UNITED NATIONS
DEPARTMENT OF ECONOMIC AND SOCIAL
AFFAIRS
STATISTICS DIVISION

EUROPEAN COMMISSION
EUROSTAT
Directorate G: Business Statistics
Unit G4: International transactions

Seminar on International Trade Statistics
Implementation of IMTS 2010 and follow-up to the Global Forum,
26 – 30 September 2011, Vilnius, Lithuania

Final Report
(November 2011)

Organization, purpose and participants

At its forty-first session (23 - 26 February 2010) the United Nations Statistical Commission adopted *International Merchandise Trade Statistics: Concepts and Definitions 2010* (IMTS 2010) and endorsed the implementation programme as contained in the United Nations Secretary General's report, including the preparation of the revised *IMTS Compilers Manual* and continued technical assistance activities. The Global Forum on Trade Statistics jointly organized in February 2011 by the United Nations Statistics Division (UNSD) and the Statistical Office of the European Communities (Eurostat) and in collaboration with the World Trade Organization (WTO) and the United Nations Conference on Trade and Development (UNCTAD) made explicit demands to improve the relevance of international trade statistics by connecting and integrating them with other economic statistics (see http://unstats.un.org/unsd/trade/s_geneva2011/outcome.htm).

The United Nations Statistics Division (UNSD), Department of Economic and Social Affairs (DESA) in cooperation with Eurostat and Statistics Lithuania organized a seminar on *Implementation of IMTS 2010 and follow-up to the Global Forum on Trade Statistics in countries of Eastern Europe and Central Asia*. The workshop took place from 26 to 30 September in Vilnius, Lithuania.

The purpose of this seminar was to introduce the new and updated recommendations on merchandise trade statistics as contained in *International Merchandise Trade Statistics, Concepts and Definitions 2010* (IMTS2010) to countries of Eastern Europe and Central Asia and to discuss and facilitate their implementation. Special emphasis was given to linking trade with business statistics and the compilation of the additional data items introduced in IMTS2010. In addition, the seminar aimed to identify issues and best practices for inclusion in the updated IMTS Compilers Manual. The following 20 countries participated in the seminar and were represented by a staff member from the national statistical agency responsible for the overall IMTS compilation and dissemination: Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Estonia,

Georgia, Hungary, Kazakhstan, Kyrgyzstan, Latvia (2 participants), Lithuania (multiple participants), Republic of Moldova, Montenegro, Poland, Russian Federation, Tajikistan, Serbia, Turkey, Ukraine, Uzbekistan. In addition, the Statistical Office of the European Union (Eurostat) (two representatives), the Interstate Statistical Committee of the Commonwealth of Independent States (CISSTAT) and the Customs Union Commission (Belarus, Kazakhstan, Russian Federation) attended and contributed to the meeting. UNSD was responsible for all substantive and, in cooperation with Statistics Lithuania, for all administrative matters of the meeting. Eurostat contributed very actively during the discussions and provided 3 presentations.

Summary

Opening session: Mr. Jonas Markelevicius, First Deputy General Director of Statistics Lithuania opened the seminar by welcoming the participants and stressing the importance of IMTS statistics in monitoring economic growth, evaluating structural change, and in making assessments of how macro level actions impact on the population, in particular on the poor and their social conditions. Then, Mr. Matthias Reister, Chief of the International Trade Statistics Section of UNSD welcomed the participants on behalf of Paul Cheung, Director of the United Nations Statistics Division. In its opening statement, Eurostat underlined the importance of bringing together EU Member countries, EU-candidate countries and third countries to exchange experiences and discuss common issues in the implementation of IMTS 2010.

After the formal opening, UNSD explained the purpose and organization of the seminar and the meeting adopted the agenda. UNSD introduced its activities in the field of International Merchandise Trade Statistics, and presented an overview of the results of a questionnaire on IMTS implementation. Eurostat then provided a presentation on its activities in the field of international trade statistics, followed by presentations by CISSTAT and the Customs Union Commission of Belarus, Kazakhstan and Russia on their work programme in IMTS. Finally, the opening session was concluded with a presentation by UNSD on the revision of the international recommendations for IMTS and their implementation.

Session 2, part 1: Scope and time of recording and Trade system (General guidelines for IMTS; Specific guidelines: inclusions and exclusions inter alia Goods for processing, Trade between related parties, Fish catch and bunkers/Clarification of territorial elements; General vs. Special trade system; Free zones, Recording of custom procedure codes; Reimports and re-exports; Other concerns). The introduction by UNSD was followed by country presentations from Poland and Ukraine.

