



Session VII – Quality Report



Quality Report in the frame of a regional programme (Mediterranean countries)

*Regional Seminar on International Trade Statistics
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Session VII – Quality Report



- MEDSTAT III is a programme funded by the EU and implemented from April 2010 to December 2013, aiming at strengthening the statistical capacity of the relevant authorities in the South Mediterranean Partner Countries (Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestine, Tunisia).
- A specific action dealing with Quality assessment has been included in the MEDSTAT Work programme by the Trade Sector Task Force (December 2010)
- A Quality questionnaire has been designed in coordination with MED partner countries
- The Questionnaire has been sent to all Mediterranean partners in November 2012
- The report was based on answers received from all MPCs (8 countries)
- Indicators were focusing on years 2010 and 2011



Session VII – Quality Report



- The questionnaire dealt with the following dimensions of the models of Quality report defined either within the European Statistical System (ESS) or in the IMF Data Quality Assessment Framework (DQAF) :
 - Relevance
 - Methodological Soundness
 - Accuracy
 - Timeliness
 - Accessibility and Clarity
 - Comparability
 - Coherence

- **These dimensions are in line with the dimensions suggested in the IMTS 2010 concepts and definitions (Chapter 9)**



Session VII – Quality Report



Table 1 (Relevance): **Do you carry out users' satisfaction survey specific to trade data?**

MPCs :	Regularly	Occasionally	Never
DZ			X
EG	X		
IL			X
JO		X	
LB			X
MA		X	
PS		X	
TN		X	

→ A majority of the MPCs use users satisfaction surveys or specific meetings with users to get a feedback from users, but generally not on a regular basis

Table 2 (Relevance): **What are the main gaps between users needs and compiled trade statistics?**

MPCs :	
DZ	The 8 digit classification contains for some products a combination of articles (“other products”) creating difficulties to identify some products. Nevertheless, a 10 digit breakdown is under validation process in order to solve this issue.
EG	Users sometimes need to show data in statistical publication by quantity in addition of value
IL	Trade data exclude trade with the Palestinian Authority. These data are frequently requested by users. Monthly indices: monthly imports indices were developed, they are published since October 2011 (quarterly published) Monthly exports indices are being currently developed (monthly publication expected mid 2013)
JO	Users wanted more details such as by the name of exporter and importer, and this is secret by the law of Department of Statistics, and they wanted the kind of commodities (trade mark).
LB	No gap
MA	Isolated monthly data Regional data (already available for exports) Individual data (not disclosed due to confidentiality)
PS	Quantities are not available from official data sources (VAT vouchers) Country of origin for imports from Israel is not mentioned in the VAT vouchers, mainly for those commodities imported via Israel, PCBS highlights the issue in the annual reports
TN	No dynamic database on the website meeting users needs (crossed variables) No data available at company level (problem with basic law) No data according to some international classifications (SITC, CPC,...)

➔ The most frequently quoted gaps between users needs and compiled trade statistics are the following:

- lack of detail : some users would need information by product at a more detailed level than what is available in the product classification;
- the need expressed by some users to get information at company level cannot be satisfied due to the confidential status of individual data
- lack of information on price (or unit value) indices
- lack of seasonally adjusted data at aggregated level: except Israel and Morocco, other MPCs do not produce seasonally adjusted data, despite the seasonal pattern of monthly data



Session VII – Quality Report



Table 3 (Methodological Soundness): **Compliance with UNSD recommendations**

MPCs	Level of compliance declared by the MPC (A)	UNSD measurement of lack of compliance (2006 questionnaire) (B)
DZ		
EG	70%	
IL	66,4%	20,6%
JO	More than 90%	35 ,5%
LB	Full compliance	
MA	100%	19,6%
PS	75%	46,7%
TN		21,5%
Comments		
DZ	Concerning classifications, all recommendations about HS have been introduced in the Customs classification	
IL	Since 2006 survey, some concepts and definitions have been updated and changed.	
TN	UN ratio (21,5% + 35% no answer) is not related to real situation	

