

Seminar Questions

Session 1 - Understanding Foreign Trade Data (Commodity Analysis Branch)

Question 1: Is Guam part of U.S. Territory?

A: Yes, U.S. territories refers to those listed in Schedule C, Classification of Country and Territory Designations for U.S. Foreign Trade Statistics, the Schedule C is available at

<http://www.census.gov/foreign-trade/schedules/c/countrycode.html#9>

Although part of the U.S. territory, Guam is not part of the U.S. Customs Territory. According to General Note 2 of the HTSUSA the term “customs territory of the United States” includes only the 50 states, the District of Columbia and Puerto Rico. For statistical purposes, however, the Census Bureau includes foreign trade zones and the U.S. Virgin Islands, as well as the entire U.S. Customs Territory as part of the United States. (That is trade between foreign countries and the Virgin Islands will be reflected in the imports and export statistics, trade between the United States and the Virgin Islands will not.)

Question 2: What is meant by non-statistical?

A: Non-statistical (or non-stat) items are not included in the published statistics.

According to the *Guide to Foreign Trade Statistics* (<http://www.census.gov/foreign-trade/guide/index.html>) the following list are examples of types of transactions that are excluded from the merchandise trade balance:

- United States trade with U.S. possessions, trade between U.S. possessions, and trade between U.S. possessions and foreign countries (except Puerto Rico and the U.S. Virgin Islands).
- Merchandise shipped in-transit under bond through the United States from one foreign country to another.
- Shipments to the U.S. Armed Forces, including post exchanges, for their own use, as well as U.S. merchandise returned by the U.S. Armed Forces for their own use.
- Monetary gold and silver.
- Issued monetary coins (in current circulation) of all component metals.
- Bunker fuels and other supplies and equipment for use on departing vessels, planes, or other carriers engaged in foreign trade.
- Shipments of furniture, equipment and supplies to U.S. government agencies as well as such merchandise when returned to the United States.

- Imports of articles repaired under warranty.
- Some other transactions not considered to be of statistical importance, such as shipments of personal and household effects of travelers and certain temporary exports and imports.

Question 3: Does the Census Bureau have statistics on trade with Puerto Rico?

A: Yes. Statistics are separately published covering shipments 1) between the United States and Puerto Rico, 2) between the United States (including Puerto Rico) and the U.S. Virgin Islands, and 3) from other U.S. possessions to the United States. U.S. possessions refer to those listed in Schedule C, Classification of Country and Territory Designations for U.S. Foreign Trade Statistics.

The annual report *U.S. Trade with Puerto Rico and U.S. Possessions* is available on our website at <http://www.census.gov/prod/www/abs/ftdpr895.html>

Question 4: Are personal shipments included in the “Related vs. Non-related” statistics?

A: No, personal items are non-statistical. The statistics on related party trade provides statistics on transactions where one party controls 6 percent or more (imports) or 10 percent or more (exports) of the other party to the transaction.

Question 5: Does the Census Bureau collect data if a shipment comes into a bonded warehouse and goes out as a foreign export?

A: Yes, when the shipment is entered into the warehouse it is included in General Imports. If the goods were re-exported without being changed, they would be included in the export statistics as foreign exports. Normally, foreign exports (also known as re-exports) are simply included in total exports. However, domestic vs. foreign exports are broken out separately in several FT 900 exhibits. Data on foreign exports may also be obtained from our Trade Data office on 301.763.2311.

Question 6: How does the Census Bureau handle imports for export entries?

A: There are several categories that could be considered “imports for export.” In most cases, if the import is expected to be temporary we would not include it in our statistics. Goods of U.S. origin or foreign goods previously entered into the United States that are returned for repair and return, are not included in statistics, however, when exported the value of the alteration or repair would be included in the export statistics.

Items temporarily imported under bond (entry type 23) classified in HTSUSA number 9813.00.0520 (temporary imports of articles to be repaired, altered or processed) are included in our statistics, however. As recommended in the U.N. statistical guidelines, these goods are included in both General Imports and Imports for Consumption at the

time of entry. When reexported, they are reported as exports. This ensures that the value added in the United States appears in the balance of payments and national accounts.

