

16.B

Merchandise Tariff Data

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16.B.1 World Integrated Trade Solution Software

The World Integrated Trade Solution (WITS) software, a new trade data delivery system, contains import and export data from the United Nations COMTRADE data base and tariff rates and non-tariff barriers from UNCTAD's TRAINS data base. WITS allows users to:

- view data by various product classifications, reporting country, direction of trade flow, product, or year
- create and save queries for multiple countries, products, years, and flows
- check data availability by country and product classification
- create own country and product groups
- calculate simple averages or weighted tariffs rates
- extract data in Excel format, and
- update WITS system with new software components.

The Trade Analysis and Information System (TRAIS) component of WITS contains information from UNCTAD's data base on Trade Control Measures combined in an integrated

manner with other relevant trade information components such as import statistics by origin. The WITS/TRAINS software is designed to render compatible the presentation and analysis of several data bases by utilizing the Harmonized Commodity Description and Coding System (HS), comprising more than five thousand basic items, as the common classification.

The information on the UNCTAD data base on Trade Control Measures is collected from governmental sources, official journals and circulars, and are continuously reviewed in order to identify changes in trade practices and restrictions. Many governmental authorities have contributed to the data base by making comments and submitting information on trade laws or by verifying the information compiled by the secretariat. Moreover, several secretariats of intergovernmental institutions, e.g. ALADI, CARICOM, CEMAC, SAARC, SADC, SIECA, and UDEAC have contributed to the maintenance of the data base through the interactive TRAINS dissemination program.

Relevant documents, such as customs tariffs, lists of goods under quantitative restrictions, etc., are classified according to type of measure and stored in documentation files for classification and further processing. For classification of measures included in the data base, the UNCTAD secretariat has developed a coding system consisting of more than 100 different measures. Measures are classified into broad categories according to their nature. Within the broad categories, they are further subdivided, as far as possible, according to their objectives. Among the broad categories is the Tariff Measure category. It includes MFN rates as well as preferential rates as extended by many countries to their trading partners. The data base contains elaborated information on the Generalized System of Preferences (GSP) as one particular preferential tariff measure, enabling beneficiaries to have easy access to full details of GSP schemes including quantitative restrictions and rules of origin associated with the GSP rates. Para-Tariff Measures, such as customs surcharges and surtaxes, which increase the cost of imports in a way similar to tariffs, are also distinguished as a category.

All the other import measures are known as Non-Tariff Measures (NTMs). Within the NTMs there is a broad category of Price Control Measures which is intended to ensure that imported goods are not sold below a certain price level. The Finance Measures category comprises the measures which restrain access to or increase the cost of foreign exchange for imports or which have an impact on the import cost through the advance payment requirements. The category of Quantity Control Measures comprises non-automatic licensing, quotas, prohibitions, export restraint arrangements and enterprise-specific restrictions. Next are distinguished Monopolistic Measures that require imports to pass through a limited number of channels or that oblige the importers to contract certain national services. Finally, there is a broad category of Technical Measures which require imports to comply with technical characteristics and standards.

The Coding System has been recently adjusted to cope more appropriately with environmental regulations by introducing the corresponding specific objectives for the measures regarding sensitive product categories.

The information on Tariff and Para-Tariff Measures is included with corresponding rates in percentage and is supplemented, when available, by additional information such as beneficiary countries for a preferential rate and non-ad valorem rates in text form. NTMs are entered at relevant tariff lines with the corresponding classification code, date of its entry into force, as well as the source of information and, if available, any further information on the measure such as precise product coverage and specific nature of the measure.

As of March 2001, the data base contains tariff data for 119 countries of which 72 are of 1999 or 2000 as most recent available year. NTMs of 43 countries are updated to 1999.

Some of the features/functions available in WITS are listed below.

