



Measuring Global Value Chains

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United Nations Statistics Division

Seminar on Accounting for Global Value Chains
6-8 June 2017
Luxembourg

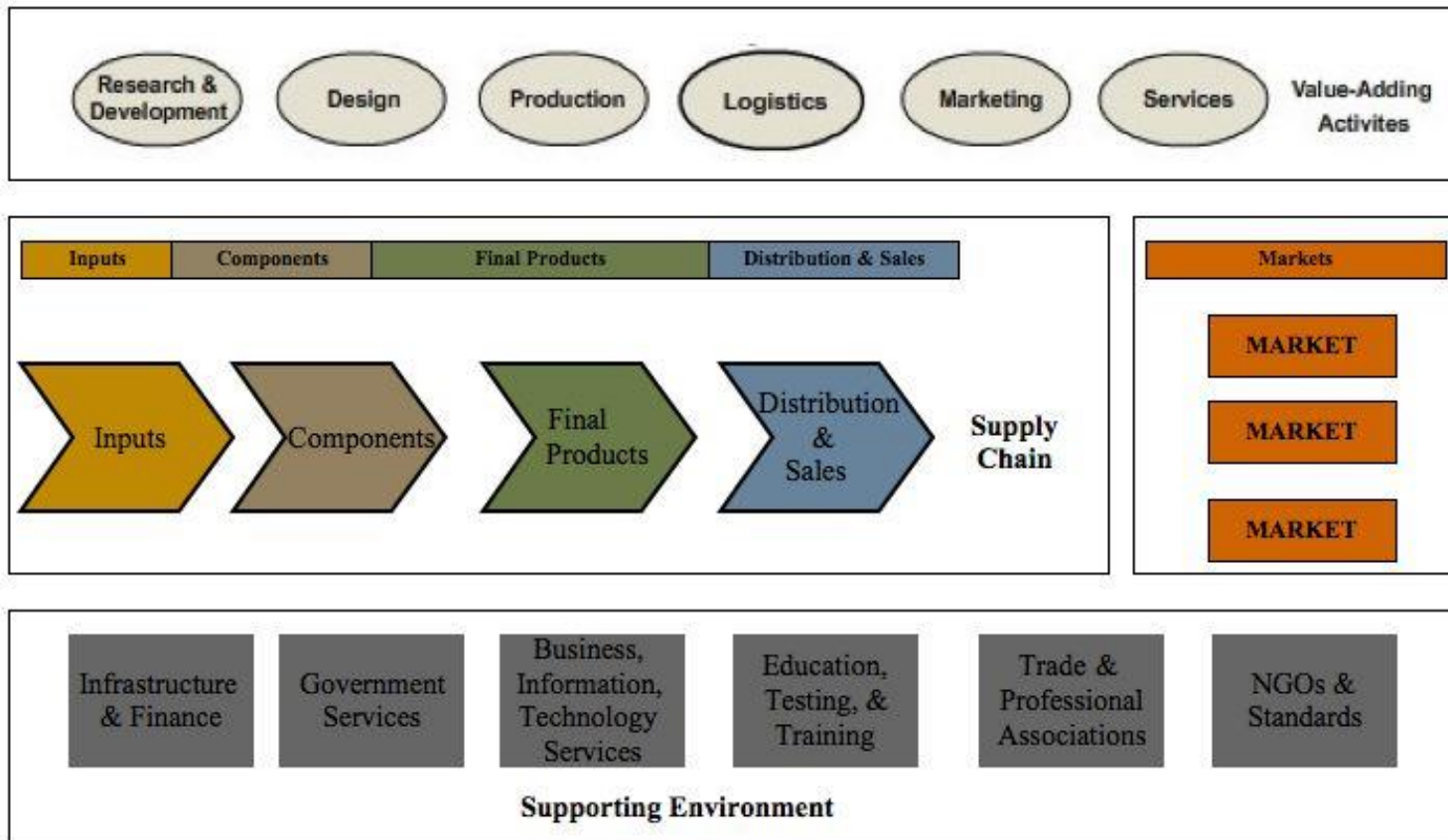


- National perspective to measuring GVCs
- GVC Satellite accounts of the SNA
- Based on integrated business statistics with a corporate/global firm approach – large cases
- Consistent SUT and integrated accounting framework across territories of products (linking goods and services), activities (income and jobs), business functions, geography
- Multi-partner country GVC Satellite Account with shared national data compiler ownership
- Built on the work done by OECD, UNECE, WTO, IMF and others



A **Global Value Chain** is a set of interrelated activities (from conception to its end use and beyond) that cross economic territories which are coordinated by lead firms for the production of a product (good or service), its delivery to market(s), supports its uses, and recycling.

