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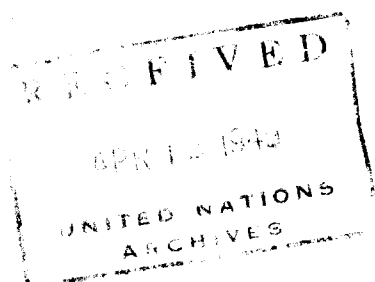
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STANDARD LIST OF COMMODITIES FOR
INTERNATIONAL TRADE STATISTICS



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INTERNATIONAL TRADE STATISTICS

(Memorandum for consideration under item 1. of provisional agenda)

INTRODUCTION

1. The following report of the group of expert consultants on the revision of the Minimum List of Commodities for International Trade Statistics is submitted in accordance with the recommendation of the Statistical Commission, in its report of the Third Session (E/795) to the Economic and Social Council. The appropriate recommendations read:

"One of the constant and pressing problems of international statistical comparability is the classification of commodities entering into external trade. There have been many classifications and revisions of classifications proposed during the past half century but no definitive work on a world-wide basis has been done since that of the Committee of Statistical Experts of the League of Nations whose formulation and revisions of the Minimum List were made in the late 1930's. Present conditions require a systematic review of the statistics of world trade. As a first step, the Statistical Commission recommends that a further revision be prepared of the League's Minimum List of Commodities for International Trade Statistics, and that high priority be given to this task....."

"Such supplementary classifications should be developed as international agencies may feel to be required for use in economic analysis. The Commission recommends that supplementary classifications be developed especially (a) by stage of production (b) by use and (c) by categories of economic activity corresponding to those of the International Standard Industrial Classification of all Economic Activities."

2. The Commission further recommended that, as a first step, a preliminary draft classification should be prepared by the Secretariat
/and circulated

and circulated to countries for comments. Accordingly, a draft classification was circulated in June 1948. The comments of countries having been received, the group of consultants met at Lake Success from 16 February to 12 April 1949. Whereas the Statistical Commission had recommended that the group should start work early in January 1949 in order to be able to complete its task by April for consideration at the Fourth Session of the Commission, the group did not, in fact assemble until 16 February, with the result that the final checking of references to the D.C.N. and Brussels draft was not carried out as thoroughly as the group would have wished. It is therefore recommended that, before the classification as here set forth is issued, it be carefully edited and the references checked by the Statistical Office.

THE WORK OF THE GROUP

3. Definition of items

The preparation of a standard list of commodities entering into international trade necessarily involves a considerable process of condensation if the resulting list is to be kept within reasonable size. Condensation must not, however, proceed to the point where the list is overweighted by residual (n.e.s.) categories since, if that were to occur, its utility as a practical working instrument would be seriously impaired. Although no single criterion for the separate specification of individual items can be applied in all cases the following considerations were borne in mind by the group:

- (a) The list should distinguish clearly the more important items in international trade. These items should be clearly defined and not confused by the aggregation of individual major items with related items of minor importance, nor should any item contain both materials and finished articles if this can be avoided.
- (b) Since the list, once established, should not be altered for some considerable time if it is to serve its function as a basis of international trade classification, the Group considered very carefully the claims for separate specification of new commodities of growing importance.
- (c) The utility of the list to consumers of international trade statistics was kept in mind. For this and other reasons the group endeavoured to make each item as self-explanatory as possible.
- (d) It is known that the greatest problem that will be encountered by statisticians in reclassifying national trade statistics according to the standard list will arise in the definition of

/residual

residual (n.e.s.) items. For this reason the content of n.e.s. items should be specified wherever possible.

4. Grouping of Items

The group regarded clarity of definition of the individual items listed and ease of reference to the content of residual (n.e.s.) groupings (which it has endeavored to group into meaningful items) as the vital aspect of its work. Clearly the burden imposed on individual countries in reclassifying national trade statistics into standard list items will depend on the clarity with which the items are defined rather than on the order in which the items are arranged. Nevertheless the groupings in which the items, once established, are arranged and classified in the standard list are of considerable importance for the following reasons:

(a) Since statistical grouping should produce totals which have meaning each group of individual items must have some consistent criterion of classification.

(b) The particular importance of certain groups of commodities in world trade, e.g. food, clothing and footwear, requires that the grouping should allow of totals being readily obtained for such groups.

(c) The form of classification adopted determines in some measure the specification of individual items. The major items entering into world trade would appear in any system of grouping, but the form and content of some residual (n.e.s.) groupings is determined by the particular system of grouping of the items in the list.

