Regional Workshop
on International Merchandise Trade Statistics

Strengthening Data Compilation and Analytical Capacity

11-13 September, 2017

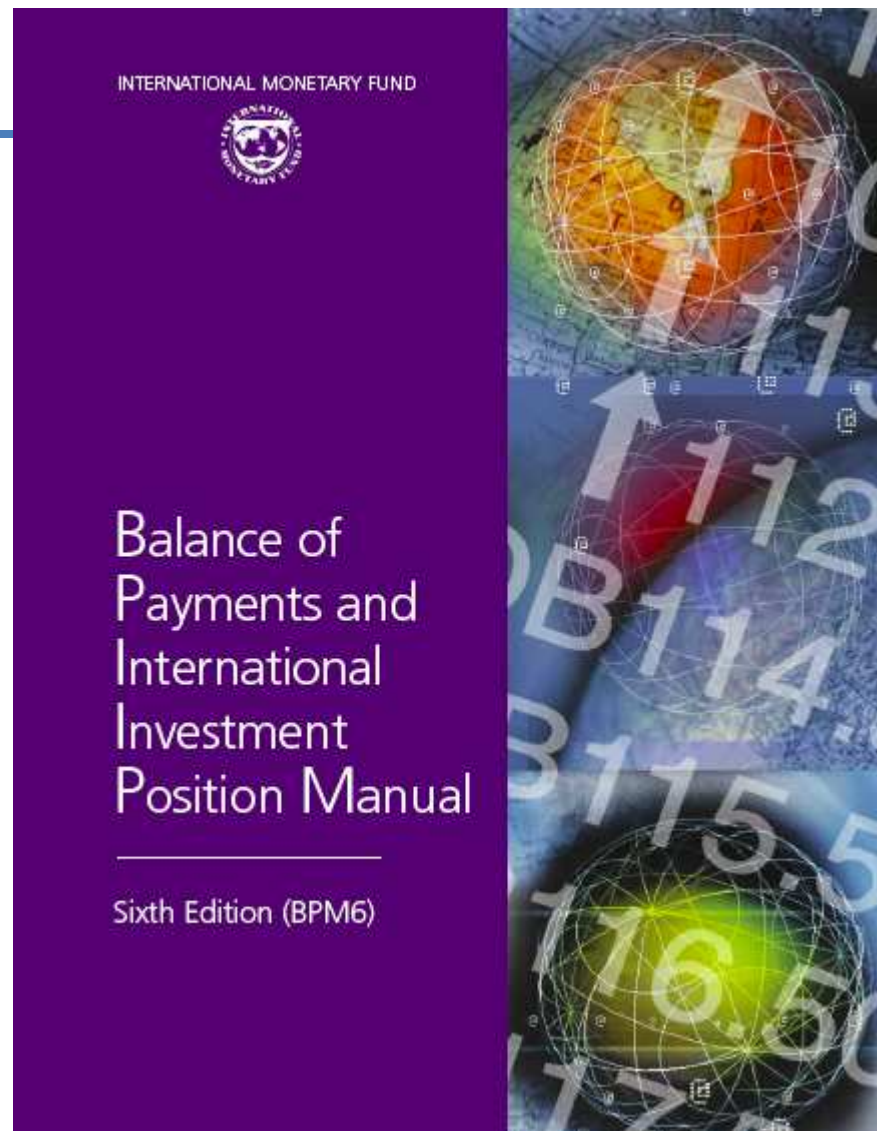Suzhou, China

Agenda item 15: Manufacturing services

BPM 6

Manufacturing
services on physical
inputs owned by
others
(para. 10.62 – 10.71)

INTERNATIONAL MONETARY FUND

Balance of
Payments and
International
Investment
Position Manual

Sixth Edition (BPM6)

Manufacturing Services (UNSD Wiki)

Manufacturing services

- Includes activities such as **processing, assembly, labelling and packaging**, undertaken by enterprises without ownership of the goods.

