Statistics on the trading of goods

User guide

1 INTRODUCTION

1.0 Purpose of the user guide

1. This user guide gives a simple presentation of the basic methodology used for the compilation of statistics of international trade in goods published by the Statistical Office of the European Communities (Eurostat) in the COMEXT database and elsewhere. The guide also describes the role of Eurostat in the dissemination of the statistics and the sources which are available to the user. In addition, it provides some information on the differences that exist between EU statistics and those published by Member States and by other international organisations.

2. The aim of the guide is to assist in the use and analysis of the trade statistics that are available for the European Union (EU). It is aimed at the general user of these statistics and does not require a specialist background to be understood.

3. The guide is an extended, improved and updated version of *Statistics on the trading of goods – User guide* published in paper by Eurostat in 1998. The present edition was completed in December 2000 and so far as possible reflects the position at that date, although it discusses some changes which will become effective later.

4. The information contained in this guide does not supersede existing regulations governing international trade statistics. It has no legal force and is intended only as a means of providing users with a simple, basic, methodology and describing the various Community statistics which they can access. Eurostat (Unit C/4, fax: (352) 43 01 34339) will be pleased to provide further information to users on particular issues.

5. The guide is set out in a hierarchic structure using a decimal notation of up to four digits. For example, Section 5 is "Dissemination"; Sub-section 5.3 is "Databases"; and Sub-section 5.3.3 is "New Cronos".

6. The broad divisions of the guide are between:-

   1 Introduction
   2 Methods
   3 Data collection
   4 Data processing and analysis
   5 Dissemination
   6 Co-operation

7.   The guide can usefully be read in complete sequence but it is more likely that users will generally wish to access particular sections. Perhaps the core of the guide – for the general user of the data - is Section 2 on methods. This sets out in summary form most of the concepts and definitions used for the data of EU trade and explains the variables that are encountered by the user. It summarises the differences that may exist between different sources at 2.17 and addresses the problem of "mirror-statistics" that will be encountered by many but the most occasional of users – that is that a flow from one country to another is in practice likely to be measured differently by the two countries.

8.   The guide is supported by fifteen detailed annexes. These are listed with the contents of the guide and are referred to where relevant in the text.

1.1   Use of international trade statistics

9.   The need for statistics on the trading of goods is self-evident. International trade forms an increasing part of the world economy and, as such, must be measured reliably and the relevant data widely available and understood.

10.   International trade statistics are an important primary source for most public- and private-sector decision-makers. For example, they help European companies carry out market research and define their commercial strategy; they enable Community authorities to prepare for multilateral and bilateral negotiations within the framework of the common commercial policy and to evaluate the progress of the Single Market and the integration of European economies; and they constitute an essential source of information for balance of payments statistics, national accounts and studies of economic cycles.

11.   The statistics provide this information in a variety of forms. Users may need data in fine product detail, on trade with particular countries or on the major aggregates. They may be interested in current levels or in changes over time. They may be interested in movements of values of trade in current prices or in movements of the volume of trade at constant prices. Their interest may alternatively - for transport planning purposes - be in the weight of trade or some other quantity measure.

12.   These lists, which are far from exhaustive, demonstrate the diversity of the users and their requirements. Eurostat tries to meet these various needs and to adopt to the changing environment as, for example, moves toward globalisation increase.

13.   The system for collecting statistics on the trading of goods has undergone major changes in recent years. The introduction in 1988 of the Combined Nomenclature (CN) and Single Administrative Document (SAD) led to important changes in statistics on trade with non-member countries. Above all, the advent of the Single Market on 1 January 1993, with its removal of customs formalities (the traditional source of statistical data on international trade) between Member States enforced the adoption of a specially designed collection system, Intrastat, as the basis for statistics on trade between Member States.

14.	These are two key dates in the development of the collection of international trade data but there has also been a continuous process of improvement. The changes create the need for greater vigilance on the part of statistical users because they may affect the nature, quality and coverage of the data. In particular, the introduction of Intrastat in 1993 involved a methodological break with the past and, initially at least, reduced the quality of the statistics. Many efforts are being made to improve the quality of the results but also to rationalise the statistical system and reduce the burden on data providers while maintaining a satisfactory level of information.

## 1.2	Links with balance of payments and national accounts

15.	One important use of international trade statistics for the majority of countries is to provide a data source for the estimation of those components of the balance of payments and the national accounts which relate to trade in goods. The most appropriate definitions for these components are set out internationally in the *Balance of Payments Manual (Fifth edition)* (BPM5) published by the International Monetary Fund and in the *System of National Accounts – 1993* (SNA) jointly published by the United Nations, the Commission of the European Communities and other international organisations. The recommendations set out there for the two systems (which BPM5 notes are concordant in underlying principles) are reflected in European Union requirements for balance of payments and national accounts information.

16.	The latest international recommendations which particularly relate to trade statistics are given by *International Merchandise Trade Statistics: Concepts and Definitions (Series M, No 52, Rev. 2)* published in 1998. (IMTS). While these take account of the recommendations of BPM5 and accept the desirability of moving toward harmonisation between the two, there are differences between the recommendations for international trade statistics and the goods account of the balance of payments in, for example, coverage, valuation and some aspects of concept.

17.	These differences reflect both the differing priorities of users and the problems of data collection for the generally more frequent and more detailed requirements of international trade statistics. Such differences also currently exist, although varying in detail, between the legislation defining the international trade data to be provided to Eurostat by Member States and the information required from them on the goods account of the balance of payments.

18.	It is not the purpose of this guide to discuss in detail the adjustments that must be made to international trade statistics to convert them to figures on a balance of payments basis (where it is the trade statistics that are the source of the balance of payments figures). It is sufficient to note that such conversion is necessary. It may have a substantial effect on the figures, for example from the different concepts of valuation used for imports.

19.   However, it should be stressed to avoid confusion that this guide is concerned with estimates of trade flows on an international trade statistics basis. These are statistics that are defined in such a way, and are available in such detail, that they should be the preferred data for measuring international trade flows.

1.3   Institutional framework

1.3.0   General

20.   While the work of Eurostat on the compilation of trade figures for the EU rests on a firm legal basis, as described below, which is set out in a series of Council and Commission regulations, the work is a co-operative effort between Eurostat and the appropriate bodies in the Member States which are responsible for collecting and processing the basic information.

1.3.1   National authorities

21.   Annex 1 provides details of a single competent national authority for each Member State. These are most often the national statistical institutes of the Member States but also include some national Customs authorities and other bodies. In practice, the division of responsibilities between departments within a national administration for collection, quality checking and dissemination of trade data may be quite complex and vary from Member State to Member State. The departments listed, however, provide a suitable starting point for users of trade data who wish to comment on or query some aspect of national data via national authorities.

1.3.2   Community authorities

22.   Eurostat (the Statistical Office of the European Communities) is responsible for overseeing and developing work on international trade statistics.

23   Eurostat's trade statistics main areas of responsibility are:

- Methodology
- classifications
- dissemination
- analysis
- cooperation
- Edicom programme[1]

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[1]   actions relating to the trans-European network for the collection, production and dissemination of statistics on the trading of goods within the Community and between the Community and non-member countries (Edicom)

24.   Eurostat's Directorate C operates in this area of responsibility in close collaboration with other parts of Eurostat and with the many Directorates General with an interest in the use or compilation of figures of international trade.

25.   Co-operation between Member States and Eurostat is full and regular. It has been formalised by the creation of working parties and management committees. Where discussion is directed toward the creation or amendment of Council or Commission regulations the procedures naturally follow those appropriate for EU legislation more generally.

1.4   Legal framework

1.4.0   General

26.   Eurostat is responsible for harmonising Community legislation in the field of statistics on the trading of goods and ensuring that the legislation is applied correctly. The statistics to be provided to Eurostat are therefore based on precise legal texts, directly applicable in the Member States, and on definitions and procedures which have to a large extent been harmonised. Different legislation generally applies to statistics on trade between Member States (often known as "intra-EU trade statistics" or simply "intra-trade") and trade between Member States and countries that are not members of the EU ("extra-EU trade statistics" or "extra-trade").

27.   Annex 2 gives a complete list of relevant Community legislation at the end of the year 2000. The position, however, is not static with new legislation regularly being introduced to reflect developments in trade and to improve and further harmonise the statistics produced. Indeed, two important Commission regulations were introduced in September 2000 which consolidated and improved much of the earlier legislation relating to the implementation of the original basic regulations. One consequence of this continuous process is that there is no single set of legislation which relates to all the figures of trade compiled over a period of years.

28.   The user of trade statistics does not require a detailed knowledge of this extensive legislation which determines the characteristic features of European data. The consequences of the legislation in terms of issues of concern to the user, such as the trade systems and classifications used, are set out more simply and directly in Section 2 – Methods – below. However, the main features of the legislation are summarised in the following paragraphs as background to the later discussion.

1.4.1   Intra-EU trade

29.   Statistics on trade between the Member States of the European Union are based on Council Regulation (EEC) No 3330/91 of 7 November 1991 and on the various implementing Regulations which lay down or supplement the rules on methodology, thresholds and forms. The Intrastat system, which was created as a means of collecting information relating to trade between Member States, came into operation on 1 January 1993. Its main features are given in the following paragraphs.

30.   It provides for **direct collection of information from companies or other legal entities,** which send the relevant national institute a summary declaration for the previous month. In France and Italy, these declarations also serve statistical and fiscal purposes.

31.   It is based on **a close link with the VAT system** relating to intra-EU trade. The tax authorities of the Member States are required, at least once every quarter, to transmit to the statistical services a list of operators who have made purchases or sales and the value of these operations, so that the exhaustiveness and quality of the statistical data can be checked.

32.   It aims **to reduce the burden on companies as far as possible**. For all companies involved, the advent of Intrastat resulted in a lighter workload compared with the previous system. Moreover, the application of a threshold system meant that very many operators were exempted from any formalities or the information which they had to provide was significantly reduced. However, the burden on providers is regularly reviewed and the appropriate balance between burden and quality reassessed and if necessary changed.

33.   Measures to **modernise data capture and transmission** have been introduced as part of the EDICOM programme as an additional aid to simplification. Numerous tools were developed and promoted. They were intended for both the information providers (for example, EDP software packages) and the statistical services (improved methods of collection and processing of statistical data).

1.4.2   Extra-EU trade

34.   Statistics on the European Union's trade with non-member countries are currently based on Council Regulation No 1172/95 of 22 May 1995, which is supplemented by Commission Regulations laying down various detailed rules. (Until 1996, the rules were based on a Council Regulation dating from 1975 – No 1736/75.)

35.   Two features of Regulation 1172/95 deserve special mention.

36.   The subject of international trade statistics and the information which they contain are defined with reference to the Regulation and **customs procedures,** whereas the collection of data is based mainly on the Single Administrative Document (SAD).

37.   In order to meet their **specific national needs**, the Member States collect and process other information which is contained in the SAD but which is not required for statistical purposes at Community level. Similarly, particular requirements governing certain fields exist at national level in the absence of harmonisation at Community level. This has been particularly so in the past in the case of 'specific' movements (for example, military goods and postal consignments (see 2.4). Some Member States also compile statistics on transit, customs warehouses, free zones and free warehouses.

1.4.3   Other EU legislation

38.   There is a range of other legislation which has relevance to the provision of international trade statistics to Eurostat. It can be divided into four groups.

39.   **General regulations** concerning Community statistics and statistical confidentiality which apply to trade statistics just as they do to other statistics required to be provided to Eurostat. There is also the rolling Community Statistical Programme setting out broad plans for development.

40.   There are a number of **regulations relating to Customs procedures** which have implications for trade data.

41.   **Council Decisions on Edicom (electronic data interchange on commerce)** facilitate the conversion of regional, national and Community systems towards inter-operable systems at European level for the collection, validation, processing and dissemination of trade data.

42.   There are regulations relating to **nomenclature**. These deal with both product nomenclature - the tariff classification and the Combined Nomenclature (see 2.6.1) - and country definitions and nomenclature (see 2.6.2).

1.4.4   International recommendations and provisions

43.   In addition to the EU legal requirements that relate to statistics of trade there are a number of international recommendations and conventions relevant to this topic although they do not generally have direct legal force. One particularly relevant set of recommendations, as noted in 2.0 below, is contained in the United Nations Statistics Division publication *International Merchandise Trade Statistics: Concepts and Definitions (Series M, No 52, Rev.2)* (IMTS) which sets out internationally agreed recommendations for the treatment of the main issues relating to statistics of trade in goods.

44. A set of definitions that underpins some of the definitions used for the compilation of trade data is given within the so-called Kyoto Convention (*International convention on the simplification and harmonisation of customs procedures*). These are in practice mandatory since their application is obligatory for accession to the World Customs Organisation.

1.4.5 National legislation

45. It is explained elsewhere that while EU legislation harmonised most important aspects of the data that are compiled by Member States for transmission to Eurostat, members of the EU have the freedom to publish national figures on alternative bases. Where such distinctions are important they are discussed in the relevant part of the text and a summary of the main methodological differences is given in 2.17.1.

46. Because of these differences and to implement some aspects of the EU legislation in individual Member States, there is a substantial body of national legislation. It is not the purpose of the guide to set out this legislation which would be an extensive task. Some information on the legislation may be available, however, from the national authorities listed in Annex 1.

2. METHODS

2.0 General

47.   The statistics of trading in goods by the European Union (EU) cover both outward flows from Member States and inward flows into Member States. Methodology differs in a number of ways for flows between Member States and non-member countries of the EU (extra-EU trade) and for flows from one Member State to another (intra-EU trade).

48.   In broad terms, outward flows of goods from a Member State to a non-member country are known as exports: outward flows from one Member state to another are known as dispatches. Inward flows from a non-member country to a Member State are known as imports: inward flows to one Member State from another are known as arrivals.

49.   There are a range of methodological issues relevant to the definition and measurement of these international trade flows. These are considered fully in the United Nations Statistics Division publication *International Merchandise Trade Statistics: Concepts and Definitions (Series M, No 52, Rev.2)* (IMTS) which sets out internationally agreed recommendations for the treatment of the various issues.

50.   Both the body of EU legislation - the so-called "Acquis Communautaire" - and national practices are for the most part in line with the recent (1998) recommendations in IMTS but there are some important differences. The text of this guide does not generally make comparisons between the EU treatment and the UN recommendations but concentrates on describing the European position.

51.   The procedures for collection and the requirements of EU legislation differ as between intra-trade and extra-trade. The following sections describe the main features of the largely harmonised statistics on trade in goods for these two types of flows which are required by European legislation for the data sent to Eurostat and published in various ways, notably in the COMEXT database. It should be noted, however, that data published by individual Member States of their own trade do not always follow the concepts and definitions required for data transmitted to Eurostat. The main differences that exist are mentioned in the relevant sub-sections of this section and are discussed more generally in 2.17.

2.1 Trade systems

2.1.1 General trade and special trade

52. There are broadly two approaches, closely linked with customs procedures, used for the measurement of international trade in goods. These are the general trade system and the special trade system.

53. The general trade system is the wider concept and under it the recorded aggregates include all goods entering or leaving the economic territory of a country with the exception of simple transit trade. In particular, all goods which are received into customs warehouses are recorded as imports at that stage whether or not they subsequently go into free circulation in the Member State of receipt. Similarly, outgoing goods which have been held in customs warehouses are included in the general trade aggregates at the time they leave the Member State.

54. The special trade system, on the other hand, is a narrower concept. Goods from a foreign country which are received into customs warehouses are not recorded at that stage in the special trade aggregates but only on movement into free circulation within the country of receipt. Similarly, outgoing goods placed into Customs warehouses are recorded as exports.

55. The distinction is in part one of timing, but it is more than that. Goods from country A, placed in a customs warehouse of country B and re-exported from there to country C will appear in general trade statistics for country B but never in special trade statistics for that country.

56. The methodology of EU trade statistics (described in more detail below) means that extra-EU trade is compiled on a special trade basis. Intra-EU trade, however, which is defined in terms of the Intrastat system and less closely in terms of customs procedures is not precisely equivalent to either the general or special trade systems but in practice it closely matches the general trade system.

57. For their main national figures of extra-trade, twelve Member States use a special trade basis as required for data transmitted to Eurostat but three, Denmark, Ireland and the United Kingdom, use general trade completely. However, they provide extra-trade data to Eurostat on a special trade basis. (France uses a general trade system for trade in energy in both its national figures and in data sent to Eurostat.) Germany, and perhaps other Member States, also publish some subsidiary figures of trade on a general trade basis.

58. All Member States base their measurement of intra-EU trade on the Intrastat system, and provide data on this basis to Eurostat. However, the United Kingdom publish their national figures of intra-EU trade fully on a general trade basis and they differ from the basic figures derived from Intrastat they provide to Eurostat.

2.1.2 Intra-EU trade

59. Intra-EU trade statistics provided to Eurostat record the arrival and dispatch of goods flowing between Member States and are derived from the Intrastat system. More precise definitions which depend on the legal basis follow.

60. **Arrivals** in a given Member State include:

    a) goods in free circulation which enter the statistical territory (see 2.5 below) of the Member State;

    b) goods which have been placed under the customs procedure for inward processing or processing under customs control (for processing, transformation or repair) in another Member State and which enter the statistical territory of the Member State in question;

    c) Some movements of goods are included in Eurostat statistics according to specific rules (see 2.4 below). In particular, ships and aircraft are included in arrivals of a given Member State when ownership is being transferred from a person resident in another Member State to a person resident in the Member State in question.

61. **Dispatches** in a given Member State include:

    a) goods in free circulation which leave the statistical territory of the Member State bound for another Member State;

    b) goods which have been placed under the customs procedure for inward processing or processing under customs control (for processing, transformation or repair) in the Member State and which are destined for another Member State;

    c) Some movements of goods are included in Eurostat statistics according to specific rules (see 2.4 below). In particular, ships and aircraft are included in dispatches of a given Member State when ownership is being transferred from a person established in this Member State to a person established in another Member State.

62. The definitions do not cover goods in transit, that is goods that are merely passing across a Member State, possibly with some form of transhipment, but not stored there for any but transport reasons.

63. Diagrams illustrating the procedure for the statistical recording of arrivals and dispatches are given in Annexes 3A and 3B.

2.1.3 Extra-EU trade

64. Extra-EU trade statistics record goods imported and exported by the European Union. More precise definitions of the concepts of exports and imports which depend on the legal basis for the compilation of trade data follow.

65.   **Imports** into a given Member State are:

a)   goods which enter the statistical territory of the Member State from a non-member country and are:

-    placed under the customs procedure for release into free circulation (goods intended to be consumed in the importing Member State or dispatched to another Member State), either immediately or after a period in a customs warehouse; or

-    placed under the customs procedure for inward processing (including inward processing in a customs warehouse) or processing under customs control (usually goods destined to be processed, transformed or repaired for subsequent re-export) either immediately or after a period in a customs warehouse.

b)   Some movements of goods are included in Eurostat statistics according to specific rules (see 2.4 below). In particular, ships and aircraft are included in arrivals of a given Member State when ownership is being transferred from a person resident in another Member State to a person resident in the Member State in question.

66.   **Exports** from a given Member State are:-

a)   goods which leave the statistical territory (see 2.5 below) of the Member State bound for a non-member country, having gone through:

-    the customs export procedure (final export, export following inward processing, etc.); or

-    the customs outward-processing procedure (usually goods destined to be processed, transformed or repaired for subsequent re-import).

b)   Some movements of goods are included in Eurostat statistics according to specific rules (see 2.4 below). In particular, ships and aircraft are included in dispatches of a given Member State when ownership is being transferred from a person established in this Member State to a person established in another Member State.

67.   Extra-EU trade statistics do not, therefore, record exchanges involving goods in transit, placed in a customs warehouse purely for storage or given temporary admission (for trade fairs, temporary exhibitions, tests, etc.).

68.   Diagrams of the procedure for the statistical recording of imports and exports are given in Annexes 3A and 3B.

2.2   Coverage

69.   In broad terms, the aim of international trade statistics is to record all goods that add to or subtract from the stock of material resources of a country by entering or leaving its territory. Goods as defined in the SNA are "physical objects for which a demand exists, over which ownership rights can be established and whose ownership can be transferred from one institutional unit to another by engaging in transactions on markets". By their nature, international trade statistics are concerned with transportable goods.

70.   There are inevitably some problems in practice in defining the precise boundary that corresponds to the theoretical aim and further difficulties in implementing the aim in the regular, timely and detailed way required for the compilation of monthly data. Some of the more general conceptual aspects are discussed in this sub-section and more detailed ones, largely related to particular products, in the following Sub-sections 2.3 and 2.4.

71.   The coverage of the statistics that are required to be sent to Eurostat follows almost entirely from Community legislation although on a few points the interpretation is implicit rather than explicit. The following paragraphs indicate the position in EU trade statistics for some major areas that might be seen as boundary problems.

72.   **Barter trade** is included (although there are inevitably some problems of valuation).

73.   Goods on **consignment** are included. (Goods on consignment are goods intended for sale but not actually sold at the time they cross the frontier.)

74.   Goods on **operational lease** are generally excluded but are included in their national figures and in the figures that they provide to Eurostat by France, Greece and Sweden.

75.   **Goods on financial lease** are included. (Financial leases are those which effectively transfer the ownership of the goods to the lessee. A practical rule to distinguish between financial and other leases may be whether the lease is for a period of greater than a year.)

76.   **Goods traded between enterprises under common ownership** are included (although this may raise problems of valuation.).

77.   **Goods traded on government account** are generally included.

78.   Trade in **electrical energy** – and indeed gas and water - is included (even though electrical energy might not be intuitively seen as a physical good).

79.   **Goods in transit** (either in simple transit or transit involving transhipment) across the Community area are not included in EU trade statistics. However, goods which enter the Community area through one Member State and are then transferred to another Member State or, conversely, originate in one Member State but leave the Community area through another should be covered by data transmitted to Eurostat by <u>both</u> Member States.

