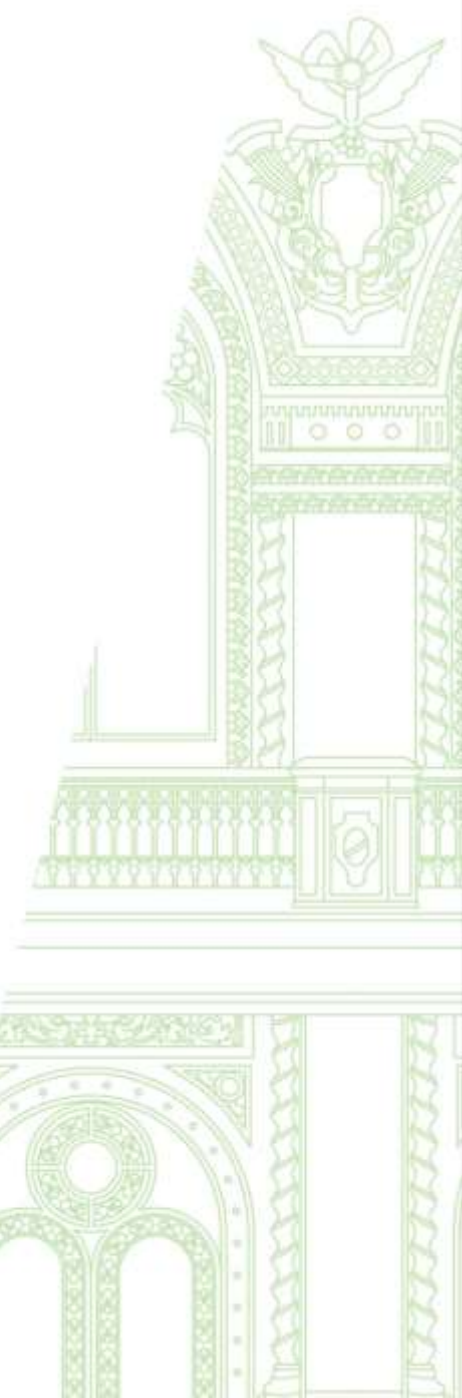




National Bank
of Ukraine

Reasons for Discrepancies between NBU and SSSU External Trade Data

National Bank of Ukraine
Statistics and Reporting Department
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Summary

- Discrepancies between the NBU and State Statistics Service of Ukraine (SSSU) external trade data mainly explained by the different methodology and the statistic coverage of the external trade

- According to the methodology NBU make adjustments to SSSU for:
 - the informal trade estimation,
 - CIF/FOB adjustment;
 - the volume of goods for processing;
 - estimation of travelers' expenses, computer and other services in item "Services";
 - other.

- In 2021, the informal trade deficit (USD 1.8 billion) and the travel expenses deficit (USD 4.1 billion) were partly compensated by surplus in computer services (USD 3.5 billion) and other adjustments (USD 0.8 billion)

- SSSU use the balance of payments data for the National accounts' compilation (GDP calculation).

- *Detailed information on reconciliation between SSSU's data and balance of payments data is quarterly published on the official web-site in External sector statistics section (External trade file).*

In 2021 according to SSSU's data the external trade deficit amounted to USD 0.7 billion, whereas according to the balance of payments data - USD 2.3 billion.

Data discrepancies in 2021, USD million

	SSSU	NBU	NBU - SSSU	%
Goods and services (External trade balance) *				
<i>exports</i>	79 718	81 761	2 043	2,6
<i>imports</i>	80 401	84 034	3 633	4,5
<i>balance</i>	- 683	- 2 273	- 1 590	-
Goods + services				
<i>exports</i>	81 246	81 761	515	0,6
<i>imports</i>	80 411	84 034	3 623	4,5
<i>balance</i>	835	- 2 273	- 3 108	-
Goods				
<i>exports</i>	68 089	63 130	- 4 959	- 7,3
<i>imports</i>	72 817	69 692	- 3 125	- 4,3
<i>balance</i>	- 4 728	- 6 562	- 1 834	-
Services				
<i>exports</i>	13 157	18 631	5 474	41,6
<i>imports</i>	7 594	14 342	6 748	88,9
<i>balance</i>	5 563	4 289	- 1 274	-

SSSU's publication on external trade balance:

* To exclude double counting the value of goods' and services' exports-imports is adjusted for manufacturing services on physical inputs owned by others

Compilation of Balance of Payments and External trade balance based on the different methodology according to international standards.

