



UNITED NATIONS
DEPARTMENT OF ECONOMIC
AND SOCIAL AFFAIRS
STATISTICS DIVISION



ANDEAN COMMUNITY
GENERAL SECRETARIAT



UNITED NATIONS
ECONOMIC COMMISSION FOR
LATIN AMERICA AND THE
CARIBBEAN

**Regional Workshop on Country Practices in Compilation of
International Merchandise Trade Statistics, 7-11 May 2007, Lima**

Agenda item No. 7: Institutional Arrangements and Data Sources
Presentation
Language: English

THE INTRASTAT SYSTEM

Presentation by

Eurostat



Statistics relating to the trading of goods by the European Community and its Member States

European Commission - Eurostat

The Intrastat System

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Free movements of goods between Member States

European Commission - Eurostat

The European Communities became formally a single market on 1st January 1993

- The physical frontiers were removed from between Member States
- Customs declarations available only for trade with non-member countries
- Loss of statistical data source for trade between Member States

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Setting up two different statistical systems

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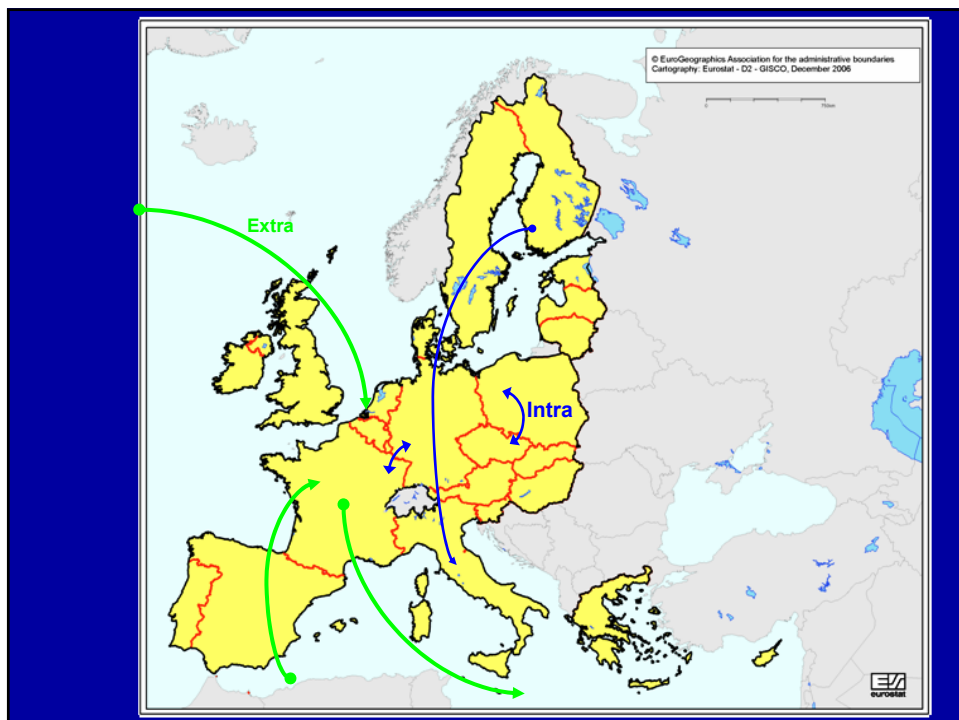
Intrastat

- Community goods
- Goods in free circulation
- Goods which enter/leave the reporting Member State supplied from or bound for another Member State;
- Collected monthly directly from companies
- Close link to the VAT system

Extrastat

- Non-Community goods
- Special trade system
- Goods which enter from or leave for a non-member country to/from the reporting Member State
- Collected from Customs declarations

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The Intrastat system

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- Comparability with Extrastat trade flows is kept (e.g. same detailed nomenclatures & periodicity)
- A threshold system exempting about 70-80% of traders from reporting
- A change from administrative data sources to direct data collection

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.... and its further characteristics

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- Statistical reporting burden becomes apparent
- Reduced data collection (8 elements)
- Implementation of simplified reporting measures
- Trade data not collected has to be estimated
- Identification and monitoring of parties reporting for
Intrastat (trader register)

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Ensure data quality

European Commission - Eurostat

- Exhaustiveness and quality control using fiscal information (VAT system)
- Asymmetries and reconciliation exercises
- Adjustments for trade below the threshold and late response
- Revisions
- Harmonisation of concepts, definitions, and methods
- Implementation of electronic data collection and validation tools
- Quality reporting

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Institutional Arrangements

European Commission - Eurostat

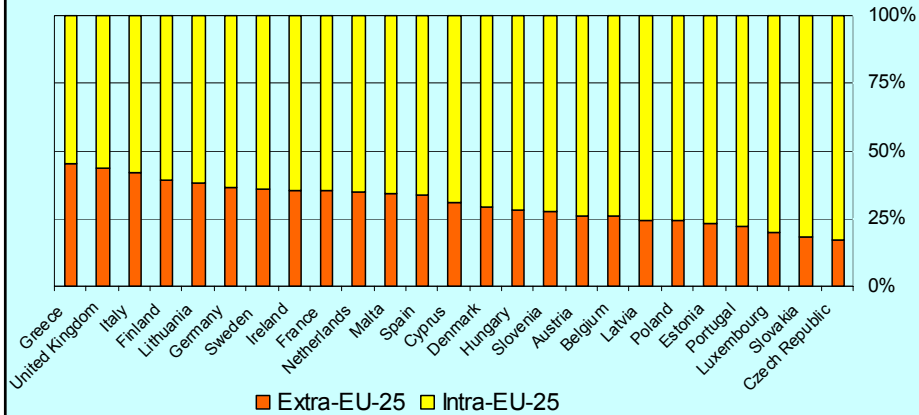
- Distribution of responsibilities between Community and National level
- Supporting measures (EDICOM programme)
- National organisational and administrative structure concerning Intrastat data collection, processing and dissemination

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Intra and Extra EU-25 trade 2005

European Commission - Eurostat



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Challenges of European trade statistics

European Commission - Eurostat

- **Accurate allocation of Extra-trade flows to Member States under Centralised Customs Clearance**
- **Further simplification of Intrastat reporting (e.g. diminishing the number of respondents by implementing a single flow system or increasing the exemption threshold)**

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Preconditions to implement Intrastat

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- Intrastat system is only feasible when the economic integration of the Member States is well advanced. A common external Customs tariff is in general not sufficient.
- A well functioning fiscal (VAT) system in the Member States is essential to keep quality standards.
- Member States have to transfer sovereign rights to the supra-national authorities and agree on common binding concepts, definitions and procedures. Keeping national particularities is more difficult.
- Supporting measures (financial resources) are needed for implementing the structural changes in the data collection system. Trade operators and national administration have to be well prepared and assisted during the implementation period.