendations for comprehensive metadata compilation and dissemination.**

❖ **Updated and new recommendations on data dissemination. (confidentiality for merchandise trade statistics, time table for data release, revision policy)**

❖ **New recommendation to promote linking trade and business statistics.**

Overview of revised recommendations

- ## Responding to the needs of balance of payments and national accounts

❖ **Separate recording of goods for processing without change of ownership and trade with related parties is encouraged in IMTS2010**

❖ **IMTS2010 recommends symmetrical recording of a number of transactions previously treated differently in export and import statistics (i.e. bunkers and stores)**

❖ **Encouragement to cooperate with BOP/NA compilers with respect to the recording of goods of special interest (i.e. media)**

❖ **IMTS2010, Annex F provides detailed description of conceptual differences between IMTS2010 and BPM6/2008SNA**

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3. IMTS 2010 Implementation

3. Implementation programme

1. Updating the IMTS Compilers Manual

Goal: To provide further and more detailed explanation of certain recommendations and practical guidance by describing good practices applicable under different circumstances. (planned for end of 2011)

Preliminary schedule:

– September 2010: Agreement on initial draft outline (EG-IMTS)

– Mid January 2011: First virtual meeting of the EG-IMTS on Draft annotated outline

– Beginning March 2011: Worldwide consultation on the Draft annotated outline

– May 2011: Second virtual meeting of the EG-IMTS on the first set of draft chapters

– September 2011: Third virtual meeting of the EG-IMTS on the second set of draft chapters

– November 2011: Meeting of the EG-IMTS on the full draft

– January 2012: Submission of draft text to Statistical Commission

3. Implementation programme

1. Updating the IMTS Compilers Manual

Draft table of contents:

–	**Part I**	**Legal framework and data sources**
–	Chapter 1	Legal framework
–	Chapter 2	Customs declarations and related customs records
–	Chapter 3	Non-customs administrative sources
–	Chapter 4	Enterprise surveys
–	**Part II**	**Data compilation**
–	Chapter 5	Institutional arrangements
–	Chapter 6	Statistical territory and organization of data collection
–	Chapter 7	Integration of data from different sources
–	Chapter 8	Data processing and database management
–	Chapter 9	Data quality: assurance, measurement and reporting
–	Chapter 10	Data compilation in the case of customs unions
–	Chapter 11	Integrating trade and business statistics

3. Implementation programme

1. Updating the IMTS Compilers Manual

Draft table of contents: (continued)

–	**Part III**	**Compilation of particular data items**
–	Chapter 12	Time of recording
–	Chapter 13	Commodity classification
–	Chapter 14	Valuation
–	Chapter 15	Quantity measurement
–	Chapter 16	Partner country
–	Chapter 17	Mode of transport

3. Implementation programme

1. Updating the IMTS Compilers Manual

Draft table of contents: (continued)

–	**Part IV**	**Compilation of data on trade in selected categories of goods**
–	Chapter 18	Scope of IMTS
–	Chapter 19	Goods for processing
–	Chapter 20	Goods which cross borders as a result of transactions between related parties
–	Chapter 21	Electricity, gas, oil and water
–	Chapter 22	Ships and aircraft
–	Chapter 23	Other special cases (Goods acquired by all categories of travellers, Media, whether or not recorded, waste, fishing products, leasing, returned goods)
–	Chapter 24	Overview of data compilation for national accounts and balance of payment purposes

3. Implementation programme

1. Updating the IMTS Compilers Manual

Draft table of contents: (continued)

–	**Part V**	**Metadata and dissemination**
–	Chapter 25	Metadata
–	Chapter 26	Dissemination
–	**Part VI**	**External trade indices and seasonally adjusted data**
–	Chapter 27	External trade indices
–	Chapter 28	Seasonally adjusted data

3. Implementation programme

2. Enhancing the UN Comtrade database and the Trade Statistics Knowledgebase

Upgrade UN Comtrade 2010-2013:

(i) significant enhancement of metadata

→ New Trade Statistics Knowledgebase has been established

→ Metadata reference pages for 187 countries have been added

(ii) inclusion of new data variables recommended in IMTS 2010

- Mode of transport
- Country of consignment as second partner country
- FOB-type value for imports
- Customs procedure Codes / Identifier for special transactions (intra-firm trade, goods for processing etc.)

