

# External Trade Statistics

## IMTS Classifications

**Bülent TUNGUL**

SESRIC Statistical Cooperation Programme  
Workshop on External Trade Statistics

6-8 January 2013  
Kuwait

# IMTS Classifications

1. Country (ISO, UN)
2. Product (HS, SITC, etc)
3. Mode of Transport
4. Nature of transaction
5. Customs Procedure Code (CPC)
6. Delivery terms

# 1. Country

- ISO 3166-1 alpha-2 – two-letter country codes which are the most widely used of the three, and used most prominently for the Internet's country code top-level domains (with a few exceptions).
- ISO 3166-1 alpha-3 – three-letter country codes which allow a better visual association between the codes and the country names than the alpha-2 codes.
- ISO 3166-1 numeric – three-digit country codes which are identical to those developed and maintained by the United Nations Statistics Division.

# Product or Commodity

- HS (Harmonised System)
- SITC (*Standard International Trade Classification*)
- BEC (*Broad Economic Categories*)
- ISIC (*International Standard Industrial Classification of All Economic Activities*)
- CPC (*Central Product Classification*)

## Main Commodity Classifications

- **Harmonized System**, editions 1988, 1992, 1996, 2002, 2007 and 2012
- **Standard International Trade Classification**, original (1951), Revised (1960), Revision 2 (1976), Revision 3 (1988), Revision 4 (2007)
- **Central Product Classification**, Provisional (1991), version 1.0 (1998), version 1.1 (2002), version 2.0 (2007)

# HS (Harmonised System - 6 digits)

- Four amended editions of the HS came into force, the latest (HS12) became effective on 1 January 2012.
- The amendments took account of technological progress and trade patterns, clarified the text to ensure uniform application of HS, and provided a legal basis for decisions taken by the Harmonized System Committee.
- HS12 has 5,222 subheadings of which 4,208 are subheadings from the original HS88.

# Harmonized System Classification

- **Reasons for deleting codes:**
  - **Low value in world trade**
  - **Splitting into two or more codes**
- **Reasons for adding codes:**
  - **New products**
  - **Special interest products**
- **Some codes stay but have amendments in content**

# Harmonized System Classification

TABLE I – CORRELATING THE 2007 VERSION  
TO THE 2002 VERSION OF THE HARMONIZED SYSTEM

2007 Version	2002 Version	Remarks	Relevant documents (Session of HSC)
0105.94	0105.92 0105.93	Subheadings 0105.92 and 0105.93 have been merged into new subheading 0105.94, covering all fowls of the species <i>Gallus domesticus</i> .	Annexes D/1 and M/4 to Doc. NC0796E2 (HSC/32)
0208.90	0208.20 0208.90	Deletion of subheading 0208.20 entails the transfer of these products to subheading 0208.90.	Annexes E/1 and N/3 to Doc. NC0845B2(HSC/33)
0301.94 0301.95 0301.99	ex0301.99 ex0301.99 ex0301.99	New subheadings 0301.94 and 0301.95 have been created for bluefin tunas and southern bluefin tunas.	Annexes F/1 and N/8 to Doc. NC0730E2 (HSC/31)
0302.67 0302.68 0302.69	ex0302.69 ex0302.69 ex0302.69	New subheadings 0302.67 and 0302.68 have been created for swordfish and toothfish.	Annexes F/1 and N/8 to Doc. NC0730E2 (HSC/31)



# Harmonized System Classification

2007 Version	2002 Version	Remarks	Relevant documents (Session of HSC)
0802.60	ex0802.90	New subheading 0802.60 has been created for macadamia nuts.	Annexes E and N/8 to Doc. NC0590B2 (HSC/29)
0802.90	ex0802.90		
0810.90	0810.30 0810.90	Deletion of subheading 0810.30 entails the transfer of these products to subheading 0810.90.	Annexes E/1 and N/3 to Doc. NC0845B2 (HSC/33)
0906.11 0906.19	ex0906.10 ex0906.10	Subheading 0906.10 has been subdivided to provide separately for Ceylon cinnamon ( <i>Cinnamomum zeylanicum Blume</i> ).	Annexes F/2 and N/3 to Doc. NC0845B2 (HSC/33)
0910.99	0910.40 0910.50 0910.99	Deletion of subheadings 0910.40 and 0910.50 entails the transfer of these products to subheading 0910.99.	Annexes E/1 and N/3 to Doc. NC0845B2 (HSC/33)

# Standard International Trade Classification

## Standard International Trade Classification, (SITC)

- Original (1951)
- Revised (1960)
- Revision 2 (1976)
- Revision 3 (1988)
- Revision 4 (2007)

# Standard International Trade Classification

## SITC, Rev. 4

- At its March 2004 session, the UN Statistical Commission recommended that UNSD produce a fourth revision of the SITC
- The revision took into consideration all the amendments of the HS from the 1992, 1996, 2002 and 2007 editions.

