

ODUG Benefits Case for releasing CHIEF data

Open Data release of the Customs Handling of Import and Export Freight (CHIEF) declarations database

(Paper prepared for the Tax Transparency Sector Board)

Benefits of an open data release of the CHIEF database

Increased Corporate Transparency

1. Arguably the greatest potential benefit of making further data publicly available from the CHIEF database is more visibility into company track records. There is a great deal of opaqueness in cross border trade and limited objective data sources that can verify the self-reported expertise and experience of companies. As a result, companies trying to identify suppliers and customers have a difficult time differentiating trading partners that have a sustained track record of good business from others that simply make this claim. If a company's reputation runs afoul, there is little consequence to shutter the business and re-open under a new name with newly inflated claims. The data is useful to buyers, sellers, service providers and research companies to verify the track record of the companies with which they wish to do business or to get a sense of a company's historical performance

Promoting UK Trade

2. Increasingly trading partners are seeking third-party data sources to verify self-reported information from their trading partners. Publicly available Customs data serves this purpose and gives potential customers confidence when doing business with suppliers in the US. A key use case here is that the data can be integrated into search engines and B2B marketplaces to help UK suppliers be found based on their shipping history. The result is more UK companies being found combined with rising confidence in doing business with these companies based on their verified track record which ultimately promotes cross border trade with the UK.

Expanding Information Services Industry

3. All industries engaged in global trade have the potential to benefit from the release of this data, but one industry that will certainly benefit is the information services industry. Information services companies will inevitably make a business out of the sale of UK Customs data, but there may also be unexpected new applications and business opportunities once these companies with "big data" expertise get access to the data.

Data is available in other countries

4. Different countries make their Customs data available to varying degrees. The United States and various Latin American countries -- including but not limited to Chile, Colombia, Panama, Peru and Uruguay -- make transaction-level shipping data available for imports and exports. In these countries, there are certain approved data elements released for shipments to and from that country.
5. These data elements vary by country but generally include:

- a. identity of the company in the country making the data available (company name / address and sometimes contact information);
 - b. the nature of the cargo (a free text description and/or a product code);
 - c. the size of the shipment (value and/or volume);
 - d. the origin or destination of the shipment (at least a foreign country of origin / destination);
 - e. sometimes a port of loading / unloading or in the case of the US and Colombia the identity of the foreign company sending or receiving the goods); and
 - f. the shipment date (which can sometimes include multiple dates such as an estimated and actual date).
6. There may be other limitations to the data on a country-by-country basis such as the US which only makes available waterborne shipments and allows companies to petition to remove their company name / address from the publicly available data.
7. Additional countries release Customs data in more limited forms. In China and possibly Brazil, Customs provides company-level information aggregated on a monthly basis. Therefore, for any product category (defined by harmonized tariff code), one can see all the companies that have shipped that product category in a given month. For each company, there is a total value of shipments as well the foreign destination / origin and the mode of transportation, but not a breakdown of individual shipments. There are also additional countries -- for example Mexico, India and possibly Spain -- where the minimally available Customs data takes the form of government published lists of companies that have shipped in each product category without offering the detail behind their shipping history.

Additional information needed from UK CHIEF database

8. In an ideal world, there would be transaction-level shipment import and export data available for the UK. At minimum, this would include:
- a. UK company name and address (as well as ideally a unique company ID);
 - b. Nature of the goods (free text description and product code such as harmonized tariff code);
 - c. Shipment size in value and volume (which requires clear guidelines around units and measurement);
 - d. Foreign origin / destination country and port (including ideally a way to distinguish transit countries / ports); and
 - e. Relevant shipment date(s).
9. Additional useful information would include:
- a. UK company contact information;
 - b. UK port of receipt or departure;
 - c. Foreign exporter / importer company name and address;
 - d. Other notify party name and address; and
 - e. Carrier name and address.