

# Technical Notes and Sources

The data in this *Report* represent the best available estimates from various national authorities, international agencies, and private sources at the time the *Report* was prepared. It is possible that some data will have been revised or updated by national sources after publication. Throughout the statistical tables in this publication, “n/a” denotes that the value is not available, or that the available data are unreasonably outdated or do not come from a reliable source.

The following notes provide sources for all the indicators listed in the Data Tables that do not come from the Executive Opinion Survey.

## Pillar 1: Tariffs and non-tariff barriers

### 1.01 Tariff barriers

#### [Trade-weighted average tariff rate | 2007](#)

This variable measures the average rate of duty per imported value unit weighted by 2006 imports value.

Source: International Trade Centre

### 1.02 Non-tariff barriers

#### [Index of non-tariff barriers \(NTBs\) | 2007 or most recent year available](#)

This index is constructed as the average of two NTB-related variables. The variables included are the percentage of trade affected by non-tariff measures (NTMs) and the average number of notifications for products affected by NTMs, for products with imports larger than 0.

Source: International Trade Centre; authors' calculations

## Pillar 2: Proclivity to trade

### 2.03 Openness to multilateral trade rules

#### [Openness to multilateral trade rules index | 2008](#)

This index evaluates the overall participation of countries in multilateral trade rules or instruments (MTRs). These rules are all internationally elaborated legal standards currently regulating trade in specific areas. MTRs are primarily comprised of conventions and treaties that countries ratify or accede to, and international model laws that are incorporated into national law. The index is based on ITC's LegaCarta system, which analyzes the position of each country (accession/nonaccession and incorporation/nonincorporation) regarding some 238 MTRs as well as 450 protocols or amendments overseen by 25 different international organizations. For the purposes of this index, 40 core MTRs were selected, and each was rated with a score depending on its importance and relevance to trade. The 40 core instruments belong to seven categories (contracts, customs, dispute resolution, governance, intellectual property, investment, and air transport). Each category is given an equal weight in the calculation of the index. Selection of the core instruments is based on their importance and relevance to trade and their universality. The importance and relevance to trade of an instrument is determined by taking into account several criteria including: the impact of its provisions on international trade (reduction of transactional costs, trade facilitation, harmonization, transparency, predictability, creation of a business-friendly business climate, support of private-sector activities, and encouragement of foreign direct investment), and the opinion of international legal experts and the views of the international bodies administering these instruments. *Universality* means that the selected MTRs can potentially be applied by all countries, notwithstanding their geographical position or economic level. For example, maritime transport conventions, however important, were not taken into account because of their weak relevance for landlocked countries; treaties dealing with securities and insider trading were not included because they do not represent a priority in countries that have not developed sophisticated financial markets. Accession to the WTO Agreements is not taken into account in this index as WTO accession does not depend exclusively on the will of a nonmember state to join the WTO.

Source: International Trade Centre, based on data from the *LegaCarta* database

### 2.04 Share of duty-free imports

#### [Duty-free imports as a share of total imports | 2006, 2007](#)

Share of trade, excluding petroleum, that is imported free of tariff duties, taking into account most-favored nation tariffs and preferential agreements. Tariff data are from 2007 and imports data are from 2006.

Source: International Trade Centre

## Pillar 3: Efficiency of customs administration

### 3.02 Customs services index

#### Extent of services provided by customs authorities and related agencies | 2007

This index is based on 11 “GEA customs barriers” survey questions capturing different aspects of services offered by customs and related agencies. The services included are the following: clearance of shipments via electronic data interchange for express deliveries; full-time (24 hours / 7 days a week) automated processing; release of goods at the place of arrival; multiple inspections (inspections by agencies other than customs), and the promptness of those inspections; separation of physical release of goods from the fiscal control; exemptions from full customs formalities for shipments of minimal value; customs working hours adapted to commercial needs; fee for services in normal working hours; premium paid for services outside normal working hours; availability of receipt and processing of control data in advance of arrival of shipments; appeal of customs decisions to a higher level or an independent tribunal; post-release processes, pre-entry classification, and valuation rulings binding on all ports; and use of reference prices or arbitrary uplifts to invoice values. The maximum score an economy can obtain is 11.5.

