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Overview of globalisation initiatives

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CMFB Globalisation Workshop

4-5 July 2018, Vienna

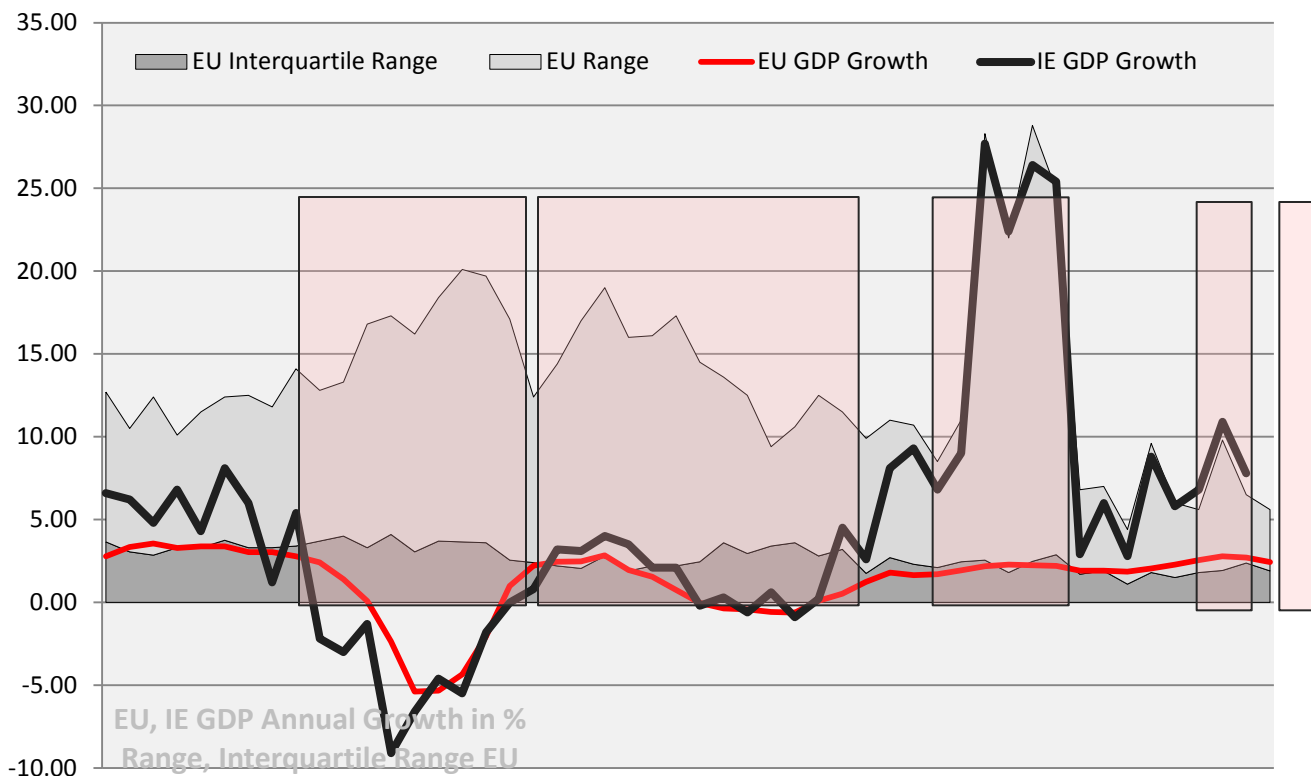
What is globalisation?

The [Sturgeon Report 2013](#) report defined it as:

The inward and outward flow of goods, services, and investment across national borders, along with the functions —including functions related to innovation — that enterprises and organizations use to set up, support, and manage these flows.