- The GVC framework include 4 dimensions that describe the structure, dynamics and relationships among stakeholders in GVCs:
 - Business functions
 - Geographical scope
 - Governance
 - Institutional context



Source: Frederick (2010)



How to translate this into an accounting framework?

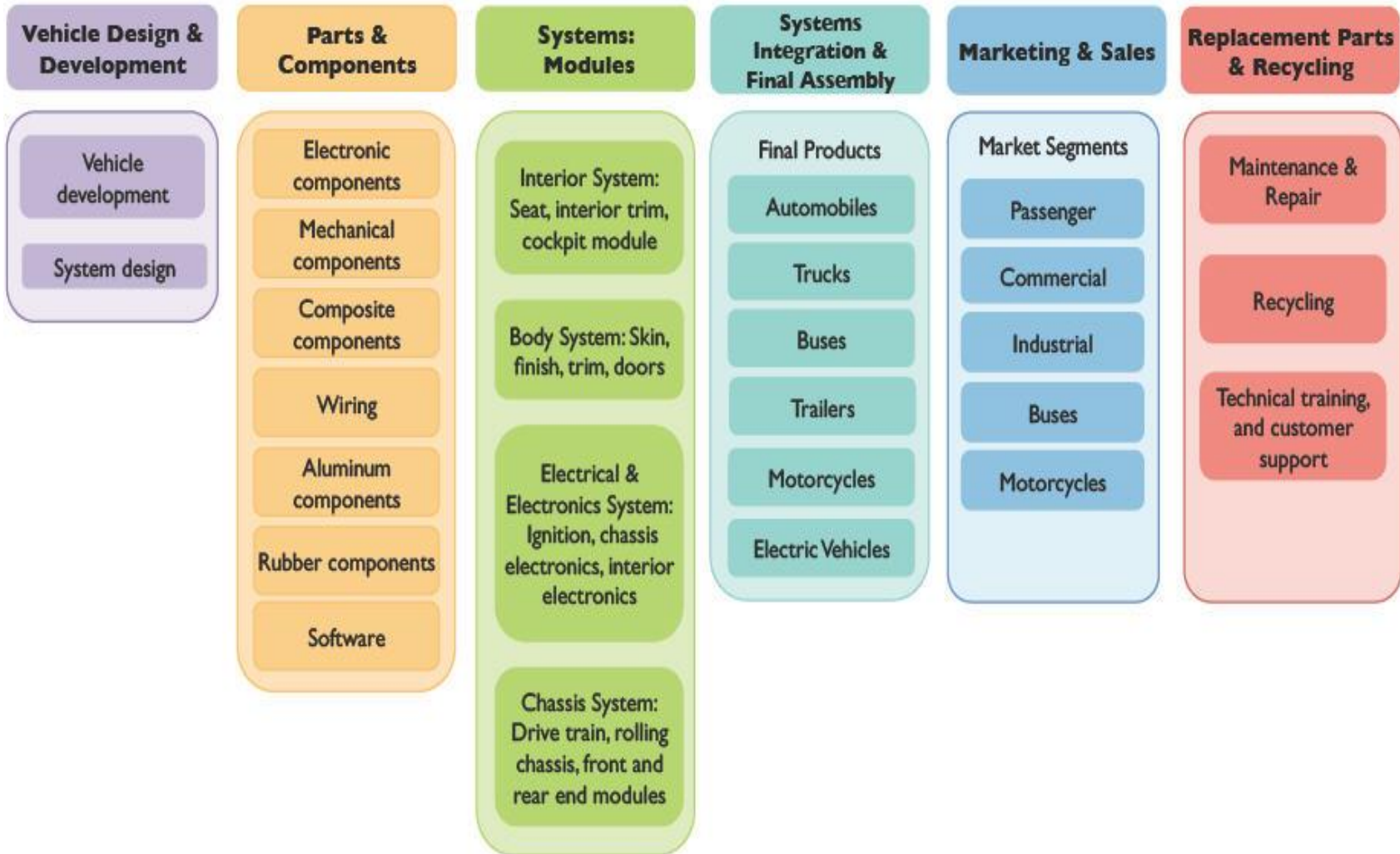
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- Define and classify the **relevant actors** in the GVC, e.g. lead firms, suppliers, (affiliated and non-affiliated suppliers)
- Define and classify the **products** relevant for the GVC
- Define and classify the **business functions** relevant for the GVC
- Identify the main (partner) **countries** in the GVC [perspective of national data compiler]
- **Collect** relevant information
- Build the accounts in cooperation with partners



