



INTER SECRETARIAT WORKING GROUP ON NATIONAL ACCOUNTS

## Global Value Chains and Trade in Value Added (G.7) (BOPCOM VM1 22/07)

Joint (Virtual) Thirty-Eighth Meeting of the IMF Committee on Balance of Payments Statistics and Eighteenth Meeting of the Advisory Expert Group on National Accounts

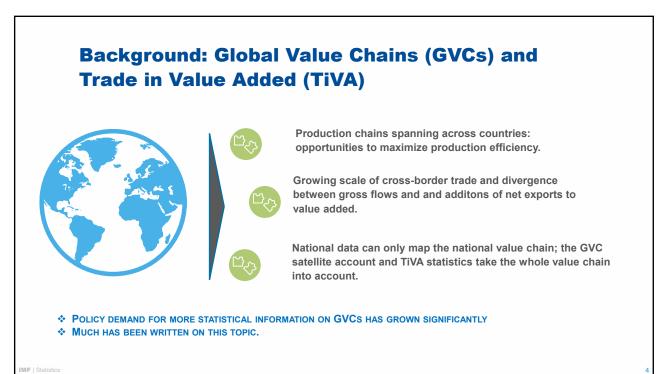
March 7-10, 2022

## Outline

- Background
- Issues for Discussion
- Guidance Note Proposals
- Global Consultation Outcomes
- Questions to the Committee and AEG

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## **Issues for Discussion**

To better account for interlinked core production activities and supporting services activities, the guidance note (GN) does not recommend any changes to the core 2008 SNA and BPM6 concepts.

The GN recommends including a description of GVCs and TiVA in the next set of manuals.

Supplementary information for analysis recommended.

Within SNA, to better understand GVC's at both a national and global level, the GN favors building

- TiVA indicators, addressing the double counting implicit in gross flows of trade,
- ✓ GVC satellite account
- More granularity using the extended supply and use tables (eSUTs)

Within the BPM, supplemental cross-border statistics detailed by geography and by product have been proposed and agreed by the Committee in 2019 as part of a reporting template for GVC data collection. CATT GN C.2 discusses the reporting template.



## **GZTT Proposals (1)**

- No conceptual changes are required to the central SNA and BPM framework to account for GVCs.
  - Conventional gross international trade flows should remain as the featured measures of cross-border trade because of their important role in calculating a country's overall trade balance and GDP.
- TiVA estimates can be viewed as a macro approach that requires a massive international effort to link country/regional SUTs with international trade statistics.
- eSUTs can help improve on these estimates through a focus on targeted aggregations that better address challenges around homogeneity assumptions.
- GVC satellite account can be viewed as a more targeted bottom-up approach focusing on a GVC for a specific product/industry or group of products/industries produced within a GVC.