- ➔ A limitation of this ratio is that all issues raised are treated equally
- ➔ The ratio does not allow comparisons between countries but could be used to the convergence of each country according to time
- ➔ Answers to UNSD questionnaires should be checked periodically



Session VII – Quality Report



Table 4 (Methodological Soundness): **Main conceptual divergences with UNSD recommendations**

MPCs	
DZ	
EG	Does not include trade data on goods leased in accordance with lease contract of a financial Does not include trade data from ships and aircraft Trade data does not include data in gifts
IL	Trade statistics are not compiled and published according to the General Trade System. (GT to be applied in 2014) Military imports, trade with the Palestinian Authority are excluded.
JO	We didn't use residents and non-residents in our trade statistics and any relation depending on that We didn't use the general system in foreign trade statistics.
LB	No divergence
MA	Statistics by mode of transport (new recommendation), currently under development Statistics by country of consignment (new recommendation), already available for imports
PS	In terms of coverage, there is an under coverage in Palestinian trade figures
TN	Exclusion of military equipment Inclusion of temporary admission followed by re-export in the same state

- ➔ The most frequent divergences with international recommendations are the following:
- use of the “special trade” system instead of the recommended “general trade” system
 - exclusion of the military equipment
 - lack of coverage
 - provision of new indicators (mode of transport, country of consignment, seasonally adjusted data,...)



Session VII – Quality Report



Table 5 (Accuracy): **Levels of Customs Thresholds**

MPCs:	Do you apply a threshold?		Level of the threshold	
	YES	NO	Imports	Exports
DZ	X		1000 dinars ± 10€	1000 dinars ± 10€
EG		X		
IL	X		US\$ 50	US\$ 100
JO			25 \$	15\$
LB	X		LBP 500 000	LBP 500 000
MA		X		
PS		X	25 \$	15\$
TN		X		

- ➔ Only 3 countries apply a threshold below which Customs declarations are not processed
- ➔ The level of the threshold is very low. Consequently, there is no need to apply any adjustment to data



Session VII – Quality Report



Table 6 (Accuracy): **Trade not collected from Customs data**

MPCs	Imports	Exports	Comments
DZ	0%	0%	
EG	15 to 20%	30 to 35%	Oil companies, petroleum ministry
IL	0,5% (2010) 0,1% (2011)	0,01% (2010) 0% (2011)	
JO	about (7-10%)	about 25%	Ex: Potash and phosphates companies, ministry of agriculture
LB	Negligible	Negligible	
MA		1,4%	Goods procured in ports and airports, which are not reported to Customs
PS	Around 70%	Around 88%	VAT vouchers reports
TN	3% to 4%		Imports of cereals (wheat and corn) updated with data from Office of Cereals

- In some cases, there is no provision of a Customs declaration for specific goods (electricity, ships, aircrafts...). In other cases, a direct declaration from the importing/exporting company provided more accurate data than Customs records (e.g: oil products)
- The table shows the share of trade collected from sources other than Customs declarations



Session VII – Quality Report



Table 7 (Accuracy): **Share of non observed trade (non response or informal trade)**

MPCs	Imports	Exports	Comments
DZ			
EG	Unknown	Unknown	No estimation introduced before publication
IL	0%	10%	Estimations are made for export data (first publication)
JO			All goods that entered by the boards are included
LB	Unknown	Unknown	
MA			
PS	around 40%	around 25%	Only administrative records from official data sources are published
TN	0%	0%	

- ➔ In case of presence of non observed trade, it is recommended to estimate and include this trade, **if significant**, at least in total trade data.
- ➔ It seems that this unobserved trade is either limited in MPCs (except in PS), or difficult to estimate.

