Country Practice in Compilation of Merchandize Trade

Regional Workshop on International Merchandize Trade Statistics
Male, Maldives

DGCI&S
Ministry of Commerce & Industry
Government of India

03rd April 2017

Introduction…

- Unlike other countries, in India, merchandize Foreign Trade (FT) data is generated mainly in Customs under Ministry of Finance, Govt. of India, whereas, Directorate General of Commercial Intelligence & Statistics (DGCIS) under Ministry of Commerce & Industry, Govt. of India is the repository of the FT data. Thus, the type of data, that is with DGCIS is of secondary in nature and is generated as Daily Trade Return (DTR) from Shipping Bills (SB)/ Bills of Entry (BE) on selected agreed fields.

- The main concern of International Merchandise Trade Statistics (IMTS) Manual is to strengthening national merchandise trade statistics programmes and to harmonizing IMTS methodologies across countries, thus improving the availability of trade data and their cross-country comparability.

Implementation of IMTS 2010

- **Scope and time of recording**

    - For Import: Out of Charge stage

    - For Export: Let Export Order stage

- **Specific Guidelines**

    - Change of Ownership: At present no provision to identify such goods separately. Require special Customs procedures

    - Exclude but record separately: No provision to record separately maintenance & repair, waste& scrap, goods entering illegally or destroyed in transit

    - Exclude Goods temporarily admitted or dispatched : temporary import/export are not identified and thus not excluded.

Implementation of IMTS 2010

- **Trade system**

  - Statistical Territory is co-terminus with Economic Territory as generalized System of Trade is followed.

  - *Include and identify separately Re-imports and Re-exports*: Presently not possible to identify re-imports/ re-exports separately as online mode is in operation. Earlier, in the manual mode, that issue was identified by the colour of the form.

- **Commodity classifications**

  - Indian Trade Classification – Harmonized System (ITC-HS) Codes (**based on HS classification 2010**) of 2012, which is of 8-digits, are used for collection, compilation and dissemination of trade statistics.

  - Efforts are being made to implement ITC-HS, 2017 (based on HS classification 2015)

Implementation of IMTS 2010

- **Valuation**

  - *FOB value* is taken for Exports & *CIF value* for Imports
  - Efforts are being made to generate imports on FOB basis
  - Insurance and Freight charges to be generated separately.

- **Quantity measurement**

  - report quantity information in WCO standard units of quantity and net weight on all trade transactions.

- **Partner country**

  - For Import, *Country of Consignment* and for Export, *Country of Destination* recorded.
  - Efforts are made to obtain Imports by *Country of Origin* from customs.

Implementation of IMTS 2010

- **Mode of transport**

  - Compile and disseminate international merchandise trade statistics by mode of transport at commodity level.

- **Data compilation strategies**

  - Customs records are used as main data source.

- **Data quality and metadata**

  - no quality report generated at present.

  - Metadata covers concepts & definitions, data source, data transmission, goods for inclusion/ exclusion, negative list, dynamic revision policy etc.

Inclusion of Goods

- *Non-monetary gold:*
- *Banknotes and securities, and coins not in circulation*
- *Goods traded on government account*
- *Humanitarian aid including emergency aid*
- *Goods for processing with or without change of ownership*
- *Returned goods*
- *Goods dispatched or received through postal or courier services*
- *Goods under financial lease*
- *Ships and aircrafts:*
- *Goods delivered to or dispatched from offshore installations*
- *Goods received or sent abroad by international organizations*
- *Goods in electronic commerce*
- *Used goods*
- *Waste and scrap*
- *Mobile equipment that moves outside the country of residence of its original owner*

Exclusion of Goods

- *Monetary gold*
- *Issued banknotes and securities and coins in circulation*
- *Non-financial assets, ownership of which has been transferred from residents to non-residents without crossing borders*
- *Goods for military use*
- *Direct Transit Trade*
- *Transshipment Trade*
- *Passenger Baggage*
- *Ships' Stores*

Dissemination of Trade Statistics

- Press Note for the month is being released around the 15th of the succeeding month

- "Foreign Trade Statistics of India (Principal Commodities and Countries)" is currently being published within one month

- The detailed 8-digit commodity-wise Monthly Statistics of Foreign Trade in India (MSFTI) is currently being published within 2 months

- The dissemination is done through Web portal in www.dgciskol.gov.in. Payment for the data can be made through Debit card and net banking.

