

Methodology and Quality Report of International

**Trade Statistics** 

<u>V-3.0</u> Quality Management



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# 1. Contact

1.1.	Contact organization	General Authority for Statistics
1.2.	Contact organization unit	Business, Investment, and International Trade Statistics Department
1.3.	Contact person function	Director of Business, Investment, and International Trade Statistics Department
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1.5.	Contact email address	info@stats.gov.sa
1.6.	Contact phone number	199009

# 2. Methodology and Quality Update

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# 3. Statistical Presentation

## 3.1. Data description

The International Trade Report presents data on export and import statistics in Saudi Arabia.

The International Trade Report is a record data that is collected, processed, and classified around the main characteristics as follows:

• Goods code and goods description.



- Value of goods and the quantity and weight of goods.
- Country of origin in imports and country of destination in exports.

#### Data is also used to display:

- Exports of the Kingdom.
- Imports of the Kingdom.
- Trade exchange between the Kingdom and its partners.
- Trade size and trade balance.
- Re-export.
- The most important countries to which goods are exported and from which goods are imported.
- The most important goods exported and received.

## 3.2. Classification system

Classification is defined as an ordered set of relevant categories used to group data according to similarity, and classification forms the basis for data collection and dissemination in various statistical fields, such as: (economic activity, products, expenditures, occupations, or health, etc.) The classification of data and information allows for organizing it into meaningful categories to produce useful statistics. Data collection requires precise and systematic arrangement according to common characteristics to ensure that the statistics are reliable and comparable. Commodity export and import statistics for Saudi Arabia adhere to international standards in data collection and classification. These statistics rely on the Harmonized System (HS 2022) issued by the World Customs Organization (WCO) for classification and categorization. The Harmonized System is a table for describing and categorizing goods, including sub-items, numerical codes, sections, and chapters, in accordance with the Harmonized System Convention signed in Brussels.

#### Other classifications:

**Standard International Trade Classification (SITC):** It is a classification of goods used to classify exports and imports in a country in order to compare different countries and years. It is currently in the fourth revision, issued in 2006, and is issued by the United Nations.

**Broad Economic Categories Classification (BEC):** It is a three-house classification, which groups transported goods according to their main end use. It is often used in the general economic analysis of international merchandise trade data, as well as the Standard International Trade Classification. The original version was published in 1971, revised in 1976 and 1986, and most recently in 1988.



**(ISIC4)** International Standard Industrial Classification of Economic Activities, Fourth Revision: It is the international reference classification of productive activities issued by the Economic and Social Council of the United Nations. The main purpose of this classification is to provide a set of sections, groups, branches, and categories of activities that can be used to collect and publish statistics by economic activities.

#### Classification of countries:

The countries are classified into groups of countries by continents or by common elements as follows:

- GCC Countries.
- Arab countries except the GCC countries.
- Islamic countries except Arab.
- Asian countries except Arab and Islamic countries.
- African countries except Arab and Islamic countries.
- Countries of Australia and the Pacific part.
- Countries of North America.
- Countries of South America.
- Countries of the European Union.
- Countries of Europe except countries of the European Union.

### 3.3. Sector coverage

The International Trade Report covers all economic activities.

### 3.4. Statistical concepts and definitions

#### Terminologies and concepts of International Trade Statistics:

• Exports (Total):

Exports consist of exports of domestic goods (national exports) and exports of foreign goods (re-exports), and the valuation is based on the basis of delivery on board (FOB).

• National exports:

According to the international trade system, it means all goods intended for export outside the Kingdom, which were entirely produced or manufactured locally, or which underwent an industrial process that changed their shape and value.



• Re-export:

These are goods that were previously imported and were subjected to all customs procedures and were re-exported without a clear modification being made to them.

• Oil exports:

These are exports of goods classified under Chapter 27 (Mineral fuels, mineral oils, and their products, bituminous substances, mineral waxes) of the Harmonized System (HS).

• Non-oil exports:

Total exports minus exports of goods classified under Chapter 27 (mineral fuels, mineral oils, and their distillation products, bituminous substances, mineral waxes) of the Harmonized System (HS).

• Imports of good:

t refers to all goods entering the country in order to meet its local needs after undergoing customs procedures, and the evaluation is based on the cost, insurance, and freight (CIF) basis.

• Trade volume:

It is the sum of the value of exports and imports over a given period of time.

• Trade balance:

It is the difference between the value of exports and imports during a certain period of time.

• Countries:

It is the origin of goods for import statistics and the final destination for export statistics.

• Country groups:

Countries are classified geographically according to continents or according to international organizations, federations, and associations.

• Partner country:

It is the country that engages in economic transactions with the Kingdom, from which exports are made and imports are received. Based on these transactions, the value of exports and imports, the volume of trade between the two countries, the trade balance, and the most important exported and imported goods are estimated.



• Port of Entry:

It refers to the port through which goods and commodities pass for customs clearance.

• Means of transportation:

This means the inference of a pattern or means of determining whether transport has taken place by air, land, or sea.