80.   Not all Member States follow this practice in their national figures. For non-EC goods cleared through customs in one Member State and subsequently dispatched to another the current position is that these flows are not recorded in the national figures (either imports or dispatches) of the first Member State by Austria, Denmark, Luxembourg and Netherlands. Before 1998 Belgium also did not cover these flows.

81.   For EC goods dispatched from one Member State to another and leaving the Community from the latter country, the current position is that the flows are not recorded in the trade flows (arrivals) of the second Member State by Austria and Netherlands.

82.   No estimates are generally included in EU data for **illegal trade**, for obvious practical reasons, although the national figures for Germany and the EU figures published for them include illegal trade that has been discovered (that may also be the practice for some other countries).

83.   **Improvement and repair trade** is generally included in EU data but Denmark, France and Finland exclude it from their national figures. (The treatment of the repair of transport equipment is mentioned in 2.4 below.)

2.3   Exclusions

84.   The implementing Regulations covering the compilation of intra-EU and extra-EU trade both contain explicit lists, which are very similar, of categories of goods for which movements should not be covered in EU trade statistics. The lists are shown in Annex 4.

85.   The lists are those from the consolidating regulations of the year 2000 which apply from January 2001. There are marginal changes from the analogous lists in the earlier legislation which applies to figures collected up to 2000. Points to note, however, are a clarification of the treatment of goods, such as CD-ROMs, used as carriers of information and the addition to the lists of satellite launchers. Prior to the adoption of the consolidating legislation the treatment of software – as an example – was less clear, although it is likely that most Member States followed practices broadly similar to that now set out precisely in the lists.

86.   There is no one single principle from which the list has been derived but some of the categories are of goods admitted or dispatched with a reasonable presumption of the flow being reversed within a short period without any change to the goods involved.

87.   The list of exclusions also includes means of payment which are legal tender and securities and monetary gold. (Monetary gold is gold effectively held by a country's authorities as a reserve asset.) It should be noted, however, that trade in non-monetary gold is included, although the United Kingdom is unable for practical reasons to distinguish between monetary gold and non-monetary gold held as a store of value and both are therefore excluded. Trade in <u>unissued</u> banknotes and securities and coins not in circulation is also included (valued at the intrinsic rather than face value of the goods).

88.   It is believed that the EU trade data generally reflect the coverage implied by the list of exclusions although for Greece which includes goods on temporary admission in their main national figures, the EU data also include these goods.

89.   A further exclusion of a rather different nature is that the statistics of intra-EU trade compiled from the Intrastat system do not cover transactions between private individuals. See also 2.8.1.

2.4   Specific movements

90.   Specific movements are defined within EU legislation as movements of goods whose characteristics are significant for the interpretation of the information. The characteristics may relate to the movement itself, the nature of the goods, the transaction which gives rise to the movement, or the exporter or importer of the goods.

91.   They are often categories of goods where the general guidelines on coverage given above may not entirely clearly indicate whether the categories should be included or excluded from trade statistics. They may also be categories where there are particular difficulties of data collection in either or both of customs and Intrastat procedures.

92.   These "specific movements" of goods as currently defined in the year 2000 consolidating legislation are:

a)   industrial plants;

b)   vessels and aircraft

c)   sea products;

d)   ships' and aircraft's stores and supplies;

e)   staggered consignments;

f)   military goods;

g)   offshore installations;

h)   spacecraft and spacecraft launchers;

i)   motor vehicle and aircraft parts;

j)   postal consignments (extra-trade only)

k)   petroleum products (extra-trade only)

l)   waste products

93.   The collection and processing of information relating to these operations are generally covered by special or simplified rules. For both intra-EU trade and extra-EU trade, harmonised rules are contained within the consolidating regulations for (a) and (b) and (d) to (h) above. In the absence otherwise at the moment of harmonised statistical rules at Community level, national provisions apply. Until this legislation was adopted in 2000, legislation provided harmonised rules only for extra-trade and for a more limited range of specific movements.

94.   Some of the trade involving specific movements of goods is included in Eurostat statistics under alphanumeric codes (see Annex 5) rather than relevant headings of the numeric product nomenclature or purely numeric codes.

95.   For some of the categories, EU trade statistics, at least up to the year 2000, are known to differ in treatment between member states reflecting the permitted variation in national practices. For example, trade in bunkers, stores, ballast and dunnage supplied to foreign vessels or aircraft in national waters or territory was included by nine countries but excluded by six and fish or salvage sold abroad from national vessels was included by seven countries but excluded by eight.

2.5   Statistical territory

96.   The territory of a country for which trade data are compiled is known as its statistical territory. In that sense the statistical territory of the European Union (and its Member States) corresponds generally to its customs territory. However, the statistical territory (but not the customs territory) of Germany includes Heligoland and until 31 December 1996, the statistical territories of France and Spain did not include the French overseas departments - Guadeloupe, Guyana, Martinique and Réunion - and the Canary Islands respectively (which are part of the customs territories of the two Member States). A full description of the customs territory of the EU, and hence of its statistical territory, is given in Annex 6.

97.   Past series will be published on the current treatment for France and Spain when Eurostat is provided with the necessary data. Until then there will be a discontinuity in published data. The rough extent of the discontinuity can be judged by figures for 1995 which imply that the change probably led to an increase in intra-EU trade and decrease in extra-EU trade of ECU 10.6 billion for exports and ECU 1.6 billion for imports.

2.6   Classification and nomenclatures

2.6.0   General

98.   One of the basic requirements of statistical work is the existence of recognised frameworks to present and analyse data in a meaningful way. Within the context of trade statistics the key requirements are a classification (or nomenclature), or family of classifications, for products and a nomenclature for countries. There is also a more limited interest in a classification of activities and the derived industries.

99.   The basic classifications to be used for trade statistics are laid down in Community legislation and are necessarily used by all Member States. These classifications and some related ones are discussed in the following sub-sections.

2.6.1   Product classifications

2.6.1.1   Combined Nomenclature

100.   The most detailed results which are published by Eurostat and which can be accessed by the public are broken down by sub-headings of the Combined Nomenclature (CN). This tariff and statistical classification, based on the international classification known as the Harmonised Commodity Description and Coding System, or more simply the Harmonised System or HS, includes more than 10 000 eight-digit codes.

101.   There are a limited number of changes to CN once a year to ensure that it is kept up to date to reflect developing technology and trade movements. An inevitable tension exists between users, who as a general rule seek more detail, and providers who would prefer to give less. If users feel that the existing detail of CN needs changing or adding to, there are procedures for examining the case which best start from an approach to the relevant national trade association.

102.   There are also alphanumeric product codes which make it possible to process confidential or adjusted data, and a number of individual cases for which it is not always possible to break the results down at a detailed level of the classification. These codes are accessible via the COMEXT database. A summary list of these codes appears in Annex 5.

103.   The shape of the HS and CN classifications is illustrated in the following table.

Architecture of the classification (as of 2001)

Nomenclature	Levels of breakdown	Code	Number
Harmonised System (HS)	Section	One digit	21
	Chapter	Two digits	99
	Heading	Four digits	1 241
	Sub-heading	Six digits	5 113
Combined Nomenclature (CN)	Sub-heading	Eight digits	10 274
SITC	Section	One digit	10
	Division	Two digits	67
	Group	Three digits	261
	Sub-group	Four digits	1 033
	Sub-heading	Five digits	3 118

104. As an example of the classification of a product in the Combined Nomenclature:-

Chapter 10 of the HS: cereals
Heading 10 06 of the HS: rice
Sub-heading 10 06 20 of the HS: husked brown rice
Sub-heading 10 06 20 11 of the CN: Parboiled round-grain rice, husked, brown rice.

2.6.1.2 TARIC

105. Results are also provided to Eurostat analysed in accordance with TARIC (Integrated Tariff of the European Communities), although these data cannot be accessed by the general public. TARIC has been in existence since 1988. It applies only to imports (that is flows from third countries) and permits the application of Community measures such as quotas or preferences. Each TARIC sub-heading comprises 10 digits and is a sub-division of a CN eight-digit code.

2.6.1.3 Standard International Trade Classification

106. The HS and therefore CN are to an extent multi-purpose classifications but were constructed with application for Customs purposes firmly in mind. They are therefore concerned heavily with the nature or material of the products classified. For analytical purposes an alternative classification, in particular structured more by the degree of processing, has advantages. Certain results are therefore presented in accordance with the Standard International Trade Classification (SITC), which is managed by the United Nations. Conversion tables allow recoding from the Combined Nomenclature to the SITC. Summary data on trade are often presented by the one and two digit categories of the SITC. An example of a 1-digit category (section) is "chemical products" and of a 2-digit category (division) "medicinal and pharmaceutical products)".

107. The changeover to the HS in 1988 necessitated a new revision of the SITC. This latest version (Rev. 3) adopts the structure of the HS, so that the smallest modules of the SITC Rev. 3 are defined by HS sub-headings. A concordance is available from SITC Rev.3 to CN.

2.6.1.4 Other product classifications

108. Before the adoption of HS and CN, EU international trade statistics used a product classification called **Nimexe.** This has not been used operationally since the late 1980's but users may come across some historic series in terms of this classification. A concordance is available from SITC Rev.2 to Nimexe.

109. Data on foreign trade may sometimes be published analysed by a number of other classifications all of which can be related to the finest CN headings that are used to collect the basic data. The following classifications may be encountered by the user.

110. The **Classification by Broad Economic Categories (BEC)** was designed to serve as a means for converting international trade data compiled on the SITC into end-use categories that are more meaningful for economic analysis and within the framework of the System of National Accounts, namely categories approximating the three basic classes of goods in the SNA: capital, intermediate and consumer goods.

111. The BEC includes nineteen basic categories. The allocation of components of the SITC to BEC is carried out on the basis of the main end-use of the commodities in each SITC, Rev.3, basic heading, although it is recognised that many commodities that are traded internationally, for example passenger cars, may be put to a variety of uses.

112. The **Classification of Products by Activity (CPA)** is a classification of products which is essentially a European version of the **United Nations' Central Product Classification (CPC)** but arranged so that each product heading is uniquely assignable to a heading of the European activity classification NACE Rev 1. (See below.) A further product classification related to the CPA and which is used for an EU survey of industrial production is the PRODCOM list. The relationship between the classifications PRODCOM and the CN means that it is possible to compare external trade and domestic production of individual products at a fine level of detail.

2.6.2 Classification by activity

113. The EU classification of activities is **NACE Rev 1** which was made obligatory in the Community from January 1993. It is not a classification of products but of economic activities that create products. However, it is possible to associate the sub-headings of the CN with the framework of activities or industries given by NACE Rev 1 and so create an analysis of foreign trade in terms of headings of NACE Rev 1 that are familiar to many users of industrial statistics. Such analyses are sometimes published and can be created by COMEXT.

114.   However, it is important to note that a figure of, say, exports and dispatches derived in this way for a particular industry does not represent the exports and dispatches of that industry when it is defined in the usual business statistics way as the aggregate of statistical units classified to that particular industry. This is because an industry in general makes some products (and exports them) that are the principal products of other industries. (This is the so-called secondary activity of the industry.)

115.   There is further scope for confusion with any analysis of imports and arrivals by NACE industries derived by reallocating data under CN headings. This is not the imports <u>of</u> the industry but the amount of competing imports that are principal products of the industry. (It is impossible of course to make a simple reallocation of trade data to estimate the actual imports of a NACE industry. Such an estimate has to be derived from the use of input/output techniques.)

2.6.3   Geonomenclature

116.   It is essential to have a precise definition of countries to be recorded as trading partners in the compilation of foreign trade statistics. It is also convenient in practice to have a standard set of abbreviations for these countries. The nomenclature of countries and territories to be used for the external trade statistics of the Community and statistics of trade between Member States is defined by Commission Regulations. For some countries, it is necessary to define exactly what is to be understood as its territory. For example, for the purposes of international trade statistics, the territory of Malta includes Gozo and Comino but that of New Zealand excludes the Ross Dependency.

117.   Since 1 January 1999 the country nomenclature has formally been based on the ISO alpha-2 classification, which means that each country is identified with a two-letter alphabetical code. (The previous three-digit numerical code may be used for a transitional period, however.) For example, FR stands for France and GB for the United Kingdom. The regulation also provides for the use of some two character codes where the partner country is not determined or where it is not disclosed for reasons of confidentiality. The current nomenclature recognises the desire on their part to designate Belgium and Luxembourg separately for the purposes of foreign trade statistics from 1 January 1999.

118.   The coding system of the nomenclature can be seen in Annexes 10A and 10B.

119.   Particular care is needed in the use of country aggregates to check whether, where a definition of a zone has changed over time, the data series are constructed using current definitions of the zones or using contemporary definitions (that is, those that applied for the reference year of the data concerned.)

2.7 Reference period

120. **Intra-EU trade statistics** are compiled monthly. The reference period is the calendar month, the information for each arrival or dispatch being assigned to a given month on the basis of the date on which Value Added Tax becomes payable. In practice, information is generally recorded in the month in which the goods were traded or, failing that, probably the following month. Thus, recorded flows will probably lag physical movements of goods by a short period. Variations in the lags, due for example to incidents or changes of procedure affecting the administrative operation, can influence monthly figures.

121. **Extra-EU trade statistics** are also compiled monthly. The reference period in theory is again the calendar month in which the goods are imported or exported. In practice, information is generally assigned to the month in which the customs authority accepts the declaration. Again there is a minor lag on average.

122. For balance of payments purposes, the theoretically desired timing is that of change of ownership. It would be difficult to operate such a definition for international trade figures and in any event that would not in theory be such a satisfactory definition for those interested in the transport aspects of the trade data. However, it is believed that in practice the definitions used generally, although by no means always, broadly coincide with the timing of ownership changes.

123. In Eurostat publications, data for quarters are formed from the aggregation of the relevant three months and for a year from the twelve months. National practices in the treatment of revisions, however, may mean that the position is more complex and figures for a quarter or a year may be published which are not exactly the aggregates of published monthly figures.

2.8 Statistical thresholds

2.8.0 General

124. In order to limit the burden on businesses of providing information on trade, while at the same time maintaining an acceptable quality of data, a system of thresholds is operated for both intra-EU trade and extra-EU trade below which no information, or reduced information, is collected.

2.8.1 Intra-EU trade thresholds

125. In order to reduce the burden on enterprises, particularly small and medium sized ones, the Intrastat system is organised so that the workload for information providers varies broadly according to the amount of trade between Member States in which they are engaged. To achieve this, each Member State applies a system of thresholds aimed at guaranteeing a satisfactory quality of statistical data and limiting the workload for companies. (The adjustments carried out by some Member States to estimate for information not collected because of these thresholds are discussed in 4.2 and Annex 8.)

126. There are various types of threshold. They are discussed in the following paragraphs.

127. It has already been mentioned that intra-EU trade statistics do not cover arrivals and dispatches effected by private individuals. In addition small businesses which are exempt from periodic value added tax declarations by national legislation are regarded as below an **exclusion threshold** for Intrastat.

128. There is an **assimilation threshold** relating to annual intra-trade of an information provider, at a level set by Member States to meet defined quality requirements, below which no statistical declaration is required. In certain Member States, however, estimates are made for all or part of the trade below this threshold from returns to the VAT system and included in both national and EU data.

129. There is a **simplification threshold**, below which only data on 'product', 'partner Member State' and 'value' are required. From 1 January 2001, only the ten most important subheadings in terms of value of the CN need be distinguished.

130. There is a **specific** threshold which has exempted some information providers from reporting the statistical value (see 2.12 below) from 1 January 1998 and from 1 January 2001 will further exempt them from providing information on delivery terms, mode of transport and "statistical procedure".

131. There is a **transaction threshold** which allows information providers to group together transactions with individual values of less than 100 euro.

132. The thresholds applied by the individual Member States are in general agreed annually. Those in operation in 1991 are set out in Annex 7.

2.8.2 Extra-EU trade threshold

133. Extra-EU trade statistics do not cover individual consignments of imports and exports whose value and net mass are lower than statistical thresholds fixed by a Member State within the limits permitted by Community legislation. The limits in the legislation are fixed so that no export or import with neither a net mass of more than one tonne nor a value of more than 800 euro need be recorded. Most Member States have set limits close to those permitted by the legislation and indeed the

United Kingdom threshold, which is fixed in pounds sterling, moved over the level equivalent to 800 euro in the late part of the 1990's due to exchange rate movements.

134.   The overall amount of trade below the thresholds adopted by the Member States is estimated to have averaged recently about 0.5% for both imports and exports. The amount will be substantially higher for some particular products. Five Member States (Denmark, Germany, Ireland, Netherlands and the United Kingdom), however, make estimates of the trade below the threshold and include them in both their national figures and those provided to Eurostat.

135.   Work is currently in hand to assess the effect on quality of an increase in the value element of this threshold.

2.9   Statistical data

2.9.1   Intra-EU trade data

136.   The main statistical data published by Eurostat for intra-EU trade are as follows:

- the declaring Member State
- the reference period
- the goods flow, that is exports or imports, dispatches or arrivals
- the product, as defined in the Common Nomenclature
- the trading partner (see 2.11)
- the statistical value in thousand ECU or euro (see 2.12)
- the net mass (in tonnes, that is 1 000 kg) (see 2.13.1)
- the quantity in any supplementary units (litres, number of parts, etc.) (see 2.13.2)
- the mode of transport (see 2.14.1)

2.9.2   Extra-EU trade data

137.   All the data described in paragraph 135 above are also available for extra-EU trade. In addition data are available to the public for trade with third countries on:-

- the statistical procedure (see 2.10)
- the nationality of the means of transport at the frontier (see 2.14.2)
- whether or not the goods are transported in a container (2.14.3)

138.   Information on the TARIC codes and on any preferential tariff which may apply is also available in COMEXT, but access is restricted to public authorities.

2.10 Statistical procedure

2.10.0 General

139.   One form of analysis that is possible for extra-EU trade is by what is known as "statistical procedure". Goods may be transferred from a Member State to a non-member country, or the other way around, for some form of processing under Customs control before their return. Community legislation requires various categories of these transfers to be distinguished. The categories are known as statistical procedures.

140.   The distinctions that are made in this analysis are of some interest to users. They are as shown in 2.10.1 to 2.10.3. However, the application of inward and outward processing procedures is independent of the nature of the transaction concerned (purchase/sale, processing under contract, etc.). Indeed, part of the flow of goods for processing, in the more general economic sense of the term, is included under normal imports and exports.

2.10.1 Normal imports and exports

141.   Normal imports and exports are mainly goods exported finally and completely and released into free circulation, either directly or via a customs warehouse.

2.10.2 Inward processing trade

142.   Inward processing makes it possible to import goods temporarily so that they can be processed (for example, assembled, transformed or repaired) and the resulting products exported, while benefiting from an exemption from duties, levies or checks which would be carried out under the trade policy normally applicable to imported goods.

143.   The 'suspension' system covers non-Community goods, generally destined for re-export outside the Community's customs territory as compensating products, without the goods being subject to import duties or trade policy measures. ("Compensating products" are products obtained during - or as a result of - the manufacturing, processing or repair of the goods admitted temporarily for inward processing.)

144.   The 'drawback system' system covers goods in free circulation, with a reimbursement of, or rebate on, import duties payable on the goods if they are exported outside the Community's customs territory as compensating products.

145.   Data are available separately on:

>   Imports for inward processing (suspension system)
>   Imports for inward processing (drawback system)
>   Exports after inward processing (suspension system)
>   Exports after inward processing (drawback system)

2.10.3   Outward processing trade

146.   Outward processing makes it possible to export goods temporarily for processing and to import the compensating products with a full or partial exemption from duties and levies. The 'textiles' variant, introduced in 1995, concerns only certain textile products or clothing, whereas the 'tariff' alternative is applicable to all other products.

147.   Data are available separately on:

>   Imports after outward processing
>   Imports after economic outward processing for textiles
>   Exports for outward processing
>   Exports after economic outward processing for textiles

2.11   Partner country allocation

148.   For exports and dispatches, the trading partner required by EU legislation for the data to be sent to Eurostat is the **country (or Member State) of final destination** of the goods. In practice this must mean the last known destination of the goods. This procedure is also followed by all Member States in their national figures.

149.   For imports (that is, for inward flows in extra-EU trade), the trading partner required is the **country of origin**. Goods obtained entirely from a given country are regarded as originating in that country; goods produced in two or more countries are deemed to originate in the country where the last transformation or substantial processing took place. This concept is used in the Eurostat figures for all Member States except the Netherlands, who use a country of consignment basis (see below) for their national figures and for data transmitted to Eurostat. Sweden and United Kingdom also use a country of consignment basis for their national import figures but provide country of origin data to Eurostat.

150.   In certain cases (returned goods, goods which have been processed in a non-member country, works of art), the partner country required for imports is the country of consignment (the exceptions are set out in detail in Article 7 (2) a and b of Commission Regulation 840/96).

151. For arrivals (inward flows of intra-EU trade), the trading partner required by EU legislation is **the Member State of consignment** of the goods. This is the Member State from which the goods were originally dispatched without some halt or legal operation in an intervening country which was not purely for transport reasons. If there was such an operation in a country, that country becomes the Member State of consignment.

152. Figures of arrivals published by Eurostat are all on a Member State of consignment basis. However, six Member States (Austria, Finland, France, Germany, Ireland and Spain) publish their national figures of arrivals using the country of origin concept.

153. The method of allocation to partner country is one major factor in the many problems that arise with the comparison of national and community figures. (See 2.17.1.)

2.12 Valuation

154. The statistical value, which is the valuation used for the trade data, is the value calculated at national frontiers. It can be an FOB value (free on board), for exports and dispatches, or CIF (cost, insurance, freight) for imports and arrivals: it therefore includes only incidental expenses (freight, insurance) incurred in the part of the journey located on the territory of the Member State from which the goods are exported (in the case of exports and dispatches) and in the part of the journey located outside the territory of the Member State which imports the goods (in the case of imports and arrivals).

