

Workshop for Developing Countries on the Revision of the International Recommendations for International Merchandise Trade Statistics (IMTS)

Bangkok, 9-12 September, 2008

Partner country

**Country of origin and country of consignment for imports;
Country of last know destination and country of consignment
(destination) for exports;
Country of sale/ purchase; Calculation of trade balances; Issues
concerning the determination of the country of origin and re-
exports (rules of origin); Other concerns**



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Partner country – Country of origin and country of consignment for imports

1. Current recommendation(s)

(IMTS, Rev.2, para 150) Although no single method of attributing partner country is ideal, attribution by origin for imports meets what is considered to be a priority application of international merchandise trade statistics, namely, matters of trade policy and related economic analysis. Consequently, it is recommended that in the case of imports, the country of origin be recorded; ***that the country of consignment be collected as additional information***; and that in the case of exports, the country of last known destination be recorded.

2. Result from the 2006 NCDP Questionnaire

Question : Do you compile import statistics by	Yes	No	N/A
Country of origin?	90.9	7.4	1.7
Country of consignment?	46.3	47.1	6.6
Country of purchase?	29.8	64.4	5.8
Other?	13.2	43.0	43.8

Partner country – Country of origin and country of consignment for imports

3. Result from world wide consultations

Question 10: 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?	Yes in %	No in %	No Op. in %	N/A in %
Total of 110 replies	75	15	9	1
Developed (34)	79	15	6	0
Developing and transitional (76)	72	16	11	1

Partner country – Country of origin and country of consignment for imports

4. UNSD observation of wwc result

A large majority of countries (75%) support this proposal although there is also disagreement (15%). A significant number of countries appear to have this information available in a certain way. Many countries explicitly support this proposal as important for analytical purposes and trade reconciliation. Some countries warn to publish COC statistics alongside existing statistics by COO. Some countries raise the prospect of using COC as an alternative to COO in certain cases.

There is not much difference on this question between developing/transitional and developed countries.

Partner country – Country of origin and country of consignment for imports

5. Selected comments (from total of 57 comments)

- Trade by country of consignment is important for analysis of trade by partners. The revised IMTS should recommend to compile in import statistics both country of origin and country of consignment.
- Information on country of consignment as the second partner attribution for imports alongside with the country of origin is for quality and precise statistics for further analysis and for reconciliation purposes.
- Additional information on country of consignment is crucial in understanding the true trade partners and for triangular trade analysis in data reconciliation.
- [...] not only the concept itself needs to be clarified but also the identification of the country of consignment if several countries are involved [...]
- We recognise that this information is very useful and we are hoping to capture the two partner countries as a result of revised legislation for trade with non-EU countries.
- [...] not only the concept itself needs to be clarified but also the identification of the country of consignment if several countries are involved [...]
- A clarification concerning the difference between country of purchase and consignment should be added [...]

Partner country – Optional or recommended country of consignment for exports

1. Current recommendation(s)

There is no reference to country of consignment for exports in IMTS, Rev.2.

2. Result from the 2006 NCDP Questionnaire

Question : Do you compile export statistics by	Yes	No	N/A
Country of last known destination?	91.7	5.8	2.5
Country of consignment?	19.8	62.0	18.2
Country of sale?	23.1	71.1	5.8
Other?	5.0	47.9	47.1

Partner country – Optional or recommended country of consignment for exports

3. Result from world wide consultations

Question 11(i): Do you agree that the country of consignment for exports should be the second recommended partner attribution alongside with country of the last known destination?	Yes in %	No in %	No Op. in %	N/A in %
Total of 110 replies	48	33	17	2
Developed (34)	41	47	12	0
Developing and transitional (76)	51	26	20	3

Question 2(i): Do you agree that the country of consignment for exports should be the an encouraged optional partner attribution?	Yes in %	No in %	No Op. in %	N/A in %
Total of 110 replies	28	33	34	5
Developed (34)	32	41	24	3
Developing and transitional (76)	26	29	38	7

Partner country – Optional or recommended country of consignment for exports

4. UNSD observation of wwc result

More countries support the first part of this proposal than the second (48% vs. 28%). Yet, the replies to part 1 and part 2 to this question should be analyzed jointly (see table Quest. 11).

In their comments some countries indicate the usefulness of this information, others say this information is not needed; a number of countries mention compilation issues as this information is usually not included in the customs declaration while other countries mention to collect this information already. There appears, quite logically, less resistance towards the suggestion to make this information optional/ supplementary.

Question 11	Part 2		in %		
Part 1	Y	N	No Op	N/A	Sum
Y	17	16	14	1	48
N	10	14	5	4	33
No Op	0	3	15	0	17
N/A	1	0	0	1	2
Sum	28	33	34	5	100

Partner country – Optional or recommended country of consignment for exports

5. Selected comments (from total of 62 comments)

- [...] we collect this information, it is beneficial for checking country of the last known destination and mirror exercises.
- [...] important role in bilateral trade statistics reconciliation.
- This will indeed help isolate the confusion surrounding the country of last known destination and consignee, since some exporters confuse these to mean the same.
- The recommendations should indicate what country should be used as country of consignment if several are involved.
- There will be need to clearly define what country of consignment means with regard to exports.

