Background and context

First meeting of the UN Expert Group on international trade and economic globalization statistics, 26-28 January 2016, New York

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The journey so far…

- Global Forum on Trade Statistics, 2011
- Side-event at Statistical Commission, 2012
- Report to Statistical Commission, 2013
  - Creation of FOC group
- Report to Statistical Commission, 2014
  - Request for 1-year extension
- Report to Statistical Commission, 2015
  - Adoption of mandate for Handbook
  - Creation of UN Expert Group
The present report draws on the work undertaken by various task forces in the global statistical system on topics such as integrated economic statistics, linking trade and business statistics, trade and global production, trade in value added, statistics of multinational enterprises and foreign direct investment.

The report describes the emerging policy needs for new statistics on international trade, outlines the current state of official trade statistics, indicates new initiatives in the measurement of global value chains and trade in value added, and expresses concern at the lack of coordination among the many task teams operating in this field. The report proposes the development of an overarching framework for international trade and economic globalization to ensure consistency in methodology, data compilation and data dissemination and the development of an appropriate mechanism for coordinating this process.
The report provides an overview and assessment of the conceptual, compilation and analytical issues that have emerged in respect of the prominence and governance of global value chains in international production and trade. Those global production networks cause economic, environmental and social interdependencies and have an impact on sustainable development in both developed and developing countries. The group concludes that a system of extended international and global accounts is needed to address the measurement issues in a coherent way.
Decision 46/107

- Agreed with the proposal of the FOC group to draft a handbook on a system of extended international and global accounts as the measurement framework for international trade and economic globalization
- Endorsed the establishment of an expert group tasked with the development of the handbook on a system of extended international and global accounts
- Agreed with the proposed programme of work
  - Enterprise Group register
  - Firm heterogeneity
  - Asymmetries in trade and investment
  - Global Input-Output tables
- Agreed to establish an inter-secretariat working group for international trade and economic globalization statistics
Taking into account the work highlighted directly above, a GVC approach seems appropriate for the handbook on a system of extended international and global accounts, since GVCs cut across geographical borders and bring together those global economic activities, goods and services that belong together in the chain. **Measurement of economic interdependencies (involving investment, job creation, income and intellectual property) within and across countries — between upstream design and downstream assembly — requires measurement of GVCs.**

[...] given that the new concepts associated with globalization are increasingly difficult to deal with within existing national accounts, that **they may be best tested in satellite accounts**
Context: Events and documents in period 2011-2015

- 2011 - Made in the World Initiative – WTO
- 2011 – Trade patterns and GVCs in East Asia – WTO/IDE-Jetro
- 2012 – WOID launched – European Commission
- 2012 - Trade in Value Added – OECD/WTO
- 2013 – GVCs and Economic Globalization – Eurostat (Sturgeon)
- 2013 – WTO’s Aid for Trade “connecting to value chains”
- 2013 – Implications of GVCs for trade, investment, development and jobs - OECD, WTO, UNCTAD – G20 report
- 2014 – GVCs: Challenges, Opportunities, and Implications for Policy – OECD, WTO, World Bank – G20 report
- 2015 – Inclusive GVCs (for SMEs and low-income developing countries) – OECD and World Bank – G20 report
- 2015 – GVCs and the Exchange Rate Elasticity of Exports - IMF
Context: Influential Academic documents

- 2005 – Governance of GVCs – Gereffi, Humphreys, Sturgeon
- 2008 – Value chains, networks and clusters: reframing the global automotive industry – Sturgeon, van Biesebroeck and Gereffi
- 2008 - From commodity chains to value chains: Interdisciplinary theory building in an age of globalization - Sturgeon
- 2010 - Give credit where credit is due: tracing value added in global production chains – Koopman et al
- 2010 – GVCs in a Post Crisis World – Gereffi et al (Eds)
- 2011 – GVCs analysis: a Primer – Gereffi and Fernandez-Stark
- 2011 – Capturing Value in Global Networks: Apple’s iPad and iPhone - Kraemer et al
- 2013 – Slicing up the GVCs – Timmer et al
- 2014 – Making Global Value Chains Work for Development – Taglioni and Winkler