



STATISTICS DIRECTORATE

National Accounts and Economic Statistics - International Trade Statistics

TOWARDS CONSISTENT WORLD TRADE DATA: OECD AND UNSD DATA SHARING STRATEGY
- A joint report by UNSD and OECD -

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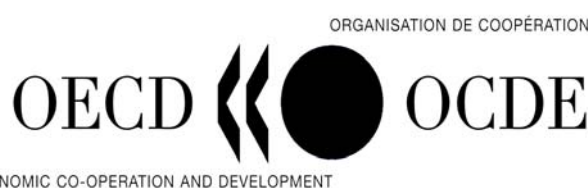
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TRADE STATISTICS BRANCH



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Item 5c of the provisional agenda

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Data collection

As mentioned in last year's report on this subject, the collection of detailed merchandise trade statistics from OECD member states is channeled fully via the OECD secretariat since 2002. OECD shares all these data with UNSD. Annex 1 gives an overview of the reception dates of the trade datasets of OECD member states for the years 1999 to 2004¹. The review of reception dates for 2004 data reveals that most member states were able to submit their detailed trade statistics before 1 July 2005

In the joint OECD-UNSD letter sent in February 2004 the OECD member states were requested to provide release dates of the production of the provisional and final trade statistics and to provide HS 2-digit data fully broken down by partner country. (a) Very few member states submitted their release dates. (b) Finland, France, Italy, Hungary, Austria, Luxembourg, Netherlands, New Zealand, the Slovak Republic, Sweden, Turkey and United Kingdom fulfilled the request for HS 2-digit data. Japan, Ireland and Switzerland cannot provide HS 2-digit data. The reporting of HS 2-digit data by definition introduces inconsistencies with lower levels of the classification. For such cases, a common processing strategy has been defined by UNSD and OECD.

¹ Whereas data for the years 2002-2004 were received only by OECD, reception dates for data of earlier years refer to collection efforts by both OECD and UNSD.

Data processing

The cooperation between UNSD and OECD on data processing has intensified over the last 12 months. Besides frequent exchanges via e-mail and telephone, staff members regularly crossed the ocean to discuss and implement the latest improvements, because by the end of 2005 this data processing system needs to be fully operational. One of the latest meetings was from 18-20 May at UNSD in New York. The following noteworthy decisions were taken at that time:

- It was stressed that the UN/OECD joint trade data collection and processing system is unparalleled so far and deserves to be higher up on the agenda of the 2006 UN Statistical Commission meeting. Therefore, in addition to the planned paper prepared by the Inter-Agency Task Force on International Merchandise Trade Statistics, there will be a 2nd paper, jointly prepared by OECD and UNSD on the co-operation.
- UNSD and OECD currently use different country codes and labels to process and disseminate trade statistics. UNSD would like to adhere to the country's definition of its statistical territory, whereas OECD would like to keep the coherence with the Eurostat geo-nomenclature. UNSD includes Liechtenstein into Switzerland while the OECD reports this partner country separately. Similar kind of differences exists for France, Italy, Norway or USA. The following solution was found:
 - a. OECD and UNSD have agreed to maintain the most detailed level of country codes currently existing in each database and to maintain (or create when necessary) aggregated countries/territories to match the different needs of both organizations. In the case of Switzerland and Liechtenstein, both country codes will be maintained as well as the aggregated code including both countries.
 - b. Aggregated countries/territories will be processed like other partner countries in order to convert quantities properly during the data processing. However, aggregates will not be included in the total world to avoid double counting.
 - c. Each organization will have the choice to publish the aggregated or the detailed countries/territories according to its own definitions.
 - d. Reporting detailed partner countries has an impact on the definition of the "not elsewhere specified" (NES) areas which do not include the same components depending of the partner country breakdown. The OECD will continue to publish Taiwan separately from China. Consequently the "Areas, NES" of OECD will exclude this territory whereas UNSD will include it into "Other Asia, NES"
- OECD and UNSD have agreed to check automatically the significance of exchange rates revisions on a quarterly basis and to perform automatic recalculations, if necessary. The proposed dates for automatic checks are 1st January, 1st April, 1st July and 1st October. A track record of historical exchange rates should be kept for reference. The threshold for the necessity of revisions will have to be defined.

Formal agreements on UNSD-OECD cooperation

For a better understanding of the guiding principles on which the cooperation between OECD and UNSD is based, the organizations recently outlined its agreements:

1. In accordance with the UNSD-OECD Memorandum of Understanding of 15 January 2001 and further extensions (e.g. joint note of 13 February 2004), UNSD and OECD jointly developed (i) an agreement on data collection and data sharing, (ii) common trade data processing standards, and (iii) computer applications for use in processing of trade data. This set of agreements, standards and applications is to be referenced by both organizations as **UN/OECD Joint Trade Data Collection and Processing System (Joint System)**
2. The Joint System is the foundation of the trade databases maintained by both organizations. It ensures consistent data published by both organizations concerning OECD countries. Although synchronized, both organizations will continue to keep separate (institutionally and legally) trade databases to ensure rights and ability of each organization to pursue their own policies with regard to (i) storing various data in addition to those agreed in Joint System [e.g. historical data, memorandum items, derived data etc], (ii) developing additional analytical and presentational functionalities and controlling user access to them, and (iii) dissemination practices including pricing of user access to the database services, entering into contracts with users, etc. Each organization will maintain its own brand name for use in data dissemination activities. The current names of those databases are: **UN Comtrade** and **OECD ITCS Database**
3. A new Memorandum of Understanding on the cooperation between UNSD and OECD including all developments since 2001 is scheduled to be completed and signed in the beginning of 2006 after the data processing system has officially been launched.

Data transfer and sharing among international agencies

Agencies that wish to retrieve Tariff line data from the newly developed data processing system need to obtain prior approval from OECD where it concerns trade data from OECD member states. With respect to Tariff line data from non-OECD countries, UNSD allows its partners to retrieve those data and use them for internal purposes only. So far, only ITC has a written agreement with UNSD to allow use of Tariff line data (of non-OECD countries or areas) by third parties. In case ITC wants to do the same with OECD countries, the same modus operandi will be worked out concerning an agreement with OECD.