155. The statistical value is generally based on the customs value in the case of extra-EU trade, or on taxable value in the case of intra-EU trade. Under the Intrastat system, the statistical value is not provided systematically by the information providers; it can be calculated by the national statistical institutes from the invoiced amount given in the declaration.

156. In the case of goods imported or exported for processing, it is always the total value of the goods which should be entered, before and after processing, not just the value added by the processing procedure.

157. Values are collected in units (or multiples of units) of national currency. In the Eurostat publications, they are expressed in thousands of ECUs or euro. The currency conversion is based on monthly averages of the daily conversion rates or for recent figures the irrevocably fixed conversion rates from national currencies to euros.

2.13   Quantity measurement

2.13.1   Net mass

158.   The most common unit of measurement of quantity used in the collection of trade data is net mass. This was collected for all headings until 1997. Since then it has not been required for certain categories of goods in intra-EU trade for which it is not the most suitable quantity unit.

159.   The figure of net mass collected is the net mass of the goods without packaging. It is collected in kilograms but in publications the net mass is expressed in tonnes (that is, 1 000 kilograms).

2.13.2   Supplementary units

160.   Supplementary units are units other than net mass, for example, litres, number of parts or square metres. They have to be indicated for certain goods where they are useful measures for the goods concerned. The appropriate supplementary unit is given, where relevant, against headings in the published version of the Combined Nomenclature.

161.   There can of course be differences of scale between the units collected and forwarded to Eurostat and those appearing in the publications (for example, hectolitre is used instead of litre).

2.14   Transport data

2.14.1   Mode of transport

162.   Sub-section 2.9.1 notes that "mode of transport" at the external frontier is one of the items of statistical data that are available for both intra-EU and extra-EU trade (although, from 1 January 2001, to reduce the burden on enterprises this information will not be required from those below the "specific threshold" relating to intra-EU trade – see 2.8.1.4).

163.   The mode is defined for outward flows as the active means of transport with which goods are presumed to leave the statistical territory of the Community for exports or of the Member State of dispatch for dispatches. For inward flows it is defined as the active means of transport with which the goods are presumed to have entered the statistical territory of the Community for imports or of the relevant Member State for arrivals.

164.   The modes of transport required to be distinguished by EU legislation are:-

        Sea transport
        Rail transport
        Road transport
        Air transport
        Postal consignment
        Fixed transport installations
        Inland water transport
        Own propulsion

In addition, the legislation suggests further detail that Member States may wish to adopt in a harmonised way.

2.14.2   Nationality of means of transport

165.   For extra-EU trade, data are collected on the nationality of the means of transport at the Community frontier when the transport is by sea, road, air or inland waterway. The detail of nationality follows the same definitions and nomenclature as for partner country allocation.

2.14.3   Containerisation

166.   Again for extra-EU trade, information is collected on whether or not goods are transported in containers (except where the mode of transport is by postal consignment or by own propulsion).

2.15   Confidentiality (methodology)

2.15.1   Confidential data

167.   As a general definition, data used by the national authorities and the Community authority for the production of Community statistics are considered confidential when they allow statistical units to be identified, either directly or indirectly, so disclosing individual information. The precise operational criteria determining which statistical data are considered confidential are fixed by each Member State in the light of national legislation or practice.

168.   Data can be classed as confidential for all types of trade flows (imports, exports, arrivals or dispatches), for both value and quantity variables, and in total or with a particular partner country. The very considerable amount of detail generated by the full publication of the sub-headings of CN combined with partner country detail means that the potential for the creation of confidential data is extremely high in foreign trade statistics.

2.15.2 Passive confidentiality

169. For foreign trade statistics, Member States generally apply the principle of "passive confidentiality", that is they take appropriate measures only at the request of importers or exporters who feel that their interests would be harmed by the dissemination of the data.

2.15.3 Active confidentiality

170. Passive confidentiality is in contrast to the principle of "active confidentiality", where the compiling institute takes the initiative in acting on a potentially disclosive situation. While an approach adopting the concept of active confidentiality is usual in the collection of business statistics, the very large number of data cells that exist with trade data makes it generally impracticable in this case.

2.15.4 Product confidentiality

171. Information about a product being traded may be regarded as commercially sensitive by the information provider for either the total value of trade, the total quantity of trade, or perhaps the ratio between the two, since this would give an indication of price. There are various ways in which the nature of the product can be concealed although at the cost of a loss of information to the user of the statistics. These are discussed further in 4.4.

2.15.5 Country confidentiality

172. Alternatively, or in addition, the information provider may regard the source or destination of a trade flow as commercially sensitive. Ways to conceal this information, again at a loss to users, are also discussed in 4.4.

2.16 Statistical discrepancies and asymmetries

2.16.1 Asymmetries and mirror statistics

173. Users interested in the flow of trade from country A to country B may examine exports from A to B (as reported by A) or imports into B from A (as reported by B) or both. They may use figures from national sources, Eurostat or other international organisations or some combination of these sources. Unfortunately, but inevitably, each source is likely to give to some extent a different measure of any substantial flow of trade, although the differences may often not be major ones. This causes uncertainty and difficulties for the user. Sub-section 2.16 discusses some of the reasons for the differences.

174. The existence of these discrepancies is a handicap for the user who may have little way of deciding which source to prefer. But there is an opportunity for the compiler.

The existence of two basic measures of a flow, leaving aside for the moment the differing versions of each that are likely to be available from different sources, provides a starting point for detailed comparison exercises that can, although often with a heavy cost in resources, lead to improvements in the measurement of the basic flows.

175.   In bilateral comparisons of this type, it is necessary first, however, to ensure that the comparisons are valid in the sense that they are legitimately comparable data sets. It has been stressed elsewhere that it is necessary to distinguish clearly between international trade statistics and the goods account of the balance of payments. Comparisons of flows that are not each of the same basic concept should not be made.

176.   A second particular type of invalid comparison can arise within the context of the EU. The exports of the EU to the rest of the world are clearly not the same as the sum of the total exports plus dispatches of each Member State since this includes a measure of EU intra-trade. This is obvious and, as with the situation in the previous paragraph, the context should make the distinction clear. A less obviously invalid confusion is between the EU balance of trade with the rest of the world and the sum of the balances of trade of EU Member States since the balance of the EU with itself might be expected to be zero. However, in practice this is not the case

177.   Legitimate bilateral comparison in the form of mirror exercises has, as mentioned, been a traditional tool for detecting the causes of differences in statistical recording. Although external trade statistics are not compiled by a strict double accounting system, they provide nevertheless two symmetrical data sets. Exports from country A to country B are expected to be "identical" with imports in country B coming from A. There are, however, asymmetries when the corresponding flows for the same good and the same reference period are confronted in mirror tables.

178.   Mirror statistics may be compiled for extra- or intra EU-trade statistics, using either national data or harmonised data. Some sources of asymmetries are common to all these data sets, while others have an impact on a specific one only. Mirror statistics of harmonised Intrastat data should generally be less affected by asymmetries than those between extra-EU trade. The fact that the harmonised data apply common methodological criteria reduces the impact of most "normal" asymmetry sources considerably, but there can nevertheless be particular problems arising from the threshold systems.

2.16.2 Intra-EU statistical discrepancies

179.   In theory, there should be fewer discrepancies if the Member States' intra-EU statistics are compared – in particular if the COMEXT source is used rather than national figures, since:

- the data to be compared are drawn up on the basis of a broadly common methodology and common definitions;

- the problem of the FOB and CIF valuations generally plays a smaller role in view of the geographical context and the structure of intra-Community trade in the various Member States;

- given the rules for determining reference periods, time delays should not have a such a large impact - at least on annual results;

- the trading partner for arrivals is always the Member State of consignment, not the country of origin of the goods.

180. However, since the system came into operation, bilateral comparisons have revealed major and persistent discrepancies in the various Member States' intra-EU trade statistics. The main reasons are given in the following paragraphs.

181. Intrastat is based on a system of **thresholds** (see 2.8 and 4.2) which makes it possible to exempt two-thirds of European operators (especially small and medium-sized enterprises) from statistical formalities. For a given transaction, therefore a company might be required to provide statistical information in one Member State, whereas its supplier or customer in another Member State is exempted. The coverage of trade, after application of the statistical thresholds, has varied between 93% and almost 100% depending on the Member State. The imbalance between transactions caused by the thresholds can be reduced at a global level by means of adjustments, but not all Member States make such adjustments and, if they do, they may not do so at the level of detail that is relevant for the comparison.

182. The phenomenon of **late or non-response** by certain companies is a serious weakness in the Intrastat system. The non-response rate has decreased since 1993, but remains high, with over 10% of companies failing to provide information. This represents about 3-4% in terms of value at Community level. There does not appear to be a significant downward trend in this rate. The majority of Member States try to offset the loss of coverage by means of adjustments (ranging from less than 1% to 14%, depending on the Member State).

183. It is possible that an operation cannot be recorded by one of the partners because of **statistical confidentiality** but is by the other. However, the application of confidentiality procedures should not generally affect the results for total trade.

184. Although **adjustments** (see 4.2) are carried out designed to improve the quality of the statistics and compensate for the negative effects of non-response and thresholds, they also introduce inconsistencies between the statistics of the various Member States, because of the lack of methodological harmonisation. Moreover, five Member States (France, Greece, Italy, Spain and Portugal) do not adjust the results forwarded to Eurostat.

185. In theory, with the Intrastat system there should be no **time lag** between the date of registration of a transaction as a dispatch in one Member State and the date on which the same transaction is recorded as an arrival in another. In practice, the reference month is generally the month in which the goods are physically moved or, failing that, usually the following month. Misapplication of the rules can have a non-negligible impact on monthly statistics.

186.   **Classification of products** under one of over 10 000 sub-headings in the Combined Nomenclature can be a problem for businesses - particularly those which are not computerised and large companies trading in a broad range of products. The result can be errors and discrepancies at the most detailed level.

187.   Although intra-Community trade statistics are based on a **methodology** which has been harmonised to a great extent, there are still a number of specific movements for which, in the absence of common rules, national practices have diverged. (The position should improve considerably following the improved consolidating legislation of September 2000.) In certain cases, simplifications may be allowed which make comparisons at the most detailed level difficult (see 2.4)

188.   There are various reasons for discrepancies related to the **valuation of transactions**. One is the use of different bases for calculating the statistical value of dispatches (FOB value) and arrivals (CIF value) which can be significant even within the Community boundary.

189.   **Triangular trade** can affect comparisons of both intra-EU trade and extra-EU trade. In the intra-EU context triangular trade is said to exist where a company in Member State A sells goods to a company in Member State B, which in turn sells it to a company in Member State C, although the goods are physically moved only once - from A to C.

190.   In cases such as this, intra-Community trade statistics should record a dispatch from A bound for C, and an arrival in C of goods from A. There is, however, considerable risk that A or C will regard Member State 'B' as its trading partner.

191.   An example illustrating another problem that arises from indirect movements, in particular when combined with the treatment of **transit trade** adopted by some Member States, is given below. (For background see 2.2.) The phenomenon described is known as the "Rotterdam effect".

Japanese goods are imported into Europe; they are released for free circulation in the Netherlands, then dispatched to France (Member State of consumption). For such an operation, the various recordings will be as follows:

For Community statistics, three operations are recorded:

- import of goods originating in Japan (with the Netherlands as the declaring Member State, since the customs declaration is made there);

- dispatch (intra) from the Netherlands to France;

- arrival (intra) in France.

For Netherlands national statistics, no trade is recorded, as the import from Japan and dispatch to France are regarded as transit trade.

For French national statistics, goods originating in Japan are entered as imports. France records Japan as the country of origin, as indicated on the Intrastat declaration. This information is considered statistically more relevant at national level.

2.16.3   Extra-EU statistical discrepancies

192.   A comparison of the EU's own statistics on extra-EU trade with the figures published by non-member countries for the same trade flows inevitably shows some discrepancies. These exist whether national or international sources are used.

193.   Many of these differences can be largely explained by the following factors:-

- methodological differences: trade coverage, definition of partner country, definition of statistical territories and different valuations in concept or practice particularly the difference between FOB and CIF valuations.

- time lag: the same operation can be recorded under a different reference period because of transport times or, probably more important, processing delays. (While the average delay may generally be fairly short, the lag distributions typically have long tails which may affect comparisons of some particular products.)

- statistical confidentiality: the same operation cannot be recorded in the trade of one of the partners because of statistical confidentiality (or, if it is treated as confidential in both, the procedures used to avoid disclosure are almost certain to differ).

- Revisions to one source that are not in another – particularly if data for recent periods are being examined.

- Problems of currency conversion

194. These methodological and practical issues can give rise to considerable statistical discrepancies. Eurostat regularly performs a reconciliation of EU trade statistics and those of its main trading partners (for example, USA, Canada and Japan) in order to measure and, so far as possible, explain them.

2.17 Methodological differences

2.17.1 Differences between COMEXT and national figures

195. There are differences between the methodological bases of international trade statistics published by Eurostat in COMEXT and elsewhere and the corresponding data published in their national figures by Member States. The differences exist because, while the information provided to Eurostat is largely harmonised, Member States may publish data on concepts and definitions of their own choice. Some of these differences have been mentioned in earlier sub-sections of Section 2 and the relevant member states identified there. They are summarised here. (Member States may publish more than one version of their trade figures or may separately publish information which could be used to place their figures onto a different basis. The comparisons that follow are made with what Member States regard as their main published data.)

196. The main sources of conceptual differences between national figures and those in COMEXT are given in the following paragraphs.

197. **Treatment of goods in transit.** Flows of goods which enter the European Union through one Member State and are then transferred to another, or originate in one Member State and leave the EU through another, should be covered in COMEXT data by both Member States. However, four Member States do not currently follow this practice for non-EU goods and two do not for EU goods.

198. **Trade system.** For extra-EU trade, three Member States use a general trade system completely for their national figures while providing data on a special trade basis for COMEXT. The position is different for intra-EU trade, with only one Member State publishing its intra-trade figures fully on a general trade basis but sending data to Eurostat in terms of the Intrastat definitions.

199. **Partner country - imports.** Two Member States provide data for their main inward flows to Eurostat on a country of origin basis but publish on a country of consignment basis.

200. **Partner country – arrivals.** Six Member States provide data to Eurostat on a country of consignment basis but use country of origin for their main national figures.

201. The total effect of these differences is that the national and COMEXT data differ for eleven out of the fifteen Member States because of at least one of these conceptual differences. The position can be illustrated by the following table which shows asterisks where there are differences between the basis of national figures and those sent to Eurostat.

202. It is worth noting that coverage differences, in the sense of the inclusion or exclusion of particular products or classes of products, do not contribute significantly to the differences in sources. While there is some lack of harmonisation in the treatment of coverage issues, whatever treatment is adopted for a category in Member States national figures the same treatment is almost always adopted in the data transmitted to Eurostat. The only exceptions known are that the national figures for Denmark and France exclude improvement and repair trade while this is covered in the figures that they send to Eurostat.

2.17.2 Differences between COMEXT and other international sources

203. No changes to national figures are made by Member States in passing data to UN, OECD and IMF. The differences that exist between data published by Eurostat and those published by Member States will therefore exist between Eurostat data and that published by these other international organisations.

204. There are two other practical reasons for discrepancies between the data published by the various international organisations.

205. The first is the issue of revisions. The national practices in revising data to correct past estimates are complex and vary between Member States as does their practice in providing them to Eurostat and other international organisations. It is clear that against this background there is a good deal of scope for the data published by different organisations at any one time to relate to different generations of data for a particular period. This can be significant even over a relatively long period with, for example, revisions to some figures of EU intra-trade not being complete for some countries for up to three years.

206. Secondly, the currency conversions needed to place national data onto a common currency – ECUs or euro for COMEXT, dollars for other sources – may be carried out in different ways. For example, if the data flow to an international organisation is only annual, it seems the conversion must be carried out with an annual factor. This will produce different results from conversion on a monthly basis. The latter - used by Eurostat - if practicable, is of course preferable.

207. The extent of the differences with COMEXT data varies over time and between countries and international sources but some general comments can be made. These are based on exercises which compared data from different sources for the period 1995 to 1997.

208.   This work suggested that figures relating to EU trade published by the UN and OECD tended to be broadly similar to each other but those from the IMF less so. On average for EU intra-trade the OECD figures were below the COMEXT data for both arrivals and dispatches. The position was less clear or stable for EU extra-trade although with some tendency for OECD data to be greater than that from COMEXT.

209.   As an indication of the scale of the problem for the totals of EU intra-trade over the period the difference averaged about 4% for arrivals and 2.5% for dispatches. There were of course more substantial differences for individual countries, although it is interesting to note that these were smallest for Italy which adopts European methodology for its national figures.

210.   The work indicated that the differences were heavily influenced by trade in a limited range of particular categories of commodities. The most important were machinery and electrical machinery, petroleum and petroleum products and electricity.

211.   It has been accepted internationally that data management problems are a major contributory factor to the differences. As a result it has been agreed that to limit the problem UN will obtain data in future from OECD and furthermore OECD will be provided with totals for the EU and for the euro-zone by Eurostat.

212.   While the position may, therefore, be expected to improve in future, users of multiple sources should be aware of these problems. The choice of source may be determined by other factors such as availability and the range of other material in it. However, it is worth noting that COMEXT is based on a regular monthly flow of data which should allow revisions to be taken on swiftly and permits currency conversion on a monthly basis.

3 DATA COLLECTION

3.0 General

213. This guide is aimed at users of trade statistics and is not intended to give a detailed description of collection procedures. Nevertheless a few comments are made in this section as background for the user of the data.

214. The limited description that follows is based on current procedures (that is, those in use in the year 2000). A fundamental aspect of those procedures is that flows within the EU are measured twice by Member States – both as dispatches and as arrivals. The possibility of a radical simplification in which each flow is measured once only, either by the country of dispatch or the country of arrival, has been considered since it could lead to a simplification of procedures for information providers. However, such a change has many difficulties and has so far been rejected by Member States. There are no plans for such a transition to be made.

3.1 Data sources

215. Information on **extra-EU trade** is generally collected by the Member States from the statistical copy of the customs declaration (SAD). Most Member States use simplified collection procedures (for example, summary declarations and electronic media) but these do not generally affect the nature or exhaustiveness of the information forwarded to Eurostat.

216. Information on **intra-EU trade** is collected by the Member States using the various media placed at the disposal of the information providers. These may be the Intrastat forms made available in conformity with Commission Regulation (EEC) No 3590/92 or other media (including electronic media) provided for at national level. France and Italy also use the form for tax purposes. The declarations are summary and are addressed directly to the competent national authorities.

217. The information providers are enterprises, rather than private individuals, and of a sufficient size to be registered for VAT according to the legislation of individual Member States.

218. For intra-EU trade (and to a lesser extent for extra-EU trade) there are a number of thresholds below which the information collected is simplified or reduced. These have been adopted to limit the burden of form-filling on information providers. While they have been chosen so that they preserve an acceptable quality of data they are nevertheless of some importance to users. They are discussed in more detail in 2.8 of the guide.

219.　Within the framework of Intrastat, Eurostat has developed a number of measures and automated tools designed to facilitate the various stages of production: completion of the declaration (using electronic forms and declaration software), exchange of data between industry and the national statistical institutes, data processing at national level, exchange of data between the national authorities and Eurostat, processing by Eurostat and, finally, dissemination. All these steps are defined under the EDICOM Programme (**E**lectronic **D**ata **I**nterchange in **Com**merce).

220.　For certain particular types of goods (ships and aircraft, for example), the statistical services may have to use other sources of information for both intra-EU and extra-EU trade.

3.2　Register of Providers of Statistical Information (PSIs)

221.　An important tool for the collection and compilation process for both extra-EU and intra-EU trade is a register of information providers (sometimes called the PSI register) and indeed it is a legislative requirement that a register is created of units involved in intra-trade.

222.　Three main uses for a PSI register can be distinguished:-

- The register provides an aid to efficient and timely collection. It can be used to monitor the receipt of information and operate reminder procedures.

- The register provides assistance in initial quality checking of received data, in particular by facilitating comparisons with past data.

- The register is an aid to analytical work. It provides a means of estimating for those units that have not responded or are below a threshold. It also opens up the possibility of producing analyses of trade data by, for example, the industrial classification of the unit involved or its size.

3.3　Data transmission

223.　Once the data have been collected, checked and processed by the Member States, they are forwarded to Eurostat on electronic media which meet precise standards.

224.　The transmission deadlines which govern these data flows to Eurostat are:

- for extra-EU trade: six weeks after the end of the reference month;

- for intra-EU trade: eight weeks after the end of the month to which the results refer in the case of total values of trade analysed by trading partner and ten weeks for fully detailed results.

225.   Unfortunately, not all Member States are currently able to meet these timetables although the situation has improved in recent years. However, in order to provide a speedy service to users, Eurostat publish aggregates of major totals using estimates for missing countries' data where it has a relatively low weight in EU aggregates.

226.   Inevitably, the data first sent for a month are subject to the possibility of later revision, as a consequence of errors, omissions or – particularly with the Intrastat system – late declarations by information providers. The topic of revisions is discussed more fully in 4.3.

4　DATA PROCESSING AND ANALYSIS

4.1　Quality control

227.　There are a range of aspects that can be regarded as relevant to the quality of any statistical data. These include not merely their accuracy, measured in some suitable way but their relevance, timeliness, accessibility and comparability and coherence with other data. This sub-section is concerned, however, essentially with the accuracy of the data and the methods used to check it.

228.　The prime responsibility for ensuring the accuracy of the published trade data must in practice rest with national statistical institutes. It is the national offices who have access to the detailed data at a fine level, often at that of an individual transaction, which facilitates many checking procedures and it is the national offices that have direct access to the information providers to follow-up incorrect or doubtful entries.

