



# Informal cross border trade

## Analysis of results

**Markie Muryawan & Nougbodohou Samson Bel-Aube**  
**United Nations Statistics Division & African Union Commission**  
**© 2014**

# Melilla, Spain - Morocco Border



Source: [www.colors magazine.com](http://www.colors magazine.com)

## What is Informal Cross Border Trade?



- Trade between residents of adjacent areas of bordering countries
- Low quantities “personal luggage” and low value but high frequencies
- Normally below customs threshold, no duties paid
- For certain countries, it’s economically significant, therefore it is good practice for trade statisticians to measure it

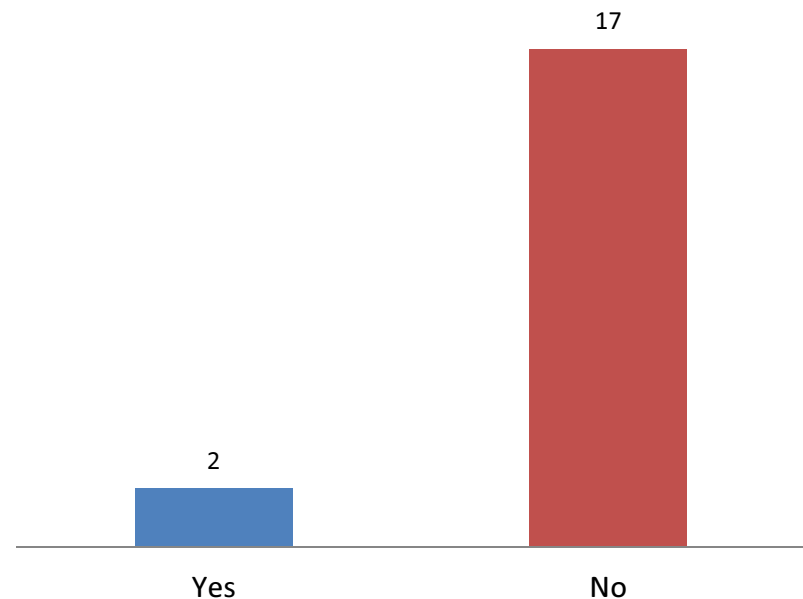
# Summary of questionnaire

- The survey was conducted from 18 March 2014 to 5 May 2014
- A total of 22 responses was received (12 in French, 10 in English) from National Statistical Offices
- The number of answer per questions varies, due to some missing responses

## Only 2 countries (Cameroon and Rwanda) compile statistics on informal trade regularly

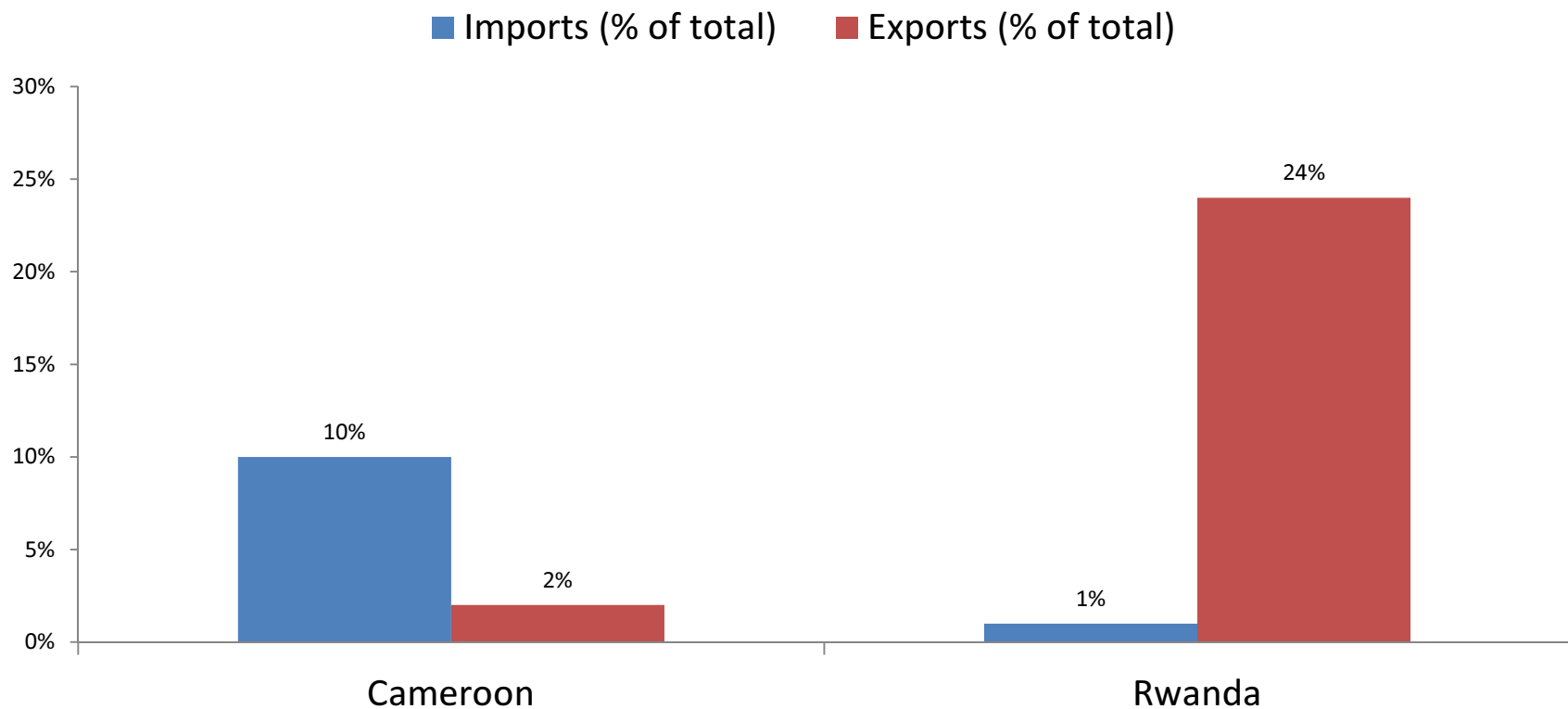
- Few conclusions can be drawn based on these two cases.
- Cameroon uses both econometric techniques and surveys (annual) to estimate, while Rwanda relies on surveys (monthly).
- One country compiles in ad-hoc basis and other just started the pilot project