- EXIM ANALYTICS Dashboard launched in May 2016 to enable data users access export and import highlights in figures and graphs.

WAIT FOR A WHILE…………

Quality of Data- Issues and Challenges

- Effect on Bi-Lateral Trade in the absence of ***Country of Origin (in case of Imports)*** and ***Country of Final Destination (in case of Exports)***

- Reporting of Quantity in non-standard units.

- Incorrect reporting of ITC(HS) in export/import documents; mismatch in commodity code & description

- Validate the invalid or assign the country codes when the description is available but code is blank

- Exclude items outside the purview of FT data

- To arrive the closeness of the historical unit price of a commodity by changing quantity figures in case of inconsistency.

- Reducing delay in transmission of data from Customs to DGCI&S.

- Sensitization workshops with exporters, importers, CHAs to improve data quality

- Dynamic Data Revision Policy introduced

THANK YOU………..

Country Practice in Uploading of Merchandise Trade Data

DGCI&S
Ministry of Commerce & Industry
Government of India

Presented by:- Chandrima Das

DATA generate

Exporter/Importer

- Import: Out of Charge stage
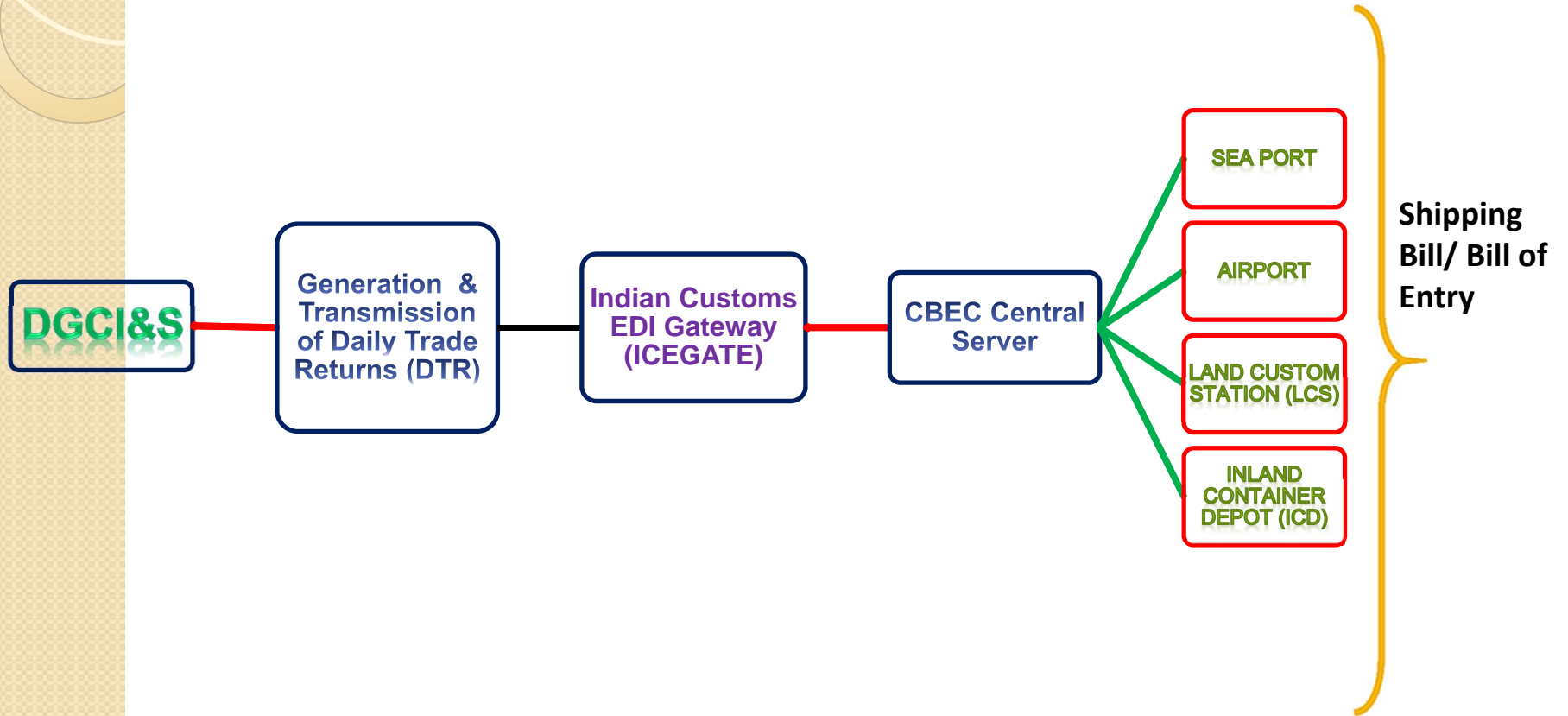- Export: Let Export Order
  (LEO) stage