Question 7: Does the Automated Commercial System (ACS) cover 100% of entries?

A: No, ACS does not capture entries when the importer elects to file a paper form or FTZ admission or if the transaction is of a type that cannot be reported via ACS.

Question 8: Are there manual entries that do not make it into ACS?

A: Yes, paper and FTZ entries are not currently included in ACS.

Question 9: Does the Census Bureau collect services data?

A: No, that information is available from the Bureau of Economic Analysis (<http://www.bea.gov/>)

Session 2 - ACS and Automated Export System (AES) Raw Data Versus Census Statistics (Methods Research and Quality Assurance Branch)

Questions 10: Why do imports have two exemption levels?

A: The existence of an exemption level is established by law, and U.S. Customs and Border Protection (CBP) agency establishes them by regulation. The current exemption levels are \$2,000 and \$250. The exemption level of \$250 typically has typically been used for quota items and other sensitive commodities.

Question 11: Does export data for Canada include transshipments through Canada to Europe?

A: U.S. goods exported to Europe through Canadian ports should be reported as U.S. exports to Europe, and be shown as such in the trade statistics.

Question 12: What is the range of discrepancy for correction data?

A: Overall, the level of revisions is very small. Total value for the year typically changes by only a tenth of a percent. For an individual transaction, in contrast the difference between original data and correction data can be large. A filer could mistakenly report an HTS number in the value field, e.g., \$9,897,964,321; and then report a correction value of \$10,000.

Question 13: What methodology does the Census Bureau use for imputing the Foreign Port code?

A: If the shipment value is less than \$500,000, the Census Bureau uses the foreign port with the largest value in trade for the country reported by the filer. Transactions valued over \$500,000 that are missing a foreign port are resolved by an analyst. Please note, however, that due to online edits on data reported electronically, very few records are now received without a valid foreign port code.

Session 3 - The United States – Canada Data Exchange (Process Coordination Staff)

Question 14: Does the Census Bureau collect data on oil and gas that comes through a pipeline?

A: Yes, the Census Bureau does collect data on oil and gas that comes through a pipeline. For imports, we receive data on pipeline shipments of oil and gas from CBP. **For imports of natural gas from Canada, the data received from CBP is replaced with information provided by Statistics Canada.** For exports, data on pipeline shipments of oil and gas are reported through either our Automated Export System (AES) or from the Shipper's Export Declaration (SED) filed by the exporter.

Session 4 - Goods, Tariffs, and Country of Origin (Special Projects Branch)

Question 15: Can bonds be longer than 30 days?

A: According to information from the CBP website, if an importer wished to extend the 30 days period for having his merchandise clear the country, he may file for a continuous bond before the 30 days ends. A continuous bond stays in effect until U.S. Customs is informed in writing to cancel it. They renew automatically every year, but an annual premium must be paid. The cost of the continuous bond is determined by the value of the shipment: \$10.00 per \$1,000 of the value plus a filing fee of \$50.00. To be eligible for a continuous bond, the cargo must be valued at \$50,000, as determined by U.S. Customs.

Question 16: How often do non-bonded transactions occur?

A: (This question relates to the section of the presentation describing how, particularly for imports from Canada, goods that are merely transiting the United States (such as Canadian overland shipments to Mexico) may either be shipped under bond (in which case they do not appear in U.S. statistics) or they may be entered as U.S. imports and reexported upon their departure.) There is no way to identify these shipments in our statistics, so we cannot provide an estimate. Anecdotal evidence indicates that the practice of entering the goods, rather than shipping under bond, is fairly common. There is no tariff on eighty percent of the goods in the HTSUSA (for Canadian goods, there is

neither tariff nor merchandise processing fee). Entering the goods also allows them to avoid the administrative difficulties (i.e. red tape) of securing a bond from U.S. Customs.

Question 17: How often do shipments occur where country of shipment does not match 'country of origin'?

