



འོང་འབབ་དང་ཅ་དམ་ལས་ཁུངས། དངུལ་རྩིས་ལྷན་ཁག།
Department of Revenue and Customs | Ministry of Finance



Bhutan Trade Statistics in Merchandise



Presentation Outline

Part I: Background

Part II: Trade Statistics

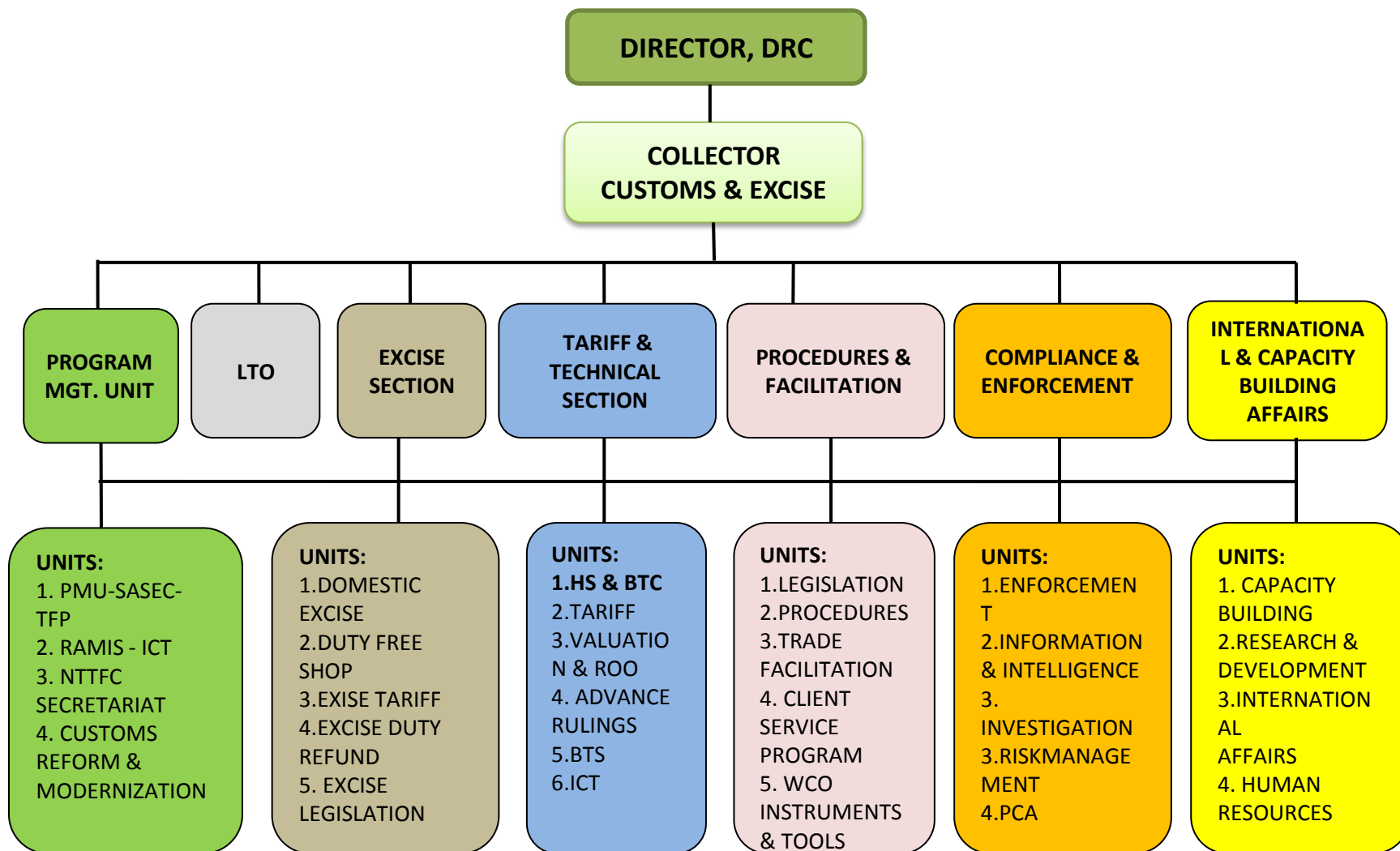
Bhutan Trade
Statistics (BTS)