# Standard International Trade Classification

## SITC, Rev. 4

- The scope of SITC, Rev. 4 remains the same as that of SITC, Rev. 3.
- Deleted SITC, Rev. 3 basic headings 380
- New SITC, Rev. 4 basic headings 87
- Total SITC, Rev. 4 basic headings 2,970

# SITC (Standard International Trade Classification)

It contains 3,993 basic headings and subheadings, which are assembled in 262 groups, 67 divisions and 10 sections. The sections are listed as follows:

- 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, not elsewhere specified
- 6 Manufactured goods classified chiefly by material
- 7 Machinery and transport equipment
- 8 Miscellaneous manufactured articles
- 9 Commodities and transactions not classified elsewhere in SITC

# BEC (*Broad Economic Categories*)

- Three basic classes of goods in SNA: capital goods, intermediate goods and consumption goods.
- BEC has 19 basic categories that can be aggregated to approximate these three basic classes of goods, thus permitting trade statistics to be considered jointly with other sets of general economic statistics - such as national accounts and industrial statistics - for national, regional or global economic analysis.

# Classification by Broad Economic Categories

## Classification by Broad Economic Categories (BEC)

- Initially developed by UNSD for internal purposes
- With time countries started using BEC for variety of purposes including economic analysis and setting tariffs
- The latest revision is BEC 4 issued in 2003
- BEC has 19 categories and three derived classes, namely (1) capital, (2) intermediate and (3) consumption goods

# Classification by Broad Economic Categories

## **1\* Food and beverages**

### 11\* Primary

111\* Mainly for industry

112\* Mainly for household consumption

### 12\* Processed

121\* Mainly for industry

122\* Mainly for household consumption

## **2\* Industrial supplies not elsewhere specified**

### 21\* Primary

### 22\* Processed

## **3\* Fuels and lubricants**

### 31\* Primary

### 32\* Processed

321\* Motor spirit

322\* Other



# Classification by Broad Economic Categories

## **4\* Capital goods (except transport equipment), and parts and accessories thereof**

41\* Capital goods (except transport equipment)

42\* Parts and accessories

## **5\* Transport equipment, and parts and accessories thereof**

51\* Passenger motor cars

52\* Other

521\* Industrial

522\* Non-industrial

53\* Parts and accessories

## **6\* Consumer goods not elsewhere specified**

61\* Durable

62\* Semi-durable

63\* Non-durable

## **7\* Goods not elsewhere specified**

# Classification by Broad Economic Categories

*The basic classes of goods in the SNA*

## 1. Capital goods

### **Sum of categories:**

**41\* Capital goods (except transport equipment)**

**521\* Transport equipment, industrial**

# Classification by Broad Economic Categories

*The basic classes of goods in the SNA*

## 2. Intermediate goods

### **Sum of categories:**

**111\* Food and beverages, primary, mainly for industry**

**121\* Food and beverages, processed, mainly for industry**

**21\* Industrial supplies not elsewhere specified, primary**

**22\* Industrial supplies not elsewhere specified, processed**

**31\* Fuels and lubricants, primary**

**322\* Fuels and lubricants, processed (other than motor spirit)**

**42\* Parts and accessories of capital goods (except transport equipment)**

**53\* Parts and accessories of transport equipment**

# Classification by Broad Economic Categories

*The basic classes of goods in the SNA*

## 3. Consumption goods

### **Sum of categories:**

**112\*** Food and beverages, primary, mainly for household consumption

**122\*** Food and beverages, processed, mainly for household consumption

**522\*** Transport equipment, non-industrial

**61\*** Consumer goods not elsewhere specified, durable

**62\*** Consumer goods not elsewhere specified, semi-durable

**63\*** Consumer goods not elsewhere specified, non-durable

# ISIC (*International Standard Industrial Classification of All Economic Activities*)

- Unlike HS, SITC, BEC and CPC that are product classifications, the International Standard Industrial Classification of All Economic Activities (ISIC) is the international reference classification of productive activities.
- Its main purpose is to provide a set of activity categories that can be utilized for the collection and reporting of statistics according to such activities.

# CPC (*Central Product Classification*)

- The Central Product Classification (CPC) originated from initiatives in the early 1970s to harmonize international classifications. The new classification was intended to cover both goods and services (products) and would use the detailed subheadings of the Harmonized System as building blocks for the part dealing with transportable goods.
- In 2008, the work on CPC, Version 2.0 was completed. This version of CPC is divided into 10 sections, 71 divisions, 324 groups, 1,267 classes and 2,738 subclasses.