Session 2, part 2: Commodity classification and quantity measurement (Review of recommendations; Correspondence tables /Recommendations regarding the recording of quantity information; Uniformity of reported quantity information, Other concerns). The introduction by UNSD was followed by a country presentation from Lithuania.

Session 3, part 1:Valuation (Statistical value of imports and exports; Recommendations; Valuation in certain categories of goods, i.e. electricity, gas and water; Compilation of Imports FOB in addition to Imports CIF; Currency conversion). The introduction by UNSD was followed by a country presentation by Georgia.

Session 3, part 2: Partner country, Mode of transport (Use of Enterprise ID, link to the business register, multi-nationals, enterprise surveys and other surveys; integration of data from different sources; Country of origin and country of consignment for imports; Country of last know destination and country of consignment (destination) for exports; Reimports and re-exports (rules of origin); Other concerns / Mode of transport - What to record; How to classify). The introduction by UNSD was followed by a country presentations by Azerbaijan and a round table discussion on the topics covered in sessions 2 and 3.

Session 4: Data compilation strategies, institutional arrangements (Use of Customs and non customs data sources; institutional arrangements; Informal Cross Border Trade). The introduction by UNSD was followed by country presentations from Kazakhstan, Kyrgyzstan, Latvia, Russian Federation and Tajikistan.

Sessions 5 and 6: Integrating Trade and Business Statistics (Compilation of data for selected categories of goods such as inward (and outward) processing, via use of customs procedure (nature of transactions) codes and other means; intra-firm trade, trade by enterprise characteristics). The introduction by UNSD was followed by Eurostat and country presentations by Belarus, Latvia, Serbia, Turkey, and Uzbekistan, as well as a group discussion on the topics covered in sessions 4 to 6.

Session 7, part 1: Data quality and metadata (Systematic approach to data quality; quality reports; quality measurement framework; quality measures and indicators; cross-country comparability; recommendations on metadata; list of metadata items). The introduction by UNSD was followed by a country presentation by Hungary.

Session 7, part 2: Dissemination (Statistical confidentiality; data dissemination timetable, data revision; dissemination strategy). The introduction by UNSD was followed by country presentations by Armenia, Bosnia and Herzegovina, Estonia, Moldova, and Montenegro.

Session 8, part 1: Compilation and dissemination of regional trade statistics. CISSTAT made a presentation on their compilation and dissemination activities in IMTS.

Session 8, part 2: Supplementary topics (External trade indices; Relationship and differences to national accounts and balance of payments statistics - bridge table between IMTS 2010 and BPM6; Linking business and trade statistics): The introduction by UNSD was followed by a presentation by Kyrgyzstan on the estimation of trade in agricultural products for National Accounts purposes. The session was closed with a group discussion on the topics covered in sessions 7 and 8.

Session 9, part 1: Overview of the UN Comtrade database and IMTS Analytical Outputs; UN Comtrade enhancement programme. The presentations by UNSD was followed by a live demonstration of the UN Comtrade database.

Session 9, part 2: Overview of Comext database. The presentations by Eurostat was followed by a live demonstration of the Comext database.

Closing session: Round Table Discussion: Identification of the important issues for the participating countries; Presentation and discussion of the preliminary findings and conclusions of the meeting; The meeting concluded with closing remarks by UNSD and Statistics Lithuania.

Findings and conclusions

1.   The meeting concluded:

Scope and time of recording

2.   that many countries rely on customs for the recording of trade in ships and aircraft, while other countries rely on other sources, mostly ship and aircraft registers; some countries (mostly the ones using registers or other sources) use change of ownership as the criterion for inclusion, some countries do not use this criterion, and in some countries the issue needs to be further clarified;

3.   that goods for processing can be identified in most non-EU countries, but not whether a change of ownership takes place; in Extrastat goods for processing are identified via the customs procedures for inward and outward processing but there is not always an incentive for traders to use these specific procedures resulting in under-reporting/identification - goods for processing without change of ownership can in principle be identified via a nature of transaction code but this data element is currently optional in Extrastat, for Intrastat the goods for processing without change of ownership are identified via a nature of transaction code (although under-coverage is suspected) while other goods for processing are not identified;

4.   that goods traded between related parties are in general not identified but that some countries will consider ways to do so in the future;

5.   that bunkers, stores, fish catch etc. are at least partly recorded by all countries when applicable; several countries include the trade that takes place outside their economic territory via enterprise surveys; countries indicated that this will be done if required by EU regulations[1] or requested by users;