Source: Global Express Association

## Pillar 4: Efficiency of import-export procedures

### 4.01 Effectiveness and efficiency of clearance

#### Effectiveness and efficiency of clearance process by customs and border control agencies | 2007

This variable assesses the effectiveness and efficiency of the clearance process by customs and other border control agencies in the eight major trading partners of each country. Respondents to the Logistics Perception Index survey were asked to evaluate the effectiveness and efficiency of clearance in the country in which they work on a 1–5 scale, based on their experience in international logistics, compared with generally accepted industry standards or practices.

Source: The World Bank, *Logistics Perception Index 2007*

### 4.02 Time for import

#### Number of days required to import | 2007

The time calculation for a procedure starts from the moment it is initiated and runs until it is completed. If a procedure can be accelerated for an additional cost, the fastest legal procedure is chosen. It is assumed that neither the exporter nor the importer wastes time and that each commits to completing each remaining procedure without delay. Procedures that can be completed in parallel are measured as simultaneous. The waiting time between procedures—for example, during unloading of the cargo—is included in the measure.

Source: The World Bank, *Doing Business 2008*

### 4.03 Documents for import

#### Number of documents required to import | 2007

This variable takes into account all documents required import goods. It is assumed that the contract has already been agreed upon and signed by both parties. Documents include back documents, customs declaration and clearance documents, port filing documents, import licenses, and other official documents exchanged between the concerned parties. Documents filed simultaneously are considered different but with the same time frame for completion.

Source: The World Bank, *Doing Business 2008*

### 4.04 Cost to import

#### Total official cost associated with importing, excluding tariffs and trade taxes | 2007

This variable measures the fees levied on a 20-foot container in US dollars. All the fees associated with completing the procedures to export or import the goods are included. These include costs for documents, administrative fees for customs clearance and technical control, terminal handling charges, and inland transport. The cost measure does not include tariffs or trade taxes. Only official costs are recorded.

Source: The World Bank, *Doing Business 2008*

## Pillar 5: Transparency of border administration

### 5.02 Corruption Perceptions Index

#### A country or territory's degree of public corruption | 2007

The Corruption Perceptions Index score relates to perceptions of the degree of corruption as seen by business people and country analysts, and ranges between 10 (highly clean) and 0 (highly corrupt).

Source: Transparency International

## Pillar 6: Availability and quality of transport infrastructure

### 6.01 Airport density (hard data)

#### Number of airports per million population | 2006

Source: International Air Transport Association, SRS Analyser

### 6.02 Transshipment connectivity index

#### Type of transshipment connections available to shippers from each country/economy on bilateral routes | 2006

This index aims at reflecting the geographical aspects of the liner service supply and is based on the type of connections between countries ranging from a first- to a fourth-order connection. In the absence of direct liner shipping between two countries, the cargo will have to be transshipped in a port of a third or even fourth country in order to reach the destination country. A first-order connection is a connection without transshipment, a second-order connection is a connection with one transshipment, and so on. First-order connections have the most positive impact on cargo movement. Therefore, the type of connections per country has been weighted as follows: first-order connections are multiplied by 1.0, second-order connections by 0.5, third-order connections by 0.33, and fourth-order connections by 0.25. The score is the sum of the four connection types.

Source: UNCTAD, Transport Section, Trade Logistics Branch

### 6.03 Paved roads

#### Paved roads as a percentage of total roads | 2004

*Paved roads* are those surfaced with crushed stone (macadam) and hydrocarbon binder or bituminized agents, with concrete, or with cobblestones. This indicator shows paved roads as a percentage of all the country/economy's roads, measured in length.

Source: The World Bank, *World Development Indicators 2007*, International Road Federation, *World Road Statistics 2006*

### 6.04 Road congestion

#### Motor vehicles per kilometer of road | 2004

Source: The World Bank, *World Development Indicators 2007*

## Pillar 7: Availability and quality of transport services

### 7.01 Liner Shipping Connectivity Index

#### Quantity of services provided by liner companies | 2007

The Liner Shipping Connectivity Index (LSCI) is an indicator of liner shipping connectivity, based on indicators of service supply per country/economy. The index is comprised of a list of quantitative indicators for service parameters available in each country. The variables included in this index are: number of ships, liner companies, liner services, TEU (twenty-foot equivalent units) capacity, and maximum ship size.

