

Summary Report of the Second Meeting of APEC Technical Group of Measurement on TiVA under GVCs

Purpose: Information
Submitted by: Co-Chairs

Date: November 4, 2015

Location: Shanghai, People's Republic of China

Participated Economies: Australia; Canada; Chile; People's Republic of China; Hong Kong, China; Indonesia; Japan; Republic of Korea; Malaysia; Mexico; Peru; the Philippines; Chinese Taipei; Thailand; the United States; and Viet Nam ¹

Participated International Organizations: Asian Development Bank (ADB), World Trade Organization (WTO), Organization of Economic Cooperation and Development (OECD)

1. THE LATEST WORKING PROGRESS ON APEC TIVA PROJECT:

A. Seventeen member economies, except Indonesia, Papua New Guinea, Russia, and Singapore, nominated their point of contact to APEC Technical Group of Measurement on TiVA under GVCs (the technical group).

B. China nominated Mr. Xianchun Xu from NBS as China co-chair of the technical group; and the United States nominated Dr. Zhi Wang from USITC as U.S. co-chair of the technical group.

C. The first meeting of the technical group was held in Boracay, the Philippines, in May 2015.

D. The Terms of Reference on Operational Mechanism of the technical group (ToR) was endorsed by APEC MRT in Boracay, the Philippines, in May 2015.

E. The Work Plan of the technical group was endorsed by APEC MRT in Boracay, the Philippines, in May 2015.

F. Based on the ToR, co-chairs nominated eleven experts from international organizations and institutions including WTO, OECD, and ADB, as the first batch members of the Core Expert Working Team (CEWT).

G. Based on the ToR, co-chairs nominated eleven experts from academic institutions in Australia, China, Japan, Russia and the Netherlands, as the first batch members of the Core Expert Working Team (CEWT).

H. Based on the ToR, the Technical Working Team (MTWT) for both China and the United States were established.

I. Based on the ToR, the Coordination Working Team (CWT) designated by China and the United States was established. And co-chairs nominated Mr. Weiqun Yao from SCCWTO, China, as the coordinator of the technical group.

J. Co-chairs assisted by CWT, circulated the Questionnaire on SUTs and Extensions to 21 APEC member economies and received feedbacks from seventeen economies except Indonesia, Papua New Guinea, Russia and Singapore by the end of July 2015. Indonesia made a commitment that it will submit the questionnaire as soon as possible. China MTWT completed the assessment on data availability based on the feedbacks.

¹. Delegate of Brunei Darussalam attended the APEC Workshop of Measurement on TiVA under GVCs (the workshop) held in Shanghai, China from November 2-4, 2015; Papua New Guinea, New Zealand and Russia had not sent their delegates to attend but their seats and table cards were kept at the meeting.

K. China raised fund and held a capacity building program named 2015 Seminar on Trade & Investment & Global Value Chain for APEC members from October 22 to November 5, 2015 in Beijing, Shanghai and other cities in China, according to China's commitment.

L. China raised fund and held the APEC Workshop of Measurement on TiVA under GVCs (the workshop) jointly with the WTO, ADB and OECD from November 2-4, 2015 in Shanghai, China. According to the APEC practices, China raised fund to fully sponsor ten speakers from UNIDO, ADB, WTO, OECD, and Japan, the United States; and partly sponsor certain members of China's MTWT.

M. According to the work plan, China and United States completed their sample supply use tables (SUTs) and extended SUTs, and presented their preliminary results as well as the methodologies at the workshop.

N. Data sharing with ADB and other international organizations through the working website of the technical group has been proposed.

O. According to the work plan, the construction of the working website of the technical group was completed by CET, and will go into full online operation by the end of 2015.