Table 8 (Accuracy): **Impact of revisions:** discrepancy (in %) between the first monthly release and last data available (yearly average)

MPCs	Imports (Value)		Exports (Value)	
	2010	2011	2010	2011
DZ	1,1%	0,9%	1,8%	1,4%
EG	10%		5%	
IL	1,0%	0,0%	3,0%	6,0%
JO	10,0%	5,0%	10,0%	10,0%
LB	0%	0%	0%	0%
MA	0,5%	1,0%	5,1%	7,0%
PS	0,0%	2,0%	0,0%	0,0%
TN	0,1%	0,1%	0,0%	0,0%

- ➔ The level of revision of trade statistics in the MPCs is generally limited at aggregated level.
- ➔ When present, the revisions have always a positive sign, meaning that revised figures are higher than in the first publication.



Session VII – Quality Report



Table 9 (Accuracy): **Frequency of revisions and delay of availability of the final data**

	Frequency	Last revision on yearly data	Comments
DZ	Monthly	2 months	Monthly results remain provisional until the final version of the year is disclosed
EG	Monthly	15 months	
IL	Monthly	3 months	Annual data are considered final on April publications
JO	Monthly	4 months	
LB	Monthly	1 month	
MA	Monthly	6 months	
PS		11 months	The periodicity is a special case for Palestine: there are 6 Months allowed for traders to send their transactions in addition to the annual data collection for some records
TN	Yearly	5 Months	

→ Revisions are applied either with a monthly or a yearly frequency (TN). Monthly periodicity of revisions allows to get quicker a good level of update.

→ Final data for the past year are available within 6 months in a majority of MPCs



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Table 10 (Accuracy): **Share of electronic declarations**

What is the share of electronic declarations in data collected by the Customs (year 2006):	Country								
	Flow	DZ*	EG	IL	JO	LB	MA	PS	TN
- in percentage of the total number of declarations:	Imports	n.a.	90%	100%	100%	100%	100	42%	100%
	Exports	n.a.	90%	100%	100%	100%	100	15%	100%
- in percentage of the total value of trade :	Imports	n.a.		100%	93%	100%	100	37%	100%
	Exports	n.a.		100%	75%	100%	100	11%	100%
Comments :									
DZ	The ratio of electronic declaration is 96% for companies with a direct connection to Customs; no registration possible for Internet declarations.								

➔ The data quality is more ensured when input Customs data are collected by electronic systems. Consequently, the share of electronic declarations can be considered as a quality indicator



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Table 11 (Accuracy): **Control procedures**

		DZ	EG	IL	LB	JO	MA	PS	TN
input data	Do you check the exhaustiveness of declarations (all compulsory boxes are filled in)?	X	X		X	X	X	X	X
	Do you apply validity checks (eg. Validity of products or country codes)?	X	X	X	X	X	X	X	X
	Do you apply credibility checks (eg. Credibility of average value)?	X	X	X	X	X	X	X	X
output data	Do you check output data before publication :	X	X	X	X	X	X	X	X
	- on the basis of historical data		X	X		X	X	X	X
	- using outliers detection methods	X	X	X		X	X	X	X
	- using external sources (fiscal data, mirror statistics, ...)			X		X	X	X	
	- other methods	X						X	
Comments (other methods) :									
DZ	Coherence and exhaustivity checks								
MA	The Comext database is used to check data in some sectors								
PS	In terms of VAT vouchers, the number should be consistent with the total value collected by the Ministry of Finance as the main source for trade with Israel								

→ All MPCs carry out validity and credibility checks, as well as a validation of main outputs before publication. Comparison with external sources is more unusual.

Table 12 (Accuracy): results of the validation process

What is the average share of erroneous data:		DZ	EG	IL	JO	LB	MA	PS	TN
- in percentage of the total number of declarations :	2010	n.a.	10%	n.a	10%			2%	
	2011	n.a.	10%	n.a	8%			1,5%	
- in percentage of the total value of trade :	2010	n.a.		n.a	7%			3%	0,1%
	2011	n.a.		n.a	5%			0%	0,1%
Comments :									
MA	The Customs clearance system includes validation rules applied to customs declarations. The main process applied to declarations is the transition from Customs procedures to Statistical procedures.								

→ The result of the validation process is different according to the situation of the country, and depends on the access or not to the Customs basic declarations and on the quality of these data.

