

CCSBT-CC/2110/21 (CC Agenda item 4)
in Respond to CCSBT-CC/1910/10 - 2020: further investigation into discrepancies
between COMTRADE and Indonesia CDS data

1. Background

The EC of CCSBT 25 requested the Secretariat investigate alternative sources of trade data statistics because some Members were concerned as to whether the Global Trade Atlas (GTA) could be considered an official information source. In addition, the 13th meeting of the Compliance Committee (CC13) requested Members and Non-Members investigate likely errors in the Global Trade Atlas relevant to them and report back. Indonesia noted the under-representation of its SBT exports in the GTA database compared to CDS figures and was to contact the relevant Indonesian authorities to resolve the under-representation of Indonesia SBT exports in the GTA database compared to CDS figures.

The Secretariat searched for sources of trade data other than the Global Trade Atlas (GTA) and concluded that the UN COMTRADE database may potentially be an alternative and cost-effective option from which to source data for preparing future trade summaries.

The Secretariat has examined its CDS data as well as trade data from the UN COMTRADE database. In the CDS database and also in the EU's annual reports to the Compliance Committee and Extended Commission, only small imports of less than 0.1 tonnes are recorded as occurring between 2016 and 2018.

2. UN Comtrade Data vs Indonesia CDS Data

Indonesia's SBT exports are under-represented in all 5 (five) years of the COMTRADE export statistics – COMTRADE records only 18.6t, 11t, 16t, 0.3t, and 9.7t of total exports (fresh and frozen SBT combined) for 2015, 2016, 2017, 2018 and 2019 respectively. Those data are significantly different from Indonesia's CDS data in those years.

Table 1. Data Discrepancies Between UN Comtrade and Indonesia CDS Data.

Year	CDS (Indonesia)	UN COMTRADE exporter country report (Indonesia)	UN COMTRADE importer country report
2015	463.3	18.6	403.6
2016	419.6	11.0	190.6
2017	290.5	16.0	70.7
2018	445.7	0.3	70.8
2019	425.2	9.7	35.7

3. Further investigation into discrepancies between COMTRADE and Indonesia CDS data

a. HS Code for Tuna Product

Harmonized Commodity Description and Coding System, also known as Harmonized System (HS) is “a multipurpose international product nomenclature”. HS Code is based on the International Convention on the Harmonized Commodity Description and Coding System established by the WCO and ratified by almost all of the countries since January 1st, 1988. Indonesia itself is a contracting party in the International Convention on The Harmonized Commodity Description and Coding System.

This convention regulates the classification structure for trade goods in the form of groups based on post and sub-post and completed with general requirement to interpret and to make notification. HS Code is used for the purposes related to the tariff, statistics, rules of origin, trade negotiation, surveillance for import/export commodities, and other related purposes. The Classification Structure for HS Code in Indonesia is stipulated in PMK 06/PMK.010/2017 on the Classification of Commodity and Import Duty Rate.

Based on the International Convention on the Harmonized Commodity Description and Coding System, there are 19 HS Codes related to tuna and skipjack products. There are 3 (three) codes that are specifically used for southern bluefin tuna products:

(1) 03019500 (Southern bluefin tunas (*Thunnus maccoyii*, live fish), (2) 03023600 (Southern bluefin tunas (*Thunnus maccoyii*), fresh or chilled), and (3) 03034600 (Southern bluefin tunas (*Thunnus maccoyii*), frozen). Meanwhile, there are 17 HS Codes that are often used for tuna products in Indonesia, as explained in detail in Table 2.

