

## International Comparative Evidence on Global Value Chains

The past decades have witnessed a rapid globalisation of economic activity which has significantly changed the outlook of the world economy. International production, trade and investments are increasingly organised within so-called global value chains (GVCs) where the different stages in the production process are located across different economies. Until now, GVCs have been largely discussed from a conceptual and theoretical view, but empirical work on international fragmentation has stayed a bit behind. The review of the available data and indicators on GVCs in this paper shows the increasing importance of GVCs in today's global economy, but at the same time clearly highlights some major shortcomings. While the empirical evidence based on trade data is less convincing, Input-Output data clearly reveal the growing spread of international production networks. Indicators on imported intermediates, offshoring and vertical specialisation all illustrate the growing fragmentation of production across more economies. Trade data seem to show the increasing importance of GVCs only in an indirect way but the existing trade data are not detailed enough and are not collected on the right level of analysis to analyse the international fragmentation and GVCs. Policy makers show an increasing interest in GVCs because of the pervasive effects GVCs have on national economies and are especially looking for more and better policy evidence. Important policy issues like the impact of GVCs on the competitiveness of countries and attractiveness for international investments can only be addressed by new and better metrics. The OECD is developing new empirical evidence studying the emergence of GVCs based on international trade data and Input-Output data. In addition, the OECD is currently cooperating with other international agencies and academic experts to develop new metrics for GVCs, for example data on trade in value added.

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