**UNSD-SACU workshop
on the implementation of the new recommendations
for International Merchandise Trade Statistics (IMTS 2010)
in SACU Member States**

12 – 15 June 2012, Johannesburg, South Africa

13 June - item 4:

Partner Country

Presentation by Matthias Reister
Chief, International Merchandise Trade Statistics Section
Trade Statistics Branch, United Nations Statistics Division
E-mail: reister@un.org

Chapter VI : Partner country

A. General

B. Types of partner country attribution

C. Comparison of several alternative methods

D. Recommendations

Importance of trade by partner country

… are used for a number of purposes, including analysis of economic trends, national accounts, balance of payments, regional trade patterns, trade shares, market analysis and business decisions, and trade policy and negotiations, as well as for checking the accuracy and reliability of trade data.

Types of partner country attribution

- Imports
  - Country of Purchase
  - Country of Consignment
  - Country of Shipment
  - Country of Origin

- Exports
  - Country of Sale
  - Country of Consignment / Destination
  - Country of Shipment
  - Country of Last Known Destination
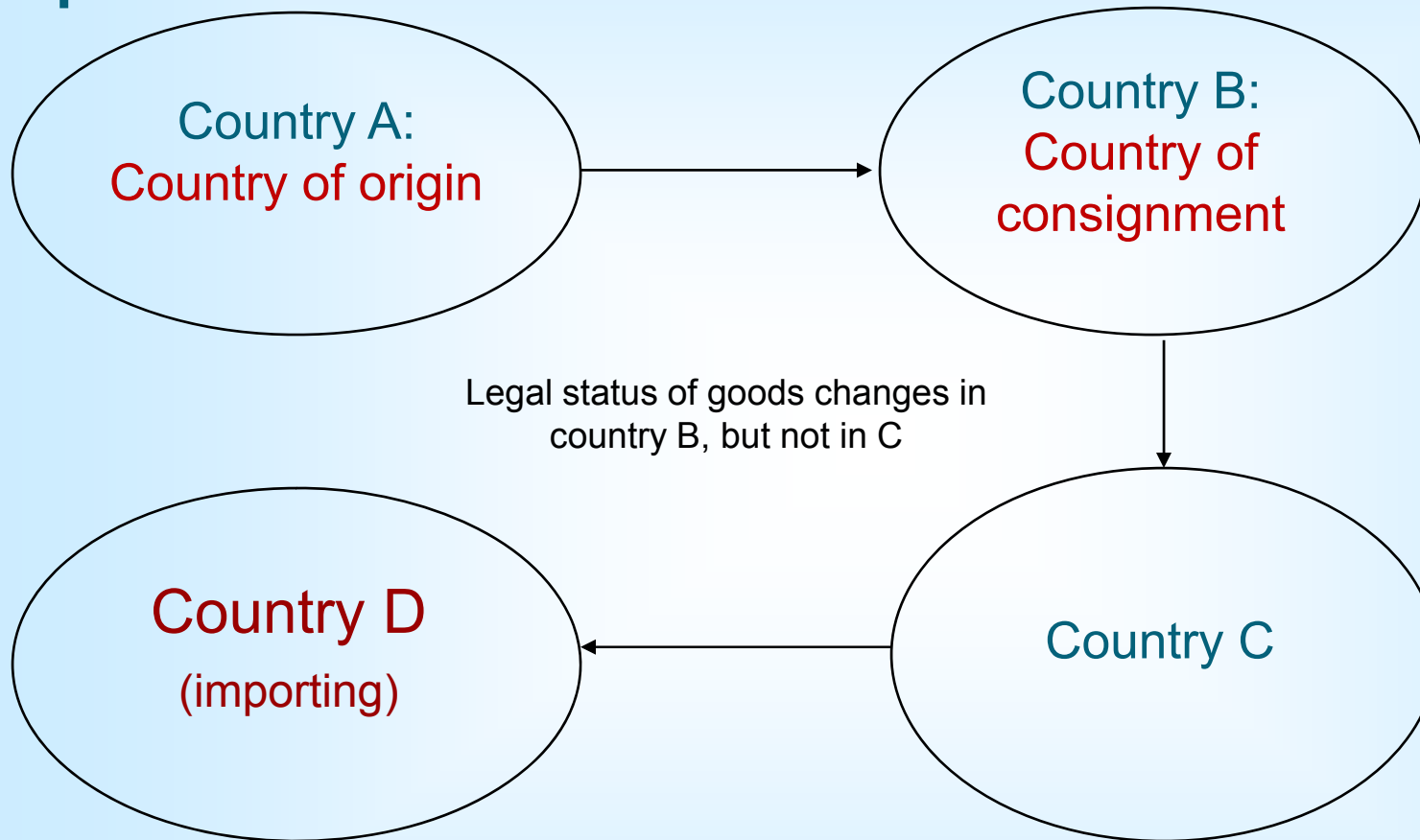 - Country of Consumption

