



Pacific
Community
Communauté
du Pacifique

International Merchandise Trade Statistics

Pacific Compilation Guide, 2021



SDD

Statistics for
Development
Division

International Merchandise Trade Statistics

Pacific Compilation Guide, 2021

Compiled by:

Nilima Lal

Economic Statistics Advisor
Statistics for Development Division
Pacific Community



Pacific
Community
Communauté
du Pacifique

Noumea, December 2021

© Pacific Community (SPC) 2021

All rights for commercial/for profit reproduction or translation, in any form, reserved. SPC authorises the partial reproduction or translation of this material for scientific, educational or research purposes, provided that SPC and the source document are properly acknowledged. Permission to reproduce the document and/or translate in whole, in any form, whether for commercial/for profit or non-profit purposes, must be requested in writing. Original SPC artwork may not be altered or separately published without permission.

Original text: English

Pacific Community Cataloguing-in-publication data

Lal, Nilima

International merchandise trade statistics: Pacific compilation guide, 2021 / compiled by Nilima Lal

1. International trade – Statistics – Oceania.
2. Economic development – Oceania.
3. Commerce – Oceania.
4. Commercial statistics – Methodology – Oceania.
5. Trade regulations – Oceania.

I. Lal, Nilima II. Title III. Pacific Community

382.0995

AACR2

ISBN: 978-982-00-1423-7

Cover photo: Freepik,

Layout: Ms Gaelle Le Gall

Preface

The *International Merchandise Trade Statistics (IMTS) Pacific Compilation Guide 2021* has been compiled to assist National Statistics Offices (NSOs) in Pacific Island countries and territories (PICTs) to collect, compile, analyse and report statistics on international trade in goods¹ using a standard methodology.

The thought to develop a Pacific guide came about in a regional workshop on IMTS conducted by the Pacific Community (SPC) in Noumea, New Caledonia in November 2012. The workshop was attended by trade compilers and customs officials from SPC member countries and territories, development partners and resource persons, including a representative from the Trade Statistics Branch of the United Nations (UN). The objective of the workshop was to bring together different key players of international merchandise trade to address areas of mutual interest and/or concerns with respect to user needs, challenges faced by PICTs in compiling IMTS, best practice to be used for the compilation of IMTS and possibilities that could be pursued in order to be able to produce more reliable and timely trade statistics needed by the various users, most importantly the government.

This objective was in line with the *Ten-Year Pacific Statistics Strategy 2010–2020* to assist PICTs to produce an agreed core set of statistics across key sectors by making greater use of common tools for statistical collections and striving for greater harmonisation of statistical standards, classifications and systems.

The outcome of the workshop was for each player of international merchandise trade to clearly understand the role it had to play to give users reliable and timely IMTS.

- NSOs from PICTs, who are the compilers of IMTS, need to:
 - understand user needs;
 - understand the source data and maintain a close relationship with customs;
 - follow the UN's recommended best practice and report any divergence; and
 - establish networks so that they are able to assist each other in the compilation of IMTS.
- Customs, who are the data providers, need to be clear on the data needs for the compilation of IMTS.
- Providers of technical assistance, such as SPC, need to be clear on how best to provide assistance to PICTs NSOs and customs.
- Organisations providing technical assistance to strengthen collaboration between themselves, such as SPC and the Oceania Customs Organisation (OCO), SPC and Stats New Zealand and SPC and Trade Statistics Section of UN Statistics Division, need to be able to coordinate support and avoid duplication of work.
- Finally, but most importantly, it was agreed at the workshop that SPC should develop a simple compilation guide on IMTS by considering recommendations from the UN's *IMTS Concepts and Definitions 2010* and assessing how they could be applied by NSO compilers in the 22 PICTs² that are diverse in size,³ culture and economy.

¹ The term "goods" is often used interchangeably with "merchandise" and "commodities".

² **Melanesia** comprises Papua New Guinea, Solomon Islands, Fiji, New Caledonia, and Vanuatu; **Micronesia** comprises Federated States of Micronesia, Guam, Kiribati, Northern Marianas, Marshall Islands, Nauru and Palau; and **Polynesia** comprises American Samoa, Cook Islands, French Polynesia, Niue, Samoa, Tonga, Tuvalu, Tokelau, Pitcairn and Wallis and Futuna.

³ PICTs vary greatly in size and population. Papua New Guinea, for example, has the largest land area of 462,840 km² and a population of around 8,934,500 million people (2020 mid-year estimates by SPC). Tokelau has the smallest land area of 12 km² and a population of 1,500 people (2020 mid-year estimates by SPC). Pitcairn has the smallest population with 50 people (2020 mid-year estimates by SPC) and a land area of 47 km².

A 2016 sub-regional workshop for the North Pacific Islands and the 2018 technical workshop on IMTS focusing on goods traded under the preferential trade agreements – held in collaboration with the Pacific Islands Forum Secretariat (PIFS), OCO and the Melanesian Spearhead Group (MSG) – also pointed to the need for a Pacific guide.

The publication of the guide has taken time as it was important to ensure that the guide and its recommendations were both practical and valuable for PICTs. This was achieved by putting the recommendations to test through:

- technical assistance provided by SPC to PICTs;
- subregional and in-country workshops, and
- one-on-one discussions with compilers and users of IMTS.

This publication contains 15 chapters and 16 appendices. The chapters provide guidelines with recommendations sourced from the UN's *IMTS: Concepts and Definitions 2010*. Chapter 1 introduces IMTS, Chapters 2-14 contain the recommended practices that need to be adhered to when compiling IMTS and Chapter 15 briefly introduces the supplementary topics.

The appendices are practical in nature. Appendix 1 outlines the steps necessary to produce IMTS.⁴ Appendix 2 explains the fields that need to be completed in the Single Administrative Document (SAD) that traders or their representatives complete when they engage in international merchandise trade. Appendices 3-7 contain the top-level statistical classifications.⁵ Appendices 8 and 9 contain the country and the geographical International Organization for Standardization (ISO) codes. Appendix 10 contains a guideline on using a PivotTable. Appendix 11 outlines the IMTS tables that PICTs need to compile. Appendix 12 talks about special issues in trade. Appendix 13 explains relevant terms contained in the Revised Kyoto Convention⁶ (RKC). Appendix 14 lists the differences in trade statistics and the *Balance of Payments and International Investment Position Manual, 6th edition* (BPM6) goods and services account. Appendix 15 explores the terms of delivery of goods in trade. Finally, Appendix 16 contains a sample structure for a Memorandum of Understanding (MOU).

Other sources, like the notes on the IMTS e-learning course developed and produced jointly by United Nations Conference on Trade and Development (UNCTAD), the World Trade Organization (WTO) and the UN Statistics Division, have also been consulted.

Sincere appreciation to all who have contributed to the literature and to Mr Markie Muryawan, Chief, Trade Statistics Section, UN Statistics Division for reviewing the guide.

⁴ The actions mentioned under the steps are referenced to the relevant chapter it relates to.

⁵ Top-level classifications are provided in all named appendices except the BEC in Appendix 5 which is the entire classification listed.

⁶ International Convention on the Simplification and Harmonization of Customs Procedures (as amended).

Table of contents

Preface	iii
Abbreviations and acronyms	viii
Tables and figures.....	x
Acknowledgements.....	xi
Summary of key IMTS recommendations for PICTs	1
Chapter 1: Introduction	5
1.1 Trade explained	5
1.2 IMTS explained	6
1.3 Need for IMTS.....	6
1.4 Compilation and dissemination of IMTS	8
1.5 Need for the IMTS Pacific Compilation Guide	9
1.6 Revision/review of the IMTS Pacific Compilation Guide 2021	10
Chapter 2: Legal framework	11
2.1 Need for a legal framework.....	11
2.2 Types of legal acts relevant for IMTS In PICTs	11
2.2.1 Legal acts governing the declaration of customs documentation	11
2.2.2 Legal acts regulating the collection, processing and dissemination of trade statistics and the working relations of the concerned agencies	12
2.2.3 Legal acts protecting the confidentiality of information.....	12
Chapter 3: Data sources.....	13
3.1 Use of customs records	13
3.1.1 Customs declarations	13
3.1.2 Customs procedures.....	13
3.1.3 Access to supportive documentation and additional information at customs.....	14
3.2 Use of non-customs records.....	15
3.3 Comparison of customs and non-customs data sources.....	16
3.4 Reconciliation and integration of customs and non-customs data.....	16
3.5 Institutional arrangements.....	17
Chapter 4: Scope and coverage	18
4.1 General guidelines	18
4.2 Specific guidelines	18
4.2.1 Goods recommended for inclusion	19
4.2.2 Goods recommended for exclusion	23
4.2.3 Summary of goods included and excluded recommended for separate recording.....	25
4.3 Shuttle trade.....	25
Chapter 5: Time of recording	26

Chapter 6: Trade system	27
6.1 Overview of basic terms	27
6.2 The general trade system	29
6.3 The special trade system	30
6.3.1 Limitations of the special trade system	31
Chapter 7: Commodity classifications.....	32
7.1 The need for detailed goods classification	32
7.1.1 Correspondence tables.....	32
7.2 Pacific Harmonized Commodity Description and Coding System	33
7.3 Standard International Trade Classification	33
7.4 Classification by Broad Economic Categories	34
7.5 Pacific Standard Industrial Classification	35
7.6 Central Product Classification.....	35
Chapter 8: Valuation.....	36
8.1 Statistical value of imports and exports	36
8.1.1 Compilation of FOB-type and CIF-type values.....	37
8.1.2 Selected issues of valuation	37
8.2 Currency conversion.....	39
Chapter 9: Quantity measurement	40
9.1 Quantity units	40
9.1.1 WCO recommended standard units of quantity	40
9.1.2 Conversion from non-standard to standard units of quantity	41
9.1.3 Gross vs net weight	41
9.1.4 Challenges in the compilation of quantities	41
9.1.5 Uniformity in the application of quantity units	42
9.1.6 Improving the compilation of quantity data at the source	42
Chapter 10: Partner country	43
10.1 Trade statistics by partner countries.....	43
10.2 Types of partner country attribution	43
10.2.1 Imports	43
10.2.2 Exports.....	44
10.3 Comparison of different methods of partner country attribution	45
10.4 Recommendations.....	46
Chapter 11: Mode of transport.....	48
11.1 Classification for modes of transport	48
Chapter 12: Importance of data processing and database management	49
Chapter 13: Data quality and metadata	50
13.1 Enhancing the quality of IMTS.....	50

13.2 Quality dimension of IMTS	50
13.3 Quality measures and indicators	53
13.4 Cross-country data comparability	54
13.5 Metadata on IMTS	55
Chapter 14: Dissemination	57
14.1 Statistical confidentiality	57
14.2 Reference period	57
14.3 Data dissemination timetable/release calendar	57
14.4 Timeliness	58
14.5 Coherence of monthly, quarterly and annual data	58
14.6 Data revision	58
14.7 Revision policy	58
14.8 Dissemination strategy	58
Chapter 15: Supplementary topics	62
15.1 External trade indices	62
15.2 Seasonally adjusted IMTS	62
15.3 Linking trade and business statistics	62
Appendices	63
Appendix 1: Steps to be taken from the collection of trade data to the dissemination of IMTS.....	64
Appendix 2: Sample single administrative document	69
Appendix 3: Pacific Harmonized Commodity Description and Coding System 2022 (PACHS 2022) by sections and chapters	75
Appendix 4: Standard International Trade Classification (SITC) Revision 4 by sections and divisions.....	80
Appendix 5: Classification by Broad Economic Categories (BEC) Revision 5 by goods only.....	83
Appendix 6: Pacific Standard Industrial Classification (PACSIC) 2014 by sections and divisions.....	87
Appendix 7: Central Product Classification (CPC) version 2.1 by sections and divisions	90
Appendix 8: Standard country and area codes for statistical use	93
Appendix 9: Composition of macro geographical regions and geographical sub-regions	100
Appendix 10: Guidelines on using a PivotTable with illustrations	103
Appendix 11: Recommended IMTS tables for PICTs.....	108
Appendix 12: Treatment of fish catch in trade.....	121
Appendix 13: Definitions of selected customs terms contained in the Revised Kyoto Convention	122
Appendix 14: Differences in figures published in trade statistics and the BOP Goods and Services Account	127
Appendix 15: Terms of delivery	130
Appendix 16: Memorandum of Understanding (MOU)	133

Abbreviations and acronyms

ASYCUDA	Automated System for Customs Data
BEC	Classification by Broad Economic Categories
BMP6	Balance of Payments and International Investment Position Manual, Sixth edition
BOP	Balance of Payments
CFR	Cost and freight
CIF	Cost, insurance and freight
CIP	Carriage and insurance paid to
CPT	Carriage paid to
DAF	Delivered at frontier
DDP	Delivered duty paid
DDU	Delivered duty unpaid
DEQ	Delivered ex quay
DES	Delivered ex ship
DQAF	Data Quality Assessment Framework
EXW	Ex works
FAS	Free alongside ship
FCA	Free carrier
FOB	Free on board
FSM	Federated States of Micronesia
GDP	Gross Domestic Product
HS	Harmonized Commodity Description and Coding System
HS12	Harmonized Commodity Description and Coding System, 2012 edition
i-EPA	Interim Economic Partnership Agreement
IMF	International Monetary Fund
IMTS	International Merchandise Trade Statistics
IMTS 2010	International Merchandise Trade Statistics: Concepts and Definitions, 2010
ISIC	International Standard Industrial Classification of All Economic Activities
ISO	International Organization for Standardization
MOU	Memorandum of Understanding
MSG	Melanesian Spearhead Group
NSOs	National Statistics Offices
OCO	Oceania Customs Organization
OECD	Organisation for Economic Co-operation and Development
PACHS	Pacific Harmonized Commodity Description and Coding System
PACIMTS	Pacific International Merchandise Trade Statistics
PACSIC	Pacific Standard Industrial Classification
PACSIC 2014	Pacific Standard Industrial Classification 2014
PICTA	Pacific Island Countries Trade Agreement
PICTs	Pacific Island countries and territories
PIFS	Pacific Islands Forum Secretariat
RKC	Revised Kyoto Convention

SAD	Single Administrative Document
SDMX	Statistical Data and Metadata Exchange
SITC	Standard International Trade Classification
SNA	System of Natural Accounts
SPARTECA	South Pacific Regional Trade and Economic Co-operation Agreement
SPC	Pacific Community
ToT	Terms of trade
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UN NQAF	United Nations National Quality Assurance Framework
UNSC	United Nations Statistical Commission
VAT	Value added tax
WCO	World Customs Organization
WTO	World Trade Organization

Tables and figures

Table 1: Summary of key IMTS recommendations for PICTs	1
Table 2: Comparison of customs and non-customs data sources	16
Table 3: The standard units of quantity recommended for use by the WCO	40
Table 4: Types of partner country attribution	44
Table 5: Classification of the modes of transport	48
Table 6: Definitions of suggested quality framework for PICTs	52
Table 7: Suggested indicators for measuring the quality of IMTS	54
Table 8: Step-by-step guide to compile IMTS	64
Table 9: Single administrative document fields	70
Table 10: PACHS 2022 sections and chapters	75
Table 11: SITC Rev 4 sections and divisions	80
Table 12: BEC by category dimensions	83
Table 13: PACSIC 2014 by sections and divisions	87
Table 14: CPC 2.1 by sections and divisions	90
Table 15: Standard country and area codes	93
Table 16: Geographical region and composition of each region with ISO numeric code	100
Table 17: IMTS Table 1 on the balance of trade	108
Table 18: IMTS Table 2 on imports by HS	109
Table 19: IMTS Table 3 on exports by HS	110
Table 20: IMTS Table 4 on re-exports by HS	111
Table 21: IMTS Table 5 on total exports by HS	112
Table 22: IMTS Table 6 on principal exports by HS	113
Table 23: IMTS Table 7 on principal imports by HS	113
Table 24: IMTS Table 8 on balance of trade by partner countries	114
Table 25: IMTS Table 9 on trade by region	114
Table 26: IMTS Table 10 on trade by mode of transport	115
Table 27: IMTS Table 11 on trade-by-trade agreements	116
Table 28: Sample component table	117
Table 29: IMTS Table 12 on exports by SITC	117
Table 30: IMTS Table 13 on imports by SITC	118
Table 31: IMTS Table 14 on retained imports classified by BEC	119
Table 32: Treatment of fish catch in trade	121
Table 33: Reconciliation between IMTS and BOP	127
Figure 1: International trade in goods	5
Figure 2: Components involved in international merchandise trade	5
Figure 3: Territorial elements and potential imports and exports under the general trade system	30
Figure 4: Territorial elements and potential imports and exports under the special trade system in its relaxed definition	31
Figure 5: Relationship between different classifications	33
Figure 6: Broad Economic Category Rev. 5 Relationships	34
Figure 7: Prerequisites and dimensions of quality	51
Figure 8: IMTS interactive dashboard at SPC	60

Acknowledgements

This compilation guide has been made possible thanks to the efforts of a large number of IMTS compilers and customs administrations from across the Pacific region, along with SPC and its partner organisations.

Special thanks are due to Mr Markie Muryawan (United Nations), Ms Laisiana Tugaga (PACER Plus Implementation Unit, Apia, Samoa and formerly of Oceania Customs Organization) and Mr Jayvee Santos (United Nations Conference on Trade and Development).

Thanks are also due to the 18 statisticians⁷ from PICTs who formulated the zero draft of this document during a week-long attachment to SPC immediately following the regional workshop on IMTS conducted by SPC in Noumea, New Caledonia in November 2012.

⁷ Mrs Ma'u 'Alipate Leha and Miss Mine H Timoteo from American Samoa; Mr Enuarua N Pakitoa from Cook Islands; Ms Sharon Lebehn from the Federated States of Micronesia; Mrs Lilieta T Lewanavanua, Mrs Olivia V Koroi and Ms Sashee L Nath from Fiji; Ms Anataake Maurintekeraoi from Kiribati; Mr Ramrakha Detenamo from Nauru; Mr Kimray Vaha from Niue; Mr Justin Andrew from Northern Mariana Islands; Ms Muriell Sinsak from Palau; Mr Blasius Vaninara from Papua New Guinea; Mrs Toese U Tautalagia from Samoa; Mr Henry Risoni from Solomon Islands; Mrs Lesieli M Tohi from Tonga; Mr Toakai Puapua from Tuvalu and Mrs Anna Tavoia from Vanuatu.

Summary of key IMTS recommendations for PICTs

Table 1: Summary of key IMTS recommendations for PICTs

Reference	Recommendation
Chapter 1: Introduction	
1.3: Need for IMTS	It is recommended that to be able to meet the wide variety of different IMTS needs, NSOs engage in regular meetings with users/stakeholders and data providers.
1.4: Compilation and dissemination of IMTS	It is recommended that NSOs are the official source for IMTS as mandated by the statistical law in PICTs. It is further recommended that NSOs adhere to the <i>United Nations Fundamental Principles of Official Statistics</i> when compiling IMTS.
Chapter 2: Legal framework	
2.2: Types of legal acts relevant for IMTS in PICTs	It is recommended that PICTs have relevant laws and regulations in place to ensure access to quality trade data for the compilation of IMTS and to govern statistical confidentiality.
Chapter 3: Data sources	
3.1: Use of customs records	It is recommended that customs records be used as the main and preferred data source for the compilation of IMTS.
	It is recommended that information about the customs procedures applied to individual transactions be part of the data set provided by customs to the NSOs for the compilation of IMTS.
3.2: Use of non-customs records	It is recommended that customs-based data be supplemented with information obtained from other sources to ensure full coverage of IMTS, and that non-customs sources be used as substitutes for available customs records only if they provide a cost-effective way to improve the quality of IMTS.
3.5: Institutional arrangements	It is recommended that PICTs consider, as a matter of high priority, the establishment of institutional arrangements to ensure the compilation of high-quality trade statistics, and that these arrangements be reviewed periodically to ensure their continued effectiveness.
Chapter 4: Scope and coverage	
4.1: General guidelines	It is recommended that under the general guideline: all goods which add to or subtract from the stock of material resources of a country be recorded; that trade below customs threshold be estimated if economically significant; and that the change of ownership criterion be used only when the general guideline is not applicable or not sufficient.
4.2: Specific guidelines	It is recommended that certain groups of goods be separately recorded, irrespective of whether they are included/excluded from IMTS for national accounts, balance of payments and other purposes.
Chapter 5: Time of recording	
Time of recording	It is recommended that goods be recorded at the time they enter or leave the economic territory of a country or territory. In the case of customs-

Reference	Recommendation
	based data-collection systems, this time can frequently be approximated by the date of lodgement of the customs declaration.
Chapter 6: Trade system	
6.1: Overview of basic terms	It is recommended that PICTs publicly make available a detailed description of their statistical territory in their metadata.
6.2: The general trade system	<p>It is recommended that the statistical territory of PICTs applying the general trade system include:</p> <ul style="list-style-type: none"> ▪ Islands ▪ Territorial waters and continental shelf ▪ Offshore and outer space installations and apparatus ▪ Commercial and industrial free zones ▪ Premises for inward processing ▪ Customs warehouses ▪ Territorial enclaves of the compiling country in other countries and territorial exclaves, that is, enclaves of other countries in the compiling country. <p>It is recommended to include and identify/code re-imports and re-exports of goods separately for analytical purposes.</p> <p>It is recommended that customs make information about the customs procedure applied to individual transactions as part of the data set for the compilation of trade statistics.</p>
6.3: The special trade system	It is recommended that PICTs using the special trade system compile or estimate, as applicable, goods imported into and exported from: premises for customs warehousing; premises for inward processing; and industrial free zones or commercial free zones, to allow estimation of data on a general trade system basis.
Chapter 7: Commodity classifications	
7.1: The need for detailed goods classification	It is recommended that the most recent version of PACHS be used by PICTs as the primary classification for the collection, compilation and dissemination of IMTS.
Chapter 8: Valuation	
8.1: Statistical value of imports and exports	<p>It is recommended that a statistical value for all goods covered in trade statistics be recorded, whether sold, exchanged or provided without payment.</p> <p>It is recommended that the <i>WTO Agreement on Customs Valuation</i> is adopted as the basis for valuation of international merchandise trade for statistical purposes.</p> <p>It is recommended that the statistical value of exported goods be a FOB-type value and of imported goods be a CIF-type value. However, PICTs are encouraged to compile FOB-type values of imported goods as supplementary information.</p>
8.2: Currency conversion	It is recommended that, should conversion of currency be necessary to determine the customs value by the importing country, the rates of exchange used are the ones published by competent authorities at the time of importation.

Reference	Recommendation
Chapter 9: Quantity measurement	
9.1: WCO recommended standard units of quantity	It is recommended that PICTs collect or estimate, validate and report quantity information in WCO standard units of quantity and in net weight on all trade transactions.
Chapter 10: Partner country	
10.4: Recommendations	It is recommended that the country of origin be recorded for imports, and the country of last known destination be recorded for exports. It is further recommended that as the second partner country attribution, the country of consignment be recorded for imports, and the country of consignment be recorded for exports.
Chapter 11: Mode of transport	
11.1: Classification for modes of transport	It is recommended that PICTs compile and disseminate IMTS by the different modes of transport at the most detailed commodity level.
Chapter 12: Importance of data processing and database management	
Note on ASYCUDA	It is recommended that PICTs use a data processing system that they are able to operate, or a system where assistance is provided on a regular basis as is the case with ASYCUDA.
Chapter 13: Data quality and metadata	
13.1: Enhancing the quality of IMTS	It is recommended that PICTs develop standards related to good practices covering institutional arrangements, statistical processes and outputs. Further, it is recommended that PICTs develop a standard for regular quality reports using the standards related to good practices as its basis. The quality reports should comprise both quantitative and qualitative indicators for IMTS, as well as a checklist covering data collection, processing and dissemination in order to assess the strengths and weaknesses in the statistical process and to identify possible quality-improvement actions as well as keep users informed on the methodology.
13.5: Metadata on IMTS	It is recommended that PICTs view the development of metadata as a high priority and consider their dissemination an integral part of the dissemination of IMTS.
Chapter 14: Dissemination	
14.1: Statistical confidentiality	It is recommended that passive confidentiality be applied as much as possible unless the use of active confidentiality is already the established, desired and accepted practice.
14.2: Reference period	It is recommended that PICTs make available their annual data on a calendar year basis, according to the Gregorian calendar.
14.3: Data dissemination timetable/release calendar	It is recommended that PICTs announce in advance the precise dates on which IMTS will be released and revised.

Reference	Recommendation
14.8: Dissemination strategy.	It is recommended that all users be treated equally and IMTS be disseminated without preference to any national or international user group.
	It is recommended that PICTs disseminate their IMTS in electronic and/or paper formats and in ways that facilitate re-dissemination. It is further recommended that IMTS be accessed through the electronic dissemination databases maintained by PICTs and SPC.

Chapter 1: Introduction

1.1 Trade explained

Trade refers to the buying and selling at wholesale or retail price or exchanging goods⁸ and services by people, businesses and government within or between countries.⁹

This compilation guide focuses on international merchandise trade which is the trade in goods between countries.

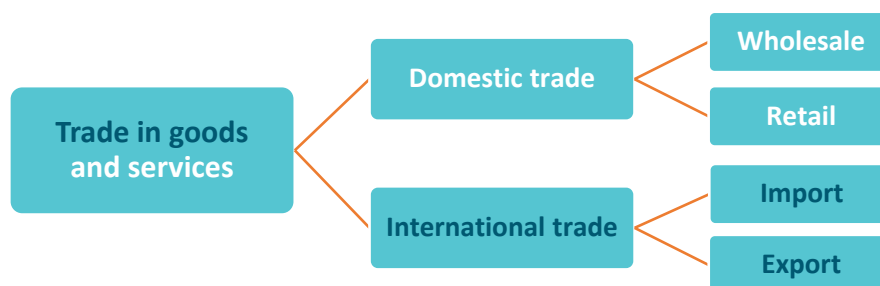


Figure 1: International trade in goods

International trade involves the physical movements of goods between countries and territories. It therefore entails many different steps as the good progresses from its origin¹⁰ to its destination. Consideration must be given to the laws and regulations governing trading, pricing, insurance and freight, as well as the currency/exchange rates related to the transaction and the correct description of the goods so that the appropriate nomenclature/naming conventions can be applied.

Customs administrations¹¹ in Pacific Island countries and territories (PICTs) that are vested with the authority to facilitate the flow of goods in and out of the countries need to ensure proper records/documentation of each transaction, preferably electronically, so that the information can be passed on to National Statistics Offices (NSOs) for the compilation of International Merchandise Trade Statistics (IMTS).



Figure 2: Components involved in international merchandise trade

⁸ The term "goods" is often used interchangeably with "merchandise" and "commodities".

⁹ The term "country" should be read to include both countries and territories.

¹⁰ While the production of a good may have taken place in many countries due to global value chains, the last country where a good was assembled and exported from is considered its country of origin.

¹¹ Customs administrations in PICTs are also responsible for collecting tariffs for their respective governments.

1.2 IMTS explained

IMTS refers to a specialised multipurpose domain of **official statistics** concerned with the provision of data on the physical movements of goods between countries and areas, where:

- exports record the outward flow of goods;
- re-exports record the outward flow of goods that are imported and then exported in the same condition that it was imported in, without any transformation;
- imports record the inward flow of goods; and
- re-imports record the inward flow of goods that are exported and then brought back into the country.

The variables of IMTS include, but are not limited to, data on:

- reference period;
- flow of trade;
- the description of the commodity;
- the appropriate 8-digit Pacific Harmonized Commodity Description and Coding System (PACHS) category the goods fall into;
- the country/territory of origin of the good, in the case of imports;
- the country/territory of destination of the good, in the case of exports;
- the cost of the good;
- the insurance paid on the good;
- the cost of freight on the good;
- the preference given to the good, if any. For example, the good may have been traded under a preferential trade agreement like the Pacific Island Countries Trade Agreement (PICTA);
- the quantity of the good;
- the unit of quantity of the good; and
- the mode of transport of the good.

International trade binds producers and consumers located in different countries into a global economic system. In this context, the availability of timely and high quality IMTS becomes a precondition for in-depth analysis of production, consumption, employment, income and the overall welfare at both national and international levels.

1.3 Need for IMTS

There are many users and uses of IMTS.

- **NSOs incorporate IMTS into other statistical products, for example:**
 - in the preparation of the current account in the Balance of Payments (BOP);
 - in the compilation of the Gross Domestic Product (GDP) where trade is a major component of the GDP compiled using the expenditure approach, and is used as an indicator to estimate the distributive trade industry when compiling the GDP using the production approach;
 - in the compilation of transport statistics; and
 - in the construction of the export and import unit value indexes.¹² Terms of Trade (ToT) is an important economic indicator that is derived using IMTS and is calculated as a ratio of the total Exports Unit Value Index to the total Imports Unit Value Index. ToT index

¹² Two kinds of indices may be produced to reflect prices for imports and exports: unit-value indices based on customs documents and export/import price indices based on survey data. Both have strengths and weaknesses. Price indices are preferred on methodological grounds, but many PICTs do not have the resources to compile them.

measures the changing quantity of imports, which can be purchased by a fixed quantity of exports. An increase in ToT indicates that the real purchasing power of exports has increased, while a decrease indicates a drop in the purchasing power of exports.

▪ **Governments use IMTS for many purposes such as:**

- for the compilation of the food balance sheet to be able to get a comprehensive picture of the national food supply for a specific period. Ensuring food security, particularly in light of climate change, is critical to all PICTs;
- to drive economic development by establishing appropriate economic policies including policies on sustainable development, fiscal, monetary, structural and sectoral matters, as well as addressing issues related to environmental and health concerns. A considerable challenge facing many Health Ministers and Secretaries of Health is the high prevalence of non-communicable diseases across the Pacific region. Responding to this threat requires detailed, up-to-date statistics on imports of commodities like tobacco, liquor, unhealthy foods, and sugar-sweetened beverages;
- to develop national, regional, and international trade policies including trade negotiations, monitoring trade agreements (see Appendix 11, IMTS Table 11) and settling trade disputes; and
- to plan for infrastructure such as harbours, airports and roads.

▪ **Research institutions and academia, sometimes in partnership with government or as consultants to government, use IMTS to compile knowledge products that give a different dimension to the use of trade data, for example:**

- to compile a food nutrient database. In PICTs a lot of food products that are commonly consumed are imported;
- to assess reduction in government revenue due to preferences given to commodities being traded;
- to explore options for increasing taxes on sin goods,¹³ broadening the tax base and economic diversification.

▪ **Businesses use IMTS:**

- for market analysis to find supply sources or foreign markets or to outsource production because of cheap labour in another country;
- to develop better business opportunities. Many businesses in PICTs operate on an informal basis and need support or incentives from government, non-government organisations and other business organisations to graduate from informal activities to formal activities, and eventually engage in international trade.

Different users need different merchandise trade data, ranging from data sets of varying detail by country and commodity. The compilation of IMTS should, as far as possible, meet the needs of these various users, either directly or with adjustments taking into consideration data normally available and data collection procedures.

It is recommended that to be able to meet the wide variety of different IMTS needs, NSOs engage in regular meetings with users/stakeholders and data providers.

¹³ “Sin goods” are those that are harmful to human health such as tobacco, liquor, unhealthy foods and sugar-sweetened beverages.

1.4 Compilation and dissemination of IMTS

The compilation and dissemination of IMTS should be done by a single agency within each PICT and that agency should be the NSO. NSOs, working within the bounds of their Statistics Acts, need to ensure that well-defined, professional and scientific standards are followed in the compilation of IMTS. The dissemination of IMTS by the official source (the NSO) will ensure a single source of truth and minimise any potential confusion.

In compiling IMTS, NSOs need to adhere to the *United Nations Fundamental Principles of Official Statistics*¹⁴ which are reproduced below.

Principle 1: Relevance, impartiality, and equal access

Official statistics provide an indispensable element in the information system of a democratic society, serving governments, the economy and the public with data about the economic, demographic, social and environmental situation. To this end, official statistics that meet the test of practical utility are to be compiled and made available on an impartial basis by official statistical agencies to honour citizens' entitlement to public information.

Principle 2: Professional standards, scientific principles, and professional ethics

To retain trust in official statistics, the statistical agencies need to decide according to strictly professional considerations, including scientific principles and professional ethics, on the methods and procedures for the collection, processing, storage and presentation of statistical data.

Principle 3: Accountability and transparency

To facilitate a correct interpretation of the data, the statistical agencies are to present information according to scientific standards on the sources, methods and procedures of the statistics.

Principle 4: Prevention of misuse

The statistical agencies are entitled to comment on erroneous interpretation and misuse of statistics.

Principle 5: Sources of official statistics

Data for statistical purposes may be drawn from all types of sources, be they statistical surveys or administrative records. Statistical agencies are to choose the source with regard to quality, timeliness, costs and the burden on respondents.

Principle 6: Confidentiality

Individual data collected by statistical agencies for statistical compilation, whether they refer to natural or legal persons, are to be strictly confidential and used exclusively for statistical purposes.

Principle 7: Legislation

The laws, regulations and measures under which the statistical systems operate are to be made public.

Principle 8: National coordination

Coordination among statistical agencies within countries is essential to achieve consistency and efficiency in the statistical system.

¹⁴ See: https://unstats.un.org/unsd/dnss/hb/E-fundamental%20principles_A4-WEB.pdf

Principle 9: Use of international standards

The use by statistical agencies in each country of international concepts, classifications and methods promotes the consistency and efficiency of statistical systems at all official levels.

Principle 10: International cooperation

Bilateral and multilateral cooperation in statistics contributes to the improvement of systems of official statistics in all countries.