**Q4. Do you compile statistics on informal cross border merchandise trade (or informal trade), as additional source for IMTS or BOP/NA?**



# Both countries estimate that informal trade represents a significant share of total trade

**Q5. What are estimated shares of informal trade in total exports/imports?**

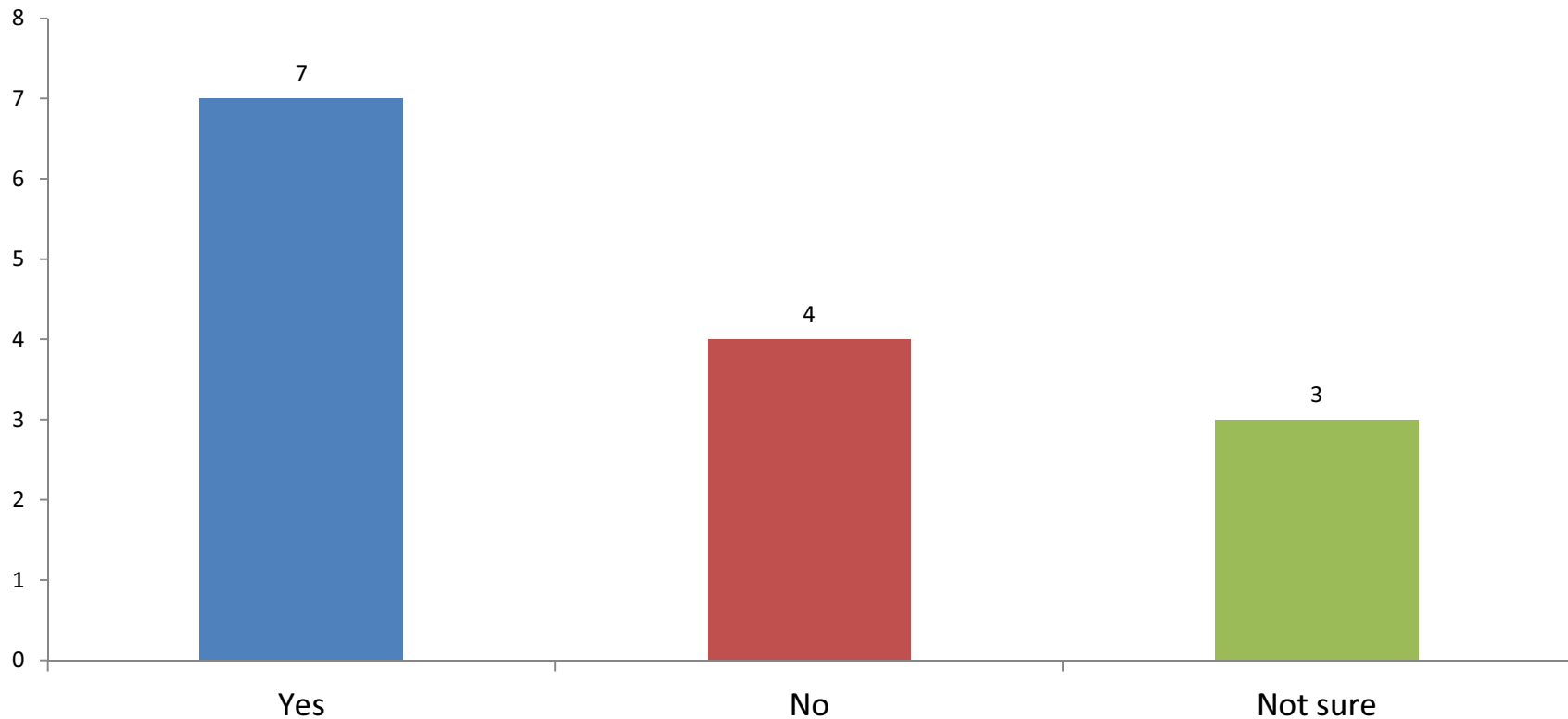


# Insight from Rwanda and Cameroon

- Data on informal trade is used in both BOP and SNA compilation