- COMTRADE by Product provides trade values and quantities by a specific product for range of countries and periods.
- COMTRADE by Country/Period allows users to view information on all of the products traded between two countries for a specific year.
- Trains-Trade, Tariffs, NTBs allows one to view information on tariffs and non-tariff barriers applied to every single product by one market and year at a time.
- Custom Query option allows users to create customized queries with various countries, products, partners, trade flows and years. It allows them to view the results, change the orientation of the data, and save it for future use.
- Data Catalog option allows users to view data availability from existing sources.
- Nomenclatures option allows users to view various product classifications within the system. It gives a comprehensive list of product lines within each product classification. This option provides information on:

SITC revision 1 (stands for Standard International Trade Classification used by the United Nations) - It is a statistical classification of the commodities entering external trade designed to provide the commodity aggregates needed for purposes of economic analysis and to facilitate the international comparison of trade-by-commodity data. the data starts as early as 1962.

SITC revision 2 - with data starting in 1976.

SITC revision 3 - with data starting in 1986.

HS 1988/92 (H0) (stands for Harmonized System Classification) - This nomenclature is broadly based on the CCC (Customs Cooperation Council Nomenclature) and the SITC revision 3 but it also takes into account some aspect of the TSUS (national tariff of the United States) and the Canadian nomenclature. The Harmonized System was developed not only for customs purposes but also for the collection of trade statistics and for all kinds of transactions in international trade (transport, insurance, etc). For the purpose of tariff classification, the Harmonized System also provides a legal and logical structure

within which a total of 1,241 headings are grouped in 96 chapters, themselves divided into 21 sections. This version of HS started in 1986 with data starting on the same year. HS 1996 - revised version of the HS 1988 classification, with data starting in 1996.

For information on accessing the WITS system, contact Jerzy Rozanski at jrozanski@worldbank.org. To access the TRAINS data on the Internet or purchase the CD-ROM, please contact Aki Kuwahara at aki.kuwahara@unctad.org.

Starting July 2001, one can also check the <http://wits.worldbank.org> site for more up-to-date information regarding the WITS system. Visitors can also access our external data site by using the <http://www.worldbank.org/data/> address. This site contains various tables from World Development Indicators (WDI), including trade tables, at-a-glance tables for various countries, and a data query system related to the WDI's socio-economic data.

16.B.2 WITS Data for GTAP 5

This section reports on the structure of the WITS data set contributed to GTAP 5. The data set contains bilateral information on 118 distinct country importers and 238 distinct partner countries (exporters) for 43 GTAP commodities. Although the tariff data is for 1997 for most countries, due to data availability constraints, the data actually ranges from 1992 (for Brunei) to 2000 (for several countries). All data are in given in Most Favored Nation (MFN) basis and not as effectively applied, including preferential, rates.

Table 16.B.1 lists the data fields in the tariff data set. The fields “Reporter” through “Duty Type” define dimensions of the data. All the other columns contain additive, interim measures that can be used to calculate final tariff indicators, as may be required.