Being the official compiler/source for IMTS, the NSOs need to take the following measures:

- Ensure timely replacement of preliminary/provisional data;
- Develop estimation and imputation procedures to deal with the missing data;
- Advocate importance of trade statistics for various purposes to be able to sensitize customs officers and employees of other source agencies to provide data;
- Establish and ensure the use by all data sources consistent terminologies, standard classifications, correct partner country codes, standard quantity units and standard modes of transport;
- Run training programmes at NSOs and source agencies on statistical standards and requirements, conceptual standards and the use of appropriate software in order to improve staff skills in compiling and merging international merchandise trade data from different sources;
- Conduct regular meetings between NSOs, source organisations, large importing and exporting enterprises and users; and
- Establish a direct computer link with data suppliers to facilitate data transmission.

It is recommended that NSOs are the official source for IMTS as mandated by the statistical law in PICTs. It is further recommended that NSOs adhere to the United Nations Fundamental Principles of Official Statistics when compiling IMTS.

1.5 Need for the IMTS Pacific Compilation Guide

The *IMTS Pacific Compilation Guide 2021* is a guideline which provides a standard methodology that is to be followed by all PICTs. It has been derived from the UN's *IMTS Concepts and Definitions 2010*.¹⁵ While much of the content has been taken from this source some information has been updated. For example, the classification by Broad Economic Categories (BEC) has been revised in line with the fifth revision.¹⁶ The Pacific guide also contains additional information such as the list of countries and territories with their ISO codes. The need to derive a Pacific guide was to address issues common to PICTs and to cater for their needs.

All in all, the *IMTS Pacific Compilation Guide 2021* provides guidance that allows for and enables:

- the compilation of the very many different statistics including export and import;
- the repeated collection of statistics on a consistent basis, for example, collecting IMTS every month in the same format following the same standards and using the same classification;
- the integration of data over time and across different data sources such as combining data from different sources like customs and enterprises; and

¹⁵ See: <https://www.un.org/en/development/desa/publications/international-merchandise-trade-statistics-concepts-and-definitions-2010-imts-2010.html>

¹⁶ See: <https://unstats.un.org/unsd/tradekb/Knowledgebase/50671/5th-revision-of-the-Classification-by-Broad-Economic-Categories-BEC>

- the use of data beyond the immediate purpose for which it was produced. For example, trade data are collected by customs for revenue collection, but statisticians use the data to compile IMTS.

1.6 Revision/review of the IMTS Pacific Compilation Guide 2021

With passing time new commodities emerge, old ones phase out and new developments in the data compilation space take place. These changes need to be reflected by PICTs when IMTS are compiled.

As such, this guide should be reviewed when the UN revises its IMTS Manual 2010. The title of the guide should then be changed to the year in which the revision takes place. For example, if the UN revises its IMTS Manual in 2025, the name of this guide should be changed to the *IMTS Pacific Compilation Guide 2025*.

Additionally, this guide should be reviewed when there are changes to existing systems in PICTs. For example, a new data processing system may be introduced that warrants changes to the guidelines on data processing and database management mentioned under Chapter 12. Also, the guide should be reviewed if a new commodity has captured the attention of the international trade space, or a new recommendation comes out from the UN that PICTs need to adopt. In the event that changes have been made to this guide, its title should be changed to *Pacific IMTS Compilation Guide 2021, Rev 1*.

The Pacific Community (SPC) should be responsible for any revisions or updates to this guide. SPC has the technical expertise to undertake appropriate revisions and updates and is well placed to ensure that a uniform methodology is adopted and followed by all PICTs.

Chapter 2: Legal framework

A legal framework includes legal agreements, relevant laws and regulations that govern data-provision relations and all other aspects of data compilation and dissemination.

2.1 Need for a legal framework

A sound legal framework for PICTs may take the form of the Statistics Act and/or a Memorandum of Understanding (MOU). This is necessary to:

- mandate and enable NSOs for the overall compilation and dissemination of IMTS;
- ensure the availability of, and access to, necessary data sources such as customs records and non-customs data;
- establish effective institutional arrangements (see Section 3.5) that define “official statistics”. This is essential to avoid confusion amongst data users in circumstances where the same data are accessible from agencies other than the NSOs (such as customs and central banks) and where values might be different; and
- safeguard the confidentiality of individual data (see Section 14.1).

2.2 Types of legal acts relevant for IMTS In PICTs

Legal acts relevant for trade statistics in PICTs should exist at least at three different levels:

- legal acts governing the declaration of customs documentation;
- legal acts regulating the collection, processing and dissemination of trade statistics and the working relations of the concerned agencies; and
- legal acts protecting the confidentiality of information.

Each of these are discussed in more detail below.

2.2.1 Legal acts governing the declaration of customs documentation

International conventions and agreements relevant to customs records

- The World Customs Organization (WCO) is the international platform at which countries reach agreements on customs regulations. The two most relevant conventions that have been adopted by PICTs are:
 - The Kyoto Convention which provides standards for various customs procedures and describes corresponding good practices (see Appendix 13); and
 - The Harmonized System Convention, or the HS Convention, which sets out the commodity classification (see Chapter 7 and Appendix 3).
- The WTO agreement on Customs Valuation aims for a fair, uniform and neutral system for the valuation of goods for customs purposes (see Chapter 8).

National laws and regulations

Other than reflecting the international conventions and agreements, the national needs and circumstances need also to be addressed. For example, laws usually require importers and exporters of goods to report particulars of their transactions to customs for the purposes of collection of duties and taxes for health, environmental and/or other control purposes, and for statistical purposes. In many countries, a person who fails to lodge the required declaration, or knowingly or recklessly lodges an inaccurate declaration, is liable for an offence.

2.2.2 Legal acts regulating the collection, processing and dissemination of trade statistics and the working relations of the concerned agencies

- Recommendations for the compilation of IMTS contained in this guide needs to be followed. Refer to the summary of key IMTS recommendations for PICTs in Table 1.
- National laws and regulations regulating non-customs data sources:
Information on transactions that do not pass-through customs need to be obtained from other data sources. The establishment and maintenance of effective institutional arrangements (see Section 3.5) between governmental agencies relevant for trade statistics can be greatly facilitated if the national law contains clear provisions with respect to the roles, rights and responsibilities of those agencies as well as the mechanism of their cooperation.

2.2.3 Legal acts protecting the confidentiality of information

IMTS concerns with respect to confidentiality of personal and business information should be protected by law in every PICT. This means that legal provisions governing statistical confidentiality in any given PICT need to be set forth in their statistical laws or other supplementary governmental regulations and should be consistent with Principle 6 of the *United Nations Fundamental Principles of Official Statistics* (see Sections 1.4 and 14.1).

It is recommended that PICTs have relevant laws and regulations in place to ensure access to quality trade data for the compilation of IMTS and to govern statistical confidentiality.

Chapter 3: Data sources

The two data sources used by NSOs for the compilation of IMTS are:

- customs records, and/or
- non-customs records.

3.1 Use of customs records

To produce high quality and timely IMTS, NSO compilers need uninterrupted availability of trade data in electronic format. This is made possible through customs records. Customs records are the preferred data source because:

- they reflect the physical movement of goods across borders, which IMTS aims to record;
- they are generally reliable, detailed and readily available in most PICTs, and
- there are no costs associated with obtaining the data.

It is recommended that customs records be used as the main and preferred data source for the compilation of IMTS.

However, PICTs need to bear in mind that the primary role of customs administrations is to assess and collect customs duties and taxes for the government – not to provide data for the compilation of IMTS. This is why customs records do not strictly conform to the concepts and definitions outlined in the IMTS and BOP Manuals¹⁷ and the System of National Accounts (SNA).¹⁸ To be able to make the best use of customs data, trade statisticians need to understand customs systems and procedures.

3.1.1 Customs declarations

A customs declaration is a form that lists the details of goods being imported into a country or exported out of the country. The Single Administrative Document (SAD) is an example of such a document used by customs administrations in PICTs such as Papua New Guinea and Fiji. A customs declaration indicates the customs procedures under which goods enter, move within or leave the country. Statistical information is mostly derived directly from these declarations. The Standard Automated System for Customs Data¹⁹ (ASYCUDA) SAD can be found in Appendix 2.

3.1.2 Customs procedures

A customs procedure is a treatment applied by customs administrations to goods which are subject to customs control. A system of codes is used to correctly identify the flows of goods for inclusion or exclusion. The use of customs procedure codes prevents the double recording of goods that have undergone several customs procedures.

The annexes to the Revised Kyoto Convention (RKC) identify a set of customs procedures and provide standards and recommended practices. The use of the RKC is important as the application of the same customs standards by all PICTs will help improve comparability of customs records and trade statistics within the region and internationally.

In addition to using the RKC, countries may use other procedures specific to their needs. The choice of the customs procedure can vary from country to country and from trader to trader, depending on many

¹⁷ See: <https://www.imf.org/external/pubs/ft/bop/2007/bopman6.htm>

¹⁸ See: <https://unstats.un.org/unsd/nationalaccount/docs/sna2008.pdf>

¹⁹ ASYCUDA is a computerised system designed by the United Nations Conference on Trade and Development.

factors, such as the level of customs duties, taxation, other fees and charges and the expected clearance time.

Together with the data set, customs procedures applied to individual transactions need to be provided by customs to the NSOs for the compilation of IMTS. This helps NSOs to decide on the inclusion and exclusion of a given procedure, following the IMTS recommendations contained in this guide.

As a general guideline, goods crossing borders under the following procedures:

- should be included in the IMTS:
 - Clearance for home use (RKC, Specific Annex B/Chapter 1);
 - Reimportation in the same state (RKC, Specific Annex B/Chapter 2);
 - Outright exportation (RKC, Specific Annex C/Chapter 1);
 - Customs warehouses (RKC, Specific Annex D/Chapter 1);
 - Free zone (RKC, Specific Annex D/Chapter 2);
 - Inward processing (RKC, Specific Annex F/Chapter 1);
 - Outward processing (RKC, Specific Annex F/Chapter 2);
 - Drawback (RKC, Specific Annex F/Chapter 3);
 - Processing of goods for home use (RKC, Specific Annex F/Chapter 4);
 - Customs offences (RKC, Specific Annex H/Chapter 1), only in respect of seized goods sold or otherwise disposed of by customs into the economic territory of the importing country;
 - Travellers (RKC, Specific Annex J/Chapter 1);²⁰
 - Postal traffic (RKC, Specific Annex J/Chapter 2);
 - Stores (RKC, Specific Annex J/Chapter 4);²¹
 - Relief consignments (RKC, Specific Annex J/Chapter 5), parts of it, according to the specific recommendations contained in Chapter 4.
- should be excluded from the IMTS:
 - Customs transit (RKC, Specific Annex E/Chapter 1);
 - Transshipment (RKC, Specific Annex E/Chapter 2);
 - Carriage of goods coastwise (RKC, Specific Annex E/Chapter 3), provided that the goods have not been admitted;
 - Temporary admission (RKC, Specific Annex G/Chapter 1);
 - Travellers (RKC, Specific Annex J/Chapter 1), only in respect of goods treated as part of trade in services;
 - Means of transport for commercial use (RKC, Specific Annex J/Chapter 3);
 - Relief consignments (RKC, Specific Annex J/Chapter 5), parts of it, according to the specific recommendations contained in Chapter 4.

See Appendix 13 for definitions of selected customs terms contained in the RKC.

It is recommended that information about the customs procedures applied to individual transactions be part of the data set provided by customs to the NSOs for the compilation of IMTS.

3.1.3 Access to supportive documentation and additional information at customs

Information available at customs is not limited to the customs declaration since supportive documentation, such as the commercial invoice, transport documents (shipping manifests, import licenses and certificate of origin) usually accompany the customs declaration. IMTS compilers should

²⁰ See also Section 4.3 of this guide.

²¹ See also the paragraph on bunkers, stores, ballast and dunnage in Chapter 4 of this guide.

make arrangements with customs administrations to have access to these documents, as required and as permitted by law to solve gaps and quality concerns.

Depending on the national legislation and practices, customs records can include or exclude transactions of certain goods such as sale and purchase of aircraft, ships and other mobile equipment, sales and purchases made by aircraft and ships in foreign ports, re-export of fuel to visiting vessels and aircraft, goods sent through postal or courier services, shuttle trade, transaction on high seas etc. IMTS compilers need to be aware of the coverage of the customs recording and the need to use additional data sources when necessary.

3.2 Use of non-customs records

In almost all the PICTs the full coverage of international merchandise trade flows cannot be achieved by the use of customs records only, either because the relevant transactions are not (or no longer) subject to customs controls or surveillance or because record-keeping may not be adequate from a statistical point of view. In such cases, customs-based data should be supplemented with information obtained from other sources to ensure full coverage of IMTS. Non-customs sources can also be used as substitutes for available customs records if they provide a cost-effective way to improve the quality of IMTS. A description of the non-customs sources used, including how they were used and an assessment of their quality, should be provided in the metadata by the compilers.

It is recommended that customs-based data be supplemented with information obtained from other sources to ensure full coverage of IMTS, and that non-customs sources be used as substitutes for available customs records only if they provide a cost-effective way to improve the quality of IMTS.

There are various non-customs sources of data. These include:

- foreign shipping manifests which can be used for cross-checking and supplementing information gathered from customs declarations;
- enterprise surveys which can be used as a means to collect data on transactions, which may not be captured by customs administrations such as re-export of fuel and goods for military use;
- currency exchange records and records of monetary authorities which often provide timely information about international transactions, including merchandise flows;
- aircraft and ship registers which can be used to capture trade in aircrafts and ships;
- sales and purchases made by aircraft and ships in foreign ports;
- sales and purchases of aircraft, ships and other mobile equipment;
- parcel post and letter post records;
- reports from commodity boards which can supplement cross-check customs recording of trade in certain goods;
- administrative records associated with taxation;
- quarantine or another relevant agency for shuttle trade;
- customs records for copies of receipts issued to residents for duty charged on goods carried by them at the arrival's declaration;
- partner country data i.e., data exchanges between countries/mirror statistics;
- transactions on the high seas;
- military goods;
- petroleum, gas and water delivered through pipelines;
- electricity transmitted through fixed power lines; and
- relevant big data sources such as ships tracking movement (Automatic Identification System).²²

²² Refer to Automatic Identification System Live Handbook at <https://unstats.un.org/wiki/display/AIS>

When using non-customs data sources, such as enterprise surveys, NSOs that have a statistical business register should take an integrated approach to data collection and make use of these business registers and business identification numbers/tax identification numbers in order to obtain the required information with minimal costs and burden on businesses. The integrated approach to data collection is of particular importance for the fulfillment of additional information requirements, such as for goods for processing (including obtaining information on change of ownership which is important to BOP compilers), or intrafirm trade²³ which often cannot be satisfied by the use of customs declarations only.

3.3 Comparison of customs and non-customs data sources

Both customs and non-customs sources have their specific merits and shortcomings. IMTS compilers need to be aware of these when deciding on the most appropriate sources to fulfil the requirements of IMTS.

Table 2: Comparison of customs and non-customs data sources

Customs records	Non-customs records
<ul style="list-style-type: none"> May not provide full coverage for all transactions e.g., re-export of fuel in PICTs May not be subject to adequate statistical quality control Might not be made available to statistics compilers in a comprehensive and unrestricted manner 	<ul style="list-style-type: none"> May increase the burden on data providers and compilers May lack consistent classification e.g., of goods, countries May suffer from under coverage e.g., non-response in surveys May not follow recommended standards on valuation, time of recording and partner country attribution

3.4 Reconciliation and integration of customs and non-customs data

Merging and crosschecking data collected from customs and non-customs sources is a complex and time-consuming activity. Compilers need to be aware of the conceptual and practical difficulties in reconciling and integrating data from different sources and users need to be informed accordingly. Some of the specific challenges include:

- **Valuation inconsistencies**

Inconsistent valuation of a given shipment between source and destination can occur as a result of currency conversion, or inconsistent import and export data between partner countries after adjusting for cost, insurance and freight (CIF).

- **Classification concepts and detail**

Destination/origin classification concepts in the presence of transshipment, for example when a good is consigned through another country, and lack of destination/source country detail in non-customs records.

- **Time of recording when using partner country data**

A lag occurs between the shipment of an export and the receipt of an import.

- **Coverage differences**

Coverage differences can come about as a result of: free trade zones and bonded warehouse shipments; exclusion of military and government goods; the value threshold for customs registration of shipments; and other goods missed by customs.

²³ Intra-firm trade consists of trade between parent companies of a compiling country with their affiliates abroad and trade of affiliates under foreign control in this compiling country with their foreign parent group.

▪ Processing errors

Many types of processing errors can occur, for example if provisional entries are not corrected or if incorrect values are recorded.

3.5 Institutional arrangements

As a matter of high priority, effective institutional arrangements need to exist between PICTs and different institutions, particularly customs administrations.

Effective institutional arrangements are usually characterised by:

- the designation of only one agency responsible for the dissemination of official IMTS (for PICTs these are the NSOs);
- a clear definition of the rights and responsibilities of all agencies involved. For example, the responsibility for the compilation of IMTS lies with the NSOs under their respective Statistics Acts whereas the data sources for IMTS, in terms of their contents and availability, are subject to customs laws and regulations. The NSOs therefore need to, whenever appropriate, actively participate in the discussion of respective national legislation or relevant administrative regulations in order to establish a solid foundation for high quality and timely IMTS; and
- the establishment of formalised working arrangements between agencies through a MOU including agreements on holding inter-agency working meetings, as needed, and on the access to micro-data that those agencies collect. Formal arrangements should be complemented by informal agreements between the involved agencies and institutions, as required.

A good MOU should contain:

- a preamble describing reasons for its establishment;
- a mission statement defining the scope and overall purpose of the MOU;
- an outline of the work programme, action plans designed to achieve the work programme objectives and a cost-sharing agreement;
- a list of participating agencies together with a clear description of their rights and responsibilities in the context of the agreed work programme, covering data collection, data transmission, data compilation, treatment of confidentiality, data quality, metadata and dissemination as well as methodological improvements (such as elaboration of methods of statistical valuation);
- the terms of reference and rules of procedure of the interagency body responsible for monitoring MOU implementation (for example, a committee); and
- the terms of the MOU, including its effective date.

Effective institutional arrangements will ensure that NSOs follow internationally recognised methodological guidelines, utilise all available statistical sources and apply appropriate compilation procedures. See Appendix 16 for more information.

The effectiveness of the arrangements needs to be periodically reviewed.

It is recommended that PICTs consider, as a matter of high priority, the establishment of institutional arrangements to ensure the compilation of high-quality trade statistics, and that these arrangements be reviewed periodically to ensure their continued effectiveness.

Chapter 4: Scope and coverage

Coverage has a broad meaning. It refers to both the **recommended coverage** as well as the **actual coverage**. **Scope** is the **recommended coverage** and refers to goods recommended for inclusion in IMTS. **Actual coverage** refers to the trade flows actually recorded by countries or territories.

The scope of IMTS is defined by the **general** and **specific guidelines**.

4.1 General guidelines

The general guidelines provide the following universal rules.

- IMTS records all goods which add to or subtract from the stock of material resources²⁴ of a country by entering (imports) or leaving (exports) its economic territory.²⁵
- Trade below customs thresholds (if they are economically significant) as determined by the NSOs of the compiling country should be estimated. For example, if the total of all the goods below the threshold, which say is \$200, add up to a significant amount, then the NSO may want the goods itemised and appropriately classified to the relevant Harmonised Commodity Description and Coding System (HS).
- Goods should be included, in both value and quantity, under the appropriate headings of the commodity classification, with identification of the partner country/territory and mode of transport.
- The criterion of change of ownership should only be applied if the general guideline is not applicable or not sufficient, for example a car sale by a foreign construction company to a local before departing the country.
- Goods in transit (goods entering and leaving a country with the exclusive purpose of reaching a third country) and goods temporarily admitted or withdrawn (except for goods for inward or outward processing) should be excluded, since they do not add to or subtract from the stock of material resources of a country.

While the general guidelines provide the universal rules, the specific guidelines are formulated to reconfirm or clarify the statistical treatment of some categories of goods for which the application of the general guidelines may not be clear. This can be due to:

- the peculiarity of the goods;
- the special nature or complexity of the transaction; or
- some practical considerations of data collection.

It is recommended that under the general guideline: all goods which add to or subtract from the stock of material resources of a country be recorded; that trade below customs threshold be estimated if economically significant; and that the change of ownership criterion be used only when the general guideline is not applicable or not sufficient.

4.2 Specific guidelines

Under the specific guidelines, goods are recommended to be:

- included in IMTS;

²⁴ The material resources of a country are those located in its economic territory, whether owned by residents or non-residents.

²⁵ Economic territory is the area under the effective economic control of a single government. It has the dimensions of physical location and legal jurisdiction, therefore any installation or apparatus, mobile or not, located outside the geographical territory of a country, owned by the country resident(s) and remaining under the country's jurisdiction, is treated as if it were a part of its economic territory. This applies, for example, to drilling rigs, ships, aircraft and space stations.

- excluded from IMTS; and
- separately recorded irrespective of whether they are included/excluded from IMTS to assist in the derivation of the totals of international merchandise trade for BOP and national accounts purposes or for other statistical needs.

It is recommended that certain groups of goods be separately recorded, irrespective of whether they are included/excluded from IMTS for national accounts, balance of payments and other purposes.

4.2.1 Goods recommended for inclusion

- **Non-monetary gold**

This is gold other than monetary gold. It can be in the form of bullion (coins, ingots, or bars with a purity of at least 995 parts per thousand, including such gold held in allocated gold accounts), gold powder and gold in other unwrought or semi-manufactured forms.

Jewellery, watches, etc. that contain gold are not included under non-monetary gold but under their respective goods category.

- **Banknotes and securities, and coins not in circulation**

These are banknotes, securities and coins that are unissued or that have been taken out of circulation. They are regarded as goods rather than as financial items and should be included.

Issued banknotes and securities and coins in circulation are regarded as financial claim and should be excluded.

- **Goods traded in accordance with barter agreements**

These are goods that are exchanged between countries without any means of payment.

- **Goods traded on government account**

These are goods that cross borders as a result of:

- regular commercial transactions of governments;
- goods under government foreign aid programmes (whether or not the goods constitute a grant, a loan, a barter, or a transfer to an international organisation); and
- war reparations and restitutions.

These goods can be intended for either civilian or military use.

- **Humanitarian aid, including emergency aid**

These include food, clothing, medicaments, and other goods entering or leaving a country under humanitarian aid programmes or as emergency assistance, whether provided by governments, non-governmental or international organisations.

- **Goods for military use**

Should the recording of these goods pose practical difficulties, IMTS recommendations given in this guide need to be followed.

- **Goods acquired by all categories of travellers, including non-resident workers as defined by national law**

Goods acquired thus are often referred to as “shuttle trade” (see Section 4.3).

▪ **Goods on consignment**

These are goods intended for sale but not actually sold when they cross the border. If reliable information exists that allows a determination of the appropriate statistical value at the time when these goods cross borders, their revaluation after sale is not needed. However, in the absence of reliable information, compilers are advised to attempt to revise the data to reflect the actual transaction value of the goods when sold. Goods on consignment are distinguished from goods being simply transported through a country or temporarily admitted or withdrawn. Goods on consignment can be returned.

▪ **Media, whether or not recorded**

This should be recorded at its full transaction value.

Media used for carrying customised software or software written for a specific client²⁶ or originals of any nature²⁷ should, in principle, be excluded.

▪ **Goods for processing with or without change of ownership**

These are goods that are sent abroad or brought into a country under specific arrangements between the involved parties for specific operations/further transformation. These goods are brought in under special customs procedures, such as inward processing or processing of goods for home use. Goods resulting from processing might be returned to the sending country, sold in the country of processing or sent to a third country.

Goods temporarily admitted or dispatched and goods for repair and maintenance are excluded from merchandise trade statistics.

▪ **Goods which cross borders as a result of transactions between related parties**

The parties could be related by ownership and/or control.²⁸ For the valuation of these goods, it is suggested that countries separately identify (code) such goods and types of the relationships in order to be able to review their valuation and to provide information on these transactions to users.

In some cases, instead of identifying such goods in regular trade data compilations, it may be more appropriate to estimate their share in imports/exports by conducting periodic surveys of companies that have foreign affiliates or are affiliates of the foreign companies.

Countries should describe their practices in their metadata to ensure proper use of their statistics and to assist in international comparisons.

▪ **Returned goods**

These are goods that are returned due to poor quality or goods on consignment that are not sold. If exported goods are subsequently returned, they should be included in imports and identified as re-imports when they are returned. Similarly, goods imported and subsequently returned should be included in exports and identified as re-exports when they are returned.

²⁶ Services.

²⁷ Can be licensed.

²⁸ Article 15(4) of the WTO Valuation Agreement states that persons shall be deemed to be related only if:

- they are officers or directors of one another's businesses;
- they are legally recognised partners in business;
- they are employer and employee;
- any person directly or indirectly owns, controls or holds five per cent or more of the outstanding voting stock or shares of both of them;
- one of them directly or indirectly controls the other;
- both of them are directly or indirectly controlled by a third person;
- together they directly or indirectly control a third person; or
- they are members of the same family.

- **Electricity, gas, oil (petroleum oils and oils from bituminous minerals) and water**

International sales and purchases of electricity, gas, oil and water, although not always recorded by the customs authorities, constitute international transactions in goods and should be included in the IMTS.

- **Goods dispatched or received through postal or courier services**

Recording commodity details of such trade may require disproportionate effort, therefore its inclusion as a single total under *Chapter 99, Commodities not specified according to kind* of the PACHS will be appropriate. However, should such trade consist of important commodities, such as precious gems which are frequently of light weight and high value, then their full commodity detail under the appropriate headings of the PACHS should be recorded.

- **Migrants' effects**

The recording and inclusion of the physical movements of migrants' personal property is important for PICTs particularly where migration is taking place on a significant scale. All goods in this category should be included. For information on the valuation of such goods see Chapter 8.

- **Goods transferred from or to a buffer stock organisation**

A buffer stock organisation is one that maintains a stock of certain commodities and sells or buys them in order to influence supply and demand on the world market. For example, commodities can be bought when there is a surplus in the economy, stored, and sold from the organisation when there are shortages in the economy.

- **Goods under financial lease**

From an economic point of view the lessee under a financial lease can be considered as the de facto owner as they assume the rights, risks, rewards and responsibilities in relation to the goods.

If the type of lease cannot be identified, then the duration of the lease can be used as an indication of whether the lease is financial (one year or more) or operating (less than one year).

Goods under an operating lease should be excluded (only the rent is taken in BOP).

- **Ships and aircraft**

These are included based on the change of economic ownership between residents and non-residents (includes financial leasing, see above) as they add to the material resources of a country (the reverse also applies). The concerned ships and aircraft are included whether they enter/leave the economic territory of the involved countries or remain in international waters or are used in international flights. Should a record of such transactions not be available with customs, they can be obtained from non-customs data sources.

- **Goods delivered to or dispatched from offshore installations located in the economic territory of a compiling country (from or to the economic territory of another country).**

These are to be included as per the recommendations in this guide.

- **Fish catch, minerals from the seabed and salvage**

These goods are landed from vessels of one country in national ports of another country or acquired by vessels of one country on the high seas from vessels of another country are in the scope (see Appendix 12).

Fishing license fee are to be excluded.

- **Bunkers,²⁹ stores, ballast³⁰ and dunnage³¹**

These,

- are acquired by national aircraft and vessels outside the economic territory of the compiling country, or from foreign vessels and aircraft inside the economic territory of a country, or are landed in national ports from foreign vessels and aircraft, and
- are supplied to foreign vessels or aircraft in the economic territory of the compiling country, or by national vessels or aircraft to foreign vessels or aircraft outside the economic territory of the compiling country or are landed in foreign ports from national vessels or aircraft should be recorded where economically or environmentally significant.

- **Satellites³² and their launchers³³ or their parts**

These are equivalent to the treatment of ships and aircraft and are treated based on the kind of transactions involved. Two different cases are outlined below.

- A satellite launcher is produced in country A and sold to country B for use. This transaction should be recorded as an export of country A and an import of country B.
- A satellite is produced and launched in country B on behalf of country A. The satellite should be treated as an export of country B (import of country A) at launch or when control of the satellite is turned over from country B to country A. Launch and other related activities should be treated as services provided by country B to country A.

Satellites (and their launchers as applicable) moved to and launched from another country without change of ownership are to be excluded.

- **Goods in electronic commerce**

This includes goods that physically move across country borders as the result of transactions executed entirely, or to a significant extent, by electronic means. This includes goods ordered and paid for via the Internet.

- **Gifts and donations**

These need to be included following the recommendations given in this guide.

- **Power lines, pipelines, and undersea communications cables**

These are to be included if they are dispatched from one country for installation in another. If they are dispatched from a country for installation in international waters, they are to be treated as exports/imports only if there was a change of ownership between a resident and a non-resident.

- **Used goods**

This includes industrial equipment or consumer goods (such as used computers or cars) as well as used containers crossing borders under commercial recycling arrangements (such as empty bottles for recycling).

²⁹ A compartment on a ship used for the storage of fuel.

³⁰ A heavy substance, such as rocks or water, placed in a ship to improve stability. A compartment within a boat, ship, submarine, or other floating structure that holds water is called a ballast tank. Water moves in and out from the ballast tank to balance the ship. In a vessel that travels on the water, the ballast remains below the water level to counteract the effects of weight above the water level.

³¹ A material used to load, stabilise, secure, and/or protect cargo during transportation. Dunnage bags are placed in the voids between the cargo items. Dunnage bags can be used in all modes of transportation; road, railway, ocean, or air.

³² An artificial object which has been intentionally placed into orbit for observation of distant planets, galaxies, and other outer space objects.

³³ Also known as rockets, launchers are devices that lift off from a launch pad on land to convey satellites to their orbits.

- **Waste and scrap**

Waste and scrap, including products that are dangerous to the environment, are included if their commercial value is positive.

- **Mobile equipment that changes ownership while outside the country of residence of its original owner**

This includes equipment that was initially sent from one country to another for temporary use and for a specific purpose (such as for construction work, firefighting, offshore drilling or disaster relief) but which changes ownership such as through the subsequent gift or sale to a resident of that country.

- **Goods received or sent abroad by international organisations**

These are included in imports of the countries receiving goods from such organisations and in exports of countries sending goods to those organisations (see also Section 4.2.2 below on goods treated as part of trade in services). Such goods are not included in trade statistics of the host country, which is the country where the international organisation is located.

4.2.2 Goods recommended for exclusion

- **Goods simply being transported through a country**

These include goods being transited³⁴ and transhipped.³⁵

- **Goods temporarily admitted or dispatched**

These include goods whose stay in the receiving country is temporary and after their stay they are withdrawn/returned in the same state (except for normal wear and tear). Such goods include: display equipment for trade fairs and exhibitions; art exhibits, commercial samples and pedagogic material; animals for breeding, show or racing; packaging, means of transport, containers and equipment connected with transport; and equipment for the working of lands adjacent to the border by persons resident abroad.

Goods for processing and goods on financial lease are not covered by this recommendation.

- **Monetary gold**

This includes gold to which the monetary authorities have title, and which is held as reserve assets.

Gold bullion not held as reserve assets is not a financial asset and should be included in non-monetary gold.

- **Issued banknotes and securities and coins in circulation**

These are considered financial claims.

- **Goods consigned to and from the territorial enclaves**

The movement of goods between a country and its enclaves abroad (including embassies) is considered as an internal flow.

- **Non-financial assets, ownership of which has been transferred from residents to non-residents, without crossing borders**

These include land, structures, equipment, and inventories. Transfer of such non-financial assets is considered to be a financial operation.

³⁴ Passing through of goods from one place to another.

³⁵ Offloading of goods from one ship and loading them onto another.

- **Goods treated as part of trade in services**

This category comprises:

- goods acquired by all categories of travellers (including non-resident workers) for their own use and carried across the border in amounts or values not exceeding those established by national law;
- newspapers and periodicals sent under direct subscription;
- goods supplied by and to enclaves of foreign governments, such as embassies and military bases, and international organisations located in the economic territory of a host country; and
- media carrying software customised or written for a specific client or originals of any nature, where identified.

- **Goods under merchanting**

Merchanting refers to the purchase of goods by a resident of the compiling economy from a non-resident combined with the subsequent resale of the same goods to another non-resident, without the goods being present or crossing the border of the compiling country.

- **Goods under operating lease**

The ownership of the good remains with the lessor who is responsible for the repairs and maintenance of the asset. In the absence of information, the duration of a lease of less than one year can be taken as an indication that the lease is an operating lease.

- **Goods lost or destroyed after leaving the economic territory of the exporting country but before entering the economic territory of the intended importing country**

These goods are to be excluded from imports of the intended importing country (but are included as exports of the exporting country).

If, however, the ownership of such goods has already been acquired by the importer, their value should be reported separately by the intended importing country so that the detailed data may be adjusted to derive totals of merchandise imports for national accounts and balance of payments purposes.

- **Satellites (and their launchers as applicable) moved to and launched from another country without change of ownership**

If a satellite produced in country A is moved from there to country B for launching without change of ownership, it is to be considered in country A as an internal operation not constituting external trade (similar to ships going to and remaining in international waters). The same satellite entering country B should be considered a temporary admission and not included in imports. Launch and other related activities can be treated as services provided by country B to country A.

- **Goods functioning as means of transport**

This category of goods includes a wide range of items, from containers used to transport cargo in ship to empty bottles that are returned to be refilled.

- **Content delivered electronically**

Electronic delivery (such as downloading, emailing and streaming) of any content (including online books, newspapers and periodicals, directories and mailing lists, musical audio downloads, streamed audio content, films and other video downloads, streamed video content, system software downloads, application software downloads and online games) from one country to another of is excluded.

