

Annex XXIII.B. Compilation of data on external trade in ships and aircraft: experience of Norway

23.B.1. *Use of ships registers in Norway.* In Norway, the external trade of ships, aircrafts and movable drilling rigs is not properly covered by data from customs. Concerning ships, estimates based on change of ownership are used as an alternative. Statistics Norway regularly receives information from Norway's shipping registers (NIS and NOR) about new registrations, cancellations and other changes in the registers. Based on this information, a letter and a form are sent to the registered owner, asking for additional information. For exports (sale of ships), identification of the former owner, name of new owner, home country and new flag State, date of change of ownership, type of ship, gross tons and actual price are requested. For imports (purchase of ships), the name of previous owner, home country, previous flag State, date of change of ownership, type of ship, gross tons and, last, actual price are requested. Frequently, ships and aircrafts are leased, requiring clarification on whether a change of ownership took place.

23.B.2. *Leasing: approach of Statistics Norway.* It is difficult to secure information on when a leasing agreement was established. Consequently, Statistics Norway is, to a large extent, dependent on occasional information. However, in regard to the handling of financial and operational leasing, Statistics Norway makes a pragmatic judgement based on (a) who has the equipment registered in his balance sheet (and pays for all maintenance and repairs) and (b) the length of the period of the contract (one year or more). If the length of the period is more than one year and it is not the lessor who pays all expenses, the transaction is considered to be export or import of goods. Otherwise, it is registered not as trade in goods but as trade in services.

Box XXIII.B.1

Differentiating between operating and financial leasing

Operating leasing and financial leasing represent two different forms of ownership. Under an operating lease, a lessor owns the equipment and pays for all necessary investments. The lessor retains the residual value of the equipment and takes it back when the leasing period expires. When using financial loan products such as financial leasing, overdrafts and loans, the borrower himself is the owner of the equipment and finances 100 per cent of its value. In operating leases, therefore, the value of the equipment is kept off the balance sheet and the leasing costs are posted in their entirety as direct costs linked to the use of the equipment. In financial loan products, the equipment is carried on the balance sheet and the company itself must administrate and allocate all costs and depreciations linked to the equipment in order to produce a correct picture of overall financial implications. Operating leasing also provides external invoice control. The lessor, who owns the equipment, pays all accounts and determines whether it is in accordance with the agreements signed. The lessee simply receives periodic invoices for the lease.

23.B.3. *Data compilation.* The data on trade of ships, including transport and procedure codes, are manually registered in the Statistics Norway general trade database. It will normally take about two months to collect data, sometimes even longer. However, the data are registered in the month of the change of ownership. This exercise does not cover trade of ships of Norway registered in foreign registers if the trade ends up registered in another country's register. However, it is assumed that such activity is very limited, and at the moment it is ignored.

23.B.4. *Ships of Norway under foreign flag.* Regarding the issue ships of Norway under foreign flag, Statistics Norway used to depend on information (electronic data) from Lloyd's Fairplay Register. However, this has been discontinued based on the consideration of the costs and benefits of subscribing to the monthly updates, which means that new effective sources are sought after. Equasis, a free source, might be used.^[22] Statistics Norway is also considering establishing a small annual survey of large shipping companies in order to obtain an alternative estimate of the magnitude of this activity. This work has not been yet concluded.

[22] <http://www.equasis.org/>