1. Introduction

The CARICOM Secretariat, in collaboration with other development partners, has continuously made efforts to improve Merchandise Trade Statistics in the Region. Most recently, work in this area has advanced both at the national and regional levels with funding received from the Inter-American Development Bank (IDB) and the European Community (EC) under the Ninth European Development Fund (9th EDF). The Region also benefited from collaboration with Eurostat, the Statistical Office of the EC.

This paper presents an update of the current and developmental work being undertaken in the Region which includes the following:

- Submission of 2008 annual and 2009 quarterly trade data to the Secretariat;

- Status of Implementation of the Correlation Table;

- Online access to the Regional Trade Information System;
- Enhancement of the Trade Information System in Member States, including the implementation of the Data Submission Protocol for the transmission of trade data to the Secretariat; and

- An overview of the Secretariat’s work plan for the biennium 2010/2011 for Merchandise Trade.

2. Submission of 2008 annual and 2009 quarterly trade data to the Secretariat

2.1 Annual trade data - 2008

The Regional Trade Information System (Tradsys) is continuously updated with data submitted by Member States. As at 24 September 2009, Tradsys was updated with annual 2008 data from eight (8) Member States, of which, data from three (3) countries were provisional.

Five (5) Member States complied with the April timeline, which represented a decline over the 2007 submissions in 2008 (8 Member States).

The Secretariat commends Montserrat for being the first to submit 2008 annual trade data to the Secretariat. This country’s data was received during the month of February 2009. The Secretariat also commends the other four Member States, Dominica, Guyana, Saint Lucia and St. Vincent and the Grenadines for adhering to the timeline. Other countries are urged to make every effort to do the same. Further, those countries that have submitted provisional data are requested to finalise these data and re-submit to the Secretariat as soon as possible.

There are some concerns about the late submission of data for Trinidad and Tobago given its contribution to CARICOM’s total trade. Also the exports data for Suriname are too aggregated and as such cannot be included in the regional database.
2.2 Challenges encountered in Processing 2008 Data

The problems encountered in processing the 2008 data were similar to those encountered last year. One Member State submitted data which had *missing zeros at the beginning of the HS numbers (due to the format of submission (excel format));* data received from two Member States included *codes from different versions of the CET* and one country submitted data with *unknown country codes.* The respective countries were contacted and corrected data files were re-submitted to the Secretariat.

It is anticipated that for 2010, there would be an improvement in the number of countries complying with the agreed-to timeline, as well as some aspects of data quality, as a result of the improvement of the Trade Information System that is currently being undertaken in Member States.

2.3 Quarterly trade data 2009

The Secretariat continues to collect, compile and disseminate quarterly trade statistics. The status as at 24 September 2009, showed that first quarter data were received from five (5) Member States while second quarter data were received from three (3) countries. Member States are urged to submit these data as soon as possible because of its significance in monitoring and guiding the decision making process in the short term, especially given the global economic crisis and the need to monitor its impact.

The Report on “Harmonisation and Strengthening of Trade Data Submissions by Member States” recommended that countries submit quarterly trade data to the Secretariat within *one month and half* following the end of the quarter. Therefore, Member States should submit first quarter data by the 15 May, second quarter data by the 15 August and so on. The Secretariat requests feedback from Member States relative to systematising the submission of quarterly trade data.
3. Status of the Implementation of the Correlation Table based on HS2007 Common External Tariff (CET)

The implementation of the Correlation Table in the Trade Information System at the National Statistics Offices is progressing very slowly due to the delay in the implementation of the HS2007 based Common External Tariff (CET) in the respective Member States. For the 2008 data submissions, only four (4) Member States have implemented the HS2007 based CET, which implies that one additional Member State has implemented the revised CET in 2008. As a result, comparability of the data across Member States and the aggregation of data to show a regional picture continue to be challenging.

National Statistical Offices are urged to collaborate with their Customs Departments to make the necessary interventions for the implementation of the updated HS2007 based CET.

4. Enhancement of Trade Data Dissemination in CARICOM – Strengthening of Tradsys – Funded by the IDB

4.1 Online Access to the Regional Trade Information System

The Secretariat is pleased to report that the Online Facility to access the Regional Trade Information System (Tradsys), which is funded by the IDB, is completed.