- **Goods for repair or maintenance**

These do not result in the creation of a new product.

- **Waste and scrap**

Waste and scrap that does not have a commercial value should be excluded but recorded separately.

Waste and scrap that has a commercial value should be included in IMTS.

- **Goods entering or leaving the economic territory of a country illegally**

This may include legal as well as illegal goods and smuggling, trade in stolen vehicles and shipments of narcotic substances that are illegal to use or possess in one or both of the compiling countries.

4.2.3 Summary of goods included and excluded recommended for separate recording

Countries are encouraged to collect relevant data to the extent possible, or to make estimates of trade in such goods, for use in the balance of payments, national accounts or other purposes. Certain goods therefore need to be separately recorded/identified.

The following goods are included but are encouraged to be separately recorded:

- goods for processing where no change of ownership has taken place; and
- goods which cross borders as a result of transactions between related parties.

The following goods are excluded but are encouraged to be separately recorded:

- goods for repair or maintenance;
- waste and scrap that has no commercial value;
- goods entering or leaving the economic territory of a country illegally; and
- goods lost or destroyed after ownership has been acquired by the importer.

4.3 Shuttle trade

Shuttle trade to a significant scale as defined by national law are to be included in the IMTS. *Note that shuttle trade does not allude to smuggling which is excluded from the IMTS.*

One of characteristics of shuttle trade is the intention to resell goods as compared to own use. The shuttle trade is normally not recorded due to a low value (below customs threshold), but in some cases they are undeclared to avoid duties.

In PICTs, shuttle trade conducted on an informal basis is common amongst all categories of travellers including non-resident workers, where:

- the *value of the imports* of goods are not declared in order to avoid import duties. A common way for persons and individual traders to avoid import duties is to hand carry goods in excess of customs thresholds/carry goods in their checked in luggage. If caught at the arrival hall/customs check point, duty is paid but often this does not get recorded by customs.
- the *value of the exports of goods* is not recorded. This can occur when travellers carry goods as personal items or unaccompanied baggage (such as containers of fish or taro) which pass through quarantine, but the information from the Quarantine Department does not get passed onto the customs administrations.

Since data on shuttle trade are not recorded in the customs trade database, and therefore is unavailable to NSOs, the IMTS falls short of this information. Appropriate institutional arrangements need to be made between NSOs, customs administrations, quarantine and other relevant stakeholders to capture and include shuttle trade data in the IMTS.

Chapter 5: Time of recording

Most internationally traded commodities are part of a normal buying and selling operation between an importer and an exporter. Therefore, the time of recording of goods should be the time when the goods enter or leave the economic territory of the compiling country, unlike the change of ownership criteria used in SNA and BOP.

In the case of **customs-based data-collection systems**, which are set up to record transactions associated with the movement of goods across borders, time can often be approximated by the date of lodgement of the customs declaration. This is the date when customs accept the declaration for processing after verifying that all fields have been completed. If such dates differ considerably from the date when goods actually crossed the border of the economic territory (for example, if goods are cleared well before or after their arrival) then more appropriate dates should be identified and used, such as the date of arrival/departure of the goods carrier as indicated in the transportation documents.

It is recommended that goods be recorded at the time they enter or leave the economic territory of a country or territory. In the case of customs-based data-collection systems, this time can frequently be approximated by the date of lodgement of the customs declaration.

When **non-customs data sources** are used (such as enterprise surveys) the date of arrival/departure of the goods carrier as indicated in the transportation documents can be used to determine when goods crossed the border.

It is the responsibility of statistical authorities to identify (or estimate) the best proxy date of the general guideline on time of recording by taking into account the peculiarity of national rules on administrative procedures and the need for consistency in applying the selected method.

Change of ownership is only to be used in exceptional cases when the general guideline is not applicable or not sufficient, such as with trade in ships or aircraft. In such cases the time of recording should be determined by the time of change of economic ownership. This can be approximated by identifying the time when claims and obligations arise, are transformed or are cancelled. Another example is when construction companies bring in vehicles, machinery and equipment and sell these goods to resident locals after the completion of the project. In such situations a good practice for trade compilers is to consult with compilers of the BOP and national accounts.

Chapter 6: Trade system

6.1 Overview of basic terms

Statistical territory is the territory with respect to which trade data are compiled. It may or may not coincide with the economic territory of a PICT or its customs territory, depending on the data sources and other considerations. Countries should provide a detailed description of their statistical territory and make that description publicly available as a part of their metadata to ensure a transparent identification of the flows of goods recorded in their trade statistics.

It is recommended that PICTs publicly make available a detailed description of their statistical territory in their metadata.

Customs territory is the territory in which the customs law of a PICT applies. In the majority of PICTs, trade data collection is based on customs procedures, and many of these countries and territories adopt the boundary of their customs territory as the boundary of their statistical territory. However, not all flows of goods are captured by customs, such as re-exports of fuel in many PICTs. Therefore, in many cases, the statistical territory is defined more broadly than the customs territory and compilers of trade statistics are obliged to use non-customs sources like enterprise surveys to identify data not captured by customs.

Elements of statistical territory: The statistical territory is defined by a country's NSO by listing elements of its economic territory. These elements are usually described with reference to the country's customs legislation and may vary from country to country.

As far as possible, the definitions of the customs terms as contained in the annexes to the RKC should be used. For the purposes of international comparison, PICTs need to make clear whether or not the following territorial elements exist in their country, and whether or not they are included in their statistical territory.

- **Islands**

For example, the Federated States of Micronesia (FSM) needs to ensure that it includes Chuuk, Kosrae, Pohnpei and Yap.

- **Territorial waters and continental shelf**

These are areas over which a country's jurisdiction is exercised and over which fishing rights exist.

- **Offshore and outer space installations and apparatus**

This includes any installation or apparatus, mobile or not, located outside the geographical territory of a country, owned by the country's resident(s) and remaining under the country's jurisdiction.

- **Commercial and industrial free zones**

These are (*customs*) *free zones* outside the customs territory that exist in such forms as investment promotion zones, export processing zones, foreign trade zones, commercial free zones or industrial free zones. Such zones may involve different tax/import duty, subsidy or customs treatment.

- Commercial free zones are where goods undergo "operations necessary for their preservation and usual forms of handling to improve their packaging or marketable quality or to prepare them for shipment."
- Industrial free zones are where goods undergo "processing or manufacturing operations" as specified by the competent authority.

- **Premises for inward processing**

These are premises where goods can be conditionally relieved from payment of import duties and taxes under the customs procedure known as inward processing. Such goods must be intended for re-exportation within a specific period after having undergone manufacturing or processing.

- **Customs warehouses**

These are designated places where imported goods brought into the country under the customs warehousing procedure are stored under customs control without payment of import duties and taxes. Warehoused goods can undergo usual forms of handling to improve their packaging or marketable quality or to prepare them for shipment, such as breaking bulk, grouping of packages, sorting and grading and repacking. However, the character of the goods doesn't change.

Warehouses can also store imported goods for domestic market and also contain domestic goods intended for export. Further, they can also store imported goods for subsequent re-exportation (in this case, it is considered goods in transit, therefore excluded from IMTS).

- **Territorial enclaves of the compiling country in other countries and territorial exclaves, that is, enclaves of other countries in the compiling country**

These are demarcated land areas (such as embassies, consulates, military bases, scientific stations, information or immigration offices, aid agencies, and central bank representative offices with diplomatic immunity) that are physically located in other territories and are used by the governments that own or rent them for diplomatic, military, scientific, or other purposes, with the formal agreement of the governments of the territories where the land areas are physically located.

Domestic and foreign goods are usually distinguished in IMTS:

- **Domestic goods** are goods originating in the economic territory of a country. They are considered as originating in the country if they have been wholly obtained in it or were substantially transformed. Goods normally originate in such parts of an economic territory as the free circulation area, industrial free zones or premises for inward processing.
- **Foreign goods** are goods which originate from the rest of the world (including foreign goods in transit through the compiling country) or are obtained under the outward processing procedure, when such processing confers foreign origin (compensating products which changed origin).

Trade systems

Depending on what parts of the economic territory are included in the statistical territory, the trade data-compilation system adopted by a country (its trade system) may be referred to as general or special.

6.2 The general trade system

The general trade system is said to be in use when the statistical territory coincides with the economic territory.

It is recommended that the statistical territory of PICTs applying the general trade system include:

- *Islands*
- *Territorial waters and continental shelf*
- *Offshore and outer space installations and apparatus*
- *Commercial and industrial free zones*
- *Premises for inward processing*
- *Customs warehouses*
- *Territorial enclaves of the compiling country in other countries and territorial exclaves, that is, enclaves of other countries in the compiling country.*

General imports and exports

General imports and exports are flows of goods entering/leaving the statistical territory of a PICT applying the general trade system and recorded in compliance with the general and specific guidelines mentioned in Chapter 4.

- **General imports consist of:**

- **Imports of foreign goods** (including compensating products after outward processing which changed their origin from domestic to foreign) entering the free circulation area, premises for inward processing, industrial free zones, premises for customs warehousing or commercial free zones, and
- **Re-imports of domestic goods** into the free circulation area, premises for inward processing or industrial free zones, premises for customs warehousing or commercial free zones.

Re-imports are imports of domestic goods which were previously recorded as exports. Re-imports need to be separately identified for analytical purposes. This may require the use of supplementary sources of information to determine that the goods in question are indeed re-imports rather than:

- goods withdrawn after being temporarily dispatched without being previously recorded as exports; or
- domestic goods that have acquired foreign origin through processing and which, therefore, should be recorded as imports of foreign goods.

- **General exports consist of:**

- **Exports of domestic goods** (including compensating products after inward processing which changed their origin from foreign to domestic) from any part of the statistical territory, including free zones and customs warehouses, and
- **Re-exports of foreign goods** from any part of the statistical territory, including free zones and customs warehouses.

Re-exports are exports of foreign goods which were previously recorded as imports.

Re-exports need to be separately identified for analytical purposes. This may require the use of supplementary sources of information in order to determine that the goods in question are indeed re-exports rather than:

- goods temporarily admitted without being previously recorded as imports; or
- foreign goods that have acquired domestic origin through processing and which, therefore, should be recorded as exports of domestic goods.

It is recommended to include and identify/code re-imports and re-exports of goods separately for analytical purposes.

Information about applied customs procedures

Information about the customs procedure applied to individual transactions should be included in the data set for trade statistics in order to facilitate the identification of re-exports, re-imports and other types of trade, such as goods for processing, trade between related parties or goods on consignment.

It is recommended that customs make information about the customs procedure applied to individual transactions as part of the data set for the compilation of trade statistics.

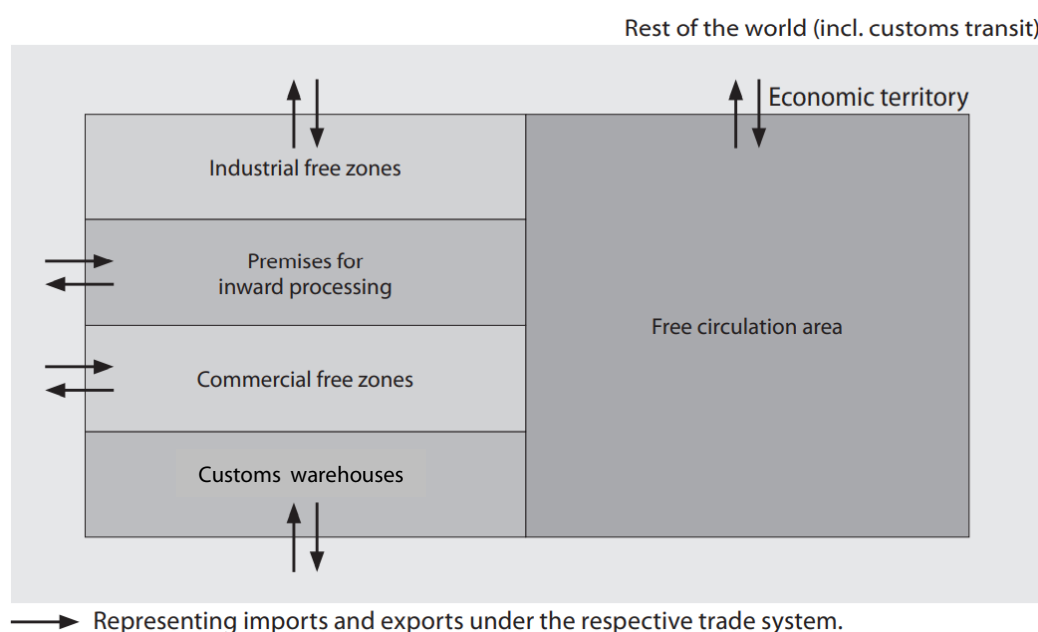


Figure 3: Territorial elements and potential imports and exports under the general trade system

6.3 The special trade system

The special trade system is in use when the statistical territory comprises only a particular part of the economic territory. Traditionally, the “strict” and the “relaxed” definitions of the special trade are differentiated.

▪ The strict special trade system

Countries applying the special trade system in the strict sense will record only those transactions as trade statistics, where the goods:

- enter the domestic economy in free circulation (for imports); and
- leave the free circulation area (for exports).

In such case, customs warehouses, free zones and goods under contract for inward or outward processing are considered outside the domain of the trade statistics.

▪ The relaxed special trade system

A relaxed version of the special trade system includes:

- goods for inward and outward processing; and
- goods that enter or leave industrial free zones.

6.3.1 Limitations of the special trade system

The special trade system:

- narrows the coverage of the statistics because not all goods that are in the scope of IMTS are covered;
- is not applied uniformly across countries and therefore creates serious incomparability. For example, some countries may use the strict special trade system, while others may adopt different variants of the relaxed definition.

This lack of territorial coverage and the lack of uniformity in the application of the special trade system has a negative impact on the usefulness of trade data for policy analysis purposes and for the compilation of national accounts and balance of payments statistics.

Countries using the special trade system are therefore encouraged to develop plans to introduce the general trade system.

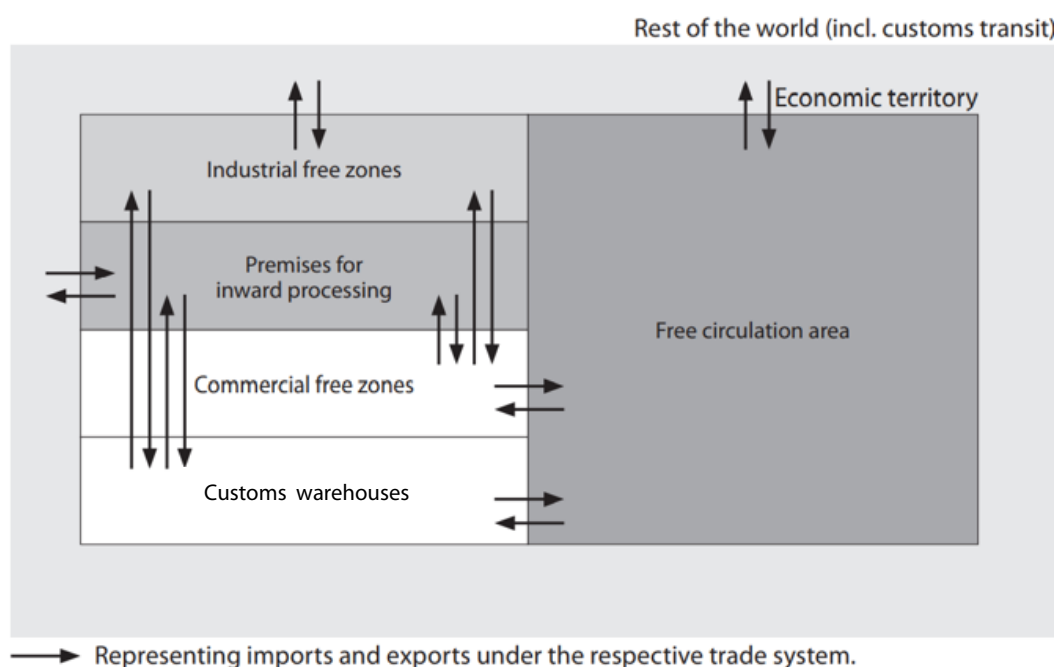


Figure 4: Territorial elements and potential imports and exports under the special trade system in its relaxed definition

It is recommended that PICTs using the special trade system compile or estimate, as applicable, goods imported into and exported from: premises for customs warehousing; premises for inward processing; and industrial free zones or commercial free zones, to allow estimation of data on a general trade system basis.

Chapter 7: Commodity classifications

7.1 The need for detailed goods classification

Commodity classifications are used for identifying and compiling details of commodities in an internationally consistent way for customs, statistical and analytical purposes and trade negotiations. Since data-compilation and analytical needs vary, different commodity classifications have been developed that have different levels of detail and classification criteria.

The **primary** classification for the collection, compilation and dissemination of IMTS is the PACHS, which has been derived from the WCO's HS.

The other related trade classifications are the:

- Standard International Trade Classification (SITC) for analysing trade statistics by their stage of production; and
- Broad Economic Category for analysing trade statistics by their end-use categories.

Other than the PACHS, SITC and BEC, nomenclatures have also been elaborated with the primary aim of classifying productive economic activities.

- The Pacific Standard Industrial Classification (PACSIC), derived from the International Standard Industrial Classification (ISIC) of All Economic Activities, classifies according to the principal industry of origin of products.
- The Central Product Classification (CPC) combines the main classification principles of PACSIC with criteria applied in PACHS.

The most recent version of all classifications should be used.

It is recommended that the most recent version of PACHS be used by PICTs as the primary classification for the collection, compilation and dissemination of IMTS.

7.1.1 Correspondence tables

Correspondence tables developed by the Trade Statistics Branch of the United Nations Statistics Division describe the relationship between different classifications (for example, HS 2017 to SITC Rev 4) and different versions of the same classification (for example, HS 2017 to HS 2022) by providing the relationship between the codes of the two classifications at the detailed level.

The data conversions, however, do not allow the establishment of a clear 1:1 correspondence for all codes. The four types of relationships possible between the two versions of HS are:

- 1:1 relationships when the HS 2017 subheading is correlated with one and only one subheading in the previous HS;
- n:1 relationships when the HS 2017 subheading is a result of a split of one subheading in the previous classification into several subheadings;
- 1:n relationships when the HS 2017 subheading is the result of merging several subheadings in the previous classification; and
- n:n relationships when the subheading is the result of a split and merge of several subheadings in the previous classification.

In the case of converting a HS subheading to SITC or BEC, the conversion may be applied to the higher level of SITC and BEC, which are three or four digits and one or two digits, respectively. The conversion

method is similar to the HS-to-HS conversion – where we keep all 1:1 and n:1 relationships as is and assign all 1:n and n:n relationships to the best fitting SITC or BEC code.

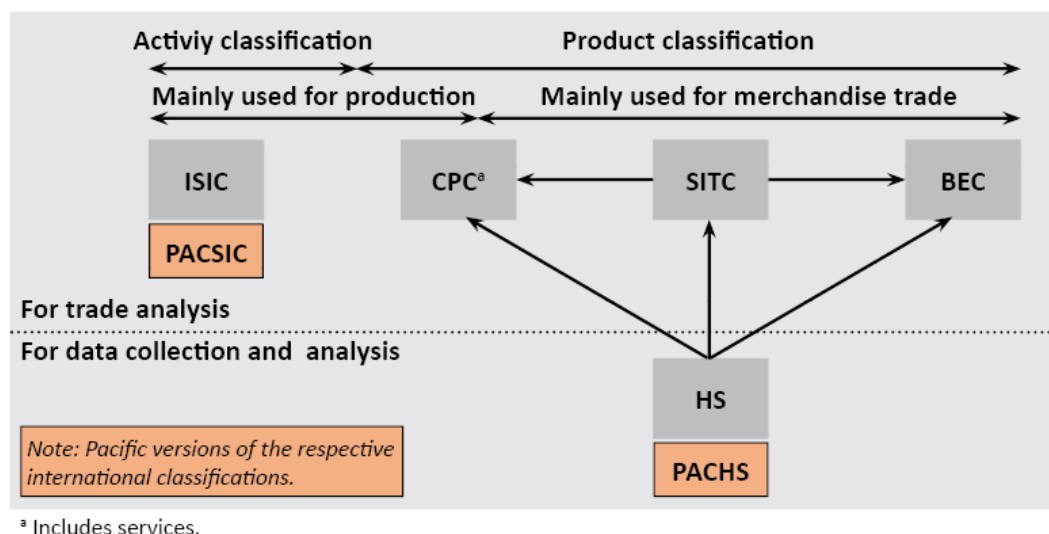


Figure 5: Relationship between different classifications

7.2 Pacific Harmonized Commodity Description and Coding System

PACHS is based on the nature of the commodity and is a regional classification of exports and imports derived from the WCO's HS. In line with the WCO's HS, PACHS will be updated every five years to ensure that the classification is kept up to date in the light of changes in technology or patterns of international trade.

The version currently in use is PACHS 2017, but from 1 January 2022 this will change to PACHS 2022. PACHS 2017 comprises the following categories:

- 21 sections
- 97 chapters
- 1,223 headings
- 5,388 sub-headings
- 6,064 regional sub-headings.

Each category is designed to facilitate classification decisions in general and to clarify the scope of the particular headings or subheadings.

The entire PACHS 2017 classification can be found at: <https://pacificdata.org/data/dataset/oai-www-spc-int-d8fe6cec-c32f-4a5b-ac9c-d9bc04f7c3eb>

The classification by HS 2022 Sections and Chapters are outlined in Appendix 3.

7.3 Standard International Trade Classification

SITC takes into account the materials used in the production, the stage of processing/production, the market practices and the uses of the product, the importance of the commodity in terms of world trade, and technological changes. SITC is considered more suitable for the study of long-term trends in international merchandise trade and the aggregation of traded commodities into classes more suitable for economic analysis.

The latest version of SITC is Revision 4 and it comprises the following categories:

- 10 sections
- 67 divisions
- 262 groups
- 1,023 subheadings
- 2,970 basic headings.

SITC covers all goods classifiable in PACHS except monetary gold, gold coin and current coin. All SITC basic headings have concordance with PACHS regional subheadings except:

- 911.0 – Postal packages not classified according to kind; and
- 931.0 – Special transactions and commodities not classified according to kind.

The classification by Sections and the Divisions are outlined in Appendix 4. The entire classification can be found at: <https://unstats.un.org/unsd/tradekb/Knowledgebase/50017/Standard-International-Trade-Classification-Revision-4>

7.4 Classification by Broad Economic Categories

BEC is designed to serve as a means for converting trade data into end-use categories that are meaningful within the framework of the SNA, namely, categories approximating the three basic classes of goods in SNA: capital goods, intermediate goods and consumption goods.

The latest version of BEC is Revision 5. It contains six levels, namely:

- the dimension of broad economic categories (with eight categories)
- the product dimension (with two categories)
- the SNA end-use dimension (with three categories)
- the processing dimension (with two categories)
- the specification dimension (with two categories)
- the durability dimension (with two categories).

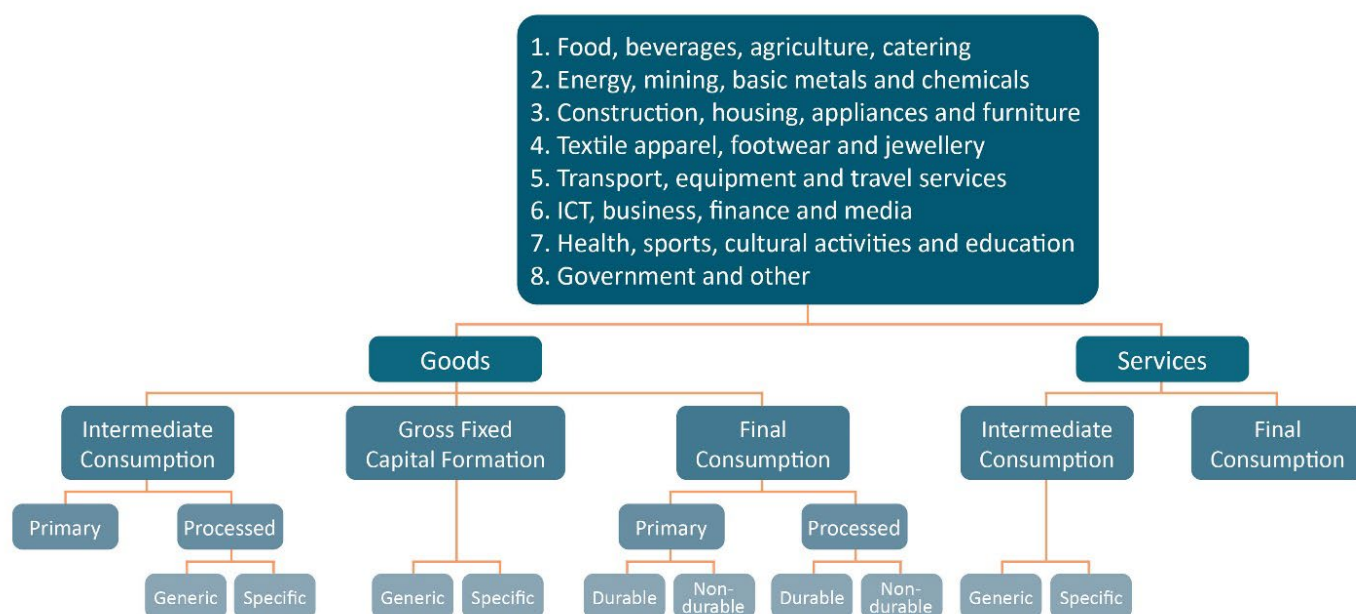


Figure 6: Broad Economic Category Rev. 5 relationships

The goods component of the classification is outlined in Appendix 5.

7.5 Pacific Standard Industrial Classification

PACSIC is derived from the UN's ISIC and classifies statistical units, such as establishments or enterprises, according to the principle economic activity in which they engage.

The latest version of PACSIC is 2014 and it comprises the following categories:

- 1-digit levels called “sections” identified by letters
- 2-digit levels called “divisions” identified by numbers
- 3-digit levels called “groups” identified by numbers
- 4-digit levels called “classes” identified by numbers
- 5-digit levels called “sub-classes” identified by numbers.

The classification by Sections and the Divisions are outlined in Appendix 6. The entire classification can be found at: https://sdd.spc.int/digital_library/pacific-standard-industrial-classification-all-economic-activities-2014

7.6 Central Product Classification

CPC is a product classification that provides a framework for international comparison and promotes harmonisation of different statistics on goods and services. It is used for compiling product detail on industrial production, domestic and international trade in goods and services, balance of payments, and other data used within the national accounts. Trade data expressed in terms of CPC facilitates its use in economic analysis, including in the assessment of the impact of external trade on the consumption and production patterns in a country and in the compilation of a country's national accounts.

The latest version of CPC is 2.1 and it comprises the following categories:

- 1-digit levels called “sections”
- 2-digit levels called “divisions”
- 3-digit levels called “groups”
- 4-digit levels called “classes”
- 5-digit levels called “subclasses”.

The classification by Sections and the Divisions are outlined in Appendix 7. The entire classification can be found at: <https://unstats.un.org/unsd/classifications/unsdclassifications/cpcv21.pdf>

Chapter 8: Valuation

8.1 Statistical value of imports and exports

▪ Statistical value

For all goods covered in IMTS whether sold, exchanged or provided without payment, a statistical value should be recorded following the specific rules defined below.

It is recommended that a statistical value for all goods covered in trade statistics be recorded, whether sold, exchanged or provided without payment.

▪ Customs valuation and statistical value

The main source of information for establishing the statistical value is the customs value, which is placed on goods by customs administrations in accordance with national legislation and other relevant regulations. If the values placed on goods by customs administrations do not comply with statistical requirements, IMTS compilers may need to:

- use values derived from non-customs sources (for example, by contacting exporters of major commodities); and
- estimate values (for example, by conducting special studies to determine the statistical value on the basis of cost of production, including the cost of materials and compensation of employees and other relevant information).

In PICTs, the customs declaration SAD contains a special entry for statistical value.

▪ Transaction value

Transaction value is adopted as the customs value when the price actually paid or payable for goods undergoes some adjustments, provided conditions for a fair, uniform and neutral valuation are met.

▪ WTO Agreement on Customs Valuation

PICTs need to make sure that they are using the WTO Agreement on Customs Valuation as the basis for valuation of their international merchandise trade for statistical purposes, irrespective of a PICT being a WTO member or not. This recommendation applies to both imports and exports. The WTO Agreement allows PICTs to include in or exclude from the customs value, in whole or in part, such components as:

- the cost of transport of the imported goods to the port or place of importation;
- loading, unloading and handling charges associated with the transport of the imported goods to the port or place of importation; and
- the cost of insurance.

It is recommended that the WTO Agreement on Customs Valuation is adopted as the basis for valuation of international merchandise trade for statistical purposes.

▪ FOB-type and CIF-type values

The WTO Agreement offers PICTs two different approaches to the valuation of goods.

- The free on board (FOB)-type value includes the transaction value of the goods and the value of services performed to deliver goods to the border of the exporting country.
- The CIF-type value includes the transaction value of the goods, the value of services performed to deliver goods to the border of the exporting country, and the value of the

services performed to deliver the goods from the border of the exporting country to the border of the importing country.

It is recommended that the statistical value of exported goods be a FOB-type value and of imported goods be a CIF-type value. However, PICTs are encouraged to compile FOB-type values of imported goods as supplementary information.

▪ **Country practices**

Countries almost universally apply FOB-type values for the valuation of exports and CIF-type values for imports because customs administrations usually determine the customs value of the goods on this basis.

- The CIF-type value of imported goods is important for various purposes, such as monitoring prices of goods available on the domestic market and compiling supply tables for use in input-output analyses.
- FOB-type values provide a uniform basis for goods valuation (making them useful for the compilation of national accounts and balance of payments statistics) and provide a comparable valuation of the exports and imports of trading partners.

Countries that compile only CIF-type values of imports are encouraged to compile separate data for freight and insurance at the most detailed commodity and partner level possible.

8.1.1 Compilation of FOB-type and CIF-type values

▪ **Terms of delivery**

The terms of delivery is an agreement between the seller and the buyer as to who is responsible for the cost and risk of delivering the goods to the agreed place. Customs administrations require FOB or CIF-type values to be placed on the customs declarations by traders. Should that not be available, customs need to calculate those values themselves based on documents submitted by the traders using the contract of sale which contains the terms of delivery of goods and the price of the goods, and the invoice issued by the seller of the goods to the buyer. The price of the goods negotiated between traders is reflected in the invoice and can also be referred to as invoice price. More information on terms of delivery can be found in Appendix 15.

▪ **Establishing the statistical value**

A variety of details are given in the terms of delivery of goods. Statisticians should:

- carefully examine available data sources and information, including the terms of delivery, in order to derive the recommended FOB/CIF values; and
- cooperate closely with customs and other primary data collectors to provide guidance on the methodology for the statistical value and to ensure the availability of adequate data.

8.1.2 Selected issues of valuation

Some international transactions present special difficulties regarding the valuation of goods. This can be due to the complexity of the transaction or the peculiarity of the goods. In some cases, transactions may not require goods valuation by the parties involved, or are not accompanied by the movement of currency or credit.

▪ **International transactions that present special difficulties regarding the valuation of goods**

- Banknotes and securities and coins not in circulation should be valued at the transaction value of the printed paper or stamped metal rather than at their face value.

- Media, whether or not recorded should be valued at their full transaction value (and not at the value of unrecorded media, such as empty diskettes, blank CD-ROMs, DVDs or paper). The transaction value may fully or partially include the value of certain services. Countries should provide details on how the transaction value is established in specific cases. *Media carrying customised software or software written for a specific client or originals of any nature, if identified, are to be excluded.*
- Electricity, gas, oil and water should be valued net of any delivery charges not included according to FOB- or CIF-type valuation.
- Goods under financial lease that cross borders should be valued on the basis of the prices of similar goods crossing borders as the result of sale. *The value of any services supplied under the lease (such as training, maintenance or finance charges) should be excluded.*
- Goods for processing with or without change of ownership should be valued as follows. Where the transaction value of goods for processing entering or leaving the compiling country without change of ownership is not available, the compilers should apply the appropriate methods in order to derive the statistical value. Goods for processing should always be valued at their full/gross value. For example, a parent company in country A sends fabric to country B where it works in partnership with a local tailoring factory. Fabric coming into country B will be imports worth \$X. Country B turns the material into a shirt for \$XX and exports the shirt to country A. The export value country B should state is the gross value which is \$X + \$XX and not \$XX for “cut, make and trim”.
- Returned goods should be valued as at the initial transaction.
- Goods bundled with services should be valued as follows. The statistical value applies to goods and the *value of any services associated with them should be excluded*, except for the services that are included according to the FOB-type valuation and CIF-type valuation of goods (such as insurance and freight).
- Goods for repair should be valued at the value of the repair only, that is, the fees paid or received and the cost of replaced parts.

▪ Transactions without valuation

In some cases, goods may not require valuation and are not accompanied by a corresponding movement of currency or credit – these should be valued using identical or similar goods, or a computed value should be used:

- trade and barter agreements based on quantities without stated prices;
- food and other humanitarian aid;
- goods on consignment;
- goods for processing;
- migrants' effects;
- cross-border movements of unsold articles and gifts;
- donations made by private agencies or persons; and
- goods entering or leaving a country illegally and confiscated.

▪ Cooperation in valuation

Appropriate valuation of goods is very important for the accuracy of IMTS. The NSOs who are responsible for the overall compilation of trade statistics and the agencies that collect data (such as customs) should cooperate to provide a reliable valuation of goods in all cases, especially for problem categories and irrespective of whether their prices are available.