Context of the globalisation debate

2006				2007				2008				2009				2010				2011				2012				2013				2014				2015				2016				2017				2018				2019				2020				2021				2022				2023			
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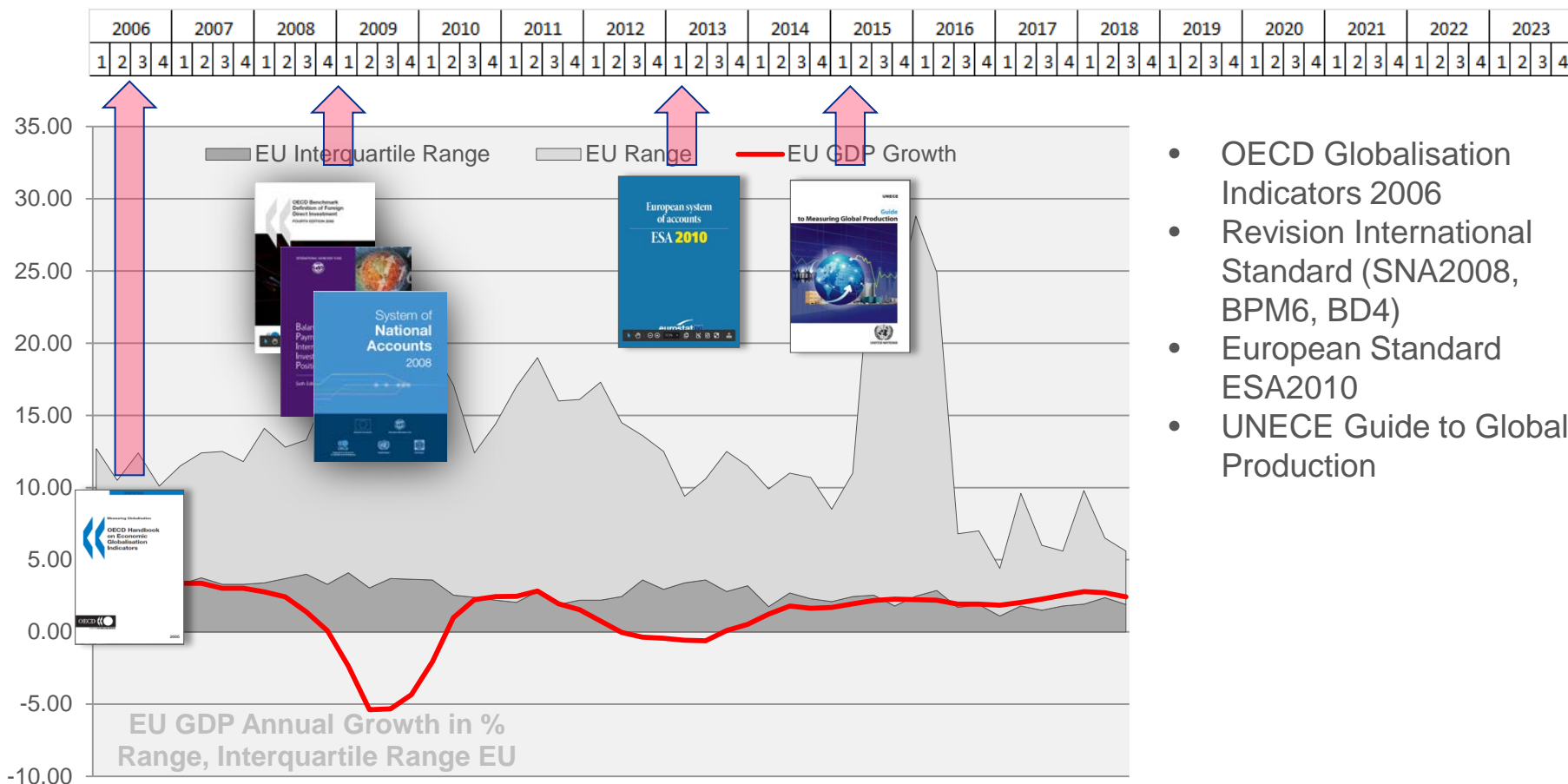
Globalisation
Financial Integration
Regional Integration
A timeline:

- Financial Crisis
- Euro area Fiscal Crisis
- Irish Case
- US Tax Reform
- Brexit
- ?