BE /SB for Custom Clearance

Custom Houses located at ports
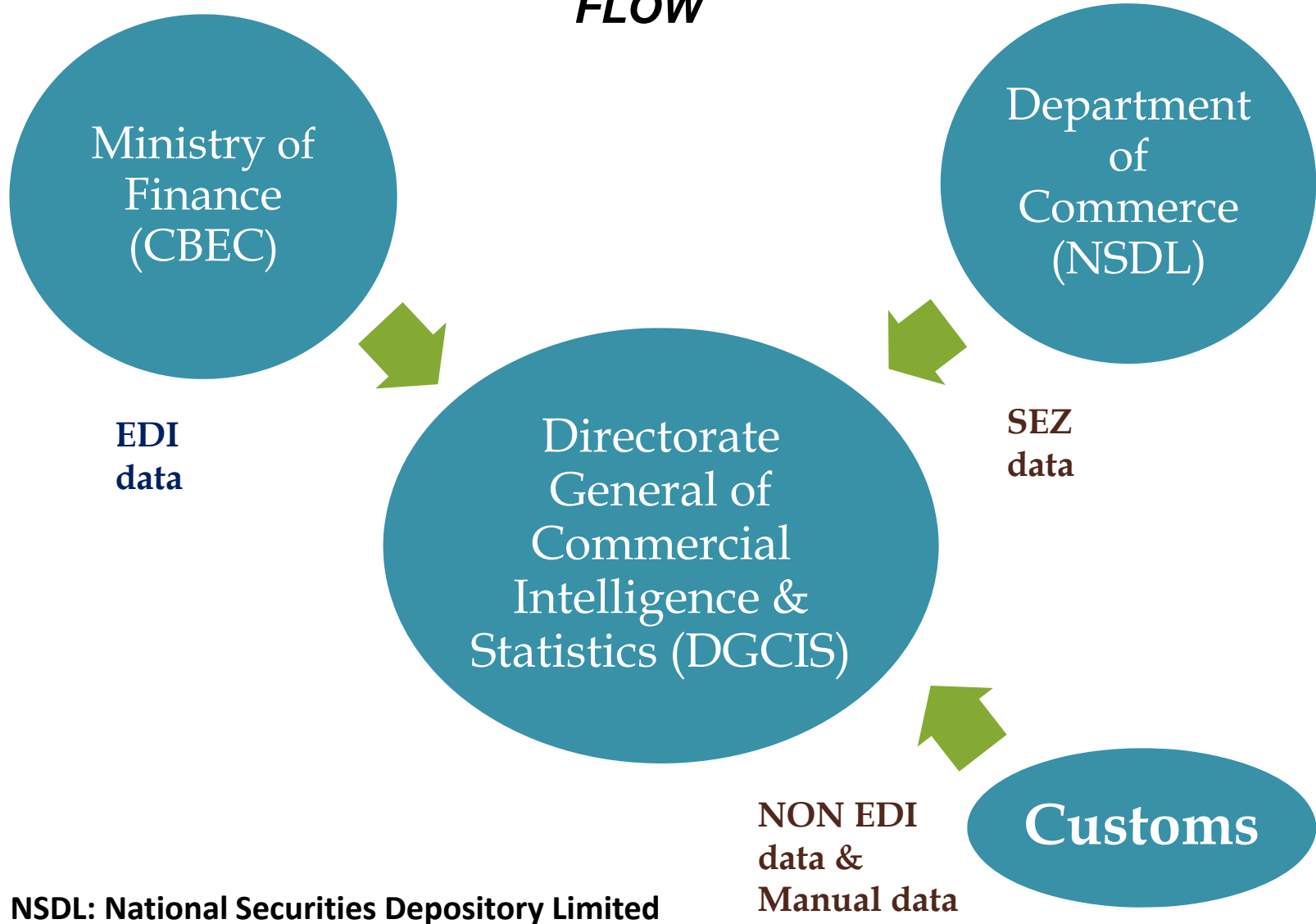
Daily Trade Returns (DTRs)