Balance of payments compilation

According to

- International Monetary Fund methodology
Balance of Payments and International Investment Position Manual, Sixth edition, 2009

External trade balance compilation

According to

- United Nations Statistical Commission methodology
International Merchandise Trade Statistics Manual, 2010
Manual on Statistics of International Trade in Services, 2010

Treatment of goods for processing (raw materials and finished goods made from it) and manufacturing services on physical inputs owned by others:

	Balance of payments (NBU)	External trade balance (SSSU)
Goods and Services	Goods + Services	Goods + Services – Manufacturing services on physical inputs owned by others
Goods – goods for processing	Excluded	Included
Services – Manufacturing services on physical inputs owned by others	Included	Included

For BOP compilation a number of adjustments (table 10.2 BPM6) are provided to reconcile the External trade balance (SSSU) with the Balance of payments methodology

2021			
NBU – SSSU, USD billion	Exports	Imports	Balance
Goods and services (ETB)	2,0	3,6	- 1,6
Goods + services	0,5	3,6	- 3,1
Adjustments:			
Coverage	0,5	5,6	- 5,1
goods for processing	- 5,2	- 3,6	- 1,6
informal trade	0,2	2,0	- 1,8
other goods (<i>humanitarian aid, parcels, nonmonetary gold</i>)	0,0	0,5	- 0,5
travel	0,6	4,7	- 4,1
computer services	3,9	0,4	3,5
other services	1,0	1,6	- 0,6
Classification		-2,0	2,0
CIF /FOB		- 2,0	2,0

The main reasons for the differences between the NBU and SSSU in the balance of external trade are the NBU adjustments for informal trade, travelers' expenses and computer services

NBU – SSSU, USD billion	2015	2016	2017	2018	2019	2020	2021
Goods and services (ETB)	-6,2	-7,0	- 6,2	- 5,1	- 8,8	- 1,7	- 1,6
<i>of which:</i>							
informal trade	-4,2	-4,2	- 2,9	- 2,4	- 2,8	- 1,2	- 1,8
travel	-3,6	-4,5	- 5,3	- 5,8	- 5,9	- 4,0	- 4,1
computer services	0,6	0,7	1,0	1,3	1,9	2,4	3,5
other	1,0	1,0	1,0	1,8	0,9	1,1	0,8
compensation to Naftogaz of Ukraine *					-2,9		

* In 2019, USD 2.9 billion compensation to Naftogaz of Ukraine from Gazprom PJSC awarded by the Stockholm Arbitral Tribunal in 2018, was recorded as exports of pipeline transportation services in the State Statistics Service of Ukraine data, whereas it was recorded as secondary income in balance of payments.

Estimation of Informal import based on SSSU data on retail turnover and NBU calculation on import of consumer goods

Informal import estimation :

Based on SSSU data on retail turnover and NBU calculation on import of consumer goods:

Retail turnover

*

The share of imported goods in retail turnover

-

Trade and transport margin in the price of goods

=

Value of imported consumer goods sold in Ukraine

-

Import of consumer goods (BEC, calculation based on customs data)

=

Informal import

NBU estimates travelers' expenses

Estimation of Travel item :

Quarterly data on the amount of foreigners, who went to Ukraine, and citizens of Ukraine, who went abroad, by country and by purpose of visit
(Administration of the State Border Service of Ukraine)

*

Average expenditures of visitors in Ukraine and Ukrainian travelers abroad

Average length of stay

*

Average expenditures per day

- the Cabinet of Ministers' regulations on the reimbursement of expenditures on business trips
- SSSU Survey of travellers
- the Internet, mass media, ets.

