

Country Experience: Goods for processing: example from China, Hong Kong SAR (ch. 20)

20.19. An example regarding the compilation of information on the outward processing of China, Hong Kong SAR, in the mainland of China is provided in paragraph 4.19. (copied below).

Copied from para. 4.19.

4.19. *Survey on Trade Involving Outward Processing of China, Hong Kong SAR, in the Mainland of China.* The outward processing (OP) of China, Hong Kong SAR, in the mainland of China involves the exportation of all or part of the raw materials or semi-manufactures from or through Hong Kong to the mainland for processing, with a contractual arrangement for subsequent re-importation of the processed goods into Hong Kong. As trade of an OP nature cannot be delineated under the existing system of recording merchandise trade statistics, the Census and Statistics Department has been conducting the Survey on Trade Involving Outward Processing in the Mainland of China (OPS) to assess the economic impact of OP activities. OPS is a monthly sample survey which has been conducted since the third quarter of 1988. All import and export declarations in respect of the trade of China, Hong Kong SAR, with the mainland and re-exports of goods of Mainland origin to other places are employed as the sample frame for the survey. Under the current sample design, the declarations are first categorized by trade flow and commodity groups. For re-exports of mainland origin, the declarations are further categorized by three markets, namely the United States of America, the European Union and other places. A stratified sampling method is adopted for the sample selection. The total sample size is about 28,500 declarations per quarter. Data are collected from the traders and enterprises on the declarations using the computer-assisted telephone interviewing (CATI) approach.