A: At the total level, most trade shows the same country of shipment and country of origin. However, the practice of shipping goods from something other than the country of origin varies greatly by product area and partner country. For example, many goods of Chinese origin are exported from Hong Kong. Likewise some product areas, such as semiconductors, exhibit significant higher levels of "indirect trade," than others.

Session 5 - Transportation and Port Data (Methods Research and Quality Assurance Branch)

Question 18: What is the District of Entry?

A: It is the district where goods are entered under an entry or released under an immediate delivery permit.

Question 19: What is the difference between Port of Unlading and District of Entry?

A: The district of entry is the district where goods are entered under an entry or released under an immediate delivery permit. The port of unlading is where the goods are unladen from the importing vessel or aircraft.

Question 20: Are there statistics for shipments not allowed in the country? If so, where are they?

A: The Census Bureau receives information only on shipments released or admitted by CBP. CBP has some information (such as seizures) on its web site.

Session 6 - State Data (Special Projects Branch)

Question 21: Who would be the user of this information since it does not show the production origin of the goods?

A: The state data series was originated at the request of people interested in how goods are transported. Thus, the state of origin of movement, while not exact due to the practice of consolidation or shipping from a non-company warehouse fit their need. The data are also used by businesses and state governments. In addition, analysts in the private and public sectors examining monthly trends in exports for specific states, distribution of exports per state, use trade totals as the response variable in econometric modeling.

Question 22: Is Census only collecting and disseminating data from the states of origin of movements?

A: Yes. We have revised our regulations to specify that exporters should use the location from which the goods began their shipment to the point of exportation as their exporter address (previously, we left it to the company as to which address to report). We will begin making tabulations based upon the exporters' ZIP codes available effective with January 2006 statistics and hope to introduce more detailed information (such as by metropolitan area), by the end of the year.

Question 23: How do you determine the state of origin?

A: We collect the 2-character postal abbreviation for the state from which the shipment started its journey to the port of export on the Automated Export System and Shipper's Export Declaration. We also collect the exporter's name and address from which we extract the ZIP code for use in compiling more detailed statistics, such as the planned metropolitan area series.

Question 24: Can you find out from the state of origin data where the product is transshipped?

A: No. If a shipment goes from one location to another (such as from a warehouse in Delaware) to an intermediate location where the goods are put onto the carrier that will take them to the port of export (in, say, Maryland), the company is supposed to report the state where they began their journey to the port of export (in this case, Delaware). If, however, the goods were consolidated in Maryland, with goods from several locations put together into a single shipment, the filer is supposed to report the location from which the highest value of goods originated. And, if goods from Delaware (and other locations) were warehoused in Maryland, then exported through New York, Maryland would be the state of origin of movement.

Questions 25: How much commodity detail is present in the OM state?

A: On exhibit 2, in the FT-900 Supplement, the state trade data is mainly broken down into manufactured and non-manufactured commodities based on NAICS product codes.

Other data products contain more detail. On a monthly basis, the World Trade Atlas presents data by 6-digit HS code by country of destination. There is a subscription fee for this product. Annual data by 1) state by country and 2) state by commodity (top 25 6-digit Schedule B codes only) are available free on our web site.

<http://www.census.gov/foreign-trade/statistics/state/index.html>

Session 7 - Exporter Profile (Special Projects Branch)

Question 26: How often is this data taken?

A: The Exporter Profile is an annual publication.

Question 27: How do you define small, medium, or large sized export companies?

A: We define company size by the number of employees.

Small 0-99 employees
Medium 100-499 employees
Large 500 or more employees

Question 28: How is this data aggregated?

A: The data is received throughout the data year through the Automated Export System (AES), the Canadian Data Exchange, and Shipper's Export Declarations (SED). Once all of the export records are received for an entire data year, we match the export records to the data year's Business Register. After the matching, we create tables detailing exports by company size, company type, export countries, and other detailed breakdowns.

Special tabulations are available upon request for a fee.

Question 29: Is there a match by the type of firm and the type of product produced?

A: We currently publish tables based on company types, but not by the types of products produced.

Question 30: Is this data released as a press release or pdf publication?