Flow of Information(EDI) to DGCI&S

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DGCI&S ──── Generation & ──── Indian Customs ──── CBEC Central ──── SEA PORT
            Transmission       EDI Gateway         Server        ──── AIRPORT
            of Daily Trade     (ICEGATE)                         ──── LAND CUSTOM
            Returns (DTR)                                             STATION (LCS)
                                                                 ──── INLAND
                                                                      CONTAINER
                                                                      DEPOT (ICD)
```

Shipping Bill/ Bill of Entry

CBEC: Central Board of Customs and Excise
EDI: Electronic Data Interchange

INSTITUTIONAL ARRANGEMENTS OF DATA FLOW

Ministry of Finance (CBEC)

Department of Commerce (NSDL)

EDI data

SEZ data

Directorate General of Commercial Intelligence & Statistics (DGCIS)

NON EDI data & Manual data

Customs

NSDL: National Securities Depository Limited

Contribution of Different Types of Transactions in Total Merchandise Trade

EXPORT Data (in %)

FINANCIAL YEAR	EDI	SEZ	NONEDI (EMAIL)	MANUAL
2014-15	89.84	4.00	5.22	0.94
2015-16	89.99	4.13	4.99	0.89
2016-17	91.16	4.22	4.10	0.52

IMPORT Data (in %)

FINANCIAL YEAR	EDI	SEZ	NONEDI (EMAIL)	MANUAL