Automotive GVC

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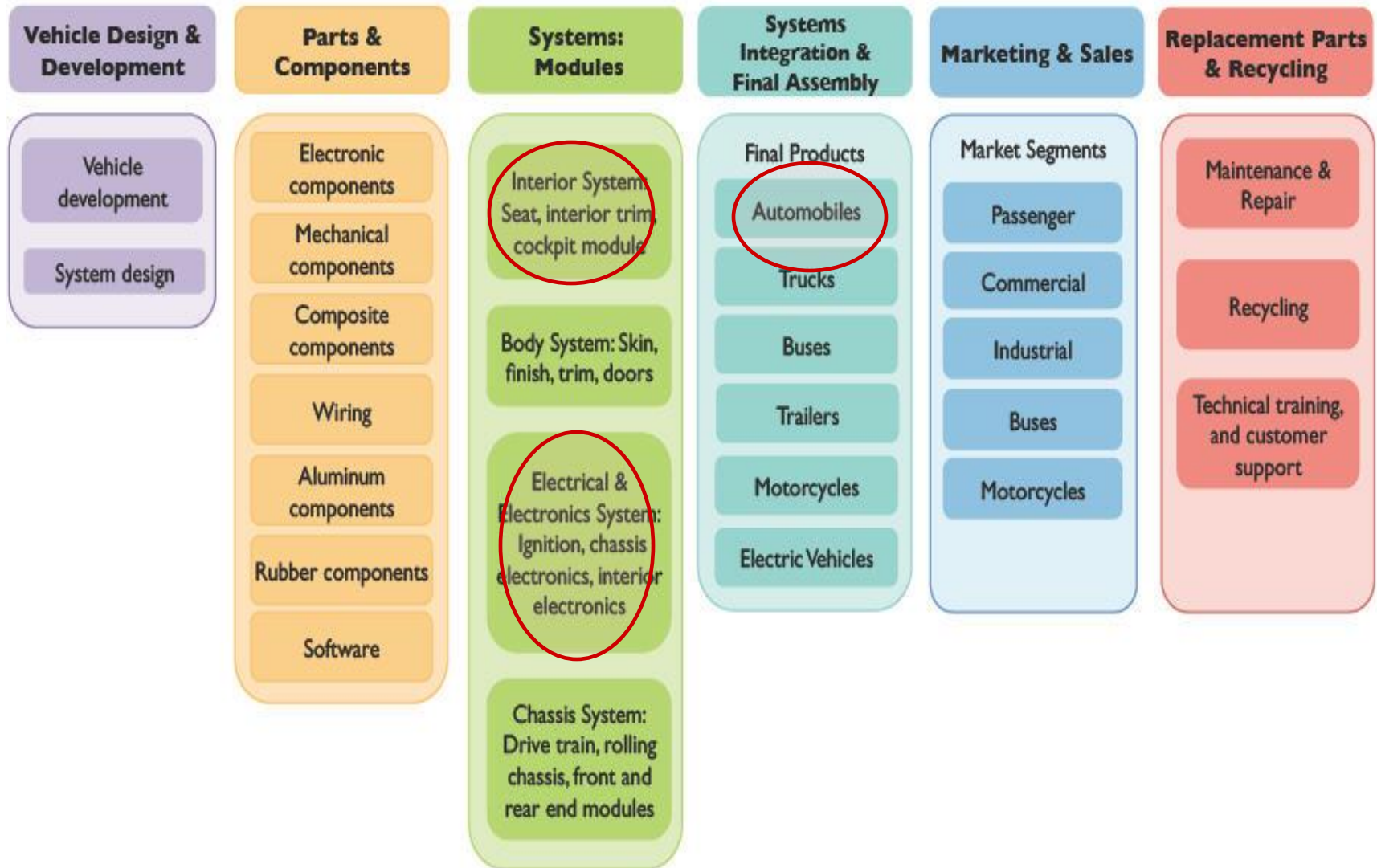


Source: Timothy Sturgeon, Jack Daly, Stacey Frederick, Penny Bamber and Gary Gereffi (2016) *The Philippines in the Automotive Global Value Chain*



