



# JOINT GCC-STAT - UNSD REGIONAL WORKSHOP ON FUTURE OF INTERNATIONAL MERCHANDISE TRADE STATISTICS

# WEBINAR HOSTED BY THE GCC-STAT

# **FINAL REPORT**







#### **BACKGOUND**

This was the second Joint GCC-Stat - UNSD regional workshop on IMTS. The first joint regional workshop was held from 7-10 February 2016 in Muscat, Oman. It was hosted by the GCC-Stat. 29 participants form 15 Middle–East and North Africa (MENA) countries attended the workshop, including 19 participants form GCC member countries: United Arab Emirates, Bahrain, Saudi Arabia, Oman, Qatar and Kuwait, and 10 participants for eight Arabic speaking Western Asia and Africa countries: Iraq, Jordan, Libya, Mauritania, Morocco, Palestine, Sudan and Tunisia. In addition, the World Customs Organization (WCO) and the Economic Community of West African States (ECOWAS) attended the workshop, and the workshop greatly benefitted from their contributions made.

Economic globalization facilitated by the adoption of digital technology has accelerated international trade in goods coupled with rapid growth of digital trade and e-commerce. The changing patterns and dynamics of international trade present new measurement challenges, but also new opportunities for International Trade Statistics in goods and services using non-traditional in addition to traditional data sources.

Those new challenges and opportunities are addressed by the International Merchandise Trade Statistics: Concepts and Definitions 2010 (IMTS 2010) and its companion Compiler Manual (IMTS 2010 CM), developed by the United Nations Statistics Division (UNSD). Also to mention the latest methodological manuals prepared by the UN Expert Group on International Trade and Economic Globalization Statistics on GVC accounting, the UN Committee of Experts on Business and Trade Statistics on business dynamics, and the Inter-Agency Task Force on International Trade Statistics on digital trade.

These methodological documents are complemented and supported by trade-related technology platforms and databases including: Automatic Identification System (AIS) and Automatic Dependent Surveillance (ADS-B); digital trade, including e-commerce; World Integrated Trade Solution (WITS); Trade by Enterprise Characteristics (TEC); Global Value Chain (GVC); Trade in Value-added (TiVA); ABRAMS world trade wiki business intelligence portal, and GCC integrated MRSA system.

#### **OBJECTIVES OF THE WORKSHOPS**

The objectives of the workshop were as follows:

- 1) Advancing the implementation of International Merchandise Trade Statistics: Concepts and Definitions 2010;
- 2) Raising awareness on the current working definition of statistical conceptual framework on digital trade and e-commerce; and





3) Building capacity of national statistics centers and other relevant agencies in addressing the challenges of, and benefitting from the opportunities created by advancement in technology and emergence of Big Data.

The discussion is to include theoretical as well as practical issues relating to the implementation of the IMTS 2010 and its companion Compilers Manual (IMTS-2010-CM), and the new challenges and opportunities ahead, under the following topics:

- 1. Implementation by GCC member countries of IMTS 2010
- 2. Latest developments in revision of international standards and future of IMTS
- 3. Handbook on Measuring Digital Trade (including e-commerce)
- 4. WCO frameworks of standard on e-commerce.
- 5. Status of global e-commerce in goods and services
- 6. Demand and challenges in measuring e-commerce in countries (i.e., increase of e-commerce due to COVID-19): round table
- 7. Missing Data Estimates, Intra-GCC Trade and Asymmetries in IMTS
- 8. Enhancing usefulness of customs data
- 9. Processing data for UN Comtrade
- 10. Big data for IMTS: AIS datasets and Trade Statistics
- 11. Trade by Enterprise Characteristics (TEC)
- 12. GCC-Stat MRSA project: an overview of the MRSA project in terms of the mechanism for collecting and making available data and the benefits achieved.
- 13. GCC Interconnection Authority (GCC-IA) Electricity trade data.
- 14. Forthcoming GCC HS-8 2022
- 15. HS 2017 and forthcoming HS 2022
- 16. Conclusion and evaluation of the workshop

The workshop will include presentations on conceptual and methodological issues, country practices, and round-table discussions.