The Online Facility allows two tiers of access to Tradsys. Tier One will provide access to all the data available up the 2-digit level for HS2007 and SITC Rev 4 and is accessible by all users, while Tier Two will provide access to data at the level of disaggregation as agreed to by the respective Member States and would be accessible, by password, only to privileged users. In this regard, the Secretariat requests Member States to indicate the level of disaggregation that they would be willing to allow for Tier Two access. CARICOM level data for this Tier would be at the level of disaggregation that is common across all Member States.
Presently, the Secretariat is preparing Correlation Tables that would link the previous two versions of the CET to the 2007 version. This activity also includes the documentation of the changes that have taken place over the different versions of the tariff. Therefore, all data classified according to the 1996 and 2002 versions of the CET would be converted to the 2007 version. The design of the online facility allows for the use of one harmonised CET.

4.2 Endorsement of Data Submission Protocol by COTED

As per Project Agreement with the IDB, the Secretariat is required to present the Data Submission Protocol and other related documents to the Council for Trade and Economic Development (COTED) for endorsement. These documents were endorsed by the Standing Committee of Caribbean Statisticians (SCCS) and by the major stakeholders for merchandise trade at the national level. Formal agreements were received from all Member States following consultations of the major stakeholders (National Statistical Offices, Customs Officials and Trade Policy Experts).

5. Continuation of the process of Enhancing Trade Data Production and Dissemination under the Caribbean Integration Support Programme (CISP)

5.1 Overview of the Project

The execution of the project, “Enhancement of the Trade Information System in Member States” commenced in May 2009. It specifically targets the implementation of the New Eurotrace Software Package, which includes the development of a functioning domain, loading of historical data, provision of the relevant training, and the implementation of the Data Submission Protocol for the transmission of data to the Secretariat. To date, technical assistance was provided in four (4) Member States namely, Grenada, Saint Lucia, Dominica and St. Vincent and the Grenadines and to the CARICOM Secretariat. Work in other Member States would continue for the remainder of the year and in the first quarter of 2010. The Secretariat urges these four Member States to provide
feedback on the problems/challenges encountered and any recommendations in using this updated software.

5.2 Eurotrace Workshop

In July 2009, the Secretariat in collaboration with Eurostat executed a two-week Training Workshop on data processing of merchandise trade statistics using the New Eurotrace Software Package in Trinidad and Tobago. Twenty-three (23) persons from Member States and Associate Members and four (4) persons from the Secretariat were trained in the use of the software. Funding for this workshop was provided by the European Community under the 9th EDF.

6. Technical Working Group for Merchandise Trade

To support the production of harmonised, high quality and timely Economic Statistics in the Region, it was recommended that Technical Working Groups (TWG) be established in the relevant areas. In this regard, the Secretariat has commenced preparatory work for the establishment of a TWG for Merchandise Trade.

The Terms of Reference (TORs) for the Group were circulated to Member States/Associate Members, in January 2009, requesting countries to volunteer to serve on this Group. The TORs were also presented to the participants of the Eurotrace Workshop held in Trinidad and Tobago in July 2009. Follow-up emails were also sent to countries. To date, Dominica, St. Kitts and Nevis, The Bahamas, Grenada, Trinidad and Tobago and Bermuda have volunteered and have submitted the names of their representatives to serve on the TWG. Two more nominations (One Member State and one Associate Member) are required to complete the TWG as per the TORs.

The main purpose of the TWG is to support the work being put in place relative to the improvement of Merchandise Trade Statistics. Some of the specific objectives include:
• ensure systems are in place to achieve timely production and dissemination of high quality merchandise trade statistics;
• provide technical input into the execution of assessments of the current status of trade statistics in the Region;
• assisting in the identification of activities to improve the quality of merchandise trade statistics;
• matching of country needs to available funding;
• foster collaboration with the main stakeholders, etc.


For the forthcoming biennium, the Secretariat would continue its thrust in improving the production and timely dissemination of merchandise trade statistics at the national and regional levels. The following are some of the major activities the Secretariat proposes to undertake:

• Continue to collect, compile, validate and disseminate annual and quarterly trade statistics at the regional level in a timely manner;
• Provide technical assistance to requested Member States/Associate Members relative to the improvement of their trade information systems;
• Continue work on the implementation of the New Eurotrace Software at the Secretariat and finalise the Regional Domain (work already put in place);
• Convene a follow up workshop relative to the use of the updated Eurotrace Software, focusing on the challenges, problems and recommendations (February 2010);
• Develop a follow-up project focusing on Data Quality and the use of the Eurotrace Software to generate Import/Export Price Indices;
• Monitor the production and dissemination of data in Member States and their adherence to the Data Submission Protocol;
• Maintain the Regional Online Facility. Explore expansion of this facility to include data warehousing capabilities;
• Build capacity at the national and regional levels through follow up workshops, exchange visits and help desk facility; and
• Fully activate the Technical Working Group (TWG) on Merchandise Trade Statistics.