229.　There is a range of often powerful procedures available to national offices. Some are quite basic. They ensure that documents have been fully completed and that codes entered are valid and that the correct units have been used.

230.　Other checks are more sophisticated and assess the plausibility of the basic data, and perhaps aggregates, both in themselves and in comparison with other variables. These might be past data or quantities might be assessed against values and vice versa.

231.　Further limited checks are carried out by Eurostat essentially to ensure that the construction and transmission of the required aggregates has been carried out satisfactorily. One important type of exercise which can be carried out under the auspices of Eurostat (as well as bi-laterally between countries) is a comparison of trade flows between two countries measured by each of the partner countries – the so-called mirror statistics work. This is a fruitful method of identifying recurring problem areas and possible errors in trade figures. The topic was discussed further in 2.16 above.

232.　As in all statistical work, however, a balance has to be struck between the resources devoted to checking and the likely benefit. The many millions of individual data items which form the basis of the European trade figure mean that it is impossible to achieve complete accuracy for the published data. This places two important obligations on users.

233.　The first is to recognise in their use of the published data that there will be some inaccuracies. This is perhaps most particularly so in the difficult task of assigning commodity codes to transactions. The CN structure is detailed and, while it is supported by extensive explanatory notes, precise coding is not easy. This is a point

that users should particularly bear in mind if they argue, through the appropriate trade association channels, for further detail in their own areas.

234. A further major problem which may be regarded by the user as leading to inaccurate statistics, and is certainly a constraint on the quality of published detail, is the necessity of amending the "true" data to conceal flows which would otherwise reveal confidential information. See 2.15 and 4.4.

235. The second obligation on users of detailed information is to regard themselves as part of the checking procedure. They will often have specialist knowledge that allows them to identify implausibility in published data. Eurostat and the national offices will generally welcome informed comment on the detail of the data and indeed may be specially organised to deal with it, as for example with the UK Customs Office "Trade Challenge" Team.

4.2 Adjustments

4.2.0 General

236. Sub-section 4.2 is primarily concerned with adjustments made to the international trade statistics of Member States because of the less than complete coverage given by the compilation systems, particularly for the measurement of intra-EU trade by Intrastat but also, to a much lesser extent, for extra-EU trade. This use of the term "adjustments" should not confused with its use in the transition from data on an international trade statistics basis to the appropriate basis for the measurement of the goods account of the balance of payments. Sub-section 1.2 above discussed the need for these adjustments and they are discussed further in 4.2.2 below.

237. This distinction is not entirely clear-cut, however, since some Member States may choose to make some or all of their adjustments or corrections for incomplete coverage only in their balance of payment figures rather than in their international trade statistics on which their balance of payments figures are based. This approach may be preferred by Member States who feel that the lack of reliable product or partner country detail makes the adjustments more suitable for the more aggregated figures in the goods account of the balance of payments.

4.2.1 Adjustment of values

238. Sub-section 2.8.1 discussed the various statistical thresholds that exist within the Intrastat system for the measurement of **trade between Member States**. In order to minimise the burden on information providers these remove or reduce the data requirements for smaller and medium-sized enterprises. In addition, there is inevitably, a problem of late or non-response by information providers.

239.   There is no harmonised approach to these problems. However, the majority of Member States make adjustments or varying complexity and sophistication for some or all of these factors in their national trade statistics and generally pass them to Eurostat for publication within the COMEXT database. The issue of adjustments, while significant, in relation to the quality of EU data is not, therefore, a major factor in the differences between Eurostat data and that published by national offices and made available to other international organisations.

240.   The overall results published by Eurostat take into account the adjusted results provided by nine Member States, and are available in a specific Comext dataset - the 'Intra-Trade Adjusted Data' dataset, which contains monthly results, broken down by trading partner.

241.   In addition, the adjustments made by seven Member States are included in the results broken down by product, either at the sub-heading level of the Combined Nomenclature (Austria, Denmark) or in Chapter 99 (see Annex 5).

242.   It was noted in 2.8.1 that the basic Intrastat regulation excludes completely trade carried out by private individuals or very small enterprises which are not required to register for VAT according to national legislation. It is not known if any Member States include this element of trade in the adjustments that they make to the data that they send to Eurostat.

243.   More detailed information on individual Member States' adjustment practices for Intrastat data is given in Annex 8.

244.   The position is less complex for **Member States' trade with non-member countries**. Almost all Member States operate a threshold below which individual transactions are not recorded. Five Member States (Denmark, Germany, Ireland, Netherlands and United Kingdom) make estimates of the amount of trade below this threshold and include them both in their national figures and in the data they send to Eurostat.

4.2.2   Adjustment of quantities

245.   There are two general situations in which quantity information needs to be estimated. First, information on quantities is not sought for smaller value transactions by the relatively small and decreasing number of Member States that operate a simplification threshold. (See 2.8.1 and Annex 7.) All except Greece have estimated quantities where relevant, generally by applying the value/volume ratio of trade above the simplification threshold.

246.   Secondly, where adjustments (as in 4.2.1) are made to value data and are assigned to product headings it is desirable that there should be matching adjustments also made to the quantity data. Procedures for estimation will again involve the value/volume ratios of recorded trade.

4.2.3   Adjustments to a balance of payments basis

247.   Most Member States estimate the goods account of their balance of payments by making adjustments to their international trade statistics to meet the different definitions required for the balance of payments. (The remainder - Belgium and Greece - use independent information on settlements of payments for goods.) In practice, these adjustments similarly convert the international trade statistics to the basis required for the national accounts since flows of goods and services are defined, in terms of coverage, in virtually identical fashion in the SNA93 and IMF5.

248.   The adjustments necessary deal with conceptual differences of coverage, the treatment of particular operations and in time of recording. In addition, as mentioned in 4.2.0 above, some Member States make adjustments to deal with the incomplete coverage of their trade statistics where no such adjustments, or incomplete ones, have been made in the trade statistics themselves.

249.   These adjustments are not discussed further in this guide. It should, however, be stressed again that it is necessary to distinguish carefully between the two bases to avoid confusion and to note that international trade statistics provide the most suitable data set for the measurement of commercial flows.

4.3   Revisions

250.   Sub-section 3.3 noted that early versions of data sent to Eurostat by Member States are inevitably subject to revision for a number of reasons. In this case, Member States must inform Eurostat of the revisions to be made for each past month. Most Member States regularly make such corrections, although their timetables for doing so are varied and sometimes complex. Some transmit revisions only once a year to Eurostat for an entire 12-month period. Corrections, when received, are entered in the databases. They can entail many, often major, modifications to the published results.

251.   Revisions to the earliest data sent can be substantial particularly for results derived from the Intrastat system. Such variability raises the question of the possibility of some consistent bias in initial estimates but there is no known evidence of this occurring.

252.   At present original data and revisions are entered onto the COMEXT database as soon as practicable. That is, it is continuously updated so that users of the on-line database have the benefit of the latest data available, although the lack of a known timetable for updating can lead to the possibility of confusion. The sequence of revisions to substantial files may lead to pressure on resources at Eurostat and there may need to be a future consideration of the policy to be adopted. While it is in theory desirable to maintain the Eurostat data base as up to date as possible, the benefits of frequent minor changes to data for periods some way in the past may need to be set against the burden on resources and the potential confusion to users.

253. Revisions may of course also arise when the need for corrections is brought to the notice of national authorities after data are published. These may stem from mirror exercises or perhaps from informed comment by users. In such situations, where errors may relate to relatively old data, it is a matter of judgement (and policy) for the national authorities how far back data are revised.

254. As well as revising their national figures and those sent to Eurostat, possibly on different timetables, Member States will in general provide revisions of their data to other international organisations. This is likely to be on yet another and possibly more delayed timetable. This is one of the major reasons, as discussed in 2.17.2 for differences between data published by Eurostat and the various other international organisations and for the move toward rationalisation of the flows of information to international organisations.

4.4 Confidentiality (processing)

4.4.1 Confidential data

255. Sub-section 2.15 outlined the methodology of identifying and, in broad terms, treating confidential data. The identification and treatment of confidential data rests with Member States who, with the current exception of the Netherlands, adopt identical procedures for confidential data in their national figures and in the data they send to Eurostat. It is believed that there is also this identity between nationally published figures and those provided to other international organisations.

256. The substantial extent of data on trade flows that need to be suppressed to avoid the disclosure of information regarded as commercially sensitive has an unfortunate but inevitable effect on the quality of the data available to the user. This is especially so since the existence of data regarded as confidential can change over time and so create discontinuities. In order to minimise this effect on the quality and usefulness of the published data, the treatment that has been adopted is documented so far as is possible in the COMEXT database without of course disclosing the actual information that is suppressed. This is achieved by the use of special codes to cover the trade involved. (See below and Annex 5.) There are basically two reasons for the use of confidentiality procedures.

4.4.2 Country confidentiality

257. If a Member State wishes to conceal the destination or the source or origin of a product, the code of the partner country is replaced by a 'secret country' code. This always distinguishes between intra-EU trade and extra-EU trade.

258. The following example illustrates the use of the "secret country" codes in the suppression of trading partner information for a particular set of trade flows.

Application by a Member State of 'trading partner confidentiality' to exports and dispatches of a particular product

        Partners   values

            <u>declared trade</u>:

Partners	values
Germany	1000
Italy	500
Japan	3000
Canada	200

            <u>published trade</u>:

Partners	values
Germany	0
Italy	0
Intra-EU secret countries	1500
Japan	0
Canada	0
Extra-EU secret countries	3200

4.4.3 Product confidentiality

259.   A Member State may decide on the other hand to make all or part of the trade under a product code confidential and so suppress the nature of the commodity involved. This may be because the value, quantity or their ratio – as a measure of price – is commercially sensitive. But whichever of the measures is sensitive both quantity and value are treated in the same way in order to avoid distorting the unsuppressed information. There are a number of options available to Member States.

260.   The trade can be assigned to one of the special codes now available in COMEXT containing one or more 'S's after the chapter (the first two digits), followed by the three-digit SITC code. Where the SITC code is not known, it is replaced by 999. (See Annex 5 for the detail of these and other alpha-numeric codes used.) This method has the advantage that it permits correct chapter totals, and perhaps SITC three digit totals (group totals), to be compiled.

261.   Another camouflage method applied by some Member States is to include the trade which is to be made confidential relating to one CN code under another code from the same chapter with common root at 6 digits. This again preserves the ability to create correct chapter totals but has the disadvantage that it distorts not merely the confidential heading but also another one.

262.   If trading in the product is so confidential that the HS chapter under which it should be classified is to be suppressed, it is included under Chapter 99.

263.   As an example, the results relating to CN code 17024010 (isoglucose in solid form, containing, in the dry state, $\geq 20\%$ and $< 50\%$ by weight of fructose) might be included in COMEXT under one of the following codes:

17024090	glucose in solid form and glucose syrup not containing added flavouring or colouring matter, and containing, in the dry state, $\geq 20\%$ and $< 50\%$ by weight of fructose (excluding isoglucose)
17SSS061	confidential information about trade in Chapter 17 of the CN (sugars and sugar confectionery) and in Group 061 of the SITC Rev 3 (sugars, molasses and honey)
17SSS999	confidential information about trade in Chapter 17 of the CN (sugars and sugar confectionery) and unknown SITC Rev 3 Group
99SSS999	confidential information about trade in an unknown product

264.   The key point, however, is that the "confidentiality notes" given in COMEXT CD-ROM should identify the headings that are affected by the suppression of confidential information and should explain the type of treatment adopted.

4.5   Treatment of discontinuities

265.   An almost inevitable problem in the compilation of a major set of statistics over time is the existence of discontinuities (or potential discontinuities) in the data collected. These can arise from methodological changes, from changes in classification or of definition of aggregates or − as was discussed in 4.4 above - from the application over periods of the procedures for dealing with confidential data. They may be forced upon the compilers by circumstances or may even be created by the compilers as a short term consequence of a change designed to give longer term improvements in quality.

266.   Some of the discontinuities may be insignificant, at least for the major aggregates, others may be sufficiently large to be relevant to interpretation of the data as a time series. While in theory it may seem desirable to remove the discontinuities by reworking back data or estimating it on current definitions, this is often not possible at least at the full product heading by partner country level of detail. In the particular case of the creation of discontinuities by the treatment of confidential data, the nature of the problem means that the discontinuities cannot be removed.

267.   It is helpful for users, however, if publications draw attention to the existence of known discontinuities that cannot be removed from the data and attempt to provide at least some broad indication of their size. For this to be achieved, or indeed for potential discontinuities to be removed by the reworking of past data, Eurostat must depend heavily on co-operation from the Member States involved. Constraints on their resources and technical difficulties may prevent the national compilers being able to provide as much help in this area as possible.

268.   One particular type of problem which could be seen as creating discontinuities arises from the progressive enlargement of the European Union for example from the accession of Austria, Finland and Sweden in 1995. The entry of Greece into the euro-zone in January 2001, increasing its membership from eleven to twelve Member States, is another more recent example.

269.   The most appropriate treatment for such "discontinuities" is not absolutely clear-cut and may depend on the particular use or analysis for which the aggregate data are intended. For example, a study of a time series of euro-zone exports from 1999 onwards which used a series not including Greece for the first two years could be misleading. On the other hand there could well be some analyses relating to the economic effects of the euro-zone in, say, 1999 when it would make no sense to include Greece. For this type of discontinuity the users need to think carefully what their aims are and to seek out, or if necessary construct, the appropriate series for their purposes.

270.   There are a number of discontinuities or potential discontinuities that the user should be aware of in using Eurostat trade data. The main ones are:-

- German reunification in October 1990. No adjustments to earlier data have been made for this.
- The introduction of the Intrastat system for recording intra-EU trade in 1993 inevitably led to a discontinuity in estimates (as well as some at least initial reduction in quality).
- The enlargement of the EU from twelve to fifteen members in 1995. So far as possible the discontinuity has been removed from major time series. The new seasonally adjusted series introduced during 2001 for EU 15 (see 4.9) will attempt to rework pre-1995 data.
- Until 31 December 1996 the statistical territory of France did not include the French overseas departments and that of Spain did not include the Canary Islands. (See 2.5.)
- The separate provision of figures for Belgium and Luxembourg from 1999 created a minor discontinuity since before then flows between Belgium and Luxembourg were not recorded as a part of intra-EU trade. No adjustments have currently (at end 2000) been made for that.
- The improved treatment of specific movements laid down in the consolidating legislation of September 2000 is likely to introduce some discontinuities.

4.6   Currency conversion (of aggregates)

271.   Currency conversion plays two roles in the compilation of the EU trade figures. First there is the need to convert individual transaction values, which may be expressed in any currency, to the currency of the Member State compiling the data. That is a methodological problem touched on in 2.12.

272.   There is also the need to convert Member States' aggregate statistics, expressed in their national currencies, into a common currency for publication in COMEXT and elsewhere. Until the end of 1998 that common currency was the European Currency Unit (ECU). Since then it has been the euro. The conversions from national currencies to ECU or euro are performed using monthly averages of daily exchange rates. These conversion factors are generally provided in Eurostat publications and, of course, for members of the euro-zone coincide with the irrevocably fixed rates for the period 1 January 1999 onwards.

273.   It should be noted that conversion at the monthly level can lead to discrepancies between annual Eurostat data and figures in other international sources where the conversion may have been carried out directly (and less satisfactorily) on the annual statistics.

4.7   Analyses

4.7.1   Unit value and volume indices

274.   Data provided to Eurostat are of course in current prices, that is the prices relevant to the reference period concerned. For many uses it is natural and satisfactory to work in those values. This is certainly the case for any cross-sectional analysis at a point in time. For a study of movements of the current price value over time it may be helpful to convert the series of values into an index form but that is a simple arithmetic operation.

275.   However, the development over time of the value of trade is determined by both the quantities sold and price variations. For a number of analytical purposes it is necessary to distinguish between these two elements and in particular to measure movements in the so-called volume of trade estimated in constant prices of some previous base year. For other purposes, it is desirable to have some measure of the development of price movements of international trade.

276.   Over the EU as a whole there is no fully detailed and reliable set of relevant price deflators even at the total trade level that is derived from surveys of export prices and could be used to create series of the volume of trade. (But see 4.7.2 below) It is therefore necessary, and perhaps in any event more desirable, to use the information from the trade system itself on values and related quantities to estimate a set of deflators. These are used to calculate volume indices and to derive estimates of prices of interest in their own right.

277.   The data transmitted for intra- and extra-EU trade statistics are used at their most detailed level, that is 8-digit CN heading by partner country, for calculating the indices. The movements of "unit values", which are derived from current price values divided by quantities for each detailed flow, are used as indicators of price variations. (The unit value indices are calculated from "normal trade" (see 2.10) only, although total trade is used for the calculation of the volume indices.)

278.   The calculation programs comprise as their first stage an automatic system for identifying extreme unit values which would suggest implausible price movements and which must be disregarded in the calculations. There are also a limited number of areas where the division of value by quantity gives an unsatisfactory measure of price performance. An example is for the estimation of prices for ships and boats. In such cases, the unit value is taken to be that of the other products within the same 2-digit category of SITC Rev 3.

279. As a second stage the system weights the fine level detail together in the most appropriate way. The weighting system adopted by Eurostat for the calculation of the indices uses the principle of chaining. That is, the weights are recalculated each year and movements from year to year are chained by multiplication to give a longer run of data. This is in contrast to using weights from the pattern of trade in a base year changed perhaps only every five years.

280. The chaining procedure has the advantage that the weights used are more relevant to the periods measured and, in particular, improves the estimation of recent movements – which are generally those of most interest to analysts. It also makes it easier to deal with the annual changes to CN. However, although the calculation system uses weights which are changed annually, the published indices are presented for the convenience of users on reference years that are changed only once every five years. The current reference year for the unit value and volume indices is 1995.

281. The year to year links used in the calculations of the indices use the Fisher formula. This is a geometric average of the base-weighted Laspeyres index and the current - weighted Paasche index. Full descriptions of these technical terms and of the methods used for calculating the indices can be found in Annex 9.

282. The unit value and volume indices are available in detail in the Indice-Trend domain of COMEXT (see 5.3.1) and in more summary form in various other sources. Indices are available for both exports/dispatches and imports/arrivals for a large number of partner countries and geographic and economic zones cross-analysed by 1-digit (Section) levels of the SITC Rev 3 and the 16 two alpha-character levels of NACE Rev 1 (and aggregates based on them). There are more detailed product indices available by intra-EU trade, extra-EU trade and the world. These include the 3-digit level of NACE Rev 1, the 2-digit level of SITC Rev 3 and the 2-digit level of HS. In addition, there are various hierarchic aggregations based on those classifications and also data for Broad Economic Categories (see 2.6.1.4) and for versions of NACE CLIO (a classification used within the national accounts).

283. Unit value and volume data for another set of aggregates paralleling those for which seasonally adjusted data are to be compiled (see 4.9 below) will become available in New Cronos during the course of 2001. In addition this will have, among other things, series of the terms of trade and volumes ratios derived from the unit value and volume series. The terms of trade are measured by dividing the export unit value index by the import unit value index and are said to be moving favourably when they increase, since the movement permits a country to purchase a larger quantity of imports for a given quantity of exports. The volumes ratio is calculated by dividing the export volume index by the import volume index. The cover ratio, that is the export value index divided by the import value index, can be split into a volumes ratio factor and a terms of trade factor. This permits the separation of price and volume movements in the trade position of a given country or zone.

4.7.2 Price indices for trade

284.   Paragraph 276 above noted the absence of a complete and detailed set of deflators from an independent source that could be used to create estimates of the volume of trade. However, it is worth noting that an increasing number of Member States compile an index of export prices derived from surveys of price quotations and some also have import price information similarly derived. Information on output prices of non-domestic turnover (essentially exports plus dispatches) is required at 2-, 3- and 4- digit level of NACE Rev 1 by Council Regulation (EC) No 1165/98 concerning short-term statistics. However, this seeks no partner country detail and in any event a number of Member States make use of the concession in the Regulation that the requirement can be met by suitably constructed unit value indices and so do not compile genuine price indices.

285.   At the end of 2000, four Member States provided information on the price movements of non-domestic turnover from direct surveys of price quotations. The data are available in the New Cronos database (see 5.3.3). For the time being, there is no breakdown of these price statistics by partner zone, so that they cannot be used at the euro-zone or EU 15 level.

4.7.3 Other analyses

286.   The purpose of the publication of trade data is to permit the user to make informed judgements which will rest on analyses of greater or lesser sophistication. So far as possible the data are made available in a way which facilitates that purpose. This is for example reflected in the flexibility of the COMEXT and New Cronos systems (see 5.3) and in the construction, described above in 4.7.1, of unit value and volume indices and derived ratios. It also underlies the recent substantial expansion of the availability of seasonally adjusted series. (See 4.9.)

287.   Another valuable source of information for interpretation and analysis is given by EUROPROMS (European production and market statistics). This puts together detailed and comparable data on the values and quantities of production and external trade of almost 4 400 industrial products in the Member States and derives estimates of the domestic markets for each product. (It is possible because of the comparability between trade headings and those of the PRODCOM list– see 2.6.1.4.) This is a valuable tool for enterprises (and also a fruitful source for identifying possible errors in the basic data).

288.   Some other analyses of potential value can only be made by national statistical institutes since they depend on access to information about individual enterprises which is not generally available to Eurostat. These exploit the power of the registers used in the collection of the basic data (see 3.2). Examples of analyses of trade data that can be carried out nationally are by the industrial classification of the exporter and by the regional (in the sense of sub-national) location of the exporter. It is beyond the scope of this guide to list what such analyses are available and interested users should address their queries to the relevant national authorities.

4.8 Regional aggregation

4.8.0 General

289. The data available from COMEXT provide complete detail, subject to the limitations of confidentiality, on the matrix of flows from and to Member States for each heading of the CN. This is an excellent data source but in practice many users may wish to use aggregations of this complete detail. Product aggregations were discussed in 2.6. Regional aggregations are discussed here.