#### **PARTICIPANTS**

The target groups of participants include compilers of IMTS from member countries:

- 1) Participants from GCC member countries: United Arab Emirates, Bahrain, Saudi Arabia, Oman, Qatar, Kuwait;
  - Compilers of international merchandise trade statistics (IMTS) and statistics of international trade in services (SITS) from national statistics centers (NSCs);
  - Compilers of Customs statistics form national Customs administrations (NCAs);
- 2) Compilers of IMTS from NSCs from other, mainly Arabic speaking countries from the national statistical centers and/or central banks and/or national customs administrations (NCAs): Algeria, Comoros, Djibouti, Egypt, Eswatini, Iraq, Jordan, Lebanon, Libya, Mauritania, Morocco, Namibia, Palestine, Somalia, Sudan, Syria, Tunisia and Yemen.





#### **OTHER**

**Organizers:** The Workshop is a Joint undertaking organized by the Gulf Cooperation Council Statistical Centre (GCC-STAT) and the United Nationals Statistics Division (UNSD), and hosted by the GCC Stat using Zoom Webinar platform.

Languages: simultaneous two way translation: English-Arabic, Arabic-English

#### Other contributors and invitees

- 1) GCC Secretariat, Customs Affairs (GCC Customs)
- 2) International Monetary Fund (IMF)
- 3) Eurostat
- 4) World Customs Organization (WCO)
- 5) World Trade Organization (WTO)
- 6) United Nations Conference on Trade and Development (UNCTAD)
- 7) ABRAMS world trade wiki
- 8) GCC Interconnection Authority (GCC-IA)

#### ISSUES ADDRESSED AND RECOMMENDATIONS:

- 1. The workshop took note of the activities of GCC-Stat in the area of International Merchandise Trade Statistics.
- 2. The workshop welcomed the developments in the revision of IMTS concepts and definitions by UNSD and the associated research agenda. The revision will be guided by a Task Team of experts from national agencies and international organization and ensure synergy with other related frameworks such as SNA and BOP. In addition, the countries are invited to join the task team.
- 3. The workshop recognized the importance of measuring e-commerce given the increasing globalization and digitization of Trade. To this end, they welcomed the work by several international organizations in developing the conceptual framework, standards, and guidelines for measuring e-commerce, and for producing estimates at the global level. Determining the scope of e-commerce, ensuring breakdown by nature of importer and exporter, and identifying new data sources (such as data from digital intermediary platforms, postal/courier data) to produce statistics on e-commerce are essential. According to the level of maturity, countries are recommended to compile and publish cross-border e-commerce statistics. It was noted that some countries have an ongoing initiative to measure cross-border e-commerce for the purpose of taxation and security based on the WCO framework of standards. Currently, a variety of data sources are being explored. It was recognized that GCC, being a customs union, are in a good position to start implementing this framework in the region.





- 4. The workshop recognized the importance of reducing bilateral asymmetry in IMTS. The participants discussed systematic ways to address bilateral asymmetry and agreed that there are several possible treatments such as data reconciliation exercise with major partners including adjustment for difference in methodology, improving coverage such as inclusion of free zone, using data source such as survey of enterprises and so on. Participants expressed that knowledge sharing among countries can be beneficial in this work. For additional reference, countries are encouraged to consult the latest Note on IMTS Bilateral asymmetries how to measure, analyze, reduce and way forward<sup>1</sup> by UNSD.
- 5. The workshop took note of ongoing work in using new data sources to produce more disaggregated and real-time trade statistics. The participants recognized that better access to already existing information such as bill of lading and combining it with customs data can produce more detailed trade data. On the other hand, big data techniques such as dbscan, random forest applied to AIS data (vessel tracking) can produce real-time estimates for trade volumes; and other applications including detecting turning points in trade. The workshop stressed that cooperation among stakeholders will be essential for the success of these novel initiatives.
- 6. The workshop took note of the work in producing Trade by Enterprise Characteristics (TEC) statistics. It was recognized that a functional and good quality Statistical Business Register (SBR) is a prerequisite of TEC data. Without establishing additional data collection, countries can compile trade by enterprise characteristics (TEC) by undertaking the linkage between trade data and the statistical business register. Indicators of TEC such as trade by industry, size, type of ownership is highly demanded by users to better understand the relationship between trade and industry; and to support measurement of the global value chain, among other applications.
- 7. The workshop took note of the data processing work and plans of the UN Comtrade and for the GCC-Stat MRSA system, the global repository of IMTS and the GCC-STAT data platform, respectively. The data exchange mechanisms for MRSA project will be approved by the GCC national statistical authorities sometime this year. It was recognized that these processes make IMTS coherent and comparable across countries by harmonizing national data before publishing.
- 8. The workshop recognized that an active electricity market exists in the GCC region supported by a regional agreement and associated infrastructure. Electricity is a commodity and should be included in IMTS. It was expressed that dissemination of electricity trade data was the responsibility of exporting/importing GCC countries.
- 9. The workshop recognized the importance of adhering to latest international standards in the compilation of IMTS, including the use of the Revised Kyoto Convention, Harmonized System, and the IMTS 2010 recommendations. CPC codes are essential for compiling high quality IMTS and countries are urged to provide detailed and harmonized CPC in IMTS datasets. It was

