**UNSD-SACU workshop**
**on the implementation of the new recommendations**
**for International Merchandise Trade Statistics (IMTS 2010)**
**in SACU Member States**

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## 13 June - item 2:

# Commodity classification and quantity measurement

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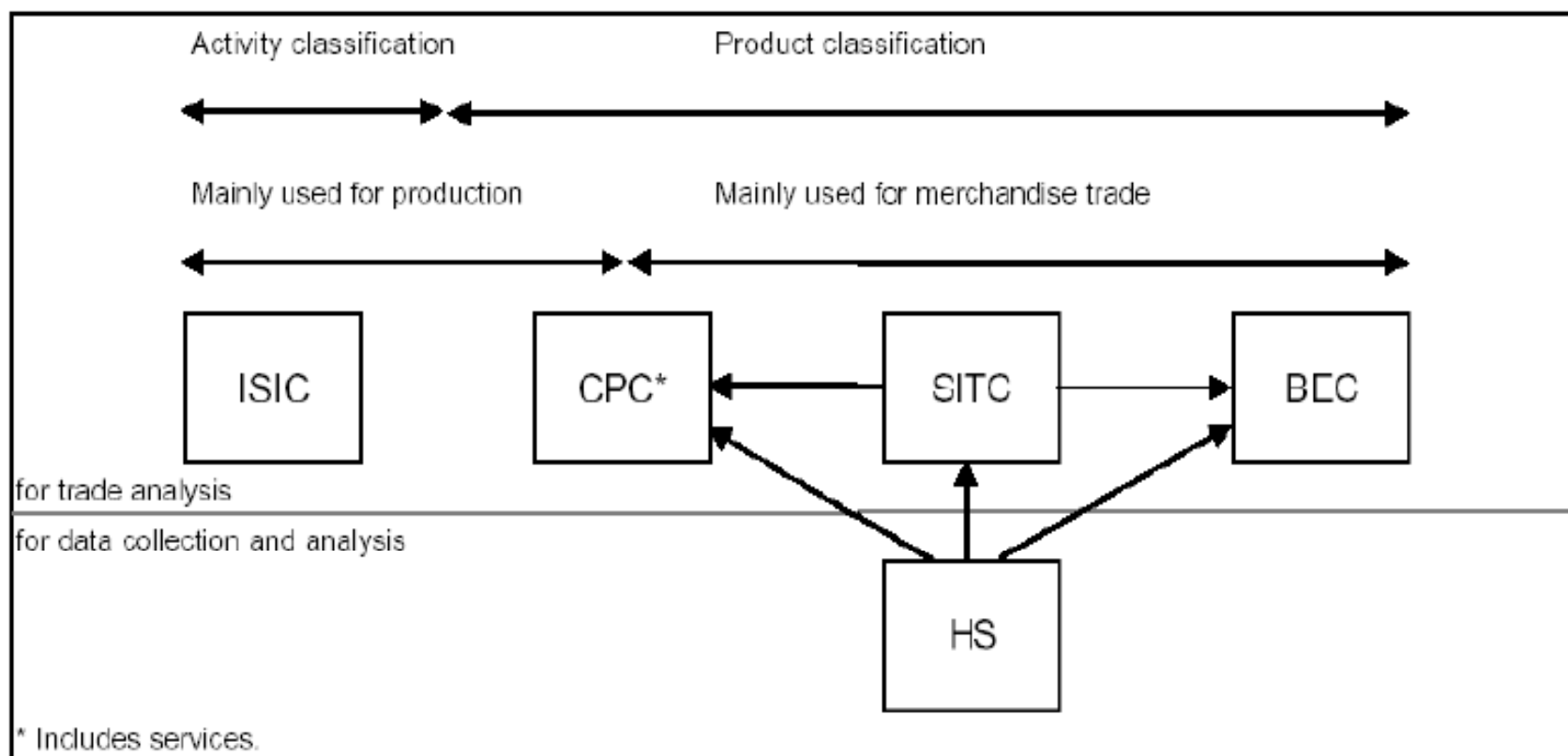**E-mail: lovells@un.org**

# I - Commodity classification

➢ **IMTS2010 Chapter III**

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)

# Overview

Graph 3.1: Relationship between different classifications



Activity classification      Product classification

Mainly used for production      Mainly used for merchandise trade

ISIC      CPC*      SITC      BEC

for trade analysis

for data collection and analysis

HS

* Includes services.

# Correspondence tables

- Describe the relationship between different classifications (or versions)

- 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 users 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

# Additional Guidance in IMTS 2010 – CM:

## Ch 13: Commodity classification

A. Harmonized Commodity Description and Coding System- Introduction
B. HS overview
C. 2012 edition of HS
D. Application of the HS for coding traded goods – challenges and good practices
E. Country experiences in the use of the HS for data dissemination and analytical purposes

## Ch 27: Other international classifications relevant for trade statistics

A. Standard International Trade Classification
B. Central Product Classification
C. Classification by Broad Economic Categories
D. International Standard Industrial Classification of all Economic Activities
E. Correspondence and conversion tables and their use

# 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 are specified for each HS 6-digit subheading

# Quantity Measurement

5.3.   *The standard units of quantity recommended by the World Customs Organization (WCO).* 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.[101] The WCO standard units of quantity are:[102]

| | |
|---|---|
| Weight[103] | kilograms (kg) |
| | carat (carat) |
| Length | metres (m) |
| Area | square metres (m²) |
| Volume | cubic metres (m³) |
| | litres (l) |
| Electrical power | 1,000 kilowatt-hours (1,000 kWh) |
| Number (units) | pieces/items (u) |
| | pairs (2u) |
| | dozens (12u) |
| | thousands of pieces/items (1,000u) |
| | packs (u (set/pack)) |

5.4.   In the WCO recommendation, one of the above standard units of quantity is specified for each HS six-digit subheading.[104]

# 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) [5.6] (Note: If not, explain)

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

# Additional Guidance in IMTS 2010 – CM:
## Ch 15:  Quantity measurement

A. An overview of the WCO standard units of quantity
B. Weight concept
C. Compilation of quantity data from customs sources
D. Compilation of quantity data from non-customs sources
E. Conversion factors from non-standard to standard units of quantity
F. Quality issues
G. Estimation and imputation of quantity data

# Thank you for your attention!