Table 16.B.1 Data Fields in the Merchandise Tariff Data Set

Displayed Title	Internal Column Name	Description
Reporter	RepCode	Reporter code
Year	TrfYear	Year for which tariff measures are calculated
Trade Year	TrdYear	Year for trade data
Weight Code	WghtCode	A code which defines the weights. rrrr <- pppp indicates imports of rrrr (Reporter country/group of countries) from pppp (Partner country/group of countries) used as weights
Nomenclature	DestNomenCode	Nomenclature in which products have been selected
Product	ProdAggrCode	Product code (can be a single HS code or any product group composed of many HS codes as defined by user)
Original Nomenclature	NativeNomenCode	Nomenclature in which native (raw) tariffs and trade are recorded
Partner	RegionCode	Partner country or group of countries whose trade was used for weighting (at present the same as WghtCode above)
Data Source	DataSource	Data source code: TRN means UNCTAD's TRAINS data base, WTO means WTO Integrated Data base
Duty Type	DutyType	Type of duties: AHS – Effectively applied rates, taking into consideration applicable (and available) preferential rates, based on HS 6-digit tariffs fact table. MHS – MFN rates based on HS 6-digit tariffs fact table
Simple Mean	SAvg	Simple average for a selected product group calculated from tariff line level
Compound Mean	SAvgOfSAvgs	Simple average for a selected product group calculated from simple average at HS 6-digit level
Weighted Mean	WghtAvg	Weighted average for a selected product group calculated from simple average and selected weights at HS 6-digit level
Variance	Variance	Variance from the Simple Mean
Standard Deviation	SDev	Standard Deviation from the Simple Mean
Sum of Rates	Sum_Of_Rates	Sum of all rates that belong to a selected product group
Sum of HS6 Averages	Sum_Of_SAvgRates	Sum of simple average tariff rates calculated for each HS 6-digit code. The formula: Sum_Of_SAvgRates / Count_Of_SAvgRates_Cases is used to calculate the actual simple rate.
Number of HS6 codes	Count_Of_SAvgRates_Cases	Number of HS 6-digit codes for which non-null averages are calculated (i.e. at least one tariff line with ad valorem rate)
Sum of squared rates	Sum_Of_Squared_Rates	Sum of squared rates. Allows calculating variance and standard deviation in conjunction with other additive measures

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Table 16.B.1 Data Fields in the Merchandise Tariff Data Set (Contd)

Displayed Title	Internal Column Name	Description
Minimum	Min_Rate	Minimum tariff rate within a given product group
Maximum	Max_Rate	Maximum tariff rate within a given product group
Number of AVE lines	Nbr_AVE_Lines	Number of tariff lines with non ad-valorem rates for which AVEs have been calculated. At present no AVEs are available yet. When present, they will eliminate items falling into Nbr_NA_Lines
Number of NA lines	Nbr_NA_Lines	Number of tariff lines with missing (not available) duties. Reflects cases of specific and other non-ad valorem rates for which AVEs are not available
Number of Duty-free lines	Nbr_Free_Lines	Number of duty-free lines
Number of Dutiable lines	Nbr_Dutiable_Lines	Number of dutiable tariff lines
Number of tariff lines	Nbr_Total_Lines	Number of all tariff lines (this is redundant column)
Number of Domestic Peaks	Nbr_DomesticPeaks	Number of tariff lines for which rates are higher than 3 times the simple average for all items
Number of Peaks	Nbr_InternationalPeaks	Number of tariff lines for which rates are higher than 15%
0% to 5%	CountTL_0_to_5	Number of tariff lines for which rates fall between 0 and 5% ($0 \leq \text{Rate} < 5$)
5% to 10%	CountTL_5_to_10	Number of tariff lines for which rates fall between 5 and 10% ($5 \leq \text{Rate} < 10$)
10% to 20%	CountTL_10_to_20	Number of tariff lines for which rates fall between 10 and 20% ($10 \leq \text{Rate} < 20$)
20% to 50%	CountTL_20_to_50	Number of tariff lines for which rates fall between 20 and 50% ($20 \leq \text{Rate} < 50$)
50% to 100%	CountTL_50_to_100	Number of tariff lines for which rates fall between 50 and 100% ($50 \leq \text{Rate} < 100$)
Over 100%	CountTL_more_than_100	Number of tariff lines for which rates are above 100% ($100 \leq \text{Rate}$)
Sum of (Rate x Weight)	SumRateByWghtTrdValue	Simple average tariff rates multiplied by value of imports (weights) at each HS 6-digit, summed over all HS 6-digits selected (used for weighting)
Sum of Weights	SumWghtTrdValue4NotNull	Sum of import values used as weights (i.e. Sum of values at HS 6-digit for which corresponding tariff rates are available)
Sum of Imports	SumTrdValue	Sum of all imports for a selected product group, including those HS 6-digit items where corresponding tariff rates are not available