A: This data is released as a pdf publication which is available on our website. You can find it at the following address:

<http://www.census.gov/foreign-trade/aip/index.html#profile>

Question 31: How do you come up with your universe of exporters?

A: We attempt to match all of the export records to the Business Register. The Business Register contains company ownership information (that is, which Employer Identification Numbers belong to the same parent company). By linking all of the export records to the Business Register, we are able to determine the number of unique companies that export. Note that this number may be understated due to the inability to match some export records.

Session 8 - Quality Issues (Methods Research and Quality Assurance Branch)

Question 32: Are shipping containers included in statistics?

A: The Tariff Act of 1930 (19 USC 1322 (a)) defines U.S. Customs and Border Protection designates such items as lift vans, cargo vans, shipping tanks, pallets and certain articles used to ship goods internationally as *instruments of international traffic*. So long as this designation applies, these articles are not subject to entry or duty when they arrive, whether they are loaded or empty. Instruments of international traffic are excluded from statistics under the United Nations guidelines for merchandise trade statistics (<http://unstats.un.org/unsd/trade/methodology.htm>).

Question 33: Is the misreporting/misclassification of commodities a quality issue?

A: The misreporting or misclassification of commodities is a quality issue because filers do not always find the proper classification. Both CBP and the Census Bureau work to detect and correct as many of these cases as possible through data edits and review and by contacting the filers, when necessary. However, data users should take the possibility of misclassification into account (perhaps by looking at other, similar products) when analyzing the trade data.

Question 34: Do you work with Customs to try and improve quality issues with data?

A: Yes, for example, we participate in coverage surveys to identify when statistical documentation was not filed. We also work closely with customs to develop and implement electronic data reporting systems, such as AES and ACE, that improve our ability to detect reporting errors and send messages immediately back to filers for correction.

Question 35: How do you know how to pinpoint the issues?

A: We identify potential quality issues in several ways. One is through our analysis of the data. Investigation into unusual patterns in the data may uncover a data quality issue. We also receive requests for investigations from private industry and other government agencies that likewise may uncover data quality issues. And we keep up with articles in the trade press and participate in trade seminars to identify issues with the potential to affect our statistics.

Question 36: How do you know that people are not deliberately reporting a lower value to avoid paying a higher tariff?

A: It is difficult to identify deliberate undervaluation. We edit transaction values for reasonability and perform various checks on values summarized by company, filer, commodity code and other aggregations to detect possible errors. CBP also conducts

compliance checks that may detect or deter undervaluation. But, to a large extent, as with any other data collection effort, we depend upon filers to report correctly.

Question 37: What is the difference between the CIF Value and the Customs Value, and what effect does that have on charges?

A: CIF Value represents the landed value at the first port of arrival and is the “Import Charges” plus “Customs Value”. The “Import Charges” is the insurance, freight and other charges associated with a shipment. CIF value does not include U.S. Import Duties. The Customs Value is the value of the import as appraised by the U.S. Customs Service and is the price actually paid or payable for the merchandise, excluding U.S. import duties, freight, insurance, and other charges. Import charges are not affected by the difference in these two values. The difference between the two is that CIF Value includes the Import Charges and the Customs Value does not.

Session 9 - Overview, Website, DVD, and USA Trade Online (Data Dissemination Branch)

Question 38: Can we compare Customs data with this core data?

A: Yes, if you keep the differences between the two data sets in mind. Foreign Trade data goes through several edit processes that Customs data does not. In addition, the CBP data you may have access to through the portal includes all entry types. Users should not expect the two sets of data to match exactly. However, the Census Bureau rarely changes the reported values for imports, so if the values are off by much and there are no obviously wrong values, there could be a problem in the analysis, such as inclusion of overlapping entry type codes.

Question 39: How much are the DVD's that you produce?

A: Single issue: \$150
Quarterly subscription (4 issues): \$500
Annual subscription (12 issues): \$1,200
U.S. Imports History, or U.S. Exports History: \$150. This DVD is free to subscribers.

Question 40: Is the Business Register on your website?

A: No, the business register is confidential and not available to the public.

Question 41: How do you access exporter profiler information?