(d) The system of classification of commodities should be designed to permit easy rearrangement of items in groupings for analytical purposes as well as for comparability with other commodity data such as those obtained from a census of industry, price indexes, etc.

(e) The grouping of the items should facilitate easy reference.

5. In approaching the problem of grouping, the object is to group together those commodities which have similar characteristics. The main characteristics which have significance for the grouping of commodities are:

- (a) Origin
- (b) Material
- (c) Purpose
- (d) Industrial process

/It is

It is important, moreover, that groupings based on one or another of these criteria should be consistent within themselves. The group has discussed very thoroughly these various bases of classification and has come to the general conclusion that:

- (i) No one characteristic should be applied throughout the list.
- (ii) The various criteria used must be applied to groups of commodities where they are most applicable. For example, in the food group, the classification is largely by origin; in the raw material section, by material, etc.

6. In statistical classification the groupings are not so much a matter of principle as a matter of convenience in arriving at significant aggregates. Some members of the group have favoured the greater application of the characteristic of material, others the characteristic of purpose. In the definition and content of items the group reached unanimous agreement. Moreover, the individual items have been so designed that they will yield satisfactory groupings according to either the concept of component material or of purpose. Although some members felt that the basic structure of the League of Nations Minimum List should be retained, the classification embodied in the attached draft was the one found most acceptable to the group as a whole. It should be noted that the Statistical Office of the United Nations and other interested agencies and governments may make such supplementary groupings as are found to be useful for special purposes.

7. The grouping proposed is not intended to be mandatory on any individual country. The nations are expected, however, to record and make available at specified intervals, the data required for the individual items by regrouping the information already classified according to their national trade statistics classification schemes. It is hoped that all countries will make every effort to supply statistics for each of the items in the list, creating new headings in their own trade statistics in the comparatively few cases where this may be necessary. While the standard list is not intended to supersede existing classifications, it has been arranged in such a manner that it could be used as a national classification, if desired.

DESCRIPTION OF THE CLASSIFICATION

8. References.

The list, as submitted herewith, is related to the Draft Customs Nomenclature published in 1937 by the Economic Committee of the League of Nations (document C295-M194-1937) and the primary references in the list are to items and sub-items in that document. Such references serve to clarify the content of items in the standard list and should assist statisticians

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in the various countries when they face the problem of regrouping their national statistics for purposes of reporting to the United Nations. In addition, similar references to the Draft Tariff Nomenclature prepared by the Tariff Committee of the European Customs Union Study Group (Brussels, October 1948) are provided to assist those to whom this document is an important reference work. (These references will require revision when the final revision of the Brussels document is available.) Reference is also made to the items in the Minimum List of Commodities for International Trade Statistics, League of Nations 1938 (document C226-M-128) in order that the members of the Statistical Commission may see to what extent the content of items has been altered.

9. Sections, Divisions and Groups.

The group decided to divide the items into ten main sections, each of which is sub-divided into divisions with further sub-divisions into groups, where appropriate. Following is an outline of the classification:-

SUMMARY OF SECTIONS, DIVISIONS AND GROUPS

SECTION 1 - LIVE ANIMALS

Division 10 - Live Animals

SECTION 2 - FOOD (NOT INCLUDING LIVE ANIMALS USED AS FOOD)
BEVERAGES AND TOBACCO

Division 20 - Dairy Produce, Eggs and Honey

Group 201 - Milk, eggs in the shell and honey

Group 202 - Dairy products and eggs, processed or manufactured

Division 21 - Meat, Meat canned and Meat Preparations, Lard and Margarine

Group 211 - Meat, fresh, chilled or frozen

Group 212 - Meat dried, salted or smoked

Group 213 - Meat canned and meat preparations

Group 214 - Lard and margarine

Division 22 - Fish and Fish Preparations

Group 221 - Fish fresh or simply preserved

Group 222 - Fish canned and fish preparations

Division 23 - Cereals, Grain Mill Products and Cereal Preparations

Group 231 - Cereals

Group 232 - Cereals Milled

Group 233 - Cereal preparations

/Division 24

Division 24 - Fruits, Nuts, Vegetables and Preparations thereof*

Group 241 - Fresh fruits and nuts, not including oil nuts

Group 242 - Fresh vegetables roots and tubers*

Group 243 - Fruits and vegetables preserved or prepared

Division 25 - Sugar and Sugar Preparations

Group 251 - Sugar raw and molasses raw

Group 252 - Sugar and sugar preparations

Division 26 - Tea, Coffee, Cocoa, Spices and Miscellaneous Food preparations

Group 261 - Green coffee and cocoa beans**

Group 262 - Tea, roasted coffee, cocoa, and manufactures thereof

Group 263 - Salt, spices and vinegars

Group 264 - Food preparations n.e.s.

