# #16 VALUATION

Sub Title

1

**Habib Khan**
**United Nations Statistics Division**
**© 2019**

# IMTS 2010 KEY RECOMMENDATIONS

- Record a statistical value for all goods whether sold, exchanged or provided without payment.
- Adopt the WTO Agreement on Customs Valuation as the basis for valuation of international merchandise trade for statistical purposes.
- Use free on board (FOB-type) valuation for exports (border of the exporting county) and cost, insurance and freight (CIF-type) valuation for imports (border of the importing country); countries are encouraged to compile FOB-type value of imported goods as supplementary information.
- Countries which compile only CIF-type values of imports are encouraged to compile separate data for freight and insurance.

# IMTS 2010 KEY RECOMMENDATIONS

- Follow additional recommendations on valuation of special categories of goods.
- Use exchange rate that is duly published by the competent national authorities of the country which is in effect at the time of importation or exportation.
- If an exchange rate is not available for the time of exportation or importation, use the average rate for the shortest period applicable.
- Where multiple official exchange rates are in effect, use the actual rate applicable to specific transactions (para. 4.21)

# VALUATION: FOB & CIF

| FOB (free on board) | CIF (cost, insurance and freight) |
| --- | --- |
| • Provide a uniform basis for goods valuation, therefore useful for national accounts and balance of payments statistics<br>• Useful for reconciliation studies, trade negotiations | • Useful for monitoring prices of goods in domestic market<br>• Useful for input-output analysis |

# VALUATION: SPECIAL CATEGORIES

- Banknotes, securities, coins not in circulation:be valued at the transaction value of the printed paper or stamped metal rather than at their face value
- Media be valued at their full transaction value and not at the value of unrecorded media (exclusion: customized software)
- Electricity, gas, oil and water be valued net of any delivery charges not included according to FOB- or CIF type valuation.
- Goods under financial lease that cross borders be valued on the basis of the prices of similar goods crossing borders as the result of sale.
- Goods for processing with or without change of ownership be valued at their full value
- Returned goods, if identifiable, be valued as at the initial transaction.
- Goods bundled with services be valued on the goods and the value of any services associated with them should be excluded

# THANK YOU

khan39@un.org