# Central Product Classification

- Integrates Goods and Services categories
- For Production and Trade purposes
- More detail than HS in some areas like
  - Printed Matter
  - Petroleum Products
  - Computer related products

# Central Product Classification

## Structure of CPC

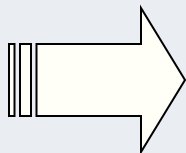
### ➤ 5 Levels

- Section (one-digit code) (10)
- Division (2-digit code) (70)
- Group (3-digit code) (305)
- Class (4-digit code) (1167)
- Subclass (5-digit code) (2096)



# Central Product Classification

10 Sections of CPC



## **0 – 4: Goods (transportable)**

- 0 - Agriculture, forestry and fishery products
- 1 - Ores and minerals; electricity, gas and water
- 2 - Food products, beverages and tobacco; textiles, apparel and leather products
- 3 - Other transportable goods, except metal products, machinery and equipment
- 4 - Metal products, machinery and equipment

## **5 – 9: Services (mainly)**

- 5 - Construction services
- 6 - Distributive trade services; lodging; food and beverage serving services; transport services; and utilities distribution services
- 7 - Financial and related services; real estate services; and rental and leasing services
- 8 - Business and production services
- 9 - Community, social and personal services

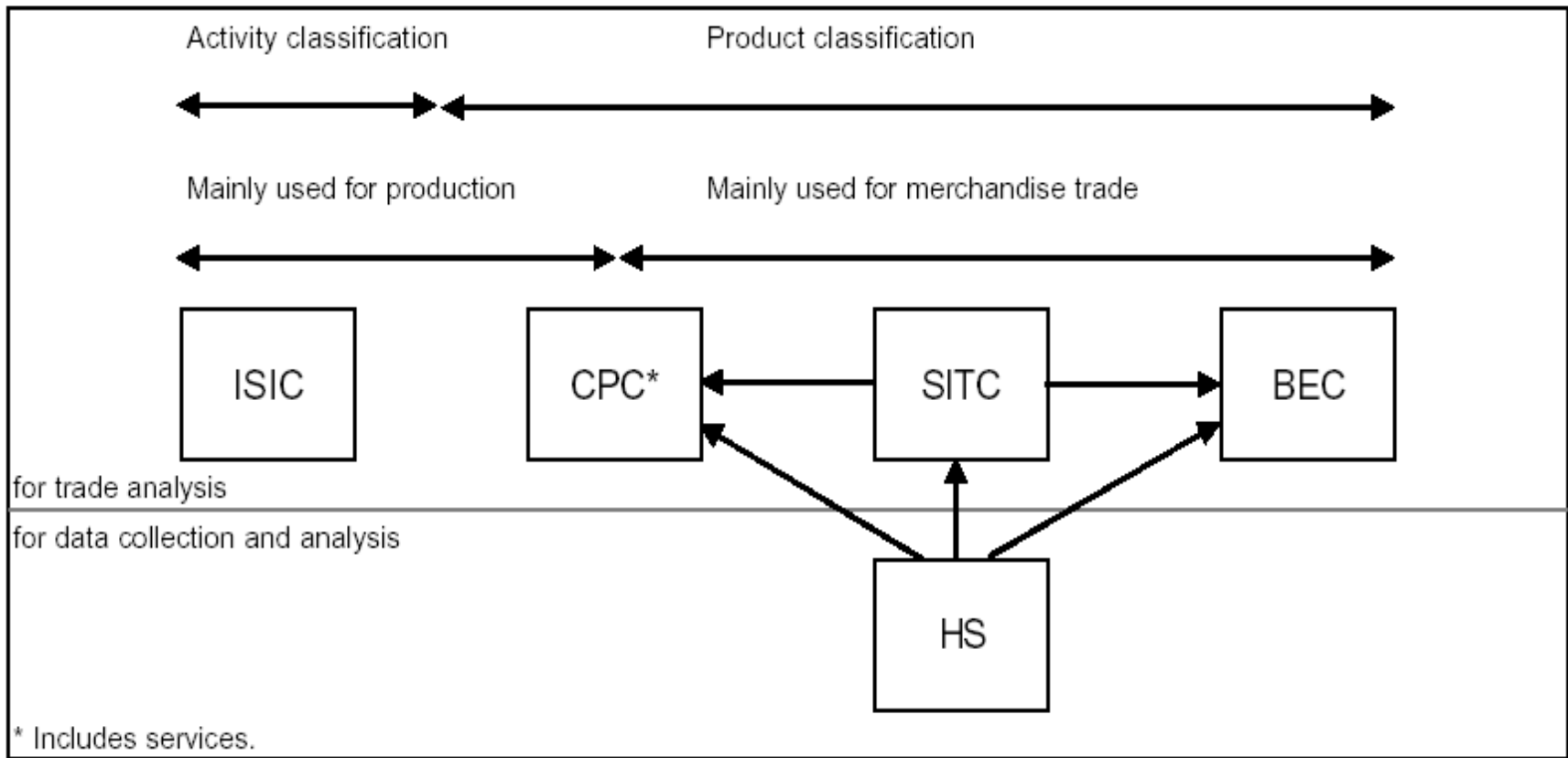
# Central Product Classification

33310	Motor spirit (gasoline) including aviation spirit	2710.11*
33320	Spirit type (gasolene type) jet fuel	2710.11*
33330	Other light petroleum oils and light oils obtained from bituminous minerals (other than crude); light preparations n.e.c. containing not less than 70 per cent by weight of petroleum oils or oils obtained from bituminous minerals (other than crude), these oils being the basic constituents of the preparations	2710.11*
33340	Kerosene (including kerosene type jet fuel)	2710.19*
33350	Other medium petroleum oils and medium oils obtained from bituminous minerals (not kerosene), other than crude; medium preparations n.e.c. containing not less than 70 per cent by weight of petroleum oils or oils obtained from bituminous minerals (other than crude), these oils being the basic constituents of the preparations	2710.19*
33360	Gas oils	2710.19*
33370	Fuel oils n.e.c.	2710.19*
33380	Lubricating petroleum oils and oils obtained from bituminous minerals, other heavy petroleum oils and heavy oils obtained from bituminous minerals (other than crude), and heavy preparations n.e.c. containing not less than 70 per cent by weight of petroleum oils or oils obtained from bituminous minerals (other than crude), these oils being the basic constituents of the preparations	2710.19*

# Central Product Classification

47530	Magnetic media, not recorded, except cards with a magnetic stripe	8523.29*
47540	Optical media, not recorded	8523.40*
47590	Other recording media, incl. matrices and masters for the production of disks	8523.59, .80*
47610	Musical audio disks, tapes or other physical media	8523.29*, .40*, .80*