6.   that temporary admission (IMTS2010, paras. 1.43-144) is not defined by the length of stay; however, countries might wish to use the length of stay (i.e., one year or less) as a criterion for identifying goods admitted temporarily; for example, the EU regulations use the time limit of 2 years to define temporary admission;

7.   that goods acquired by all categories of travelers, if significant as defined by national law (often referred to as shuttle trade) are to be included (IMTS2010, para. 1.16) - this includes used goods such as cars (para. 1.37) or produce, and special surveys and estimation methods might be required to compile information on this trade; if those goods enter the economic territory

---

[1] According to Eurostat the EU Regulations require these trade to be included in the scope of statistics. More specifically, they refer to goods delivered to vessels and aircraft, goods delivered to and from offshore installations and sea products. These are stipulated by Regulations (EC) No 1982/2004, Art. 19 - 21 and (EC) 113/2010, Art 20 – 22, for intra-EU and extra-EU trade statistics, respectively.

illegally (e.g., smuggling, stolen vehicles) they should be excluded but recorded separately (IMTS2010, para. 1.59); goods in amounts or values that do not exceed limits established by national law are to be treated as part of trade in services (IMTS, para. 1.49(a));

Trade System;

8.   that all countries receive or plan to receive information on the custom procedure codes applied to individual transactions from customs; for EU countries the availability of customs procedure codes is limited to extra-EU trade, however, statistical procedure codes and nature of transaction codes are available instead of or in addition to customs procedure codes;

9.   that it would be useful to have a standard list of customs procedure codes that is useful for statistical purposes; however, practices in countries (including the application of the Revised Kyoto Convention) need to be analyzed and at this time it remains to be seen to what extent information of countries can be standardized;

Classification and quantity measurement

10.   that the use of non standard codes is not recommended and should be minimized, as these codes are not internationally comparable, often cannot be aggregated to higher level or converted into different classifications, and can create difficulties in data processing, dissemination, and use of data;

11.   that it is recommended to collect or estimate quantity information in the WCO standard units of quantity and net weight (net mass) on all transactions: net weight means excluding all/any packaging; this also applies when the packaging is very elaborate or expensive, although one could image cases when the packaging itself is the good (the World Customs Organization (WCO) will be consulted on this issue);[2]

12.   that missing quantity information can pose serious difficulties when aggregating trade data records and should be avoided as much as possible;

Valuation

13.   that information on imports valued FOB (in addition to imports valued CIF) in many countries is not available or is compiled by the central bank on aggregated level; some countries will consider compiling detailed imports FOB but there are questions regarding the appropriate methodology – some traders have information on transportation and insurance costs while other traders do not have this information; it is useful to discuss the methodology for compiling detailed imports FOB with the respective central banks;

14.   that the transaction value relates to the value when the transaction takes place and not to the value of goods at the time of the border crossing (see WTO agreement on valuation);

---

[2] UNSD requests countries to provide concrete cases on which basis the WCO can be contacted.

15.   that subsidies, taxes and tariffs can provide incentives for traders to inflate or deflate the value of exports and imports; statistical authorities should cooperate with customs authorities to make sure that the statistical value is adequately established;

Partner country

16.   that for imports several countries record the country of consignment in addition to country of origin (for EU member countries limited to extra EU trade); for exports only a few countries appear to compile country of consignment as additional partner country;

17.   that changes in the presentation of partner information and the publication of a second partner country should be done with sufficient preparation and in a way that is not confusing to users;

18.   that origin of goods is determined by the rules established by each country (there are no detailed internationally accepted rules of origin except of what is specified in the Revised Kyoto Convention);[3] that the split of production of a single good across many countries makes it more difficult to determine the country of origin; that the determination of origin of the goods imported from the member countries of a custom union can be especially difficult as the participation of several countries in the production process can take place more easily and the custom union and not an individual country might be indicated as origin;

Mode of transport

19.   that many (but not all) countries present at the seminar have information on mode of transport in principle available; however often this information is not yet made available as part of the regular dissemination of data to the public; national (or regional) legislation/ regulations determines whether this field is mandatory – IMTS2010 provides an international recommendation to compile this item but countries must decide how and to what degree to implement this recommendation in accordance with their national circumstances and priorities (i.e., some countries might make this item subject to simplification and not collect it);

20.   that mode of transport should be compiled according to the international recommendations (IMTS 2010, para. 7.1) as the means of transport when entering or leaving the economic territory; landlocked countries (or countries in custom unions) should consider the compilation of multiple modes of transport (at border of country and at the border of the customs union) if this information on mode of transport (means of transport when crossing the border) is not sufficient;

