Research on the Statistical Aspects of International Agricultural Trade

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Abstract: This paper discusses the importance of the agricultural product classification method used as the foundation for analysis of international agricultural trade statistics. Presently, there are two statistical systems widely used for international agricultural trade data: 1. United Nations Standard International Trade Classification (SITC), and 2. Harmonized Commodity Description and Coding System (HS). Different categorizations of agricultural products by the two systems create a problem with product classification comparability.

International organizations such as WTO, UNCTAD and FAO specify the statistical scope according to their needs. The six statistical methods of international agricultural trade currently used in China are complex and include: URAA agricultural definition, first 24 chapters of HS, FAO agricultural definition based on SITC, UNCTAD agricultural definition, and ITS agricultural definition of WTO.

Complicated statistical methods result in disagreement in trade data and specification of agricultural product scopes, a situation that can greatly affect trade policies and theories. International trade data in different period are gathered according to different statistical standards with the earliest data available under the HS system in 1992. Use of international agricultural trade data before 1992 requires matching product definitions under different statistical systems (HS and SITC). Currently, studies on statistical agricultural product classifications are still under discussion both at home and abroad.

The paper discusses the advantages and disadvantages of comparing and analyzing product classification based on the six statistical methods using HS and SITC as an example. The research indicates that the problem could be solved through specific discussions on the subject. Starting with the six statistical methods currently used, the author proposes a complete, exact and comparable definition of agricultural product classification system as a solution to the problem. The paper proposes and demonstrates a method of trade data harmonization that can provide a basis for establishing a standardized statistical system and basic data platform.

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