

FORWARD

This report presents a portion of the results from the conference entitled "Consistency of Commodity Trade Statistics in APEC Countries and Regions" held in 1995.

China launched its policy of opening the country at the end of 1978, and trade with China has steadily expanded yearly as the promotion of exports and encouragement of foreign capital introduction has begun. In relation to this expansion, Hong Kong came to play an important role as an entrepot trade base connecting China and the world with re-export first surpassing local exports in 1988, and the ratio of re-export totals to total exports has continually increased. In reality, Hong Kong also plays a supporting role in the flow of commodities between China and Taiwan which do not maintain official diplomatic relations, with Hong Kong listed as the destination in these transactions. This report will discuss the trade structure in Hong Kong, the realities of trade between Taiwan and China from Taiwan's viewpoint and the influence of trade on the Taiwanese economy, and the characteristics of the trade structure and the compilation of trade statistics in China.

As cargo via third countries can be viewed statistically as the primary factor causing inconsistency between official export figures and corresponding import figures in trade statistics, a matrix table incorporating Hong Kong re-export trade statistics as a base of entrepot trade will be compiled and discussed. This table illustrates the export of the largest 40 commodity groups in trade totals from the country of origin to their ultimate destinations. As these re-export trade statistics are not published, this table offers valuable information in published form

clarifying the country of origin of products exported from Hong Kong, having been compiled from magnetic media and adjusted with suggestions from the Census and Statistics Department of the Hong Kong government.

Research was conducted with participation by the following members: Yasuko Yamamoto (Senior Officer, Statistical Research Department, IDE) as Chief Investigator, Yosuke Noda (Deputy Chief, Data Processing Division, Statistical Research Department, IDE) as Secretary, Suelo Kojima (Director, China-North Asia Section, Overseas Research Division, Japan External Trade Organization), Kyoichi Ishihara (Professor, Faculty of Cross-Cultural Studies, Kobe University) and Yukari Sawada (Lecturer, Faculty of Foreign Language, Kanagawa University) as associate researchers, and Yukihito Sato (Area Studies Department, IDE) as an observer. We also received local research support from Ms. Yuh-Jiun Nancy Lin (Associate Research Fellow, Chung-Hua Institution for Economic Research).

Finally, we would like to offer our sincere appreciation to the Hong Kong Government, Census and Statistics Department for their kind assistance in the compilation of Hong Kong trade statistics.

March 1997

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