

## **Quality description: Annual publication on foreign trade of goods, CD ROM 2009**

### **1. Relevance of statistics**

#### **1.1 Content and use of statistics**

The essence of the Annual Publication consists in statistics on goods in accordance with the Combined Nomenclature CN of the EU. These detailed statistics indicate which articles are imported and exported, their values and quantities, and the distribution of the trade among the individual countries. This publication indicates the importation of goods according to their countries of origin and dispatch, respectively, and the exportation of goods according to their countries of destination.

The Annual Publication covers also the foreign trade in goods in accordance with the SITC goods classification as per branches of industry, product categories, and main uses. Furthermore, the publication indicates the unit values and volume indexes of foreign trade, total trade turnover, foreign trade according to countries and groups thereof as well as transport and traffic statistics.

Foreign Trade Statistics describes the trade in goods between Finland and the other Member States of the European Union EU (the internal trade) and between Finland and Third Countries (the external trade). These statistics constitute the official source of information on the import, export, and trade balance of Finland. They are an important tool for decision-making, planning, and research undertaken within the public and private sectors, both at the national level and within the EU and numerous international organizations.

#### **1.2 Central concepts and classifications**

Foreign Trade Statistics comprises data relating to the value and quantity of the import and export of goods according to customs headings, countries, and territories. The import statistics are compiled according to the countries of origin and countries of dispatch. The export data are collected according to the countries of destination.

As a rule, all goods exported from and imported to Finland are included in the statistics on the internal and external trade. The inclusion in statistics requires that the goods arrive in or depart from this country physically. On the other hand, it is not important from the viewpoint of statistics whether any payments traffic is involved in the import or export of the goods.

The statistical value of imported goods is the price to be actually paid for the goods. The statistical import value includes the transport and insurance costs until the first crossing point at the Finnish border. The statistical value of export goods is the tax-exempt selling price of the goods. The statistical export value includes the transport and insurance costs until the place of exportation at the Finnish border.

The concepts applied when referring to the trading countries are the country of origin and country of dispatch at import, and the country of destination at export. The country of origin is that country in which the goods were produced or prepared. If the goods were prepared in two or more countries, the country of origin is that country in which the latest important and financially relevant preparation took place. The country of dispatch is that country from which the goods were originally dispatched to be exported to Finland. The country of destination is the latest country known at the time of dispatch to which the goods were to be exported from Finland either direct or through another country.

The Annual Publications apply the following classification criteria:

- EU Combined Nomenclature CN
- Standard International Trade Classification (SITC, rev.4, ex 2007)
- Classification of Products by Activities (CPA2008, ex 2009), CPA2002 in index calculation
- Exports and Imports by Industries (TOL2008)
- Main Industrial Groupings (MIG), according to the main use of goods (based on both CPA2002 and NACE Rev.2 classifications). This product classification is not official.
- Commodity Classification for Transport Statistics in Europe (CSTE)

The country classification is based on the Commission Regulation EC 1833/2006 on the country classification of the statistics on the external Community trade and on the trade between the Member States. The country codes comply with those of the ISO/DIS 3166 standard of the International Organization for Standardization.

### **1.3 Acts and Decrees**

Foreign Trade Statistics is based on the legislation of the European Community and on the national Statistics Act (280/04) and Customs Act (1466/94, amendment 1299/2003) of Finland.

The legislative basis of the EU is divided into two parts; one on the compilation of internal trade statistics and one on the compilation of foreign trade statistics. Furthermore, EU statistics regulation (EC, Euratom) No 1101/2008, which has been repealed and replaced by Regulation (EC) No 223/2009 of the European Parliament and of the Council (in force as of April 1st, 2009), is applied. The commodity nomenclature, which is applied both in internal and foreign trade statistics compilation, is based on Council Regulation (EEC) No 2658/1987 on the tariff and statistical nomenclature and on the Common Customs Tariff. The country classification, which is common for both systems, is based on the aforementioned Commission Regulation (EC 1833/2006).

The Council's basic Regulation (EC) 638/2004, change (EC) No 222/2009, on internal trade statistics provides a methodological base for internal trade statistics; there are regulations on the implementation in Commission Regulation (EC) No 1982/2004, amendment (EC) No 1915/2005.