(iii) adding monthly and quarterly trade data

→ 74 countries provided data for testing purposes

3. Implementation programme

3. Technical assistance

- Tentatively planned to hold two workshops per year and deliver training to countries which need it most by the end of 2012

- In collaboration with other international organizations

- Possible development of E-Learning, Knowledgebase etc.

4. Future research agenda and inter-national cooperation

- To address imbalances in partner statistics

- Finding innovative methods of linking trade and business statistics in the context of an integrated approach to economic statistics,

- Trade in terms of value added and to clarify the international production chain,

- Good practices in the compilation of the trade indices and various analytical indicators and

- Efficient ways of automated data transfer between countries and international organizations.

4. Results from IMTS 2010 Implementation questionnaire

4. IMTS 2010 Questionnaire - background

- In May 2010 the United Nations Statistics Division (UNSD) informed countries about the new recommendations and strongly encouraged them to establish efficient and coordinated institutional arrangements and action plans to ensure a speedy implementation of IMTS 2010 in accordance with each country's circumstances and priorities.

- To better assess the needs and plans of countries, UNSD requested countries to complete a brief questionnaire on the implementation of the new recommendations.

- By the end of August 2010 a total of 100 countries replied to the questionnaire, 28 developed and 72 developing and transition countries

- UNSD will take the results of the questionnaire into account in its activities for the implementation of IMTS 2010 and share and discuss them with its partner organizations on international and regional level.

- For this workshop 9 additional countries submitted the completed questionnaire, making it 19 workshop countries that replied.

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4. IMTS 2010 Questionnaire - results

Awareness and plans for implementation

>>63 % replied that IMTS 2010 implementation has already been discussed in the office
- 82% of developed 56% of developing/transition 32% WS countries

>> 33 % indicated that IMTS 2010 implementation was discussed with other agencies
- 50% of developed 26% of developing/transition 26% WS countries

>> …but 47 % wanted to do so in the near future
- 14% of developed 60% of developing/transition 74% WS countries

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>> 32% expect to implement most of the new recommendations for reporting year 2011
- 36% of developed 31% of developing/transition 42% WS countries

>>and 34% for the reporting year 2012.
- 14% of developed 42% of developing/transition 47% WS countries

4. IMTS 2010 Questionnaire - results

Critical factors for implementation

- An overwhelming majority (more than 80%) of developing and transition countries considered each of the four questioned factors as critical for IMTS implementation (rated 5 or 4 out of 5).
  - cooperation with other agencies
  - guidance on how to implement the recommendations
  - mobilization of the required resources
  - raising awareness

- Developed countries rated these factors as less important than developing and transition countries – EU regulations and burden on respondents were mentioned as important.

- Burden on respondents was also cited as critical factor by developing and transition countries. Several developing and transition countries pointed out that advocacy (raising awareness) and interagency cooperation are critical factors for implementation

4. IMTS 2010 Questionnaire - results

Materials and support

>>83 percent of countries viewed the availability of the updated IMTS Compilers Manual as being of high importance (5 or 4 out of 5) for their office.

- 71% of developed   88% of developing/transition   79% of WS countries

>>40% of countries considered the translation of IMTS 2010 into other official UN languages as important (ranked 4 or 5 out of 5)

- 22% of developed   47% of developing/transition   21% WS countries

>>73% of countries considered the availability of additional information resources such as website, knowledgebase and hotline as being of high importance (rated 4 or 5 out of 5).

- 64% of developed   76% of developing/transition   79% WS countries

>>60% percent of countries viewed E-learning as being of high importance,

- 32% of developed   70% of developing/transition   74% WS countries

4. IMTS 2010 Questionnaire - results

Materials and support – workshops, study visits etc.

>>The overwhelming majority of developing and transition countries considered technical assistance activities such as workshops and study visits of high importance (5 or 4) for the implementation of IMTS 2010, with 89 percent for workshops and 85 percent for study visits (74% and 79% of workshop countries).

>>For developed countries technical assistance activities are far less important.

>> In their comments developing and transition countries stressed the need for hands-on practical training.

Additional comments of Workshop countries

>> Compilation process using Eurotrace, combine class-room and E-learning, in country workshop, including with suppliers; include study visits, regional knowledge sharing, specialist consultant

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Thank you for your attention!