• Country of origin of goods:

It refers to the country of origin for agricultural and animal products, the country where the final stage of production occurred for manufactured goods, and for raw materials, the country that extracted these materials from its mines.

• Year of comparison:

The year or period in which prices are attributed to the prices of the base year for the purpose of price change, the comparison year is called the major year.

• Net weight:

Means the full weight of the goods excluding the weight of the packaging materials.

• The existing weight:

Means the full weight of the goods including the weight of the packaging materials.

• Monthly change:

Change from the previous month.

• Quarterly change:

Change from the previous quarter.

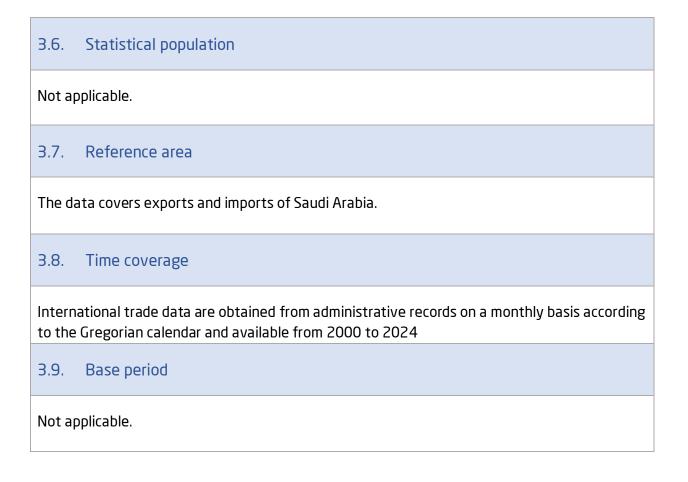
• Annual change:

Change from the previous year.

3.5. Statistical unit

Not applicable.





## 4. Unit of measure

Any quantity of a commodity is expressed in net weight. In addition, there are some commodities and items whose quantities are expressed in numbers, as the nature of some commodities requires their numbers to be stated: (Such as sheep, cars, watches, and the like) in addition to their weight in kilograms, and the value is in Saudi riyals.

# 5. Reference period

The data obtained are assigned to the Gregorian month of the reporting period.



# 6. Confidentiality

## 6.1. Confidentiality - policy

According to the Royal Decree No. 23 dated 07-12-1397, data must always be kept confidential, and must be used by GASTAT only for statistical purposes.

Therefore, the data are protected in the data servers of the Authority.

## 6.2. Confidentiality - data treatment

Data are displayed in appropriate tables to facilitate its summarization, comprehension, results extraction. comparison with other data and coming up with statistical connotations for the study community. It is also easier to check tables without the need to see any sensitive or confidential data, which violates the confidentiality of statistical data.

# 7. Release policy

## 7.1. Release calendar

The International Trade report has been included in the statistical calendar.

### 7.2. Release calendar access

Available on the: <u>https://www.stats.gov.sa/en/future-releases</u>

### 7.3. User access

One of GASTAT's objectives is to better meet its clients' needs, so it immediately provides them with the publication's results once the International Trade Publication is published.

It also receives questions and inquiries from the clients about the Publication and its results through various communication channels, such as:



- GASTAT's official website: <u>www.stats.gov.sa</u>
- GASTAT's official e-mail address: info@stats.gov.sa
- Client Support's e-mail address: <u>cs@stats.gov.sa</u>
- Official visits to GASTAT's official head office in Riyadh or one of its branches in Saudi Arabia.
- Official letters.
- Statistical telephone (199009).

# 8. Frequency of dissemination

The International Trade Report is published annually.

# 9. Accessibility and clarity

#### 9.1. News release

The announcements of each publication are available on release calendar as mentioned in 7.2. Release calendar access. The news release can be viewed on the website of GASTAT through the following link:

https://www.stats.gov.sa/en/news

#### 9.2. Publications

GASTAT issues International Trade publications and reports on a regular basis following a preprepared release calendar and available on GASTAT's website. GASTAT is keen to publish its publications in a manner that serves all users of different types, including publications in different formats that contain (publication tables, data graphs, indicators, methodology and quality, and used questionnaires) in both English and Arabic.

The International Trade publications are available on the link:

https://www.stats.gov.sa/ar/325



## 9.3. On-line database

The data is published on the statistical database https://database.stats.gov.sa/home/landing

#### 9.4. Micro-data access

Not available.

9.5. Other

Not available.

### 9.6. Documentation on methodology

International Trade framework in Goods: Based on the concepts and definitions mentioned in the International Manual on Statistics of International Merchandise Trade, concepts, and Definitions 2010 of the United Nations. (Reference)

https://www.stats.gov.sa/system/tdf/file\_manger/annual%20international%20trade.pdf?file=1&type =node&id=164779&force=0

## 9.7. Quality documentation

Quality documentation covers documentation on methods and standards for assessing, measuring, and monitoring the quality of statistical process and output. It is based on standard quality criteria such as relevance, accuracy and reliability, timeliness and punctuality, accessibility and clarity, comparability, and coherence.



