

International Merchandise Trade Statistics

(IMTS)

in

Namibia

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Lusaka, Zambia

Valuation and Data Compilation Strategies in Namibia, Institutional arrangements:

1.1 Introduction

In Namibia, the production and dissemination of External Trade Statistics is the responsibility of Central Bureau of Statistics (CBS). The customs directorate is the source of data with the responsible of data capturing.

1.2 Background

The purpose of trade statistics in Namibia as is the case of other countries is to monitor the flow of goods between the Namibia and the rest of the world.

The timely production and dissemination of trade data requires a very good close cooperation and coordination between the Statistical Office and Customs & Excise (C & E) who generate this data for the process of their core function which is revenue collection.

1.3 Valuation

The Statistical value covers all goods that are exported out and imported into the Namibia through customs officers. This only includes International Merchandise Trade Statistics (IMTS).

The CBS, Namibia valued imports as **Cost, Insurance and Freight (CIF)** while the exports are valued as **Free On Board (FOB)**

1.4 Cost, Insurance and Freight

CIF: Seller owns goods until they are loaded into the vessel; selling price includes all costs so far plus costs of ocean marine insurance.

In other word CIF include value for the cost of the commodity, transport, insurance, other costs e.g. penalty etc. The CIF, which is the statistical value, is the sum of the transaction value of goods and the value of the service performed in delivering the goods to the border of the exporting or importing country (largely freight and insurance)

Any person entering goods must supply in addition to the transaction value, the actual price charged by the exporter plus all costs and charges incidental to the sale and placing the goods on the board ship or any vehicle for exportation and any agent's commission and CIF value.

Valuation Principles set up for Statistical value (CIF):

- a) *Transaction value*: Is defined as the price actually paid or payable for goods when sold for exports to the country of importation; that price is to be calculated as “the total payment made or to be made by the buyer or for the benefit of the seller for the imported goods”; payment can be monetary or in the form of specified goods or services. To obtain the transaction value some elements of cost may need to be added to the price paid
- b) *Transaction value and the invoice price of goods*: These are two different concepts. The invoice price represents an expected direct monetary payment to the seller and may not take account of other payments, which should be included in or excluded from the transaction value. The invoice price is actually a starting point in the derivation of the transaction value. However, it may not be acceptable for that purpose.
- c) *The value of services*: The service rendered in the delivery of goods to the border of the exporting or importing country include, for example, loading/unloading of the goods, fulfilling the customs formalities transportation and insurance.

2.3 Free On Board

FOB: A shipping term, which indicates that the supplier pays the shipping costs (and usually also the insurance cost) from the point of manufacture to a specified destination at which point the buyer takes responsibility. FOB is commercial term under which the seller's obligations are fulfilled when the goods reach point specified in the contract. For examples “FOB's Ware house” means that buyer assumes all costs and risks in moving the goods from the seller's warehouse.

In other word FOB is a trading term that require the seller to deliver goods on board a vessel designated by the buyer. The seller fulfils his obligation to deliver when the goods have passed over the ship' rail. When used in trade terms, the word “free” means the seller has an obligation to deliver goods to a named place for transfer to a carrier.

2.4 Sensitize Customs Officers, Agents and Traders at Border post

There were time Namibia's trade Statistics was based on FOB valuation due to the technique used to capture data at the customs border posts. The CBS and C & E organized a workshop program in which they visited all the customs border posts. The principal aim of the visits to the border posts was to sensitize Customs Officers, Agents and Traders, on the importance of declaring and capturing correct information on CIF, quantity and net weight.

Officials from the CBS and C & E presented on the importance of Foreign Trade Statistics in Namibia. The presentation focuses on the collection, processing and the

production of Trade Statistics. The provision of information on CIF, quantity and net weight was highly emphasized.

It should be noted that this workshop made an improvement on the quality of trade statistics in Namibia. Some customs office even indicated that they interested in getting information from the workshop because they did not know why they were keying all the information. They were more paying attention on the collection of customs duties because before that workshop they only knew the importance of duties collection and not on what information used for.

2.5 currency conversion

When the value of or the price paid is expressed in foreign currency, it shall, for the purpose of calculating the customs value thereof, be converted to Namibia dollars at the rate published by Customs and Excise for the date of shipment of the goods. For the purpose of currency conversion, the date of shipment of non containerized goods shall be the date of the bill of lading, air waybill, or consignment note. The date of shipment for containerized goods shall be the date on which the container is taken on board ship as endorsed on the bill of lading or arrival notification or, if imported otherwise than by sea, the date of the air waybill, or consignment note.

In case of CBS the conversion will be on monthly exchange rates form the Bank of Namibia. In some case we use annual rates depending on the data to be converted. At this point of time we either provide statistics in Namibia Dollars or inform the users to get the exchange rates at the bank and convert themselves or we do it manual because the system gives wrong conversion

3. Data compilation strategies, institutional arrangements

The Central Bureau of Statistics (CBS) is the official custodian of statistics including External Trade Statistics. The External Trade Data is captured by Customs and Excise officers in Ministry of Finance and transferred to the CBS directorate for compilation, analysis and dissemination purposes.

The CBS is responsible for the release of official trade statistics to other government and non-government institutions, Investors, Foreign Missions, Research Organisations, International and Regional Organisations.

3.1 Data Sources

The CBS is getting data from C & E at the Ministry of Finance. The C & E is collecting data from all the Customs Border Post using the ASCUDA++. Most of the trading companies in Namibia are connected to A++ and are keying data themselves with the

C & E supervision and technical assistance. There are no other sources of foreign trade statistics apart from the C & E

3.2 Customs documents:

All Customs and Excise declarations are done on the NAMSAD form, which is the only document used by declarants who are involved in international trade.

About 95 % of all national customs offices and border posts are installed with the ASYCUDA ++ system that is used to capture foreign trade data. Data is extracted from ASYCUDA central server at the C & E Head Quarter (HQ) for each month and transmitted from C & E CHQ to CBS on a monthly basis, seven (7) days after the end of a previous month.

3.3 Institutional Arrangements

In Namibia, the provision of International Trade Statistics is the responsibility of two Government institutions, namely the Customs and Excise Directorate (C&E) in Ministry of Finance and the Central Bureau of Statistics (CBS) in National Planning Commission. Generally the customs directorate is the source of foreign trade statistics. The CBS is responsible for processing, analysis, publishing and dissemination of trade statistics.

In addition, Bank of Namibia (BON) is also form part of trade statistics responsibility as a third Institutional arrangement for trade statistics. The three institutions have the responsibility of the quality and timeliness of trade statistics flowing the rules and regulations. They forma up a trade statistics committee that meets and discusses trade statistics related issues.

The C & E ensure that all the agents and traders provided correct information to customs head quarter (CHQ) and all the information are gathered and ready for CBS, the CBS ensure that all the data are collected from the CHQ, loaded, edited and ready for dissemination. The CBS department is the official release of statistics in Namibia. While the BON ensure that both C & E and CBS carried out their activities and statistics is ready for the preparation of balance of payment

4. Challenges

- Statistics on electricity, gas and water are not included on records received from c & E. Arrangement of linking the company providers of power and water to A++ is done but is not reaching to the final stage.
- Introducing a databanks to extract trade statistics by CIF and FOB in order to measure the improvement on our valuation
- To perfect the exchange rates link in the system.
- No collection of statistics on Informal Cross Border Trade