290. A precise definition and coding of each country is necessary for the compilation of the basic data. The geo-nomenclature involved was discussed in 2.6.2. However, for analytical purposes and the presentation of some summary results it is necessary to aggregate countries. Eurostat has defined certain geographical and economic zones for this purpose.

4.8.1 Geographic zones

291. Examples of geographic zones are:

- North America
- Near and Middle East
- Oceania and polar regions

292. The geographic zones cover the whole world without overlaps. They are shown in detail in Annex 10A

4.8.2 Economic zones

293. In addition to the purely geographic zones, a number of groupings of countries with some common economic feature are defined. Examples of such economic zones are:

- EU15 (Member States of the European Union)
- Euro-zone (Member States who have adopted the euro: sometimes referred to as EUR 11 or, from 1 January 2001, EUR 12)
- EFTA (Countries of the European Free Trade Association)
- OPEC (Member States of the Organisation of Petroleum Exporting Countries)
- NAFTA (Countries of the North American Free Trade Agreement)

294. The economic zones defined do not cover the whole world and there is some overlap between zones. The current list of economic zones is shown in Annex 10B.

4.9 Seasonal adjustment

295. Information on EU trade is available monthly and much of it at a less than fully detailed level is presented in publications and databases in a time series form. As with most economic data, the interpretation of the monthly or quarterly time series is made more difficult because of regularly recurring seasonal movements. For example, trade in many agricultural products is highly seasonal and month to month movements are often dominated by these seasonal factors.

296. Monthly, and to a lesser extent quarterly, data are also affected by the varying lengths of months (and in particular the number of working days that they contain) and the effects of public holidays that may change from month to month in different years: Easter is the prime example.

297. One partial solution to removing the effects of seasonality on comparisons over time is to make them only with the same month or quarter of the previous year. But that is not a very satisfactory procedure since it cannot provide a proper measure of the movement of an aggregate through a year which does not equally depend on the movement through the previous year.

298. To deal with this problem a range of procedures has been devised by statisticians first to estimate and then to remove the seasonal (including working day or trading day and holiday) effects from time series. Their essence is to breakdown or decompose the original or raw monthly (or quarterly) data into three components. These are a seasonal component, a trend component showing some form of smoothed movement and an irregular component.

299. There is no single "correct" way to perform this decomposition. The estimation of the seasonal component depends in part on a judgement as to how quickly it may change over time. The estimation of the trend depends similarly on assumptions about the appropriate model or method to use to estimate it.

300. Until now (end 2000) the availability from Eurostat of seasonally adjusted versions of the international trade data has been very limited. Series have been published (in the Monthly Bulletin, see 5.4) only for four series - total current price extra-EU exports, imports and balance, and intra-EU exports. A relatively unsophisticated procedure was used for the seasonal adjustment process and there was no adjustment within the method for variations in the length of the trading month or the date of Easter.

301. However, the position will markedly improve in the course of the year 2001. The plans for 2001 envisage a radical increase in the number of seasonally adjusted series available and improvements in methodology.

302. It is not appropriate to discuss the technical procedures used for the new series in this guide. It can be noted briefly, however, that the new series will adopt a method of seasonal adjustment known as TRAMO/SEATS (incorporating where necessary working day and Easter adjustment). This choice has been made after extensive

comparisons within Eurostat of the available methods which showed it to have major advantages and fewer weaknesses when compared with other methods for the seasonal adjustment of economic time series. To facilitate the use of the procedure in an environment where the number of series to be adjusted is very large, Eurostat have also developed a software package DEMETRA to use with TRAMO/SEATS. A full technical discussion of the methods available and the criteria for the choice is available in:-

http:/forum.europa.eu.int/Public/irc/dsis/eurosam/home.

303.   The main impact on the user will be in the number of seasonally adjusted and trended series that will be available. For each trade flow : imports, exports and balance, there will be 413 series for the euro zone and 398 series for EU15. The euro zone series (resp. EU15 series) will be formed of flows vis-a-vis 27 (resp. 26) partner countries or geographic and economic zones cross-analysed by 19 commodity groups (the 1-digit level of SITC Rev 3, plus aggregates of the 1-digit level, plus 4 groupings based on the Broad Economic Categories). The country analysis will differ a little between the euro-zone series and the EU 15 series to provide series for non-euro-zone Member States as partners for the euro-zone series.

304.   In addition, there will be twenty-five series for each flow for each Member State showing data with intra- and extra-euro-zone, intra- and extra-EU 15 and non-euro-zone Member States as partner areas cross-analysed by 4 commodity groups based on the Broad Economic Categories nomenclature (see 2.6.1.4).

305.   The series, both seasonally adjusted and trended, will be published in the New Cronos database (see 5.3.3) along with series of raw current price values of the flows and material on the unit value and volume indices (see 4.7.1. above.).

306.   A key feature of the data set will be its consistency in two senses. First, all series will be calculated from the same data set taken at one point in time. As a consequence, for example, volume indices will be equal to the value trend divided by the unit value indices. Secondly, the more aggregated seasonally adjusted series will be formed by the addition of their components (eg : Member-State series add up to euro zone and EU15 aggregates).

5. DISSEMINATION

5.1 Type of users

307. Eurostat is responsible for disseminating EU and euro-zone statistics. Its major concerns in this area are to improve the quality and timeliness of the statistics transmitted by Eurostat itself and by the Member States and to diversify the methods of dissemination: in addition to the monthly production of a CD-ROM and more traditional paper publications aimed at the public, the national and Community administrations have on-line access to the 'COMEXT' database (which contains all the available data on foreign trade). The main results can also be accessed via the Internet.

308. In fulfilling its role, Eurostat has to be aware of the wide range of users and their different interests, which may be served either directly via publications and access to data bases or indirectly via press releases which are used by the media to give a wider access by the public at large to the main figures.

309. Users outside government range from the general public, who are mainly interested in recent movements in the major aggregates of trade, to specialist researchers – for example, in companies, the market research industry and the academic world – who may be interested in information on trade in particular products or with individual partner countries. The fine level of detail required by some of the latter may be for a point in time or over a period of years.

310. In addition, Eurostat has to ensure that its methods of dissemination meet the needs of the Community and national authorities and the European Central Bank to permit them to carry out their functions in an informed way. These again range from an interest in the most up to date possible evidence on broad movements of trade to permit economic analysis to the very detailed data generally required for multilateral and bilateral trade negotiations.

311. There is an interest from many users purely in value data. Others - for example transport companies and port authorities - may be interested primarily in figures of mass or other quantities.

312. Eurostat has to design a system of dissemination which meets all these needs. It also has to ensure that users are guided to appropriate sources and that information is available to them which assists the understanding and interpretation of the data. The following sub-sections set out how these aim are met in practice.

5.2   Type of statistics

313.   Sub-section 2.9 discusses some aspects of the statistical data that are produced by the European system of trade statistics. There are more detailed accounts of particular types in sub-sections 4.7 (foreign trade indices and other analyses of the basic data), 4.8 (regional aggregation) and 4.9 (seasonal adjustment) and the related annexes. The main distinctions are summarised below.

314.   Most data published are raw value figures – in the past in thousands of ECUs but from 1999 in thousands of euro. These are available for the complete matrix of 8-digit CN heading by partner country (subject to confidentiality constraints). Correspondingly detailed information is available for quantities – net mass or, where relevant, supplementary units (see 2.13.2).

315.   Time series are available based on the unit value and volume calculations described in detail in sub-section 4.7 and Annex 9. These are again available in considerable product by partner country and area detail.

316.   During the course of 2001 an extensive range of seasonally adjusted series will be introduced to replace the four series that have been available in the past. These are described in detail in sub-section 4.9 and Annex 11.

317.   There is also a range of information in value and quantity terms available on the transport aspect of trade. This provides data on the mode of transport and for extra-EU trade whether or not the goods are transported in a container and the nationality of the means of transport. (See 2.14.) The analyses are provided by a special product classification and by partner country.

5.3   Databases

5.3.1   COMEXT (on-line)

318.   This database, which is based on the client/server concept, is Eurostat's reference base for external trade. It provides access to both current and historic data from the EU Member States, the candidate countries and more than 100 other countries, including the United States, Hong Kong, Taiwan and the EFTA (European Free Trade Association) countries. It is directly accessible in general only to European institutions and national authorities. However, it provides the source for queries which can be addressed to Eurostat's Data Shop Network. (See 5.6 and Annex 12A.)

319.   Because of its considerable flexibility, COMEXT offers users access to several types of data from various sources and with different structures, via a unique interface. The information, which is available in English, French and German, is divided into domains, which in turn are divided into datasets (that is, standardised sets of data classified according to pre-defined classifications). More than 200 classifications

(codes and headings) are currently accessible. The domains currently available are described in the following paragraphs.

320.   The domain known as **EEC Special Trade** contains monthly, quarterly and annual data, from 1988 onwards, on the external trade of the EU Member States in terms of the full 8-digit headings of CN. (The name "special trade" refers to the special trade concept; the material contained represents the main trade data collected by Eurostat on the methods described in Section 2.) Data on extra-EU imports are given by TARIC headings but are only available to national authorities and other approved bodies. The COMEXT aggregation system makes it possible to convert the data to the other main product classifications: for example, the Standard International Trade Classification (SITC), CPA and the PRODCOM list.

        This domain also contains the Intra-Trade Adjusted Data (see 4.2.1).

321.   **Fric** contains annual and quarterly data on the external trade of the first 12 Member States of the EU, basically broken down by trading partner, dating back as far as 1958. A breakdown by product in accordance with SITC Rev. 2 is also available for the years since 1980.

322.   EU Enlargement contains the monthly statistics (or annual for some historical periods before 1999) transmitted by the candidate countries, broken down by trading partner and product according to the Combined nomenclature (or Harmonised system for some historical periods before 1999) since 1995.

323.   West Balkan contains monthly or annual statistics transmitted by Albania and Former Yougoslavian Republic of Macedonia, broken down by trading partner and product according to the Combined nomenclature (or Harmonised system for some historical periods) since 1995.

322.   **Nimexe trade** contains the annual data for the first 12 EU Member States, broken down by trading partner and product according to the Nimexe classification (the external trade classification that was in use in the EU until 1987), for the period from 1976 to 1987.

323.   **SITC-REV2 EU trade** contains the annual data for the first 12 EU Member States, broken down by trading partner and product according to SITC Rev. 2, for the period from 1977 to 1987.

324.   **SITC-REV3 EU trade** contains the monthly data for the first 12 EU Member States, broken down by trading partner and product according to SITC Rev. 3, for the period since 1988.

325.   **EU GSP trade** contains the annual data for the EU Member States, broken down by trading partner, product and generalised preference categories for the period since 1988.

326.   **Comtrade** is the United Nations database on external trade. This domain covers the external trade of most countries of the world, broken down by trading partner and product in terms of SITC Rev. 2 and Rev. 3 and the Harmonised System (HS), and covers the period since 1980. (Users of this domain should be aware of the comments made in sub-section 2.17.2 "Differences between COMEXT and other international sources.)

327.   **EFTA (SITC3) trade** contains monthly and annual data, in terms of SITC Rev. 3 and for the period since 1995, on the external trade of the member countries of the European Free Trade Association (EFTA) (currently Iceland, Norway, Switzerland and Liechtenstein).

328.   **EFTA trade** contains the annual trade data, in terms of the HS and for the years since 1988, of countries which were EFTA members in that year (Austria, Finland, Iceland, Norway, Sweden, Switzerland and Liechtenstein).

329.   **Currency exchange rates** contains the exchange rates of the various European currencies (including the ECU) since 1988, for each month and for cumulative periods.

330.   **Indices** contains the current contents of the databases 'Trend' (indices of the unit value and volume of Member States' external trade, calculated on a monthly basis - see sub-section 4.7) and 'Volimex' (indices of non-member countries' external trade, calculated on an annual basis in accordance with Comtrade).

331.   **Transport** contains quarterly and annual data (since 1989) on the transport of traded goods (mode of transport and, for extra-EU trade, the extent of containerisation and nationality of the means of transport), in terms of value and quantity, with a breakdown by product (in accordance with the simplified Standard Goods Classification for Transport Statistics/Revised) and by trading partner.

332.   **COMEXT** makes it possible to construct aggregates (that is, groups of codes for products or countries), to apply validity dates and/or weightings to certain codes to obtain time series or to view changes in the codes over time (changes to codes or their definitions, for a particular product or country). COMEXT makes it also possible to define arithmetic formulas (to calculate, for instance, growth rates or shares of partner or reporting countries in total imports or exports).

333.   There are two ways of retrieving data from COMEXT. These are an interactive method, which is preferable for small queries and batch retrieval, which is used for larger-scale consultation.

334.   Whichever method is chosen, there are numerous options for processing the information:

  •   display and downloading of results (spreadsheet with possible direct export to Excel or word-processing format, flat format, etc.) onto hard disk, network disk or diskette,

- printout of the results in tabular form, - the appearance of the tables being defined by the user in advance;

- creation of flat files for loading into other databases or post-processing in spreadsheets.

5.3.2 COMEXT (CD-ROM)

335. A selection of data from the COMEXT on-line database is available to all users for purchase from Eurostat Data Shops on CD-ROM's. The CD-ROM is updated once a month and so provides access to the most recent detailed data available. A table, which can be accessed from the main menu, shows the periods of availability of the data.

336. Various editions of the COMEXT CD-ROM contain the following statistics on the EU Member States' intra- and extra-EU trade.

- Intra- and extra-EU trade (Combined Nomenclature), monthly data for the most recent 18 months
- Intra- and extra-EU trade (Combined Nomenclature), annual data for the years from 1988;

- Intra- and extra-EU trade (SITC Rev. 3 and NACE Rev. 1), annual data for the years from 1988;

- External trade of the Member States of the European Union (Nimexe), annual data for the period 1976-87.

337. Various product classifications are used; trading partners are identified either at country level, in terms of the geonomenclature, or by geographic or economic zone (see 4.8 and Annexes 10A and 10B). A detailed set of "confidentiality notes" describes the treatment adopted to prevent disclosure of confidential information.

338. The COMEXT CD-ROM runs under Windows and offers a wide variety of functions:

- consultation and retrieval of data;

- downloading of data in files which can be imported directly into conventional spreadsheets;

- product code search by keywords;

- creation of customised aggregates for periods, countries and products;

- alternative methods of retrieval.

339. A user manual, which gives a complete description of all the functions, is available on the CD-ROM; it can be consulted directly from the CD-ROM or printed out.

5.3.3 New Cronos

340.   New Cronos is a numerical database containing macro-economic time series. It is available in three languages (English, French and German) and holds more than 70 million items of statistical data, divided into 49 domains covering various themes corresponding to those dealt with by Eurostat publications. One of these themes is "external trade". In this area New Cronos contains numerous series corresponding to the main statistical indicators (figures of trade flows by country, partner regions and products). In addition to raw figures, from 2001 the data base will include seasonally adjusted series. (See sub-section 4.9.)

5.3.4 EUROPROMS

341.   A further specialised data base providing information on external trade of Member States and the EU as a whole is EUROPROMS – European production and market statistics. (See 4.7.3) By matching external trade data with data from the PRODCOM production system EUROPROMS provides detailed and comparable data on the production, external trade and markets of almost 4 400 industrial products in the EU.

342.   EUROPROMS data are available on CD-ROM and also as a domain of New Cronos.

5.3.5 Web sites

343.   The Eurostat web site (www.europa.eu.int/comm/eurostat) gives access to a number of major indicators, including imports, exports and the trade balance of the EU and euro-zone. Further data and publications can be ordered through the site, which contains fully up-to-date addresses for all Eurostat Data Shops and publication and sales offices.

344.   In addition, all national statistical institutes are likely to have their own web sites which, to varying degrees, will contain recent aggregate trade data for the individual Member States. These are not listed in this publication but should be easily located.

5.4   Paper publications

345.   **Press releases** enable Eurostat to disseminate the short-term economic information that is available as quickly as possible. These monthly press releases provide first data on the intra-EU and external trade of the Member States and the EU and euro-zone as a whole. They are published to a pre-announced timetable and the first estimate for a month is currently published about eight weeks after the end of the reference month.

346. The **monthly bulletin** complements the Statistical Yearbook (see below) with short-term data. It is designed to give, as rapidly as possible, the short term evolution of the external trade of the EU and its Member States. It shows trade flows, broken down by major product groups, between the EU and its main trading partners and between the Member States. The monthly bulletin is also available as a PDF file.

347. For each of the nine statistical themes which Eurostat deals with, the **Statistics in Focus** collection contains up-to-date summaries of the main results of surveys, studies and analyses. In the field of external trade, these studies cover the EU's trade with some of its main trading partners (for example, USA, Japan, Latin America and CIS), trade in certain strategic goods (for example, high technology, energy and means of transport), or trade linked to topical issues, such as EU trade with the candidate countries. Each issue is between 4 and 8 pages in length and contains text, tables and graphs.

348. The **Statistical Yearbook** on intra-EU and extra-EU trade describes the long-term trends since 1958 in trade by the EU and its Member States. It sets out changes in the structure of trade between the EU and its main external trading partners and between the EU Member States broken down by major product groups. The Statistical Yearbook is also available as a PDF file.

5.5   User helpdesk

349. It is desirable that users have access to help and a channel for inquiries about the data published and means of access to it. This can provide a means for giving more information and technical background on the data. (See 5.6 below.) It can also be used as a route for feeding back to the national institutes comments from informed users on the quality of the data and queries on them.

350. The network of Eurostat data shops fulfil some aspects of this role at a European level. More specific comments and queries can be addressed to Unit C4 of Eurostat by fax at 352 43 01 34339 or e-mail to comextsupport@cec.eu.int. This guide does not contain a list of contact points filling the "user helpdesk" role for individual Member States but users should generally be able to determine the location of these by an approach to the authorities listed (with fax numbers) in Annex 1.

5.6   Metadata

351. Users of trade data, as of any statistics, need to have information about the data that are available to them to access, and the necessary descriptive background to help them understand the nature, potential and limitations of the data. It is the purpose of this guide to help the general reader in these areas.

352. However, it is beyond the scope of this guide to give full detail of the methods used by each Member State in compiling their trade figures or of the particular analyses that may be available nationally. For this information the user will need to go to national sources. The national web sites mentioned in 5.3.5 provide one route: the addresses of the national authorities provide another.

353. It may be helpful to summarise the options available to readers who wish to follow up these issues in a European context. The three main sources of information are the Eurostat web site (see 5.3.5), the Eurostat Data Shops network and the Sales Network of the Office for Official Publications of the European Communities.

354. The Eurostat web site, as mentioned above, is a source for some aggregate data. It also provides information on publications available on particular topics and ways to obtain them. It provides a service, for registered users, informing them of material which may meet their recorded interests. Some useful background information, for example, a full account of the evolution, and the current detailed version, of the geo-nomenclature (see 2.6.3) used for Eurostat international trade statistics can be down-loaded free of charge from the site, as can an up-to-date catalogue of major publications. In line with Eurostat's general approach to dissemination the information is presented by theme: in this scheme "external trade" is Theme 6.

355. The network of Eurostat Data Shops (listed at Annex 12A) provides virtually immediate access to official European statistics. It provides a wide range of tailor-made services including immediate data searches undertaken by experts in European statistics. It is the route by which the general public can access information from the on-line COMEXT data base.

356. The world-wide network of sales offices provides an alternative route to the purchase of Eurostat material. Annex 12B lists those offices who deal with a wide range of paper and other publications. A further range of offices, not listed here but with addresses available on the Eurostat web site, specialise in the provision of information on electronic media.

357. A further source of information about the methodological background to the data published is of course the publications themselves. The level of detail will vary according to the type of publication. For *Statistics in Focus* only the bare essentials of the methodology are given. For the *Monthly Bulletin* there is a fuller summary account supporting the data published there. Finally, at the extreme, the COMEXT CD-ROM contains a full version of the user guide.

6 CO-OPERATION

6.1 General

358. International co-operation is a major area of concern for Eurostat. Foreign trade statistics are a key indicator of the economic development of the European Union's trading partners and co-operation is a key instrument for improving the quality and comparability of these statistics.

359. For those reasons, Eurostat plays a full part in both formal and informal discussions on a world-wide basis. Such discussions take place, for example, within the United Nations Statistical Commission and more frequently within the Task Force on International Trade Statistics under the auspices of the World Trade Organisation. The UN work has of course been important in setting the framework for classifications and, to some extent, conceptual approach in the collection of trade statistics within the EU.

360. It must be stressed that most of the action taken by Eurostat in this wider international field is decided on and implemented in close co-operation with the Member States, which are responsible for collecting and processing the basic information. Co-operation within the EU has been formalised by the creation of working parties, task forces and management committees.

6.2 Data comparison and reconciliation

361. One important area of the co-operative approach is a continuing programme of work on comparison and where possible reconciliation of trade statistics. There have been two elements to this.

362. First, a great deal of effort has been devoted to the mirror statistics problem. This occurs when asymmetries are observed in the two relevant partners measurements of a trade flow. (See 2.16.1.) The work has been carried out both for comparisons of flows within the EU and for trade flows with the EU's major trading partners such as the US and Japan. The work is heavy on resources and requires full co-operation from the countries involved if it is to be pursued to the full and fine detail which can often be necessary to understand asymmetries. The work may be concerned with a particular bi-lateral comparison for all trade or may range wider in terms of countries but concentrate on a particular area of trade, such as forestry products.

363. The work is valuable in two ways. It helps to determine the conceptual reasons for differences that occur and so improves understanding of the position even if they cannot be eliminated. It can also lead to the discovery of irregularities in reporting that can be removed - at least for the future.

364. The second type of comparison in which Eurostat has played an important role is between measurements of the same flow with the same reporting or declaring countries but published by different organisations. (See 2.17.) Such differences may be unwelcome to users although are inevitable where Member States use their legitimate freedom to publish data and provide it to international organisations other than the EU on a methodological basis which is not consistent with that for data required to be sent to Eurostat.

