





# **Fifteen Technical Meeting of Officials in charge of providing Information on Latin American Integration Association Foreign Trade –XV RECOMEX**

**Harmonisation and Strengthening of Trade  
Information Systems in the Caribbean Community  
(CARICOM)**

**Montevideo, Uruguay  
23-24 July, 2012**

# OVERVIEW

- ❖ Background - the Regional Integration Process and the Statistical Structure
- ❖ Mandate for the Supply of Detailed Foreign Trade Data by CARICOM Member States;
- ❖ Enhancement of Trade Information System in CARICOM
  - Action Plan;
  - Trade Data Submission Protocol;
  - Training in Trade Data Processing New Eurotrace and supporting modules;
  - Updating of the International Classifications- Common External Tariff

# BACKGROUND

## The Regional Integration Process:

- ❖ The Caribbean Community and Common Market was established by the Treaty of Chaguaramas in **1973**, it was preceded by CARIFTA (1965);
- ❖ It was preceded by the British West Indies Federation in **1958** which came to an end in 1962.
- ❖ **15 Member States** are: Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saint Lucia, St. Kitts and Nevis, St. Vincent and the Grenadines, Suriname, and Trinidad and Tobago.
- ❖ **5 CARICOM Associate Members** are: Anguilla, Bermuda, British Virgin Islands, Cayman Islands and Turks and Caicos.

# BACKGROUND

## CARICOM Single Market & Economy (CSME):

- ❖ Idea to establish the CSME originated in 1989 and the Revised Treaty was prepared for this purpose
- ❖ Provisions include: Free Movement of Skilled Nationals, of CARICOM, of Goods and Services, rights of establishment.
- ❖ The CSME establishment and monitoring critically depends on the production and dissemination of statistics including Foreign Trade but also services, migration, foreign direct investment.

# BACKGROUND

## The Institutional Arrangements:

- ❖ The principal organs of the Community are:
  - the Conference of Heads of Government; and
  - The Community Council of Ministers (Council)

The following organs assist the functioning:

- the Council for Finance and Planning;
- ***the Council for Trade and Economic Development;***
- the Council for Foreign and Community Relations;
- the Council for Human and Social Development

- ❖ The Caribbean Community Secretariat (CCS) is the principal administrative organ of the Community



# BACKGROUND

- ❖ Regional Statistical Programme at the CARICOM Secretariat Headquarters, Georgetown, Guyana
- ❖ A functioning Standing Committee of Caribbean Statisticians (SCCS) –decision-making body of Heads of Statistical Offices and observer Organisations –( est. 1974);
- ❖ The CARICOM Advisory Group on Statistics(AGS), established by the SCCS at its 32<sup>nd</sup> Meeting in 2007 in Suriname –follow up decisions of SCCS and develop statistical initiatives on behalf of SCCS;
- ❖ Common Regional Statistical Work Programme (RSWP)

# BACKGROUND

## Technical Working Groups (TWG):

- ❖ National Accounts/ Short- term Economic Statistics/International Trade in Services Statistics.
- ❖ **Merchandise Trade Statistics;**
- ❖ Sub-group in Classifications;
- ❖ **Statisticians Trade Experts and Customs Officials (STECO)** – to engage policy, data source and compilers of statistics

# MANDATE FOR TRADE DATA

## Purpose for collecting Trade Data includes:

- ❖ To support policy-oriented decision-making and management;
- ❖ To enable effective response to demands for marketing information;
- ❖ To provide intelligence to business men for supporting contemplated investment decisions;
- ❖ To support evaluation and management of the Region's production and export thrust;
- ❖ To inform international trade negotiations.



# MANDATE FOR TRADE DATA

## Commencement of submission of Trade Data:

- (a) Seventh Meeting of the SCCS in 1981:
  - ❖ Member States agreed to forward to the CCS copies of their trade Reports and final trade computer tabulations (hardcopy);
- (b) Third Meeting of the Conference of Heads of Government 1982:
  - ❖ The CCS was mandated to improve the system of collection of data and monitoring of information on intra-regional trade flows;
  - ❖ On the Agenda of the Eighth Meeting of the SCCS, 1983- “Proposed System for Monitoring Intra-Regional Trade Flows”



CARICOM

# MANDATE FOR TRADE DATA

## **Compilation of Trade Data:**

(d) Thirty-Seventh Meeting of the Common Market Council, 1991:

- ❖ Mandated the Meeting of STECO to collaborate with the CCS to ensure that a system is in place for collecting and analysing regional trade;

(e) Thirty-Ninth Meeting of the Common Market Council, 1992:

- ❖ Called on Member States to effect arrangements to ensure timely submission of trade data to the Secretariat at the detailed item level in respect of intra-regional and extra-regional trade and mandated the Secretariat to continue its efforts to establish a Regional Trade Statistics Database;

# Enhancement of Trade System

- ❖ Compilation of regional trade database late 1980s/early 1990s for Member States that were part of the Common Market;
- ❖ Common External Tariff- (CET) for trading with third nations;
- ❖ Submission of Trade Data to the CCS fairly routinised- in-house programm to compile trade database that was based on dBase IV software;
- ❖ Format was suggested for data submission- but pre-processing to enable formatting for inclusion.