2014-15	93.75	4.98	1.10	0.16
2015-16	94.05	5.02	0.82	0.10
2016-17	94.16	5.24	0.56	0.04

Technology Framework

Database	Oracle 10g
Web Server	Oracle10g As
Language of the application	SQL, PL/SQL
Data Loading Tool	SQL Loader
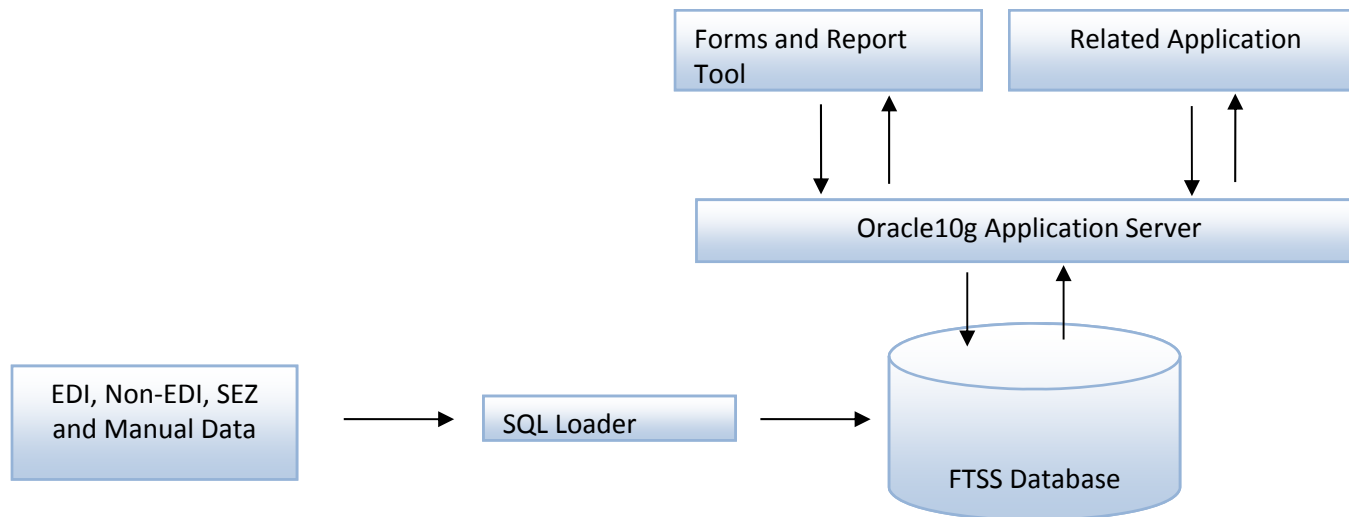
Structure of Data Received

- ## Export
  - ➢ **Shipping Bill** No. & Date
  - ➢ Date of '*Let Entry Order*'
  - ➢ **8 digit ITCHS (** *Indian Trade Classification Harmonized System)* code of item
  - ➢ Mode of transport
  - ➢ **Gross Weight** of the Item(s)
  - ➢ **Quantity** of (each) item being Exported
  - ➢ *'Free on Board'* (FOB) Value of Item
  - ➢ Item Description
  - ➢ Country of **final Destination**
  - ➢ Details of Exporter

- ## Import
  - ➢ **Bill of Entry** No. & Date
  - ➢ Date of '*Out of charge'*
  - ➢ **8 digit ITCHS (** *Indian Trade Classification Harmonized System)* code of item
  - ➢ Mode of transport
  - ➢ **Gross Weight** of the Item(s)
  - ➢ **Quantity** of (each) item being Imported
  - ➢ *'Cost , Infrastructure & Freight'* (CIF) Value
  - ➢ Item Description
  - ➢ Country of consignment
  - ➢ Details of Importer

Implementation of IMTS recommendations:

• **Mode of Transport** - dissemination of the data at commodity level

• **Partner country**
   - For Import, country of consignment recorded, efforts are made to