Part III: Challenges

Part IV: Way Forward

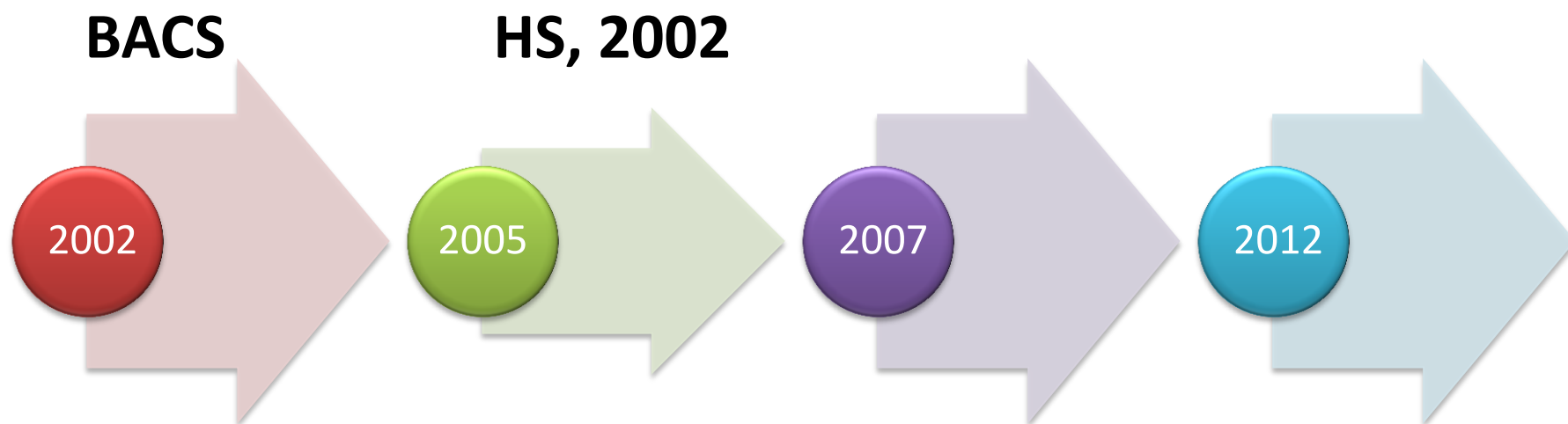


Organizational Structure





Background