The Council's basic Regulation (EC) No 1172/1995 contains regulations on statistics regarding foreign trade, i.e. the trade in goods between the Community and its Member Countries with third countries. Commission Regulation (EC) No 1917/2000 provides regulations on the implementation of the basic Regulation on foreign trade statistics. The basic regulation on foreign trade statistics has been amended through Council Regulations (EC) No 476/1997 and (EC) No 374/1998 and the implementation Regulation has been amended through Commission Regulations (EC) No 1669/2001, (EC) No 179/2005 and (EC) No 1949/2005.

When possible, the legislation of the European Community takes the recommendations for statistics on international goods trade by the United Nations Statistics Office (International Merchandise Trade Statistics: Concepts and Definitions, United Nations 1998) into account.

### **2. Method description**

The data on the trade carried on by Finland with the other EU Member States is collected from the statistical declarations provided monthly by importers and exporters through the Intrastat system of the internal trade. The data on the trade between Finland and the Third Countries is obtained from customs declarations, which have to be submitted on every import and export consignment. The data on both the internal and the external trade are put together to form the statistics describing the foreign trade of Finland. On the part of those declarants not obliged to provide statistical values, these values are estimated under the application of heading-specific coefficients which were calculated on such data material involving both statistical and invoice values. Information regarding the liability to lodge a declaration is available in the Intrastat Guidebook issued by the National Board of Customs as well as the manual included in the Annual Publication on Merchandise Trade and at the web site of the National Board of Customs.

### **3. Correctness and accuracy of information**

The monthly published statistics are preliminary. The figures change as the basic material gets completed and elaborated. The monthly figures are supplemented e.g. by the estimated values of the omitted statistical declarations and the performances of companies which failed to achieve the minimum threshold values. Each EU Member State defines its threshold i.e. minimum value of an inclusion in the statistics on the calendar year involved, on the basis of the annual values of import and export by companies.

As a rule, all goods exported from and imported in Finland are recorded to statistics. The prerequisite for the inclusion in statistics is that the goods physically arrive in or depart from the country. By way of exception, water- and aircraft are recorded to statistics upon a change in the status of ownership. Among other things, neither through-transports nor economic measures of insignificant commercial values are included in the statistics. Also the smallest companies are released from the liability to declare statistics on the internal trade. Neither is foreign trade in services recorded to Customs' statistics on foreign trade.

### **4. Up-to-dateness and timeliness of published data**

The statistics on the calendar year are confirmed by the end of August in the following year. The statistics presented in the Annual Publications constitute the definite statistics on the respective year.

The annual publication is published about a year after the end of the year of reference.

### **5. Availability and transparency / clarity of data**

The Annual Publication can be ordered from the customer service of Edita, Tel. +358 20 45005, or at the Internet address <http://netmarket.edita.fi/>.

Further information on foreign trade statistics is available under Foreign Trade Statistics on the web site of Finnish Customs. The site presents e.g. the principles of compiling statistics on foreign trade and lists all the reviews published by the National Board of Customs on the foreign trade of Finland.

Detailed statistical information is also available from the Uljas database (free of charge).

Further information is also available from the Statistics Service at:

- telephone: +358 9 6141 (exchange) or +358 20 690 603 (Statistics Service direct)
- e-mail: [statistics\[at\]tulli.fi](mailto:statistics[at]tulli.fi) (replace [at] in the address with @)
- Internet: <http://www.tulli.fi/>
- Statistical database Uljas: <http://uljas.tulli.fi/>

## **6. Comparability of statistics**

As the goods classifications are subject to changes, it is not possible to compile consistent time series on all articles. The CN classification changes slightly each year, but the other classifications change less often.

Changes in the list on countries restrict the compilation of country-specific time series.

## **7. Clarity and consistency / coherence**

Beside the Foreign Trade Statistics, statistical data on foreign trade may also be obtained from the National Accounts of the Statistics Finland and the Balance of Trade statistics of the Bank of Finland.

Statistics on the international trade of other countries are also accessible at the Statistics Service.

Further information on the foreign trade by the EU Member States is obtainable from the publications, web site, and Easy Comext database of Eurostat. The database can be consulted through Internet free of charge.

The foreign trade statistics compiled by the UN (the COMTRADE database) are accessible free of charge at the Internet site of the UN.

The dissimilarities of the concepts and definitions applied by the EU Member States and their most important trading partners may affect the comparability of statistics.