        obtain imports by country of origin from customs.

   - For Export, country of final destination recorded

• **Value for Imports** - will generate imports on FOB basis very soon

Thank You ☺

Presentation on India's Merchandise Trade Data Processing & Dissemination

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Directorate General Of Commercial Intelligence & Statistics

Ministry Of Commerce & Industry.

Government Of India.

Why Validation Required:

| Trade Data Received is Secondary Data | Invalid Country & Commodity Codes encountered | Quantity figures published in WCO Standard Unit |

Steps of Trade Data Processing & Dissemination
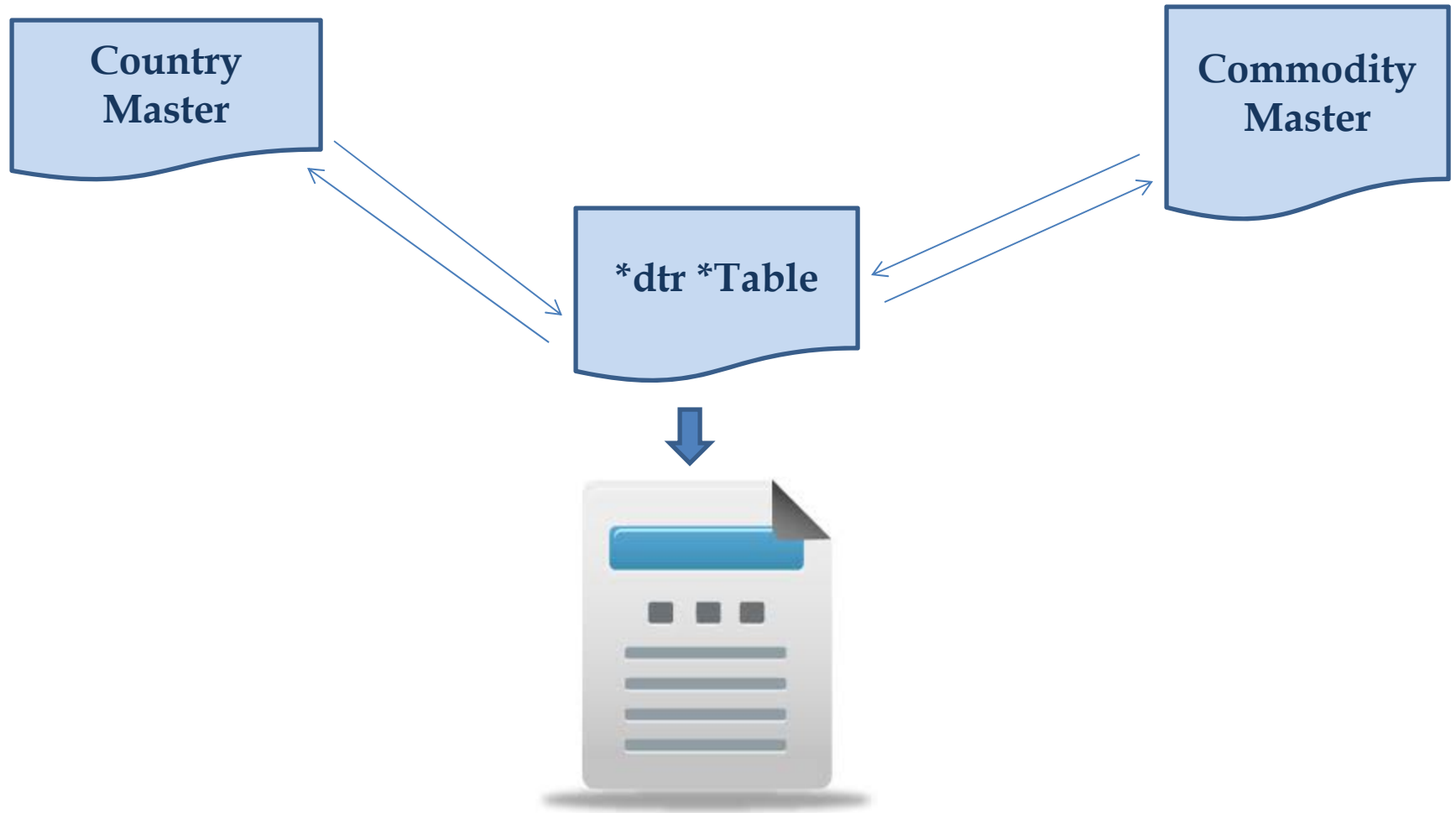
Duplicate Transaction Deletion.

Invalid Commodity code and Country Code Checking.

Detailed transaction level (Record to Record) checking based on History Price

Principal commodity group level checking

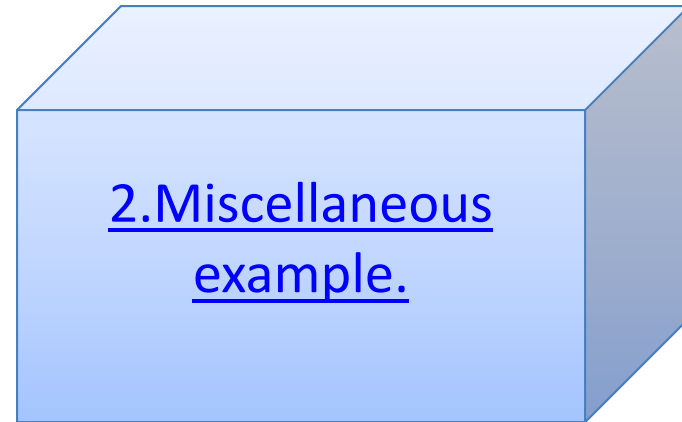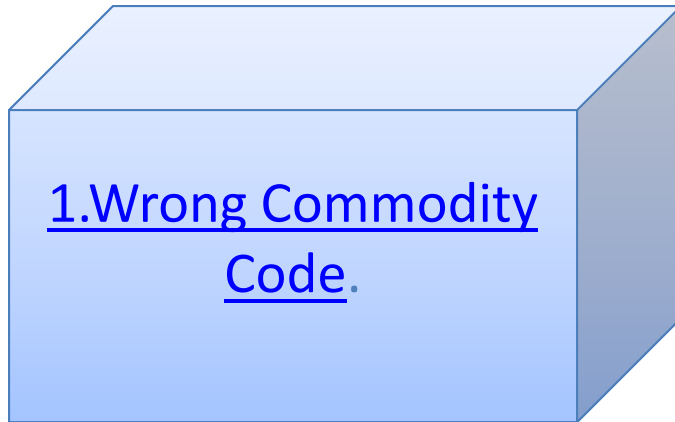Commodity*Country level checking for detecting Outliers

Invalid Checking

Country Master		**Commodity Master**

*dtr *Table

Invalid Report

After Invalid checking are done we incorporate the "offline" correction to main database

Examples regarding Invalid Commodity & Country Code:
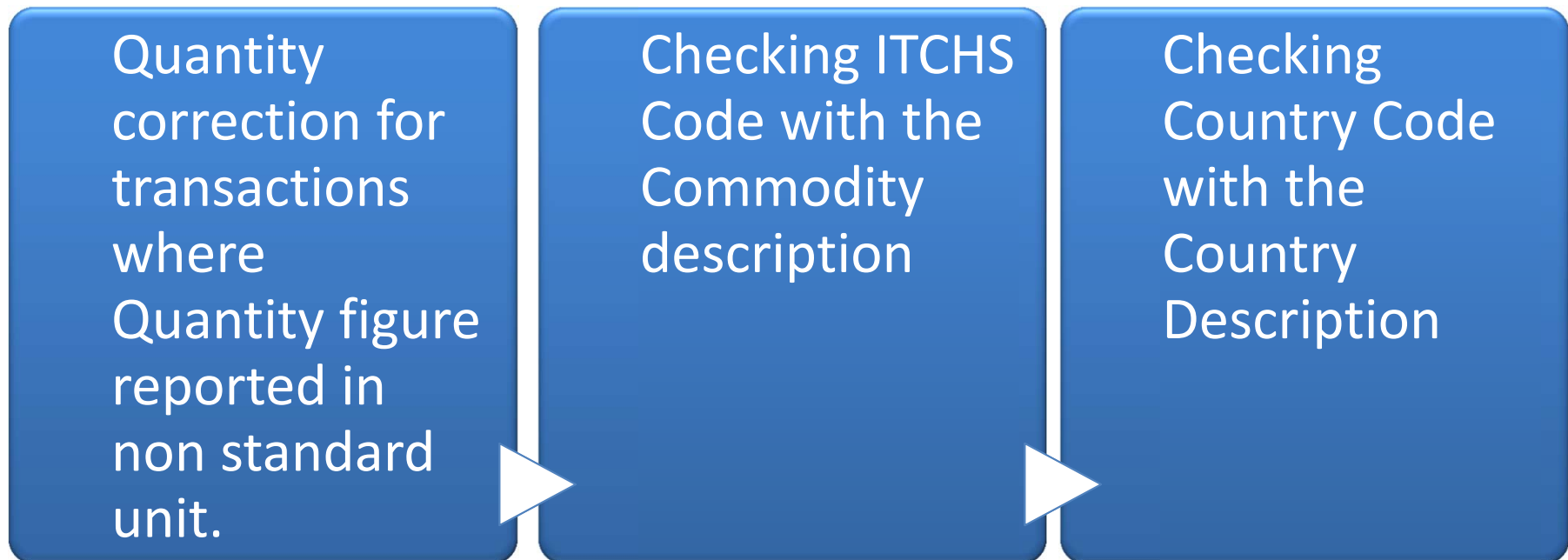