➔ **Goods for processing in reporting economy**
- **Identify enterprises involved in processing activities on Inward Processing procedure on imports declarations**

➔ **Goods for processing abroad**
- **Identify enterprises involved in processing activities on Outward Processing procedure on exports declarations**

Eurostat

Manual on goods sent abroad for processing (2014)

ISSN 2315-0815

eurostat
Manuals and guidelines

Manual on goods sent abroad for processing

2014 edition

eurostat

Table 6: Outward processing

Outward processing	Preferred source	Alternative source	Validation	Notes
Goods sent abroad for processing (no change of ownership)	Either IMTS (NoT codes) or NA enterprise survey (by product)	Either enterprise survey or IMTS (NoT codes)	Different MS will rely on either of these 2 main sources. Where goods for processing is significant, it is recommended that the results from the IMTS are cross-checked against enterprise survey results	Remove from IMTS data (but report as a supplementary item) Product breakdown from source needed for SUT
Goods returned after processing (no change of ownership)	Either IMTS (NoT codes) or NA enterprise survey (by product)	Either enterprise survey or IMTS (NoT codes)	Different MS will rely on either of these 2 main sources. Where goods for processing is significant, it is recommended that the results from the IMTS are cross-checked against enterprise survey results	Remove from IMTS data (but report as a supplementary item) Product breakdown from source needed for SUT
Goods sent abroad for processing, but subsequently sold abroad	NA or BoP enterprise survey	IMTS – NoT codes	NoT codes will be useful to identify the population of enterprises reporting goods sent abroad for processing and then sold abroad	Add to IMTS data to compile exports of goods NoT codes may identify traders that send goods abroad for processing that are intended for sale abroad, but the value of the goods after processing will not be available Assume product breakdown is the same as processed goods returned
Goods acquired abroad for processing abroad	NA enterprise survey	BoP survey		Add to IMTS imports data. As goods do not enter compiling economy, information is not included in IMTS Assume product breakdown is the same as goods sent abroad for processing
Manufacturing services on physical inputs owned by others	Trade in services survey, directed at traders who send goods abroad for processing	IMTS – NoT codes	The difference between goods sent abroad and returned after processing should be compared with the trade in services survey results	Include in imports of services Manufacturing services is not necessarily equal to the difference in goods sent abroad and returned after processing, but should be broadly in line Breakdown by processed product not required. Industry breakdown estimated from trade in services sources

ed Nations
Statistics Division

G A C C

Table 6: Outward processing

Outward processing	Preferred source	Alternative source	Validation	Notes
Goods sent abroad for processing (no change of ownership)	Either IMTS (NoT codes) or NA enterprise survey (by product)	Either enterprise survey or IMTS (NoT codes)	Different MS will rely on either of these 2 main sources. Where goods for processing is significant, it is recommended that the results from the IMTS are cross-checked against enterprise survey results	Remove from IMTS data (but report as a supplementary item) Product breakdown from source needed for SUT
Goods returned after processing (no change of ownership)	Either IMTS (NoT codes) or NA enterprise survey (by product)	Either enterprise survey or IMTS (NoT codes)	Different MS will rely on either of these 2 main sources. Where goods for processing is significant, it is recommended that the results from the IMTS are cross-checked against enterprise survey results	Remove from IMTS data (but report as a supplementary item) Product breakdown from source needed for SUT
Goods sent abroad for processing, but subsequently sold abroad	NA or BoP enterprise survey	IMTS – NoT codes	NoT codes will be useful to identify the population of enterprises reporting goods sent abroad for processing and then sold abroad	Add to IMTS data to compile exports of goods NoT codes may identify traders that send goods abroad for processing that are intended for sale abroad, but the value of the goods after processing will not be available Assume product breakdown is the same as processed goods returned

Goods acquired abroad for processing abroad	NA enterprise survey	BoP survey		Add to IMTS imports data. As goods do not enter compiling economy, information is not included in IMTS Assume product breakdown is the same as goods sent abroad for processing
Manufacturing services on physical inputs owned by others	Trade in services survey, directed at traders who send goods abroad for processing	IMTS – NoT codes	The difference between goods sent abroad and returned after processing should be compared with the trade in services survey results	Include in imports of services Manufacturing services is not necessarily equal to the difference in goods sent abroad and returned after processing, but should be broadly in line Breakdown by processed product not required. Industry breakdown estimated from trade in services sources

