

Partner country (IMTS)

Bangkok Sep 9-12, 2008

<u>1. Partner attribution:</u>

- Trade statistics by partner countries are of significant analytical value.
- in the case of imports, the country of origin be recommended;
- Country of origin is the country where the goods is "wholly produced" (obtained); or "substantial transformation" is taking place.
- attribution by origin for imports meets what is considered to be a priority application.

- In the case of exports, the country of last known destination be recommended.
- The country of last known destination is the last country - as far as it is known at the time of exportation

<u>2. Partner attribution in China</u>

- The country of origin is reported for imports and the country of final destination is reported for exports.
- The country of consignment is also recorded for imports and exports as additional information.

<u>3.Country of consignment</u>

• The country of consignment (in the case of imports) is the country from which goods were dispatched to the importing country, without any commercial transactions or other operations which change the legal status of the goods taking place in any intermediate country. If, before arriving in the importing country, goods enter a third country and are subject to such transactions or operations, that third country should be taken as the country of consignment.

 China adopted "country of consignment" (replacing country of purchase/sale) since 1993, for the purpose of data reconciliation study.

- Chinese goods declared as exports to Hong Kong are often re-exported by Hong Kong to other countries, such as US and EU.
- "Direct exports + re-exports in HK + via other"

Compared with "Partner's imports"

- Issue 10: Strengthening country of consignment for imports
- Question Do you agree that the existing recommendation to collect the country of consignment for imports as additional information (IMTS, Rev.2, para 150, page 23) should be strengthened by recommending to collect the country of consignment as the second partner attribution for imports alongside with the country of origin?
- Answer: YES
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- Issue 11: Optional or recommended country of consignment for exports
- Question: Do you agree that the country of consignment for exports should be
- (i) the second recommended partner attribution alongside with country of the last known destination?
- Answer: YES

4. Calculation of trade balance

- Exports imports
- Mirror exercise between partner countries
- Statistics of trade in service should be considered as well.

5.Issues on Rule of origin

- origin of used goods origin of the goods (same as new ones), waste goods: the place where the waste is produced
- *financial leasing* origin of the goods
- suggestion to WCO

-the possibility of using ISIC (and CPC) in origin attribution for cases where national and Kyoto convention rule of origin are non-conclusive.
-Boundaries in determining rules of origin to distinguish between exports, re-exports and simple transportation.

exchange the national regulation on Rule of Origin

Data comparability remains an important issue. Except usual methodological reasons for noncomparability, the rule of origin can be one of the reasons. The rules of origin established by each country may be different, and therefore, may cause the discrepancy in bilateral trade statistics. Partner countries should be encouraged to exchange information and conduct studies in this aspect.