Partner country – Optional or recommended country of consignment for exports

5. Selected comments (from total of 62 comments)

- The concept should be clarified before it is possible to express strong views; preliminarily this does not sound the most important issue and possibilities to obtain this type of multi-destination data from customs declarations may be limited.
- At the moment Customs documents are not designed to report such info.
- [...] it is unlikely any additional useful information will be provided, country of consignment will almost always be the same as the country of last know destination.
- It is not agreed that country of consignment should be the second recommended partner attribution, not even encouraged as optional partner attribution.
- [...] extra burden on companies.

Issues raised (open list)

- ❑ The EG agreed to update the existing recommendation 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 (IMTS, Rev.2, para 151, page 23), so that it correctly includes also free zones and other territorial elements which may not be part of the statistical territory.
- ❑ The EG requested to further discuss the usefulness of compiling country of sale/ purchase.
- ❑ The EG requested to further discuss which partner attributions could be used in calculation of the trade balances by country.

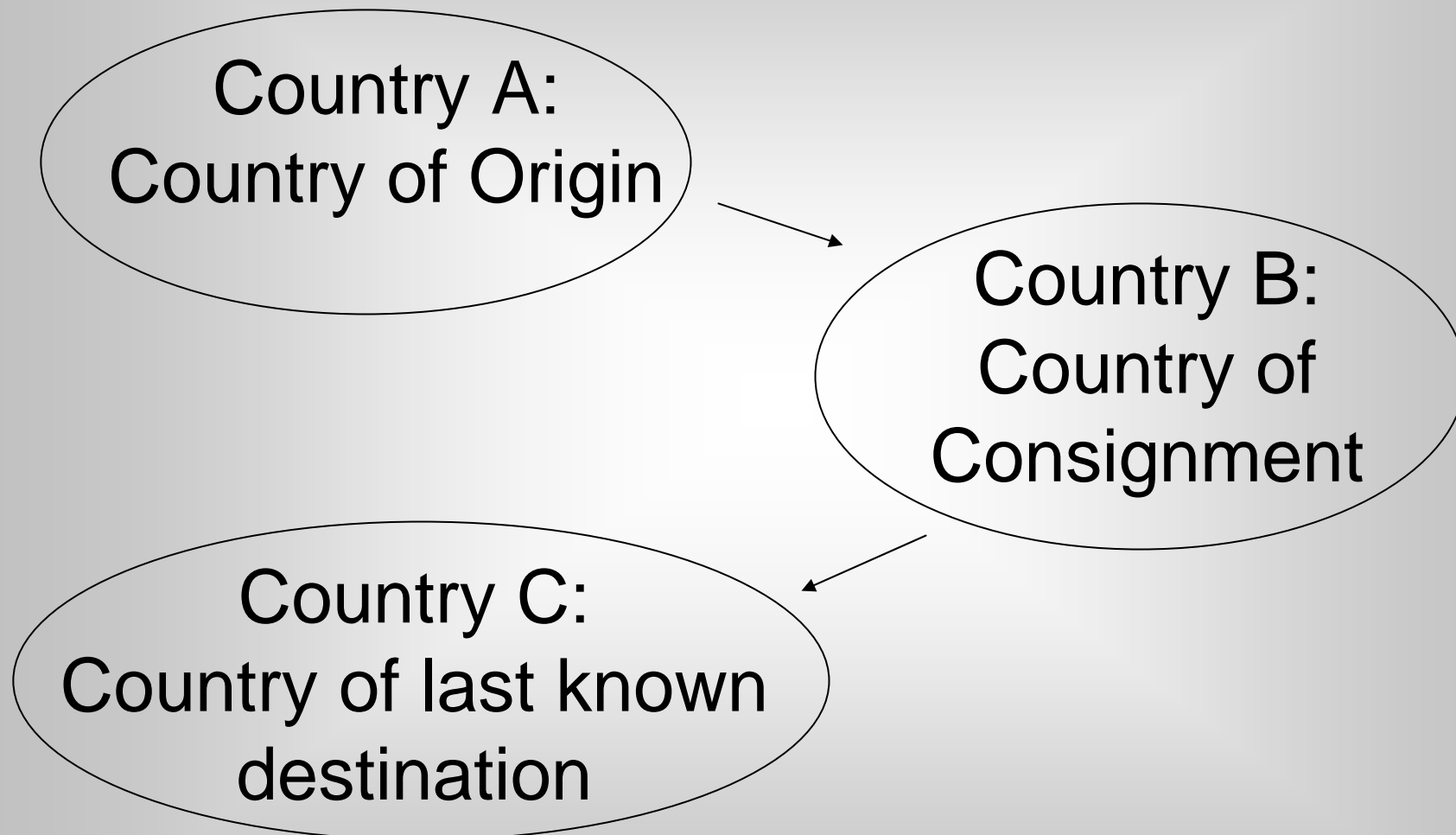
Issues raised (open list) - continued

- ❑ Requested to elaborate and clarify issues concerning Rules of Origin, namely:
 - the possible use of ISIC (and CPC) in origin attribution for cases where national and Kyoto convention rules of origin are non-conclusive;
 - the recommendation regarding origin of used goods;
 - the conceptual and practical boundaries in determining rules of origin to distinguish between exports, re-exports and simple transportation;
 - The country of origin in case of financial leasing.

- ❑ Status at WCO on Rules of Origin: Recent completion of a draft document on the non-preferential rules of origin

Trade balances/ Reconciliation studies/ mirror statistics

- Recording of country of consignment



Thank you for your attention