47620	Films and other video content on disks, tape or other physical media	8523.29*, .40*
47691	Audio books on disk, tape or other physical media	8523.29*, .40*
47692	Text-based disks, tapes or other physical media	8523.29*, .40*
47699	Other non-musical audio disks and tapes	8523.29*, .40*
47811	Operating systems, packaged	8523.29*, .40*
47812	Network software, packaged	8523.29*, .40*
47813	Database management software, packaged	8523.29*, .40*
47814	Development tools and programming languages software, packaged	8523.29*, .40*

# Relationship between different classifications



# Mode of Transport (MoT)

To allow international comparability to the best possible extent countries are encouraged to use the main categories (1-digit) and the detailed (2-or 3-digit) categories of the following classification for the compilation and reporting of the trade statistics by the MoT.

- 1. Air
- 2. Water ( 2.1 Sea, 2.2 Inland waterway)
- 3. Land (3.1 Railway, 3.2 Road)
- 4. Not elsewhere classified
  - 4.1 Pipelines and cables<sup>127</sup>
    - 4.1.1 Pipelines
    - 4.4.2 Cables
  - 4.2 Postal consignments, mail or courier shipments
- 4.3 Self-propelled goods
- 4.4 Other

# Nature of Transaction Code (NoTC)

- The NoTC code is used to indicate the type of transaction being declared, the codes commonly used are code:
  - 10 for a straight forward sale or purchase,
  - 30 for free of charge goods,
  - 40 for goods sent or received for processing and
  - 50 for goods returned or received following processing.

# Customs Procedure Code (CPC)

- A Customs Procedure Code (CPC) is used for both imports and exports to identify the nature of the movement of the goods.
- The codes to be entered in this subdivision are four-digit codes, composed of a two-digit code representing the procedure requested, followed by a second two-digit code representing the previous procedure.
- Once the correct procedure code has been determined the CPC should be quoted in box 37 of the SAD (C88) at both imports and exports.

# Delivery Terms

- The value (invoice price) of the goods negotiated between traders depends on the agreed terms of delivery. Compilers have to make appropriate adjustments to the invoice price to obtain CIF- or FOB-type value of goods
  - EXW - Ex Works (named place)
  - FCA – Free Carrier (named place)
  - FAS – Free Alongside Ship (named place)
  - FOB – Free On Board (named port of shipment)**
  - CFR – Cost and Freight (named port of destination)
  - CIF – Cost, Insurance and Freight (named port of destination)**
  - CPT – Carriage Paid To (named place of destination)
  - CIP – Carriage and Insurance Paid To (named place of destination)
  - DAF – Delivered at Frontier (named place)
  - DES – Delivered Ex Ship (named port of destination)
  - DEQ – Delivered Ex Quay (named port of destination)
  - DDU – Delivered Duty Unpaid (named place of destination)
  - DDP – Delivered Duty Paid (named place of destination)



**Thank you  
for your attention**