

Handbook on Accounting for GVCs

Ronald Jansen

Assistant Director

United Nations Statistics Division

Revised Handbook

- I. Introduction
- II. GVC framework
- III. Global enterprises and integrated business and trade statistics**
- IV. Application

Compendium

- **14 Chapters**
- **Chapter 7:** Global enterprises
- **Chapter 11:** use of linked micro data
- **Chapter 12:** Bilateral asymmetries, data sharing and global groups register

Characteristic of GVC framework

- GVC defined by group of products (Automotive)
- **Global Lead Firms** determine the governance of the GVC network
- Limited number of main partner countries
- Based on construction of a multi-country GVC specific Supply and Use table
- **Exchange of micro-data among these main GVC partners is needed (solve bilateral asymmetries)**

Global Enterprises, business lines and outsourcing of business functions

- The business statistics framework integrates the business models concretely adopted by global enterprises in their day to day activities.
- Enterprise activities can be broken down by business line and then by business functions, which together define the business process.
- Each business function of a business line can be carried out inside or outside the global enterprise, and be either in the resident country or abroad.

Business Functions

- Transport, logistics, and distribution
- Marketing, sales, after sales service
- IT services and software support
- Management, administration, and back-office support
- R&D, Engineering and related technical services

Points of interest (1)

Legal and confidentiality considerations constrain the exchange of micro-data. Especially in cases where MNE data are already publicly available, the principle of confidentiality for the exchange of micro-data may have to be amended. Example of possible data transmission within ESS.

Points of interest (2)

Visiting global enterprises can help to resolve inconsistencies between data from different sources. These visits may also allow for the access to business accounting data that are not collected nationally but can be retrieved from the internal and external business accounting reports across the business operations of a MNE.

Thank You

jansen1@un.org