A: Through the U.S. Profile of Exporting Companies available on the Foreign Trade Division website (<http://www.census.gov/foreign-trade/aip/index.html#profile>)

Question 42: Why isn't port data on the DVD?

A: The DVD contains data at the 10-digit HS level. For disclosure purposes, we do not release port data at the 10-digit level.

Question 43: Is there anything on the DVD that defines what the specific fields are?

A: There are several text files on the DVDs in the "Document" folder which contain data definitions and other documentation. Specifically, the files FL-IMP.ASC (on the import DVD) and FL_EXP.ASC (on the export DVD) contain data structures and definitions for each file on the DVD.

Question 44: Can other programs besides Microsoft Access access the information on the DVD?

A: Data files on the DVD are in dBase format, which should be compatible with almost any spreadsheet or database software.

Question 45: Is company information visible on USA Trade Online?

A: No, there is no company information available on USA Trade Online (or any other Foreign Trade Division data product.)

Question 46: Are you able to sort the downloaded data on the website (ascending/descending)?

A: Yes, data in USA Trade Online can be sorted on any column.

Question 47: Do other agencies have access to this website or is there a fee?

Agencies outside of the Census Bureau and International Trade Administration will need to purchase access to USA Trade Online for a nominal fee. Call the Data Dissemination Branch on 301-763-2311 for more information.

Employees of the International Trade Administration have access through DOC Insider. For ITA employees outside of the U.S. Foreign and Commercial Service, some set-up may be required. Call x1986 or x3429, for assistance.

Question 48: Can you pull the HS number by NAICS grouping?

A: USA Trade Online uses HS classification only. Users would need to use the concordance files to convert to NAICS (<http://www.census.gov/foreign-trade/reference/codes/index.html#concordance>)

Question 49: How does the data on this site differ from World Trade Atlas (WTA) data?

A: GTIS purchases data from the Foreign Trade Division for use in their World Trade Atlas applications.

Question 50: How can I access USA Trade Online or the DVDs?

A: USA Trade Online is available at www.usatradeonline.gov. DVDs can be purchased through the Census Bureau's Marketing Services office (click the "Catalog" link on www.census.gov or call 301-763-INFO) USA Trade Online and all DVDs should also be available at all Federal Depository Libraries.

Question 51: Is the second unit of quantity available on the DVD?

A: Yes, second unit of quantity is on the DVD. It is not on USA Trade Online.

Question 52: Why is the value of imports for consumption for some codes consistently larger than the value of general imports?

A: The primary cause of this relates to the use of Foreign Trade Zones. When goods are withdrawn from a zone, the importer has the option to enter them either at the duty rate (and classification) that applied when they were admitted into the zone or the rate that applies when withdrawn. FTD staff examined some of the product areas identified by the person who raised this question. They found that, imports for consumption is greater than for general import because of changes that occur within a zone. For example, in chapter 25, the difference came from two 10-digit numbers (HTS 2503.00.0010 & 2503.00.0090) that are by-products of petroleum processing. In order for this to occur, the goods are admitted into the FTZ as "non-privileged," which means that when withdrawn for consumption they are classified (and assessed duty) based upon the commodity that exits the zone. So, the goods would be reflected in General Imports based upon their classification (in Chapter 27) when they entered the zone and would be reflected in Imports for Consumption (under Chapter 25). These discrepancies resulting from zone operations can occur within a chapter or can cross chapters as in the example above.

Questions after the Seminar

Question 53: I am looking to reconcile differences between data extracted from ACE and the Census data. It seems that the monthly totals are off--but the differences are very similar from one month to the next (e.g. the data in the SIMA database for steel is higher for one month and then Census is roughly higher for the next). Could this be a function of the statistical month and data being held over to the next month?

A: Your "expected date of import" may correspond more nearly to our "date of import" than our "date of release" (DOR). The data of release defines the statistical month for that record. A May DOR record goes into May statistics, unless it arrives too late in our processing cycle; if late, it will go into June statistics. We call late records carryover. At the end of the year, for our annual revision, we move all carryover records back to their correct statistical month.