- Many agencies involved in the execution of the survey: NSO, Customs, Ministry of Trade and Finance, Local municipality
- No separate publication on informal trade yet
- Eurotrace is not used to integrate the result of the survey

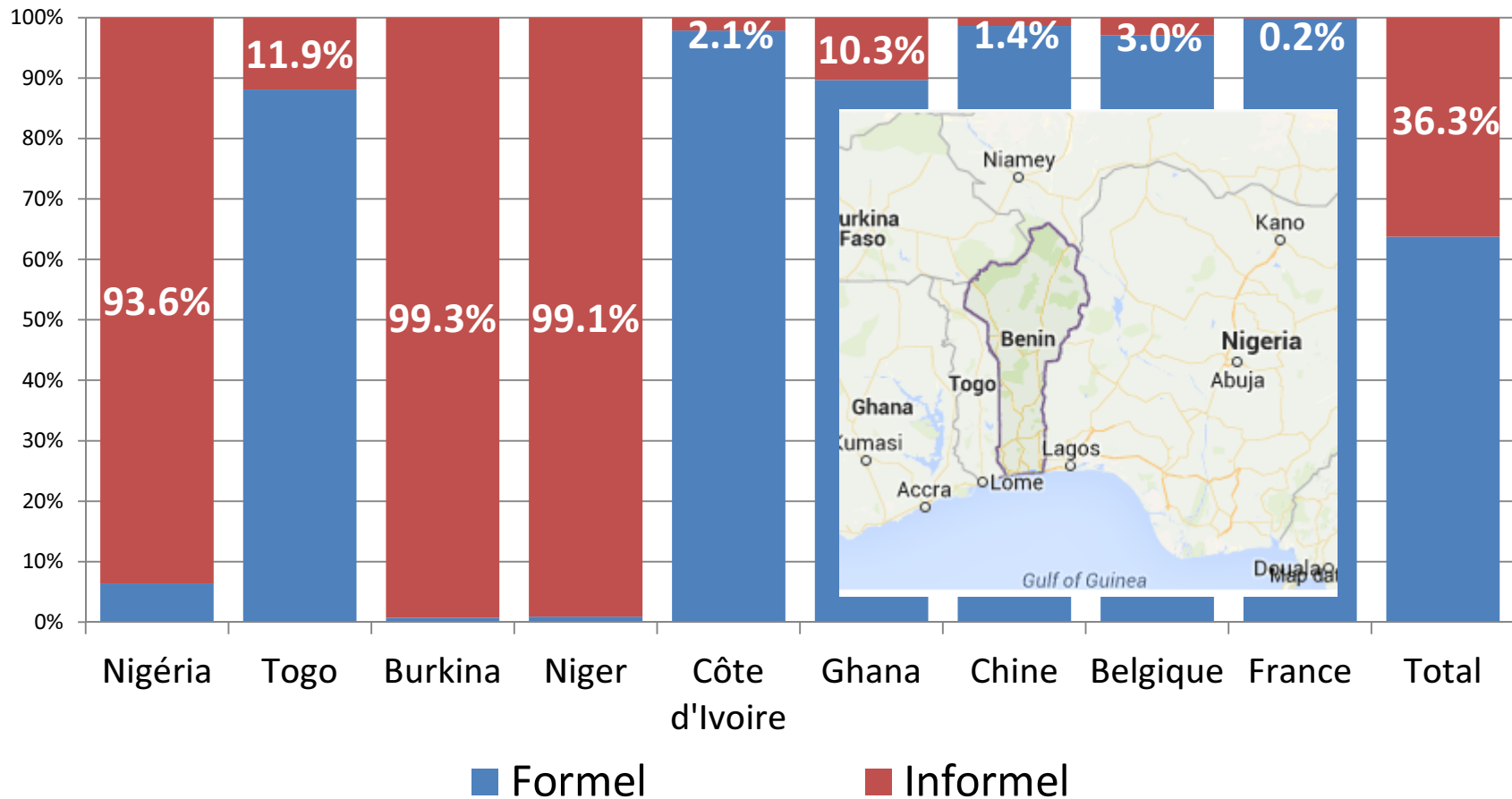
Among the countries that do not compile informal trade statistics, most countries believe that informal trade constitute a significant share of total trade