Division 27 - Feeding Stuffs for Animals (not including cereals)Division 28 - BeveragesDivision 29 - Tobacco and Tobacco Manufactures

Group 291 - Tobacco unmanufactured

Group 292 - Tobacco manufactures

SECTION 3 - CRUDE MATERIALS, INEDIBLE, EXCEPT FUELS AND FERTILIZERSDivision 31 - Hides, Skins and Fur Skins, Undressed

Group 311 - Hides and skins

Group 312 - Fur skins, undressed

Division 32 - Oil-Seeds, Oil Nuts and Oil KernelsDivision 33 - Crude Rubber, including Synthetic and ReclaimedDivision 34 - Wood and Cork

Group 341 - Wood in the round

Group 342 - Fuel wood and charcoal

Group 343 - Cork, raw

Division 35 - Textile Fibres and Waste

Group 351 - Silk

Group 352 - Wool and Fine Animal Hair

Group 353 - Cotton

Group 354 - Vegetable fibres other than cotton

Group 355 - Synthetic fibres

Group 356 - Waste materials from textile fabrics

* Fruits and vegetables simply preserved in temporary preservative solutions are classed as fresh vegetables.

** Coffee and cocoa bean husks and shells are included in item 96.

Division 36 - Crude Nonmetallic Minerals Excluding Coal,
Petroleum, Fertilizer Materials and Precious
Stones

Division 37 - Ores of Precious Metals, and Precious Stones
Uncut and Pearls Unworked

Group 371 - Ores of precious metals

Group 372 - Precious stones uncut and pearls unworked

Division 38 - Ores of Base Metals

Group 381 - Iron ore and scrap

Group 382 - Ores of nonferrous metals

Group 383 - Slag and waste

Division 39 - Miscellaneous Crude Materials

SECTION 4 - MANUFACTURED GOODS CLASSIFIED CHIEFLY BY MATERIAL

Division 41 - Leather and Leather Manufactures n.e.s., Travel
Goods and Handbags of all Materials, Pressed Furs

Group 411 - Leather

Group 412 - Manufactures of leather n.e.s.

Group 413 - Travel goods and handbags of all materials

Group 414 - Furs, dressed, not made up into articles of
clothing

Division 42 - Rubber Manufactures n.e.s.

Group 421 - Rubber intermediate products

Group 422 - Rubber articles n.e.s.

Division 43 - Wood and Cork Manufactures n.e.s.

Group 431 - Wood shaped or simply worked, including artificial
or reconstituted wood

Group 432 - Veneers and plywood

Group 433 - Articles of wood n.e.s.

Group 434 - Cork products

Division 44 - Pulp, Paper, Paperboard and Manufactures Thereof

Group 441 - Paper pulp and waste paper

Group 442 - Paper and paperboard

Group 443 - Articles made of pulp, of paper and of paperboard

Division 45 - Textile Yarns, Fabrics and Made-up Articles

Group 451 - Yarns and thread

Group 452 - Textile fabrics (not including narrow and special
fabrics)

Group 453 - Tulle, lace, embroidery, ribbons, trimmings and
other small wares

Group 454 - Special textile and related products

Group 455 - Made-up articles of textile materials n.e.s. (other
than clothing and household equipment)

- Division 46 - Non-metallic Mineral Manufactures n.e.s.
- Group 461 - Non-metallic mineral manufactures n.e.s., not including clay and glass
 - Group 462 - Clay construction materials and clay products n.e.s.
 - Group 463 - Glass and glassware n.e.s.
- Division 47 - Precious Metals, Worked Precious Stones and Pearls
- Group 471 - Precious metals, worked precious stones, and pearls
 - Group 472 - Jewellery and goldsmiths' and silversmiths' wares except watchcases
- Division 48 - Base Metals and Manufactures Thereof
- Group 481 - Iron and steel, unworked and in primary forms
 - Group 482 - Iron and steel rolled, cast forged or drawn
 - Group 483 - Non-ferrous base metals, unworked
 - Group 484 - Non-ferrous base metals rolled, cast, forged or drawn
 - Group 485 - Manufactures of base metals n.e.s.

