**EXPLANATORY NOTES OF 2019**

China Customs statistics are the country’s official external merchandise trade statistics. China Customs is responsible for trade data collection, processing, compilation and publication. By adopting standard concepts and definitions recommended by the United Nations for use in the international trade statistics, China Customs figures are comprehensive, reliable and internationally comparable.

**1. COVERAGE**

Customs statistics comprise all the merchandise passing through China’s Customs territory (with the exceptions mentioned below), including: goods from abroad entering customs warehouses, bonded areas or special economic zones (SEZ) and goods leaving the above-mentioned areas to abroad; goods for inward or outward processing or assembling and subsequent re-exportation or re-importation; goods on lease for one year or more; goods imported or exported by foreign-invested enterprises; international aid or donations, etc.

Since 2014, duty-free goods are included into Customs Statistics. Since 2015, counter-trade of border residents is included as “other” into Customs Statistics.

**EXCLUSION**

Customs Statistics do not cover temporary imports or exports; goods on lease for less than one year; travelers personal effects; ships and aircraft bunkers and stores obtained abroad; monetary gold and coins being legal tender; goods in transit through China. Since 2012, exported media used for carrying customerized software or software written for a specific client or originals of any nature, which is filed to customs under commodity classification heading 98.03, has been excluded. Statistics in 2011 and before are not adjusted accordingly.

**2. COMMODITY CLASSIFICATION**

Commodity items are classified for declaration purpose in accordance with the Commodity Classification for China Customs Statistics (CCCCS for short) which was based on SITC Rev.2 for the years of 1980-1991, and has switched to the Harmonized Commodity Description and Coding System (HS for short) since 1992. The HS-based CCCCS of 2019 contains 8557 8-digit commodity subdivisions: the first six digits of which correspond to the HS, the 7th and 8th digits are national subheadings established for the purposes of tariff, trade statistics or trade policy measures. Since 2016, counter-trade of border residents and other commodities which are imported and exported through simplified customs procedures are recorded under heading 98.04.

**3. QUANTITY**

Units of quantity shown in Customs Statistics are in terms of the units specified in CCCCS for each classification.

The weight recorded represents the net weight of the goods exclusive of containers, internal wrapping or any other packing.

**4. STATISTICAL VALUE**

Imports are valued on a CIF basis while exports on a FOB basis.

The statistical value is expressed in RMB and USD respectively. Any transaction value in terms of a currency other than RMB or USD shall be converted into RMB at the benchmark exchange rates issued by the People’s Bank of China; and into USD at the exchange rates for statistics purpose issued by the State Foreign Currency Administrative Bureau.

Since January issue of 2014, all the tables expressed in RMB are added into the Customs Statistics Monthly . Due to the fluctuation of the exchange rates, the percentage changes expressed in USD and RMB may not match

**5. TRADING PARTNER**

The country of origin is recorded for imports. The country of origin refers to the country or region in which goods have been grown, mined or manufactured.

If two or more countries were involved in the manufacture of the products, the place where the last substantial working or processing was carried out will be recorded as the country of origin. In instances where the country of origin can not be ascertained, the imports will be recorded as country unknown.

The country of final destination is recorded for exports. The country of final destination refers to the country or region in which the goods are to be consumed, utilized or further processed or manufactured. In instances where the country of final destination cannot be ascertained, exports will be credited to the final country dispatched to as known at the time of exportation.

**6. TIME OF RECORDING**

Imports are recorded on the date when the goods are released from customs, while exports are recorded on the date when the goods are cleared through customs.

**7. SOURCES**

Customs statistics are compiled from the declarations which are made to the customs by importers, exporters or their agents, and subject to verification by customs officers at the time of customs clearance.

**8. PUBLICATION**

A monthly publication China Customs Statistics has been issued from 1993 to provide basic data of China trade (which were formerly published on a quarterly basis from 1982 to 1992). An annual publication China Customs Statistics Yearbook has been issued from 1990 to provide detailed data of China trade by commodity and by country (region). The publications are compiled by Customs General Administration of China and published in Chinese and English both at home and abroad.