Table 2. List of HS Code for Tuna Products Used by Indonesian Exporters

No	HS Code 2017	INFORMATION
1	03023100	Albacore or longfinned tunas (<i>Thunnus alalunga</i>), fresh or chilled.
2	03023200	Yellowfin tunas (<i>Thunnus albacares</i>), fresh or chilled
3	03023300	Skipjack or stripe-bellied bonito (<i>Euthynnus (Katsuwonus) pelamis</i>), fresh or chilled
4	03023400	Bigeye tunas (<i>Thunnus obesus</i>), fresh or chilled
5	03023600	Southern bluefin tunas(<i>Thunnus maccoyii</i>), fresh or chilled
6	03023900	Other tunas, fresh or chilled
7	03034100	Albacore or longfinned tunas (<i>Thunnus alalunga</i>), frozen
8	03034200	Yellowfin tunas (<i>Thunnus albacares</i>), frozen
9	03034300	Skipjack or stripe-bellied bonito (<i>Euthynnus (Katsuwonus) pelamis</i>), frozen
10	03034400	Bigeye tunas (<i>Thunnus obesus</i>), frozen
11	03034590	Pacific bluefin tunas (<i>Thunnus orientalis</i>) frozen
12	03034600	Southern bluefin tunas(<i>Thunnus maccoyii</i>), frozen
13	03034900	Other tunas, frozen
14	03048700	Frozen fillets of tunas (of the genus <i>Thunnus</i>) and skipjack or stripe-bellied bonito (<i>Euthynnus (Katsuwonus) pelamis</i>)

15	16041411	Tuna, whole or in pieces, but not minced, prepared or preserved, in airtight containers for retail sell.
16	16041419	Skipjack and bonito (Sarda spp.), whole or in pieces, but not minced, prepared or preserved, in airtight containers for retail sell.
17	16041490	Tuna, skipjack and bonito (Sarda spp.), whole or in pieces, but not minced, prepared or preserved, not in airtight containers for retail sell.

b. Result of Investigation

Based on the tracking process on the sources of tuna products export data, it is known that the National Statistics Data is compiled and established by Statistics Indonesia (BPS). The national export data was submitted to the UN Comtrade by BPS. Statistical data for tuna export was derived from the Customs (Bea Cukai) and validated by BPS.

According to further investigation on the data collection, the Customs has a system called Indonesia National Single Window (INSW) which is used by exporter to fulfill the export data information independently. The exporter were identified using HS Codes that are not specifically for Southern Bluefin Tuna (03023600 and 03034600), and there was a possibility that the data was categorized into the system as tuna (*Thunnus*).

BPS then validated the data submitted by the Customs, included adjusting the HS Code with the product description; for example, processed SBT products like fillet, loin, which previously recorded as HS Code 03034600 (Southern bluefin tunas (*Thunnus maccoyii*), frozen) was changed into HS Code 03048700 (Frozen fillets of tunas (of the genus *Thunnus*) and skipjack or stripe-bellied bonito (*Euthynnus (Katsuwonus) pelamis*) and 16041411/ 16041490 (Tuna, whole or in pieces, but not minced, prepared or preserved, in airtight containers for retail sell / Tuna, skipjack, and bonito (Sarda spp.), whole or in pieces, but not minced, prepared or preserved, not in airtight containers for retail sell).

It is also explained that the discrepancies between the Customs Data and CDS Data are because there is a probability that the product is not exported after the CDS document and/or HC is published.

Another possibility of this data discrepancy is the differences in submitting the information which has been done independently by the exporter into the Indonesia National Single Window (INSW). It is presumed that within this process, there are some errors during data input into the system.

4. Conclusion

- a. Based on the investigation process related to some findings, one of them is that there is a mismatch on the categorization for HS Code between the exporters and the BPS, There is a high possibility that the exporter inputs the information of SBT product into the Customs system only as thunnus.

- b. There is a validation process at BPS that shifted the SBT product from the HS code 03023600 and 03034600 to HS code 03048700, 16041411, and 16041490 since they were processed products.
- c. During the SBT Export Data extraction, it is suggested that CCSBT Secretariat should also consider other HS Codes that are often used for processed SBT Products, and not only 3 (three) HS Codes that were commonly used.

5. Way forward by Indonesia

- a. Harmonizing and aligning the HS Code, especially for processed products.
- b. Dissemination for the exporter and fishing companies related to the implementation of HS Code when submitting the PEB application.