→ The quality of basic data depends significantly on the integration of validation rules at the level of data entry systems used by the Customs administrations



Session VII – Quality Report



Table 13 (Accuracy): **Impact of confidentiality, 2010-2011**

	MPCs	Imports		Exports	
		2010	2011	2010	2011
Share of confidential items in total trade value :	DZ	n.a	n.a	n.a	n.a
Number of detailed national product codes affected :					
Share of confidential items in total trade value :	EG				
Number of detailed national product codes affected :					
Share of confidential items in total trade value :	IL	19,8	20,3	6,0	7,2
Number of detailed national product codes affected :		20	20	20	20
Share of confidential items in total trade value :	JO				
Number of detailed national product codes affected :					
Share of confidential items in total trade value :	LB	0	0	0	0
Number of detailed national product codes affected :		0	0	0	0
Share of confidential items in total trade value :	MA	1,3%	0,2%	0	0
Number of detailed national product codes affected :		6	8		
Share of confidential items in total trade value :	PS	0	0	0	0
Number of detailed national product codes affected :		0	0	0	0
Share of confidential items in total trade value :	TN	0%	0%	0%	0%
Number of detailed national product codes affected :		0	0	0	0

➔MPCs either apply the passive confidentiality principle, or make all data public without limitations (except for some very specific goods, such as military equipment).

➔Consequently, the effect of confidentiality on Quality is limited, except in Israel where passive confidentiality is applied on a limited number of items, but with a significant share in total trade

Table 14 (Accuracy): **Confidentiality rules**

MPC:		DZ	EG	IL	JO	LB	MA	PS	TN	
	Do you apply passive confidentiality at national level?	N	Y	Y	N	N	Y	N	Y	
	If yes, are companies informed about their possibility to request confidentiality to prevent disclosure of their individual trade?			Y			Y		N	
	Do you apply confidentiality at:			Y	Y	N	Y	N	Y	
		- product level:			Y	N	N		N	N
		- partner country level		Y	Y	N	N		N	N
	- both product and partner country level		Y	Y	N	N		N	N	

→ When passive confidentiality is applied, it concerns the detailed product level, and also partner country in 2 PPM (EG and IL)

Table 15 (Timeliness): **Average time lag** between the end of the reference month and the release date of the **first provisional results**, measured in working days

MPCs	Aggregated data		Detailed data	
	2010	2011	2010	2011
DZ	10 days	10 days	20 days	20 days
EG	7 weeks	7 weeks	7 weeks	7 weeks
IL	12 days	12 days	1 month for imports, 2 months for exports	1 month for imports, 2 months for exports
JO	25 days	25 days	35 days	35 days
LB	1 month	1 month	1 month	1 month
MA	10 days	10 days	60 days	60 days
PS	120 days	60 days	360 days	330 days
TN	10 days	10 days	15 days	15 days

- ➔ A majority of MPCs disclose monthly data within the following month. This delay is shorter than the average delay observed in the EU. The time lag is generally compatible with the delay recommended by the IMF in the SDDS (8 weeks) or with the IMTS-2010 encouragement (45 days for monthly aggregates).
- ➔ Some MPCs have longer delays due to structural problems in the access to basic data (treatment of VAT data in trade between Israel and Palestine)



Session VII – Quality Report



Table 16 (Timeliness): **Average time lag** between the end of the reference month and the release date of the **final results**, measured in months

MPCs	Aggregated data		Detailed data	
	2010	2011	2010	2011
DZ	2 months	2 months	2 months	2 months
EG	2 months	2 months	3 months	3 months
IL	3 months	3 months	4 months for imports, 5 months for exports	4 months for imports, 5 months for exports
JO	3 months	3 months	4 months	4 months
LB	1 month	1 month	1 month	1 month
MA	6 months	6 months	6 months	6 months
PS	4 months	4 months	12 months	11months
TN	5 months	5 months	5 months	5 months
Comments				
DZ	The 2 months delay is explained by the facility given to the oil exporting company to report final declaration, otherwise the delay would be shorter.			
MA	External trade data are disseminated according to delays recommended by the IMF SDDS standard to which Morocco has subscribed in November 2005.			
PS	The delay in publishing the detailed data is due to the period allowed for traders to declare their official documents to the customs authorities			
TN	Reallocation of data on cereals on all months of the previous year			

