



IMTS Concepts and Definitions

Partner Country/ Mode of Transport/Data Compilation Strategies

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Outline

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Partner Country

1. Introduction

Trade statistics by partner country are used for a number of purposes, including analysis of economic trends, national accounts, balance of payments, regional trade patterns, trade shares, market analysis and business decisions, and trade policy and negotiations, as well as for checking the accuracy and reliability of trade data

Types of Partner Country allocation:

IMPORTS

- **Country of purchase:** The country of purchase is the country where the seller of the goods (the purchaser's co-contractor) resides
- **Country of consignment:** The country of consignment is the country from which goods were dispatched to the importing country, without any commercial transactions or other operations that change the legal status of the goods taking place in any intermediate country
- **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:
 - (a) The criterion of goods "wholly produced" (obtained) in a given country, where only one country enters into consideration in attributing origin;
 - (b) The criterion of "substantial transformation", where two or more countries have taken part in the production of the goods.



Partner Country

Types of Partner Country allocation:

EXPORTS:

- ***Country of sale***: The country of sale is the country where the purchaser of the goods (the seller's co-contractor) resides
- ***Country of consignment*** : The country of consignment (in the case of exports) is the country to which goods are dispatched by the exporting country, without - as far as it is known at the time of exportation - being subject to any commercial transactions or other operations that change the legal status of the goods taking place in any intermediate country
- ***Country of last known destination*** : The country of last known destination is the last country - as far as it is known at the time of exportation - 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.



Partner Country

IMTS 2010 recommendations:

It is recommended that:

- (a) In the case of imports, the country of origin be recorded;
- (b) In the case of exports, the country of last known destination be recorded.
- (c) Country of consignment be recorded for imports as the second partner country attribution, alongside country of origin.

IMTS 2010 encouragement:

- Country of consignment as the second partner attribution, in the case of exports



Partner Country

Other recommendations:

- Follow the relevant provisions of the Revised Kyoto Convention in international merchandise trade statistics for determining country of origin. See Revised Kyoto Convention, Specific Annex K/Chapter1
- Use economic territory of trading partners as basis upon which the statistics on trade by partner are compiled.
- Countries are encouraged to use the United Nations standard country or area codes for statistical use as guidance for the identification of trading partners

Specific Cases:

Trade with itself:

- Only possible in case of re-imports
- Neither recommended nor common practice to record trade to itself as the country of last known destination

Trade with its own Free Zones

- May be recorded, but this implies that the country does not use general trade system



Partner Country

Country Classification

- **IMTS 2010 recommendation:**

Countries are encouraged to use the United Nations standard country or area codes for statistical use as guidance for the identification of trading partners

- **International classifications of countries:**

ISO 3166-1 alpha-2 : *two-letter country codes (the most widely used)*

ISO 3166-1 alpha-3 : *three-letter country codes (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.*



Mode of Transport

2. Introduction

The availability of trade data by mode of transport is very important for many purposes, including the monitoring of international transport routes, the formulation of transportation policy, the assessment of the impact of trade on the environment etc.

IMTS 2010 recommendations:

- It is recommended that countries compile and disseminate international merchandise trade statistics by mode of transport at the most detailed commodity level in order to provide information on transportation arrangements and for other analytical purposes.
- It is further recommended that the mode of transport that should be recorded is the means of transport used when goods enter or leave the economic territory of a country.



Mode of Transport

IMTS 2010 recommendations:

To allow international comparability to the best possible extent, countries are encouraged to use the main categories (1-digit) and, if countries wish to do so, the detailed (2- or 3-digit) categories of the following classification:

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
 - 4.1.1 Pipelines
 - 4.1.2 Cables
 - 4.2 Postal consignments, mail or courier shipments
 - 4.3 Self-propelled goods
 - 4.4 Other



Data Compilation Strategies

2. Data Sources

The collection of IMTS through Customs documents has a long history. In a growing number of cases, full coverage of IMTS cannot be achieved by use of customs records only.

IMTS 2010 :

- encouraged that countries review their current data compilation practices and to develop a long-term strategy for dealing with the emerging issues in order to ensure high quality and timely trade statistics
- It is recommended that statisticians use customs records as the main and normally preferred data source since they reflect the physical movement of goods across



Data Compilation Strategies

Customs Procedure

A customs procedure is a “treatment applied by the customs to goods which are subject to customs control” . The customs procedure is the basis for the **correct identification** of the flows of goods for **inclusion or exclusion** under **general or special trade**.