Table 7: Inward processing

Inward processing	Preferred source	Alternative source	Validation	Notes
Goods received from abroad for processing (no change of ownership)	Either IMTS (NoT codes) or NA enterprise survey (by product)	Either enterprise survey or IMTS (NoT codes)	Different MS will rely on either of these 2 main sources. Where goods for processing is significant, it is recommended that the results from the IMTS are cross-checked against enterprise survey results	Exclude from imports of goods (but report as a supplementary item) Product breakdown needed from source so it can be removed from SUT balancing
Goods returned after processing (no change of ownership)	Either IMTS (NoT codes) or NA enterprise survey (by product)	Either enterprise survey or IMTS (NoT codes)	Different MS will rely on either of these 2 main sources. Where goods for processing is significant, it is recommended that the results from the IMTS are cross-checked against enterprise survey results	Exclude from exports of goods (but report as a supplementary item) Product breakdown needed from source so it can be removed from SUT balancing
Goods received from abroad for processing, but subsequently sold in compiling economy	NA or BoP enterprise survey	IMTS – NoT codes	NoT codes will be useful to identify the population of enterprises engaged	Include in imports of goods NoT codes may identify the intention that goods will be sold after processing, but not the value of the goods after processing Assume product breakdown is the same as processed goods returned after processing
Goods purchased by non-resident in compiling economy for processing	NA enterprise survey	BoP enterprise survey	NoT codes will be useful to identify the population of enterprises engaged	Add to exports of goods Assume product breakdown is the same as goods received from abroad for processing
Manufacturing services on physical inputs owned by others	Trade in services survey directed at processing enterprises	Enterprise survey. Separately identify processing on own-account and processing under contract	Results from survey sources should be compared with the IMTS difference in goods sent abroad and returned after processing	Include in exports of services Manufacturing services is not necessarily equal to the difference in goods sent abroad and returned after processing, but should be broadly in line No product breakdown needed, only processing output by industry (from enterprise survey)

ed Nations
ics Division

Table 7: Inward processing

Inward processing	Preferred source	Alternative source	Validation	Notes
Goods received from abroad for processing (no change of ownership)	Either IMTS (NoT codes) or NA enterprise survey (by product)	Either enterprise survey or IMTS (NoT codes)	Different MS will rely on either of these 2 main sources. Where goods for processing is significant, it is recommended that the results from the IMTS are cross-checked against enterprise survey results	Exclude from imports of goods (but report as a supplementary item) Product breakdown needed from source so it can be removed from SUT balancing
Goods returned after processing (no change of ownership)	Either IMTS (NoT codes) or NA enterprise survey (by product)	Either enterprise survey or IMTS (NoT codes)	Different MS will rely on either of these 2 main sources. Where goods for processing is significant, it is recommended that the results from the IMTS are cross-checked against enterprise survey results	Exclude from exports of goods (but report as a supplementary item) Product breakdown needed from source so it can be removed from SUT balancing

Goods received from abroad for processing, but subsequently sold in compiling economy	NA or BoP enterprise survey	IMTS – NoT codes	NoT codes will be useful to identify the population of enterprises engaged	Include in imports of goods NoT codes may identify the intention that goods will be sold after processing, but not the value of the goods after processing Assume product breakdown is the same as processed goods returned after processing
Goods purchased by non-resident in compiling economy for processing	NA enterprise survey	BoP enterprise survey	NoT codes will be useful to identify the population of enterprises engaged	Add to exports of goods Assume product breakdown is the same as goods received from abroad for processing
Manufacturing services on physical inputs owned by others	Trade in services survey directed at processing enterprises	Enterprise survey. Separately identify processing on own-account and processing under contract	Results from survey sources should be compared with the IMTS difference in goods sent abroad and returned after processing	Include in exports of services Manufacturing services is not necessarily equal to the difference in goods sent abroad and returned after processing, but should be broadly in line No product breakdown needed, only processing output by industry (from enterprise survey)