

# **QUICK USER GUIDE**

## **BiH INTERNATIONAL TRADE**

### **IN GOODS STATISTICS**



Bosnia and Herzegovina



**BHAS**

Agency for Statistics of  
Bosnia and Herzegovina

Sarajevo 2017

**Published by:** Agency for Statistics of Bosnia and Herzegovina,  
Zelenih beretki 26, 71000 Sarajevo,  
Bosnia and Herzegovina  
Telephone: +387 33 91 19 11; Telefax: +387 33 22 06 22  
E-mail: bhas@bhas.gov.ba; Web site: www.bhas.gov.ba

**Person Responsible:** Mr.sc. Velimir Jukić, Director

**Prepared by:** Goran Slatinšek

**Pre-press:** Lejla Rakić Bekić

# TABLE OF CONTENTS

<b>1. INTRODUCTION</b> .....	4
1.1. Purpose of the User guide.....	4
1.2. Usefulness of international trade in goods statistics.....	4
<b>2. INSTITUTIONAL FRAMEWORK AND LEGAL BACKGROUND</b> .....	4
2.1. Institutional framework.....	4
2.2. Legal background.....	4
<b>3. DATA COLLECTION AND COVERAGE</b> .....	5
3.1. Data source.....	5
3.2. Observation unit.....	5
3.3. Statistical territory.....	5
3.4. Reference period.....	5
3.5. Trade system.....	5
3.6. Coverage of transactions.....	6
3.7. Classifications.....	7
<b>4. DATA PRODUCTION</b> .....	7
4.1. Available statistical data.....	7
4.1.1. Partner country.....	8
4.1.2. Product.....	8
4.1.3. Valuation of export/import.....	8
4.1.4. Quantity of goods.....	9
4.1.5. Statistical procedure.....	9
4.1.6. Nature of transaction.....	10
4.1.7. Preference.....	10
4.1.8. Transport data.....	10
4.2. Data revision.....	11
<b>5. DATA QUALITY</b> .....	11
5.1. Data accuracy.....	11
5.2. Data comparability.....	12
<b>6. DATA DISSEMINATION</b> .....	12
6.1. Data users.....	12
6.2. Publications.....	12
6.3. Data confidentiality.....	13
<b>ABBREVIATIONS</b> .....	15

# 1. INTRODUCTION

## 1.1. Purpose of the User guide

The purpose of this User guide is to assist in the use of BiH international trade in goods statistics published by the Agency for Statistics of Bosnia and Herzegovina (BHAS). The Guide describes the basic methodology used for the compilation of statistics, the role of the Agency for Statistics of BiH in the dissemination of them as well as the sources which are available to the users.

## 1.2. Usefulness of international trade in goods statistics

The need for international trade in goods statistics is self-evident. International trade forms an important part of the world economy and, as such, must be measured reliably and the relevant statistical data should be comparable and widely disseminated.

International trade in goods statistics are an important primary source for most public- and private-sector decision-makers.

# 2. INSTITUTIONAL FRAMEWORK AND LEGAL BACKGROUND

## 2.1. Institutional framework

The Agency for Statistics of BiH is the institution in charge of production of BiH international trade in goods statistics data.

Indirect Taxation Authority of BiH (ITA) is the institution responsible for collection and control of Single Administrative Documents. ITA provides the Agency for Statistics of BiH with international trade in goods data i.e. data from SADs. It is a state level institution.

## 2.2. Legal background

Statistical activities of BHAS are regulated by the Law on Statistics of BiH („Official Gazette of BiH“, No 26/04 and 42/04).

BHAS and ITA signed the Protocol on Cooperation in 2005 and revised it in 2014 and 2017.

Statistical monitoring of the international trade in goods is designed fully in accordance with the Law on Customs Policy of BiH („Official Gazette of BiH“, No 57/04, 51/06, 93/08, 54/10, 76/11 and 58/15), the Law on Customs Tariff of BiH („Official Gazette of BiH“, No 1/98, 5/98, 7/98, 31/02, 19/03, 32/04, 48/05, 76/06, 35/09, 14/10 and 58/12) and the Law on Protection of Personal Data („Official Gazette BiH“, No 49/06 and 76/11).