365. However, some of these differences can be eliminated and, as mentioned in 2.15, flows to international organisations will be simplified and duplication reduced in the future with a greater role for OECD in the process and a wider use of the Eurostat data on EU flows of trade.

6.3 Technical assistance

366. The improvement and greater congruence of trade statistics is a global issue and Eurostat work on the problem is not confined to an interest in the EU's major trading partners.

367. External trade statistics is one of the two priority area of co-operation

368. Co-operation will aim to establish the terms of a genuine partnership in trade relations between the countries and areas and to provide the bases necessary for measuring the implications and consequences of the projects for a customs union of the various economic areas.

369. Technical assistance in the external trade statistics field aims at ensuring regular provision of timely and accurate statistics and comprises in general the following activities:

- transfer of know-how concerning external trade statistics methodology, index calculations;

- assistance to improve data collection, data compilation and data dissemination;

- provision of statistical tools like Eurotrace, a software for the production of external trade statistics;

- provision of hardware;

- measures to improve data quality and data comparability (e.g. reconciliation exercises);

- establishment of databases;

- training on basic statistics for Customs officers, training on micro-computing techniques for statisticians, training on data analysis for statisticians;

- data exchange

370.   The above mentioned activities are adapted according to the situation of each beneficiary country or region.

371.   Beneficiary countries are all PHARE, TACIS, MEDA and Mercosur countries as well as Chile, China, India (in preparation). As far as ACP countries are concerned an important project is conducted with the COMESA countries on Regional Harmonisation of Customs and Trade Statistics Systems. A complementary external trade statistics project is in preparation for the ECOWAS Secretariat.

372.   Priority will be given to the regional approach and ensuring that there is permanently a close and direct link between the statistical actions undertaken and the wider programmes with political, economic and social objectives.

373.   A particular attention is given to the Candidate countries. The continuing objectives are to fund, contract, organise and provide statistical co-operation activities in the framework of the Phare programme to 10 candidate beneficiary countries in order to allow them to:

- Progressively integrate their statistical systems into the ESS;

- Promote compliance with the *acquis communautaire* and, as by-product, enhance comparability with EU statistics;

- Cope with data supply needed increasingly in the framework of international negotiations on different levels and in various circumstances;

- Strengthen statistical systems of the Phare countries in terms of their institutional capacities.

ANNEX 1

NAMES AND ADDRESSES
OF THE COMPETENT NATIONAL AUTHORITIES

BELGIUM
Banque Nationale de Belgique
14, bd. de Berlaimont
B-1000 BRUXELLES
Fax: (32) 2 221 31 46

DENMARK
Danmarks Statistik
Sejrøgade 11
DK-2100 KØBENHAVN Ø
Fax: (45) 31 18 48 01

GERMANY
Statistisches Bundesamt
Postfach 5528
Gustav-Stresemann-Ring 11
D-65180 WIESBADEN
Fax: (49) 611 75 3965

GREECE
National Statistical Service of Greece
14-16, Likourgou
GR - 101 66 ATHENS
Fax: (30) 1 323 75 24

SPAIN
D G Aduanas e II.EE
Guzman el Bueno 137
E - 28003 MADRID
Fax: (34) 1 554 7896

FINLAND
National Board of Customs
Statistics and Information Services
P.O.B. 512
FIN - 00101 HELSINKI
Fax: (358) 9614 3860

FRANCE
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ANNEX 2

COMMUNITY LEGISLATION RELATING TO INTERNATIONAL TRADE STATISTICS

1.   Sub-section 1.4 discusses the general legislative framework within which international trade statistics of the European Union are collected. This annex lists in detail the individual legislative documents that are relevant.

2.   A problem in describing this body of legislation is that it has developed and changed over time to take account of the continuous process of improvement and amendment that underlies the collection and compilation of the trade data. There is no single set of legislation that is relevant to a data series compiled over a period of years. New legislation is introduced to take effect either on its introduction or more usually at some future date – perhaps also permitting a period of transition for those Member States who would have difficulties in meeting requirements immediately. A particular major example, discussed in 1.4, is the introduction of revised legislation in September 2000 which consolidated and improved a considerable number of older acts.

3.   It is beyond the scope of this guide to indicate how far individual Member States met each individual piece of legislation for each time period that the user may wish to consider. However, the following material describes the development over time of the legislation which will generally have been met by most Member States in due course.

A.   <u>**STATISTICS RELATING TO THE TRADING OF GOODS BETWEEN MEMBER STATES**</u>

A.1   **BASIC REGULATION**

-       Council Regulation (EEC) No 3330/91 of 7 November 1991 on the statistics relating to the trading of goods between Member States
        (OJ No L 316 of 16.11.1991, p. 1)

        amended by :

        Commission Regulation (EEC) No 3046/92 of 22 October 1992 laying down provisions implementing and amending Council Regulation (EEC) No 3330/91 on the statistics relating to the trading of goods between Member States - article 22
        (OJ No L 307 of 23.10.1992, p. 27)

        Regulation (EC) No 1182/99 of the European Parliament and of the Council of 10 May 1999 amending Council Regulation (EEC) No 3330/91 on the statistics relating to the trading of goods between Member States with a view to reducing the data to be provided

(OJ No L 144 of 9.06.1999, p.1)

Regulation (EC) No 1624/2000 of the European Parliament and of the Council of 10 July 2000 amending Council Regulation (EEC) No 3330/91 on the statistics relating to the trading of goods between Member States, with specific reference to a simplified application of the nomenclature of products
(OJ No L 187 of 26.07.2000, p.1)

A.2   IMPLEMENTING REGULATIONS

-    Commission Regulation (EC) No 1901/2001 of 07 september 2000 laying down certain provisions for the implementation of Council Regulation (EEC) No 3330/91 on the statistics relating to the trading of goods between Member States
(OJ No L 228 of 8.9.2000, p. 28)

-    Commission Regulation (EC) No 3590/92 of 11 December 1992 concerning the statistical information media for statistics on trade between Member States
(OJ No L 364 of 12.12.1992, p. 32)

-    Explanatory notes to the Intrastat forms referred to in Article 2 of Commission Regulation (EEC) No 3590/92
(OJ No C 349 of 31.12.1992, p. 1)

B.   STATISTICS RELATING TO THE TRADING OF GOODS WITH THIRD COUNTRIES

B.1   BASIC REGULATION

-    Council Regulation (EC) No 1172/95 of 22 May 1995 on the statistics relating to the trading of goods by the Community and its Member States with non-member countries
(OJ No L118 of 25.5.1995, p.10)

amended by :

Council Regulation (EC) No 476/97 of 13 March 1997 amending, with respect to statistical territory, Regulation (EC) No 1172/95 on the statistics relating to the trading of goods by the Community and its member States with non-member countries
(OJ No L75 of 15.3.1997, p.1)

Council Regulation (EC) No 374/98 of 12 February 1998 amending Articles 6 and 9 of Regulation (EC) No 1172/95 on the statistics relating to the trading of goods by the Community and its Members States with non-member countries
(OJ No L 48 of 19.2.98, p. 6)

B.2   IMPLEMENTING REGULATIONS

- Commission Regulation (EC) No 1917/2000 of 07 september 2000 laying down certain provisions for the implementation of Council Regulation (EC) No 1172/95 as regards statistics on external trade. (OJ No L 229 of 9.9.2000, p. 4)

C.   NOMENCLATURES

C.1   GOODS NOMENCLATURE

C.1.1.   Tariff and statistical nomenclature

- Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ No L 256 of 7.9.1987, p.1)

amended by:

Council Regulation (EEC) No 3528/89 of 23 November 1989 amending Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ No L 347 of 28.11.89, p.1)

Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code - *Article 252* (OJ No L 302 of 19.10.1992, p.50)

Council Regulation (EEC) No 1969/93 of 19 July 1993 amending Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 180 of 23.7.1993, p.9)

Council Regulation (EC) No 254/2000 of 31 January 2000 amending Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 28 of 3.02.2000, p.16)

Commission Regulation (EC) No 2388/2000 of 13 October 2000 amending Annex 1 to Council Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 264 of 18.10.2000, p.1)

C.1.2   Code of conduct for the management of the combined nomenclature

- Commission Communication. Code of conduct for the management of the combined nomenclature (CN) (OJ C 150 of 30.5.2000, p. 4)

C.2. **NOMENCLATURE OF COUNTRIES AND TERRITORIES**

- Commission Regulation (EC) No 2032/2000 of 27 september 2000 on the nomenclature for countries and territories for the external trade statistics of the Community and statistics of trade between Member States
(OJ No L 243 of 28.9.2000, p. 14)

D. **EDICOM**

- Decision No 507/2001/EC of the European Parliament and of the Council of 12 March 2001 concerning a set of actions relating to the trans-European network for the collection, production and dissemination of statistics on the trading of goods within the Community and between the Community and non-member countries (Edicom)

ANNEX 3A   STATISTICAL RECORDING OF IMPORTS AND ARRIVALS

Goods entering the statistical territory of a Member State as:				
Non-Community goods (1)			**Community-goods** (1)	
1. released for free circulation (good normally intended for consumption in the importing Member State or for dispatch to another Member State)	**2. immediately placed under a customs procedure for inward processing** or **processing under customs control**	3. immediately placed under a warehouse or free zone or temporary admission procedure	4. immediately placed under a transit procedure	**5. arriving from another Member State and:** • **not in direct or interrupted transit in the Member State of dispatch** • **in direct or interrupted transit in the Member State of arrival but leaving that Member State following export formalities outside Community statistical territory**
1.1.from another Member State where they were placed under a procedure for inward **processing or processing under customs control**	**2.1.from another Member State where they were placed under a procedure for inward processing or processing under customs control**			
1.2.case other than that referred to in 1.1. (2)	**2.2. case other than that referred to in 2.1.** (2)			
	6. following case 2: released for free circulation or again placed under a customs procedure for inward processing or processing under customs control in the same Member	7. following cases 3 or 4: **released for free circulation or placed under a customs procedure for inward processing or processing under customs control in the same Member State**		

The goods referred to in 1.2., 2.2. and 7 (in bold/light grey) are included in **extra-EU** trade statistics. (3)

The goods referred to in 1.1., 2.1. and 5 (in bold/dark grey) are included in **intra-EU** trade statistics (3)

1. The concepts of 'Community' and 'non-Community' goods depend, not on the origin of the goods, but on their customs status.

2. Mainly goods coming directly from a non-member country.

3. By way of derogation from the rules set out in this table, the criterion for recording some specific goods (eg boats and aircraft) in the statistics of intra-Community or extra-Community trade is the transfer of property between residents and non-residents.

ANNEX 3B   STATISTICAL RECORDING OF EXPORTS AND DISPATCHES

Goods leaving the statistical territory of a Member State as:				
Non-Community goods (1)			**Community-goods** (1)	
1. exported with final destination in a non-member country:-	2. exported with provisional destination in a non-member country under an outward processing procedure	3. dispatched to another Member State	4. exported to a non-member country	5. dispatched to another Member State (3) and: • not in direct or interrupted transit in the Member State of dispatch • in direct or interrupted transit in the Member State of dispatch, but previously put into free circulation in that Member State as non-Community goods
1.1. following a customs procedure for inward processing or processing under customs control	**2.1.following customs procedure for inward processing or processing under customs control**	**3.1.following a customs procedure for inward processing or processing under customs control**	**4.1.final export**	
1.2. following a warehouse/free-zone/or temporary admission procedure	2.2.following a warehouse/ free-zone/or temporary ad-mission procedure	3.2.following a ware-house/free-zone/ or temporary admission procedure	**4.2.export under a customs procedure for outward processing**	
		3.3.under a transit procedure	4.3.temporary export for later return without modification	
			4.4 in transit (4)	

The goods referred to in 1.1., 2.1., 4.1 and 4.2. (in bold/light grey) are included **in extra-EU** trade statistics. (2)
The goods referred to in 3.1. and 5 (in bold/dark grey) are included in **intra-EU** trade statistics (2)

(1) The concepts of 'Community' and 'non-Community' goods depend, not on the origin of the goods, but on their customs status.
(2) By way of derogation from the rules set out in this table, the criterion for recording some specific goods (eg boats and aircraft) in the statistics of intra-EU
or extra-EU trade is the transfer of property between residents and non-residents.
 (3) Including goods which will, in the Member State of destination, be the subject of a customs declaration for export to a non-member country.
 (4) Goods from another Member State, in which the export declaration was drawn up.

ANNEX 4

EXCLUSIONS

1. Sub-section 2.3 discussed categories of goods explicitly excluded by EU legislation from the compilation of statistics of international trade. Lists of these exclusions or exemptions are given in Annex I of Commission Regulation (EC) No 1917/2000 of 9 September 2000 for extra-EU trade and in Annex 1 of Commission Regulation (EC) No 1901/2000 of 7 September 2000 for intra-EU trade. As was indicated in Sub-section 1.4 (and described in more detail in Annex 2) these regulations consolidated and replaced earlier legislation.

2. The lists of excluded categories in the two new regulations are not precisely identical but have most features in common. The text of the annex to the regulation concerning intra-EU trade is given below. (Article 21 of the Regulation explains that the goods listed shall be excluded from compilation and … collection.)

    "List of exemptions referred to in Article 21

    Data shall not be required for the following goods:

    a) *means of payment which are legal tender, and securities;*

    b) *monetary gold;*

    c) *emergency aid for disaster areas;*

    d) *because of the diplomatic or similar nature of their intended use:*

        1. *goods benefiting from diplomatic and consular or similar immunity;*
        2. *gifts to a Head of State or to members of a government or parliament;*
        3. *items being circulated within the framework of administrative mutual aid;*

    e) *provided that the trade is temporary:*

        1. *goods intended for fairs and exhibitions;*
        2. *theatrical scenery;*
        3. *merry-go-rounds and other fairgrounds attractions;*
        4. *professional equipment within the meaning of the International Convention of 8 June 1968;*
        5. *cinematographic films;*
        6. *apparatus and equipment for experimental purposes;*
        7. *animals for show, breeding, racing etc.;*
        8. *commercial samples;*

9. *means of transport, containers and equipment connected with transport;*

10. *goods for the repair of the means of transport, containers and related transport equipment and parts replaced during the repairs*

11. *packaging;*

12. *goods on hire;*

13. *plant and equipment for civil engineering works;*

14. *goods destined for examination, analysis or test purposes;*

f)   provided that they are not the subject of a commercial transaction:

1. *decorations, honorary distinctions and prizes, commemorative badges and medals;*

2. *travel equipment, provisions and other items, including sports equipment, intended for personal use or consumption which accompany, precede or follow the traveller;*

3. *bridal outfits, items involved in moving house, or heirlooms;*

4. *coffins, funerary urns, ornamental funerary articles and items for the upkeep of graves and funeral monuments;*

5. *printed advertising material, instructions for use, price lists and other advertising items;*

6. *goods which have become unusable, or which cannot be used for industrial purposes;*

7. *ballast;*

8. *postage stamps;*

9. *pharmaceutical products used at international sporting events;*

g)   products used as part of exceptional common measures for the protection of persons or of the environment;

h)   goods which are the subject of non-commercial traffic between persons resident in the adjacent zone of the Member States (frontier traffic); products obtained by agricultural producers on properties located outside, but adjacent to, the statistical territory within which they have their principal undertaking;

i)   goods leaving a given statistical territory to return after crossing a foreign territory, either directly, or with halts inherent in the transport.

j)   goods dispatched to national armed forces stationed outside the statistical territory as well as goods received from another Member State which had been conveyed outside the statistical territory by the national armed forces, as well as goods acquired or disposed of on the statistical territory of a Member State by the armed forces of another Member State which are stationed there;

k)   goods used as carriers of information such as floppy disks, computer tapes, films, plans, audio- and videotapes, CD-ROMs which are traded in order to provide information, where developed to order for a particular client or where they are not the subject of a commercial transaction, as

well as goods which complement a previous delivery e.g. an update, and for which the consignee is not invoiced.

l)   satellite launchers,

-   on dispatch and on arrival pending launching into space;
-   at the time of launching into space."

3.   The list of goods where trade is temporary – (e) - is not given in the corresponding list in the Regulation on extra-EU trade, except for a broadly similar provision for the exclusion of goods that are for the repair of means of transport. This is because <u>all</u> goods exchanged temporarily within the framework of extra-EU trade (under the admission or temporary export procedures) are excluded from the statistics. The Regulation on extra-EU trade also omits the provision (j).

ANNEX 5

ALPHANUMERIC CODES

1. Alphanumeric codes are now used in intra- and extra-EU trade statistics to identify confidential or adjusted data and trade for which a breakdown of the results at a detailed level of the product classification is not possible. This usually concerns goods for which some Member States allow a simplified declaration to be made.

2. In principle, the results relating to the alphanumeric codes are included under the relevant chapter of the CN (e.g.: 63EEE000 Selections of goods of Chapter 63). If the chapter cannot be identified, the results are included under Chapter 99 (e.g.: 99EEE000 Selections of goods not specified elsewhere).

Codes containing the letter A

Intra-EU trade involving transactions falling below the 'transaction threshold'. (See 2.8.1)

Codes containing the letter B

Catering and bunker supplies intended for the fuelling of ships and aircraft, for which a simplified declaration applies

Codes containing the letter C

Temporary corrections due to erroneous codes

Codes containing the letter E

Selections of goods, for which a simplified declaration applies

Codes containing the letter I

Components of industrial plant, for which a simplified declaration applies. 'Industrial plant' in this context means a combination of machines, appliances, equipment, instruments and material coming under various headings of the HS classification and contributing to the activity of a large establishment for purposes of producing goods or supplying services.

Codes containing the letter M

Intra-EU trade broken down at Chapter level only (a practice adopted by some Member States in 1993 and 1994)

Codes containing the letter P

Goods transported by post, for which a simplified declaration applies

Codes containing the letter R

Returned goods, for which a simplified declaration applies

Codes containing the letter S

Confidential data. (See 2.15 and 4.4.)

Codes containing the letter T

Foodstuffs, drinks and tobacco, for which a simplified declaration applies

Codes containing the letter V

Motor vehicle components, for which a simplified declaration applies

Codes containing the letter Y

Adjusted data. (See 4.2.)

ANNEX 6

STATISTICAL TERRITORY

1. Sub-section 2.5 discussed the concept of a country's statistical territory and explained that the statistical territory of the European Union and of its Member States generally coincides with their customs territory. The customs territory of the EU is defined in legislation. It is worth setting it out here since for a few countries the precise coverage may not be immediately apparent to the general user of the data.

2. The one current distinction between the statistical territory of the EU and its customs territory is that the statistical territory of Germany, and hence of the EU, includes Heligoland although the customs territory does not.

3. The main relevant item of legislation is Council Regulation (EC) No 1172/95 of 22 May 1995 which says that the statistical territory of the Community and of its Member States shall correspond to the customs territory of the Community as defined in Article 3 of Regulation (EEC) no 2913/92. (This latter regulation has been amended subsequently in detail and to cover the increased membership of the EU with the accession of Finland, Austria and Sweden.

4. The consequence of this legislative background is that the statistical coverage of the EU for trade purposes is now as follows – notes are given where there may be uncertainty.

    Belgium

    Denmark

    Germany -   including the island of Heligoland but excluding the territory of Büsingen

    Greece

    Spain -   including the Balearic Islands and the canary islands but excluding Ceuta and Melilla.

    France -   including Monaco and the French overseas departments (Réunion, Guadeloupe, Martinique and French Guiana).

    Finland -   including Åland Islands

    Ireland

    Italy -   including Livigno but excluding the municipality of Campoine d'Italia

    Luxembourg

    Netherlands

Austria

Portugal -   including Azores and Madeira

Sweden

United Kingdom -   Great Britain (England, Scotland and Wales), Northern Ireland, Channel Islands and Isle of Man

5.   The customs territory of the Community (and hence the statistical territory) includes the territorial waters, the inland maritime waters and the airspace of the Member States.

ANNEX 7
LEVELS OF INTRASTAT THRESHOLDS IN 2001

INTRASTAT

THE INTRASTAT THRESHOLDS

2001	Member States	ASSIMILATION THRESHOLD		SIMPLIFICATION THRESHOLD		"SPECIFIC" THRESHOLD [1]	
		Dispatch	Arrival	Dispatch	Arrival	Dispatch	Arrival
	Belgium	245 500	245 500	----	----	[2]	[2]
	Denmark (4)	336 000	202 000	----	----	[2]	[2]
	Germany	200 000	200 000	----	----	12 271 000	8 181 000
Threshold	Greece (4)	44 000	29 000	----	----	1 708 000	1 266 000
values set	Spain	95 500	95 500	----	----	5 969 000	5 969 000
by Member	France	100 000	100 000	457 400	228 700	2 286 000	2 286 000
States	Ireland	636 000	190 500	----	----	38 154 000	5 087 000
(in EURO)	Italy	154 000	190 500	----	----	3 595 000	1 797 000
	Luxembourg	103 000	103 000	368 500	368 500	4 419 000	2 455 000
	Netherlands	225 000	225 000	----	----	[3]	[3]
	Austria	145 000	145 000	----	----	3 634 000	3 634 000
	Portugal	84 000	59 500	----	----	5 886 000	4 190 000
	Finland	100 900	100 900	----	----	16819000	8409000
	Sweden (4)	177 000	177 000	----	----	11 801 000	7 081 000
	United Kingdom (4)	401 000	401 000	----	----	[2]	[2]

(4) conversion the 27.10.2000

ANNEX 8

ADJUSTMENT PRACTICES

1. Sub-section 2.8.1 discussed the range of thresholds operated under the Intrastat system for the measurement of intra-EU trade. (The levels adopted since the inception of the system are set out in Annex 7.) The general approach to the adjustment of data collected to compensate for the effect of these thresholds was discussed in 4.2.1 and 4.2.2. This annex sets out the approaches adopted by Member States to the issue of adjustments and an indication of the extent and way in which adjusted data, or the actual adjustments, are made available nationally or in data sent to Eurostat.