➔ Final results (meaning data which are not anymore subject to revision) are disclosed within a maximum of 6 months delay (with the exception of Palestine, due again to the specific collection system based on VAT)

Table 17 (Accessibility): **Dissemination of international trade statistics**

MPCs	Paper/pdf publications				Electronic publications			
	News release	Monthly	Quarterly	Other (yearly, etc)	Database on Internet (aggregated data)	Database on Internet (detailed data)	CD/DVD-Rom	Other (fax, email, etc)
DZ	X	X	X	9 months and full year	X	X	X	X
EG	X	X	X	X	X	X		
IL	X				X	X		On request
JO	X	X		X	X	X	X	X
LB	X				X	X	X	X
MA	X	X	X	X	X	X		X
PS	X	X		X				X
TN	X	X		X	X	X	X	

→ All countries publish a monthly press release at aggregated level.

→ In almost all countries, a database is accessible at more detailed level by product and partner country...



Session VII – Quality Report



Table 18 (Accessibility): On line access to trade data

MPC	DZ	EG	IL	JO	LB	MA	PS	TN
What is the level of detail accessible on the website:								
Harmonised System	x	x	x	x	x	x	x	x
National Product classification	x		x	x	x	x		
Partner Country x Harmonised System	x	x	x	x	x	x	x	x
Partner Country x National Product classification	x		x	x	x	x		
Is it possible for users to define their own extraction parameters?	x	x	x	x	x	x		
Is it possible for users to download their extractions (into Excel for instance)?	x	x	x	x	x	x	x	x

➔ In almost all countries, the interface allows users to define their own extraction parameters and it is possible to download extractions ...



Session VII – Quality Report



Table 19 (Clarity): **Access to metadata**

Do you publish up-to date and pertinent metadata (concepts, definitions, classifications...) ?

MPCs	Paper publications	Electronic publications	Comments
DZ	x	x	
EG	x	x	
IL		x	Metadata on the website
JO	x	x	Electronic publications on website
LB		x	
MA	x	x	Methodological notes are available. A metadata server is being implemented.
PS		x	Electronic publication is made available on the website
TN			

➔ A majority of MPCs provide metadata, either on paper or on electronic publications



Session VII – Quality Report



Table 20 (Clarity): **Publication of a National Quality Report**

	MPCs	DZ	EG	IL	JO	LB	MA	PS	TN
Do you publish a national Quality report?		No	No	No	x	No	No	x	No
Comments:									
JO	The annual detailed report includes paragraph on the quality issues.								
PS	The annual detailed report includes paragraph on the quality issues.(see PCBS website)								

➔ National quality reports are not yet produced in MPCs, even if some quality issues are presented in some reports (see IMTS recommendations on Quality).



Session VII – Quality Report



Table 21 (Comparability): **Trade Systems**

	<i>Trade System</i>
Algeria	Special Trade (strict definition)
Egypt	General Trade (from 01/2008)
Israel	Special Trade (relaxed definition)
Jordan	Special Trade
Lebanon	Special and General Trade
Morocco	Special Trade (relaxed definition)
Palestine	Special Trade
Tunisia	General Trade

- ➔ Various Trade Systems are used (like in the EU)
- ➔ General Trade System available only in EG, LB, and TU

Table 22 (Comparability): **Asymmetries between MPCs and the EU**

	MPC Import (1)		MPC Export (2)	
	2010	2011	2010	2011
MPC:	... %	... %	... %	... %
Algeria	-0,4	-3,8	-1,4	2,2
Egypt	-16,3		-14,2	
Israel	3,5		4,1	
Jordan	-28,4	-19,0	-16,3	-17,1
Lebanon	1,2	-2,6	70,4*	-16,7
Morocco	3,6	0,4	-3,4	-1,7
Palestine	0,9		0,3	
Tunisia	7,6		5,0	