- Limited users of Trade data
- Quality of data was poor



Data Collection

Eight RRCO's

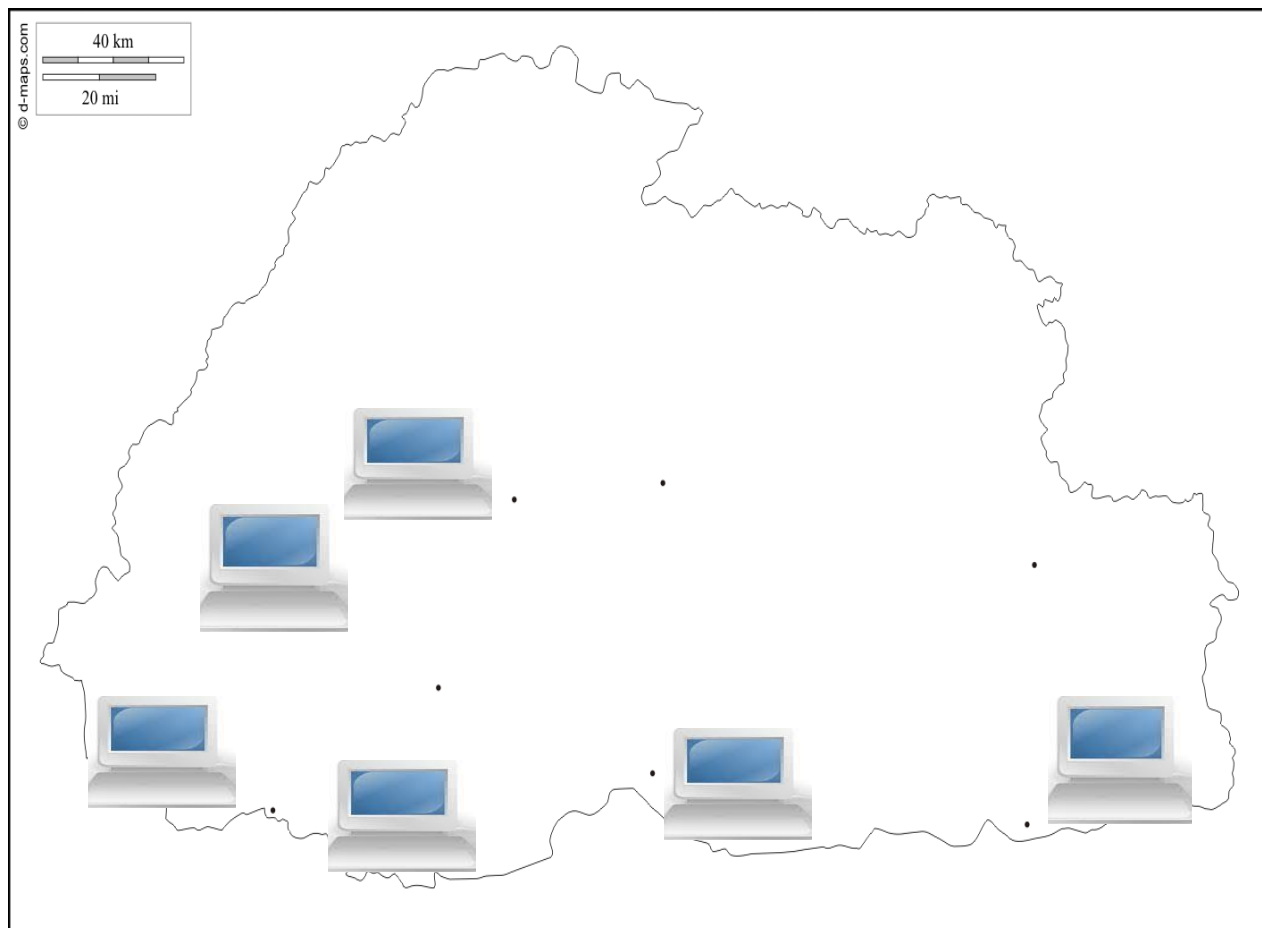