Data compilation strategies, institutional arrangements

21.   that all countries either follow or in general agree with the recommendations on data sources and institutional arrangements as contained in IMTS2010, chapter VIII, such as having a long term strategy for the compilation of trade statistics, cooperation with customs on the use of

---

[3]The WTO agreement on rules of origin aims to establish a single set of rules of origin to be applied under non-preferential trading conditions by all WTO members in all circumstances. However, the work has not been completed since many years.

customs procedure codes, use of non customs sources, following an integrated approach, periodic review of definitions, methods and trade statistics; however, some countries indicated that access to additional information that accompanies the customs declaration or the access to all microdata is not always in place and that some customs administrations retain a right to publish the country's external trade statistics on their own;

22.   that the compilation of trade statistics for trade within customs unions requires, in the absence of customs records, the use of additional sources of information such as enterprise surveys; issues of coverage, partner country attribution, classification, valuation, *etc*. have to be addressed when designing and conducting these surveys; the basis of the survey system for the recording of intra-EU trade in the European Union (Intrastat) is the access to value added tax data for trade statistics purposes;

23.   that some countries use ship and aircraft registers as sources of information on the trade in ships and aircraft but that the information contained in these registers often do not fully satisfy the statistical requirements as for example change of ownership and partner country might not be easy to identify without additional information / inquiries;

24.   that surveys on cross border trade and appropriate estimation methods (such as supply and use calculations) are required in different countries in order to capture the trade conducted by persons crossing the borders;

25.   that many countries receive information on trade in electricity or gas from the producing companies, the companies that distribute and sell the electricity or gas to consumers, or from grid operators (entities that provide transportation); information can also be obtained from the administrative records of domestic or foreign authorities that regulate energy production, distribution or transportation;

26.   that several countries present at this meeting would be willing to share their experiences for Chapter 7—"Integration of data from different sources", and Chapter 10—"Data compilation in the case of customs unions", of the updated IMTS Compilers Manual;

Linking trade and business statistics

27.   that most countries have linked their register of traders with their business register while the remaining countries want to do so in the near future; obstacles for further development are staff resources constraints and technical difficulties, confidentiality and the quality of the business register; a particular problem in EU countries are non-resident enterprises included in the VAT reporting system;

28.   that several countries from different regions present at this seminar have made very significant advances in linking trade with business statistics and are able to produce new outputs such as trade by enterprise characteristics on a regular basis; the development of further indicators is being explored by these countries; countries that provide such additional information report that there is a strong demand from users;

29.   that the most critical factor of linking trade and business statistics are the matching rates between the trade and business registers; a critical factor for the development of additional indicators based on the business registers is the quality of information in the business register;

linking with structural business statistics (SBS) can be difficult as the enterprises surveyed in SBS might not be the enterprises that are trading;

30.   that several countries present at this meeting would be willing to share their experiences for Chapter 11—"Linking trade and business statistics" of the updated IMTS Compilers Manual;

Data quality and metadata

31.   that most countries present at this seminar either have developed or plan to develop a standard for quality reports; that human resources and the decision of management are required to take on this task; that the Compilers Manual should contain best practices;[4] that all countries conduct reconciliation studies to improve data quality;

32.   that the practices within the European Union provide a very good example for a systematic quality assurance framework and quality reporting;

33.   that the provision of quality reports to users is important[5] but that certain producer oriented information might not be shared with users in order to avoid misinterpretation, in particular as there is frequently a trade-off between different quality dimensions;

34.   that the obligation for quality reporting requires compilers to allocate in their work plans a certain amount of time to ensure a regular review of their own statistics, otherwise no time would be set aside as other priorities might take precedence; it also allows compilers to take corrective actions if needed;

35.   that all countries compile most of the metadata recommended in IMTS2010, para. 9.23; however, description of estimation methods and quality reports are not provided by all countries; that examples of good practices in metadata compilation should be included in the respective chapter in the Compilers Manual;

36.   that metadata is not only important for users; metadata also plays a very important role in the statistical production process as common standards and definitions should be followed to the extent possible throughout all statistical domains in order to facilitate the linking and integration of statistical information;

37.   that information on the work of an international expert group on national quality assurance frameworks (NQAF) is available at http://unstats.un.org/unsd/dnss/QualityNQAF/EG-September2011.aspx;

38.   that the Eurostat presentation on Easy Comext provided interesting information on data processing and quality assurance; the methodology and IT program used for quality assurance is available to all countries; however the results vary depending on the chosen parameter settings;

---

[4] IMTS2010, para. 9.6 recommends that **"**that quality reports of international merchandise trade statistics be completed or updated at least every five years, or more frequently if significant methodological changes or changes in the data sources occur. For monitoring the quality of the processes and effectiveness of quality-improvement actions, reviews should be conducted more frequently."
[5] A Quality Report on International Trade Statistics is produced by Eurostat for EU Countries and are easily available on the Eurostat's home page for free. Edition 2010 is already published. Further guidance and examples on quality reporting will be provided in the updated IMTS Compilers Manual which is expected to become available in its draft version in February 2012.