Morocco in the automotive GVC

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Identification (and measurement) of the governance structure of the GVC

Lead firm

Controlled firm

Non-controlled firm

Importance of business registers, large case units to focus on lead firms and supplying firms



Example: Automotive GVC HS codes in Morocco

Value Chain Stage/ Subassembly	HS Codes (2002)	HS Code Descriptions	Producer
Passenger vehicles	8703	Passenger vehicles	Lead Firms
Body system	870600	Chassis fitted with engines	
Drive train	840733 840734 840820	Reciprocating piston engines used for the propulsion of vehicles of Chapter 87	Lead Firms
Body system (suspension, panels front & rear end modules, interiors)	401110 401211 8708 8707 7007	Tires, Brakes, Road wheels and parts, Suspension systems, Steering wheels, columns and boxes, Bodies, Laminated safety glass, Bumpers, Radiators, Silencers and exhaust pipes, Sealed beam lamp units, Seats, Safety seat belts, Instrument panel	Suppliers
Drive train / Electrical Equipment	8708 854430 8512	Parts/accessories of motor vehicles of headings 87.01-05; Gear boxes, Drive-axles with differential, Clutches, Ignition wiring sets, : Electrical lighting, windscreen wipers, defrosters, Air conditioning	

Source: Ouljour H., Jansen R. Sturgeon T. (2017) *Measurement of Morocco's participation in the Automotive Global Value Chain*



ISIC 72	ISIC 293,...		ISIC 292		ISIC 291			ISIC 73 ISIC 451		ISIC ...		ISIC ...		Other ISIC
					System integration and final assembly									
Research and development		Parts and Components		Systems: Modules		Lead firms		others	Marketing and sales		replacement parts and recycling		Logistic	
GVC gov. structure	other	GVC gov. structure	other	GVC gov. structure	other	foreign owned	nationally owned		lead firms	other	lead firms	other	GVC gov. structure	other

Where

ISIC 72 - Scientific research and development

ISIC 293 - Manufacture of parts and accessories for motor vehicles

ISIC 292 - Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers

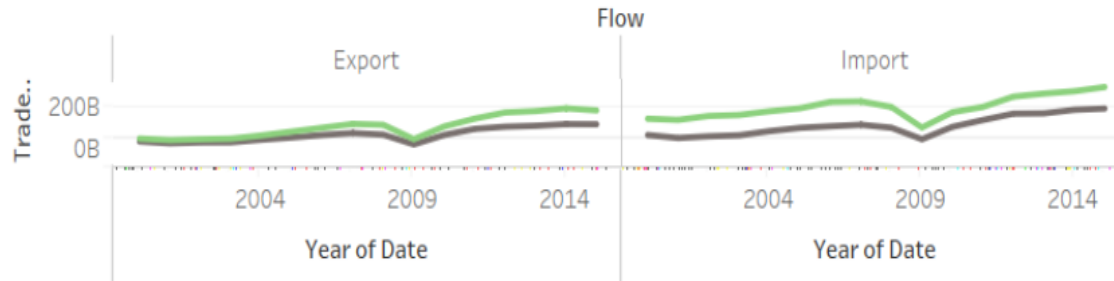
ISIC 291 - Manufacture of motor vehicles

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Reporter Multiple values
 Year 2015
 Partner All
 Flow Export
 Top N Repo.. 20
 Top N Part.. 20

Trends



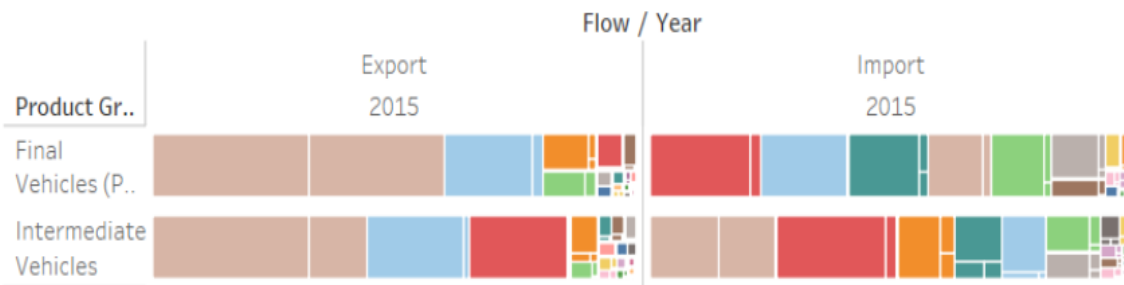
Product Group
 Final Vehicles (Pass+Comm)
 Intermediate Vehicles