# 10. Quality management

## 10.1. Quality assurance

GASTAT declares that it considers the following principles: impartiality, user orientated, quality of processes and output, effectiveness of statistical processes, reducing the workload for respondents.

Quality controls and validation of data are actions carried out throughout the process in different stages such as the data input and data collection and other final controls.

## 10.2. Quality assessment

GASTAT performs all statistical activities according to a national model (Generic Statistical Business Process Model – GSBPM). According to the GSBPM, the final phase of statistical activities is overall evaluation using information gathered in each phase or sub-process. This information is used to prepare the evaluation report which outlines all the quality issues related to the specific statistical activity and serves as input for improvement actions.

## **11**. Relevance

## 11.1. User needs

Internal users in the GASTAT for international trade in goods publication data:

- National accounts.
- Prices.

Some several external users and beneficiaries greatly benefit from the international trade in goods, including:

- Government entities.
- Regional and international organizations.
- Research institutions.
- Media.
- Individuals.

The disseminated key variables that mostly used by key users:

International Trade Authority Exports and imports



Ministry of Trade and Investment	Exports, imports, trade exchange
Ministry of Economy and Planning	Exports, imports, trade exchange
Saudi Exports Development Authority	Exports and imports
Saudi Central Bank	Exports and imports

### 11.2. User satisfaction

Not available.

## 11.3. Completeness

International trade data are based on two main sources to complete important basic data related to merchandise export and import statistics from government entities, as follows:

- Updated data from the Ministry of Energy: It is a major source of oil exports.
- Updated data from the Zakat, Tax and Customs Authority: It is a major source of exports and imports of non-oil goods.
- The data is complete.

# 12. Accuracy and reliability

## 12.1. Overall accuracy

International merchandise trade data is periodically reviewed to ensure coverage and relevance.

The main and sub-number totals are reviewed and matched to ensure that the totals are consistent.

The indicators are calculated in accordance with the recommendations proposed in the International Guide to International Trade, such as using unified concepts and classifications in international trade that are appropriate with countries of the world.



# **13.** Timeliness and punctuality

## 13.1. Timeliness

GASTAT uses the Special Data Dissemination Standard (SDDS) issued by the International Monetary Fund. According to this Standard, all statistics agencies are required to publish data on an annual basis, and with a delay of not more than mid of year (180 days) after the end of the reference period. If the data are from different source, they may be published in a different frequency.

13.2. Punctuality

It is published according to the publication dates of the statistical calendar published for the International Trade Report on the General Authority for Statistics' web page. Data will be available on time as scheduled in the statistical release calendar.

# 14. Coherence and comparability

## 14.1. Comparability - geographical

The data is geographically comparable.

### 14.2. Comparability - over time

Update for the reference year of data on a monthly basis as received from the main sources of data until the end of this reference year.

### 14.3. Coherence- cross domain

Not applicable.

14.3.1. Coherence - sub annual and annual statistics

The data on exports and imports are consistent and come as an input within the variables and indicators of national accounts in the balance of payments.





# **15.** Data revision

15.1. Data revision - policy		
Not applicable, only final results will be published.		
15.2. Data revision - practice		
Not applicable, only final results will be published.		

# 16. Statistical processing

## 16.1. Source data

Annual international trade statistics are based on administrative records from:

- General Authority for Zakat, Tax and Customs: Exports and imports of goods.
- Ministry of Energy: Oil exports.

## 16.2. Frequency of data collection

Annual.



## 16.3. Data collection

#### Data collection from administrative records:

The International Trade Report Publication's data are obtained from the Zakat, Tax and Customs Authority, which includes the values and weights of non-oil exports and imports, and from the Ministry of Energy oil export data.

They are stored in the authority's databases after auditing and reviewing according to approved statistical methods and recognized quality standards, and referring back to the data source in case errors are discovered or there are comments on the data.

## 16.4. Data validation

Data are reviewed and matched to ensure their accuracy and precision in a way that suits their nature with the aim of giving the presented statistics quality and accuracy.

The data of the current year publication are compared with the data of the previous year to ensure their integrity and consistency in preparation for processing data and extracting and reviewing results.

In addition to the data processing and tabulation to check their accuracy, all the outputs are stored and uploaded to the database after being calculated by GASTAT to be reviewed and processed by specialists in National accounts statistics through modern technologies and software designed for this purpose.

### 16.5. Data compilation

#### Data Coding:

This information is then coded in-house by an automated process, which is reviewed by a small-dedicated team of coding experts using a series of consistency checks.

### Data Editing:

Specialists of the International Trade Department have processed and analyzed data in this stage, and this step was based on the following measures:

- Sorting and arranging data in groups or different categories in a serial order.
- Summarizing detailed data into key points or data.
- Combining many data segments and ensuring their interconnection.



- Processing incomplete or missing data.
- Processing illogical data.
- Converting data into statistically significant data.
- Arranging, presenting, and interpreting data.

### 16.6. Adjustment

Not applicable, only final results will be published.

# 17. Comment