Range : spread between highest and lowest annual GDP real EU country growth rate
 Interquartile range : spread between highest and lowest for middle 50% EU countries

Initiatives in globalisation

The methodological dimension



- OECD Globalisation Indicators 2006
- Revision International Standard (SNA2008, BPM6, BD4)
- European Standard ESA2010
- UNECE Guide to Global Production

Range : spread between highest and lowest annual GDP real EU country growth rate
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Globalisation Initiatives

The evolving landscape

2006 -

- Globalisation Indicators : OECD
- Draw from existing data : trade, FDI etc

2014 -

- Structural analyses of globalisation, new paradigms of international trade and global production.
- WIOD / TiVA / Extended SUT
- Eurostat : Figaro, TF-IGA

2017 -

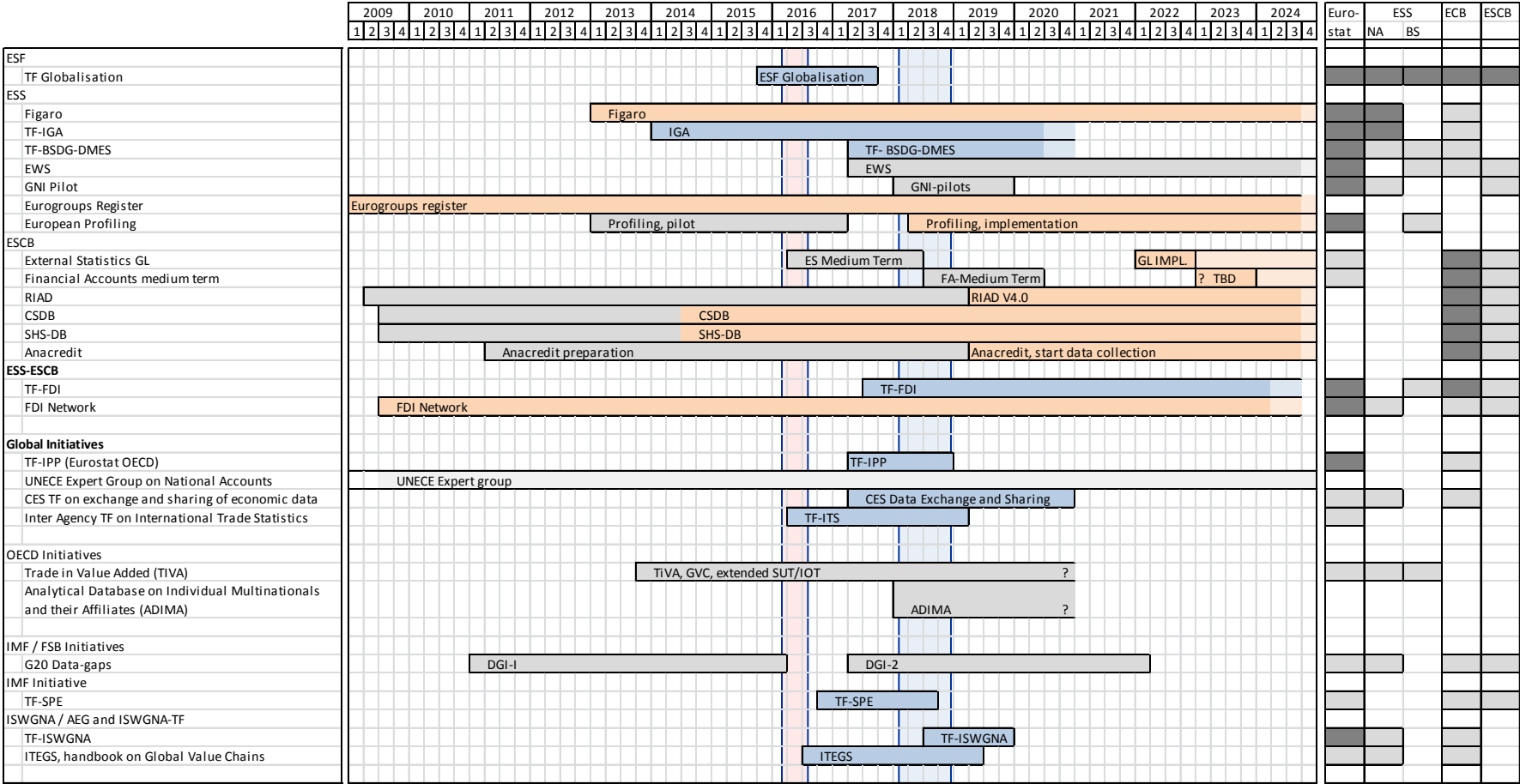
- Impact of Globalisation on core accounts, consistent recording
- MNE / Restructuring / Consistent Recording
- EWS / GNI , LCU's, Registers, Identifiers

