



UNITED NATIONS
DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION



UNITED NATIONS
ECONOMIC COMMISSION
FOR AFRICA

**International Workshop on Country Practices in Compilation of
International Merchandise Trade Statistics, 12-16 November 2007, Addis Ababa**

Presentation
United Nations Statistics Division

Item 10: Overview of Revision Processes

Overview of current revision processes

UNSD/ECA Workshop on IMTS
Agenda Item 10

Recent revision processes

- ✓ Update of System of National Accounts (1993 SNA, Rev.1) scheduled for approval by Statistical Commission (SC) in 2008
- ✓ Revision of Balance of Payment Manual (BPM6) available by late 2008
- ✓ Manual on Statistics of International Trade in Services (MSITS, Rev.2) for SC approval in 2009
- ✓ Harmonised System 2007 in force as of 1 Jan. 07
- ✓ Standard international trade classification (SITC) Rev. 4, plus correlation tables now available
- ✓ Revised Kyoto convention entered into force 3 February 2006

Definitions of international trade

1. **Physical movement of goods across borders (International Merchandise Trade Statistics)**
2. **Change of ownership of goods between resident and non-resident (BOP – Trade in Goods; SNA)**

Stricter application of the change of ownership principle

To calculate [BOP trade in goods] from IMTS data:

- Deduct from IMTS “goods for processing without change of ownership”
 - ✓ Now recorded in [BOP trade in services]
- Add merchant goods to IMTS data as change of ownership takes place (not a service anymore)
- Deduct from IMTS migrants effects as no change is taking place

Changes that will former differences make disappear

[BOP trade in goods] same as IMTS:

- Goods acquired by travelers in excess of customs threshold are included
- Goods for repair are excluded
 - ✓ all repairs will be recorded under trade in services
- Downloadable standard software, video and audio recordings is not trade in goods

Consequences of the changes in BPM6

For some countries there will be large differences between trade reported by IMTS and by [BOP trade in goods] mostly due to re-allocation of “goods for processing” as a service.

Note that:

1. **IMTS will not change**
2. **IMTS compilers will be asked to help identify “goods for processing without change of ownership”**

Need for revision of IMTS, Rev.2

1. Changes in the ways international merchandise trade is conducted

- increasing globalization
- outsourcing
- expansion of intra-firm trade
- transactions with bundled goods and services components
- spreading of e-commerce

Need for revision of IMTS, Rev.2

2. Changes in legal environment in which international trade transactions are conducted and which affect availability and contents of the main source of trade data - customs records

- abolition of customs borders or simplification of customs procedures by many countries
- new developments regarding rules of origin of traded goods
- various experiences in interpretation and application of the WTO valuation agreement

Need for revision of IMTS, Rev.2

3. Need for more extensive use of non-customs data sources to supplement customs records;
4. Review of the existing recommendations for internal clarity and completeness;
5. Addition of new recommendations regarding metadata, data quality and dissemination;

Need for revision of IMTS, Rev.2

5. Ever increasing user demands;
6. Need for a further harmonization with other economic statistics including with the revised SNA93, forthcoming BPM6 and the revised Manual on SITS.

**Outline of revision process for
IMTS, Revision 3**

- 2007 – First Expert Group meeting December 2007 in New York (including Nigeria and Senegal)
- 2008 – Proposal to the UN Statistical Commission (SC)
- 2008 – World-wide consultation
- 2008 – 2009 electronic discussion (Expert Forum)
- 2009 – First full draft of new Manual
- November 2009 - Completion of the revised Manual
- 2010 – Approval by SC

IMTS compilers and other trade experts are invited to participate in a electronic discussion group called the **Expert Forum**

at <http://comtrade.un.org/ef/>