8.2 Currency conversion

▪ The unit of account

The value of trade transactions may be expressed in a variety of currencies. Compilers need to convert these values into a single (reference) unit of account in order to produce consistent and meaningful national statistics suitable for measuring trade flows and the compilation of national accounts and balance of payments statistics. The national currency unit is the preferable reference unit of account, but if the national currency is subject to significant change relative to other currencies, the analytical value of the data may be diminished. In such circumstances, another more stable unit of account may be used so that the values of international transactions expressed in that unit would not be significantly affected by appreciation or depreciation (relative to the unit of account) of the currencies in which the given transactions occur.

▪ Exchange rate for conversion

In accordance with the WTO Agreement on Customs Valuation, the following guidelines apply.

- Where the conversion of currency is necessary for the determination of the customs value, the rate of exchange to be used should be that published by the competent authorities of the country of importation. It should reflect as effectively as possible, in respect of the period covered by each such document of publication, the current value of such currency in commercial transactions in terms of the currency of the country of importation.
- The conversion rate to be used should be that which was in effect at the time of exportation or the time of importation, as provided by each country.

It is recommended that, should conversion of currency be necessary to determine the customs value by the importing country, the rates of exchange used are the ones published by competent authorities at the time of importation.

▪ An equivalent approach to conversion

An equivalent approach to conversion should apply for both imports and exports in cases when both buying and selling (official/market) rates are available. The rate to be used is the midpoint between the two, so that any service charge (the spread between the midpoint and those rates) is excluded. If a rate is not available for the date of exportation or importation, the average rate for the shortest period applicable should be used.

▪ Multiple official exchange rates

Some countries use a regime of multiple exchange rates, under which different exchange rates are applicable to different categories of traded goods, favouring some transactions and discouraging others. The transactions, however, should be recorded using the actual rate applicable to specific transactions, noting which official rate was used for each currency.

▪ Parallel or black-market exchange rates

Transactions that involve parallel or black-market rates should be handled separately from those that involve official rates. Compilers of trade statistics should attempt to estimate the exchange rate actually used in transactions in such markets and use that rate for conversion.

Chapter 9: Quantity measurement

9.1 Quantity units

Quantity units refer to the physical characteristics of goods. Since they are free of valuation problems, they often provide a more reliable indicator of international movements of goods. Using appropriate quantity units may also result in more comparable data on these movements, because differences in quantity measurements between the importing country and the exporting country are normally less significant than in value measurements.

▪ Need for quantity units

Quantity is an important dimension of international trade statistics that is critical for various policy and analytical purposes. Quantities are often used in:

- checking the reliability of the value data by calculating unit values (value divided by quantity);
- the construction of international trade index numbers (the import and export price indexes that can then be used to calculate the terms of trade);³⁶
- planning transport infrastructure;
- the calculation of food balances – how much of what food (balanced diet) should be imported based on a country's production and population; and
- assessing the impact of international trade on environment.

9.1.1 WCO recommended standard units of quantity

Use of the WCO recommended standard units of quantity for each PACHS 8-digit regional subheading will facilitate the collection, comparison and analysis of IMTS.

Table 3: The standard units of quantity recommended for use by the WCO

Weight:	– kilograms (kg)
	– carat (carat)
Length:	– metres (m)
Area:	– square metres (m ²)
Volume:	– cubic metres (m ³)
	– litres (l)
Electrical power:	– 1,000 kilowatt-hours (1,000 Kwh)
Number (units):	– pieces/items (u)
	– pairs (2u)
	– dozens (12u)
	– thousands of pieces/items (1,000u)
	– packs (u(jeu/pack))

It is recommended that PICTs collect or estimate, validate and report quantity information in WCO standard units of quantity and in net weight on all trade transactions.

³⁶ Terms of trade is the ratio between the index of export prices and the index of import prices. If the export prices increase more than the import prices, a country is said to have a positive terms of trade. An improvement in a country's terms of trade means that for every unit of exports sold it can buy more units of imported goods.

The following guidelines are important to note.

- PICTs should use the applicable WCO standard units of quantity when collecting and reporting international merchandise trade on the basis of the PACHS.³⁷
- In the case of PACHS regional subheadings where the standard unit is other than weight, a net weight should also be compiled and reported.
- Weight figures should be reported on a net weight basis (exclusive of the container, internal wrapping, or any other packaging). However, if only gross weight is available, it should be recorded and used for the estimation of net weight.
- Countries that use units of quantity other than the WCO standard units need to provide the conversion factors to the standard units in their statistical nomenclatures.

9.1.2 Conversion from non-standard to standard units of quantity

Converting reported units of quantity to standard WCO recommended units of quantity may entail mathematical conversion and/or approximate conversion.

- **Mathematical conversion** uses accepted mathematical principles to determine values, for example, converting from pounds (lb) to kilograms (kg). A good practice is to establish a comprehensive list of mathematical conversion factors, covering all relevant country-specific and commodity-specific units of measurement.
- **Approximate conversion** is based on empirical principles to determine values, for example, using specific gravity to convert from volume in litres (l) to kilograms (kg). This type of conversion is less accurate even for seemingly homogeneous commodities. A good practice is to use country- and commodity-specific conversion factors rather than broad-based conversions.

9.1.3 Gross vs net weight

Gross weight includes packaging but excludes the carrier's equipment.

Net weight does not include any packing except where the packaging itself is also a **good**. Some examples include:

- a silver caddy containing tea;
- an ornamental ceramic bowl containing sweets; and
- packing materials or packing containers clearly suitable for repetitive use, such as metal drums or containers of iron or steel for compressed or liquefied gas.

Each of these measurements meets different needs. Gross weight, for example, is appropriate for the analysis of transportation, and net weight is useful for economic analysis, such as identifying the nutritional or caloric content of imported food items.

9.1.4 Challenges in the compilation of quantities

- Frequent issues with quantity data are:
 - missing quantity data,
 - incorrect quantity data, and
 - supplementary quantity not expressed in the recommended quantity units.

³⁷ A few exceptions may apply, for example, net weight does not apply to HS subheading 2716.00: Regional sub-heading 2716.00.00 "Electrical energy".

- Possible causes related to the issues include:
 - when a shipment contains several different commodities, its quantity is often given as the gross weight of the shipment;
 - the use of not-recommended quantity units in commercial practice; and
 - emphasis of customs on value data (especially of imports).

9.1.5 Uniformity in the application of quantity units

In order to establish a greater uniformity in the application of quantity units the following guidelines must be applied.

- The same quantity units should be applied for all transactions under individual eight-digit PACHS regional subheadings unless there is a compelling reason for applying different units of quantity measurement.
- A clear description of the used quantity units and the applicable conversion factors (including the methodology for their calculation) should be provided in the metadata.
- Estimated (or 'imputed') quantities should be identified and information on the methodology explained.

9.1.6 Improving the compilation of quantity data at the source

When training traders on how to fill in customs declarations (such as SAD), customs administrations need to stress the importance of traders providing the recommended quantity information.

Chapter 10: Partner country

10.1 Trade statistics by partner countries

Trade statistics by partner countries, both for the total value of trade in goods and for the quantity and value of trade in individual commodities, are of significant analytical value. They are used for a number of purposes, including:

- analysing economic trends, regional trade patterns, market analysis and business decisions and the calculation of trade shares;
- compiling national accounts and balance of payments;
- trade policy formulation, monitoring and negotiations;
- checking the accuracy and reliability of trade data when a country's reported data are considered questionable by a user; and
- estimating imports and exports of a country that does not report trade data. In the Pacific, for example, data from partner countries are used for compiling IMTS for Nauru.

10.2 Types of partner country attribution

10.2.1 Imports

- **Country of purchase**

The country of purchase is where the seller of the goods resides. If both countries collect data on a purchase/sale basis, the country of purchase will record goods as exports to the country of sale, and the country of sale will record the same goods as imports from the country of purchase.

- **Country of consignment**

In the case of imports the country of consignment is the country from which goods were dispatched to the importing country, without any commercial transactions or other operations which change the legal status of the goods taking place in any intermediate country. If, before arriving in the importing country, goods enter one or more further countries and are subject to such transactions or operations, the last intermediate country should be taken as the country of consignment.

- **Country of shipment**

In the case of imports the country of shipment is the country from which goods are shipped, irrespective of whether commercial transactions or any other operations which change the legal status of the goods occur after the goods are dispatched from the exporting country. If such transactions do not occur, the country of shipment is the same as the country of consignment.

- **Country of origin**

The country of origin of a good is determined by rules of origin established by each country. Generally, rules of origin consist of two basic criteria.

- The criterion of goods "wholly produced" in a given country, where only one country enters into consideration in attributing origin.
- The criterion of "substantial transformation", where two or more countries have taken part in the production of the goods. The substantial transformation criterion is to be applied to a good when more than one country is concerned in its production.

10.2.2 Exports

▪ Country of sale

The country of sale is the country where the purchaser of the goods resides. If both countries collect data on a purchase/sale basis, the country of purchase will record goods as exports to the country of sale, and the country of sale will record the same goods as imports from the country of purchase.

▪ Country of consignment

In the case of exports, the country of consignment is the country to which goods are dispatched by the exporting country, without being subject to any commercial transactions or other operations which change the legal status of the goods in an intermediate country. If there are several intermediate countries, then the first intermediate country after leaving the exporting country should be recorded as country of consignment or destination.

▪ Country of last known destination

The country of last known destination is the last country to which goods are to be delivered, irrespective of where they have been initially dispatched to and whether or not, on their way to that last country, they are subject to any commercial transactions or other operations that change their legal status. For example, if at the time of exportation goods are to be delivered to country A but have been initially dispatched to a third country (country B) where they are subject to commercial transactions or other operations that change their legal status, that third country (country B) is the country of consignment and country A is the country of last known destination. If goods are delivered to country A without any such transactions or operations occurring, country A is both the country of consignment and the country of last known destination.

▪ Country of shipment

In the case of exports, the country of shipment is the country to which goods are shipped, irrespective of whether transactions or other operations that change the legal status of the goods are expected to take place before arrival of the goods in that country.

▪ Country of consumption

In the case of exports, the country of consumption of a good is parallel to the concept of country of origin for imports. The country of consumption is the country in which the goods are expected to be used for private or public consumption or as inputs in a production process.

Types of partner country attributions for imports and exports are summarised in Table 4 below.

Table 4: Types of partner country attribution

Imports	Exports
Country of purchase: where the seller of the goods resides	Country of sale: where the purchaser of the goods resides
Country of consignment: country from which goods are dispatched to the importing country	Country of consignment: country to which goods are dispatched
Country of shipment: country from which goods are shipped	Country of shipment: country to which goods are shipped
Country of origin: country where the good is produced	Country of consumption: country in which the goods are expected to be used
	Country of last known destination: the last country to which goods are delivered

10.3 Comparison of different methods of partner country attribution

▪ Country of purchase/sale

This approach is clear enough conceptually, but it leads to inconsistencies in collected data since most of the data are recorded on the basis of goods crossing borders. To illustrate these inconsistencies, let us assume that:

- Country A produces goods which are sold to a resident of country B, who in turn sells them to a resident in country C; and
- Goods are shipped directly from country A to country C.

If all countries record goods on the basis of crossing their border and at the same time use a purchase/sale basis of partner country attribution, then the statistics of country A would record goods as exports to country B, and the statistics of country C would record the same goods as imports from country B. However, the statistics of country B will show neither imports from country A, nor exports to country C since the goods did not cross its borders.

No exact comparability of trade statistics between partners can be expected if statistics are based on a combination of border-crossing and purchase/sale principles.

The compilation of statistics on a purchase/sale basis presents a country with the problem of obtaining the required information when goods are sent to a recipient in a country other than the country where the buyer is located, and when the goods are received from a country other than the country where the seller is located. The compilation of trade statistics on a purchase/sale basis requires substantial effort to determine the residence of the purchaser (for exports) and seller (for imports) for each external trade transaction. Surveys can contribute relevant information (especially when linked to value-added tax declarations) however, in general, the compilation of IMTS on a purchase/sale basis cannot be recommended as the standard.

▪ Country of consignment

In general, the method of compiling data by the country of consignment (or destination) offers the possibility of obtaining consistent statistics and reasonable comparability since it promotes the recording of the same transactions by importing and exporting countries. This approach results in symmetrical data sets as goods recorded as imports by one country are recorded as exports by another. However, there can be a lack of knowledge about the destination of goods at the time of export because goods can be redirected while at sea or goods can be transhipped from the original country of consignment and therefore, not included in that country's imports, thus creating incomparability in partner statistics. In practice, export statistics are rarely revised to reflect the actual country of destination. Also, data on a consignment basis are inconsistent with the need for the country-of-origin data required for quota and tariff purposes.

▪ Country of shipment

An advantage of using country of shipment is that, for the majority of transactions, the trading partner can be easily determined from shipping documents. However, the shipment of goods between countries does not necessarily reflect trade transactions between them. The transportation of goods from the country of consignment to the country of destination may involve multiple shippers and passage through several countries. Therefore, at the time of goods importation the country of consignment and the country of shipment may or may not coincide. The country identified by the importer as the partner country will often be the country where the last shipment arrangements were made, rather than the country from which the goods were originally despatched. It follows that the recording of a partner

country on a shipment basis will result in a distorted picture of the international merchandise trade flows, and cannot, therefore, be recommended.

- **Country of origin and country of consumption**

The recording of imports by country of origin has the advantage of showing the direct relationship between the producing country (where goods originate) and where goods are actually used. This information is indispensable for matters of trade policy and negotiations, administering import quotas or differential tariffs, and related economic analyses. However, there are limitations to the use of data compiled on a country-of-origin basis. Most notably, such an approach does not permit a symmetrical recording of the same trade transactions by the exporting country and the importing country if the goods were not directly imported from the country of production. Consider an example where goods were produced in country A, sold and shipped to country B, and afterwards resold and dispatched to country C. The statistics of country B will show exports to country C, but statistics of country C will not attribute its imports to country B as it will indicate that goods were imported from country A (the country of origin). This fact complicates the issue of the comparability of data and detracts from their usefulness for some types of economic analysis, especially in the compilation of balance of payment statements by partner countries or regions.

Difficulties can also arise in actually determining the country of origin since the information on origin for different transactions may not have the same quality because of variations in the requirements to produce documentary evidence. The requirement to present a certificate of origin of goods is defined by the tariff law of the countries and does not apply to all goods entering or leaving a country.

Export data by country of consumption is analytically useful, but collection of such data may be challenging due to the lack of adequate sources of information. It is very difficult to record the country of consumption accurately as the future disposition of the goods is often not known at the time of export. Given this, country of consumption cannot be recommended as an international standard.

10.4 Recommendations

- **Ideal partner country attribution**

Although no single method of attributing partner country is ideal, attribution by origin for imports meets what is considered to be a priority application of IMTS, namely, matters of trade policy and related economic analysis. PICTs should therefore record imports by country of origin and exports by country of last known destination and use this for calculating trade balances in the context of the analysis of IMTS.

Since the partner data compiled on the basis of the country of origin (for imports) and the country of last known destination (for exports) are very often not comparable and in view of the needs for internationally comparable partner data for analytical purposes as well as for trade data reconciliation studies PICTs should record country of consignment for imports as the second partner country attribution, alongside country of origin. Considering, in the case of exports, that countries often do not differentiate the country of last known destination and the country of consignment and that their separate recording could create a significant additional data-reporting and data-processing burden, the compilation of export statistics on the country of consignment basis is only encouraged, depending on a country's needs and circumstances.

It is recommended that the country of origin be recorded for imports, and the country of last known destination be recorded for exports. It is further recommended that as the second partner country attribution, the country of consignment be recorded for imports, and the country of consignment be recorded for exports.

- **Trade with itself**

It is possible that in the case of re-imports (imports of domestic goods which were previously recorded as exports) and the use of country of origin, a country may register trade (imports) with itself. Yet, it is neither recommended nor is it common practice to record exports to itself as the country of last known destination, even if the return of the goods may be almost certain (after minor processing that does not change the country of origin).

- **Detailed partner breakdown**

PICTs in their national publications should make IMTS available with the most complete and detailed partner breakdown possible. This will allow both national and international users to aggregate countries into geographical groupings according to their own analytical requirements and will facilitate the estimation of trade for late-reporting or non-reporting countries. See Appendix 8 for the standard country and area codes for statistical use, and Appendix 9 for the composition of macro geographical regions and geographical sub-regions.

Chapter 11: Mode of transport

Mode of transport describes the means of transport used when goods enter or leave the economic territory of a country. In order to provide information on transportation arrangements (such as for the formulation of transportation policy, the monitoring of international transport routes, and other analytical purposes like the assessment of the impact of trade on the environment) PICTs need to compile and disseminate IMTS by mode of transport at the most detailed commodity level.

11.1 Classification for modes of transport

Table 5: Classification of the modes of transport

1. Air	2. Water		3. Land		4. Not elsewhere classified				
	2.1 Sea	2.2 Inland waterway	3.1 Railway	3.2 Road	4.1 Pipelines and cables	4.2 Postal consignment, mail or courier shipments		4.3 Self-propelled goods	4.4 Other
					4.1.1 Pipelines				
					4.1.2 Cables				

To allow data to be compared regionally and internationally PICTs are encouraged to use the main categories of the classification at the 1-digit but make efforts to disaggregate it to the 2- or 3-digit.

The above classification is not intended to limit the flexibility of PICTs to implement a detailed classification according to their own requirements, but to clearly indicate the contents of the categories used, in particular whether postal consignments, mail or courier shipments and self-propelled goods are separately classified or included in the three main categories of air, water and land. The category 4.4 Other is to be used when the available information does not allow a transaction to be attributed to any of the specific modes of transport categories.

It is recommended that PICTs compile and disseminate IMTS by the different modes of transport at the most detailed commodity level.

Chapter 12: Importance of data processing and database management

Data processing and database management are important to both customs and NSOs.

- **Statistical data processing and statistical information systems**

The compilation of IMTS involves collecting, processing, storing, retrieving, analysing and disseminating statistical data. These processes are structured according to particular institutional arrangements and are mostly carried out with the help of information systems infrastructure (including database management systems). The resulting organisational and information systems architecture provides the framework within which different statistical compilation and dissemination processes and subsystems play their respective roles and interact with one another.

- **Database management systems**

The basic functions of a statistical database management system are to create, retrieve, update, and delete specified data (often referred to by the CRUD acronym) during the various stages of the statistical data processing cycle. These operations are performed by the database management system on data stored in a database according to a particular data model, which is the de facto standard for a wide variety of database management systems and database-related applications.

Data processing and database management

Whilst the PICTs customs administrations have their own systems (such as ASYCUDA) the NSOs in PICTs use different data processing and database management systems. It is important for NSOs to use a processing system that they can manage and operate effectively. Foreign systems often need to be managed by the developer of the system and, when issues arise, the developer may need to visit the country to resolve the problem. Experience has shown that this approach is not sustainable and can cause lengthy delays in the processing and dissemination of data.

The most common data processing and database management systems used by NSOs in PICTs are MS Excel (including Pivot) and Access. Guidelines on using Pivot with illustrations can be found in Appendix 10.

Note on ASYCUDA

ASYCUDA is a computerised customs management system that covers foreign trade procedures. It has been implemented in Fiji, New Caledonia, Papua New Guinea, Samoa, Vanuatu and Solomon Islands. Cook Islands, Kiribati, Tuvalu, Tonga, Niue and Nauru are in the process of implementing it. The system handles manifests and customs declarations, accounting procedures, and transit and suspense procedures. It generates trade data that can be used for statistical and economic analysis. The software has been developed by UNCTAD and operates on microcomputers in a client server environment. It is fully compliant with international codes and standards developed by the ISO, WCO and UN. It can be configured to suit national characteristics of individual customs regimes, national tariffs and legislation. The system also provides for electronic data interchange between traders and customs using UNs rules for Electronic Data Interchange for Administration, Commerce and Transport. The most recent Web-based version of ASYCUDA allows customs administrators and traders to handle most of their transactions online.

It is recommended that PICTs use a data processing system that they are able to operate, or a system where assistance is provided on a regular basis as is the case with ASYCUDA.

Chapter 13: Data quality and metadata

IMTS is the end product of a complex process comprising a large number of activities, ranging from the collection and processing of basic data to the compilation and dissemination of official statistics.

The objective of quality measurement of international trade is twofold:

- to provide producers with the appropriate information to monitor and further enhance data quality, and
- to provide users with sufficient information to judge whether the data are “fit for use” for their intended purpose.

Quality is a multidimensional concept that can be difficult to measure. The discussions below focus on enhancing the quality of IMTS (see Section 13.1), the dimensions of quality (see Section 13.2), quality measures and indicators (see Section 13.3), cross-country data comparability (see Section 13.4) and metadata (see Section 13.5).

13.1 Enhancing the quality of IMTS

Enhancing data quality is a process covering all stages of the statistical production process.

- It begins with the validation of the data provided by the trader or broker when completing the customs declaration/SAD.
- It requires appropriate institutional arrangements to allow adequate access to different data sources. This is particularly important for those PICTs where data on the re-exports of fuel have to be sourced from business enterprises as these are not available in the customs records.
- It also implies the appropriate use of information and communication technology.

Actions for enhancing data quality should not only focus on individual elements of data (such as commodity, value, quantity, unit of quantity and trading partner) but must also address more general issues of coverage and comprehensiveness of recording.

It is recommended that PICTs develop standards related to good practices covering institutional arrangements, statistical processes and outputs. Further, it is recommended that PICTs develop a standard for regular quality reports using the standards related to good practices as its basis. The quality reports should comprise both quantitative and qualitative indicators for IMTS, as well as a checklist covering data collection, processing and dissemination in order to assess the strengths and weaknesses in the statistical process and to identify possible quality-improvement actions as well as keep users informed on the methodology.

13.2 Quality dimension of IMTS

Most international organisations and many countries have developed definitions of quality, outlining the various dimensions of quality and quality measurement, and have integrated them into quality-assessment frameworks. Some examples are outlined below.

- The United Nations National Quality Assurance Framework (UN NQAF)³⁸ is a coherent and holistic system for statistical quality management which assures trust and quality of official statistics across the entire national statistical system.
- The IMF Data Quality Assessment Framework (DQAF) is organised as a cascading structure covering the prerequisites and five dimensions of quality: assurances of integrity,

³⁸ See: <https://unstats.un.org/unsd/methodology/dataquality/>

methodological soundness, accuracy and reliability, serviceability and accessibility.

- The OECD quality measurement framework views quality in terms of seven dimensions: relevance, accuracy, credibility, timeliness, accessibility, interpretability and coherence.
- The European Statistical System Code of Practice is formulated in terms of 15 principles, of which the following five relate to statistical output: relevance, accuracy and reliability, timeliness and punctuality, coherence and comparability, accessibility and clarity.

Quality-assessment frameworks standardise and systematise statistical quality measurement and reporting across countries. This allows an assessment of a PICT to be made against internationally (or regionally) accepted statistical approaches for quality measurement. Quality assessment frameworks may be used in a number of contexts, such as:

- guiding countries' efforts towards strengthening their statistical systems by providing a self-assessment tool and a means of identifying areas for improvement;
- enhancing technical assistance;
- facilitating the review of particular statistical domains undertaken by international organisations; and
- undertaking assessments by other groups of data users.

The prerequisites and the eight dimensions of quality are shown in Figure 7.

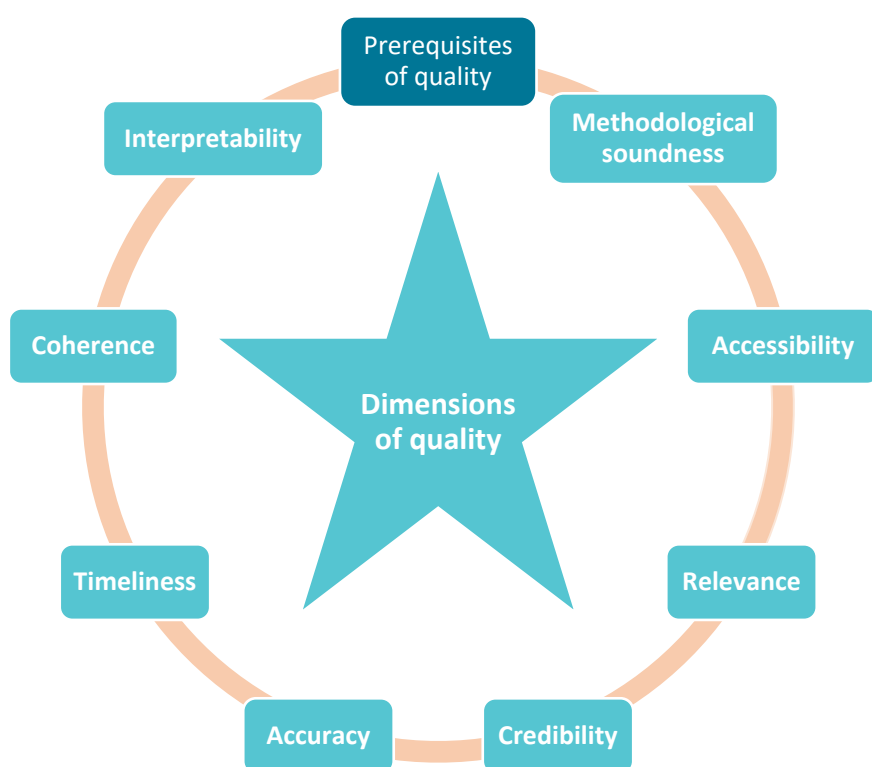


Figure 7: Prerequisites and dimensions of quality

Each dimension is briefly explained in Table 6 below.

Table 6: Definitions of suggested quality framework for PICTs

Quality framework	Definitions
Prerequisites of quality	<p>This refers to institutional and organisational conditions that have an impact on the quality of IMTS. The elements within this dimension include:</p> <ul style="list-style-type: none"> ▪ the legal basis for the compilation of data; ▪ the adequacy of data-sharing and coordination among data-producing agencies; ▪ assurance of confidentiality; ▪ the adequacy of human, financial and technical resources for implementation of IMTS and the implementation of measures to ensure their efficient use; ▪ balancing of the costs to data providers with user needs, especially where use of non-customs sources of data is considered; and ▪ quality awareness.
Quality dimensions of the framework	Definitions
Methodological soundness	This is a dimension that encompasses the application of the available international standards, guidelines and good practices in the production of IMTS.
Accessibility	This refers to the ease with which IMTS can be obtained from the NSO, including the ease with which the existence of information can be ascertained, as well as the suitability of the form or the media of dissemination through which the information can be accessed. Accessibility also includes the availability of metadata, and the existence of user-support services and requires the development of an advance release calendar so that users will be informed in advance when and where data will be available and how to access them.
Relevance	This reflects the degree to which IMTS meet user needs.
Credibility	This refers to the confidence users place in IMTS data, based on the reputation of the NSO that produces the data. The confidence of users is built over time. One important aspect of credibility is trust in the objectivity of the data, which implies that the data are perceived to be produced professionally in accordance with appropriate statistical standards, and that policies and practices are transparent. For example, data should not be manipulated, nor should their release be timed in response to political pressure.
Accuracy	This refers to the closeness of the disseminated IMTS to the true (yet unknown) characteristics of the trade flows and can be assessed only indirectly. It has many facets and in practice there is no single aggregate for, or overall measure of, accuracy (see Section 13.3).
Timeliness	This reflects the time between the end of the reference period to which the IMTS pertain and the date on which they are released. Timeliness is closely tied to the existence of a publication (including revisions) schedule. A publication schedule may comprise a set of target release dates or may entail a commitment to release international merchandise trade data within

Quality framework	Definitions
	a prescribed time period following their receipt. This factor usually involves a trade-off with respect to accuracy. The improved timeliness of statistics enhances their relevance.
Coherence	This reflects the degree to which the data are logically connected and mutually consistent, as well as the degree to which they can be successfully brought together with other statistical information within a broad analytical framework and over time.
Interpretability	This reflects the ease with which users may understand and use IMTS. Concepts and definitions, as well as methodology underlying the IMTS, and information describing the limitations of the IMTS determines the degree of interpretability. Metadata is an important aspect of interpretability.

The dimensions of quality are overlapping and interconnected. Actions taken to address or modify one aspect of quality will tend to affect other aspects. For example, there may be a trade-off between aiming for the most accurate estimation of the value of a country's total exports and imports and providing that information in a timely manner.

PICTs are encouraged to develop their own quality-assessment framework based on the dimensions suggested above that best fit their practices and circumstances. The adoption of a quality-assessment framework will offer NSOs in PICTs a practical approach for a self-assessment of the statistical programme and for the assessment of whether the data provided meet the needs of users.

The measurement of quality of any statistical data, including IMTS, is not a simple task. Problems arise from quantifying the levels of individual dimensions, and in aggregating the levels of all dimensions. Under these circumstances, deriving a single quantitative measure of quality is not possible. In the absence of such a single measure, PICTs are encouraged to use a system of quality measures and indicators following the recommendations contained in Section 13.3 below.

13.3 Quality measures and indicators

Quality measures

Quality measures directly reflect a particular aspect of quality, such as the time lag from the end of the reference period to the release of IMTS. However, in practice, quality measures can be difficult or costly to calculate. Instead, quality indicators may be used for the quality assessment.

Quality indicators

Quality indicators provide summarised quantitative or qualitative evidence about the quality of the data. Generally defined with respect to some reference point they assist in making different types of comparisons. When PICTs define the quality indicators for their IMTS they should ensure that the indicators:

- cover all dimensions of quality as defined in Section 13.2;
- are based on the consistent application of a sound methodology; and
- are easy to interpret by both internal and external users.

Table 7: Suggested indicators for measuring the quality of IMTS

Quality dimension	Quality measure and indicator
Methodological soundness	<ul style="list-style-type: none"> Number and degrees of divergence from the relevant international statistical standards in concepts and measurement procedures that are used in the collection and compilation of IMTS (preferably in terms of the amount of data affected).
Accessibility	<ul style="list-style-type: none"> Number and types of means used for dissemination of IMTS. Degree to which all detailed data sets are made available, as a percentage of total IMTS data sets produced. Dissemination of complete metadata used.
Relevance	<ul style="list-style-type: none"> Gaps between key user interests and IMTS in terms of concepts, coverage and detail. Results of users' satisfaction surveys and meetings with user groups.
Credibility	<ul style="list-style-type: none"> Data source is the NSO which is the official source for data on IMTS.
Accuracy	<ul style="list-style-type: none"> Application of reporting thresholds. Under coverage (percentage of non-reporting due to thresholds, percentage of non-reporting due to non-response). Characteristics and frequency of revisions (such as percentage of total value). Application of confidentiality and its impact. Use of data validation techniques and their impact. <p>In the case of sample surveys-based international merchandise trade estimates, the accuracy can be measured using the indicators below.</p> <ul style="list-style-type: none"> Sampling errors Non-sampling errors <ul style="list-style-type: none"> Unit response rate Item response rate. Number and average size of revisions of international merchandise trade data.
Timeliness	<ul style="list-style-type: none"> Time lag between the end of the reference period and the date of the first release (or the release of final results) of IMTS.
Coherence	<ul style="list-style-type: none"> Use of common concepts, classifications, data sources and methods. Availability of appropriate bridging tables.
Interpretability	<ul style="list-style-type: none"> User is able to understand and use the data with ease.

13.4 Cross-country data comparability

Countries are encouraged to periodically conduct bilateral and multilateral reconciliation studies so that their statistics can be made more accurate and useful. Non-comparability of data between countries is caused by differences in:

- valuation, including CIF/FOB differences;
- time lags in reporting;
- coverage;
- differences in classification of goods;

- value increases in intermediary countries;
- different methods for the treatment of certain goods (such as military goods, ship's stores, confidential data);
- currency conversion;
- methods of partner country attribution; and
- trade via third country intermediaries.

Although non-comparability may be substantially reduced by bilateral and multilateral reconciliation studies, a certain amount of non-comparability will remain because of differences resulting from following the recommended approaches to valuation (where the value of exports reported by one country will not be equal to the value of imports reported by its partner country) often referred to as mirror statistics. The differences will also remain because of partner country attribution for imports and exports, as well as variations in data sources, reporting errors, errors in data collection or the processing and forwarding of results, the use of fraudulent documents or the inability of traders to furnish accurate information.

13.5 Metadata on IMTS

Statistical data consists of different elements.

- Microdata is data on the characteristics of individual transactions collected by customs or other sources (such as administrative records or surveys) or estimated.
- Macrodata is data derived from microdata by grouping or aggregating them, such as total exports of goods classified in a particular HS subheading.
- Metadata is “data about data”. It may comprise information on who has created the data and when, a definition of the concepts applied, and a description of how data were collected and processed before being disseminated or stored in a database. Metadata can be split into different components.
 - **Statistical metadata** describe microdata, macrodata or other metadata. They refer to methodological descriptions on how data are collected and compiled. There is a bidirectional relationship between metadata and quality. On the one hand, metadata describe the quality of statistics. On the other hand, metadata are themselves a quality component, which improves the availability and accessibility of statistical data.
 - **Required metadata** takes into account many types of users and uses for any given set of data to enable the least and the most sophisticated users to readily assess data and their quality. As a minimum segmentation, metadata at the following two levels are recommended.
 - **Reference metadata** should be presented in the form of a detailed explanatory note describing the scope, coverage, and quality of a data set. It should be made available electronically alongside the database.
 - **Structural metadata** should be presented as an integral part of the IMTS database so that it can be extracted together with any data item. Structural metadata may be published as part of a statistical table.

PICTs should include the following metadata categories for their IMTS.