BiH international trade in goods statistics are based on the following European regulations: EXTRASTAT Basic Act Regulation (EC) 471/2009 and EXTRASTAT Implementing Provisions Regulation (EU) 92/2010 and Regulation (EU) 113/2010.

### **3. DATA COLLECTION AND COVERAGE**

#### **3.1. Data source**

The Agency for Statistics of BiH uses Single Administrative Documents (electronic declarations) as the only data source. Single Administrative Document is a document lodged by declarer (business entity or other authorized person, i.e. freight forwarder) to a customs office for customs clearing. ITA sends to BHAS the following tables from Asycuda World system (Automated System for Customs Data – application which is used by ITA to collect and process SADs), on a regular monthly basis in the form of an Access database:

- SAD\_GEN
- SAD\_ITEM

ITA sends the data to the Agency for Statistics of BiH at latest 7 working days after the end of the reference month.

#### **3.2. Observation unit**

Observation unit in BiH international trade in goods statistics are legal and physical entities which export and import goods i.e. lodge the SAD to ITA.

#### **3.3. Statistical territory**

For the BiH international trade in goods statistics, the territory of observation is represented by the BiH customs territory. Pursuant to the Law on Customs Policy of BiH (“Official Gazette of BiH”, 57/04, 51/06, 93/08, 54/10, 76/11 and 58/15), the customs territory covers the BiH territory, including the territorial waters, inland water flows and BiH airspace. The BiH customs territory coincides with the BiH state borders. The BiH customs territory is a uniform territory.

#### **3.4. Reference period**

BiH international trade in goods statistics are collected on a monthly basis. In theory, reference period is the calendar month in which exports or imports take place. In practice, reference period is the month in which Indirect Taxation Authority of BiH accepts the SAD. Yearly data are produced by aggregating monthly data.

#### **3.5. Trade system**

Generally speaking, there are three approaches, closely linked with customs procedures, used for the measurement of international trade in goods. These are the general trade system, the special trade system (relaxed definition) and the special trade system.

The general trade system is the wider concept and it includes all goods entering or leaving the economic territory of a country with the exception of simple trade transit. The statistical territory includes customs warehouses, all types of free zones, premises for inward processing and free circulation area.

The special trade system (relaxed definition) includes industrial free zones, premises for inward processing and free circulation area. Goods from a foreign country which are received into customs warehouses are not recorded as imports unless they subsequently go into free circulation in the country of receipt (or are placed under the customs procedures for inward processing or processing under customs control). Similarly, outgoing goods from customs warehouses are not recorded as exports.

The special trade system includes only free circulation area i.e. imports into free circulation area and exports out of free circulation area.

Statistical data on BiH international trade in goods are produced according to special trade system (relaxed definition), in line with Eurostat's recommendation.

### 3.6. Coverage of transactions

As a general guideline international trade in goods statistics record all goods, which add to or subtract from the stock of material resources of a country by entering (imports) or leaving (exports) its economic territory.

Goods simply being transported through a country (goods in transit) are automatically excluded from processing because Indirect Taxation Authority of BiH does not send the data on goods in transit to the Agency for Statistics of BiH. Some goods are included/excluded by applying the special trade system (relaxed definition).

Furthermore, the following goods/transactions are excluded from BiH international trade in goods statistics, in line with Eurostat's recommendation:

- monetary gold;
- means of payment which are legal tender and securities;
- goods for or following temporary use, provided all the following conditions are met: no processing is or was planned or carried out, the expected duration of the temporary use was or is not intended to be longer than 24 months and no change of ownership took place or is intended to take place;
- goods moving between Bosnia and Herzegovina and its territorial enclaves in other countries and between Bosnia and Herzegovina and territorial enclaves of other countries or international organisations (territorial enclaves include embassies and national armed forces stationed outside the territory of the mother country);
- software downloaded from the Internet;
- goods supplied free of charge which are themselves not the subject of a commercial transaction, (e.g. advertising material and commercial samples);
- goods for and after repair and replacement parts;
- means of transport travelling in the course of their work;
- goods declared orally to the Indirect Taxation Authority of BiH which are either of a commercial nature provided that their value does not exceed the statistical thresholds in terms of value and/or quantity, or of a non-commercial nature;
- goods released for free circulation after being subject to the customs procedures of inward processing or processing under customs control.