Recommendations

IMTS2010 Recommendations:

❑For imports: country of origin; for exports: country of last known destination [6.25]

❑Country of consignment, as the <u>second partner attribution</u>, in the case of imports [6.26]

❑For trade balances calculation, in the context of the analysis IMTS, use imports by country of origin and exports by country of last known destination [6.27]
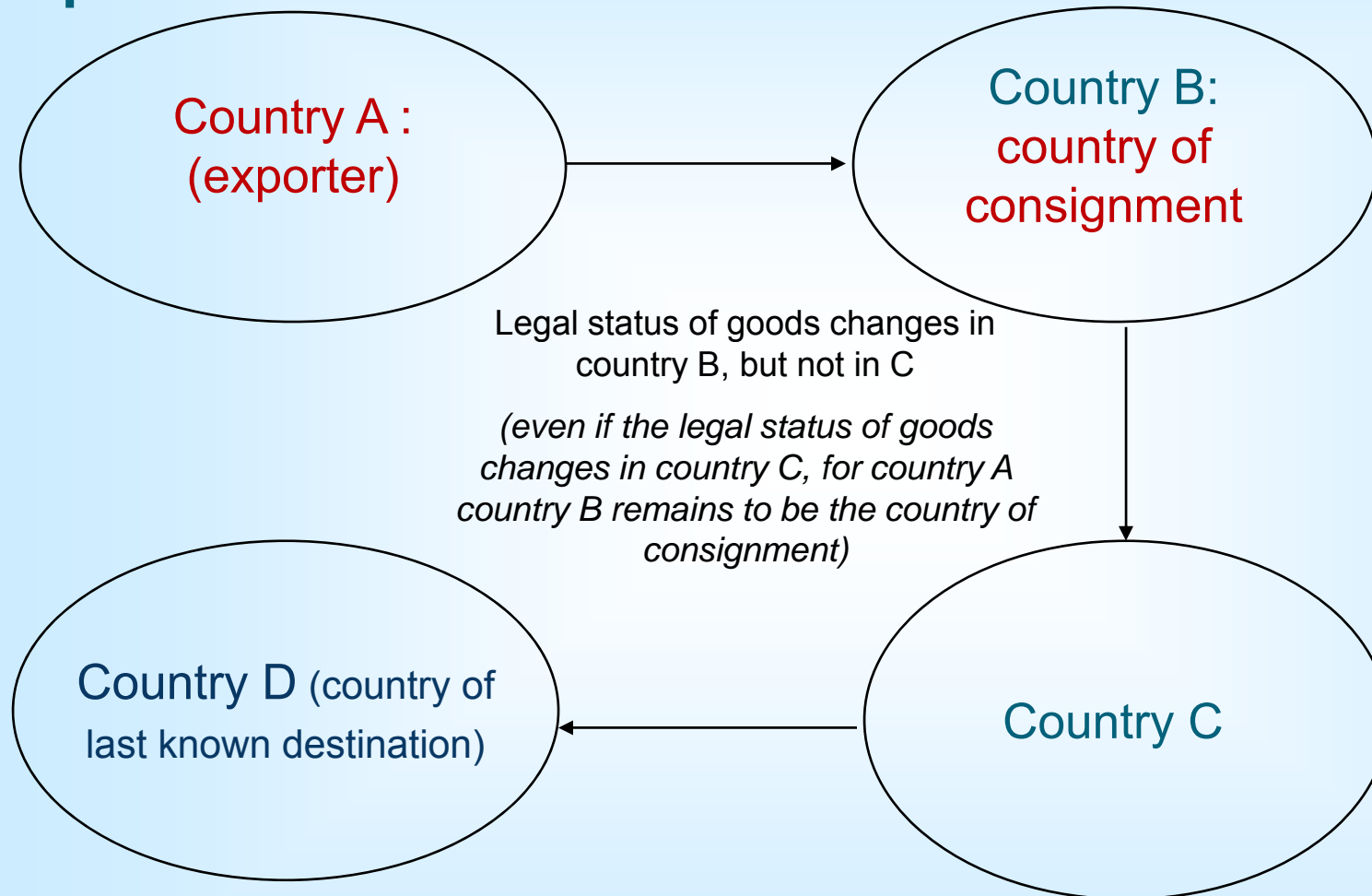
IMTS2010 Encouragements:

❑Country of consignment, as the second partner attribution, in the case of exports [6.26]

Recording of country of consignment: Imports para. 6.4

Country A:
Country of origin

Country B:
Country of consignment

Legal status of goods changes in country B, but not in C

Country D
(importing)

Country C

Recording of country of consignment: Exports para. 6.11

Country A : (exporter)

Country B: country of consignment

Legal status of goods changes in country B, but not in C

(even if the legal status of goods changes in country C, for country A country B remains to be the country of consignment)

Country D (country of last known destination)

Country C

Rules of origin

- Establish by each country, generally consist of these criteria:
  - "Wholly produced"
  - "Substantial transformation"

IMTS2010 Recommendations:

❑Follow the relevant provisions of the Revised Kyoto Convention in international merchandise trade statistics for determining country of origin [6.7]. See Revised Kyoto Convention, Specific Annex K/ Chapter 1

Recommendations (cont.)

IMTS2010 Recommendations:

❑Use economic territory of trading partners as basis upon which the statistics on trade by partner are compiled [6.28]. See UN publication *Statistical Territories of the World for Use In IMTS*.

❑Report the data with complete and most detailed partner breakdown, when reporting to regional or international organization [6.30]

❑In the case a different partner attribution is used for certain types of imports, e.g., used goods, provide the partner attribution in country metadata

IMTS2010 Encouragements:

❑Use UN Standard country or area codes [6.28]

Special Trading Partners
para 6.29

- Trade with itself
  - Only possible in case of re-imports
  - Neither recommended nor common practice to record trade to itself as the country of last known destination

- Trade with its own Free Zones
  - It's acceptable, but this implies that the country does not use general trade system

Additional Guidance in IMTS 2010 – CM: Ch 16: Partner country

A. Introduction
B. Country of origin and its use in import statistics
   1. Kyoto Convention
   2. The status of the WCO work on the harmonized rules of origin
   3. Country experiences in definition of goods origin and challenges in their application
C. Country of last known destination and its use in export statistics
   1. Concept of country of last known destination
   2. Country experiences in the approximation of country of last known destination
D. Country of consignment
E. Definitions of partner country in trade between members of a customs union
F. Partner country coding for statistical purposes

Thank you for your attention!

Questions for the second round-table discussion on quantity measurement, valuation and partner country:

1. Quantity measurement: Review IMTS 2010-CM, paragraphs 15.14 – 15.17 and indicate possibilities of improving quantity information in your countries?

2. Valuation: Describe any issues or questions regarding the valuation of specific categories of goods in your country?

3. Valuation: How do you identify under-/over-valuations and how do you establish the correct statistical value?

4. Partner country: Describe special difficulties in partner attribution for intra-SACU trade and make suggestions on how those could be addressed.