- A description of all underlying concepts and definitions, including the trade system used and deviations from international standards, if any.
- The legal framework, institutional arrangements and description of data sources.
- A description of data-collection and data-processing procedures.
- A description of estimation methods.
- A data-dissemination policy, including release and revision schedules.

- A description of all data fields/variables including reference period, trade flow, commodity classification used, valuation, currency, quantity (net weight), weight unit used, supplementary quantity, supplementary quantity unit used, partner country (origin, last known destination, consignment). This applies to all forms of data dissemination.
- Explanations and footnotes concerning the data, as required, such as informing users about revisions, break in series and application of confidentiality.
- Quality reporting.

It is recommended that PICTs view the development of metadata as a high priority and consider their dissemination an integral part of the dissemination of IMTS.

Chapter 14: Dissemination

NSOs across all PICTs should consider the dissemination of IMTS and the related metadata as an integral part of their national programme on trade statistics. IMTS should comply with the United Nations Fundamental Principles of Official Statistics (see Section 1.4) and be made available on an impartial basis to honour the entitlement of citizens to public information, while at the same time ensuring adequate confidentiality of data providers. This chapter explores factors to consider in data and metadata dissemination.

14.1 Statistical confidentiality

Publication of statistics at the item level of PACHS or SITC could reveal information on individual firms and/or individual natural or legal persons. The Statistics Act protects against the disclosure of information about individual persons and forms. This is necessary to gain, and keep, the trust of those required to provide trade data and those using the IMTS. In the case of IMTS, passive confidentiality needs to be applied, as opposed to active confidentiality.

- Trade data are to be made confidential only when the trader so requests, and the statistical authority finds the request justified based on confidentiality rules.
- In suppressing data due to confidentiality, information suppressed be reported in full detail at the next higher level of commodity and/or partner aggregation that adequately protects confidentiality.

It is recommended that passive confidentiality be applied as much as possible unless the use of active confidentiality is already the established, desired and accepted practice.

14.2 Reference period

The reference year should be based on the Gregorian calendar (January through December) in YYYY format (2011, 2012, and so forth).

Countries should compile and disseminate IMTS with the frequency outlined in Section 14.4 so that the reference year data can be calculated on a monthly basis. For countries that are not able to compile IMTS on a monthly basis, a quarterly compilation is suggested.

It is recommended that PICTs make available their annual data on a calendar year basis, according to the Gregorian calendar.

14.3 Data dissemination timetable/release calendar

Adhering to an appropriate release schedule is crucial for maintaining good relations between the producers of IMTS and the user community. The release calendar should be posted before the beginning of each year on the website of the relevant NSO. The following considerations need to be taken into account in determining the release schedule of IMTS:

- user requirements, such as the requirements of policymakers, the business community, and the general public;
- timing of the collection of initial data by customs administrations and other source agencies;
- the extent and timing of data revisions of the major data sources; and
- modes of data dissemination, such as press release, online access, or hard copy.

It is recommended that PICTs announce in advance the precise dates on which IMTS will be released and revised.

14.4 Timeliness

Timeliness refers to the length of time between the end of the reference period and the release of IMTS. This may vary from country to country and reflect different perspectives on the:

- timeliness-reliability-accuracy trade-off;
- availability of resources; and
- efficiency and effectiveness of the statistical production process.

PICTs are encouraged to issue their first release of data as per the below.

- Monthly totals of exports and imports within 45 days after the end of the month, at least by major trading partners and basic commodity breakdown.
- Quarterly data within 60 days after the end of the quarter.
- Annual data within 90 days after the end of the year.

14.5 Coherence of monthly, quarterly and annual data

Data for the fourth quarter (or for the twelfth month) should be compiled and disseminated in their own right and not be derived as the difference between the annual totals and the sum for the first three quarters (or 11 months) to ensure undistorted data for all months and quarters. PICTs are encouraged to disseminate all revised monthly, quarterly and annual data to ensure the consistency of data available to users.

14.6 Data revision

Data can be released as provisional estimates. Such estimates, by definition, would be based on relatively limited data content and would be replaced by more accurate but less timely figures at a later date. Data should therefore be regularly revised when new/additional information becomes available.

Reasons for revisions of the data can be due to:

- major or special revisions that are not part of the regular revision schedule and are conducted in order to incorporate major changes in concepts, definitions, classifications, and changes in data sources; and
- routine, normal revisions that are part of the regular statistical production process and aim to incorporate new or updated data, or correct data or compilation errors.

14.7 Revision policy

For normal statistical data revisions, PICTs are encouraged to develop a revision policy. Essential features of a well-established revision policy are: a predetermined release and revision schedule; reasonable stability from year to year; openness; information on reasons and effects; easy access of users to sufficiently long time series of revised data; and adequate documentation of revisions in the statistical publications and databases. A sound revision policy is recognised as an important aspect of good governance in statistics, because it will not only help the national users of the data but also promote international consistency. The revision policy should be synchronised with the release calendar.

14.8 Dissemination strategy

A good IMTS dissemination strategy should aim to turn data into information by means of monthly analytical tables, annual IMTS database, metadata, visualisations and commentary and be widely disseminated using electronic format and paper publications.

▪ Data dissemination

The key to the usefulness of trade statistics is its broad dissemination to the very many users of IMTS.

It is recommended that all users be treated equally and IMTS be disseminated without preference to any national or international user group.

PICTs should compile and disseminate the following recommended tables³⁹ and any additional table they see fit (or which suits their users/stakeholders), accompanied by metadata and commentary.

○ **Monthly IMTS tables**⁴⁰

- Balance of trade – all items
- Imports by HS
- Exports by HS
- Re-exports by HS
- Total exports by HS (includes exports and re-exports)
- Principal exports
- Principal imports
- Balance of trade by major partner countries
- Trade by region
- Trade by mode of transport
- Trade by trade agreements
- Exports by SITC
- Imports by SITC
- Retained imports classified by BEC (see Appendix 11, IMTS Table 14)

○ **Annual IMTS database**

All PICTs should compile and release data on commodities and countries at the most disaggregated 8-digit PACHS code level. In doing so, the NSOs can ensure that confidentiality is not violated (see Section 14.1).

○ **Dissemination of metadata**

Provision of adequate metadata and quality assessment of IMTS are as important to users as the provision of data itself, since it contributes to the overall quality of trade statistics. PICTs are encouraged to follow the recommendations provided in Chapter 13 and to develop and disseminate metadata in accordance with the recommendations provided. Metadata should encompass information on:

- who created the data and when it was created;
- the definition of the concepts applied; and
- the description of how data were collected and processed before they were disseminated or stored in a database.

○ **Visualisation of IMTS data**

Visualisation of data can clarify the different components of IMTS, making it easier for users to understand the underlying performance/trend of international goods trade. PICTs can

³⁹ Recommended tables were decided during a 2012 workshop held in Noumea, New Caledonia after considering all the recommendations made in the UN's 2010 Manual and the resources available to PICTs.

⁴⁰ Table formats can be found in Appendix 11.

choose visuals such as charts (line, bar, column, pie chart, area and scatter) and maps (area and tree) depending on which visualisation works for what data.

Figure 8 depicts some example images from the interactive dashboard at SPC that can be accessed through the Pacific data Hub Indicator database.⁴¹



Figure 8: IMTS interactive dashboard at SPC

- **Commentary**

A commentary analysing the data by means of percentage change over the previous period or previous corresponding period and supported by visualisation showing trends and peaks and dips should accompany the tables.

- **Means of dissemination**

Dissemination should be done both electronically and in paper publications that facilitate re-dissemination by mass media.

- News Releases, disseminated monthly or quarterly, should be used to share information with the media. Releases can be distributed in hard copy or electronic formats. Each release should include the NSO's logo and address, dates of the current and the next release, name, phone number and email address of a contact person for assistance. Most importantly, all releases need to be signed by the head of the NSO.
- Publishing on the NSO's website and/or in regular publications of the NSO or Central Bank, such as Quarterly Key Indicators or Quarterly Bulletin.
- The development and dissemination of pocket facts and figures can make it easier for users to read and understand key messages and trends.
- Annual published reports should be published by NSOs to provide greater detail by commodity, preferably at the HS 8-digit level, and by country.
- Data can be sent by email in Portable Document Format (PDF) files to subscribers or on request by users.
- Statistical data and metadata exchange (SDMX) can be used to exchange statistical information with other organisations.

PICTs should ensure that users are clearly made aware of the procedures and options for obtaining the required data by providing them contact details.

It is recommended that PICTs disseminate their IMTS in electronic and/or paper formats and in ways that facilitate re-dissemination. It is further recommended that IMTS be accessed through the electronic dissemination databases maintained by PICTs and SPC.

⁴¹ See: <https://bit.ly/tradedb>

- **International reporting**

PICTs should cooperate with international, supranational⁴² and regional organisations to identify and apply the most efficient ways of international dissemination of their IMTS and related metadata. In this context, PICTs may wish to review the Statistical Data and Metadata Exchange (SDMX) format for possible use in the exchange and sharing of their data.

- **Monitoring IMTS compilation by PICTs**

PICTs are encouraged to monitor the compilation of IMTS on a regular basis to identify which of the recommended tables have been compiled, which ones are outstanding and the reasons for the delay, as well as the quality of the data compiled.

⁴² Organisations that transcend national boundaries such as the International Labour Organization.

Chapter 15: Supplementary topics

15.1 External trade indices

Information on prices and volumes from external merchandise trade can be used for the development of the external trade indices. PICTs can calculate and publish such indices for commodity groups of particular importance to them either monthly, quarterly or annually. Two kinds of indices may be produced to reflect prices for imports and exports:

- unit-value indices that are based primarily on customs documents; and
- export/import price indices that are based on survey data.

Both approaches have strengths and weaknesses. Although price indices are generally preferred on methodological grounds, PICTs may not have the resources available to use this method. PICTs can therefore compile unit-value indices instead, or those PICTs that have resources can compile and use both price and unit-value indices in a complementary manner.

*For detailed information on external trade price indices and unit values, see *Export and Import Price Index Manual: Theory and Practice*, International Monetary Fund, 2009, available electronically on the IMF website: <http://imf.org/external/pubs/cat/longres.cfm?sk=19587.0>*

15.2 Seasonally adjusted IMTS

Monthly and quarterly data on IMTS are an important tool for policymaking, business cycle analysis, modelling and forecasting. However, they may be characterised by seasonal fluctuations and other calendar or trading-day effects⁴³ which mask other characteristics of the data that are of interest to analysts. In order to better understand the underlying behaviour of the data, seasonally adjusting them to remove seasonal or calendar influences is suggested. Since national circumstances vary from one PICT to another, no preferred seasonal adjustment method is recommended. If seasonally adjusted data is published, the information on the adjustment methods, data quality, and so forth need to be provided by countries in their metadata.

Reference can be made to the Eurostat practices in this area, see Eurostat, *ESS Guidelines on Seasonal Adjustment*, 2009 Edition, available at:

http://epp.eurostat.ec.europa.eu/portal/page/portal/product_details/publication?p_product_code=KS-RA-09-006

15.3 Linking trade and business statistics

Linking and integrating trade and business statistics is important for data compilation and analytical purposes. In recent years, a major development in economics statistics in PICTs has been the establishment and use of national business registers that allow the conduct of business surveys and the linkage of information from different data sources, potentially leading to significant efficiency and quality gains in data collection. Also, the integration of data from different sources provides new information for many analytical purposes that would not otherwise exist. One application is the analysis of trade by enterprise characteristics, which, for example, allows the impact of globalisation on businesses to be examined.

⁴³ Trading-day effects relates to months having different numbers of each day of the week from year to year.

Appendices

Appendix 1: Steps to be taken from the collection of trade data to the dissemination of IMTS

To assist PICTs in the compilation of IMTS, a brief step-by-step guide along with references to the relevant chapters and sections in the guide, is given below.

Table 8: Step-by-step guide to compile IMTS

Steps	Activities																															
Step 1 Source trade data	Activity 1 Obtain trade data from customs – refer to Section 3.1. Activity 2 On receipt of the trade data, <u>save the data as <i>customs database</i></u> without making any change to the data. You can also add a prefix (such as January 2021) and a suffix which could either be the date of receipt of the data or Version 1 or both. The naming procedure allows you to identify the ' <u>source</u> ' database, and the suffix allows you to identify the latest version/revisions that customs make to the data. The naming procedure also allows the tracking of trade compilers' queries to customs.																															
Step 2 Create the trade database	Activity 1 <u>Create a trade database by saving the <i>customs database</i> as the <i>trade database</i>.</u> Again, you can add a prefix (such as January 2021) and a suffix which could either be the date of creation or Version 1 or both. That way it will be easier for you as the compiler to keep a tab on the changes you make to the database since this is the database that you will work from. Activity 2 From the trade database keep the following fields that are needed for the compilation of IMTS and delete the rest. <table border="1"> <thead> <tr> <th>Variable</th><th>Remarks</th></tr> </thead> <tbody> <tr> <td>Date</td><td>Date of lodgement of the customs declaration</td></tr> <tr> <td>HS Code</td><td>8-digit HS Code</td></tr> <tr> <td>Description of the commodity</td><td>Should relate to the 8-digit HS</td></tr> <tr> <td rowspan="4">Type of trade</td><td>Exports</td></tr> <tr> <td>Re-exports</td></tr> <tr> <td>Imports</td></tr> <tr> <td>Re-imports</td></tr> <tr> <td rowspan="4">Statistical value in national currency</td><td>Exports: FOB</td></tr> <tr> <td>Re-exports: FOB</td></tr> <tr> <td>Imports: CIF</td></tr> <tr> <td>Re-imports: CIF</td></tr> <tr> <td>Freight paid</td><td></td></tr> <tr> <td>Insurance paid</td><td></td></tr> <tr> <td>Unit of quantity</td><td></td></tr> <tr> <td>Quantity</td><td></td></tr> <tr> <td rowspan="2">Country</td><td>Country of origin</td></tr> <tr> <td>Country of destination</td></tr> <tr> <td>Mode of transport</td><td>Air, water, land⁴⁴ postal consignments, mail or courier shipments</td></tr> </tbody> </table>	Variable	Remarks	Date	Date of lodgement of the customs declaration	HS Code	8-digit HS Code	Description of the commodity	Should relate to the 8-digit HS	Type of trade	Exports	Re-exports	Imports	Re-imports	Statistical value in national currency	Exports: FOB	Re-exports: FOB	Imports: CIF	Re-imports: CIF	Freight paid		Insurance paid		Unit of quantity		Quantity		Country	Country of origin	Country of destination	Mode of transport	Air, water, land ⁴⁴ postal consignments, mail or courier shipments
Variable	Remarks																															
Date	Date of lodgement of the customs declaration																															
HS Code	8-digit HS Code																															
Description of the commodity	Should relate to the 8-digit HS																															
Type of trade	Exports																															
	Re-exports																															
	Imports																															
	Re-imports																															
Statistical value in national currency	Exports: FOB																															
	Re-exports: FOB																															
	Imports: CIF																															
	Re-imports: CIF																															
Freight paid																																
Insurance paid																																
Unit of quantity																																
Quantity																																
Country	Country of origin																															
	Country of destination																															
Mode of transport	Air, water, land ⁴⁴ postal consignments, mail or courier shipments																															

⁴⁴ Applicable only in Papua New Guinea.

<p>Step 3 Check the coverage and scope of the trade database</p>	<p>Activity 1 Ensure that the General Trade System has been used (see Section 6.2).</p> <p>Activity 2 Check the database for completeness as per the general and special guidelines (see Chapter 4).</p> <p>Activity 3 Should the data sourced from customs contain gaps, use data from non-customs records (see Section 3.2). For example, in many PICTs the re-exports of fuel are not recorded by customs, therefore enterprises will need to be contacted. Where the Statistics Act is weak compared to the source organisations Act, a Memorandum of Agreement should be entered into (see Sections 2.2.2 and 3.5).</p> <p>Activity 4 <u>Data from different sources need to be integrated</u> (see Section 3.4). Data sourced from any other source to supplement customs data in the trade database need to:</p> <ul style="list-style-type: none"> ▪ be classified correctly to the HS and the HS code correlated to the SITC and the BEC codes (see Chapter 7); ▪ have its valuation checked to include insurance and freight if it's an import – vice versa for exports (see Chapter 8); ▪ have the time of the transaction ascertained (see Chapter 5); ▪ have its quantity and unit of quantity ascertained (see Chapter 9); ▪ have its country of trade ascertained (see Chapter 10); and ▪ have its mode of transport ascertained (see Chapter 11).
<p>Step 4 Subject trade database to quality checks</p>	<p>Activity 1 The two common checks that need to be done are:</p> <ul style="list-style-type: none"> ▪ Activity 1.1 Unit value checks by dividing the value with quantity and flagging unit values that do not look correct. ▪ Activity 1.2 Trend analysis of total imports, exports, re-exports, principal commodities traded, partner countries and flagging peaks and dips. <p>Activity 2 For irregularities found in the data, many can be corrected (see Chapter 13) by:</p> <ul style="list-style-type: none"> ▪ Activity 2.1 Contacting customs since the irregularity could be due to: <ul style="list-style-type: none"> ○ Missing data – customs data may be on query or, due to confidentiality, the data cannot be disclosed. ○ Wrong HS classification assigned – for example, mineral water may have been classified with soft drinks. ○ Data entry error - for example, instead of entering VU (Vanuatu) as country-of-origin for kava, VA (Vatican) is typed in. ○ Valuation issues – trade compilers need to ensure that the exports value is reported on a FOB basis and the import value is reported on a CIF basis. ▪ Activity 2.2 Contacting non-custom sources to verify data:

	<ul style="list-style-type: none"> ○ High value transactions, missing data (on query at customs) and trade of major commodities can be checked by making phone calls to relevant authorities – for example, the company producing gold for gold exports or even Boards like the Copra Board for copra exports. Errors and concerns need to be communicated back to customs and after amending data, customs need to send back the data to NSOs. ○ Bilateral and multilateral reconciliation checks can also be done. For example, exports of gold in Fiji can be checked with imports of gold from Fiji by Australia. When doing reconciliation studies, differences due to valuations and time of arrival and departure of goods, should be borne in mind. <p>Activity 3</p> <p>Whilst checking the trade database the trade compilers should, as much as possible, address the coverage issues for example for:</p> <ul style="list-style-type: none"> ▪ Illegal trade, which most of the time cannot be identified, should be excluded from IMTS but separately identified. ▪ Goods passing through quarantine that are hand carried, such as iceboxes containing fish. ▪ Duty free goods carried by incoming passengers: <ul style="list-style-type: none"> ○ on which duty is charged and a receipt is issued; ○ goods falling within the customs threshold value, such as goods with a declared or assessed value not exceeding a country's threshold value. ▪ Shuttle trade or informal trade where, for example, individual entrepreneurs buy goods abroad and import them for sale in street markets/small shops.
<p>Step 5</p> <p>Compiling analytical tables</p>	<p>Activity 1</p> <p>It is recommended that PICTs compile fourteen tables (see Appendix 11). Data processing and database management at customs and NSOs have a lot of bearing on the IMTS tables eventually produced (see Chapter 12):</p> <ul style="list-style-type: none"> ▪ Some PICTs, like those where customs use the ASYCUDA system, will be able to compile all the tables. The others may not be able to due to issues with the identification of the variables or no capture of the data. Non-customs data, where possible, should be used. ▪ For NSOs an option is to use PivotTables (see Appendix 10) for the compilation of the analytical tables since all PICTs have the MS Excel software. <p>Other than the recommended tables, individual PICTs are free to produce other tables that they or their stakeholders may be interested in.</p> <p>All tables need to be accompanied by metadata (see Section 13.5).</p> <p>Activity 2</p> <p>The trade compiler needs to put the tables compiled through <u>consistency checks</u>:</p> <ul style="list-style-type: none"> ▪ Imports in all the relevant tables need to be the same, likewise exports and re-exports. ▪ Exports and re-exports, when summed up, should be the same as the total exports in all the other relevant tables. ▪ The linked tables have the correct links. ▪ The formulas used are correct. ▪ Revised and provisional data are flagged.
<p>Step 6</p>	<p>Activity 1</p>

Data analysis	<p>Informed decisions with respect to international merchandise trade need to be supported with sound data that has undergone an analytical process. Data analysis is essential for discovering useful information about international trade. Diverse techniques can be used to do this, but the simplest for PICTs is calculating variations and using visualisations (see Chapter 14). Data analysis is that phase where outliers need to be investigated. For example:</p> <ul style="list-style-type: none"> ▪ A spike in sugar exports when crops were supposedly destroyed by a cyclone may require the trade compiler to go back to Step 3 and contact the producer. ▪ An increase in the imports of machinery could be a non-traditional/one-off import. It's important to find out if it was a temporary import to determine its inclusion/exclusion in the IMTS.
Step 7 Writing commentary	<p>Activity 1</p> <p>The commentary on the IMTS should convey a take-home message. It should focus on goods traded in the period being reported in the analytical tables and the analysis should identify important features of the commodities traded. For instance, the narrative could talk about why a commodity imported in the reported period shows unusual variations compared to the previous period or the previous corresponding period. Ensure that the commentary:</p> <ul style="list-style-type: none"> ▪ covers all the analytical tables in the order they appear (for example, commentary on Table 1 on the Trade Balance should be done first and should dwell on the improvement/deterioration in the trade balance); ▪ is accurate; ▪ is clear to understand; ▪ is not lengthy (bullet points are suggested); and ▪ avoids repetition.
Step 8 Preparing the IMTS release	<p>Activity 1</p> <p>The first part of the release should contain the commentary accompanied by graphs. The second part of the release should contain the Appendices with all the statistical tables produced in Step 5.</p> <p>Activity 2</p> <p>The release should be presented on the NSO official letterhead and should contain:</p> <ul style="list-style-type: none"> ▪ a title, for example, International Merchandise Trade Statistics Republic of Palau 2017 to 2019; ▪ the date of the release; ▪ the release number; ▪ contact details of the NSO officer-in-charge of the IMTS; and ▪ the signature of the Head of the NSO. <p>Activity 3</p> <p>The draft release needs to be edited to ensure that:</p> <ul style="list-style-type: none"> ▪ it contains correct interpretation of the IMTS tables; ▪ calculations are correct; and ▪ correct data have been selected to do the graphs. <p>Activity 4</p> <p>The layout of the release needs to be checked for:</p> <ul style="list-style-type: none"> ▪ correct and logical headings and subheadings; ▪ neat arrangement of text and graphs/images; and

	<ul style="list-style-type: none"> ▪ correct font, size, spacing, indentation and alignments. <p>Formatting will ensure that the document makes a good impression on the reader.</p> <p>Activity 5 Proofread the release.</p>
<p>Step 9 Endorsement to release the IMTS</p>	<p>Activity 1 An internal presentation to the NSO's Head and Senior Management is recommended. This activity is optional but recommended for larger NSOs. Queries arising from this process should be dealt with accordingly as per the steps given above.</p> <p>Activity 2 Head of the NSO signs the release.</p>
<p>Step 10 Disseminate IMTS</p>	<p>Dissemination can be done via electronic channels and/or using paper copies.</p> <p>Activity 1 On the day of the release of the IMTS disseminate to:</p> <ul style="list-style-type: none"> ▪ Media – radio, TV, newspaper and any other relevant publications; ▪ Ministries; and ▪ Priority users such as SPC and PFTAC. <p>Activity 2 At a later date disseminate to all other subscribers.</p> <p>Activity 3 Submit trade data for international reporting to SPC and UN. This will allow the data to be re-disseminated to reach a wider audience.</p>

Appendix 2: Sample single administrative document

ASYCUDA		DECLARATION	
2 Exporter No. _____		3 Forms 1 1	
8 Consignee No. _____		4 Load List Manifest	
14 Declarant No. _____		5 Items 1	
15 Country of export		6 Nbr packages 2018	
16 Country of origin		7 Reference number	
19 Ctr. <input type="checkbox"/>		9 Financial No. _____	
21 Identity and nationality of active means of transport crossing the border		11 Trading chy. _____	
22 Currency & total amount invoiced		13 C.A.P. _____	
23 Exch. rate		15 C.E. Code	
24 Nature of transac.		17 C.D. Code	
25 Mode transport at border		20 Delivery terms	
26 Inland mode Transport		22 Financial and banking data Bank Code	
30 Location of goods		Terms of payment	
31 Packages and description of goods		32 Item 1 No.	
33 Commodity code		34 Cty. orig. Code	
35 Gross mass (kg)		36 Prefer.	
37 Net mass (kg)		38 Quota	
40 Summary declaration / Previous document S/L		41 Supplementary units	
44 Add. info Documents Produced Certificates and authorization		A.L. Code	
46 Statistical value		47bis Write-off units	
47 Calculation of taxes		48 Deferred payment	
49 Identification of warehouse		50 Principal No. _____	
51 Intended offices of transit and country		Signature	
52 Guarantee not valid for		Code	
53 Office of destination and country		54 Place and date	
D CONTROL BY OFFICE OF DESTINATION		Stamp:	
Signature			

The SAD, which supports different types of declarations, is the main form used by customs administrations in PICTs who employ the ASYCUDA system to declare goods moving into and from their country or territory. Completed either by the importer/exporter or an agent, SAD can be broken down into 54 boxes. The purpose of each box is explained in Table 9.

Table 9: Single administrative document fields

Table Key

	Dynamic labels that appear when the type of declaration is selected
--	---

Field		Description/use
Number	Label	
1	Declaration	The customs procedure code is identified in this field. For example, 'IM' for import declaration and 'EX' for export declaration followed by a code indicating the purpose of the merchandise, for example imports for home consumption.
2	Exporter	This field identifies the full name and address of the person or organisation that is exporting the goods.
3	Forms	This field identifies the total number of pages in the form, including the front page and any insertions. For example, if there are four pages ASYCUDA will display 1 4 on the first page, 2 4 on the second page and so forth.
4	Load list	This field is related to transit declarations. It is a numeric field indicating how many truckloads or containers would be used to transport under-bond goods across the border.
5	Items	This field indicates the total number of items declared on the form. Entry lines consist of 298 items and 99 pages.
6	Nbr packages	In this field the declarant must state the number of packages declared, except for bulk goods when this field can be left blank and Box 31 used.
7	Reference number	This field assigns a sequential reference code for the declaration such as year/internal reference, order or job number.
8	Consignee	This field identifies the full name and address of the overseas or foreign exporter of the goods. This means the name of the person or organisation from whom the importer purchased the goods from.
9	Financial	If the responsible person is not the consignee, then the code number, or name and address of the person responsible for settling duty and taxes to customs, must be entered.
10	Last country/ First destination	This is a dynamic label that appears when the type of declaration is selected: <ul style="list-style-type: none"> ▪ Last country – if the SAD is an import. ▪ First destination – if the SAD is an export.
11	Trading country	Trading country code.
12	Value details	This field is automatically displayed by the system and shows additional charges and deductions such as freight (internal/external), insurance, and other costs as detailed in the valuation note.
13	C.A.P.	Common Agricultural Policy. This field is for European countries only.

14	Declarant	The declarant is the person or organisation declaring the goods to customs. In certain circumstances this may be the owner of the goods themselves, however it is usual that declarations are prepared, and the goods “declared” to customs, by agents authorised by the owners. These agents (customs clearing agents or customs brokers) are skilled in customs procedures and are authorised to act for the owners in declaring goods. Customs authorised brokers must enter their declarant number which is assigned by customs.
15	Country of export	IM: For import declarations, this field shows the country from which the goods were exported from. EX: For export declarations, this shows the country where goods are destined.
16	Country of origin	This field is for the code of the country where the particular goods declared were originally made.
17	Country of destination	This field is for the code of the country where the particular goods declared are exported to.
18	Identity of means of transport	This is a dynamic label that appears when the type of declaration is selected: <ul style="list-style-type: none"> ▪ Import SAD – Identity of means of transport at arrival. ▪ Export SAD – Identity of means of transport at departure.
19	Ctr	This is the container flag. It indicates if the goods in this declaration were containerised or not. When ticked, the system will prompt the user to capture the container number(s).
20	Delivery terms	This field is for the code describing the terms of delivery specified in the sale contract between the buyer and the seller of the declared goods (such as CIF or FOB). The code is the International Commercial Terms or Incoterms code, promoted by the International Chamber of Commerce.
21	Identity and nationality of active means of transport crossing the border	Identity and nationality for the means of transport at the point of crossing the border.
22	Currency & total amount invoiced	Total amount invoiced and currency code of the respective country for particular goods declared.
23	Exch. rate	This field is for the rate of exchange of foreign currency, which the goods in this entry were paid. For full implementation of ASYCUDA, this field will not be required to be entered. It has been agreed that it will be effective on the first day of every month (validity date).
24	Nature of transaction	Financial data which provides transactions, agreements and settlement of accounts between buyer and seller.
25	Mode of transport at border	Means of transport expected to be used on exit from the customs territory (such as air transport).

26	Inland mode of transport	Means of transport inland from the customs office of departure to the office of exit from customs. The same codes from Box 25 can be used.
27	Place of loading/unloading	This is a dynamic label that appears when the type of declaration is selected: <ul style="list-style-type: none"> ▪ Import SAD – Place of unloading. ▪ Export SAD – Place of loading.
28	Financial and banking data	This is related to the terms of payment. Countries use these data elements to indicate the bank processing the transaction/terms of payment, such as remittance of payment to supplier/exporter.
29	Office of entry and exit	Customs office code. This is the office where the particular goods are declared are cleared. It is a dynamic label that appears when the type of declaration is selected: <ul style="list-style-type: none"> ▪ Import SAD – office of entry. ▪ Export SAD – office of exit.
30	Location of goods	At places where transit sheds or airport areas are given identity codes, these are used. For other declarations the precise location at which the goods are available for examination are entered.
31	Packages and description of goods	The description in this field must include the shipping marks and numbers, the number of packages for this item, and naming of the types of packages (such as sacks, cartons or crates).
32	Item number	Reference to the item number declared for this declaration.
33	Commodity code	Commodity code of the goods declared according to the 8-digits HS.
34	Cty. orig. Code	Country code of the country of origin of goods.
35	Gross mass kg	The gross mass of the goods declared. If there is a need for additional information in regard to units, litres, cubic meters and so forth then refer to Box 41: supplementary units.
36	Prefer.	Used for entering a code that shows that the declarant is claiming a reduced rate of import duty allowable when the goods conform to a description with a regional trade agreement, for “preference” on certain kinds of goods.
37	Procedure	Customs Procedures Code to identify the customs regime under which goods are being moved to and from.
38	Net mass kg	The net mass of the goods declared.
39	Quota	Reserved for future use.
40	Summary declaration/ Previous document	This field is for the transport document number. Usually, the transport document is the shipping bill of lading (BL) or air waybill (AWB) number.
41	Supplementary units	When a quantity other than net mass is required such as for “other units”. Total supplied units declared under a particular commodity code. This is can also be cross referenced to Boxes 33 (SITC codes), 35 and 38.
42	Item price	Item price of a particular commodity code. It is a dynamic label that appears when the type of declaration is selected. It is only used for import SAD and is disabled for export SAD.

43	V.M. code	<p>This is a dynamic label that appears when the type of declaration is selected. This is only used for import SAD (and not export SAD) to indicate the Valuation Method:</p> <ul style="list-style-type: none"> ▪ Method 1 – Transaction value. ▪ Method 2 – Transaction value of identical goods. ▪ Method 3 – Transaction value of similar goods. ▪ Method 4 – Deductive method. ▪ Method 5 – Computed method. ▪ Method 6 – Fall-back method.
44	Add. info. Documents produced. Certificates and authorisation.	License reference number and other relevant certificates to assist in the clearance of a particular goods plus a value amount (where the license is conditioned according to value) and/or a quantity such as weight or number of units.
45	AI code	Adjustment Code is the coefficient multiplied to the taxation base and rate to come up with the computed amount. This by default = 1 but there may be conditions when an adjustment is applied. For example, if customs legislation states that the guarantee amount to be put up for a specific commodity to be entered in a warehouse is 10%, the adjustment code can be changed to 0.1. It is a dynamic label that appears when the declaration is filled out.
46	Statistical value	Enter the value of the goods described in Box 31, according to the rules for customs valuation. This value is the price of the goods as adjusted in accordance with articles and principles of the Brussels definition of value. In most cases this is the invoice price adjusted by the cost elements to value the goods at the landed, CIF level.
47	Calculation of taxes	<p>This table will display the following information:</p> <ul style="list-style-type: none"> ▪ Tax code – applicable duties/taxes to the commodity in this item. ▪ Tax base – basis for calculation of tax code. ▪ Tax rate – applicable tax rate at the time of SAD registration. ▪ Tax amount – calculated duties/taxes. ▪ MP – mode of payment; 0 – guaranteed, 1 – payable (some countries also use 2 – calculated amount is collected by another agency and 3 – calculated amount is for display purposes only).
48	Deferred payment	This field is used to capture a prepayment account or a credit account (for deferred payment). These accounts are created using the Accounting and Payments Module of ASYCUDA.
49	Identification of warehouse	This field is for the warehouse name. If the warehouse is not coded, enter the formal or business name of the warehouse, as registered with customs. In the second part of the field, enter the period (as the number of days) that the goods are approved for storage in that warehouse.
50	Principal	The principal is the entity responsible while the goods are in transit and under bond. Used only for a transit declaration.
51	Intended offices of transit and country	Intended offices of transit (and country).

52	Guarantee	This field displays the amount where MP = 0 (refer to Box 47 above), the amount that is guaranteed, usually for goods under suspense regimes (warehousing, temporary import, temporary export).
53	Office of destination and country	Office of destination and country.
54	Place and date	Signature and name of declarant/representative.