TIS Unit

Data Collection

Data Verification

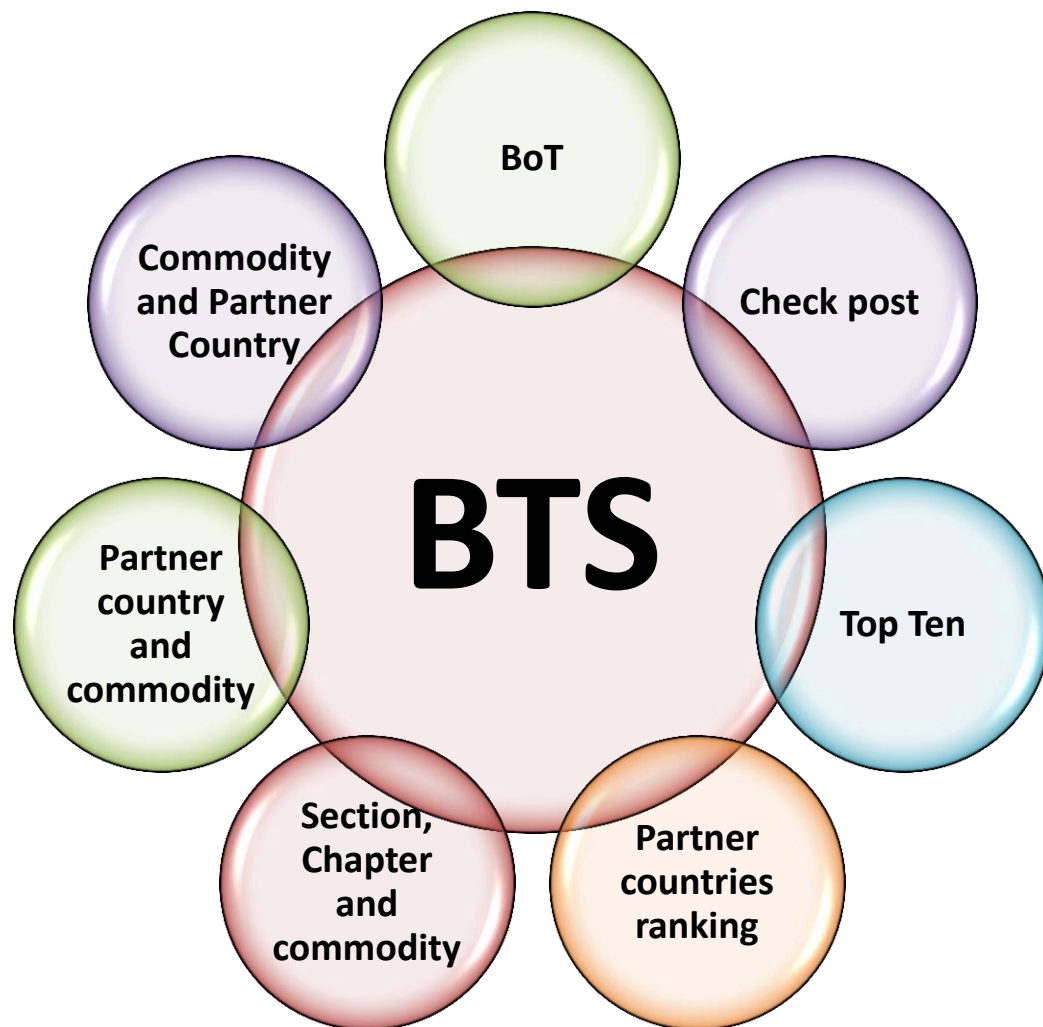
Data Validation

Publication (Provisional)