P. According to the work plan, the second meeting of technical group was held in Shanghai, China on November 4, 2015.

2. UPDATE THE 2015-2016 TASKS AND ACTIVITIES OF THE WORK PLAN FOR APEC TECHNICAL GROUP OF MEASUREMENT ON TIVA UNDER GVCs:

A. Tasks of 2015-2016

According to the work plan, the technical group needs to achieve the following objectives:

1. Participating APEC economies will compile two benchmark their SUTs or input-output tables (IOTs) for years around 2005 and 2010, and if feasible, provide extended SUTs/IOTs under a separate confidentiality agreement (task one);
2. Participating APEC economies will complete trade in goods and services data collection, and if feasible, make effort to reconcile them with the SNA statistics (task two);
3. Participating APEC economies will submit their 2016 work plan for task one and two above, meanwhile identify the areas of need for technical assistance and possible sources by the end of January 2016;
4. The technical group will group the participating APEC economies to facilitate experience sharing and technical assistance;
5. The technical group will continue to pursue data sharing cooperation with ADB, WTO and OECD;
6. The CWT will draft a code of conduct for data sharing on the working website of the technical group by the end of 2015 and distribute within the technical group for comments and suggestions.

B. Activities of 2015-2016

In order to accomplish the above tasks, the technical group plans the following activities:

1. Hold the third meeting of the technical group at the margin of 2016 APEC CTI1 (around the end of Feb. 2016). At this meeting, the 2016 work plans submitted by participating APEC economies would be shared, and issues related to data sources and compilation methodology would be addressed. Demand on technical assistance will be put forward by the participating APEC economies on voluntary basis, and how to meet such technical assistance need would be determined;
2. Hold the second technical training and capacity building workshop, jointly with OECD, WTO, UN and ADB before 2016 CSOM (Fall). At the workshop,

participating APEC economies would present their preliminary SUTs. If feasible, selected TiVA and other economic indicators derived from the SUTs would also be presented;

3. Hold the fourth meeting of the technical group in conjunction with the second workshop to discuss and determine the 2017 work plan;
4. Submit the 2016 progress report to CTI.

3. DISCUSS AND DETERMINE THE INDUSTRY AND PRODUCT CLASSIFICATION OF THE APECT TiVA DATABASE.

A. The numbers of products and industries of APEC SUTs/IOTs are determined as follows:

1. Product Classification using the Central Product Classification (CPC) version 2, consistently with ADB SUT product classification;
2. Industry breakdown based on International Standard Industry Classification (ISIC) Rev.3/4, consistent with OECD ICIO industry classification version 2015;
3. Expenditure items classified by function.

B. Concordance tables for reconciling APEC TiVA products classification to expenditure items are based on the following international classifications (for reference only):

1. Household Final Consumption Expenditure (HFCE) by Classification of Expenditure according to Purpose (COICOP);
2. Non-profit Institution Serving Household (NPISH) by Classification of Purpose of NPISH COPNI);
3. Government Consumption Expenditure (GCE) by Classification of Function of Government (COFOG); and
4. External Trade (Export and Imports) by Harmonized System (HS) for goods and major EBOPS items for services.

C. Member economies may submit the required statistics based on the current classification used in their SNA statistical system with their concordance to ISIC. The submission of most detailed classification is encouraged. The aggregation to common classification of APECSUTs/APECIOTs will be conducted by the CEWT based on data availability for most member economies.

The industry and product classifications will follow these principles: make full use of current official data set available; reduce the burden of NSIs; and consistent with the international standards.

4. THIS CONFERENCE REACHED FOLLOWING CONSENSUSES:

- Approved the Update the 2016 Tasks and Activities of the Work Plan for APEC Technical Group of Measurement on TiVA under GVCs.
- Approved Suggested Industry and Product Classification for APEC TiVA SUT/IOTs.

5. OUTCOMES/DELIVERABLES FOR 2015 AND 2016

Before CSOM 2015, submit progress report to CTI
In 2016, participating APEC economies provide their SUTs/IOTs (or extended SUTs/IOTs) and complete the collection of goods and services trade data, and if feasible, make effort to reconcile with national accounts at product level (adjust for re-exports, re-imports, and resident/non-resident purchase).

In 2016, hold the third and fourth meetings of the technical group and the second technical training and capacity building workshop

Before CSOM 2016, submit progress report to CTI

6. SUBMIT THE SUMMARY REPORT OF THE SECOND MEETING OF THE TECHNICAL GROUP TO CTI