### 3.7. Classifications

The complex nature of the basic customs and statistical needs makes it necessary to have a rather detailed commodity classification. The Harmonized Commodity Description and Coding System (HS) or extended versions based on Harmonized System, such as the Combined Nomenclature (CN) used by the countries that are members of European Union, provide such details. Customs Tariff of Bosnia and Herzegovina (CTBiH) represents further development of HS and CN systems. It is updated by Ministry of Foreign Trade and Economic Relations and implemented by the Indirect Taxation Authority of BiH. These classifications are based on the nature of commodity. However, for analytical purposes, such a division of products may not be the most appropriate. Commodity categories more suitable for economic analysis are provided by the Standard International Trade Classification (SITC). There are classifications with the aim to classify economic activities like the Classification of Economic Activities in the European Community (NACE). The Classification of Products by Activity in the European Community (CPA) represents further development of the Classification of Economic Activities in the European Community, by products. BiH Classification of Activities (KDBiH) and BiH Classification of Activities by Products (KPDBiH) are in line with the aforementioned European classifications. Classification by Main Industrial Groupings (MIG) classifies industries i.e. products by their allocation.

The ITA uses ISO 3166 alpha 2 codes for classifying countries. BHAS uses Geonomenclature, like the EU countries.

## **4. DATA PRODUCTION**

### 4.1 Available statistical data

The Agency for Statistics of BiH produces the following data:

- Flow (import or export),
- Year,
- Month,
- Partner Country
- Other Partner Country,
- Product,
- Statistical Value,
- Net Mass (quantity in kilograms),
- Supplementary Quantity,
- Statistical Procedure,
- Nature of Transaction,
- Preference-Country,
- Mode of Transport at the Border,
- Container.

#### 4.1.1 Partner country

Trade in goods statistics by partner countries, both for the total value of trade in goods and for the quantity and value of trade in individual commodities, are of significant analytical value. They are used for a number of purposes, including analysis of economic trends, national accounts, balance of payments, regional trade patterns, trade shares, market analysis and business decisions, and trade policy and negotiations, as well as for checking the accuracy and reliability of international trade in goods data.

For exports, the trading partner of BiH is in principle the country of final destination of the goods (as it is known at the time of exports).

For imports, the trading partner of BiH is the country of origin of the goods, in line with Eurostat's recommendation. 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 last country where a substantial processing took place.

In certain cases (unknown country of origin, returned goods, goods which have been processed in a third country, works of art and antiquities), the partner country required for imports is the country of consignment/exports. Country of consignment/exports means the country from which the goods were initially dispatched to the importing country, without any halt or legal operation not inherent in their transport having occurred in an intermediate country; if such halts or legal operations have occurred, the final intermediate country shall be regarded as the country of consignment/exports.

#### 4.1.2 Product

Product is defined by the Customs Tariff of BiH which is updated on a yearly basis. It comprises around 10000 products.

#### 4.1.3 Valuation of exports/imports

In order to compile international trade in goods statistics a value has to be established for each goods transaction that is to be included in the statistics, irrespective of whether or not the goods were sold, exchanged or provided without payment. Statistical value is the sum of the transaction value of goods and the value of the services performed in delivering the goods to the border of the exporting or importing country (largely freight and insurance), which are not included in their transaction value.

According to the international recommendations, statistical value for exports should be FOB type value and statistical value for imports should be CIF type value. FOB type value includes the transaction value of the goods and the value of services performed to deliver goods to the border of the exporting country. CIF type value includes the transaction value of the goods, the value of services performed to deliver goods to the border of the exporting country and the value of the services performed to deliver the goods from the border of the exporting country to the border of the importing country. The statistical value shall not therefore include taxes due on export or import, such as customs duties, value added tax, excise duty, levies, export refunds or other taxes with similar effect.



Statistical value for exports is defined by the Indirect taxation Authority of BiH in the following way:

- if the place of delivery is abroad, statistical value comprises invoice value minus transport, insurance and other costs from the border of BiH to the place of delivery abroad,
- if the place of delivery is in BiH, statistical value comprises invoice value plus transport, insurance and other costs from the place of delivery in BiH to the border of BiH.