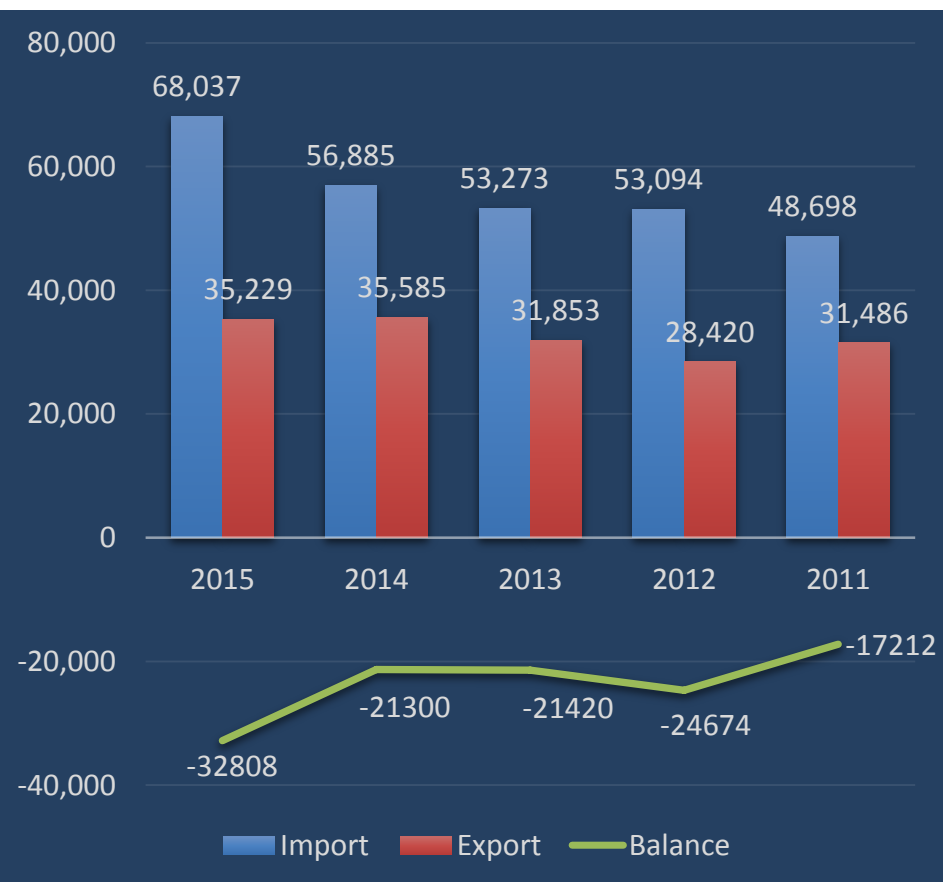
BTS Report Format



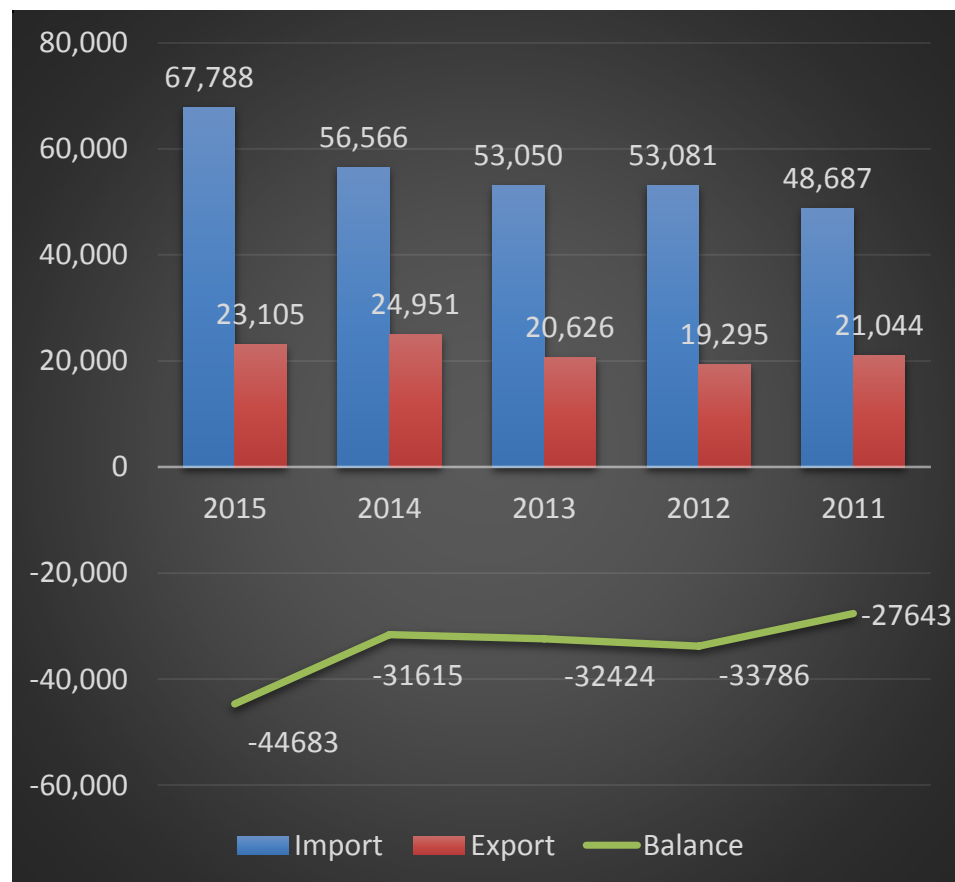


Balance of Trade

A. Trade including Electricity



B. Trade excluding Electricity





TRADE VOLUME

NU. (million)