**Q20. Does informal trade constitute significant share of total trade in your country?**



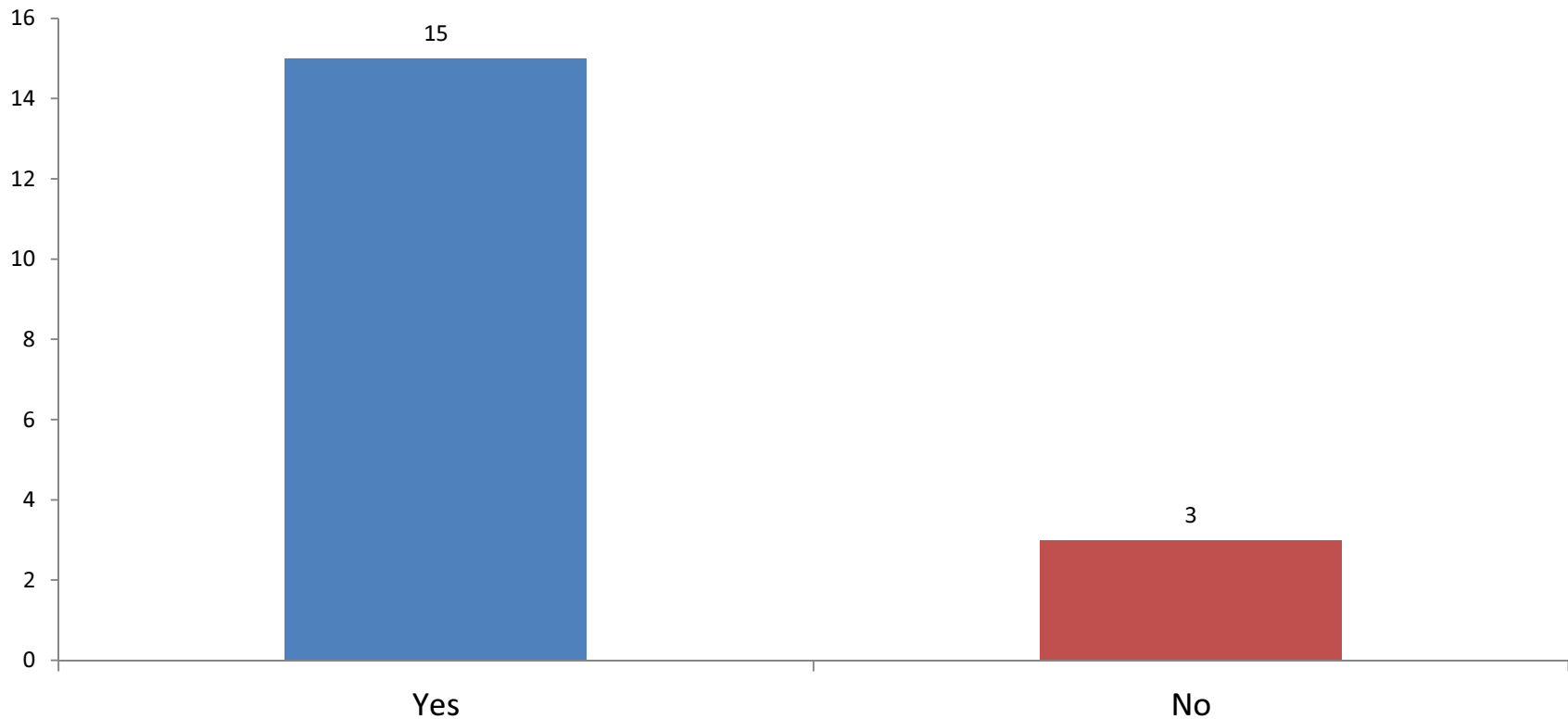


# Benin – Imports Country of Origin (informal vs. formal), 2010



The majority of countries believe they need assistance to start the compilation of informal trade statistics. The kind of assistance required includes financial and methodological/technical assistance

**Q21. Do you need technical assistance to start the compilation of statistics on the informal trade?**



# Way forward

- Responding to the need for guidelines to compile informal trade, AUC, with UNSD support, has establish task group to develop a **handbook on the measurement of informal cross border trade (2015/2016)**
- In addition, establishment of **data exchange framework** among neighboring countries is also crucial factor to reduce the cost of informal cross border survey

Thank you - Merci