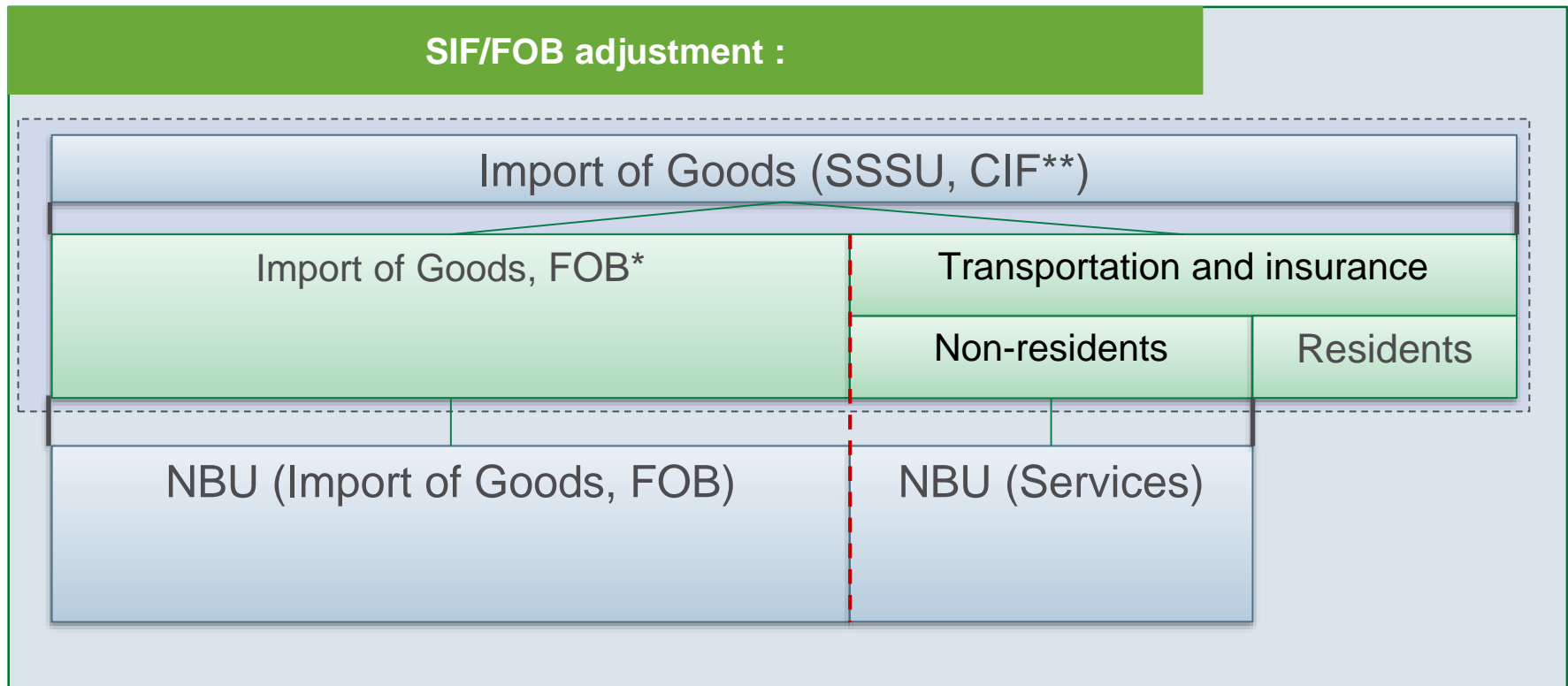
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Estimation of expenses of workers that work abroad less than one year

=

Travelers' expenses

SIF/FOB adjustments based on SSSU data on the share of freight and insurance in the imports



Terms and definitions :

- *FOB (Free on Board) – value of goods at port on the frontier of exporting country
- **CIF (Cost, Insurance, Freight) – value of goods on the frontier of importing country (include FOB price and value of freight and insurance premiums incurred from the frontier of exporting country to the border of the importing country)

Other adjustments – computer and other services

Using ITRS data for compilation of Services item:

ITRS – banks reports on financial transactions with non-residents
(1PX and 2PX files, NBU Resolution №120 from 13.11.2018)

Computer services
(services provided by private
entrepreneurs)

Transactions related to foreign
embassies
(Export of services)

Services, provided by
representative offices
(Export of services)

+

Other services
(Other business services,
Personal services, etc.)

Detailed information on reconciliation between SSSU's data and BOP data is quarterly published on the official web-site in External sector statistics section (External trade file).

External Sector Statistics

Balance of payments and other statistical information compiled on the basis of the BPM6 (the sixth edition of the IMF's Balance of Payments and International Investment Position Manual, 2009)

Indicators / Period	monthly data	quarterly data	annual data
Balance of payments			
Balance of payments reports	02'2022 pdf	IV-2021 pdf	2021 pdf
Balance of payments	02'2022 xlsx pdf	IV-2021 xlsx pdf	2021 xlsx pdf
External trade	02'2022 xlsx pdf	IV-2021 xlsx pdf	2021 xlsx pdf
External trade between Ukraine & EU countries		IV-2021 xlsx pdf	2021 xlsx pdf
Currency composition of settlements in the BoP current account		IV-2021 xlsx pdf	2021 xlsx pdf
Seasonally adjusted indices of the BoP current account		IV-2021 xlsx pdf	2021 xlsx pdf
Remittances	02'2022 xlsx pdf	IV-2021 xlsx pdf	2021 xlsx pdf
Travel services		IV-2021 xlsx pdf	2021 xlsx pdf
International Investment Position		IV-2021 xlsx pdf	2021 xlsx pdf
Direct investments			
Direct investment by Instruments and Sectors		IV-2021 xlsx	2021 xlsx
In Ukraine (inward direct investment)			
Flows: direct investment's Instruments by Regions, Countries, Types of Economic Activity		IV-2021 xlsx	2021 xlsx
Positions: direct investment's Instruments by Regions, Countries, Types of Economic Activity		IV-2021 xlsx	2021 xlsx
Income on direct investment: payments by Regions, Countries, Types of Economic Activity		IV-2021 xlsx	2021 xlsx
Region breakdown:			
Positions: Regions by Countries		III-2021 xlsx	2020 xlsx