2018 -

- Globalisation and the core accounts
- Institutional Sector Accounts, Balance of Payments
- SNA Research Agenda

Globalisation Initiatives

indicative timeline



Combining forces : European collaboration fora

- ESF : European Statistical Forum
- CMFB : Committee Monetary Financial and Balance of Payments Statistics
- TF-BSDG-DMES : ESS : Business Statisticians and National Accountants
- TF-IGA : National Accounts and Balance of Payments Statisticians
- TF-FDI : joint Eurostat-ECB Task Force on Foreign Direct Investment
 - FDI Network : bilateral exchange of primary data for quality improvement
- TF-IPP : joint OECD-Eurostat task force on intellectual property
- EG-QSA : joint Eurostat-ECB TF on quarterly sector accounts

Infrastructure

- Global Identifiers for Legal Entities
 - EGR : Europe wide unique identifiers and national register identifiers
 - LEI : Globally Unique Identifiers : GLEIF / application and incorporation in registers
- Business registers
 - Access to Euro Group Register sufficient
 - Statistical Use only
 - International Profiling
 - Consistent approach needed as regards statistical units in macro economic statistics
 - RIAD : in full expansion due to Anacredit project.
- Data sharing and data exchange of micro data
 - Existing possibilities sufficient for adequate data sharing and data exchange?
 - Is data sharing / data exchange a reciprocal arrangement?
 - Is consent from the reporting agent an option?

Structure of global production

- Trade in value added analyses (TiVA)
- Analysis of Global Value Chains, focus on business functions
- Described inter-alia in Sturgeon report (2013)
- Extended Supply and Use Tables
- Trade matrices, goods and services linking supply and use tables
- World Input Output Database [WIOD] (e.g. global frameworks)
- Europe : Eurostat Figaro project

Major Globalisation Events

Focus predominantly on the impact of restructuring of MNE's across different countries, which may heavily affect the production account and the current account.

Early Warning System:

- Early identification and informing correspondent network
- Agreeing on a methodological treatment
- Focus on communication strategy

Early Warning System is set up through a network of national correspondents from NA and Business Statistics compilers in MS, collaborating with NCB's. Eurostat provides the secretariat, ECB is member

Quality of recording MNEs

Key macro economic aggregates are sensitive to the way of recording of MNE's and their subsidiaries in different member states; inconsistencies may arise in the reporting of large corporate groups to different statistical domains; only to be exacerbated by the national reporting across many countries

- Nationally : Large Case Units further consistency in reporting of large enterprises
- Internationally : no such co-ordination established yet
- GNI pilot project: aims at assessing the consistency of recording of a sample of 25 MNE's in Europe through a collaboration between NSI's.
 - Project depends on the sharing of confidential data on MNE subsidiaries
 - Project is supported by international profiling of these (part of these) MNE's in the Eurogroups register.
- Project tests what is possible as regards data sharing

Globalizing the core accounts

- A new GDP/GNI concept?
- Additional detail in the accounts?
 - Intra MNE transactions and positions
 - MNE / non MNE
 - Integration BOP/National Accounts
 - Geographical details beyond goods and services
- IE Review :
 - GNI* and CA* concepts
 - MNE sub-sectoring
- G20 –DGI-2, recommendations sector accounts.
- WG-ES, WG-FA, EG-QSA, TF-FDI research agenda

Globalisation Initiatives

Thank you for your attention
Any questions