Dissemination

39.　　that passive confidentiality is used in many countries but that active confidentiality is also an important tool in many offices to protect the confidentiality of information of individual enterprises; countries usually report confidential information at the next higher level that ensures confidentiality;

40.　　that countries present at this seminar ensure the timeliness of the information, have a release calendar and a revision policy and disseminate information to all users equally;

41.　　that social media such as facebook, twitter, and blogs are increasingly used as additional tool to reach trade statistics users and in particular journalists; in many countries the use of press conferences is a proven way to effectively disseminate information to journalists and the interested public;[6]

42.　　that users often do not use or read the available metadata and that additional efforts are required to raise their awareness;

43.　　that international organizations are now providing data mostly by making all data available through public databases which makes special data request to a large extent unnecessary;

44.　　that the dissemination of information of imports valued FOB, in addition to imports valued CIF need to be done in a way that is not confusing to users;

45.　　that it is preferable to make sensitive data confidential instead of excluding it from the merchandise trade statistics which is at times done in the case of military good;

External trade indices and seasonally adjusted data

46.　　that in many countries present at this seminar external trade indices are calculated by a different department within the same office and/or a different agency;

47.　　that Chapter 27 on external trade indices in the Compilers Manual should contain information about the different approaches but that further and more detailed technical information and guidance will need to be subject to a separate publication;[7]; that many countries would appreciate the conduct of a special seminar on the calculation of external trade indices;

---

[6] In Poland, but also in other countries, a wide range of information is produced for journalists each month in connection with press conferences. The materials are made available on the home page (http://www.stat.gov.pl/gus). Moreover, all information on statistical surveys, results and publications, including metadata, are available on the web side. Journalists and other users (including students) are able to sent questions or requirements to the press bureau or the dissemination division and are receiving information quickly and easily.

[7] In 1981 the United Nations published "Strategies for Price and Quantity Measurement in External Trade" and following the completion of the IMTS Compilers Manual UNSD will consider how to provide updated guidance in light of the user requirements and already available materials such as the IMF's Manual on export/import price indices.

IMTS and balance of payments

48.   that there are difficulties in differentiating different forms of leasing and goods for processing with and without change of ownership; a further important issue is the valuation of transactions in case of intra-firm trade (transfer pricing);

Feedback regarding the update of the IMTS Compilers Manual

49.   that the results and feedback of this seminar will be taken into account in the further drafting process of the updated IMTS Compilers Manual and that countries will be contacted by UNSD to contribute their experiences on specific topics for inclusion in the Compilers Manual;

50.   that several countries present at this seminar agreed to contribute their experiences on specific topics for inclusion in the IMTS Compilers Manual, in particular regarding Chapter 9 "Data quality: assurance, measurement and reporting" and 11 "Integrating trade and business statistics" but also Chapter 2 "Customs declarations and related customs records", Chapter 4 "Enterprise surveys and other surveys", Chapter 7 "Integration of data from different sources", Chapter 10 "Data compilation in the case of customs unions", Chapter 14 "Valuation", Chapter 25 "Metadata" and Chapter 26 "Dissemination";

Priorities of countries

51.   that countries appreciated the introduction and discussion of the new international recommendations and agreed that changes and new elements in the recommendations provide a basis for the review of the own practices and possible future improvements; in particular, the compilation of imports valued FOB in addition to imports valued CIF was of interest to some countries;

52.   that countries appreciated and found it useful to hear about the experiences and practices of other countries, in particular as countries from different regions were represented at this seminar;

53.   that the issue of data quality and quality reporting is important and will require further efforts in some countries;

54.   that other important topics included external trade indices, the use of non-customs sources, linking of trade and business statistics, metadata, institutional arrangements and dissemination;

55.   that participants from regional organizations also pointed out the importance of the implementation of the new recommendation by countries and also the importance of keeping trade statistics relevant and being responsive to user needs; that linking of trade and business statistics offers the possibility of obtaining additional information without additional burden on respondents.