Source: UNCTAD, Transport Section, Trade Logistics Branch

### 7.02 Ease and affordability of shipment

#### Ease and affordability of arranging international shipments | 2007

This variable assesses the ease and affordability associated with arranging international shipments. Respondents to the Logistics Perception Index survey were asked to evaluate the ease and affordability associated with arranging international shipments to or from eight countries (major trading partners) with which they conduct business. Performance was evaluated using a five-point scale (1 for the lowest score, 5 for the highest), based on their experience in international logistics and in accordance with generally accepted industry standards or practices.

Source: The World Bank, *Logistics Perception Index 2007*

### 7.03 Competence of the logistics industry

#### Competence of the local logistics industry (e.g., transport operators, customs brokers) | 2007

This variable evaluates the competence of the local logistics industry. Respondents to the Logistics Perception Index survey were asked to evaluate the competence of the local logistics industry in the eight countries (major trading partners) with which they conduct business. Performance was evaluated using a five-point scale (1 for the lowest score, 5 for the highest), based on their experience in international logistics and in accordance with generally accepted industry standards or practices.

Source: The World Bank, *Logistics Perception Index 2007*

### 7.04 Ability and ease of tracking

#### Ability to track and trace international shipments | 2007

This variable assesses the ability to track and trace international shipments (consignments). Respondents to the Logistics Perception Index survey were asked to evaluate the ability to track and trace international shipments (consignments) when shipping to or from eight countries (major trading partners) with which they conduct business. Performance was evaluated using a five-point scale (1 for the lowest score, 5 for the highest), based on their experience in international logistics and in accordance with generally accepted industry standards or practices.

Source: The World Bank, *Logistics Perception Index 2007*

### 7.05 Timeliness of shipments in reaching destination

#### Frequency of shipments reaching the consignee within the scheduled delivery time | 2007

This variable assesses how often shipments reach the consignee within the scheduled delivery time. Respondents to the Logistics Perception Index survey were asked to evaluate the timeliness of shipments in reaching destination when arranging shipments to eight countries (major trading partners) with which they conduct business. Performance was evaluated using a five-point scale (1 for the lowest score, 5 for the highest), based on their experience in international logistics and in accordance with generally accepted industry standards or practices.

Source: The World Bank, *Logistics Perception Index 2007*

## Pillar 8: Availability and use of ICTs

### 8.02 Mobile telephone subscribers

#### Mobile telephone subscribers per 100 population | 2006 or most recent year available

The term *subscribers* refers to users of mobile telephones subscribing to an automatic public switched telephone network using cellular technology. This can include analogue and digital cellular systems but should not include noncellular systems. Subscribers to fixed wireless, public mobile data services, or radio paging services are not included.

Source: International Telecommunication Union, *World Telecommunication Indicators 2007*

### 8.03 Broadband Internet subscribers

#### Total broadband Internet subscribers per 100 population | 2006 or most recent year available

The International Telecommunication Union considers *broadband* to be any dedicated connection to the Internet of 256 kilobits per second (kb/s) or faster, in both directions. *Broadband subscribers* refers to the sum of DSL, cable modem, and other broadband (for example, fiber optic, fixed wireless, apartment LANs, satellite connections) subscribers.

Source: International Telecommunication Union, *World Telecommunication Indicators 2007*

### 8.04 Internet users

#### Internet users per 100 population | 2006 or most recent year available

*Internet users* are people with access to the worldwide network.

Source: International Telecommunication Union, *World Telecommunication Indicators 2007*

### 8.05 Telephone lines

#### Main telephone lines per 100 population | 2006 or most recent year available

A *main telephone line* is a telephone line connecting the subscriber's terminal equipment to the public switched telephone network and that has a dedicated port in the telephone exchange equipment.

Source: International Telecommunication Union, *World Telecommunication Indicators 2007*

## Pillar 9: Regulatory framework

### 9.02 Openness of bilateral Air Service Agreements

#### Index of openness of bilateral Air Service Agreements | 2005

This index measures the average openness of all bilateral Air Service Agreements (ASAs) concluded by International Civil Aviation Organization (ICAO) signatories as registered in ICAO's World's Air Services Agreements (WASA) database (2005 update), weighted by bilateral scheduled passenger traffic taking place under each ASA. Regulatory data come from ICAO's WASA database (2005), and traffic data were obtained from IATA.

Source: World Trade Organization