ACTION REQUIRED

The Meeting is invited to:

- consider the status of merchandise trade data submissions by Member States, the challenges encountered, and the progress of the developmental work being undertaken in this area including:
  
  (a) Feedback on the submission of annual trade data relative to the adherence of the April timeline;

  (b) Feedback from Member States that have received technical assistance relative to the enhancement of their Trade Information Systems, highlighting any challenges, problems and recommendations;

  (c) Feedback from Member States on the level of disaggregation of data that they would be willing to allow for the Tier Two access of the Online Facility;

  (d) Systematising the submission of Quarterly Trade Data to the Secretariat; and

  (e) Support to the 2010/2011 work programme of the Secretariat.
## Compilation of Merchandise Trade Statistics

<table>
<thead>
<tr>
<th>MAJOR ACTIVITIES</th>
<th>DATA PRODUCTION</th>
<th>DATA DISSEMINATED</th>
<th>DATA GAPS</th>
<th>BEST PRACTICES/ CHALLENGES</th>
<th>RESOURCES REQUIRED</th>
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</table>
| Status of Regional Trade Information System (Tradsys) Annual Merchandise Trade Data | Database updated  2008: 8 Member States of which data for 3 Member States are provisional | **Web site:** Summary data up to 2008 for total trade and trade with major trading partners  
**Publication:** CARICOM’s Trade – A quick reference to some summary data: 2001-2006. All tables for this publication are completed and uploaded to the website. Chapter highlights are being finalised. | **2008:** 5 Member States | 5 Member States adhered to the April timeline  
**Challenges:** Errors encountered included:  
- Missing zeros from the beginning of HS  
- Mixing of codes across classifications (CET93, 96, 02);  
- Inability to include Export data for 1 Member State in Tradsys due to confidentiality | Technical Assistance Training Applied or Required |

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**Status of Regional Trade Information System (Tradsys) Annual Merchandise Trade Data**

- **Database updated**
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### MAJOR ACTIVITIES

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| Quarterly Merchandise Trade Data | Q1-2009: 5 Member States  
Q2-2009: 3 Member States. | Web site: Summary data for 2008-2009 for Member States submitting data | Q1-2009: 8 Member States  
Q2-2009: 10 Member States |  | issues |

### 2. Progress of Projects Undertaken by the Secretariat to Enhance the Collection, Compilation and Dissemination of Merchandise Trade Data

<table>
<thead>
<tr>
<th>PROJECTS</th>
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<tr>
<td>Implementation of Correlation Table linking HS2007 and SITC Rev. 4 in trade processing system in Member States</td>
<td>1 Member State has incorporated the Correlation Table in its trade processing system in 2008.</td>
<td>Slow implementation of HS2007 based CET. To date, only four Member States have implemented the revised CET.</td>
<td>Correlation Table can only be used by those countries which have implemented the HS2007 based CET.</td>
</tr>
</tbody>
</table>
| Implementation of Data Submission Protocol in Member States. | Endorsement of Protocol received SCCS and the major stakeholders for trade (Customs Officials and Trade Policy Experts)  
Protocol implemented in four Member |  | Arrangements are being made to present Protocol and other relevant documentation to the Council for Trade and Economic Development (COTED) for further endorsement. This is a requirement as per Project Agreement with the IDB. |
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<td></td>
<td>States:- Grenada, Saint Lucia, Dominica and St. Vincent and the Grenadines</td>
<td>Implementation of Protocol is incorporated in the Project – Enhancing trade information systems in Member States</td>
<td>It was recommended that all data in the database be correlated to the most recent version of the CET, i.e. CET 2007. In this regard, Correlation Tables are being developed by the Secretariat. Facility was designed to allow for one harmonised CET. Tables to be completed in the first quarter of 2010</td>
</tr>
<tr>
<td>Establishment of Online Facility to access the Regional Trade Information System;</td>
<td>Online Facility completed. User and Technical Manuals completed Final Project Report completed</td>
<td></td>
<td>Project is funded by IDB</td>
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<td>Enhancement of Trade Information System in Member States</td>
<td>To date, first phase of the project is completed in four Member States (Grenada, Saint Lucia, Dominica, St. Vincent and the Grenadines) and at the CARICOM Secretariat.</td>
<td>Project was funded under the 9th EDF Work to continue in other Member States for the remainder of the year and the first quarter of 2010 Project includes the Implementation of the Data Submission Protocol.</td>
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<td>Capacity Building in Data Production and Dissemination – Eurotrace Workshop</td>
<td>23 persons from Member States and Associate Members and 4 persons from the Secretariat were trained in the use of the New Eurotrace Software.</td>
<td>Workshop funded under the 9th EDF Eurostat provided and funded the Facilitator of the Workshop.</td>
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