

Coverage of international merchandise trade statistics

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1.Packaged software (consultation paper Issue 3)

- All these packaged software products are recommended to be included in IMTS.
- Some concern of whether part of all of packaged software should be treated as services.
- should be updated to clarify its scope?

- We support making a distinction between the non-customized packaged software with "periodical" licenses and those with "perpetual" licenses. The former shall be excluded while the latter shall be included.
- "length" of the "periodical" license should be defined.
- Refer "goods on lease"

Question

- Do you agree that the existing recommendation (IMTS, Rev.2, para 27) for inclusion of goods used as carriers of information and software3 should be updated with respect to its scope?
- Answer: YES

2.Download software and audiovisual product (consultation paper Issue 6)

- Not explicitly covered by IMTS,
- But the electronic transmission of any information from one country to another is outside the scope of trade statistics since it is generally considered to be a service rather than a good.
- Not cross borders in physical form. Not requested to declare to China customs, not included in China's merchandise trade statistics.

• Question 6:

- Do you agree that a new recommendation is needed to explicitly exclude electronic transmission of any downloadable product from one country to another as it is outside the scope of international merchandise trade statistics?
- Answer: YES

3.Asymmetric inclusion or exclusion (consultation paper Issue 7) • In IMTS Rev.2, the bunkers, stores, ballast and dunnage, If acquired from / supplied to foreign vessels or aircraft in the economic territory, then included in the imports / exports.

 If acquired from /supplied to foreign vessels or aircraft outside of the economic territory, then excluded from the imports/exports, but record separately.

- As a general guideline, recommendations on inclusions and exclusions should be symmetrical"
- But it is very difficult for data collection, they are not declared at customs.
- Not included in China's merchandise trade statistics.

• Question 7: Do you agree

- (i) that as a general guideline, recommendations on inclusions and exclusions should be symmetrical (that is if a certain category of goods is recommended for inclusion in imports statistics it should be recommended for for inclusion in exports statistics as well and vise versa)?
- Answer: YES
- (ii) that all
- (ii) that all asymmetric inclusions and exclusions5 be reviewed, and either reconfirmed, modified or canceled?
 Answer: YES

4. other issue

- The return goods,
- in IMTS Rev.2 which should be included in a country's international merchandise trade statistics.

- In China, the returned goods because of inferior quality or being not up-tospecifications are not included in China's international merchandise trade statistics, but recorded separately for the use of balance of payment purposes
- not real exports and imports, if included in IMTS, it will exaggerate the real scale of exports or imports.