Appendix 3: Pacific Harmonized Commodity Description and Coding System 2022 (PACHS 2022) by sections and chapters

From 1 January 2022 PICTs will switch from the use of PACHS 2017 to PACHS 2022.

PACHS 2017 comprises the following categories:

- 21 sections and 1 Appendix
- 98 chapters⁴⁵
- 1,229 headings
- 5,614 sub-headings
- 6,200 regional sub-headings.

Table 10 outlines the sections and chapters of PACHS 2022.

Table 10: PACHS 2022 sections and chapters

Sections	Chapters	Titles
I		Live animals; animal products
	1	Live animals
	2	Meat and edible meat offal
	3	Fish and crustaceans, molluscs and other aquatic invertebrates
	4	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included
	5	Products of animal origin, not elsewhere specified or included
II		Vegetable products
	6	Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage
	7	Edible vegetables and certain roots and tubers
	8	Edible fruit and nuts; peel of citrus fruit or melons
	9	Coffee, tea, maté and spices
	10	Cereals
	11	Products of the milling industry; malt; starches; inulin; wheat gluten
	12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder
	13	Lac; gums, resins and other vegetable saps and extracts
	14	Vegetable plaiting materials; vegetable products not elsewhere specified or included
III		Animal, vegetable or microbial fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes
	15	Animal, vegetable or microbial fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes
IV		Prepared foodstuffs; beverages, spirits and vinegar; tobacco and manufactured tobacco substitutes; products, whether or not containing

⁴⁵ Chapter 1 to 97 of which Chapter 77 is reserved for possible future use and Chapter 99, which is given in the Appendix and contains commodities not classified according to kind.

Sections	Chapters	Titles
		nicotine, intended for inhalation without combustion; other nicotine containing products intended for the intake of nicotine into the human body
	16	Preparations of meat, of fish, of crustaceans, molluscs or other aquatic invertebrates, or of insects
	17	Sugars and sugar confectionery
	18	Cocoa and cocoa preparations
	19	Preparations of cereals, flour, starch or milk; pastrycooks' products
	20	Preparations of vegetables, fruit, nuts or other parts of plants
	21	Miscellaneous edible preparations
	22	Beverages, spirits and vinegar
	23	Residues and waste from the food industries; prepared animal fodder
	24	Tobacco and manufactured tobacco substitutes; products, whether or not containing nicotine, intended for inhalation without combustion; other nicotine containing products intended for the intake of nicotine into the human body
V		Mineral products
	25	Salt; sulphur; earths and stone; plastering materials, lime and cement
	26	Ores, slag and ash
	27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes
VI		Products of the chemical or allied industries
	28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes
	29	Organic chemicals
	30	Pharmaceutical products
	31	Fertilisers
	32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; inks
	33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations
	34	Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes, polishing or scouring preparations, candles and similar articles, modelling pastes, "dental waxes" and dental preparations with a basis of plaster
	35	Albuminoidal substances; modified starches; glues; enzymes
	36	Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations
	37	Photographic or cinematographic goods
	38	Miscellaneous chemical products
VII		Plastics and articles thereof; rubber and articles thereof
	39	Plastics and articles thereof

Sections	Chapters	Titles
	40	Rubber and articles thereof
VIII		Raw hides and skins, leather, furskins and articles thereof; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk-worm gut)
	41	Raw hides and skins (other than furskins) and leather
	42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk-worm gut)
	43	Furskins and artificial fur; manufactures thereof
IX		Wood and articles of wood; wood charcoal; cork and articles of cork; manufactures of straw, of esparto or of other plaiting materials; basketware and wickerwork
	44	Wood and articles of wood; wood charcoal
	45	Cork and articles of cork
	46	Manufactures of straw, of esparto or of other plaiting materials; basketware and wickerwork
X		Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard; paper and paperboard and articles thereof
	47	Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard
	48	Paper and paperboard; articles of paper pulp, of paper or of paperboard
	49	Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans
XI		Textiles and textile articles
	50	Silk
	51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric
	52	Cotton
	53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn
	54	Man-made filaments; strip and the like of man-made textile materials
	55	Man-made staple fibres
	56	Wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables and articles thereof
	57	Carpets and other textile floor coverings
	58	Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery
	59	Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use
	60	Knitted or crocheted fabrics
	61	Articles of apparel and clothing accessories knitted or crocheted
	62	Articles of apparel and clothing accessories not knitted or crocheted
	63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags

Sections	Chapters	Titles
XII		Footwear, headgear, umbrellas, sun umbrellas, walking-sticks, seat-sticks, whips, riding-crops and parts thereof; prepared feathers and articles made therewith; artificial flowers; articles of human hair
	64	Footwear, gaiters and the like; parts of such articles
	65	Headgear and parts thereof
	66	Umbrellas, sun umbrellas, walking-sticks, seat-sticks, whips, riding-crops and parts thereof
	67	Prepared feathers and down and articles made of feathers or of down; artificial flowers; articles of human hair
XIII		Articles of stone, plaster, cement, asbestos, mica or similar materials; ceramic products; glass and glassware
	68	Articles of stone, plaster, cement, asbestos, mica or similar materials
	69	Ceramic products
	70	Glass and glassware
XIV		Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal and articles thereof; imitation jewellery; coin
	71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal and articles thereof; imitation jewellery; coin
XV		Base metals and articles of base metal
	72	Iron and steel
	73	Articles of iron or steel
	74	Copper and articles thereof
	75	Nickel and articles thereof
	76	Aluminium and articles thereof
	77	(Reserved for possible future use in the Harmonized System)
	78	Lead and articles thereof
	79	Zinc and articles thereof
	80	Tin and articles thereof
	81	Other base metals; cermets; articles thereof
	82	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal
	83	Miscellaneous articles of base metal
XVI		Machinery and mechanical appliances; electrical equipment; parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles
	84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof
	85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles

Sections	Chapters	Titles
XVII		Vehicles, aircraft, vessels and associated transport equipment
	86	Railway or tramway locomotives, rolling stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical (including electro-mechanical) traffic signalling equipment of all kinds
	87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof
	88	Aircraft, spacecraft, and parts thereof
	89	Ships, boats and floating structures
XVIII		Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; clocks and watches; musical instruments; parts and accessories thereof
	90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof
	91	Clocks and watches and parts thereof
	92	Musical instruments; parts and accessories of such articles
XIX		Arms and ammunition; parts and accessories thereof
	93	Arms and ammunition; parts and accessories thereof
XX		Miscellaneous manufactured articles
	94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; luminaires and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated nameplates and the like; prefabricated buildings
	95	Toys, games and sports requisites; parts and accessories thereof
	96	Miscellaneous manufactured articles
XXI		Works of art, collectors' pieces and antiques
	97	Works of art, collectors' pieces and antiques
Appendix 1		List of commodities and transactions not classified according to kind in Chapters 1 to 97
	99	Commodities not specified according to kind

Appendix 4: Standard International Trade Classification (SITC) Revision 4 by sections and divisions

Table 11: SITC Rev 4 sections and divisions

Section	Division	Description
0		Food and live animals
	00	Live animals other than animals of Division 03
	01	Meat and meat preparations
	02	Dairy products and birds' eggs
	03	Fish (not marine mammals), crustaceans, molluscs and aquatic invertebrates and preparations thereof
	04	Cereals and cereal preparations
	05	Vegetables and fruit
	06	Sugars, sugar preparations and honey
	07	Coffee, tea, cocoa, spices, and manufactures thereof
	08	Feeding stuff for animals (not including unmilled cereals)
	09	Miscellaneous edible products and preparations
1		Beverages and tobacco
	11	Beverages
	12	Tobacco and tobacco manufactures
2		Crude materials, inedible, except fuels
	21	Hides, skins, and fur skins, raw
	22	Oilseeds and oleaginous fruits
	23	Crude rubber (including synthetic and reclaimed)
	24	Cork and wood
	25	Pulp and wastepaper
	26	Textile fibres (other than wool tops and other combed wool) and their wastes (not manufactured into yarn or fabric)
	27	Crude fertilizers, other than those of Division 56, and crude minerals (excluding coal, petroleum, and precious stones)
	28	Metalliferous ores and metal scrap
	29	Crude animal and vegetable materials, n.e.s.
3		Mineral fuels, lubricants and related materials
	32	Coal, coke and briquettes
	33	Petroleum, petroleum products and related materials
	34	Gas, natural and manufactured
	35	Electric current
4		Animal and vegetable oils, fats and waxes
	41	Animal oils and fats
	42	Fixed vegetable fats and oils, crude, refined or fractionated

Section	Division	Description
	43	Animal or vegetable fats and oils, processed; waxes of animal or vegetable origin; inedible mixtures or preparations of animal or vegetable fats or oils, n.e.s.
5		Chemicals and related products, n.e.s.
	51	Organic chemicals
	52	Inorganic chemicals
	53	Dyeing, tanning and colouring materials
	54	Medicinal and pharmaceutical products
	55	Essential oils and resinoids and perfume materials; toilet, polishing and cleaning preparations
	56	Fertilizers (other than those of group 272)
	57	Plastics in primary forms
	58	Plastics in non-primary forms
	59	Chemical materials and products, n.e.s.
6		Manufactured goods classified chiefly by material
	61	Leather, leather manufactures, n.e.s., and dressed fur skins
	62	Rubber manufactures, n.e.s.
	63	Cork and wood manufactures (excluding furniture)
	64	Paper, paperboard, and articles of paper pulp, of paper or of paperboard
	65	Textile yarn, fabrics, made-up articles, n.e.s., and related products
	66	Non-metallic mineral manufactures, n.e.s.
	67	Iron and steel
	68	Non-ferrous metals
	69	Manufactures of metals, n.e.s.
7		Machinery and transport equipment
	71	Power-generating machinery and equipment
	72	Machinery specialized for particular industries
	73	Metalworking machinery
	74	General industrial machinery and equipment, n.e.s., and machine parts, n.e.s.
	75	Office machines and automatic data-processing machines
	76	Telecommunications and sound-recording and reproducing apparatus and equipment
	77	Electrical machinery, apparatus, and appliances, n.e.s., and electrical parts thereof (including non-electrical counterparts, n.e.s., of electrical household-type equipment)
	78	Road vehicles (including air-cushion vehicles)
	79	Other transport equipment
8		Miscellaneous manufactured articles
	81	Prefabricated buildings; sanitary plumbing, heating and lighting fixtures and fittings, n.e.s.

Section	Division	Description
	82	Furniture and parts thereof; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings
	83	Travel goods, handbags, and similar containers
	84	Articles of apparel and clothing accessories
	85	Footwear
	87	Professional, scientific, and controlling instruments and apparatus, n.e.s.
	88	Photographic apparatus, equipment and supplies and optical goods, n.e.s.; watches and clocks
	89	Miscellaneous manufactured articles, n.e.s.
9		Commodities and transactions not classified elsewhere in the SITC
	91	Postal packages not classified according to kind
	93	Special transactions and commodities not classified according to kind
	96	Coin (other than gold coin), not being legal tender
	97	Gold, non-monetary (excluding gold, ores and concentrates)

Appendix 5: Classification by Broad Economic Categories (BEC) Revision 5 by goods only

Classification by BEC only for goods⁴⁶ right down to the most disaggregated level is given below.

Table 12: BEC by category dimensions

Category dimensions					Broad Economic Category
1					Agriculture, forestry, fishing, food, beverages, tobacco
	11				Goods
		111			Intermediate consumption
			1111		Primary
			1112		Processed
				111210	Generic ⁴⁷
				111220	Specified ⁴⁸
		112			Gross fixed capital formation
				112010	Generic
				112020	Specified
		113			Final consumption
			1131		Primary
				113101	Non-durable
				113102	Durable
			1132		Processed
				113201	Non-durable
				113202	Durable
2					Mining, quarrying, refinery, fuels, chemicals, electricity, water, waste treatment
	21				Goods
		211			Intermediate consumption
			2111		Primary
			2112		Processed
				211210	Generic
				211220	Specified
		212			Gross fixed capital formation
				212010	Generic
				212020	Specified
		213			Final consumption
			2131		Primary
				213101	Non-durable

⁴⁶ Due to the growing importance of services, they have been included in the product dimension of the BEC. Since this manual is on goods, only the goods component of the classification is given.

⁴⁷ Consumed across a wide range of industries.

⁴⁸ Typically consumed only in certain industries.

Category dimensions					Broad Economic Category
				213102	Durable
			2132		Processed
				213201	Non-durable
				213202	Durable
3					Construction, wood, glass, stone, basic metals, housing, electrical appliances, furniture
	31				Goods
		311			Intermediate consumption
			3111		Primary
			3112		Processed
				311210	Generic
				311220	Specified
		312			Gross fixed capital formation
				312010	Generic
				312020	Specified
		313			Final consumption
			3131		Primary
				313101	Non-durable
				313102	Durable
			3132		Processed
				313201	Non-durable
				313202	Durable
4					Textile, apparel, shoes
	41				Goods
		411			Intermediate consumption
			4111		Primary
			4112		Processed
				411210	Generic
				411220	Specified
		412			Gross fixed capital formation
				412010	Generic
				412020	Specified
		413			Final consumption
			4131		Primary
				413101	Non-durable
				413102	Durable
			4132		Processed
				413201	Non-durable
				413202	Durable
5					Transport equipment and services, travel, postal services

Category dimensions					Broad Economic Category
	51				Goods
		511			Intermediate consumption
			5111		Primary
			5112		Processed
				511210	Generic
				511220	Specified
		512			Gross fixed capital formation
				512010	Generic
				512020	Specified
		513			Final consumption
			5131		Primary
				513101	Non-durable
				513102	Durable
			5132		Processed
				513201	Non-durable
				513202	Durable
6					ICT, media, computers, business and financial services
	61				Goods
		611			Intermediate consumption
			6111		Primary
			6112		Processed
				611210	Generic
				611220	Specified
		612			Gross fixed capital formation
				612010	Generic
				612020	Specified
		613			Final consumption
			6131		Primary
				613101	Non-durable
				613102	Durable
			6132		Processed
				613201	Non-durable
				613202	Durable
7					Health, pharmaceuticals, education, cultural, sport
	71				Goods
		711			Intermediate consumption
			7111		Primary
			7112		Processed
				711210	Generic

Category dimensions					Broad Economic Category
				711220	Specified
		712			Gross fixed capital formation
				712010	Generic
				712020	Specified
		713			Final consumption
			7131		Primary
				713101	Non-durable
				713102	Durable
			7132		Processed
				713201	Non-durable
				713202	Durable
8					Government, military and other
	81				Goods
		811			Intermediate consumption
			8111		Primary
			8112		Processed
				811210	Generic
				811220	Specified
		812			Gross fixed capital formation
				812010	Generic
				812020	Specified
		813			Final consumption
			8131		Primary
				813101	Non-durable
				813102	Durable
			8132		Processed
				813201	Non-durable
				813202	Durable

Appendix 6: Pacific Standard Industrial Classification (PAC SIC) 2014 by sections and divisions

Table 13: PACSIC 2014 by sections and divisions

Section	Division	Description
A		Agriculture, forestry and fishing
	01	Crop and animal production, hunting and related service activities
	02	Forestry and logging
	03	Fishing and aquaculture
B		Mining and quarrying
	05	Mining of coal and lignite
	06	Extraction of crude petroleum and natural gas
	07	Mining of metal ore
	08	Other mining and quarrying
	09	Mining support service activities
C		Manufacturing
	10	Manufacture of food products
	11	Manufacture of beverages
	12	Manufacture of tobacco products
	13	Manufacture of textiles
	14	Manufacture of wearing apparel
	15	Manufacture of leather and related products
	16	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials
	17	Manufacture of paper and paper products
	18	Printing, and reproduction of recorded media
	19	Manufacture of coke and refined petroleum products
	20	Manufacture of chemicals and chemical products
	21	Manufacture of basic pharmaceutical products and pharmaceutical preparations
	22	Manufacture of rubber and plastic products
	23	Manufacture of other non-metallic mineral products
	24	Manufacture of basic metals
	25	Manufacture of fabricated metal products, except machinery and equipment
	26	Manufacture of electronic and optical products
	27	Manufacture of electrical equipment
	28	Manufacture of machinery and equipment components
	29	Manufacture of parts and accessories of motor vehicles, trailers and semi-trailers
	30	Manufacture of other transport equipment
	31	Manufacture of furniture
	32	Other manufacturing

Section	Division	Description
	33	Repair and installation of machinery and equipment
D	35	Electricity, gas, steam and air conditioning supply
E	36	Water supply; sewerage, waste management and remediation activities
	37	Water collection, treatment and supply
	38	Sewerage
	39	Waste collection, treatment and disposal activities; materials recovery
F		Construction
	41	Construction of buildings
	42	Civil engineering
	43	Specialised construction activities
G		Wholesale and retail trade; repair of motor vehicles, motor cycles
	45	Wholesale and retail trade and repair of motor vehicles and motorcycles
	46	Wholesale trade, except of motor vehicles and motorcycles
	47	Retail trade, except of motor vehicles and motorcycles
H		Transport and storage
	49	Land transport
	50	Water transport
	51	Air transport
	52	Warehousing and support activities for transportation
	53	Postal and courier activities
I		Accommodation and food service activities
	55	Accommodation
	56	Food and beverage service activities
J		Information and communication
	58	Publishing activities
	59	Motion picture, video and television programme production, sound recording and music publishing activities
	60	Programming and broadcasting activities
	61	Telecommunications
	62	Computer programming, consultancy and related activities
	63	Information service activities
K		Financial and insurance activities
	64	Financial service activities, except insurance and pension funding
	65	Insurance, reinsurance and pension funding, except compulsory social security
	66	Activities auxiliary to financial service and insurance activities
L		Real estate activities
	68	Real estate activities
M	69	Professional, scientific and technical activities
	70	Activities of head offices; management consultancy activities
	71	Architectural and engineering activities; technical testing and analysis

Section	Division	Description
	72	Scientific research and development
	73	Advertising and market research
	74	Other professional, scientific and technical activities
	75	Veterinary activities
N		Administrative and support service activities
	77	Rental and leasing activities
	78	Employment activities
	79	Travel agency, tour operator, reservation service and related activities
	80	Security and investigation activities
	81	Services to buildings and landscape activities
	82	Office administrative, office support and other business support activities
O		Public administration and defence; compulsory social security
	84	Public administration and defence; compulsory social security
P		Education
	85	Education
Q		Human health and social work activities
	86	Human health activities
	87	Residential care activities
	88	Social work activities without accommodation
R		Arts, entertainment and recreation
	90	Creative, arts and entertainment activities
	91	Libraries, archives, museums and other cultural activities
	92	Gambling and betting activities
	93	Sports activities and amusement and recreation
S		Other service activities
	94	Activities of membership organisations
	95	Repair of computers and personal and household appliances
	96	Other personal service activities
T		Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use
	97	Activities of households as employers of domestic personnel
	98	Undifferentiated goods- and services-producing activities of private households for own use
U		Activities of extra-territorial organisations and bodies
	99	Activities of extra-territorial organisations and bodies

Appendix 7: Central Product Classification (CPC) version 2.1 by sections and divisions

Table 14: CPC 2.1 by sections and divisions

Section	Division	Description
0		Agriculture, forestry and fishery products
	01	Products of agriculture, horticulture and market gardening
	02	Live animals and animal products (excluding meat)
	03	Forestry and logging products
	04	Fish and other fishing products
1		Ores and minerals; electricity, gas and water
	11	Coal and peat
	12	Crude petroleum and natural gas
	13	Uranium and thorium ores and concentrates
	14	Metal ores
	15	Stone, sand and clay
	16	Other minerals
	17	Electricity, town gas, steam and hot water
	18	Natural water
2		Food products, beverages and tobacco; textiles, apparel and leather products
	21	Meat, fish, fruits, vegetables, oils and fats
	22	Dairy products and egg products
	23	Grain mill products, starches and starch products; other food products
	24	Beverages
	25	Tobacco products
	26	Yarn and thread; woven and tufted textile fabrics
	27	Textile articles other than apparel
	28	Knitted or crocheted fabrics; wearing apparel
	29	Leather and leather products; footwear
3		Other transportable goods, except metal products, machinery and equipment
	31	Products of wood, cork, straw and plaiting materials
	32	Pulp, paper and paper products; printed matter and related articles
	33	Coke oven products; refined petroleum products; nuclear fuel
	34	Basic chemicals
	35	Other chemical products; man-made fibres
	36	Rubber and plastics products
	37	Glass and glass products and other non-metallic products n.e.c.

Section	Division	Description
	38	Furniture; other transportable goods n.e.c.
	39	Wastes or scraps
4		Metal products, machinery and equipment
	41	Basic metals
	42	Fabricated metal products, except machinery and equipment
	43	General-purpose machinery
	44	Special-purpose machinery
	45	Office, accounting and computing machinery
	46	Electrical machinery and apparatus
	47	Radio, television and communication equipment and apparatus
	48	Medical appliances, precision and optical instruments, watches and clocks
	49	Transport equipment
5		Constructions and construction services
	53	Constructions
	54	Construction services
6		Distributive trade services; accommodation, food and beverage serving services; transport services; and electricity, gas and water distribution services
	61	Wholesale trade services
	62	Retail trade services
	63	Accommodation, food and beverage services
	64	Passenger transport services
	65	Freight transport services
	66	Rental services of transport vehicles with operators
	67	Supporting transport services
	68	Postal and courier services
	69	Electricity, gas and water distribution (on own account)
7		Financial and related services; real estate services; and rental and leasing services
	71	Financial and related services
	72	Real estate services
	73	Leasing or rental services without operator
8		Business and production services
	81	Research and development services
	82	Legal and accounting services
	83	Professional, technical and business services (except research, development, legal and accounting services)

Section	Division	Description
	84	Telecommunications, broadcasting and information supply services
	85	Support services 6
	86	Support and operation services to agriculture, hunting, forestry, fishing, mining and utilities
	87	Maintenance, repair and installation (except construction) services
	88	Manufacturing services on physical inputs owned by others
	89	Other manufacturing services; publishing, printing and reproduction services; materials recovery services
9		Community, social and personal services
	91	Public administration and other services provided to the community as a whole; compulsory social security services
	92	Education services
	93	Human health and social care services
	94	Sewage and waste collection, treatment and disposal and other environmental protection services
	95	Services of membership organizations
	96	Recreational, cultural and sporting services
	97	Other services
	98	Domestic services
	99	Services provided by extraterritorial organizations and bodies

Appendix 8: Standard country and area codes for statistical use

Table 15 contains the names of countries/territories or areas in alphabetical order with their:

- 3-digit numerical codes used for statistical processing purposes by the Statistics Division of the UN Secretariat, and
- 2-letter and 3-letter alphabetical codes assigned by the ISO.

Table 15: Standard country and area codes

Country name	ISO Alpha-2 code	ISO Alpha-3 code	M49 ⁴⁹ code
Afghanistan	AF	AFG	004
Aland Islands	AX	ALA	248
Albania	AL	ALB	008
Algeria	DZ	DZA	012
American Samoa	AS	ASM	016
Andorra	AD	AND	020
Angola	AO	AGO	024
Anguilla	AI	AIA	660
Antarctica	AQ	ATA	010
Antigua and Barbuda	AG	ATG	028
Argentina	AR	ARG	032
Armenia	AM	ARM	051
Aruba	AW	ABW	533
Australia	AU	AUS	036
Austria	AT	AUT	040
Azerbaijan	AZ	AZE	031
Bahamas	BS	BHS	044
Bahrain	BH	BHR	048
Bangladesh	BD	BGD	050
Barbados	BB	BRB	052
Belarus	BY	BLR	112
Belgium	BE	BEL	056
Belize	BZ	BLZ	084
Benin	BJ	BEN	204
Bermuda	BM	BMU	060

⁴⁹ In 1970 the UN published *United Nations Standard Country Codes* which was catalogued as Series M, No 49. Subsequent revisions of this document became known as M49. M49 gets revised/updated continuously through the website and in Annex I of the *United Nations Statistical Yearbook* as of 31 July each year. Changes to the name of the countries and areas are more frequent than changes of codes, as the latter requires a significant change to the statistical territory of that country or area. Name changes of a country or area in M49 are usually requested by a UN Member State through UN Protocol. The introduction or retirement of a code within M49 is often the result of new UN General Assembly or Security Council resolutions or at least with the express permission of the UN Member State(s) involved. Retired codes are usually appended with the text "[former]".

The lettered codes are maintained by the ISO as part of their ISO3166-1 standard. Both 2-letter and 3-letter codes are maintained for each country or area. Their purpose is to represent the "name" identity of the country or territory.

The numerical codes are maintained by the UN Statistics Division as part of the standard country or area codes for statistical use (M49). Their purpose is to represent the "statistical" identity. In aggregate, the numerical codes represent a mutually exclusive set of the statistical geographies of the world.

Country name	ISO Alpha-2 code	ISO Alpha-3 code	M49 ⁴⁹ code
Bhutan	BT	BTN	064
Bolivia (Plurinational State of)	BO	BOL	068
Bonaire, Sint Eustatius and Saba	BQ	BES	535
Bosnia and Herzegovina	BA	BIH	070
Botswana	BW	BWA	072
Bouvet Island	BV	BVT	074
Brazil	BR	BRA	076
British Indian Ocean Territory	IO	IOT	086
British Virgin Islands	VG	VGB	092
Brunei Darussalam	BN	BRN	096
Bulgaria	BG	BGR	100
Burkina Faso	BF	BFA	854
Burundi	BI	BDI	108
Cape Verde	CV	CPV	132
Cambodia	KH	KHM	116
Cameroon	CM	CMR	120
Canada	CA	CAN	124
Cayman Islands	KY	CYM	136
Central African Republic	CF	CAF	140
Chad	TD	TCO	148
Chile	CL	CHL	152
China	CN	CHN	156
China, Hong Kong Special Administrative Region	HK	HKG	344
China, Macao Special Administrative Region	MO	MAC	446
Christmas Island	CX	CXR	162
Cocos (Keeling) Islands	CC	CCK	166
Colombia	CO	COL	170
Comoros	KM	COM	174
Congo (Brazzaville)	CG	COG	178
Cook Islands	CK	COK	184
Costa Rica	CR	CRI	188
Côte d'Ivoire	CI	CIV	384
Croatia	HR	HRV	191
Cuba	CU	CUB	192
Curacao	CW	CUW	531
Cyprus	CY	CYP	196
Czechia ⁵⁰	CZ	CZE	203
Democratic People's Republic of Korea	KP	PRK	408

⁵⁰ Formerly Czech Republic.

Country name	ISO Alpha-2 code	ISO Alpha-3 code	M49 ⁴⁹ code
Democratic Republic of the Congo	CD	COD	180
Denmark	DK	DNK	208
Djibouti	DJ	DJI	262
Dominica	DM	DMA	212
Dominican Republic	DO	DOM	214
Ecuador	EC	ECU	218
Egypt	EG	EGY	818
El Salvador	SV	SLV	222
Equatorial Guinea	GQ	GNQ	226
Eritrea	ER	ERI	232
Estonia	EE	EST	233
Eswatini ⁵¹	SZ	SWZ	748
Ethiopia	ET	ETH	231
Falkland Islands (Malvinas)	FK	FLK	238
Faroe Islands	FO	FRO	234
Fiji	FJ	FJI	242
Finland	FI	FIN	246
France	FR	FRA	250
French Guiana	GF	GUF	254
French Polynesia	PF	PYF	258
French Southern Territories ⁵²	TF	ATF	260
Gabon	GA	GAB	266
Gambia	GM	GMB	270
Georgia	GE	GEO	268
Germany	DE	DEU	276
Ghana	GH	GHA	288
Gibraltar	GI	GIB	292
Greece	GR	GRC	300
Greenland	GL	GRL	304
Grenada	GD	GRD	308
Guadeloupe	GP	GLP	312
Guam	GU	GUM	316
Guatemala	GT	GTM	320
Guernsey	GG	GGY	831
Guinea	GN	GIN	324
Guinea-Bissau	GW	GNB	624
Guyana	GY	GUY	328
Haiti	HT	HTI	332

⁵¹ Formerly Swaziland.

⁵² Comprises Amsterdam Island, Crozet Archipelago, Kerguelen Islands, Saint Paul Island and French scattered Indian Ocean Islands formed by Bassas da India, Europa Island, Glorioso Islands, Juan de Nova Island and Tromelin Island.

Country name	ISO Alpha-2 code	ISO Alpha-3 code	M49 ⁴⁹ code
Heard Island and McDonald Islands	HM	HMD	334
Holy See (Vatican City State)	VA	VAT	336
Honduras	HN	HND	340
Hungary	HU	HUN	348
Iceland	IS	ISL	352
India	IN	IND	356
Indonesia	ID	IDN	360
Iran, Islamic Republic of	IR	IRN	364
Iraq	IQ	IRQ	368
Ireland	IE	IRL	372
Isle of Man	IM	IMN	833
Israel	IL	ISR	376
Italy	IT	ITA	380
Jamaica	JM	JAM	388
Japan	JP	JPN	392
Jersey	JE	JEY	832
Jordan	JO	JOR	400
Kazakhstan	KZ	KAZ	398
Kenya	KE	KEN	404
Kiribati	KI	KIR	296
Kuwait	KW	KWT	414
Kyrgyzstan	KG	KGZ	417
Lao, People's Democratic Republic	LA	LAO	418
Latvia	LV	LVA	428
Lebanon	LB	LBN	422
Lesotho	LS	LSO	426
Liberia	LR	LBR	430
Libya	LY	LBY	434
Liechtenstein	LI	LIE	438
Lithuania	LT	LTU	440
Luxembourg	LU	LUX	442
Madagascar	MG	MDG	450
Malawi	MW	MWI	454
Malaysia	MY	MYS	458
Maldives	MV	MDV	462
Mali	ML	MLI	466
Malta	MT	MLT	470
Marshall Islands	MH	MHL	584
Martinique	MQ	MTQ	474
Mauritania	MR	MRT	478
Mauritius	MU	MUS	480

Country name	ISO Alpha-2 code	ISO Alpha-3 code	M49 ⁴⁹ code
Mayotte	YT	MYT	175
Mexico	MX	MEX	484
Micronesia, Federated States of	FM	FSM	583
Monaco	MC	MCO	492
Mongolia	MN	MNG	496
Montenegro	ME	MNE	499
Montserrat	MS	MSR	500
Morocco	MA	MAR	504
Mozambique	MZ	MOZ	508
Myanmar	MM	MMR	104
Namibia	NA	NAM	516
Nauru	NR	NRU	520
Nepal	NP	NPL	524
Netherlands	NL	NLD	528
New Caledonia	NC	NCL	540
New Zealand	NZ	NZL	554
Nicaragua	NI	NIC	558
Niger	NE	NER	562
Nigeria	NG	NGA	566
Niue	NU	NIU	570
Norfolk Island	NF	NFK	574
North Macedonia	MK	MKD	807
Northern Mariana Islands	MP	MNP	580
Norway	NO	NOR	578
Oman	OM	OMN	512
Pakistan	PK	PAK	586
Palau	PW	PLW	585
Palestine, State of	PS	PSE	275
Panama	PA	PAN	591
Papua New Guinea	PG	PNG	598
Paraguay	PY	PRY	600
Peru	PE	PER	604
Philippines	PH	PHL	608
Pitcairn	PN	PCN	612
Poland	PL	POL	616
Portugal	PT	PRT	620
Puerto Rico	PR	PRI	630
Qatar	QA	QAT	634
Republic of Korea	KR	KOR	410
Republic of Moldova	MD	MDA	498
Réunion	RE	REU	638

Country name	ISO Alpha-2 code	ISO Alpha-3 code	M49 ⁴⁹ code
Romania	RO	ROU	642
Russian Federation	RU	RUS	643
Rwanda	RW	RWA	646
Saint-Barthélemy	BL	BLM	652
Saint Helena	SH	SHN	654
Saint Kitts and Nevis	KN	KNA	659
Saint Lucia	LC	LCA	662
Saint-Martin (French part)	MF	MAF	663
Saint Pierre and Miquelon	PM	SPM	666
Saint Vincent and Grenadines	VC	VCT	670
Samoa	WS	WSM	882
San Marino	SM	SMR	674
Sao Tome and Principe	ST	STP	678
Sark	Does not have an alpha code.		680
Saudi Arabia	SA	SAU	682
Senegal	SN	SEN	686
Serbia	RS	SRB	688
Seychelles	SC	SYC	690
Sierra Leone	SL	SLE	694
Singapore	SG	SGP	702
Sint Maarten (Dutch part)	SX	SXM	534
Slovakia	SK	SVK	703
Slovenia	SI	SVN	705
Solomon Islands	SB	SLB	090
Somalia	SO	SOM	706
South Africa	ZA	ZAF	710
South Georgia and the South Sandwich Islands	GS	SGS	239
South Sudan	SS	SSD	728
Spain	ES	ESP	724
Sri Lanka	LK	LKA	144
State of Palestine	PS	PSE	275
Sudan	SD	SDN	729
Suriname	SR	SUR	740
Svalbard and Jan Mayen Islands	SJ	SJM	744
Sweden	SE	SWE	752
Switzerland	CH	CHE	756
Syrian Arab Republic (Syria)	SY	SYR	760
Taiwan, Province of China ⁵³	TW	TWN	158

⁵³ On 25 October 1971, the UN General Assembly adopted a resolution (2758) to recognise the representatives of the Government of the People's Republic of China as the only legitimate representatives of China to the UN. As a result, within the M49, Taiwan

Country name	ISO Alpha-2 code	ISO Alpha-3 code	M49 ⁴⁹ code
Tajikistan	TJ	TJK	762
Thailand	TH	THA	764
Timor-Leste	TL	TLS	626
Togo	TG	TGO	768
Tokelau	TK	TKL	772
Tonga	TO	TON	776
Trinidad and Tobago	TT	TTO	780
Tunisia	TN	TUN	788
Turkey	TR	TUR	792
Turkmenistan	TM	TKM	795
Turks and Caicos Islands	TC	TCA	796
Tuvalu	TV	TUV	798
Uganda	UG	UGA	800
Ukraine	UA	UKR	804
United Arab Emirates	AE	ARE	784
United Kingdom of Great Britain and Northern Ireland	GB	GBR	826
United Republic of Tanzania	TZ	TZA	834
United States Minor Outlying Islands ⁵⁴	UM	UMI	581
United States of America ⁵⁵	US	USA	840
United States Virgin Islands	VI	VIR	850
Uruguay	UY	URY	858
Uzbekistan	UZ	UZB	860
Vanuatu	VU	VUT	548
Venezuela (Bolivarian Republic of)	VE	VEN	862
Vietnam	VN	VNM	704
Wallis and Futuna Islands	WF	WLF	876
Western Sahara	EH	ESH	732
Yemen	YE	YEM	887
Zambia	ZM	ZMB	894
Zimbabwe	ZW	ZWE	716

Source: UN Statistics Division

Province of China is considered part of China (numerical code 156). However, for strictly statistical purposes, the numerical code 158 can be used to represent this area.