**9. NOTES TO TABLES**

(1) Table 3 Composition of Imports and Exports by Section and Division of SITC Rev.3: Primary Products refer to Sections 0-4 of the SITC Rev.3; Manu-factures refer to Sections 5-9 of the SITC Rev.3.

(2) Definitions of the specific customs regimes in Tables 5, 6 and 7:

**International Aid** refers to aid or donations given gratis between governments or by international organizations.

**Other donations** refers to imported and exported materials donated by donators other than governments or the international organizations for the purpose of charity, poverty alleviation and hazards mitigation..

**Processing and Assembling** refers to the type of inward processing in which foreign suppliers provide raw materials, parts or components under a contractual arrangement for the subsequent re-exportation of the processed products. Under this type of transaction, the imported inputs and the finished outputs remain property of the foreign supplier.

**Processing with Imported Materials** refers to the type of inward processing other than processing and assembling in which raw materials or components are imported for the manufacture of the export-oriented products, including those imported into Export Processing Zone and the subsequent re-exportation of the processed products from the Zone.

**Equipment Imported for Processing Trade** refers to imports of equipment for processing trade activities under the customs regimes of Processing and Assembling and Processing with Imported Material.

**Contracting Projects** refers to exports of equipment or materials to be used for China-invested turnkey projects or constructing projects.

Goods on Lease refers to imports or exports under the financial lease arrangement with the duration of the lease for one year or more.

**Equipment or Materials Invested by Foreign-Invested Enterprises** refers to the imports of equipment, parts or other materials by a foreign-invested enterprise as part of it’s total initial investment.

The term Foreign-Invested Enterprises in this publication refers to Sino-foreign equity joint ventures, Sino-foreign contractual joint ventures or fully Foreign-owned enterprises.

**Outward Processing** refers to the exports of raw materials, parts or components under a contractual arrangement for processing or assembling abroad and the re-imports of the processed products.

**Duty-Free Commodities** refers to the duty-free import commodities sold in the specific shops to the specific individuals on payment of foreign currency according to the specific customs regulations.

**Duty-Free Goods** refers to the duty-free import commodities sold in the duty-free shops located in ports or in the international transportation airplanes, trains, ships of China to international travelers.

**Warehousing Trade** refers to goods imported into or exported from the customs

bonded warehouses(including bonded logistics centers) located outside a Bonded Area.

**Logistics goods by Customs Special Control Area** refers to goods imported directly into a customs special control area or directly exported from the above-mentioned area for the purposes of storage, distribution or re-exportation.

**Equipment imported into Customs Special Control Area** refers to equipment or other materials imported into customs special control areas for inward processing or infrastructure.

**“Other”** refers to all the other import and export commodities which are recorded but not included in the above-mentioned customs regimes, e.g. counter-trade of border residents and exports of market purchasing. Since 2018, customs regimes of “compensation trade”、”goods on consignment” and “barter trade” are no longer listed and moved under “other”.

(3)Definition of the term in Table 8:

The location of importers or exporters refers to the place inside China’s customs territory where the importers or exporters are registered with the customs.

(4)Definition of the term in Table 9:

The location of domestic consumers refers to the place inside China’s customs territory where the import goods are to be consumed, utilized or destined for. The location of domestic producers refers to the place inside China’s customs territory where the export goods are produced, manufactured or initially dispatched.

(5)Definition of the term in Table 11:

The Specific Areas in this table refer to special economic zone, economic and technological development zone, high and new technological industrious development zone, pilot free trade zone, integrated experimental area, all kinds of customs special control areas as well as customs bonded logistics center.

The statistics of the above-mentioned specific areas are recorded by the registration locations of importer/exporter.

(6)Coverage of the commodities in Table 13 , 14, 17 and 18:

For the specific classifications of each major commodity, please refer to the annex1 and annex2 of the January Issue of each year or to the www.customs.gov.cn.

(7)Since 2015, Table 17 and Table 18 are published.

(8) When the coverage of a certain item changes, the percentage change is adjusted accordingly, unless otherwise specified.

(9) Figures shown in the tables may not add up to the totals due to rounding.

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