2. It should be emphasised that, in general, the material relates to the treatment of figures on an international trade statistics basis. Where no adjustments to these data are made, it may be the case that broad adjustments are included in the transition made by many Member States from data on an international trade statistics basis to data on a balance of payments basis.

A.   Adjustment of values

Practices and availability of adjusted statistics

Belgium   To make adjustments for <u>non-response</u>, a variation rate calculated from the declarations available for a given month is applied to the exhaustive data for the same month of the previous year (for final results, non-response is estimated from VAT data). The estimates for trade falling below the <u>assimilation threshold</u> are based on VAT data.

Only the adjusted total results are transmitted to Eurostat.

Denmark   The adjustments for <u>non-response</u> and trade below the <u>assimilation threshold</u> are based on VAT data. If no Intrastat declaration is made, the fiscal value is used. If the fiscal value is much higher than the Intrastat value, the fiscal value is used. Adjustments are broken down by product and partner country. In April 1997, trade falling below the assimilation threshold was included in statistics (with a breakdown by product) for the first time.

Until 1995, only adjusted overall results were provided. Since 1996, adjustments have been provided with declared trade.

Germany The estimates for <u>non-response</u> and trade falling below the <u>assimilation threshold</u> are based on VAT data. They are made in a breakdown by EU-countries. Between 1993 and 1996, adjustments for trade falling below the <u>assimilation threshold</u> were calculated only for national accounts and balance of payments purposes.

Adjustments are provided with declared trade.

Greece No adjustment is made for <u>non-response</u>. Adjustments for trade falling below the <u>assimilation threshold</u> are made only at national level and are not transmitted to Eurostat.

No adjustment is transmitted to Eurostat.

Spain **No adjustment is made for <u>non-response</u> or for trade falling below the <u>assimilation threshold</u>.** Trade falling below the simplification threshold is included in annual national publications only and is not transmitted to Eurostat.

France **No adjustment is made for <u>non-response</u> or for trade falling below the <u>assimilation threshold</u>.**

Finland No adjustment is made for <u>non-response</u>. Estimates for trade falling below the <u>assimilation threshold</u> are based on the VAT data.

Adjustments are transmitted together with the data on declared trade.

Ireland Estimates for <u>non-response</u> and trade falling below the assimilation threshold are based partly on the information providers' historical data and partly on tax data. The detail of adjusted information is a function of the available historical information. Arrivals are increased by 1.75%; this estimate is not broken down by partner country.

Adjustments are transmitted with the data on declared trade.

Italy **No adjustment is made for <u>non-response</u> or for trade falling below the <u>assimilation threshold</u>.**

Luxembourg Luxembourg has two adjustment practices, one for the final data and another for the provisional data. The first adjustment is based on VAT data of the companies which did not send or sent incomplete Intrastat data. The second adjustment is based on the tendencies observed for declaring companies.

Only the total results adjusted for non-response are transmitted to Eurostat.

Netherlands   The estimates for trade falling below the <u>assimilation threshold</u> (at aggregated level) are based on the VAT data. For <u>non-response</u> , two different methods are used : use of historical data and/or VAT data.

Only the adjusted overall results are currently transmitted to Eurostat.

Austria   Estimates for <u>non-response</u> are given: for each company, the declarations available the same month of the previous year are multiplied by the average rate of increase for companies in the same branch and of similar size. Estimates for trade falling below the <u>assimilation threshold</u> are made at a global level on base of VIES data and are broken down at the most detailed level by applying the structure of transactions of enterprises of the same branch closely above the threshold.

Adjustments are transmitted together with the data on declared trade.

Portugal   An overall adjustment is calculated (covering non-response, trade falling below the assimilation threshold, etc.). It amounts to 3-4%.

Adjustments are made at national level only and are not transmitted to Eurostat.

Sweden   Estimates for non-response are based on historical Intrastat data of the company or company's VAT data. The estimates for trade below the <u>assimilation threshold</u> are based on the VAT data. Distribution of company's estimated total trade by countries and commodities is based on historical Intrastat data for the company or Intrastat data of similar companies (size and sector of activity).

Only the total results adjusted for non-response and for trade below threshold are transmitted to Eurostat.

United Kingdom   Estimates for non-response are based on data from the same month the previous year and the vailable declarations of enterprises trading in similar goods. The estimates for trade falling below the assimilation threshold are based on VAT data and the structure of transactions by enterprises situated just above the threshold.

B. Adjustment of quantities

Practices and availability of adjusted statistics for trade below the simplification threshold

Denmark When necessary, quantities are adjusted at the detailed level. The estimates are included in Eurostat's statistics.

Finland Quantities were estimated and included in Eurostat statistics for 1996 and 1997: the threshold was removed for 1998.

Spain No quantities were estimated for the years to 1998 when a threshold existed, since trade falling below the simplification threshold was not included in the statistics transmitted to Eurostat.

France France began estimating quantities in 1996 (trade below the simplification threshold). The estimates are now included in Eurostat statistics.

Ireland Quantities have been estimated and included in Eurostat statistics since 1993. The estimates are based on historical data. (This relates to trade below other thresholds or non-response: Ireland has never applied a simplification threshold.)

Luxembourg Quantities are estimated but not transferred to Eurostat.

Netherlands Quantities are estimated in the same way as the values.

ANNEX 9

UNIT VALUE AND VOLUME INDICES

1 Fixed Base Indices versus Chained Indices.

1.1. This annex sets out how Eurostat's external trade indices are calculated. The indices are of the chained Fisher type. In other words: the base year is revised each year. The 1999 indices have 1998 as base year, the 2000 indices have 1999 as base year, and so on. Each index is expressed in terms of 1995 as reference year (i.e., 1995 = 100) by chaining all the Links back and up to 1995.

1.2. Chain indices have several attractive properties. Firstly, the index weights used to construct the index will be derived from recent values and quantities traded, and will therefore be responsive to the changing patterns of world trade. To take a concrete example, suppose that fuel prices have decreased dramatically between the start of the decade and last year, but between last year and this all prices have been static. A rise in fuel imports and a fall in non-fuel imports compared with last year that kept the total value of imports unchanged would be recorded by a chain index as no change in Volume or Price, which seems intuitively reasonable. A Laspeyres Volume index with a fixed base year at the start of the decade would show a rise in Volume between last year and this year, and the corresponding Paasche Unit Value index would register a fall.

1.3. A second advantage of chain indices is that they are more robust in the face of an abnormal event such as a temporary peak in commodity prices. If this occurs in the base year, it can distort the weighting of a fixed base index until it is rebased.

1.4. Thirdly, since the CN nomenclature changes each year due to the subdivision and regrouping of headings, better quality comparisons are made by focusing on year to year changes. The alternative is to find groupings of products that are stable over several years, and these are necessarily defined over a wider range of products.

1.5. There was a particular interest in obtaining good indicators of short-term trends expressed by users of external trade indices within the Commission. Few would deny the superiority of chain indices for this purpose. This was a major factor in their favour. Though there is more controversy about their advantages as medium- and long-term indicators, many recent writers on the subject prefer them.

2. The Choice of Index Formula.

2.1. The Member States use various formulae to calculate external trade indices. Four countries use a Fisher formula for Unit Value indices, four use Paasche and one uses Laspeyres. Users within the Commission expressed a preference for indices of the Fisher type.

Over the longer term, chain Laspeyres and Paasche indices drift apart. There does not appear to be any reason to believe that one gives a 'truer' result than the other. On the other hand, the chain Fisher index, a geometric average of the two, closely approximates the Tornqvist-Theil approximation to the Divisia index, which has a number of advocates.

2.2. The conventional index formulae are used for calculating the Links between year, month and the average of the previous year. These are:

Laspeyres Unit Value Link:

$$(1) \quad \frac{\sum_{i=1}^{n} V(y-1,i) \, \dfrac{u(y,m,i)}{U(y-1,i)}}{\sum_{i=1}^{n} V(y-1,i)}$$

Paasche Unit Value Link:

$$(2) \quad \frac{\sum_{i=1}^{n} v(y,m,i)}{\sum_{i=1}^{n} v(y,m,i) \left/ \dfrac{u(y,m,i)}{U(y-1,i)} \right.}$$

Value Link:

$$(3) \quad \frac{\sum_{i=1}^{n} v(y,m,i)}{\sum_{i=1}^{n} V(y-1,i)}$$

Laspeyres Volume Link:

$$(4) \quad \frac{Value\ Link}{Paasche\ Unit\ Value\ Link}$$

Paasche Volume Link:

$$(5) \quad \frac{Value\ Link}{Laspeyres\ Unit\ Value\ Link}$$

Fisher Link:

$$(6) \quad \sqrt{Laspeyres\ Link \times Paasche\ Link}$$

where:

v(y,m,i) = value of trade in item i for month m of year y

$$V(y-1,i) \quad = \quad \frac{1}{12} \sum_{m=1}^{12} v(y-1,m,i)$$

u(y,m,i) = Unit Value of item i for month m of year y

U(y-1,i) = average Unit Value of item i for year y-1, calculated as total value divided by total quantity.

3. The data sources.

3.1. The primary source of data is the CN trade statistics supplied to Eurostat by the Member States. **Please note** that since the first of January 1993, the date of abolition of the inner frontiers of the Union, the statistics relative to the trade between the Member States are no longer collected using customs declarations. Instead, monthly- and recapitulative statistical declarations are transmitted directly by companies to the relevant national administrations. The smallest companies, which are the majority, need not supply a declaration or only need to supply a simplified declaration on which no quantity or supplementary unit information is indicated. The delay in transmission of the detailed results to Eurostat is relatively long and numerous Member States are confronted by the problem of companies which should declare but do not. This change in collecting the statistical information is the source of the abnormal behaviour of the volume index with the partners Intra-EU and World between 1992 and 1993.

For the following groups of products (defined in SITC rev.3), unit values calculated from trade data give an unsatisfactory indication of price performance:

SITC 525	Radioactive and associated materials
SITC 667	Pearls, precious and semi-precious stones, unworked or worked
SITC 792	Aircraft and associated equipment; spacecraft (including satellites) and spacecraft launch vehicles; and parts thereof
SITC 793	Ships, boats (including hover craft) and floating structures

SITC 883	Cinematograph film, exposed and developed, whether or not incorporating sound track or consisting only of sound track
SITC 896	Works of art, collectors' pieces and antiques
SITC 897	Jewellery, goldsmiths' and silversmiths' wares, etc.

At present the Unit Value Change of each of these groups is imputed from other Unit Value Series (in fact with the Unit Value Changes of the other non-rejected products belonging to the same SITC 2-digit code).

3.2. The raw data is classified by reporter country, flow, CN 8-digit product code and partner country. Eurostat's approach is to work with the data at this detailed level. Most countries calculate their indices after the data has been summed over partner countries. This has certain apparent advantages. In addition to reducing the dimensionality of the data, the number of discontinuities is also reduced. Trade with a particular partner may be recorded for only a few months of the year, whereas there is trade with some partners in most months. On the other hand, even a cursory examination of Unit Value series broken down by partner shows that the hypothesis of a common Unit Value is very often unrealistic.

This is because either identical goods are priced differently for different partners or because the CN 8-digit category covers a number of qualities or types of product and different partners demand or supply different proportions of these individual products. Therefore unit values calculated after aggregation over partners may fluctuate because of the instability of the partner breakdown of trade. The same arguments apply to aggregated versus. detailed products. In all events, information on the partner is a means of stratifying unit values into more homogeneous product groups. For these reasons, Eurostat's Unit Value indices are calculated from the original data without aggregation over partners or products.

3.3. One exception to the rule of no aggregation is where there is a change in the CN nomenclature between two years. In this case products are combined to produce an aggregate with the same definition in both years. Changes in the geographical definition of partner countries are much less frequent and are usually insignificant. In this case the most appropriate match between pairs of countries is made.

3.4. For most CN codes there is information on value, weight and sometimes a second, supplementary quantity unit, such as number of items. In this case two types of Unit Value (per tonne and per supplementary unit) are available. A Unit Value based on supplementary unit (for example, value per car) is not necessarily a better measure of price

than value per tonne. If there are many products covered by a CN code, and if their price is perfectly correlated with their weight, then value per tonne will be unaffected by fluctuations in product composition. The reliability with which weight is measured compared with the reliability of supplementary unit data is also a factor. For European data, evidence from indirect tests suggests that weight seems to have been measured more reliably than supplementary units in the recent past, and so average value per tonne is generally used. Over the longer run, technical change can cause substantial biases in both types of Unit Value.

3.5. One of the ways in which confidentiality is treated in the CN data is to allocate trade in a product to a special geographic code, in order to disguise the origin or destination. There are some products where this is an important factor, and the proportion of the declared value of trade to the actual value for a particular geographic zone (such as Extra-EU) may fluctuate from month to month. No attempt is made at present to adjust the Volume indices to compensate for these fluctuations.

3.6. CN data records the value of trade in thousands of ECU. All Eurostat's Unit Value indices are expressed in ECU terms. Conversion to other currency units is straightforward.

3.7. The EU data is also broken down by statistical regime, so that, for example, goods imported for intermediate processing before re-exporting them to their country of origin, are distinguished from normal imports. Only normal trade (statistical regime 1) is used to calculate Unit Value indices, though total trade is used for the Value indices from which the Volume indices are calculated.

3.8. Any errors in the monthly data are only corrected months later. Therefore an Annual index based on the 12 months aggregated would contain the errors too. However there are partly corrected annual figures. These are used for calculating the annual Volume Links that are chained back to the reference year. Where they occur, the errors in the monthly data may distort the monthly and quarterly Volume figures. Thus, for the more detailed indices, there are occasional discrepancies between the annual average of the Monthly and Quarterly Volume index, and the Annual index.

4. Dealing with extreme values.

4.1. Administrative procedures for validating trade data vary between Member States. Since the monthly data used by Eurostat to calculate indices is the first release of this data, and there are often substantial revisions made subsequently, it is an unfortunate fact that extremely large Unit Value movements are not at all unusual. In one sample of data, a Unit Value 700 times greater than that of the previous year was found. In general, we would expect underlying prices to move fairly smoothly. These extremes are therefore due either to recording errors of one sort or another or due to data inhomogeneity. Whatever the cause, a wide tailed distribution of Unit Value changes can lead to the usual Index formulae giving unreliable results. Eurostat's method for dealing with wide tailed distributions is to use the robust regression technique first described by Hinich and Talwar.[2]

4.2. The method starts from the observation that whereas the level of unit values across partner countries may differ, the changes in levels are very similar not only across partner countries but also across related products, compared with the background level of noise in Unit Value data. A study by Eurostat however showed significant variations across reporting countries (related to exchange rate fluctuations etc.). With this in mind Eurostat has divided the raw data into two parts: the part with Intra-EU partners and the part with the Extra-EU partners. Each part contains some 300 blocks of data for each reporting country and flow. Each block contains data for a particular set of 8-digit CN product codes and for all partner countries which belong to that part for these product codes. The assumption is that within a block, every data item's Unit Value behaves in the same way.

4.3. Thus the items will be accepted whose Unit Value change relative to the median Unit Value change of its block behaves within certain bounds (for example, plus or minus 10%) and provisionally reject the others. Provisional rejection of an item may be because the month m-1 Unit Value is of doubtful quality, or is not available. Therefore these items are tested for a second pair of months. Normally the change between months m and m-2 is then used. In this case the item is accepted if it passes the second test. These rules were derived from a simple probabilistic model for the frequency of high and low outliers. Though they weed out unsuitable observations in the current month, they do not give any protection against outliers in the base year unit values. One solution would be to calculate the annual figure only from monthly data where the item was accepted. However for technical reasons this is not done at present. Instead an item is also rejected if the ratio of the Unit Value in the current month to that of the base year is outside the range ([0,2:5,0]). This range was set after examination of the typical price variations found in seasonal and non-seasonal goods, and can be changed in unusual circumstances.

[2] Hinich M.J., Talwar P.P. 'A simple method for robust regression', Journal of the American Statistical Association, March 1975.

4.4. The above rejection procedure has the virtue of identifying a Unit Value ratio as extreme compared with the general movement in its class (= block) from month to month. This is likely to be more satisfactory than setting an arbitrary range for absolute fluctuations. The next step is simply to calculate Laspeyres and Paasche Links for the current month (with last year as base year) using only the accepted items. These are then used as an estimation of the Unit Value change for items whose unit values have been rejected. The definitions of the blocks are independent of the final indices and the data in them may be used by more than one final Index. For each Index a record is kept of the current month value and the base year value of items with non-zero trade that are accepted by the above tests. Current weighted and base period weighted sample coverage ratios are then calculated (i.e. accepted value as a percentage of total value), and a compromise figure for the sample coverage is found by taking the geometric average.

4.5. The Value Links for indices are calculated using all items and not just accepted ones. The implied assumption is that doubtful unit values are due to errors in quantities alone. Typically some 11% of the current value of items is rejected on average (this corresponds with a sample coverage of 89).

4.6. The exclusion of items with a small value of trade in the previous year has been found to make virtually no impact on the Index Links that are weighted by value. However there is a considerable saving in computational effort since there are large numbers of such items. Currently items with a base year value less than 100.000 ECU or 1% of its blocks' base year value whichever is the smallest, are not considered when calculating Unit Value indices. This results in excluding on average 3% of the total value of trade, but over 70% of all items by number.

5. Calculation of the monthly Index Links.

5.1. At the start of each year, CN codes for the previous year and the current year are related to blocks and to indices. The cumulative annual data for the previous year is processed, retaining items defined by flow/product/partner which are above the threshold for each block. Changes in the CN nomenclature are dealt with by creating product aggregates with the same constituents in both years. There are also a few seasonal CN codes that are combined to give a product aggregate which covers the whole year.

5.2. Each month, the 'isolated' monthly CN data for retained items is processed, block by block, to give Laspeyres and Paasche numerators and denominators for all the primary indices that are required. This information is stored, and used by a further stage of processing to produce index Links at a higher level of product or zone aggregation. In addition external price information may be combined with the Unit Value indices at this stage.

5.3. Sets of indices are calculated for several product nomenclatures. Higher levels of product class (e.g. SITC 1-digit section) are found by aggregation of the numerators and denominators of the constituent indices. Sometimes a constituent index for a small country is missing for one month. Either its trade is zero, or its sample coverage ratio is judged too low to give a reliable Unit Value Index. It has been found that it is not satisfactory to calculate the larger Index simply by aggregating those constituent indices that happen to be available, since if the missing index has a large weight and has a level different from the others, the aggregate index will jump about as the index comes in and out. Eurostat's solution is to estimate the level of the missing Unit Value index, and (in the case of zero trade) the index weight for the Paasche index.

5.4. Indices for the EU as reporting unit are found by combining the country indices. Laspeyres Unit Value and Volume Links for the EU are calculated by weighting the Laspeyres Links for each individual reporting country by the value of trade for the previous year (before elimination of items under the threshold). A EU Value Link is found by combining the Value Links for individual reporters with the same weights. The Paasche Links for the EU are found by division.

5.5. CN data is usually not available for new Member States in the years before they joined the EU. Therefore the EU index is calculated without Greece as reporting country until December 1981, refers to the EU without Spain and Portugal until December 1985 and refers to the EU without Austria, Finland and Sweden until December 1995. Thus a 1986 Index is calculated by splicing the change for EUR12 between 1985 and 1986 into the 1985 level of the index for EUR10.

6. Chaining the Links.

6.1. The Monthly Laspeyres and Paasche Volume Links give an index of Volume for the current month relative to the average of the data (isolated) of the previous year. Quarterly Unit Value and Volume Links are calculated by summing the Monthly Links over the quarter and dividing by three. Annual Unit Value Links are found by summing the Quarterly Links and dividing by four. The Annual Value Link used to calculate the Volume Index, is calculated from revised annual data (cumulative), rather than the original monthly values. This can cause more or less important differences in the implied Monthly Value index! The chaining with the Annual Links is the cause of

this phenomenon. Thus the Quarterly and Annual Unit Value Links are effectively averages of the Monthly Unit Value Links weighted by the Monthly Volume Links. This method is used, rather than the simple averaging of the Monthly Unit Value Links, to preserve the relationship 'Volume x Unit_Value_Change = Value_Change' for all periodicities. The annual indices so obtained may differ from those that would be calculated from annual data directly, in part due to the elimination of extreme unit values at the monthly level.

6.2. Once the Annual Links have been found, the indices are chained backwards (and upwards) to the reference year.

Example of the chaining of an index backwards for month m of year y with reference year 1995 = 100:

= 100 x (Annual Link for 1996, base 1995)
x (Annual Link for 1997, base 1996)
x ....
x (Annual Link for year y-1, base y-2)
x (Monthly Link for month m, year y, base y-1).