⁵⁴ United States Minor Outlying Islands (numerical code 581) comprises Johnston Island, Midway Islands, United States Miscellaneous Pacific Islands and Wake Island.

⁵⁵ Hawaii is the fiftieth state of USA and therefore should be included under USA.

Appendix 9: Composition of macro geographical regions and geographical sub-regions

The world is split into five macro geographical (continental) regions, namely Africa, Americas, Asia, Europe and Oceania. Each region is further split into geographical sub-regions thus:

- Africa into Eastern Africa, Middle Africa, Northern Africa, Southern Africa and Western Africa.
- Americas into Latin America and the Caribbean and Northern America
 - Latin America and the Caribbean is further split into Caribbean, Central America and South America
- Asia into Central Asia, Eastern Asia, Southern Asia, South-east Asia and Western Asia
- Europe into Eastern Europe, Northern Europe, Southern Europe and Western Europe
- Oceania into Australia and New Zealand, Melanesia, Micronesia and Polynesia.

Table 16 classifies countries into their macro geographical (continental) regions and geographical sub-regions.

Table 16: Geographical region and composition of each region with ISO numeric code

Table Key

	Macro geographical (continental) regions
	Geographical sub-regions
	Further split of geographical sub-regions

001 WORLD									
002	AFRICA	019	THE AMERICAS	142	ASIA	150	EUROPE	009	OCEANIA
014	Eastern Africa	419	Latin America and the Caribbean	143	Central Asia	151	Eastern Europe	053	Australia and New Zealand
086	British Indian Ocean Territory	029	The Caribbean	398	Kazakhstan	112	Belarus	036	Australia
108	Burundi	660	Anguilla	417	Kyrgyzstan	100	Bulgaria	162	Christmas Island
174	Comoros	028	Antigua and Barbuda	762	Tajikistan	203	Czechia	166	Cocos (Keeling) Islands
262	Djibouti	533	Aruba	795	Turkmenistan	348	Hungary	334	Heard Island and McDonald Islands
232	Eritrea	044	Bahamas	860	Uzbekistan	616	Poland	554	New Zealand
231	Ethiopia	052	Barbados	030	Eastern Asia	498	Republic of Moldova	574	Norfolk Island
404	Kenya	535	Bonaire, Sint Eustatius and Saba	156	China	642	Romania	054	Melanesia
450	Madagascar	092	British Virgin Islands	344	China, Hong Kong Special Administrative Region	643	Russian Federation	242	Fiji
454	Malawi	136	Cayman Islands	446	China, Macao Special Administrative Region	703	Slovakia	540	New Caledonia

001 WORLD									
002	AFRICA	019	THE AMERICAS	142	ASIA	150	EUROPE	009	OCEANIA
480	Mauritius	192	Cuba	408	Democratic People's Republic of Korea	804	Ukraine	598	Papua New Guinea
175	Mayotte	531	Curaçao	392	Japan	154	Northern Europe	090	Solomon Islands
508	Mozambique	212	Dominica	496	Mongolia	248	Aland Islands	548	Vanuatu
638	Reunion	214	Dominican Republic	410	Republic of Korea	208	Denmark	057	Micronesia
646	Rwanda	308	Grenada	034	Southern Asia	233	Estonia	316	Guam
690	Seychelles	312	Guadeloupe	004	Afghanistan	234	Faroe Islands	296	Kiribati
706	Somalia	332	Haiti	050	Bangladesh	246	Finland	584	Marshall Islands
728	South Sudan	388	Jamaica	064	Bhutan	831	Guernsey	583	Micronesia, Federated States of
800	Uganda	474	Martinique	356	India	352	Iceland	520	Nauru
834	United Republic of Tanzania	500	Montserrat	364	Iran (Islamic Republic of)	372	Ireland	580	Northern Mariana Islands
894	Zambia	630	Puerto Rico	462	Maldives	833	Isle of Man	585	Palau
716	Zimbabwe	652	Saint-Barthélemy	524	Nepal	832	Jersey	581	United States Minor Outlying Islands
017	Middle Africa	659	St. Kitts and Nevis	586	Pakistan	428	Latvia	061	Polynesia
024	Angola	662	Saint Lucia	144	Sri Lanka	440	Lithuania	016	American Samoa
120	Cameroon	663	Saint Martin (French part)	035	South-Eastern Asia	578	Norway	184	Cook Islands
140	Central African Republic	670	Saint Vincent and Grenadines	096	Brunei Darussalam	680	Sark	258	French Polynesia
148	Chad	534	Sint Maarten (Dutch part)	116	Cambodia	744	Svalbard and Jan Mayen Islands	570	Niue
178	Congo (Brazzaville)	780	Trinidad and Tobago	360	Indonesia	752	Sweden	612	Pitcairn
180	Democratic Republic of the Congo	796	Turks and Caicos Islands	418	Lao People's Democratic Republic	826	United Kingdom of Great Britain and Northern Ireland	882	Samoa
226	Equatorial Guinea	850	United States Virgin Islands	458	Malaysia	039	Southern Europe	772	Tokelau
266	Gabon	013	Central America	104	Myanmar	008	Albania	776	Tonga
678	Sao Tome and Principe	084	Belize	608	Philippines	020	Andorra	798	Tuvalu
015	Northern Africa	188	Costa Rica	702	Singapore	070	Bosnia and Herzegovina	876	Wallis and Futuna Islands
012	Algeria	222	El Salvador	764	Thailand	191	Croatia		
818	Egypt	320	Guatemala	626	Timor Leste	292	Gibraltar		
434	Libya	340	Honduras	704	Vietnam	300	Greece		

001 WORLD									
002	AFRICA	019	THE AMERICAS	142	ASIA	150	EUROPE	009	OCEANIA
504	Morocco	484	Mexico	145	Western Asia	336	Holy See (Vatican City State)		
729	Sudan	558	Nicaragua	051	Armenia	380	Italy		
788	Tunisia	591	Panama	031	Azerbaijan	470	Malta		
732	Western Sahara	005	South America	048	Bahrain	499	Montenegro		
018	Southern Africa	032	Argentina	196	Cyprus	620	Portugal		
072	Botswana	068	Bolivia (Plurinational State of)	268	Georgia	674	San Marino		
426	Lesotho	074	Bouvet Island	368	Iraq	688	Serbia		
516	Namibia	076	Brazil	376	Israel	705	Slovenia		
710	South Africa	152	Chile	400	Jordan	724	Spain		
748	Eswatini	170	Colombia	414	Kuwait	807	North Macedonia		
011	Western Africa	218	Ecuador	422	Lebanon	155	Western Europe		
204	Benin	238	Falkland Islands (Malvinas)	512	Oman	040	Austria		
854	Burkina Faso	254	French Guiana	634	Qatar	056	Belgium		
132	Cape Verde	328	Guyana	682	Saudi Arabia	250	France		
384	Cote d'Ivoire	600	Paraguay	275	State of Palestine	276	Germany		
270	Gambia	604	Peru	760	Syrian Arab Republic (Syria)	438	Liechtenstein		
288	Ghana	239	South Georgia and the South Sandwich Islands	792	Turkey	442	Luxembourg		
324	Guinea	740	Suriname	784	United Arab Emirates	492	Monaco		
624	Guinea-Bissau	858	Uruguay	887	Yemen	528	Netherlands		
430	Liberia	862	Venezuela (Bolivarian Republic of)			756	Switzerland		
466	Mali	021	Northern America	490	Other Asia NES				
478	Mauritania	010	Antarctica	158	Taiwan, Province of China ⁵⁶				
562	Niger	060	Bermuda						
566	Nigeria	124	Canada						
654	Saint Helena	304	Greenland						
686	Senegal	666	Saint Pierre and Miquelon						
694	Sierra Leone	840	United States of America						
768	Togo								

Source: UN Statistics Division

⁵⁶ Taiwan, Province of China, is not a UN Member State, which is the reason why data referring to Taiwan, Province of China, as a trading partner are included under "Other Asia NES", code 490.

Appendix 10: Guidelines on using a PivotTable with illustrations

A brief guideline on using the PivotTable to compile the IMTS analytical tables is provided below. The illustration uses fictitious import data.

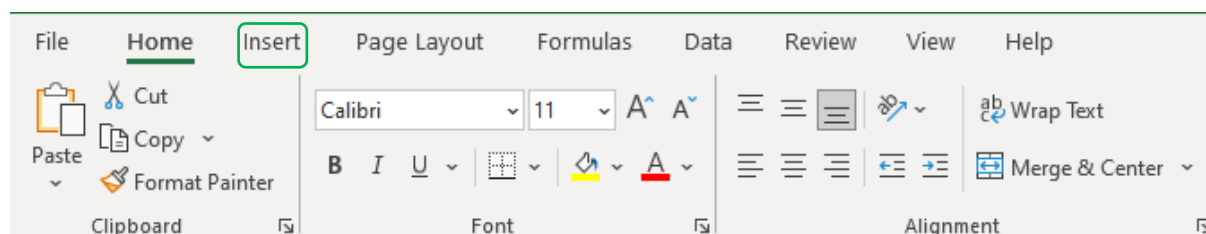
Step 1: Prepare dataset

1. Export data (from whatever database it is in) into Excel.
2. Name the sheet (for example, *Import for January 2021 for country X*).
3. Label column headings correctly (for example, HS, Value_cif).

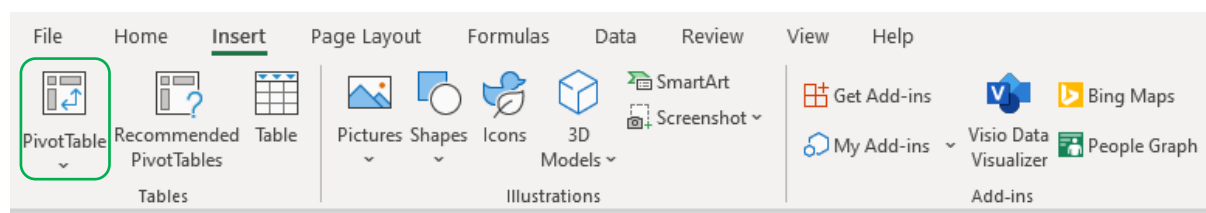
Import for January 2021 for country X						
	Date	HS	Commodity Description	Value_cif	Country of origin	Mode of Transport
1	02/01/2019	0302.13.00	Pacific Salmon	10470	FJ	Air
2	04/01/2019	1905.90.90	Bread & Pastries	1068	NC	Air
3	23/01/2019	0201.30.00	Meat of bovine animals, fresh or chilled - boneless	8500	Vu	Sea
4	16/01/2019	0307.11.00	Clams	9350	NC	Air
5	12/01/2019	0306.12.00	Lobsters	5115	US	Air
6	11/01/2019	2402.20.00	Cigarettes	510	FJ	Sea
7	12/01/2019	1701.13.00	Cane sugar	1510	FJ	Sea

Step 2: Insert PivotTable

1. Go to the “Insert” menu in the Excel sheet.



2. Click on Insert > PivotTable.



Step 3: Create PivotTable

1. The “Create PivotTable” dialogue box will pop-up.
2. In the “Table/Range” field select all the dataset given above in Step 1.
3. Choose “New Worksheet” for the location of the PivotTable.
4. Press “OK”.

Create PivotTable

Choose the data that you want to analyze

☒ Select a table or range

Table/Range: Sheet1!\$B\$2:\$G\$9

☐ Use an external data source

Choose Connection...

Connection name:

☐ Use this workbook's Data Model

Choose where you want the PivotTable report to be placed

☒ New Worksheet

☐ Existing Worksheet

Location: Sheet1!\$G\$12

Choose whether you want to analyze multiple tables

☐ Add this data to the Data Model

OK Cancel

5. The “PivotTable Fields” box will appear alongside the Excel sheet. The chosen fields (such as data, HS, commodity description, value_cif, country of origin and mode of transport) appear ready to be calculated and analysed by dragging them between filters, columns, rows and values.

PivotTable Fields

Choose fields to add to report:

Search

☐ Date

☐ HS

☐ Commodity Description

☐ Value_cif

☐ Country of origin

☐ Mode of Transport

More Tables...

Drag fields between areas below:

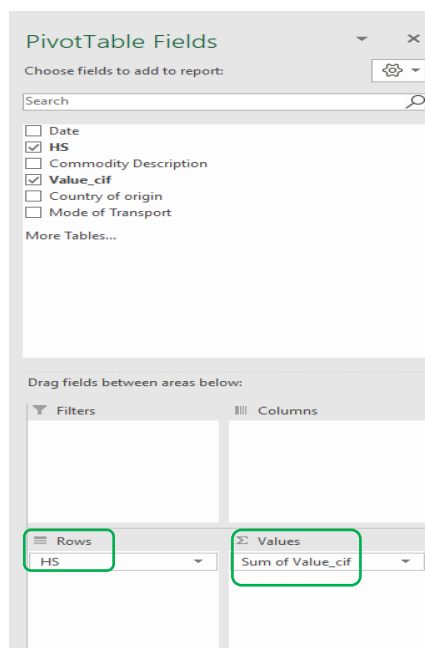
Filters Columns

Rows Values

Step 4: Tabulate data to populate the IMTS Release Tables (see Appendix 11)

Some examples are below.

Example 1: IMTS Release Table 2 – Import by HS Sections

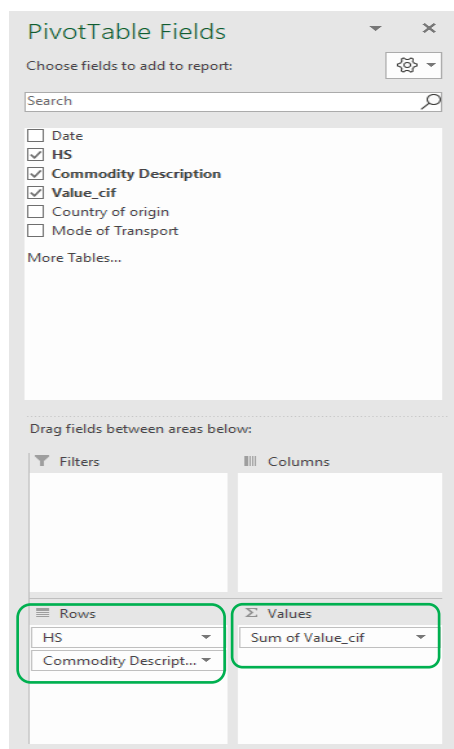


In the PivotTable field list drag “HS” to Rows and “Value_cif” to Values.

The result will be the following tabulation for Table 2 of the IMTS Release Tables.

Row Labels	Sum of Value_cif
0201.30.00	8500
0302.13.00	10470
0306.12.00	5115
0307.11.00	9350
1701.13.00	1510
1905.90.90	1068
2402.20.00	510
Grand Total	36523

Example 2: IMTS Release Table 7 – Principal Imports



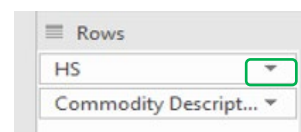
In the PivotTable field list drag “HS” to Rows, “Value_cif” to Values and “Commodity Description” to the Rows below “HS”.

The result will be the following tabulation with subtotals –

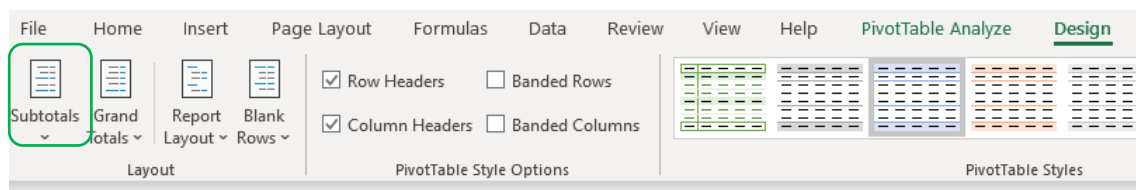
Row Labels	Commodity Description	Sum of Value_cif
0201.30.00		
	Meat of bovine animals, fresh or chilled - boneless	8500
0201.30.00 Total		8500
0302.13.00		
	Pacific Salmon	10470
0302.13.00 Total		10470
0306.12.00		
	Lobsters	5115
0306.12.00 Total		5115
0307.11.00		
	Clams	9350
0307.11.00 Total		9350
1701.13.00		
	Cane sugar	1510
1701.13.00 Total		1510
1905.90.90		
	Bread & Pastries	1068
1905.90.90 Total		1068
2402.20.00		
	Cigarettes	510
2402.20.00 Total		510
Grand Total		36523

Click on the dropdown arrow on “HS” and select “Field Settings”.

Select “Layout and Print” tab and untick the two boxes under “Show item labels in outline form”, then click “OK”.



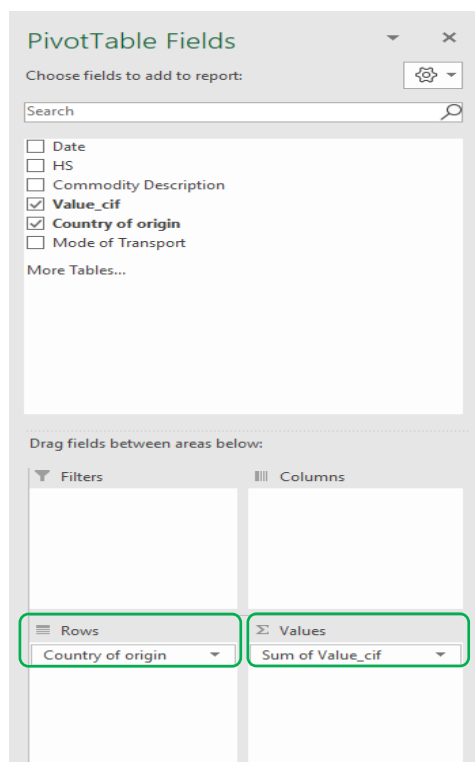
To turn off the subtotal, select a cell in the PivotTable then on the Ribbon and select the “Design” tab. Turn off subtotals, by clicking on “Subtotal” and from the drop-down menu choose the option “Do not show subtotals”.



The result will be the following tabulation for Table 7 of the IMTS Release Tables.

Row Labels	Commodity Description	Sum of Value_cif
0201.30.00	Meat of bovine animals, fresh or chilled - boneless	8500
0302.13.00	Pacific Salmon	10470
0306.12.00	Lobsters	5115
0307.11.00	Clams	9350
1701.13.00	Cane sugar	1510
1905.90.90	Bread & Pastries	1068
2402.20.00	Cigarettes	510
Grand Total		36523

Example 3: IMTS Release Table 8 – Imports by Partner Countries

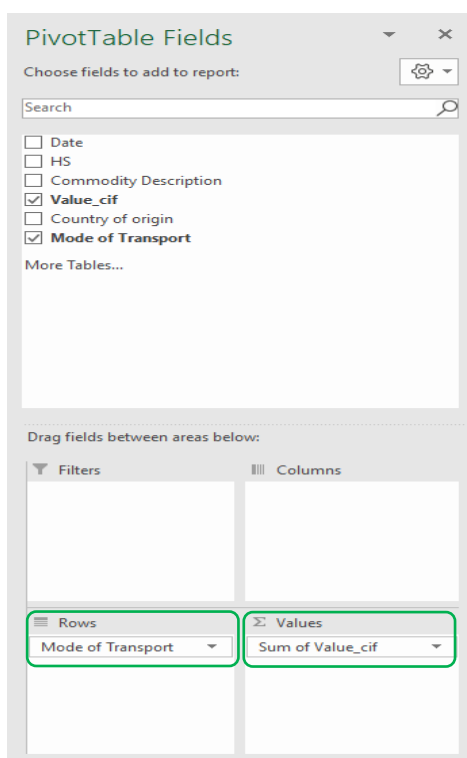


In the PivotTable field list drag “Country of origin” to Rows and “Value_cif” to Values.

The result will be the following tabulation for Table 8 of the IMTS Release Tables.

Row Labels	Sum of Value_cif
FJ	12490
NC	10418
US	5115
Vu	8500
Grand Total	36523

Example 4: IMTS Release Table 14 – Imports by Mode of Transport



In the PivotTable field list drag “Mode of Transport” to Rows and “Value_cif” to Values

The result will be the following tabulation for Table 14 of the IMTS Release Tables

Row Labels	Sum of Value_cif
Air	26003
Sea	10520
Grand Total	36523

Appendix 11: Recommended IMTS tables for PICTs

The IMTS tables need to be compiled with the following in mind.

- All data needs to be given in the national currency either in exact amounts, in thousands or in millions. Currencies used in the PICTs are as follows:

Country	Currency
American Samoa, CNMI, FSM, Guam, RMI and Palau	USD: United States dollar
Cook Islands, Niue and Tokelau	NZD: New Zealand dollar
Fiji	FJD: Fiji dollar
French Polynesian New Caledonia and Wallis and Futuna	XPF: Pacific francs
Kiribati, Nauru and Tuvalu	AUD: Australian dollar
Papua New Guinea	PGK: Papua New Guinea kina
Samoa	SAT\$: Samoan tala
Solomon Islands	SI\$: Solomon Islands dollar
Tonga	TOP: Tongan pa'anga
Vanuatu	VT: Ni-Vanuatu vatu

- The source of the data needs to be stated (for example, customs, enterprises, partner country).
- The classification and the version of the classification used needs to be stated (for example, PACHS 2017, SITC Rev.4).
- Data that have been revised need to be flagged with r, provisional data with p and data not available with na.
- Relevant notes to assist in the interpretation of the data needs to be given (for example, imports are valued *cif* and exports are valued *fob*).
- Data should be reported by months (recommended)/quarterly.

PICTs can, in addition to the recommended tables, prepare tables that they or their users believe will add value in their country (for example, tax collected which rightly should fall under the ambit of Government Finance Statistics and not trade, but are being done by some NSOs).

IMTS Table 1 (balance of trade)

IMTS Table 1 needs to identify re-exports from exports. In case of a country recording re-imports, which amongst PICTs is rare, that would need to be identified/flagged.

Table 17: IMTS Table 1 on the balance of trade

Table 1: BALANCE OF TRADE – ALL ITEMS					
Currency (unit)					
Period		Total Exports FOB			Imports CIF
		Exports	Re-exports	Total	
Annual					Trade Balance
2019					Surplus (+) /Deficit (-)
2020					
Monthly					
2020	January				
	February				
	March				

IMTS Table 2 (imports by HS)

It is recommended that large items that cause unusual fluctuations in imports in a given period be identified (for example, a high import in February 2020 caused by the import of an aircraft).

Table 18: IMTS Table 2 on imports by HS

Table 2: IMPORTS BY HS							
		Currency (unit)					
HS Sections and Chapters	HS Descriptors		Period				
			Annual		Monthly		
			2019	2020	2021		
					Jan	Feb	Mar
I	01–05	Live animals; animal products					
II	06–14	Vegetable products					
III	15	Animal or vegetable oils and fats					
IV	16–24	Prepared foodstuffs, beverages, spirits, and tobacco					
V	25 –27	Mineral products					
VI	28 –38	Chemicals and allied products					
VII	39 –40	Plastic, rubber, and articles thereof					
VIII	41–43	Raw hides, skins, leather articles and travel goods					
IX	44–46	Wood, cork and articles thereof and plaiting material					
X	47–49	Wood pulp, paper and paperboard and articles thereof					
XI	50–63	Textiles and textile articles					
XII	64–67	Footwear, headgear, umbrellas, and parts thereof					
XIII	68–70	Articles of stone, plaster, cement, ceramic products and glass					
XIV	71	Pearls, precious or semi-precious stones, metals, imitation jewellery, and coins					
XV	72–83	Base metals and articles of base metal					
XVI	84–85	Machinery and mechanical appliances, electrical equipment, sound recorders, television, and parts thereof					
XVII	86–89	Vehicles, aircraft vessels and associated transport equipment					
XVIII	90–92	Optical, photographic, cinematographic, medical or surgical goods, clocks, watches and musical instruments					
XIX	93	Arms and ammunition; parts and accessories thereof					
XX	94–96	Miscellaneous manufactured articles					
XXI	97	Works of art, collectors' pieces & antiques					
	99	Others					
		TOTAL					

Table 3 (exports by HS)

IMTS Table 3 needs to exclude data on re-exports as these are recorded in IMTS Table 4. It is recommended that large items that cause unusual fluctuations in exports in a given period be identified.

Table 19: IMTS Table 3 on exports by HS

Table 3: EXPORTS BY HS							
		Currency (unit)					
HS Sections and Chapters	HS Descriptors	2019	Annual		Annual		
			2019	2020	2021		
					Jan	Feb	Mar
I	01–05	Live animals; animal products					
II	06–14	Vegetable products					
III	15	Animal or vegetable oils and fats					
IV	16–24	Prepared foodstuffs, beverages, spirits, and tobacco					
V	25–27	Mineral products					
VI	28–38	Chemicals and allied products					
VII	39–40	Plastic, rubber, and articles thereof					
VIII	41–43	Raw hides, skins, leather articles and travel goods					
IX	44–46	Wood, cork and articles thereof and plaiting material					
X	47–49	Wood pulp, paper and paperboard and articles thereof					
XI	50–63	Textiles and textile articles					
XII	64–67	Footwear, headgear, umbrellas, and parts thereof					
XIII	68–70	Articles of stone, plaster, cement, ceramic products and glass					
XIV	71	Pearls, precious or semi-precious stones, metals, imitation jewellery, and coins					
XV	72–83	Base metals and articles of base metal					
XVI	84–85	Machinery and mechanical appliances, electrical equipment, sound recorders, television, and parts thereof					
XVII	86–89	Vehicles, aircraft vessels and associated transport equipment					
XVIII	90–92	Optical, photographic, cinematographic, medical or surgical goods, clocks, watches and musical instruments					
XIX	93	Arms and ammunition; parts and accessories thereof					
XX	94–96	Miscellaneous manufactured articles					
XXI	97	Works of art, collectors' pieces & antiques					
	99	Others					
		TOTAL					

IMTS Table 4 (re-exports by HS)

IMTS Table 4 needs to record re-exports. It is recommended that large items that cause unusual fluctuations in exports in a given period be identified.

Table 20: IMTS Table 4 on re-exports by HS

Table 4: RE-EXPORTS BY HS							
		Currency (unit)					
HS Sections and Chapters	HS Descriptors	Period					
		Annual		Monthly			
		2019	2020	2021			
				Jan	Feb	Mar	
I	01–05	Live animals; animal products					
II	06–14	Vegetable products					
III	15	Animal or vegetable oils and fats					
IV	16–24	Prepared foodstuffs, beverages, spirits, and tobacco					
V	25–27	Mineral products					
VI	28–38	Chemicals and allied products					
VII	39–40	Plastic, rubber, and articles thereof					
VIII	41–43	Raw hides, skins, leather articles and travel goods					
IX	44–46	Wood, cork and articles thereof and plaiting material					
X	47–49	Wood pulp, paper and paperboard and articles thereof					
XI	50–63	Textiles and textile articles					
XII	64–67	Footwear, headgear, umbrellas, and parts thereof					
XIII	68–70	Articles of stone, plaster, cement, ceramic products and glass					
XIV	71	Pearls, precious or semi-precious stones, metals, imitation jewellery, and coins					
XV	72–83	Base metals and articles of base metal					
XVI	84–85	Machinery and mechanical appliances, electrical equipment, sound recorders, television, and parts thereof					
XVII	86–89	Vehicles, aircraft vessels and associated transport equipment					
XVIII	90–92	Optical, photographic, cinematographic, medical or surgical goods, clocks, watches and musical instruments					
XIX	93	Arms and ammunition; parts and accessories thereof					
XX	94–96	Miscellaneous manufactured articles					
XXI	97	Works of art, collectors' pieces and antiques					
	99	Others					
		TOTAL					

IMTS Table 5 (total exports by HS)

IMTS Table 5 is the sum of IMTS Table 3 (exports by HS) and IMTS Table 4 (re-exports by HS).

Table 21: IMTS Table 5 on total exports by HS

Table 5: TOTAL EXPORTS BY HS							
(Includes exports and re-exports)							
Currency (unit)							
HS Sections and Chapters	HS Descriptors	Period					
		Annual		Monthly			
		2019	2020	2021			
				Jan	Feb	Mar	
I	01–05	Live animals; animal products					
II	06–14	Vegetable products					
III	15	Animal or vegetable oils and fats					
IV	16–24	Prepared foodstuffs, beverages, spirits, and tobacco					
V	25–27	Mineral products					
VI	28–38	Chemicals and allied products					
VII	39–40	Plastic, rubber, and articles thereof					
VIII	41–43	Raw hides, skins, leather articles and travel goods					
IX	44–46	Wood, cork and articles thereof and plaiting material					
X	47–49	Wood pulp, paper and paperboard and articles thereof					
XI	50–63	Textiles and textile articles					
XII	64–67	Footwear, headgear, umbrellas, and parts thereof					
XIII	68–70	Articles of stone, plaster, cement, ceramic products and glass					
XIV	71	Pearls, precious or semi-precious stones, metals, imitation jewellery, and coins					
XV	72–83	Base metals and articles of base metal					
XVI	84–85	Machinery and mechanical appliances, electrical equipment, sound recorders, television, and parts thereof					
XVII	86–89	Vehicles, aircraft vessels and associated transport equipment					
XVIII	90–92	Optical, photographic, cinematographic, medical or surgical goods, clocks, watches and musical instruments					
XIX	93	Arms and ammunition; parts and accessories thereof					
XX	94–96	Miscellaneous manufactured articles					
XXI	97	Works of art, collectors' pieces & antiques					
	99	Others					
		TOTAL					

IMTS Table 6 (principal exports by HS)

Principal exports and re-exports need to be separately identified in IMTS Table 6. Commodities that contribute substantially to exports (those which together form about 80 per cent) need to be identified as principal exports. The remaining 20 per cent can be grouped together as other exports. The same applies to re-exports.

Table 22: IMTS Table 6 on principal exports by HS

Table 6: PRINCIPAL EXPORTS					
Currency (unit)					
	Period				
	Annual		Monthly		
	2019	2020	2021		
			Jan	Feb	Mar
EXPORTS					
Names of major commodities e.g., fish, gold, timber					
Other exports					
TOTAL EXPORTS					
RE-EXPORTS					
Names of major commodities e.g., fuel					
Other re-exports					
TOTAL RE-EXPORTS					
TOTAL EXPORTS + RE-EXPORTS					

IMTS Table 7 (principal imports by HS)

Principal imports need to be separately identified in this table. Commodities that contribute substantially to imports (those which together form about 70 per cent⁵⁷) need to be identified as principal imports. The remaining 30 per cent can be grouped together as other imports.

Table 23: IMTS Table 7 on principal imports by HS

Table 7: PRINCIPAL IMPORTS					
Currency (unit)					
	Period				
	Annual		Monthly		
	2019	2020	2021		
			Jan	Feb	Mar
Names of major commodities e.g., beef, fuel, vehicles					
Other imports					
TOTAL IMPORTS					

⁵⁷ Imports generally constitute a lot of different commodities with small values.

IMTS Table 8 (balance of trade by partner countries)

In this table PICTs should identify leading source markets and destinations in terms of value.

Table 24: IMTS Table 8 on balance of trade by partner countries

Table 8: BALANCE OF TRADE BY MAJOR PARTNER COUNTRIES						
Currency (unit)						
		Period				
		Annual		Monthly		
		2019	2020	2021		
Name of country	Type of trade			Jan	Feb	Mar
Country A	Exports					
	Imports					
	Balance					
Country B	Exports					
	Imports					
	Balance					
Others	Exports					
	Imports					
	Balance					
TOTAL	EXPORTS					
	IMPORTS					
	BALANCE					

IMTS Table 9 (trade by region)

Data on imports and total exports need to be reported by regions in this table. At the bottom of the table (after the total) trade by Oceania (excluding Australia and New Zealand) should be given. Since Oceania comprises developed (Australia and New Zealand) and developing subregions (Melanesia, Micronesia and Polynesia), the developing subregions should be identified separately in this table.

Table 25: IMTS Table 9 on trade by region

Table 9: TRADE BY REGION						
Currency (unit)						
		Period				
		Annual		Monthly		
		2019	2020	2021		
Region	Type of trade			Jan	Feb	Mar
Africa	Exports					
	Imports					
	Balance					
The Americas	Exports					
	Imports					
	Balance					

Table 9: TRADE BY REGION						
Currency (unit)						
Asia	Exports					
	Imports					
	Balance					
Europe	Exports					
	Imports					
	Balance					
Oceania	Exports					
	Imports					
	Balance					
TOTAL	EXPORTS					
	IMPORTS					
	BALANCE					
Of Oceania: PICTs	Exports					
	Imports					
	Balance					

IMTS Table 10 (trade by mode of transport)

IMTS Table 10 needs to record both imports and exports by mode of transport.

