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14 June - item 2:

Data compilation strategies:
Customs and non customs data sources;
institutional arrangements

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

IMTS 2010 Chapter VIII
Data compilation strategies

- Newly added, previously covered in IMTS Compilers Manual

- Two parts:

A Data sources

- USE OF CUSTOMS RECORDS

- USE OF CUSTOMS RECORDS

- COMPARISION OF CUSTOMS AND NON CUSTOMS DATA SOURCES

B Institutional arrangements

A   Data sources

- **Countries are encouraged** to review their current data compilation practices and to develop a long term strategy to deal with the emerging issues to ensure uninterrupted availability of high quality and timely trade statistics

- USE OF CUSTOMS RECORDS

1. **Customs records preferred data source: It is recommended** that statisticians use the customs records as the main and normally preferred data source since those records reflect the physical movement of goods across borders, which international merchandise trade statistics aims to record, and, in general, are reliable, detailed and readily available in most countries. **(para. 8.2 – New recommendation)**

2. **Close cooperation: It is recommended** that statisticians closely cooperate with customs experts in order to correctly allocate customs procedure codes and associated trade transactions according to the general or the special trade system. **(para. 8.4 – New recommendation)**

A   Data sources

- ## USE OF CUSTOMS RECORDS (continued)

3. **Access to customs procedure information: <u>It is recommended</u>** that information about the <u>customs procedures</u> applied to individual transactions is part of the dataset provided by customs to the agency responsible for the compilation of international merchandise trade statistics. **(para. 8.6 – New recommendation)**

4. **Access to accompanying information**: Compilers should gain access to and use the additional information available at Customs, such as the commercial invoice, transport documents, import licenses and certificate of origin that is usually accompanying the customs declaration (as required and as permitted by law). (para.8.7)

5. **Be aware of coverage of customs recording and additional information at Customs**: Compilers should be aware of the coverage of the customs recording (i.e. electricity, airplanes) and use additional data sources as required (including conducting surveys) but be also aware if the customs authorities might also have information about transactions of goods outside the customs territory, for example, about goods entering and leaving free zones. (para. 8.8)

A   Data sources

- ## Use of NON CUSTOMS RECORDS

1. **Use additional sources as necessary: <u>It is recommended</u>** that customs based data be supplemented with information obtained from other sources, as necessary, to ensure full coverage of international merchandise trade statistics.

2. **It is <u>recommended</u> to use non-customs sources as substitutes for available customs records only if they provide a cost effective way to improve quality of trade statistics.** Foreign shipping manifests, Enterprise surveys; Reporting by enterprises; Currency exchange records and records of monetary authorities; Aircraft and ship registers; Parcel post and letter post records; Reports from commodity boards **(para. 8.9 – New recommendation)**

3. **Integrated approach to economic statistics:** In the case of the use of non-customs data sources such as enterprise surveys **<u>it is recommended</u>** that countries take an integrated approach to data collection and make use of business registers and enterprise identification numbers in order to obtain the required information with minimal costs and burden on enterprises. (Important for satisfying additional data requirements) **(para. 8.11 – New recommendation)**

A   Data sources

- COMPARISION OF CUSTOMS AND NON CUSTOMS DATA SOURCES (para. 8.12)

Specific problems to be aware of:

Customs records, for example,

- may not provide full coverage of all transactions,
- may not be subject to adequate statistical quality control at customs or
- might not be made available to statistics compilers in a comprehensive and unrestricted manner.

Non-customs data sources

- may increase the burden on data providers and compilers.
- may suffer from a lack of a consistent classification (e.g. of goods, countries)
- under-coverage (i.e. non-responses in surveys) and
- do not follow standards recommended for valuation, time of recording and partner country attribution.

A   Data sources

- COMPARISION OF CUSTOMS AND NON CUSTOMS DATA SOURCES (para. 8.13)

The reconciliation and integration of customs and non-customs data

❖ **includes adding non-customs to the customs data and substituting non-customs for the customs data.**

❖ **To merge and crosscheck data collected from customs and non-customs sources is a complex and time-consuming activity.**

❖ **Compilers need to be aware of the conceptual and practical difficulties in reconciling and integrating data from different sources**

B Institutional Arrangements

It is recommended that countries consider the establishment of the institutional arrangements necessary to ensure the compilation of high quality trade statistics as a matter of high priority and periodically review their effectiveness. **(para. 8.17 – New recommendation)**

Compilations of IMTS is based on: (para. 8.14)

► Statistical and other applicable national laws and regulations

► Importance of laws and regulations concerning the data sources for IMTS (in terms of their contents and availability); in particular, customs records , the main data source for IMTS are subject to Customs laws and regulations

B   Institutional Arrangements

Effective institutional arrangements are usually characterized by

(a)   the designation of only one agency responsible for the dissemination of official trade statistics,

(b)   a clear definition of the rights and responsibilities of all agencies involved,

(c)   the establishment of formalized working arrangements between them including agreements on holding inter-agency working meetings as needed and on the access to micro data that those agencies collect.

The formal arrangements should be complemented by the informal agreements between the involved agencies and institutions as required. (para. 8.16)

B   Institutional Arrangements

➢ **The national agency responsible for the overall compilation and dissemination of IMTS**

o should, whenever appropriate, actively participate in the discussion of national legislation or relevant administrative regulations

o in order to establish a solid foundation for the high quality and timeliness of trade statistics. (para. 8.14)

➢ **Whatever the institutional arrangement, the national agency responsible for the overall IMTS compilation**

o should periodically review the definitions, methods and the trade statistics themselves

o to ensure that they are compiled in accordance with the recognized international methodological guidelines, are of high quality, and are available to users in a timely fashion. (para. 8.18)

Additional Guidance in IMTS 2010 – CM:

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 7   Integration of data from different sources

Additional Guidance in IMTS 2010 – CM:

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Thank you for your attention!