(1) : (import Med - export EU)/export EU in %

(2) : (export Med - import EU)/import EU in %

- ➔ Significant differences in the level of asymmetry according to the various MPCs.
- ➔ Specific asymmetry studies have been carried out with several MPCs in the frame of the MEDSTAT programme and reports with detailed findings are available

Table 23 (Comparability over time): **Main changes in the national methodology**

MPCs	Main changes	Year of application	Production of retropolated data
DZ	- Amendments in the HS classification	1992,1997,2002, 2007, 2012	Yes
EG	- Led to follow the general trade system to the data and the inclusion of all goods that enter into foreign trade statistics released regardless of the customs. - Unification of the face data dissemination, a Central Agency for Public Mobilization and Statistics. - Use of the latest tariffs for H.S 2007 version which is currently under coordination with the Customs Department on the use of H.S 2012		
IL	-Exports classification matches the international requirements -Imports data are available by country of origin	July 2008	No
JO	We included some cases of customs procedures and some cases excluded from the list of (included and excluded), and this for the year 2011	2011	Yes
LB	No change		
MA	Integration of the trade between the Tanger free zone and the rest of the World	2005	
PS	- Using Hand Held Devices in data collection - Using HS 2007	2012 2008	Yes Yes
TN			

➔ Main changes quoted by MPCs are linked to the selection of the Customs procedures to be included in the frame of trade statistics and the introduction the revised versions of the product HS classification

Table 24 (Coherence): **Transition form Trade Statistics to BOP item “Goods”**

MPCs	Imports	Exports
DZ	(-) CIF/FOB adjustment	
EG	Use of ITRS system	Use of ITRS system
IL	(-) CIF/FOB adjustment (+) goods procured in ports/airports (+) trade with Palestinian Authority (+) other adjustments (port services, military equipment,...)	(+) trade with Palestinian Authority (+) net exports of goods under merchenting (+) other adjustments
JO	(-) 11% of the value of merchandise trade imports (CIF/FOB adjustment) (-) imports of non resident entities	
LB	(-) CIF/FOB adjustment (+) goods procured in ports/airports	(+) goods procured in ports/airports
MA	(+) goods procured in ports/airports (-) CIF/FOB adjustment (7,5%)	(+) goods procured in ports/airports
PS	(+) some adjustments made when preparing the BOP bulletin	(+) some adjustments made when preparing the BOP bulletin
TN		

- ➔ Main adjustments are related to CIF/FOB adjustment of imports value, goods procured in ports and airports
- ➔ Quantitative transition tables have been provided by some MPC (IL, MA, PS)
- ➔ Table more complex after implementation of BPM6...



Session VII – Quality Report



Quality report on trade in goods : conclusions

- Quality level in the region was generally satisfactory and compatible with international standards.
- Nevertheless, some quality indicators are heterogeneous according to MPCs and some indicators' levels could be improved in some countries
- Several actions already launched by MPCs have improve the quality
 - Changes in the concepts applied to measure trade statistics
 - Use of current versions of international classification
 - Improvement in timeliness,...



Session VII – Quality Report



▪ *Way forward...*

- Keep and improve the coherence with international recommendations
- Develop links with users thanks to all possible tools (opinion survey, meetings...)
- Pay attention to revised international recommendations in the trade domain, in particular about the new trade indicators
- Be aware about the new international recommendations published in related domains (BOP and National Accounts), develop the cooperation with institutions in charge of BOP and National Accounts statistics, and communication with users about the possible discrepancies between these domains
- Proceed periodically to asymmetry studies with main partners of each country
- Publish at national level all the relevant metadata about trade statistics
- Improve the transparency of the information by publishing National Quality reports, in accordance with the UNSD recommendation



Session VII – Quality Report



- *The Quality Reporting will be included in the new COMPASS programme*
- *Comments/Questions are very welcome...*