Table 26: IMTS Table 10 on trade by mode of transport

Table 10: MODE OF TRANSPORT						
Currency (unit)						
Period		1	2	3	4	
Annual		Air	Water	Land	Not elsewhere classified	
			2.1	3.2	4.2	4.4
			Sea	Road	Postal consignments, mail or courier shipments	Others
						Total
2019	Exports					
	Imports					
2020	Exports					
	Imports					
Monthly						
2020	January	Exports				
		Imports				
	February	Exports				
		Imports				
TOTAL		EXPORTS				
		IMPORTS				

IMTS Table 11 (trade-by-trade agreements summary)

This table is a **summary table** that comprises **component tables**. IMTS Table 11 needs to be prepared by those PICTs whose goods are given a preferential access. Currently the preferential trade agreements in place are the:

- Melanesian Spearhead Group (MSG) Trade Agreement, members of which are Fiji, Papua New Guinea, Solomon Islands, and Vanuatu;
- South Pacific Regional Trade and Economic Co-operation Agreement (SPARTECA), members of which are Australia, Fiji, Cook Islands, Federated States of Micronesia, Kiribati, Nauru, New Zealand, Niue, Palau, Papua New Guinea, Republic of the Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu;
- Interim Economic Partnership Agreement (i-EPA), members of which are the European Union, Fiji, Papua New Guinea, Samoa, and Solomon Islands; and
- Pacific Island Countries Trade Agreement (PICTA), members of which are Fiji, Cook Islands, Kiribati, Nauru, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.

Table 27: IMTS Table 11 on trade-by-trade agreements

Currency (unit)							
			Period				
			Annual		Monthly		
			2019	2020	2021		
Name of Agreement	Country	Type of trade			Jan	Feb	Mar
MSG	Country A	Exports					
		Imports					
	Country B	Exports					
		Imports					
	TOTAL TRADE UNDER MSG	Exports					
		Imports					
SPARTECA	Format given for MSG should be followed						
i-EPA							
PICTA							

Component tables under IMTS Table 11

Component tables also need to be created for IMTS Table 11. These should comprise one table for each type of agreement by type of trade, for example, Table 11.1 would include exports and imports under the MSG Agreement.

Table 28: Sample component table

Table 11.1: EXPORTS AND IMPORTS UNDER MELANESIAN SPEARHEAD GROUP AGREEMENT							
Currency (unit)				Period			
			Annual		Monthly		
			2019	2020	2021		
HS 8-digit code	HS description	Country			Jan	Feb	Mar

Similar component tables need to be prepared for each trade agreement. For example, Table 11.2 would include exports and imports under PICTA, Table 11.3 would be for i-EPA and Table 11.4 would be for SPARTECA. Tables 11.5 onwards can be allocated to new agreements.

IMTS Table 12 (exports by SITC)

Exports and re-exports need to be separately identified in this table.

Table 29: IMTS Table 12 on exports by SITC

Table 12: EXPORTS BY SITC							
Currency (unit)				Period			
			Annual		Monthly		
			2019	2020	2021		
Sections	Economic Category				Jan	Feb	Mar
	EXPORTS						
0	Food and live animals						
1	Beverages and tobacco						
2	Crude materials, inedible, except fuels						
3	Mineral fuels, lubricants, and related materials						
4	Animal and vegetable oils, fats, and waxes						
5	Chemicals and related products, n.e.s.						
6	Manufactured goods classified chiefly by material						
7	Machinery and transport equipment						
8	Miscellaneous manufactured goods						
9	Commodities and transactions not classified elsewhere in the SITC						
	TOTAL EXPORTS						
	RE-EXPORTS						
0	Food and live animals						

Table 12: EXPORTS BY SITC

Currency (unit)						
1	Beverages and tobacco					
2	Crude materials, inedible, except fuels					
3	Mineral fuels, lubricants, and related materials					
4	Animal and vegetable oils, fats, and waxes					
5	Chemicals and related products, n.e.s.					
6	Manufactured goods classified chiefly by material					
7	Machinery and transport equipment					
8	Miscellaneous manufactured goods					
9	Commodities and transactions not classified elsewhere in the SITC					
TOTAL RE-EXPORTS						
TOTAL EXPORTS + RE-EXPORTS						

IMTS Table 13 (imports by SITC)

Table 30: IMTS Table 13 on imports by SITC

Table 13: IMPORTS BY SITC

Currency (unit)						
		Period				
		Annual		Monthly		
		2019	2020	2021		
Sections	Economic Category			Jan	Feb	Mar
0	Food and live animals					
1	Beverages and tobacco					
2	Crude materials, inedible, except fuels					
3	Mineral fuels, lubricants, and related materials					
4	Animal and vegetable oils, fats, and waxes					
5	Chemicals and related products, n.e.s.					
6	Manufactured goods classified chiefly by material					
7	Machinery and transport equipment					
8	Miscellaneous manufactured goods					
9	Commodities and transactions not classified elsewhere in the SITC					
TOTAL IMPORTS						

IMTS Table 14 (retained imports by BEC)

IMTS Table 14 allows PICTs to summarise import data retained in the country by three end-use categories: intermediate, capital and consumption goods.

Retained imports are derived by deducting imports for re-exports from general imports. If data on imports for re-exports are not available then re-exports can be used, but this must be used with care since the deduction of re-exports from general imports can sometimes present difficulty. For example, if there is a time lag between importation and subsequent re-exportation that may amount to several months, that could result in a negative figure for retained imports for particular commodities because of commercial mark-ups, inflation or charges for internal warehousing, insurance or transport. This would result in a commodity potentially having a higher value on re-export than when it was imported.

Table 31: IMTS Table 14 on retained imports classified by BEC

Table 14: RETAINED IMPORTS CLASSIFIED BY BEC						
Currency (unit)						
		Period				
		Annual		Monthly		
		2019	2020	2021		
Code	Broad Economic Category			Jan	Feb	Mar
1	Agriculture, forestry, fishing, food, beverages, tobacco					
11	Goods					
111	Intermediate consumption					
112	Gross fixed capital formation					
113	Final consumption					
2	Mining, quarrying, refinery, fuels, chemicals, electricity, water, waste treatment					
21	Goods					
211	Intermediate consumption					
212	Gross fixed capital formation					
213	Final consumption					
3	Construction, wood, glass, stone, basic metals, housing, electrical appliances, furniture					
31	Goods					
311	Intermediate consumption					
312	Gross fixed capital formation					
313	Final consumption					
4	Textile, apparel, shoes					
41	Goods					
411	Intermediate consumption					
412	Gross fixed capital formation					
413	Final consumption					
5	Transport equipment and services, travel, postal services					
51	Goods					
511	Intermediate consumption					

Table 14: RETAINED IMPORTS CLASSIFIED BY BEC

		Currency (unit)				
512	Gross fixed capital formation					
513	Final consumption					
6	ICT, media, computers, business and financial services					
61	Goods					
611	Intermediate consumption					
612	Gross fixed capital formation					
613	Final consumption					
7	Health, pharmaceuticals, education, cultural, sport					
71	Goods					
711	Intermediate consumption					
712	Gross fixed capital formation					
713	Final consumption					
8	Government, military and other					
81	Goods					
811	Intermediate consumption					
812	Gross fixed capital formation					
813	Final consumption					
	TOTAL RETAINED IMPORTS					
	<i>of which:</i>					
	<i>Intermediate goods (211+311+411+511+611+711+811)</i>					
	<i>Capital goods (212+312+412+512+612+712+812)</i>					
	<i>Consumption goods (213+313+413+513+613+713+813)</i>					

Appendix 12: Treatment of fish catch in trade

It is important to consider the **compilation of fish catch** and the **compilation of fish trade**, separately.

When fish are extracted from water, they should be considered as belonging to the country of the harvesting vessel (Flag state) and any transactions afterwards are treated as trade, either to the port, the transporting vessels, or directly to the processing plants.

Regarding the attribute of the catch, the United Nations Statistical Commission (UNSC) decided in 1954 that fish catches should be assigned to the country of the flag flown by the fishing vessel. This rule is applied regardless of the location of the fishing activities. It should therefore be noted that the “Flag” state will not necessarily match with the country of vessel registry or the country of mother port of the vessel.

In Table 32, assuming that the country of the fishing vessel registration is the same as the Flag state of the vessel, the same treatment should be applied regardless of whether fishing activities take place within the compiling country’s Exclusive Economic Zone.

Table 32: Treatment of fish catch in trade

Flag State of Fishing vessel	Location of fishing activity	Port of landing	IMTS treatment
Compiling country	Within compiling country’s EEZ	Compiling country	Not included
		Foreign country	Export
	Outside compiling country’s EEZ	Compiling country	Not included
		Foreign country	Export
Foreign country	Within compiling country’s EEZ ⁵⁸	Compiling country	Import
		Foreign country	Not included
	Outside compiling country’s EEZ	Compiling country	Import
		Foreign country	Not included

⁵⁸ Foreign vessels licensed to fish within economic territory of the compiling country.

Appendix 13: Definitions of selected customs terms contained in the Revised Kyoto Convention

Given below, for the convenience of IMTS compilers in PICTs, are a number of important definitions and procedures contained in the Revised Kyoto Convention (RKC)⁵⁹ that are referred to in this guide. Alongside the definitions the reference to the RKC is given.

- **Customs territory** means the territory in which the customs law of a Contracting Party applies (RKC, General Annex/Chapter 2/E12).
- **Goods declaration** means a statement made in the manner prescribed by customs, by which the persons concerned indicate the customs procedure to be applied to the goods and furnish the particulars which customs require for its application (RKC, General Annex/Chapter 2/E19).
- **Goods in free circulation** means goods which may be disposed of without customs restriction (RKC, Specific Annex B/Chapter 1/E2).
- **Compensating products** means the products resulting from the manufacturing, processing or repair of goods for which the use of the inward processing procedure is authorised (Specific Annex F/Chapter 1/E1), or the products obtained abroad and resulting from the manufacturing, processing or repair of goods for which the use of the outward processing procedure is authorised (Specific Annex F/Chapter 2/E1).
- **Free zone and authorised operations**
 - **Free zone:** a part of the territory of a Contracting Party where any goods introduced are generally regarded, insofar as import duties and taxes are concerned, as being outside the customs territory (RKC, Specific Annex D/Chapter 2/E1).
 - **Authorised operations:** goods admitted to a free zone shall be allowed to undergo operations necessary for their preservation and usual forms of handling to improve their packaging or marketable quality or to prepare them for shipment, such as breaking bulk, grouping of packages, sorting and grading, and repacking (RKC, Specific Annex D/Chapter 2/para. 11). Where the competent authorities allow processing or manufacturing operations in a free zone, they shall specify the processing or manufacturing operations to which goods may be subjected in general terms and/or in detail in a regulation applicable throughout the free zone or in the authority granted to the enterprise carrying out these operations (RKC, Specific Annex D/Chapter 2/para. 12).

Customs procedures

- **Clearance for home use** means the customs procedure which provides that imported goods enter into free circulation in the customs territory upon the payment of any import duties and taxes chargeable and the accomplishment of all the necessary customs formalities (RKC, Specific Annex B/Chapter 1/E1).
- **Re-importation in the same state** means the customs procedure under which goods which were exported may be taken into home use free of import duties and taxes, provided they have not undergone any manufacturing, processing or repairs abroad and provided that any sums chargeable as a result of repayment or remission of or conditional relief from duties and taxes or of any subsidies or other amounts granted in connection with exportation must be paid. The goods that are eligible for re-importation in the same state can be goods that were in free circulation or were compensating products (RKC, Specific Annex B/Chapter 2/E5).
- **Outright exportation** means the customs procedure applicable to goods which, being in free circulation, leave the customs territory and are intended to remain permanently outside it

⁵⁹ World Customs Organization, International Convention on the Simplification and Harmonization of Customs Procedures (as amended) (Revised Kyoto Convention), Brussels, 2006.

(RKC, Specific Annex C/Chapter 1/E1).

- **Customs warehouses** means the customs procedure under which imported goods are stored under customs control in a designated place (a customs warehouse) without payment of import duties and taxes. Goods are allowed to stay in the warehouse for at least one year, unless the goods are perishable (RKC, Specific Annex D/Chapter 1/E1).
- **Free zone** means a part of the territory of a Contracting Party where any goods introduced are generally regarded, insofar as import duties and taxes are concerned, as being outside the customs territory (RKC, Specific Annex D/Chapter 2/E1). Admission to a free zone shall be authorised not only for goods imported directly from abroad but also for goods brought from the customs territory of the Contracting Party concerned (RKC, Specific Annex D/Chapter 2/para. 5).
- **Inward processing** means the customs procedure under which certain goods can be brought into a customs territory conditionally relieved from payment of import duties and taxes, on the basis that such goods are intended for manufacturing, processing or repair and subsequent exportation (RKC, Specific Annex F/Chapter 1/E3).
- **Outward processing** means the customs procedure under which goods which are in free circulation in a customs territory may be temporarily exported for manufacturing, processing or repair abroad and then re-imported with total or partial exemption from import duties and taxes (RKC, Specific Annex F/Chapter 2/E2).
- **Drawback procedure** means the customs procedure which, when goods are exported, provides for a repayment (total or partial) to be made in respect of the import duties and taxes charged on the goods, or on materials contained in them or consumed in their production (RKC, Specific Annex F/Chapter 3/E3).
- **Processing of goods for home use** means the customs procedure under which imported goods may be manufactured, processed or worked, before clearance for home use and under customs control, to such an extent that the amount of the import duties and taxes applicable to the products thus obtained is lower than that which would be applicable to the imported goods (RKC, Specific Annex F/Chapter 4/E1).
- **Customs offences** means any breach, or attempted breach, of customs law (RKC, Specific Annex H/Chapter 1/E3). Included in IMTS only in respect of seized goods sold or otherwise disposed of by customs into the economic territory of the importing country.
- **Traveller** means:
 - any person who temporarily enters the territory of a country in which he or she does not normally reside (“non-resident”) or who leaves that territory.
 - any person who leaves the territory of a country in which he or she normally resides (“departing resident”) or who returns to that territory (“returning resident”) (RKC, Specific Annex J/Chapter 1/E3).
- **Customs formalities in respect of postal traffic: CN22/23** means the special declaration forms for postal items as described in the Acts of the Universal Postal Union currently in force (RKC, Specific Annex J/Chapter 2/E1). Customs formalities in respect of postal items means all the operations to be carried out by the interested party and the customs in respect of postal traffic (RKC, Specific Annex J/Chapter 2/E2).
- **Customs treatment of stores** means all the facilities to be accorded and all the customs formalities applicable to stores (RKC, Specific Annex J/Chapter 4/E3); “stores” means: stores for consumption; and stores to be taken away (RKC, Specific Annex J/Chapter 4/E4):
 - **Stores for consumption** means goods intended for consumption by the passengers and the crew on board vessels, aircraft or trains, whether or not sold; and goods necessary for the operation and maintenance of vessels, aircraft or trains including fuel and lubricants but excluding spare parts and equipment; which are either on board upon arrival or are

taken on board during the stay in the customs territory of vessels, aircraft or trains used, or intended to be used, in international traffic for the transport of persons for remuneration or for the industrial or commercial transport of goods, whether or not for remuneration (RKC, Specific Annex J/Chapter 4/E5);

- **stores to be taken away** means goods for sale to the passengers and the crew of vessels and aircraft with a view to being landed, which are either on board upon arrival or are taken on board during the stay in the customs territory of vessels and aircraft used, or intended to be used, in international traffic for the transport of persons for remuneration or for the industrial or commercial transport of goods, whether or not for remuneration (RKC, Specific Annex J/Chapter 4/E6).
- **Relief consignments** means goods, including vehicles and other means of transport, foodstuffs, medicaments, clothing, blankets, tents, prefabricated houses, water purifying and water storage items, or other goods of prime necessity, forwarded as aid to those affected by disaster; and all equipment, vehicles and other means of transport, specially trained animals, provisions, supplies, personal effects and other goods for disaster relief personnel in order to perform their duties and to support them in living and working in the territory of the disaster throughout the duration of their mission (RKC, Specific Annex J/Chapter 5/E1).
- **Customs transit** means the customs procedure under which goods are transported under customs control from one customs office to another (RKC, Specific Annex E/Chapter 1/E4).
- **Transshipment** means the customs procedure under which goods are transferred under customs control from the importing means of transport to the exporting means of transport within the area of one customs office which is the office of both importation and exportation (RKC, Specific Annex E/Chapter 2/E1). *Excluded in IMTS.*
- **Carriage of goods coastwise procedure** means the customs procedure under which goods in free circulation and imported goods that have not been declared under the condition that they must be transported in a vessel other than the importing vessel in which they arrived in the customs territory are loaded on board a vessel at a place in the customs territory and are transported to another place in the same customs territory where they are then unloaded (RKC, Specific Annex E/Chapter 3/E1).
- **Temporary admission** means the customs procedure under which certain goods can be brought into a customs territory conditionally relieved totally or partially from payment of import duties and taxes; such goods must be imported for a specific purpose and must be intended for re-exportation within a specified period and without having undergone any change except normal depreciation due to the use made of them (RKC, Specific Annex G/Chapter 1/E1).
- **Means of transport for commercial use** means any vessel (including lighters and barges, whether or not ship-borne, and hydrofoils), hovercraft, aircraft, road vehicle (including trailers, semi-trailers and combinations of vehicles) or railway rolling stock, which is used in international traffic for the transport of persons for remuneration or for the industrial or commercial transport of goods, whether or not for remuneration, together with their normal spare parts, accessories and equipment, as well as lubricants and fuel contained in their normal tanks, when carried with the means of transport for commercial use (RKC, Specific Annex J/Chapter 3/E3).

Additional definitions related to customs procedures

- **Goods exported with notification of intended return** means goods specified by the declarant as intended for re-importation, in respect of which identification measures may be taken by customs to facilitate reimportation in the same state (RKC, Specific Annex B/Chapter 2/E3).
- **Temporary storage of good** means the storing of goods under customs control in premises

and enclosed or unenclosed spaces approved by customs (hereinafter called temporary stores) pending lodgement of the goods declaration (RKC, Specific Annex A/Chapter 2/E2).

Origin of goods

- **Country of origin of goods** means the country in which the goods have been produced or manufactured, according to the criteria laid down for the purposes of application of the customs tariff, of quantitative restrictions or of any other measure related to trade (RKC, Specific Annex K/Chapter 1/E1).
- **Rules of origin** means the specific provisions, developed from principles established by national legislation or international agreements (“origin criteria”), applied by a country to determine the origin of goods (RKC, Specific Annex K/Chapter 1/E2).
- **Substantial transformation criterion** means the criterion according to which origin is determined by regarding as the country of origin the country in which the last substantial manufacturing or processing, deemed sufficient to give the commodity its essential character, has been carried out (RKC, Specific Annex K/Chapter 1/E3).
- **Goods produced wholly in a given country shall be taken as originating in that country.**

The following only shall be taken to be produced wholly in a given country:

- a) Mineral products extracted from its soil, from its territorial waters or from its seabed;
- b) Vegetable products harvested or gathered in that country;
- c) Live animals born and raised in that country;
- d) Products obtained from live animals in that country;
- e) Products obtained from hunting or fishing conducted in that country;
- f) Products obtained by maritime fishing and other products taken from the sea by a vessel of that country;
- g) Products obtained aboard a factory ship of that country solely from products of the kind covered by paragraph (f) above;
- h) Products extracted from marine soil or subsoil outside that country’s territorial waters, provided that the country has sole rights to work that soil or subsoil;
- i) Scrap and waste from manufacturing and processing operations, and used articles, collected in that country and fit only for the recovery of raw materials;
- j) Goods produced in that country solely from the products referred to in paragraphs (a) to (i) above.

(RKC, Specific Annex K/Chapter 1, para. 2)

- Where two or more countries have taken part in the production of the goods, the origin of the goods should be determined according to the substantial transformation criterion. (RKC, Specific Annex K/Chapter 1, para. 3)
- Operations which do not contribute, or which contribute to only a small extent to the essential characteristics or properties of the goods, and in particular operations confined to one or more of those listed below, should not be regarded as constituting substantial manufacturing or processing:
 - Operations necessary for the preservation of goods during transportation or storage;
 - Operations to improve the packaging or the marketable quality of the goods or to prepare them for shipment, such as breaking bulk, grouping of packages, sorting and grading, repacking;
 - Simple assembly operations;

- Mixing of goods of different origin, provided that the characteristics of the resulting product are not essentially different from the characteristics of the goods which have been mixed.

(RKC, Specific Annex K/Chapter 1, para. 6)

Appendix 14: Differences in figures published in trade statistics and the BOP Goods and Services Account

IMTS is the main source of data on trade in goods for BOP and national accounts. However, there are conceptual differences concerning the coverage, time of recording, valuation and classification of goods transactions between IMTS and the BOP that require adjustments to IMTS data for use in the BOP. The main conceptual difference is that IMTS is based on the general principle to record all goods that add to or subtract from the stock of material resources of a country by entering (imports) or leaving (exports) its economic territory, whereas the recording of transactions in the BOP is based on the principle of change of ownership between residents and non-residents.

The following table summarises the main areas of divergence between IMTS and BOP and the corresponding adjustments that should be made.

Table 33: Reconciliation between IMTS and BOP

Type of transaction	IMTS	BOP
Goods for processing	All goods for processing are recorded when they enter or leave the economic territory, irrespective of whether a change in ownership takes place.	Goods for processing without change in ownership are excluded. If the goods are sold to a third economy after the processing, the value of the goods (including the value of processing) is recorded in BOP as an export of the economy of the owner and an import of the third economy. The value of processing is recorded as an export of services of the processing economy and an import of services of the economy of the owner.
Migrants' personal effects	Physical movements of migrants' effects are recommended to be included in IMTS.	These are excluded from BOP because there is no change in ownership.
Returned goods	Exported/imported goods that are subsequently returned are included in imports/exports and identified as re-imports/re-exports at the time when they are returned.	Revised entries should be made to exports and imports, and the transactions should be voided, preferably for the period when the goods were initially recorded.
Goods imported for projects by non-resident construction enterprise	The IMTS records all goods imported for construction projects by non-resident enterprises.	Where construction projects are not sufficiently substantial to constitute a branch of the enterprise, goods imported for construction projects by non-resident enterprises are excluded from trade in goods in the BOP. They are a component of the value of construction services.
Goods which cross borders as a result of	These are included in IMTS, irrespective of whether a change of ownership occurs.	BOP records a trade in goods transactions only if it can be determined that there is a change of ownership.

Type of transaction	IMTS	BOP
shipments to a related party		
Goods transferred from or to a buffer stock organisation	These are included in IMTS.	BOP excludes goods temporarily exported or imported, such as goods for storage, if no change of ownership takes place.
Goods lost or destroyed in transit	Goods lost or destroyed after leaving the exporting country but before entering the importing country and after the ownership has been acquired by the importer are excluded from IMTS of the importing country but separately recorded.	Ownership has already been transferred therefore the goods transactions are to be included in the BOP.
	When goods are lost or destroyed after leaving the exporting country but before entering the importing country, when ownership has not been acquired, an export would be recorded in IMTS.	No goods transaction will be recorded in the BOP since the ownership of the goods did not change.
Goods under merchanting	These are excluded from IMTS.	BOP records goods under merchanting separately as a negative export when acquired by a resident from a non-resident, and as an export when sold by a resident to a non-resident.
Goods entering/ leaving the economic territory illegally	These are recommended to be excluded from IMTS but to be recorded separately.	BOP includes in general merchandise illegal goods as well as smuggled goods that are otherwise legal.
Non-monetary gold	Transactions in non-monetary gold, between residents and non-residents that enter or leave the economic territory are included in IMTS.	Transactions in non-monetary gold between residents and non-residents are recorded even when there is no physical movement.
Media	Recorded and non-recorded media are included in IMTS. The exceptions are media used for carrying customised software or software written for a specific client or originals of any nature. In practice, however, the exclusion of the latter may not be possible since they fall under the same classification heading.	BOP includes in general merchandise only non-customised packaged software and video and audio recordings, on physical media such as disks and other devices, with a license for perpetual use.
		High value capital goods are recorded according to the time that the economic

Type of transaction	IMTS	BOP
Differences in time of recording	Goods are recorded at the time when they enter or leave the economic territory of a country.	ownership is conveyed from the seller to the buyer. The time of ownership change could be a progressive change based on stage payments or in full on delivery.
		Goods on consignment are not recorded in the BOP until economic ownership changes.
Valuation of imports	IMTS recommends a CIF-type valuation for imports.	BOP requires a FOB-type valuation for imports.

On the other hand, it is noted that the IMTS and BOP now have consistent treatment of the following items where conceptual differences previously existed.

- Mobile equipment that changes ownership while outside the country of residence of its original owner is now recommended to be included in IMTS, parallel to the treatment in BOP.
- Fish catch, minerals from the seabed and salvage sold from national vessels in foreign ports or from national vessels on the high seas to foreign vessels are also now included in IMTS, similar to BOP.
- Goods procured in port by carriers are also included both in IMTS and BOP.

Appendix 15: Terms of delivery

For the convenience of IMTS compilers and users, the main types of terms of delivery are described below.

- **Ex works (EXW):** Under this term, the obligation of a seller is completed when the goods are made available to a buyer at the seller's premises or another named place (such as works, factory, warehouse). The seller is not responsible for loading the goods on the vehicle provided by the buyer or for clearing the goods through customs for export unless the contract of sale clearly so states. All costs and risks involved in taking the goods from the seller's premises are the buyer's responsibility.
- **Free carrier (FCA):** Under this term, the seller's obligation to deliver goods is fulfilled when the goods have been handed over, cleared for export, into the charge of the carrier nominated by the buyer at the named place. The chosen place of delivery has an impact on the obligations of loading and unloading the goods at that place. If delivery occurs at the seller's premises, the seller is responsible for loading. If delivery occurs at any other place, the seller is not responsible for unloading. This term may be used for any mode of transport, including multimodal transport. If the buyer nominates a person other than a carrier to receive the goods, the seller is deemed to have fulfilled his/her obligation to deliver the goods when they are delivered to that person.
- **Free alongside ship (FAS):** This term means that the seller's obligation to deliver is fulfilled when the goods have been placed alongside the vessel on the quay or in lighters at the named port of shipment. The buyer must bear all costs and risks of loss or of damage to the goods from that moment. The FAS term requires the seller to clear the goods for exports. This term can only be used for sea or inland waterway transport.
- **Free on board (FOB):** This term means that the seller's obligation to deliver is fulfilled when the goods have passed over the ship's rail at the named port of shipment. This means that the buyer has to bear all costs and risks of loss or of damage to the goods from that point. The FOB term requires the seller to clear the goods for exports. This term can only be used for sea or inland waterway transport. If the parties do not intend to deliver the goods across the ship's rail, the FCA term should be used.
- **Cost and freight (CFR):** This term means that the seller's obligation to deliver is fulfilled when the goods have passed over the ship's rail in the port of shipment. The seller must pay the costs and freight necessary to bring the goods to the named port of destination, but the risk of loss or of damage to the goods, as well as any additional costs due to events occurring after the time of delivery, are transferred from the seller to the buyer. The CFR term requires the seller to clear the goods for export. This term can only be used for sea and inland waterway transport. If the parties do not intend to deliver the goods over the ship's rail, the CPT term should be used.
- **Cost, insurance and freight (CIF):** The seller has the same obligations as under CFR, but with the addition that he/she has to procure marine insurance against the buyer's risk of loss of or damage to the goods during the carriage. The seller contracts for insurance and pays the insurance premium. The buyer should note that, under the CIF term, the seller is required to obtain insurance only on minimum coverage. The CIF term requires the seller to clear the goods for export. This term can only be used for sea and inland waterway transport. If the parties do not intend to deliver the goods over the ship's rail, the CIP term (see below) should be used.
- **Carriage paid to (CPT):** The seller delivers the goods to the carrier nominated by him/her, but the seller must in addition pay the cost of carriage necessary to bring the goods to the named destination. The risk of loss or of damage to the goods, as well as any additional costs due to

events occurring after the time the goods have been delivered to the carrier, is transferred from the seller to the buyer when the goods have been so delivered. If subsequent carriers are used for the carriage to the agreed destination, the risk passes when the goods have been delivered to the first carrier. The CPT term requires the seller to clear the goods for export. This term may be used for any mode of transport, including multimodal transport.

- **Carriage and insurance paid to (CIP):** The seller has the same obligations as under CPT, but with the addition that the seller has to procure insurance against the buyer's risk of loss or of damage to the goods during the carriage. The seller contracts for insurance and pays the insurance premium. The buyer should note that, under the CIP term, the seller is required to obtain insurance only on minimum coverage. The CIP term requires the seller to clear the goods for export. This term may be used irrespective of the mode of transport, including multimodal transport.
- **Delivered at frontier (DAF):** The seller's obligation to deliver is fulfilled when the goods are placed at the disposal of the buyer on the arriving means of transport not unloaded, cleared for export, but not cleared for import at the named point and place at the frontier, and before the customs border of the adjoining country. The term "frontier" may be used for any frontier, including that of the country of export. Therefore, it is of vital importance that the frontier in question be defined precisely by always naming the point and place of delivery in the term. This term may be used irrespective of the mode of transport when goods are to be delivered at a land frontier. When delivery is to take place in the port of destination, on board a vessel or on the quay (wharf), the DES or DEQ terms should be used.
- **Delivered ex ship (DES):** The seller's obligation to deliver is fulfilled when the goods are placed at the disposal of the buyer on board the ship not cleared for import at the named port of destination. The seller has to bear all the costs and risks involved in bringing the goods to the named port of destination before discharging. This term can be used only when the goods are to be delivered by sea or inland waterway or multimodal transport on a vessel in the port of destination.
- **Delivered ex quay (DEQ):** The seller's obligation to deliver is fulfilled when the goods are placed at the disposal of the buyer not cleared for import on the quay (wharf) at the named port of destination. The seller has to bear costs and risks involved in bringing the goods to the named port or destination and discharging the goods on the quay (wharf). The DEQ term requires the buyer to clear the goods for import and to pay for all formalities, duties, taxes and other charges upon import. This term can be used only when the goods are to be delivered by sea or inland waterway or multimodal transport on discharging from a vessel onto the quay (wharf) in the port of destination.
- **Delivered duty unpaid (DDU):** The seller's obligation to deliver is fulfilled when the goods are placed at the disposal of the buyer, not cleared for import and not unloaded from any arriving means of transport at the named place of destination. The seller has to bear the costs and risks involved in bringing the goods thereto, other than, where applicable, any "duty" (which term includes the responsibility for, and the risks of, the carrying out of customs formalities and the payment of formalities, customs duties, taxes and other charges) for import in the country of destination. Such "duty" has to be borne by the buyer, as well as any cost and risks caused by his/her failure to clear the goods for import in time. If the parties wish the seller to carry out customs formalities and bear the costs and risks resulting therefrom, as well as some of the costs payable upon import of the goods, that should be made clear by adding explicit wording to that effect in the contract of sale. This term may be used irrespective of the mode of transport, but when delivery is to take place in the port of destination on board the vessel or on the quay (wharf), the DES or DEQ terms should be used.
- **Delivered duty paid (DDP):** The seller's obligation to deliver is fulfilled when the goods are placed at the disposal of the buyer, cleared for import and not unloaded from any arriving

means of transport at the named place of destination. The seller has to bear all the costs and risks involved in bringing the goods thereto, including, where applicable, any “duty” (which term includes the responsibility for, and the risks of, the carrying out of customs formalities and the payment of formalities, customs duties, taxes and other charges) for import in the country of destination. Whilst the EXW term represents the minimum obligation for the seller, DDP represents the maximum obligation. This term should not be used if the seller is unable directly or indirectly to obtain the import license. If the parties wish to exclude from the seller’s obligations some of the cost’s payable upon importation of the goods (such as value added tax), that should be made clear by adding explicit wording to that effect in the contract of sale. If the parties wish the buyer to bear all risks and costs of the import, the DDU term should be used. This term may be used irrespective of the mode of transport, but when delivery is to take place in the port of destination on board the vessel or on the quay (wharf), the DES or DEQ terms should be used.

Appendix 16: Memorandum of Understanding (MOU)

To assist PICTs to draw up a MOU a sample table of contents of the PICTs NSOs/PICTs Customs Administrations MOU is given below:

The MOU should contain seven sections as follows:

- Section I – General Roles and Responsibilities
- Section II – Data Collection
- Section III – Data Transmission
- Section IV – Data Disclosure and Dissemination
- Section V – Data Quality
- Section VI – Harmonized System
- Section VII – Costs

Each of the above sections should be further subdivided into three subheadings, namely:

- 1] PICTs Customs Administrations Roles and Responsibilities
- 2] PICTs NSOs Roles and Responsibilities
- 3] Joint PICTs Customs Administrations/PICTs NSOs Roles and Responsibilities

Finally, the MoU contains the following lists:

- List 1 – Import PICTs Customs Administrations Transmission Data Variables
- List 2 – Single Administrative Document Declaration Record Layout
- List 3 – Import HS Update Data Variables

ISBN 978-982-00-1423-7



Pacific Community (SPC)

B. P. D5 - 98 848 Noumea Cedex, New Caledonia

Telephone: + 687 26 20 00

Email: sdd@spc.int

Website: <http://www.spc.int> - <https://sdd.spc.int>

©Pacific Community 2021