Statistical value for imports is defined by the Indirect Taxation Authority of BiH in the following way:

- if the place of delivery is abroad, statistical value comprises invoice value plus transport, insurance and other costs from the place of delivery abroad to the border of BiH,
- if the place of delivery is in BiH, statistical value comprises invoice value minus transport, insurance and other costs from the border of BiH to the place of delivery in BiH.

#### 4.1.4 Quantity of goods

Quantity units refer to physical characteristics of goods, and since they are free of the valuation problems, in many cases they provide a more reliable indicator of international movements of goods. Use of appropriate quantity units also may result in more comparable data on these movements, because differences in quantity measurements between the importing country and the exporting country are normally less significant than in value measurements. Quantities are often used in checking the reliability of the value data. In addition, quantity units are indispensable in the construction of index numbers and for transportation statistics.

The standard units of quantity are:

- weight – kilograms (kg) ; carat (carat)
- length – metres (m)
- area – square metres (m<sup>2</sup>)
- volume – cubic metres (m<sup>3</sup>) ; litres (l)
- electrical power – 1,000 kilowatt-hours (1,000 Kwh)
- number (units) – pieces/items (u) ; pairs (2u) ; dozens (12u) ; thousands of pieces/items (1,000u) ; packs (u(set/pack))

In BiH, net mass is always recorded in Single Administrative Documents. Net mass is the net mass of the goods without packaging. Supplementary units are, for example, litres, number of parts or square metres.

#### 4.1.5 Statistical procedure

Within the framework of BiH international trade in goods statistics, the following statistical procedures (which arise from customs procedures) are used:

### Normal imports and exports

Normal imports and exports represent goods imported/exported definitively i.e. without the subsequent exports/imports.

### Inward processing

The inward processing procedure makes it possible to import goods temporarily so that they can be processed and then to export the resulting compensating products, while benefiting from an exemption from duties, levies or checks which would be carried out under the trade policy normally applicable to imported goods.

### Outward processing

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.

### 4.1.6 Nature of transaction

Nature of transaction represents the type of trade. There are following natures of transaction:

- transactions involving actual or intended transfer of ownership against compensation,
- return of goods and replacement of goods free of charge,
- transactions (not temporary) involving transfer of ownership but without compensation,
- transactions with a view to processing under contract or repair,
- transactions following processing under contract or repair,
- transactions without the transfer of ownership and other temporary use with the exception of processing under contract or repair of goods,
- transactions under joint defence projects or other joint intergovernmental production programs,
- supply of building materials and equipment for works that are part of a general construction or engineering contract,
- other transactions.

### 4.1.7. Preference

Preference represents a measure which allows some countries which trade goods with BiH to have a preferential tariff regime according to concluded agreements (e.g. free trade agreements).

### 4.1.8. Data on transport

#### Mode of transport

„Mode of transport at the border“ means the mode of transport determined by the active means of transport with which:

- on export, the goods are presumed to leave the statistical territory of BiH,
- on import, the goods are presumed to have entered the statistical territory of BiH.

The modes of transport are: sea transport, railway transport, road transport, air transport, postal consignment, fixed transport installations, inland waterway transport and own propulsion.

### Container

ITA collects the information on whether the goods are transported in containers or not. The relevant codes are:

- 0 - goods not transported in containers;
- 1 - goods transported in containers.

### 4.2 Data revision

The Agency for Statistics of BiH revises data monthly and annually. Monthly revision is performed every month for the period from the beginning of the year onwards. Every month ITA sends to BHAS a database which comprises data from the beginning of the year onwards, with all revisions and corrections. Annual revision is performed on the final data for the previous year which are disseminated in July of the following year in Thematic Bulletin.

## **5. DATA QUALITY**

### 5.1 Data accuracy

Control and correction of errors is a resource intensive process. The Agency for Statistics of BiH makes judgements about when to make a correction.