<sup>&</sup>lt;sup>1</sup> https://unstats.un.org/unsd/tradekb/Knowledgebase/50657/Bilateral-asymmetries





noted that a proposed set of standard CPC has been developed for GCC countries and GCC secretariat will discuss its implementation soon.

10. The workshop took note of the work to develop and implement the 2022 revision of HS. GCC-Stat will work with countries to implement the HS2022. Compared to 2017, the latest revision has added a significant number of subheadings. It was recognized that HS revisions should consider the needs of the Trade statisticians. It was advised that Trade statistician provide their inputs for HS revisions through their respective Customs Administration or UNSD. Also, the workshop recognized the challenges in standardizing and use of alternate aggregation of classification categories for various analytical applications. It was advised that if there was a need to create a classification or commodity grouping for a specific purpose, the interested party should do it independently, taking into account existing classifications in use.

**Place and dates:** the workshop is hosted by the GCC-Stat, Muscat – Sultanate of Oman, from November 9-11, 2020 using Zoom Webinar platform

#### **Contact information for substantive matters**

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#### TENTATIVE PROGRAMME

### Day 1: Monday, 9 November 2020

13:30-14:00 Registration and signing in (open throughout the meeting) 14:00-14:30 1. Inaugural program a. Launching the meeting (Chairperson) b. Welcome address by GCC-Stat c. Opening remarks by UNSD 14:30-15:15 2. Setting the stage a. Adoption of agenda, purpose and context of the workshop (UNSD) b. Administrative and procedural matters (Chairperson) Implementation by member countries of IMTS 2010 (GCC-Stat) 14:45-15:15 15:15-15:30 Coffee break 15:30-15:45 Latest developments in revision of international standards and future of IMTS (UNSD): 15:45-16:00 Handbook on Measuring Digital Trade (including e-commerce) (WTO) 16:00-16:15 WCO frameworks of standard on e-commerce. (WCO) 16:15-16:30 Status of global e-commerce in goods and services (UNCTAD) 7. 16:30-17:00 Demand and challenges in measuring e-commerce in countries – (i.e., increase of e-commerce due to COVID-19) (Round Table).

## Day 2: Tuesday, 10 November 2020

Mediator: GCC-Stat, UNSD

13:45-14:00 Registration and signing in (open throughout the meeting)
14:00-14:15
9. Bilateral Asymmetries (Morocco)
14:15-15:15
10. Country presentations on compilation challenges in implementation of IMTS 2010 (National experiences)





- 15:15-15:30 Coffee break
- 15:30-15:45 11. Enhancing usefulness of customs data (Abrams.wiki)
- 15:45-16:00 12. Processing data for UN Comtrade (UNSD)
- 16:00-16:30 13. Big data for IMTS: AIS datasets and Trade Statistics (IMF)
- 16:30-17:00 14. Round Table.

Mediators: IMF, UNSD

## Day 3: Wednesday, 11 November 2020

- 13:45-14:00 Registration and signing in (open throughout the meeting day)
- 14:00-14:15 15. Trade by Enterprise Characteristics (TEC): Eurostat
- 14:15-14:45
  16. GCC-Stat MRSA project: an overview of the MRSA project in terms of the mechanism for collecting and making available data and the benefits achieved. (GCC-Stat)
- 14:45-15:00 17. Electricity trade data (GCC Interconnection Authority (GCC-IA)
- 15:00-15:15 Coffee break
- 15:15:15:30 18. CGC Customs Procedure Codes (GCCStat)
- 15:30:15:45 19. Commodity classifications: HS 2017 and forthcoming HS 2022 (WCO)
- 15:45-16:15 20. National experiences
- 16:15-17:00 21. Round table, conclusion and evaluation of the workshop (Chairperson)