ANNEX 10A

DEFINITIONS OF GEOGRAPHIC ZONES

5000 World

	5100	Europe
	5200	Africa
	5300	America
	5400	Asia
	5500	Oceania and Polar regions
	5900	Miscellaneous (countries not specified) and countries not determined

5100 Europe

	5110	European Union
	5190	Other European countries

5110 European Union

FR	001	France
NL	003	Netherlands
DE	004	Germany
IT	005	Italy
GB	006	United Kingdom
IE	007	Ireland
DK	008	Denmark
GR	009	Greece
PT	010	Portugal
ES	011	Spain
BE	017	Belgium
LU	018	Luxembourg
SE	030	Sweden
FI	032	Finland
AT	038	Austria
5910		Miscellaneous (countries not specified) intra

5190 Other European countries

IS	024	Iceland
NO	028	Norway
LI	037	Liechtenstein
CH	039	Switzerland
FO	041	Faroe Islands
AD	043	Andorra
GI	044	Gibraltar
VA	045	Holy See
MT	046	Malta
SM	047	San Marino

TR	052	Turkey
EE	053	Estonia
LV	054	Latvia
LT	055	Lithuania
PL	060	Poland
CZ	061	Czech Republic
SK	063	Slovakia
HU	064	Hungary
RO	066	Romania
BG	068	Bulgaria
AL	070	Albania
UA	072	Ukraine
BY	073	Belarus
MD	074	Moldova (Republic of)
RU	075	Russian Federation
SI	091	Slovenia
HR	092	Croatia
BA	093	Bosnia-Herzegovina
YU	094	Yugoslavia
MK	096	Former Yugoslav Republic of Macedonia
CY	600	Cyprus

5200 Africa

	5210	North Africa
	5290	Other African countries

5210 North Africa

XC	021	Ceuta
XL	023	Melilla
MA	204	Morocco
DZ	208	Algeria
TN	212	Tunisia
LY	216	Libya Arab Jamahiriya
EG	220	Egypt

5290 Other African countries

SD	224	Sudan
MR	228	Mauritania
ML	232	Mali
BF	236	Burkina Faso
NE	240	Niger
TD	244	Chad
CV	247	Cape Verde
SN	248	Senegal

GM	252	Gambia
GW	257	Guinea-Bissau
GN	260	Guinea
SL	264	Sierra Leone
LR	268	Liberia
CI	272	Côte d'Ivoire
GH	276	Ghana
TG	280	Togo
BJ	284	Benin
NG	288	Nigeria
CM	302	Cameroon
CF	306	Central African Republic
GQ	310	Equatorial Guinea
ST	311	Sao Tome and Principe
GA	314	Gabon
CG	318	Congo
CD	322	Congo (Democratic Republic of the)
RW	324	Rwanda
BI	328	Burundi
SH	329	Saint Helena
AO	330	Angola
ET	334	Ethiopia
ER	336	Eritrea
DJ	338	Djibouti
SO	342	Somalia
KE	346	Kenya
UG	350	Uganda
TZ	352	Tanzania (United Republic of)
SC	355	Seychelles
IO	357	British Indian Ocean Territory
MZ	366	Mozambique
MG	370	Madagascar
MU	373	Mauritius
KM	375	Comoros
YT	377	Mayotte
ZM	378	Zambia
ZW	382	Zimbabwe
MW	386	Malawi
ZA	388	South Africa
NA	389	Namibia
BW	391	Botswana
SZ	393	Swaziland
LS	395	Lesotho

5300   America

	5310	North America
	5320	Central America and Caribbean
	5330	South America

5310   North America

US	400	United States

CA	404	Canada
GL	406	Greenland
PM	408	St Pierre and Miquelon

5320   Central America and Caribbean

MX	412	Mexico
BM	413	Bermuda
GT	416	Guatemala
BZ	421	Belize
HN	424	Honduras
SV	428	El Salvador
NI	432	Nicaragua
CR	436	Costa Rica
PA	442	Panama
AI	446	Anguilla
CU	448	Cuba
KN	449	St Kitts and Nevis
HT	452	Haiti
BS	453	Bahamas
TC	454	Turks and Caicos Islands
DO	456	Dominican Republic
VI	457	US Virgin Islands
AG	459	Antigua and Barbuda
DM	460	Dominica
KT	463	Cayman Islands
JM	464	Jamaica
LC	465	St Lucia
VC	467	St Vincent and the Grenadines
VG	468	British Virgin Islands
BB	469	Barbados
MS	470	Montserrat
TT	472	Trinidad and Tobago
GD	473	Grenada
AW	474	Aruba
AN	478	Netherlands Antilles

5330   South America

CO	480	Colombia
VE	484	Venezuela
GY	488	Guyana
SR	492	Suriname
EC	500	Ecuador
PE	504	Peru
BR	508	Brazil
CL	512	Chile
BO	516	Bolivia
PY	520	Paraguay
UY	524	Uruguay
AR	528	Argentina
FK	529	Falkland Islands

5400 Asia

	5410	Near and Middle Eastern countries
	5490	Other Asian countries

5410 Near and Middle Eastern countries

GE	076	Georgia
AM	077	Armenia
AZ	078	Azerbaijan
LB	604	Lebanon
SY	608	Syria Arab Republic
IQ	612	Iraq
IR	616	Iran (Islamic Republic of)
IL	624	Israel
XP	625	West Bank/Gaza
JO	628	Jordan
SA	632	Saudi Arabia
KW	636	Kuwait
BH	640	Bahrain
QA	644	Qatar
AE	647	United Arab Emirates
OM	649	Oman
YE	653	Yemen

5490 Other Asian countries

KZ	079	Kazakhstan
TM	080	Turkmenistan
UZ	081	Uzbekistan
TJ	082	Tajikistan
KG	083	Kyrgyzstan
AF	660	Afghanistan
PK	662	Pakistan
IN	664	India
BD	666	Bangladesh
MV	667	Maldives
LK	669	Sri Lanka
NP	672	Nepal
BT	675	Bhutan
MM	676	Myanmar
TH	680	Thailand
LA	684	Lao People's Democratic Republic
VN	690	Vietnam
KH	696	Cambodia
ID	700	Indonesia
MY	701	Malaysia
BN	703	Brunei Darussalam
SG	706	Singapore
PH	708	Philippines
MN	716	Mongolia
CN	720	China
KP	724	Korea (Democratic People's Republic of)
KR	728	Korea (Republic of)
JP	732	Japan
TW	736	Taiwan
HK	740	Hong Kong
MO	743	Macao

5500 Oceania and Polar regions

	5510	Australia and New Zealand
	5590	Other countries of Oceania and Polar regions

5510 Australia and New Zealand

AU	800	Australia
XO	802	Australian Oceania
NZ	804	New Zealand
XZ	814	New Zealand Oceania

5590 Other countries of Oceania and Polar regions

PG	801	Papua New Guinea
NR	803	Nauru
SB	806	Solomon Islands
TV	807	Tuvalu
NC	809	New Caledonia and dependencies
XA	810	American Oceania
WF	811	Wallis and Futuna
KI	812	Kiribati
PN	813	Pitcairn
FJ	815	Fiji Islands
VU	816	Vanuatu
TO	817	Tonga
WS	819	Samoa
MP	820	Northern Mariana Islands
PF	822	French Polynesia
FM	823	Micronesia (Federated States of)
MH	824	Marshall Islands
PW	825	Palau
XR	890	Polar regions

5900 Miscellaneous (countries not specified) and countries not determined

	5910	Miscellaneous (countries not specified) intra
	5920	Miscellaneous (countries not specified) extra
	5990	Miscellaneous (countries not specified) not determined

5910 Miscellaneous (countries not specified) intra

QV   959   Countries and territories not determined in the context of intra-EU trade

QY   978   Countries and territories not specified for commercial or military reasons in the context of intra-EU trade

5920 Miscellaneous (countries not specified) intra

QW   960   Countries and territories not determined in the context of trade with non-member countries

QZ   979   Countries and territories not specified for commercial or military reasons in the context of trade with non-member countries

5990 Miscellaneous (countries not specified) not determined

QU   958   Countries and territories not determined

QX   977   Countries and territories not specified for commercial or military reasons

NOTES

1.   Geographic areas of the same level do not overlap and can therefore be used to form larger aggregates. (The coding system is hierarchic. The level is indicated by the number of non-zero digits in the code. Thus "World" (5000) is the highest level and is composed of a number of major geographic areas such as "Africa" (5200) and "Africa" is composed of a number of three digit sub-areas.)

2.   The definitions and nomenclature are those applying to the year 2000.

3.   The code and nomenclature assigned to MK – Former Yugoslav Republic of Macedonia – is provisional and does not prejudge in any way the definitive nomenclature for this country, which will be agreed following the conclusion of negotiations currently taking place on this subject at the United Nations.

ANNEX 10B

DEFINITIONS OF ECONOMIC ZONES

1021 EFTA
European Free Trade
Association

IS	024	Iceland
NO	028	Norway
LI	037	Liechtenstein
CH	039	Switzerland

1031 ACP
African, Caribbean and
Pacific countries,
signatories to the Partnership
Agreement

SD	224	Sudan
MR	228	Mauritania
ML	232	Mali
BF	236	Burkina Faso
NE	240	Niger
TD	244	Chad
CV	247	Cape Verde
SN	248	Senegal
GM	252	Gambia
GW	257	Guinea-Bissau
GN	260	Guinea
SL	264	Sierra Leone
LR	268	Liberia
CI	272	Côte d'Ivoire
GH	276	Ghana
TG	280	Togo
BJ	284	Benin
NG	288	Nigeria
CM	302	Cameroon
CF	306	Central African Republic
GQ	310	Equatorial Guinea
ST	311	Sao Tomé and Principe
GA	314	Gabon
CG	318	Congo
CD	322	Congo (Democratic Republic of the)
RW	324	Rwanda
BI	328	Burundi
AO	330	Angola
ET	334	Ethiopia
ER	336	Eritrea
DJ	338	Djibouti
SO	342	Somalia
KE	346	Kenya

UG	350	Uganda
TZ	352	Tanzania (United Republic of)
SC	355	Seychelles
MZ	366	Mozambique
MG	370	Madagascar
MU	373	Mauritius
KM	375	Comoros
ZM	378	Zambia
ZW	382	Zimbabwe
MW	386	Malawi
ZA	388	South Africa
NA	389	Namibia
BW	391	Botswana
SZ	393	Swaziland
LS	395	Lesotho
BZ	421	Belize
KN	449	St Kitts and Nevis
HT	452	Haiti
BS	453	Bahamas
DO	456	Dominican Republic
AG	459	Antigua and Barbuda
DM	460	Dominica
JM	464	Jamaica
LC	465	St Lucia
VC	467	St Vincent and the Grenadines
BB	469	Barbados
TT	472	Trinidad and Tobago
GD	473	Grenada
GY	488	Guyana
SR	492	Suriname
PG	801	Papua New Guinea
SB	806	Solomon Islands
TV	807	Tuvalu
KI	812	Kiribati
FJ	815	Fiji Islands
VU	816	Vanuatu
TO	817	Tonga
WS	819	Samoa

1051 Mediterranean basin countries

XC	021	Ceuta
XL	023	Melilla
GI	044	Gibraltar
MT	046	Malta
TR	052	Turkey
AL	070	Albania
SI	091	Slovenia
HR	092	Croatia
BA	093	Bosnia-Herzegovina
YU	094	Yugoslavia
MK	096	Former Yugoslav Republic of Macedonia
MA	204	Morocco
DZ	208	Algeria
TN	212	Tunisia
LY	216	Libyan Arab Jamahiriya
EG	220	Egypt
CY	600	Cyprus
LB	604	Lebanon
SY	608	Syrian Arab Republic
XP	625	West Bank/Gaza
JO	628	Jordan

1053 OPEC
Organisation of Petroleum Exporting Countries

DZ	208	Algeria
LY	216	Libyan Arab Jamahiriya
NG	288	Nigeria
VE	484	Venezuela
IQ	612	Iraq
IR	616	Iran (Islamic Republic of)
SA	632	Saudi Arabia
KW	636	Kuwait
QA	644	Qatar
AE	647	United Arab Emirates
ID	700	Indonesia

1057 ASEAN
Association of South-East Asian Nations

MM	676	Myanmar
TH	680	Thailand
LA	684	Lao People's Democratic Republic
VN	690	Vietnam
KH	696	Cambodia
ID	700	Indonesia
MY	701	Malaysia
BN	703	Brunei Darussalam
SG	706	Singapore

PH	708	Philippines

1058 Latin American countries

MX	412	Mexico
GT	416	Guatemala
HN	424	Honduras
SV	428	El Salvador
NI	432	Nicaragua
CR	436	Costa Rica
PA	442	Panama
CU	448	Cuba
HT	452	Haïti
DO	456	Dominican Republic
CO	480	Colombia
VE	484	Venezuela
EC	500	Ecuador
PE	504	Peru
BR	508	Brazil
CL	512	Chile
BO	516	Bolivia
PY	520	Paraguay
UY	524	Uruguay
AR	528	Argentina

1059 SAARC
South Asian Association for Regional Cooperation

PK	662	Pakistan
IN	664	India
BD	666	Bangladesh
MV	667	Maldives
LK	669	Sri Lanka
NP	672	Nepal
BT	675	Bhutan

1110 European Union (15)

FR	001	France
NL	003	Netherlands
DE	004	Germany
IT	005	Italy
GB	006	United Kingdom
IE	007	Ireland
DK	008	Denmark
GR	009	Greece
PT	010	Portugal
ES	011	Spain
BE	017	Belgium
LU	018	Luxembourg
SE	030	Sweden
FI	032	Finland
AT	038	Austria
	5910	Miscellaneous (countries not specified) intra

1115 EEA
European Economic Area

IS	024	Iceland
NO	028	Norway
LI	037	Liechtenstein
	1110	EU

1120 CEEC
Central and Eastern European countries

EE	053	Estonia
LV	054	Latvia
LT	055	Lithuania
PL	060	Poland
CZ	061	Czech Republic
SK	063	Slovakia
HU	064	Hungary
RO	066	Romania
BG	068	Bulgaria
AL	070	Albania
SI	091	Slovenia
HR	092	Croatia
BA	093	Bosnia-Herzegovina
YU	094	Yugoslavia
MK	096	Former Yugoslav Republic of Macedonia

1130 Candidate countries

MT	046	Malta
TR	052	Turkey
EE	053	Estonia
LV	054	Latvia
LT	055	Lithuania
PL	060	Poland
CZ	061	Czech Republic
SK	063	Slovakia
HU	064	Hungary
RO	066	Romania
BG	068	Bulgaria
SI	091	Slovenia
CY	600	Cyprus

1310 NAFTA
North American Free Trade Agreement

US	400	United States
CA	404	Canada
MX	412	Mexico

1330 MERCOSUR
South American Common Market

BR	508	Brazil
PY	520	Paraguay
UY	524	Uruguay
AR	528	Argentina

1410 NICs
Newly-industrialised Asian countries

SG	706	Singapore
KR	728	Korea (Republic of)
TW	736	Taiwan
HK	740	Hong Kong

1415 DAS
Dynamic Asian economies

TH	680	Thailand
MY	701	Malaysia
SG	706	Singapore
KR	728	Korea (Republic of)
TW	736	Taiwan
HK	740	Hong Kong

1420 APEC
Asia Pacific Economic Cooperation

RU	075	Russian Federation
US	400	United States
CA	404	Canada
MX	412	Mexico
PE	504	Peru
CL	512	Chile
TH	680	Thailand
VN	690	Vietnam
ID	700	Indonesia
MY	701	Malaysia
BN	703	Brunei Darussalam
SG	706	Singapore
PH	708	Philippines
CN	720	China
KR	728	Korea (Republic of)
JP	732	Japan
TW	736	Taiwan
HK	740	Hong Kong
AU	800	Australia
PG	801	Papua New Guinea
NZ	804	New Zealand

1811 Extra-European Union 15

5190	Other European countries
5200	Africa
5300	America
5400	Asia
5500	Oceania and Polar regions
5920	Miscellaneous (countries not specified) extra

1815 CIS
Commonwealth of Independent States

UA	072	Ukraine
BY	073	Belarus
MD	074	Moldova (Republic of)
RU	075	Russian Federation
GE	076	Georgia
AM	077	Armenia
AZ	078	Azerbaijan
KZ	079	Kazakhstan
TM	080	Turkmenistan
UZ	081	Uzbekistan
TJ	082	Tajikistan
KG	083	Kyrgyzistan

1820 OECD excluding EU
Organisation for Economic Cooperation and Development, excluding EU

IS	024	Iceland
NO	028	Norway
CH	039	Switzerland
TR	052	Turkey
PL	060	Poland
CZ	061	Czech Republic
HU	064	Hungary
US	400	United States
CA	404	Canada
MX	412	Mexico
KR	728	Korea (Republic of)
JP	732	Japan
AU	800	Australia
XO	802	Australian Oceania
NZ	804	New Zealand
XZ	814	New Zealand Oceania

NOTES

1. Economic zones can overlap and therefore must not be used to construct larger aggregates

2. The definitions and nomenclature are those applying to the year 2000.

3. The code and nomenclature assigned to MK – Former Yugoslav Republic of Macedonia – is provisional and does not prejudge in any way the definitive nomenclature for this country, which will be agreed following the conclusion of negotiations currently taking place on this subject at the United Nations.

ANNEX 11

SEASONALLY ADJUSTED SERIES

This annex sets out the detail of the main seasonally adjusted series that are planned to become available during the course of 2000. They will be published in the New Cronos data base. Background to the topic of seasonal adjustment is given in 4.9.

A. Euro-zone

Partner country/zone		Commodity	
		SITC Rev 3	
0006	United Kingdom	0	Food and live animals chiefly for food
0008	Denmark	1	Beverages and tobacco
0009	Greece	2	Crude materials, inedible, except fuels
0028	Norway	3	Mineral fuels, lubricants and related materials
0030	Sweden		
0039	Switzerland	4	Animal and vegetable oils, fats and waxes
0075	Russia	5	Chemicals and related products, n.e.s.
0400	United States	6	Manufactured goods classified chiefly by material
0404	Canada		
0720	China	7	Machinery and transport equipment
0732	Japan	8	Miscellaneous manufactured articles
1053	OPEC	TTT	Total trade incl. adj. data
1057	ASEAN		
1058	Latin America		
1130	Candidate countries	9	Goods n.e.s (used for total trade only)
1310	NAFTA		(TTT-0-1-2-3-4-5-6-7-8)
1815	CIS		
5190	EUROPE - EU15	FDT	Food, drink and tobacco
5200	AFRICA		(0+1)
5300	AMERICA		
5400	ASIA	RMT	Raw materials
5500	OCEANIA_Polar.		(2+4)
		OMP	Other manufactured products
			(6+8)
EX12	EUROPE minus euro-zone (5190+0006+0008+0009+0030)	*MAN*	*Manufactured products*
XE15	**Extra-EU15** (XM12-0006-0008-0009-0030)		*(5 to 8)*
DIV1	**DIVERS/Extra-EUR11** (XE15-5190-5200-5300-5400-5500)		

IM12 XM12	Intra-euro-zone Extra-euro-zone		**SITC Rev 3**
		0	Food and live animals chiefly for food
		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 articles
		TTT	Total trade incl. adj. data
		9	Goods n.e.s (used for total trade only) (TTT-0-1-2-3-4-5-6-7-8)
		FDT	Food, drink and tobacco (0+1)
		RMT	Raw materials (2+4)
		OMP	Other manufactured products (6+8)
		MAN	*Manufactured products* *(5 to 8)*
			BEC :
		CAP	Capital goods
		CNS	Consumer goods
		CTR	Consumption goods
		INT	Intermediate goods

B. EU-15

Partner country/zone		Commodity	
			SITC Rev 3
0028	Norway	0	Food and live animals chiefly for food
0039	Switzerland	1	Beverages and tobacco
0052	Turkey	2	Crude materials, inedible, except fuels
0075	Russia	3	Mineral fuels, lubricants and related
0400	United States		materials
0404	Canada	4	Animal and vegetable oils, fats and waxes
0720	China	5	Chemicals and related products, n.e.s.
0732	Japan	6	Manufactured goods classified chiefly by
1031	ACP		material
1051	Med. Basin	7	Machinery and transport equipment
1053	OPEC	8	Miscellaneous manufactured articles
1057	ASEAN	TTT	Total trade incl. adj. data
1058	Latin America		
1120	CEEC		
	(without Russia)	9	Goods n.e.s (used for total trade only)
1130	ACCESSION		(TTT-0-1-2-3-4-5-6-7-8)
1310	NAFTA		
1415	DAE	FDT	Food, drink and tobacco
1815	CIS		(0+1)
5190	EUROPE - EU15		
5200	AFRICA	RMT	Raw materials
5300	AMERICA		(2+4)
5400	ASIA		
5500	OCEANIA_Polar	OMP	Other manufactured products
			(6+8)
DIV2	**DIVERS/Extra-EU15**	*MAN*	*Manufactured products*
	(XE15-5190-5200-5300-5400-5500)		*(5 to 8)*

			SITC Rev 3
IE15	**Intra-EU15**	0	Food and live animals chiefly for food
XE15	**Extra-EU15**	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 articles
		TTT	Total trade incl. adj. data
		9	Goods n.e.s (used for total trade only) (TTT-0-1-2-3-4-5-6-7-8)
		FDT	Food, drink and tobacco (0+1)
		RMT	Raw materials (2+4)
		OMP	Other manufactured products (6+8)
		MAN	*Manufactured products* *(5 to 8)*
			BEC :
		CAP	Capital goods
		CNS	Consumer goods
		CTR	Consumption goods
		INT	Intermediate goods

Partner country/zone		Commodity	
			BEC :
IM12	**Intra-UEM12**	TTT	Total trade incl. adj. data
XM12	**Extra-UEM12**		
		CAP	Capital goods (BEC)
IE15	**Intra-EUR15**		
XE15	**Extra-EUR15**	CNS	Consumer goods (BEC)
E03	**EUR3**[3]	CTR	Consumption goods (BEC)
		INT	Intermediate goods (BEC)

Notes

A. There are series for a full cross-analysis of euro-zone trade with the areas and products shown above for each of the three flows – imports/arrivals, exports/dispatches and balance. This gives a total of 1 239 series for the euro-zone (M12) as a declarant.

B. There are series for a full cross-analysis of EU-15 trade with the areas and products shown above for each of the three flows – imports/arrivals, exports/dispatches and balance. This gives a total of 1 194 series for EU-15 as a declarant.

C. There are series for a full cross-analysis of each Member-State with the areas and products shown above for each of the three flows – imports/arrivals, exports/dispatches and balance. This gives a total of 75 series for each Member-State as a declarant.

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[3] EUR03 comprend la Suède, le Danemark et le Royaume-Uni. Cet agrégat fait le lien entre la zone EURO (UEM12) et l'UE (actuellement EUR15).