

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

Bogotá, 31 March - 3 April, 2009

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
(Item 13)**



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Part I

Partner country

Country of origin and country of consignment for imports

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 the world wide consultation

Question 10: Do you agree that the <u>existing recommendation to collect the country of consignment</u> for imports as additional information (IMTS, Rev.2, para 150, page 23) should be <u>strengthened by recommending to collect the country of consignment as the second partner attribution</u> for imports alongside with the country of origin?	Yes in %	No in %	No Op. in %	N/A in %
Total of 115 replies	75	15	10	1
Developed (34)	79	15	6	0
Developing and transitional (81)	73	15	11	1

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

4. UNSD observations on the world wide consultation result

A large majority of countries (75%) support this proposal although there is also disagreement (15%).

Comments from 61 countries were received on this question.

- A significant number of countries are collecting this information already.
- Many countries explicitly support this proposal as important for analytical purposes and trade reconciliation.
- Some countries warn to publish import statistics on the country of consignment basis alongside the existing statistics based on country of origin.
- Some countries comment that they may need to change the customs declaration and warn of an increase in the reporting burden

Partner country – Optional or recommended country of consignment for imports

5. Result of the virtual meeting of the EG-IMTS, Nov. 2008:

- The UNSD proposal that “ **it is recommended** that in the case of imports, the country of origin be recorded; **it is further recommended** the country of consignment be collected as the second partner attribution for analytical purposes and trade reconciliation studies; [...]” was endorsed by the EG-IMTS.
- The EG-IMTS advised to clarify how the additional partner data for imports (by country of consignment) should/ should not be disseminated in order to assist users;
- The EG-IMTS advised to examine the appropriate partner attribution in certain special cases (e.g., used goods and art).

Part II

Partner country

Country of last known destination and country of consignment (destination) for exports;

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 the world wide consultation

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 115 replies	49	31	18	2
Developed (34)	41	47	12	0
Developing and transitional (81)	52	25	21	2

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 115 replies	28	32	35	5
Developed (34)	32	41	24	3
Developing and transitional (81)	26	28	40	6

Partner country – Optional or recommended country of consignment for exports

4. UNSD observation of world wide consultation result

There appears to be more support (but not a majority) than opposition to the proposal of using the country of consignment for exports as the second recommended partner attribution alongside with the country of the last known destination (49% versus 31%).

Comments from 47 countries were received on this question:

- Many countries mention the usefulness of information on the country of consignment in export statistics for the purpose of reconciliation exercises/ mirror statistics and for verifying the information regarding the country of last known destination.
- Others are of the view that this information is not needed, a burden for data providers and confusing (while others are saying this information will help to resolve confusion).
- Some countries are saying that a definition is needed in order to clarify what country of consignment means in the case of exports.
- A number of countries draw attention to compilation issues as information on the country of consignment for exports might not be included in the customs declaration while other countries state that this information is being collected already by their customs.

Partner country – Optional or recommended country of consignment for exports

5. Result of the virtual meeting of the EG-IMTS, Nov. 2008:

Regarding the UNSD proposal that

“[...] **it is recommended** [...] that in the case of exports, the country of last known destination be recorded. Also, countries are **strongly encouraged** to collect the country of consignment (in the case of exports also referred to as country of destination) **as additional partner attribution**, for analytical purposes and trade reconciliation studies, but also in order to verify the information on the country of last known destination”

the EG-IMTS

- agreed that the issue needs further examination;
- asked UNSD to propose an updated draft text for further discussion.