# Enhancement of Trade System

- ❖ Initial stages of enhancement- updating of programme at regional level to process trade data;
- ❖ Microsoft Access – SQL based programme;
- ❖ International Development Bank (IDB) funded Trade Enhancement Project
  - ❖ Component 1: Assessment of the trade information systems in member states -develop an Action Plan;
  - ❖ Component II: Develop an online Trade Information System;
- ❖ European Union funded projects Phase I- to enable the update of the trade data processing systems in Member States

# Enhancement of Trade System

- ❖ Results: **Action Plan** for the Improvement of Trade Data produced which included:
  - ❖ Training in New Eurotrace Software;
  - ❖ Harmonisation of the Nomenclature (various versions of HS) as well as correlation table with SITC;
  - ❖ Preparation of common validation rules for the processing of trade data.
  - ❖ Submit data in accordance with agreed format.

# Enhancement of Trade System

- ❖ Results: **Data Submission Protocol** for uniformity in the submission of Trade Data to the Secretariat produced which included:

Field No.	Max Bytes(Width)	Mandatory Name	Content
1	3	Reporting Country	Nomenclature to be used See Note 1
2	1	Flow	1 Import;2 Exports 3/ Re-exports

# Enhancement of Trade System

- ❖ Results: **DSP Mandatory Fields are:**
- ❖ Reporting country, Type of Flow, Reference Year; Reference Period;
- ❖ Partner Country; Country of origin (for Re-exports);
- ❖ Product Code (HS),
- ❖ Value,
- ❖ Net mass, Supplementary Quantity, Supplementary Quantity Unit

# Enhancement of Trade System

- ❖ Results: (Funded by the European Union)
- ❖ **Updating of Trade Data Processing to the New Eurotrace System:**
- ❖ Initially 7 countries used Eurotrace Dos.
- ❖ Except for Jamaica that had done work recently on updating its trade data processing programme, all other countries are (or have) shifting to use the New Eurotrace for trade data processing.
- ❖ A number of training sessions were conducted in the New Eurotrace data processing software including in-country support and workshops.

# Enhancement of Trade System

- ❖ Results:
- ❖ **Introduction of New Eurotrace Modules with training:**
- ❖ Comext Application for the dissemination of trade data online;
- ❖ Trade Indices Module;
- ❖ Mirror Statistics Module

# Enhancement of Trade System

- ❖ Results: **Functioning Online Tradsys (Trade information System)** including the following tables (1991-2010):
  - CARICOM's Imports, Exports and Balance of Trade with Partners by Country for Period
  - CARICOM's Trade with Partners by Country for Period
  - CARICOM's Intra-Regional Imports;
  - Intra-Regional Trade Balance by Country;
  - CARICOM's /Member State top 10 trading partners etc

# Issues re Foreign Trade

- ❖ Negotiations of Trade- Office of Trade Negotiations (OTN) and trade is negotiated at the level of CARICOM;
- ❖ The need to harmonise the data within CARICOM- Special versus General system;
- ❖ Application of the latest UN Manual on Trade in Goods;
- ❖ Timing in application of the updates in the HS system- beginning of the year versus other months;
- ❖ HS-SITC Correlation as well as conversion to latest HS.
- ❖ Size of country and confidentiality of data.

# Issues re Foreign Trade

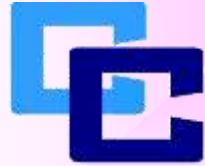
All figures are in \$US Million

## **CARICOM's Total Trade 1991 & 2010:**

**Imports: 4, 700 & 18,584; Exports: 3,519 & 14, 193**

## **Trade with ALADI:**

- ❖ Imports: 1991- 562 Mn. \$US & 2010 – 2,862 Mn. \$US;
- ❖ Exports: 1991 -165 Mn. \$US & 2010 – 963 Mn. \$US.
- ❖ Section of significance Section 3- Mineral Fuels, lubricants and related;
- ❖ CARICOM countries – Trinidad and Tobago and Jamaica;
- ❖ **Top 10 Trading Partners for CARICOM include:**
- ❖ Imports: USA -32.4 %, (Trinidad & Tobago)-9.9%, China- 5.5%, Venezuela- 4.7 %, Brazil (6<sup>th</sup> ) 4.2 %.
- ❖ Exports: USA 44.6 %, (Jamaica)- 5.5 %, Canada 5 %, UK-3.5 %, Colombia 2 % (8<sup>th</sup>) Brazil 1.5 % (10<sup>th</sup>).



**END**