SECTION 5 - CHEMICALS, OILS AND FUELS

- Division 51 - Mineral Fuels, Lubricants and Related Products, Crude and Fabricated
- Group 511 - Crude mineral fuels
 - Group 512 - Manufactured Mineral fuels, lubricants and related products
 - Group 513 - Electric energy
- Division 52 - Animal and Vegetable Oils, Fats, Greases and Waxes
- Division 53 - Chemical Elements and Compounds
- Division 54 - Fertilizers
- Group 541 - Fertilizers crude
 - Group 542 - Fertilizers manufactured
- Division 55 - Dyeing, Tanning and Colouring Materials, Paints and Varnishes
- Division 56 - Pharmaceutical Products
- Division 57 - Soap, Perfumery, Cosmetics and Polishing Preparations
- Group 571 - Essential oils and perfume materials
 - Group 572 - Perfumery, cosmetics, soaps and cleansing preparations
 - Group 573 - Polishing preparations
- Division 59 - Miscellaneous Chemical Materials and Products
- Group 591 - Synthetic Plastics Materials
 - Group 592 - Chemical materials and products n.e.s.

SECTION 6 - MACHINERY AND TRANSPORT EQUIPMENT

Division 61 - Machinery

Group 611 - Machinery, Appartus and Appliances other than Electric
(Under each heading, detached parts should be included
whenever possible)

Group 612 - Electrical Machinery, Appartus and Appliances

Division 62 - Transport Equipment

Group 621 - Railway Vehicles

Group 622 - Road Motor Vehicles

Group 623 - Road Vehicles other than Motor Vehicles

Group 624 - Aircraft

Group 625 - Ships and Boats

SECTION 7 - CLOTHING AND FOOTWEAR

Division 71 . hing

Group 711 . hing except fur clothing

Group 712 . clothing

Division 72 . wear

Group 721 . wear, except rubber footwear

Group 722 - Rubber footwear

SECTION 8 - FURNITURE AND HOUSEHOLD EQUIPMENT

Division 81 - Furniture

Division 82 - Household Machines and Appliances n.e.s.

Division 83 - Tableware, Kitchenware and other Household Utensils

Division 84 - Floor coverings of all Materials and Household made-up
Articles Chiefly of Textile Materials

SECTION 9 - MISCELLANEOUS ARTICLES

Division 91 - Prefabricated Buildings; Sanitary, Plumbing, Heating
and Lighting Fixtures

Group 911 - Prefabricated buildings and their assembled panels
and parts

Group 912 - Sanitary, plumbing and heating fixtures

Group 913 - Lighting fixtures

Division 92 - Scientific, Optical, Measuring and Controlling
Instruments and Appartus; Watches and Clocks

Group 921 - Scientific, optical, measuring and controlling
instruments and appartus

Group 922 - Watches and clocks

/Division 93

Division 93 - Photographic and Cinematographic Supplies, and
Exposed Films

Group 931 - Photographic and cinematographic supplies

Group 932 - Exposed Cinematographic films

Division 94 - Musical Instruments, Phonographs and Phonograph
Records

Division 95 - Printed Matter

Division 96 - Ordnance

Division 99 - Manufactured Articles n.e.s.

SECTION 0 - RETURNED GOODS AND SPECIAL TRANSACTIONS - GOLD AND SPECIE

Division 01 - Returned Goods and Special Transactions

Division 02 - Gold and Specie

Group 021 - Gold unworked and gold coin

Group 022 - Coins other than gold

10. Comments on the main sections follow:

(a) Section 1 - Live Animals

It was decided to create a separate section for live animals because of the difficulty internationally, of classifying live animals according to purpose (i.e. those used for food and those not for food).

(b) Section 2 - Food, Beverages and Tobacco

The Group followed previous practice in making a separate section for all foods, beverages and tobacco in view of the obvious importance of this classification by purpose. Foodstuffs for animals, not included in other sections of the list, form a separate division of this section.

(c) Section 3 - Crude materials, inedible, except fuels and
fertilizers

In its work the Group decided to extend the practice previously followed of creating special groups of commodities classified according to function. This led to a situation in which the criterion of chief component material was restricted to a limited group of articles. It was thought proper to create a separate section for crude materials in view of the importance of this class of commodity in international and because crude materials are clearly identifiable as such. Obviously the most generally useful categories of raw materials are those which distinguish the material.

