



IMTS/BOP Adjustments

Overview

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IMTS – Primary Source

- Most compilers use IMTS as the main source
- But some differences in concepts, due to main recording principle of Cross border vs. Change of ownership
- However, IMTS 2010 has eliminated some conceptual differences
 - Recording of mobile equipment that changes ownership while outside the country of residence of its original owner
 - Fish catch, minerals from the seabed and salvaged
 - Bunkers, stores, ballast and dunnage
- Additional adjustment required due to national practices
 - Adjustment due to the trade system used
 - Trade not included in IMTS

Adjustment

- Guidelines on IMTS to BPM6 adjustment are available in
 - IMTS 2010 Annex F
 - IMTS 2010 Compilers Manual Chapter XXIV
 - BPM6 Chapter 10
 - BPM6 Compilation Guide Chapter 5 and 11
- Type of adjustments
 - Coverage (excluding/including goods that have not/have changed ownership but recorded /recorded in IMTS)
 - Classification (goods to services)
 - Valuation (i.e., replacing transfer prices by market prices)
 - Timing (timing of crossing the border vs. timing of change of ownership)

Adjustment for Coverage

- Goods without a change of ownership
 - Migrants' personal effects (-)
 - Return goods (-)
 - Goods transferred from or to a buffer stock organization (-/+)
 - Goods which cross borders as a result of transactions between related parties (-)
 - Non-monetary gold transactions between residents and non-residents without physical movement (-/+)
- Goods for processing without a change of ownership (-)
 - IMTS encourages to identify these categories of goods (para. 1.21)
- Goods related to processing abroad without change of ownership
 - Goods acquired from other economies for processing abroad (+)
 - Goods sold abroad after processing in other economies (+)

Adjustment for Coverage

- Goods lost or destroyed after having crossed one national boundary
 - Goods lost or destroyed before change of ownership (but has been recorded as exports) (-)
 - Goods lost or destroyed after change of ownership but before entering the importing country (+)
- Illegal and smuggled goods (that are otherwise legal)
 - Goods entering or leaving the economic territory of a country illegally (+), and IMTS encourages to identify these categories of goods (para. 1.59)
- Changes in stocks of goods that never cross the border of the owner's economy
 - Net exports of goods under merchanting (+)

Adjustment for Coverage

- Adjustments related to the use of special trade system
 - Addition of flows of goods that are not covered (+)
 - Deductions of flows that are covered in special trade system (-)
- Possible deductions related to non-compliance to IMTS 2010
 - Government goods consigned to armed forces and diplomatic representatives abroad (-)
 - Goods for temporary admission (-)
 - Transit Trade (-)

Adjustment for Coverage

- Possible additions related to non-compliance to IMTS 2010
 - Non-monetary gold (+)
 - Trade on government account (+)
 - Electricity and water (in some cases gas and oil via pipelines) (+)
 - Informal cross border trade (+)
 - Goods not crossing both borders (mobile equipment used in international waters, fuels, provisions, stores, etc.) (+)

Adjustment for Classification

- Conversion of imports from CIF to FOB (-)
- Goods forming part of BOP services
 - Customized recordings on physical media (-)
 - Non-customized recordings on physical media with periodic license (-)
- Goods imported for construction
 - Goods imported for construction projects by non-resident enterprises, where construction projects are not sufficiently substantial to constitute a branch of the enterprise (-)
- Possible deductions related to non-compliance to IMTS 2010
 - Monetary gold (-)
 - Securities, bank notes, coin in circulation (-)

Adjustment for Valuation

- Replacement of estimates with actual values
 - IMTS or BOP compilers should make the necessary adjustments (i.e., aid goods)
- Replacement of transfer prices with market prices
 - Related to transactions between enterprises in a direct investment relationship
 - IMTS or BOP compilers should make the necessary adjustments
- Replacement of customs values with transactions values
 - If customs value for duty differ from the actual transaction price
- Corrections for inappropriate exchange rates used in IMTS

Adjustment for Timing

- Replacing IMTS with data from the books of enterprises
 - If the period in which a change in economic ownership does not coincide with transaction recorded in IMTS
 - Typically made only when significant amounts (-/+)
- Consignment trade adjustment
 - Goods shipped abroad on consignment should be deducted from exports recorded in IMTS and replaced with the actual sales of goods from stocks held abroad by resident (and vice-versa)
- Adjustments to correct IMTS recorded on the basis of processing dates
 - Case which IMTS are based on the date on which customs entries are processed

Thank you - Merci