Product Group
 Final Apparel
 Final Apparel & Footwear
 Final Electronics
 Final Footwear
 Final Textiles
 Final Vehicles (Pass+Comm)
 Final Vehicles Commercial
 Final Vehicles Passenger

Data Availability

Reporter
 USA 2015
 Mexico 2015
 Canada 2015

Top Traders



Partner
 Belgium
 Canada
 China
 China, Hong Kong SAR
 France
 Germany
 Ireland



Reporter Multiple values

Year 2015

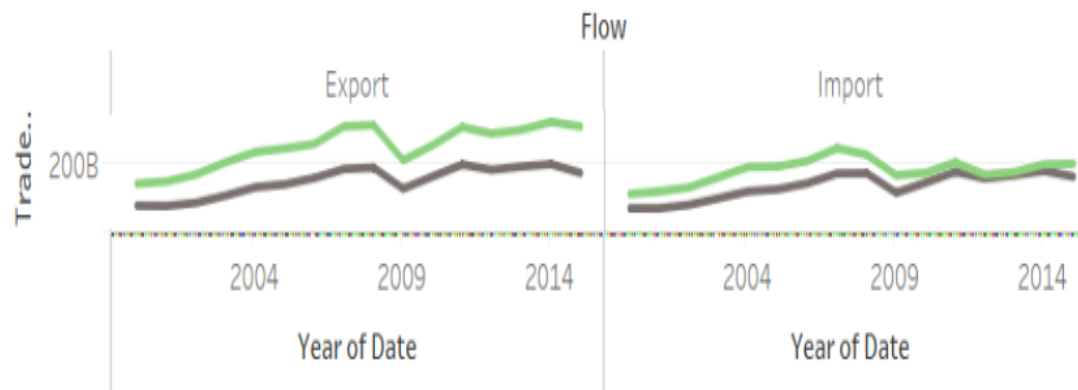
Partner All

Flow Export

Top N Repo.. 20

Top N Part.. 20

Trends



- Product Group
- Final Vehicles (Pass+Comm)
 - Intermediate Vehicles

- Product Group
- Final Apparel
 - Final Apparel & Footwear
 - Final Electronics
 - Final Footwear
 - Final Textiles
 - Final Vehicles (Pass+Comm)
 - Final Vehicles Commercial
 - Final Vehicles Passenger

Data Availability

Reporter

Germany 2015

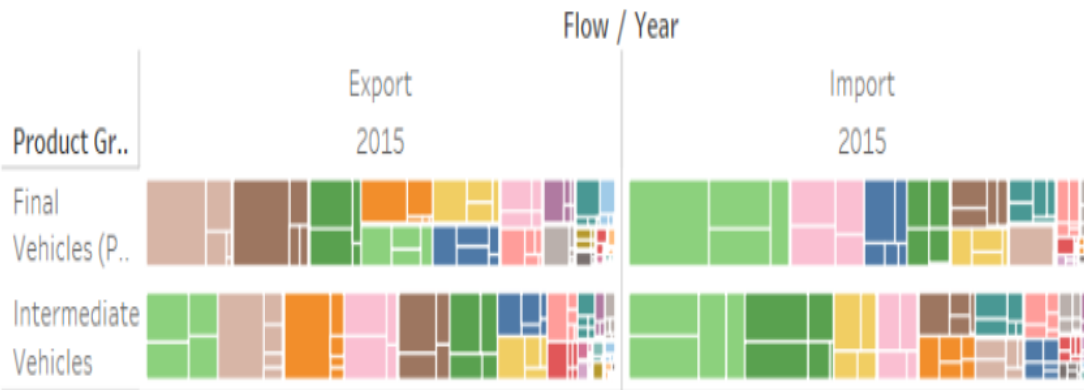
United Kingdom 2015

France 2015

Spain 2015

Italy 2015

Top Traders



- Partner
- Belgium
 - Canada
 - China
 - China, Hong Kong SAR
 - France
 - Germany
 - Ireland



- Experimentation and testing for regional GVCs
 - agri-food, apparel and textiles, automotive, electronics, tourism
- Research agenda
 - statistical units, classifications, format of the SUT and integrated accounts



Thank you!