/(d) Section 4

(d) Section 4 - Manufactured goods classified chiefly by material

This section consists of manufactured materials which are identifiable by chief component material and such manufactured articles as are not included in functional groups. Manufactured commodities retained in this section are included with fabricated materials in the component material groups, but are separately identified in special sub-groups wherever possible.

(e) Section 5 - Chemicals, oils and fuels

This special section was created because it was felt that in this case function is the significant criterion.

(f) Section 6 - Machinery and Transport Equipment

This section obviously presents a convenient and useful grouping. It is divided into two divisions: (1) machinery and (2) transport equipment.

(g) Section 7 - Clothing and footwear

Following previous international classifications and the normal practice in national trade classifications, it was decided to set up a section for clothing and footwear in which commodities of all materials are included. Separation, within the section, of fur clothing from other clothing, and of rubber footwear from other footwear was considered desirable mainly because of the separate industrial origin of their commodities.

(h) Section 8 - Furniture and household equipment

The group decided to set up a special section covering furniture and household equipment of all materials. This is a natural grouping by function in some ways analagous to the grouping of clothing and footwear. Identification of commodities in this section by component material is not easy or purposeful in view of the mixture of materials often incorporated into a single completed article.

(i) Section 9 - Miscellaneous Articles

This section, as the name indicates, covers all articles which do not fit into the framework of other sections. General divisions have been established according to function, with the result that the number of articles not included in meaningful groupings has been considerably reduced.

/(j) Section 10

(j) Section 10 - Special Transactions and Returned Goods -
Gold and Specie

This section was created following national and international precedent for obvious reasons. The International Convention relating to Economic Statistics signed at Geneva, 14 December, 1928, Annex I, External Trade Statistics, Part I, No. VII, establishes that: "In view of the special importance of accurate monetary statistics, returns shall be compiled showing in separate tables, under both weight and values, the import and export of: (1) Gold coin, (2) gold in bars (in the form acceptable in inter-bank transactions), and (3) other gold. The division 02 (Gold and Specie) has been arranged in conformity with these principles.

11. In each section, a number of divisions has been created in which like commodities are grouped together. It was found that no consistent criterion could be adopted in creating divisions. The principle of component material was found significant in some cases while in other instances significant divisions were created based on the principle of function. Whenever it was feasible to do so the divisions were further sub-divided into groups.

SYSTEM OF NOTATION

12. Arabic numbers are used throughout the classification since they are more universally understood than letters or Roman numerals.

13. In addition to a listing of items by consecutive numbers, the classification has been coded using a decimal system, providing a means whereby the classification can be expanded without changes in the basic system of classification. The use of the code numbers will also aid in the identification of items and in the application of the punch card system to the routine work of compilation of the list.

14. The list is divided into ten sections, numbered 1 - 0, the initial number in the five-figure code indicating the section. The first and second numbers taken together identify the next breakdown - the Division; the first three numbers taken together identify the group, and the final two numbers designate the item within each group. This system will, it is felt, assist considerably in locating and coding items.

SUPPLEMENTARY CLASSIFICATIONS

15. In the report of the Statistical Commission referred to previously, the Commission recommends the creation of supplementary classifications by:

- (a) stage of production
- (b) by use, and
- (c) by categories of economic activity

References are provided according to these criteria and the group supports the recommendation contained in the circulated draft to the effect that the actual work of reclassification should be undertaken centrally by the Statistical Office of the United Nations, which will no doubt develop other useful supplementary classification.

COMPILATION NOTES

16. (a) Where possible statistics of quantities should be supplied in addition to values.

(b) When, in regrouping data from its national classification, a country is unable to obtain an item corresponding exactly with one in the standard list, a regrouping which corresponds as closely as possible should be given. On the other hand, cases will arise in which it may be necessary to combine some standard list items in order to obtain a significant total. In all such instances, an explanatory note should be supplied. It is hoped that cases of this kind will occur rarely and that they will affect only a small proportion of the total trade. At the same time, if adequate international comparability is to be achieved, it will be necessary for the countries to provide additional headings in their national classifications wherever possible, in order to conform as closely as is practicable to the standard list items.

(c) References are given to (1) the Draft Customs Nomenclature and (2) the "Brussels Draft" in order to clarify the content of items in the standard list. Where the word "ex" appears in front of a reference it indicates that only part of the quoted item in D.C.N. or Brussels List is included in the standard list item.

(d) Cross references to other items are normally included as footnotes at the end of each page.

(e) The abbreviation n.e.s. means not elsewhere specified or included.