TRADE	INDIA		3 rd COUNTRIES		India	3 rd Contry
	2013	2014	2013	2014	2015	2015
IMPORT	43,889	47,847	9,383	9,036	53740	14296
EXPORT	28,979	31,801	2,873	3,783	31801	3427
BALANCE	(14,910)	(16,043)	(6,509)	(5,253)	(21939)	(10868)

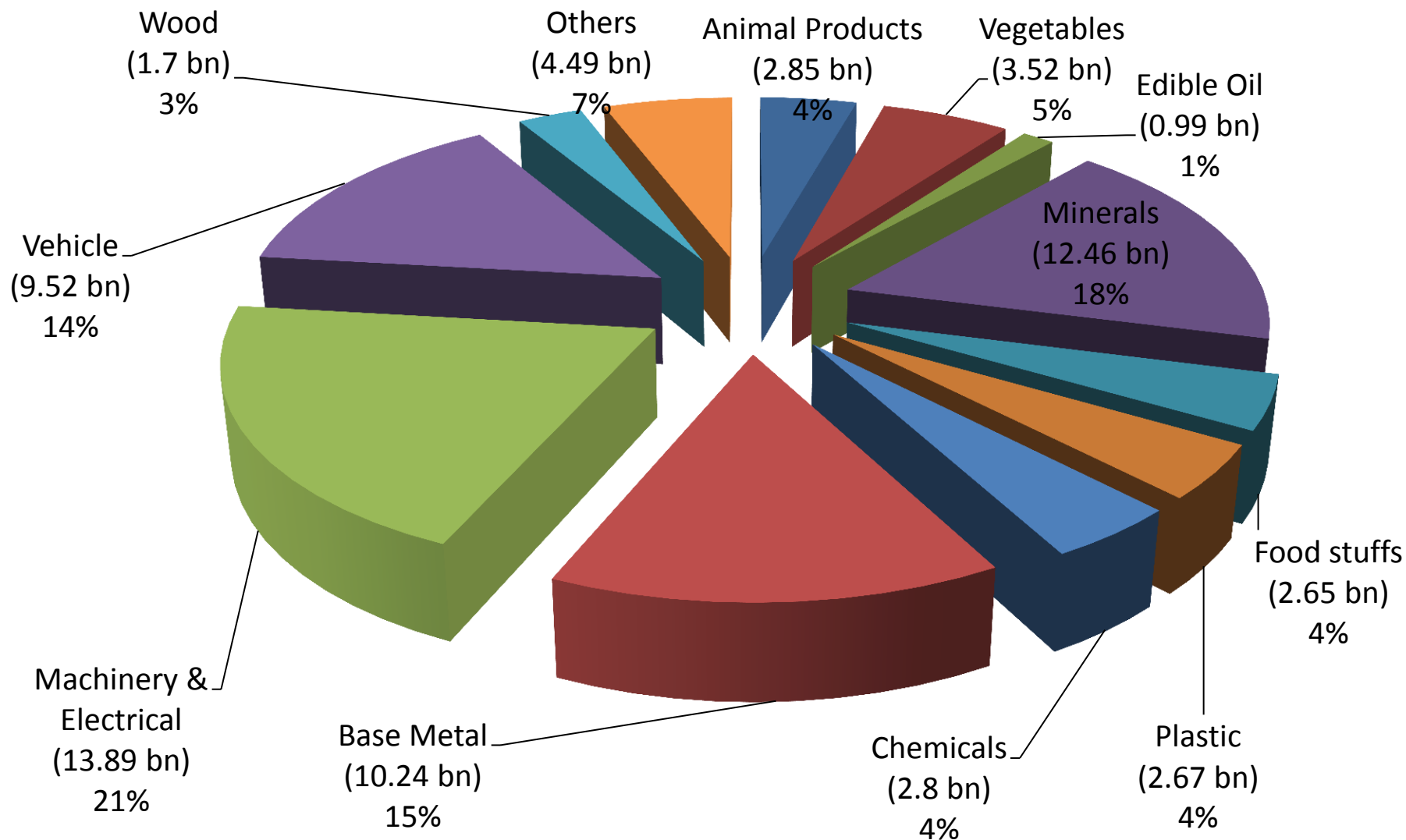
Deficit: 2013 (14910 + 2873 = 17783

Deficit 2014 (16043 + 5253 = 16043

Deficit 2015 (21939 + 10968 = 32807

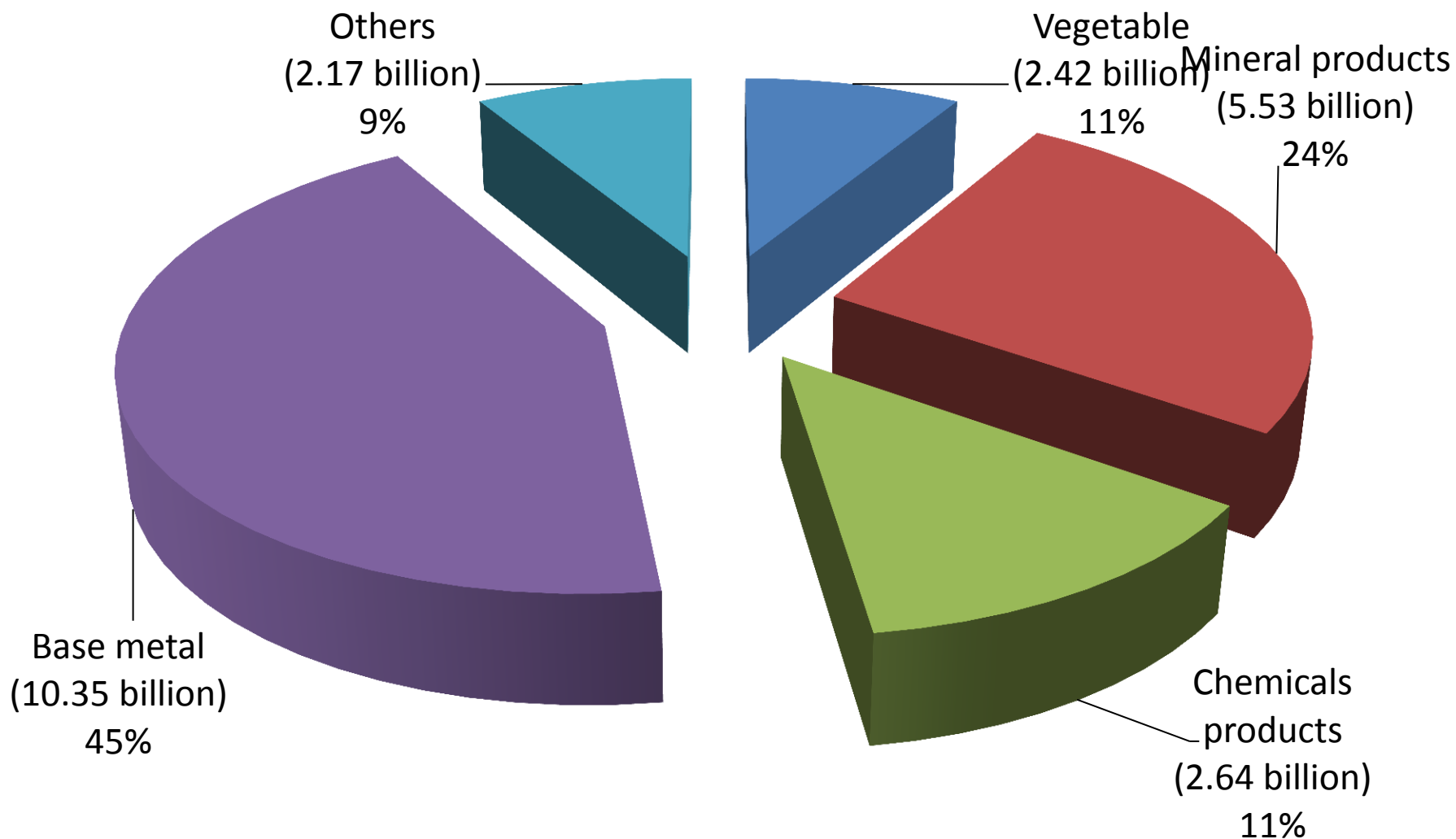


Import Profile

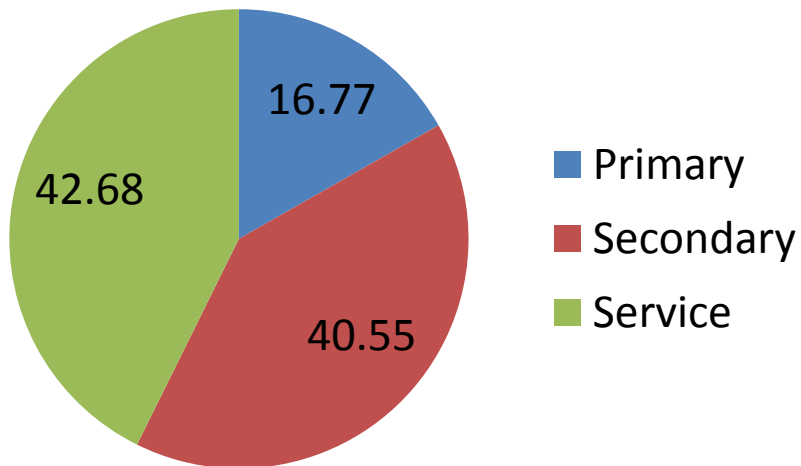




Export Profile



Size of the economy and structure in 2014



- Size of the economy: Nu. 119545.7 million
- Growth rate: 5.46 %
- Primary sector growth: 2.37 %
- Secondary sector: 3.06 %
- Service sector: 8.91 %



Challenges

Valuation

- Zero rated Goods -Undervalue
- High Tariff - overvalue

Smuggling

