



UNITED NATIONS
DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION

Expert Group on International Merchandise Trade Statistics
First meeting
New York, 3-6 December 2007

Presentation
UNSD

Item 11: Partner Country



IMTS, Concepts and Definitions, Rev.2 Chapter VI: Partner country





Partner country attribution



- **Country of origin for import statistics**
- **Country of last known destination for export statistics**
- **Country of consignment, in addition**
(Should Country of Consignment be made a firm recommendation ??)

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Partner country attribution

The Country of Origin of a good (for imports) is determined by rules of origin established by each country. Generally, rules of origin consist of two basic criteria:

- i. The criterion of goods “wholly produced” (obtained) in a given country, where only one country enters into consideration in attributing origin;
- ii. The criterion of “substantial transformation”, where two or more countries have taken part in the production of the goods.



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Partner country attribution

The Substantial Transformation criterion can be expressed:

- i. “- by a rule requiring a change of tariff heading in a specified nomenclature with lists of exceptions, and/or
- ii. “- by a list of manufacturing or processing operations which confer, or do not confer, upon the goods the origin of the country in which those operations were carried out, and/or
- iii. “- by the ad valorem percentage rule, where either the percentage value of the materials utilized or the percentage of the value added reaches a specified level”



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Partner country attribution

- Country of last known destination is the country in which the merchandise is to be consumed, further processed or manufactured; the final country of destination as known to the exporter at the time of shipment; or the country of ultimate destination as shown on the validated export license.



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Partner country attribution



- Country of consignment is the country from which goods were dispatched to the importing country (to which goods were dispatched from the exporting country), without any commercial transactions or other operations which change the legal status of the goods taking place in any intermediate country.

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Current Recommendation

It is recommended that the **statistical territory** of each country, as defined by the country itself, constitute the basis upon which the trading partners of each country compile their statistics of trade by countries.


This causes problems if a country excludes free zones and customs warehouses from its statistical territory.

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Section 8: Partner Country

8.01  Do you identify your trade partners on the basis of the definition of the statistical territory as given by your partners themselves?

Do you compile **import** statistics by:

8.02		country of origin?
8.03		<i>If Yes, do you broadly follow the origin criteria outlined in the Kyoto Convention?</i>
8.04		country of consignment?
8.05		country of purchase?
8.06		other? <i>If Yes, please specify in Comments field</i>

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Section 8: Partner Country

		121 Countries			
		Question	Yes %	No %	N/A %
8.01	Do you identify the definition of partner countries themselves?	8.01	75.9	20.5	3.6
8.02	Do you compile statistics by country?	8.02	89.2	9.0	1.8
8.03	If Yes, please outline the criteria used?	8.03	86.2	8.8	5.0
8.04		8.04	50.0	48.1	1.9
8.05	Do you compile statistics by country of origin?	8.05	29.6	67.6	2.8
8.06	Do you compile statistics by other? If Yes, please specify in Comments field	8.06	18.3	67.6	14.1

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Section 8: Partner Country


Do you **record** for imports:

8.07	country of requested preferential treatment
8.08	country of granted preferential treatment






Do you compile **export** statistics by:

8.09	country of last known destination?
8.10	country of consignment?
8.11	country of sale?
8.12	other? <i>If Yes, please specify in Comments field</i>

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Section 8: Partner Country

Do you record		121 Countries			
		Question	Yes %	No %	N/A %
8.07	 cour	8.07	24.2	66.3	9.5
8.08	 cour	8.08	33.0	57.7	9.3
Do you compi		8.09	92.7	5.5	1.8
8.09	 cour	8.10	23.2	72.6	4.2
8.10	 cour	8.11	23.4	73.8	2.8
8.11	 cour	8.12	9.0	77.6	13.4
8.12	othe				

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Country Practice: China, Hong Kong SAR

HK offers assembling and testing for electronic toys in plastic casing

- o This is inward processing

HK changes criteria country of origin if

- o Assembled in Hong Kong and
- o Containing 25% Hong Kong cost content attributable to local component parts and labor

If those origin criteria are not met, HK registers trade as re-export, otherwise export

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Domestic and Foreign Goods

Domestic goods are goods originating in the economic territory of a country. In general, goods are considered as originating in the country if they have been wholly obtained in it or were substantially transformed by processing in it, so that the processing confers domestic origin.

Foreign goods are goods which originate from the rest of the world, i.e., from any territory not included in the economic territory of a country.



Re-Export Flows

Foreign Goods

From the free circulation area, premises for inward processing or industrial free zones

4. To the rest of the world (Special and General)

5. Into premises for customs warehousing or commercial free zones (Special)

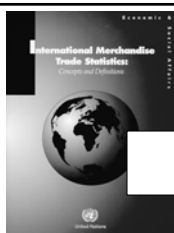
From premises for customs warehousing or commercial free zones

6. To the rest of the world (General)



Re-Export Flows – current recommendation

Re-exports are to be included in the country exports. They are also recommended to be recorded separately for analytical purposes, which may require the use of supplementary sources of information in order to determine the origin of re-exports, i.e., to determine that the goods in question are indeed re-exports rather than the export of goods that have acquired domestic origin through processing (IMTS, Rev.2, para. 79)



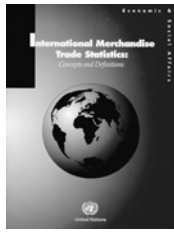
Re-Export Flows

Partner Countries

Is it possible to recommend :

Country of Origin and Country of Final Destination for Re-exports ?

What Partner Country could be recommended for Re-Imports ?



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Thank you for your
attention

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