Customs usually apply a **system of codes** that allows flows of goods to be identified and prevents double recording of the goods which have undergone several customs procedures

IMTS 2010 recommendations:

- It is recommended that statisticians **closely cooperate** with customs experts in order to correctly allocate customs procedure codes and associated trade transactions according to the general or the special trade system. The annexes to the Revised Kyoto Convention identify a set of customs procedures, and provide standards and recommended practices regarding those activities.
- It is recommended that information about the customs procedures applied to individual transactions **be part of the dataset provided by customs** to the agency responsible for the compilation of international merchandise trade statistics



Data Compilation Strategies

Customs Procedures

Countries may not always strictly follow the standards and recommended practices of the Convention and/or have other procedures in addition to those identified in it. Therefore, compilers should decide on the inclusion and exclusion of any given procedures, following the IMTS 2010 recommendations.

General Guidelines are provided in IMTS 2010:

Procedures that should be included in trade statistics:

Clearance for home use, re-importation in the same state, outright exportation, customs warehouses, free zones, inward processing, outward processing, drawback, processing of goods for home use, ...

Procedures that should be excluded from trade statistics: Customs transit, transshipment, Temporary admission, ...



Data Compilation Strategies

Institutional Arrangements

IMTS 2010 recommendations:

- It is recommended that countries consider the establishment of the institutional arrangements necessary to ensure the compilation of high quality trade statistics as a matter of high priority and periodically review their effectiveness



Terms of Delivery

The terms of delivery are 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. The price of the goods negotiated between traders and reflected in the invoice (also referred to as invoice price) depends on the terms of delivery.

Types of terms of delivery used in international trade, including FOB and CIF, are defined by the International Chamber of Commerce and are described below.

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)

DAT – Delivered at Terminal (named terminal at port or place of destination)

DAP – Delivered at Place (named place of destination)

CPT – Carriage Paid To (named place of destination)

CIP – Carriage and Insurance Paid To (named place of destination)

DDP – Delivered Duty Paid (named place of destination)

The value 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



Terms of Delivery

Duties of seller according to Incoterms 2010

| | Loading on truck (carrier) | Export-Customs declaration | Carriage to port of export | Unloading of truck in port of export | Loading charges in port of export | Carriage to port of import | Unloading charges in port of import | Loading on truck in port of import | Carriage to place of destination | Insurance | Import customs clearance | Import taxes |
|-----|----------------------------|----------------------------|----------------------------|--------------------------------------|-----------------------------------|----------------------------|-------------------------------------|------------------------------------|----------------------------------|-----------|--------------------------|--------------|
| EXW | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer |
| FCA | Seller | Seller | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer |
| FAS | Seller | Seller | Seller | Seller | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer |
| FOB | Seller | Seller | Seller | Seller | Seller | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer |
| CFR | Seller | Seller | Seller | Seller | Seller | Seller | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer |
| CIF | Seller | Seller | Seller | Seller | Seller | Seller | Buyer | Buyer | Buyer | Seller | Buyer | Buyer |
| DAT | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Buyer | Buyer | Buyer | Buyer | Buyer |
| DAP | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Buyer | Buyer | Buyer |
| CPT | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Buyer | Buyer | Buyer |
| CIP | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Buyer | Buyer |
| DDP | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller |

THANK YOU

GRACIAS

ARIGATO

SHUKURIA

JUSPAXAR

DANKSCHEEN

TASHAKKUR ATU

YAQHANYELAY

SUKSAMA

MEHRBANI

GRAZIE

PALDIES

BOLZİN

MERCI

BIYAN

SHUKRIA

TINGKI

CHALTU

WABEEJA

MAITEKA

HUI

YUSPAGARATAM

SPASSIBO

SNACHALHUYA

NUHUN

DHIANYABAD

ANBIA

ATTO

MERSI

SPASIBO

DENKAUJA

HEHACHALHYA

UNALCHEESH

HATUR GI

EKOJU

SIKOMO

SANCO

MERASTAWHY

GAEJTHO

TAVTAPUCH

MEDAWAGSE

BAIKA

GOZAIMASHITA

EFCHARISTO

AGUYJE

FAKAQUE

KOMAPSUMNIDA

MAAKE

LAH

MAKETAI

MINMONCHAR