- Restricted Goods
- Prohibited Goods

Informal Trade

- Porous border -Smuggling

System

- Standalone – Late data

Sl. No.	BST (%)	INDIRECT TAX SLAB		Excise Duty on AWP liquor (%)
1	0	0	0	30% – Premium Brand
2	5	5	5	60% - Mid Brand
3	10	10	10	75% - Ordinary Brand
4	15	15	15	
5	20	20	20	
6	30	30	25	
7	50	50	30	
8	100	100		

***** SAARC Countries – Preferential Tariff applied.**

Tariff rates are based on the nature of items and its utility in the importing countries. Fiscal policy to curb imports or exports.



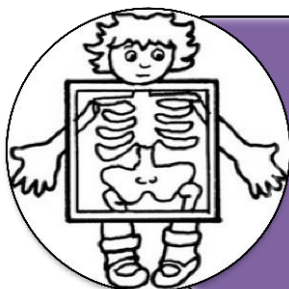
Way Forward



Legislation
WTO Valuation Method



(Automation)
Web-based system



Non-Intrusive inspection
Trade facilitation
Simplified customs system



Legislation

Sec. 20

- Classification based on Bhutan Trade Classification (BTC), Customs Tariff and Sales Tax Schedule in force

Sec. 21

- BTC shall be in accordance with the HS Nomenclature

Sec 22

- Creation of National Codes beyond six digit

Sec. 120

- Advance Ruling on classification

Tariff Policy.

- Guided by Economic and social and Environmental Policy of the Govt. (EDP and Fiscal Incentive).
- Nature of use – Raw materials and machineries –Tax exempted.
- Alcohol and luxury items are taxed high.
- Bilateral and multilateral agreements
- To correct Balance of trade
- To curb consumerism.
- Promote investment.
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Automation

- Online payment & declaration
- Advance ruling in classification
- Valuation database for Post Clearance Audit
- Dynamic data reports
- Data analysis

THANK YOU