Workshop on the updated and new Recommendations for International Merchandise Trade Statistics and their implementation in countries of the sub-Saharan region

Lusaka, 1-5 November 2010

Samuel Hailu
Central Statistical Agency
Ethiopia
Commodity Classification and Quantity Measurement

A. Commodity Classification

i. Harmonized System (HS) 2, 4 & 8 digits

ii. Sections I – XXI

iii. End-use 0 – 9

B. Quantity Measurement

i. Quantity (Gross Weight & Net Weight) in Kgs

ii. Supplementary Units (SU)

C. Report using UN Recommendations for IMTS
A. Commodity Classification

I. HS revised in 2007

A total of 99 chapters are available for commodity classification of which chapters 77, 98 & 99 are reserved for future use in HS.

- HS 4 digit, Division: total numbers are 1098,
- HS 6 digit, Position: not in use at the moment,
- HS 8 digit, National Commodity classification: total numbers are 6875,
- SITC is not used even though that there is a conversion table (SITC to HS and visa vise).

HS 2007 is a combined Tariff (Statistical Nomenclature) based on the 2002 version of the Harmonized system.

It comprises the following:-

i) First schedule Tariff
   Import tariff at basic rates, which begins with general rules for the Interpretation of the Harmonized System.

ii) Second schedule Tariff
   a) Import Tariff at conditionally reduced rates or free of customs duty.
   b) Imports conditionally exempted from all duties and taxes.
iii) Special customs Tariff rates applicable to goods produced in and imported from COMESA member countries.

<table>
<thead>
<tr>
<th>Item no</th>
<th>Regular Tariff rate (%)</th>
<th>COMESA Tariff rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>5</td>
<td>4.5</td>
</tr>
<tr>
<td>2</td>
<td>10</td>
<td>9</td>
</tr>
<tr>
<td>3</td>
<td>20</td>
<td>18</td>
</tr>
<tr>
<td>4</td>
<td>30</td>
<td>27</td>
</tr>
<tr>
<td>5</td>
<td>35</td>
<td>31.5</td>
</tr>
</tbody>
</table>

There is relevance of statistical concepts which means that the data meets users’ needs. It refers to whether all statistics that are needed are produced and the extent to which concepts used are reflecting user needs.
## II. Sections

A group of HS’s are categorized in each section

<table>
<thead>
<tr>
<th>Section</th>
<th>HS Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>1 – 5</td>
</tr>
<tr>
<td>II</td>
<td>6 – 14</td>
</tr>
<tr>
<td>III</td>
<td>15 Animal or vegetable fats &amp; their cleavage products</td>
</tr>
<tr>
<td>IV</td>
<td>16 – 24</td>
</tr>
<tr>
<td>V</td>
<td>25 – 27</td>
</tr>
<tr>
<td>VI</td>
<td>28 – 38</td>
</tr>
<tr>
<td>VII</td>
<td>39 &amp; 40</td>
</tr>
<tr>
<td>VIII</td>
<td>41 – 43</td>
</tr>
<tr>
<td>IX</td>
<td>44 – 46</td>
</tr>
<tr>
<td>X</td>
<td>47 – 49</td>
</tr>
<tr>
<td>XI</td>
<td>50 – 63</td>
</tr>
<tr>
<td>XII</td>
<td>64 – 67</td>
</tr>
<tr>
<td>XIII</td>
<td>68 – 70</td>
</tr>
<tr>
<td>XIV</td>
<td>71 Natural or cultured pearls, precious or semi precious stones, metals, imitation jewelry, coin</td>
</tr>
<tr>
<td>XV</td>
<td>72 – 83</td>
</tr>
<tr>
<td>XVI</td>
<td>84 &amp; 85</td>
</tr>
<tr>
<td>XVII</td>
<td>86 – 89</td>
</tr>
<tr>
<td>XVIII</td>
<td>90 – 92</td>
</tr>
<tr>
<td>XIX</td>
<td>93 Arms &amp; ammunition, parts &amp; accessories thereof</td>
</tr>
<tr>
<td>XX</td>
<td>94 – 96</td>
</tr>
<tr>
<td>XXI</td>
<td>97 - 99</td>
</tr>
</tbody>
</table>
III. End-use classifications are grouped into 10 main groups

0 - RAW MATERIALS (00-08)
1 - SEMI-FINISHED PRODUCTS (10-19)
2 - FUEL (20-24)
3 - CAPITAL GOODS (TRANSPORT) (30-36)
4 - CAPITAL GOODS (AGRICULTURE) (40-44)
5 - CAPITAL GOODS (INDUSTRIAL) (50-59)
6 - CONSUMER GOODS (DURABLE) (60-66)
7 - CONSUMER GOODS (NON-DURABLE) (70-77)
8 - MISCELLANEOUS (80-85)
9 - UNSPECIFIED (91)

IT IS USED FOR IMPORT
B. Quantity Measurement

- Quantities are taken in Kilograms for both Gross Weight and Net Weight (data are in Net Weights)

- Supplementary Units are being recorded in a better way beginning 2008 data (Customs gave equal importance like tariff) and the units are: -

  **Weight**
  - Kilogram – Kg
  - Carat – carat

  **Length**
  - Meter – m

  **Area**
  - Square meters – m²

  **Volume**
  - Cubic meters – m³
  - Liters – l

  **Electrical Power**
  - 1000 kilowatt hours – 1000kwh

  **Number (Units)**
  - Pieces/items – u
  - Pairs – 2u
  - Dozens – 12u
  - Thousands of pieces/items – 1000u
  - Packs – (u (set/pack))

  **STM – Stem (only for cut flowers)** → Kg is standard unit but stem is added for own use.

  **No more in use**
  - Gram - 30, Ton (1000kgs) - 33, Gallon - 50, Factor for sure tax/Coffee - 58, Carton - 59, Undefined - 99
C. Reports using UN Recommendations for IMTS

- Reports are compiled and summed at 2 digits chapter level, 4 digits division and 8 digits commodity level (values and quantity),
- All sections are covered in the import, summary of the 21 sections,
- End-use summary by category for import and it is values only.

- In our data set we have data on CPC & others but don’t publish it in our merchandize trade statistics.
- We don’t use ISIC for IMTS but use it in other economic surveys (ISIC rev. 3.1 is in use for manufacturing statistics and ISIC rev. 4 for distributive trade and construction surveys).