1.Wrong Commodity Code.

2.Miscellaneous example.

Format of Commodity & Country Code Correction:

Detail transaction level checking:

1. Identification of Transaction where quantity correction required based on History Price.

Three Major task in RR stage:

Quantity correction for transactions where Quantity figure reported in non standard unit.	Checking ITCHS Code with the Commodity description	Checking Country Code with the Country Description

After necessary corrections rectified quantity, I TCHS, Country code updated in main data base through some process.

Record to Record level checking (cont.):

> ### Format of Record to Record Checking:

Detection of Outlier:

❑ Transactions which are Reported in Standard Unit but unit price is significantly differ from History Price.

❑ Transactions which are reported in Non standard unit still unit Price is significantly differ from History Price.

• *Some typical Data issues with example:*

Principal Commodity Group Level Checking

TEA RICE GOLD OIL Engg. Items FRUITS
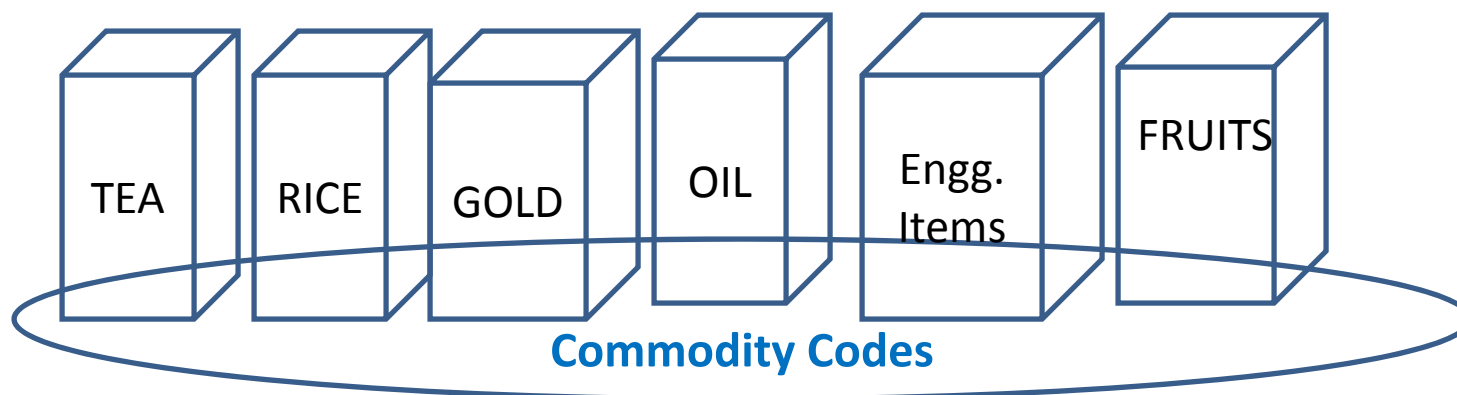
Commodity Codes

Stratification of ITCHS on the basis of Homogeneity

Detection of transactions in Principal Commodity * Country level where correction in quantity figure required.

Principal Commodity * Country Level Check list format