At the level of Single Administrative Documents, controls can be broadly classified as:

- **Basic controls:** this means checks on the validity of data and normally concerns all the variables collected. A validity error is found when a record is not correct therefore it may cause processing problems, it cannot be included in the statistical analysis and so it must be removed or corrected. Examples of this kind of errors are incorrect or missing codes, missing values in the declarations, character data in numeric field and vice versa, etc.
- **Complex controls:** this means checks on the accuracy of data and assesses all possible errors associated with the data. Indeed, some data passing the previous validity checks can still be not correct. Residual errors can be pointed out by looking for variable inconsistencies. Single Administrative Document, for example, is inconsistent internally in the comparison of the different variables, or it is not consistent with what was submitted in the previous months.

## 5.2 Data comparability

Data on international trade in goods of BiH can be compared to data on trade in goods of other countries with BiH. Comparison of data can show data discrepancies (the exports of one country do not match the imports of mirror partner country and vice versa). The following reasons can lead to data discrepancies:

- applied trade system (general, special-relaxed definition or special),
- partner country definition (country of origin or country of consignment/exports),
- CIF/FOB parity,
- misclassification of goods,
- data confidentiality,
- time lag of registration of transaction,
- data revisions,
- currency conversion.

More information on data quality of BiH international trade in goods statistics can be found in the document „Quality Report on BiH International Trade in Goods Statistics“ which is published on the website of the Agency for Statistics of BiH.

## **6. DATA DISSEMINATION**

### 6.1. Data users

The most important data users in BiH are:

- Ministry of Foreign Trade and Economic Relations of BiH
- BiH Directorate for Economic Planning
- Central bank of BiH

The most important international data users are:

- Eurostat
- UN

Companies are also very important data users. They use the data for market analysis and creation of their business policy.

### 6.2. Publications

Monthly Press Release on BiH International Trade in Goods Statistics is published 20 days after the end of the reference month.

The following data/tables can be found in the Monthly Press Release:

- BiH exports and imports by months,
- BiH exports and imports by country of destination and origin,
- BiH exports and imports by sections of Customs tariff of BiH (Harmonized System 2017),
- BiH exports and imports by sections and division of SMTK/SITC rev.4,
- BiH exports and imports by main trading partners and sections of SMTK/SITC rev.4,
- BiH exports and imports by sections and divisions of KD BiH 2010/NACE rev.2,
- BiH exports and imports by main industrial groupings,
- BiH exports and imports by statistical procedure.

Quarterly Press Release on Unit Value Indices of Export and Import of BiH is published 50 days after the end of the reference quarter. The data according to sections and divisions of BiH Classification of Activities 2010/NACE rev.2 and sections of Standard International Trade Classification rev.4 are published.

Annual Thematic Bulletin on BiH International Trade in Goods Statistics is published 7 months after the end of the reference year. It comprises the same data/tables as Press Releases plus the time series data/tables and graphical representation of the aforementioned data/tables. It presents the final data for the previous year.

These publications (in electronic form) can be found on the website of the Agency for Statistics of BiH, [www.bhas.ba](http://www.bhas.ba).

Publications present aggregated data. Users can obtain detailed data at the request.

### 6.3 Data confidentiality

Pursuant to the Law on Statistics of BiH, Articles 23 and 26 (Official Gazette of BiH, 26/04), the Agency for Statistics of BiH is responsible to ensure confidentiality of individual data and statistical units when collecting, processing and disseminating data. Data aggregation level has to respect the principle of confidentiality of individual data.

## **KRATICE**

ASYCUDA – Automated System for Customs Data

BHAS – Agency for Statistics of BiH

BiH – Bosnia and Herzegovina

CIF – Cost, Insurance, Freight

CN – Combined Nomenclature

CPA – Classification of Products by Activity in the European Community

CT BiH – Customs tariff of BiH

EU – European Union

EUROSTAT – Statistical Office of the European Union

FOB – Free on Board

GIG – Main Industrial Groupings

HS – Harmonized System

ISO – International Organization for Standardization

JCI – Single Administrative Document (Customs declaration)

KD BiH – BiH Classification of Activities

KPD BiH – BiH Classification of Products by Activity

MIG – Main Industrial Groupings

NACE – Classification of Economic Activities in the European Community,

SITC – Standard International Trade Classification

SMTK – Standard International Trade Classification

UN – United Nations

UNO – Indirect Taxation Authority of BiH