Issues raised by the EG-IMTS in 2007:

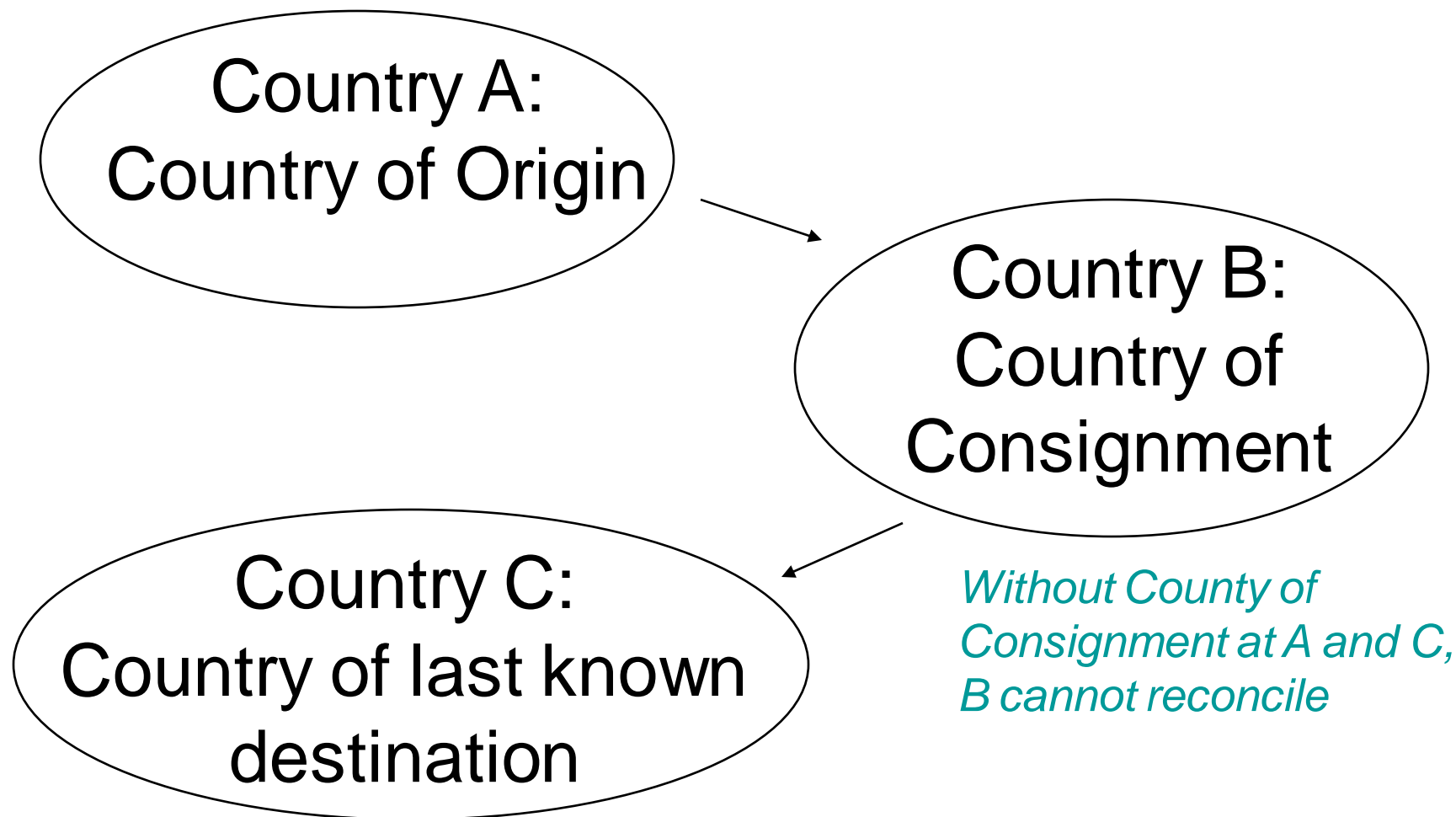
- The EG-IMTS agreed to update the existing recommendation that the statistical territory of each country, as defined by the country itself, constitute the basis upon which the trading partners of each country compile their statistics (IMTS, Rev.2, para 151, page 23), so that it correctly includes also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

Issues raised by the EG-IMTS in 2007:

- The EG-IMTS 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.

Trade balances/ Reconciliation studies/ mirror statistics

- Recording of country of consignment



Thank you for your attention

Muchas Gracias