Commodity x Country Level Data Checking

Commodity*Country Combination with monthly unit price is significantly different from cumulative unit price of that Commodity*Country combination.

[Structure Of Commodity*Country level check List](#)

[Format Of Commodity * Country level Checking](#)

Dissemination of Trade Data:

- Quick Estimate Value of India's Export & Import Major Group wise.

Tea	Cereal preparations & miscellaneous processed items	Engineering Goods
Coffee	Marine Products	Electronic Goods
Rice	Meat, dairy & poultry products	Cotton Yarn/Fabs./made-ups, Handloom Products etc.
Other cereals	Iron Ore	Man-made Yarn/Fabs./made-ups etc.
Tobacco	Mica, Coal & Other Ores, Minerals including processed minerals	RMG of all Textiles
Spices	Leather & leather products	Jute Mfg. including Floor Covering
Cashew	Ceramic products & glassware	Carpet
Oil Meals	Gems & Jewellery	Handicrafts excl. hand made carpet
Oil seeds	Drugs & Pharmaceuticals	Petroleum Products
Fruits & Vegetables	Organic & Inorganic Chemicals	Plastic & Linoleum

Dissemination of Trade Data:

Principal Commodity Group wise Trade data Publication	
Export Publication.	Import Publication

Detailed ITCHS 8 digit Code wise Trade Data Publication	
Commodity* country wise Export Data Publication	Commodity * Country wise Import Data Publication

THANK YOU