

# Engagement of Eastern countries and the Republic of Moldova in external fragmentation of production: a cross country comparisons and convergence points

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## Background of research

- In the modern world, most of the trade between countries is carried out within Global Value Chains (GVC), which have become a strong driver of global economic growth. Also, not all countries are sufficiently penetrated into these chains and can benefit from integration in there. Most developing economies and former communist countries lack a strategy framework of including local intermediate products in GVC, as well as didn't develop country's research on this topic.
- Our research will fill in the gap for Eastern Partnership (EaP) countries.

## Hypotheses of research

- Do Moldova and other EaP countries have similar or different patterns for participation in GVC?
- To what extent they can be mutually complementary partners in the regional chains?
- Do the goods from Moldova and other EaP countries are sufficiently penetrated in income value chains of the European countries?

## Methodological background of research

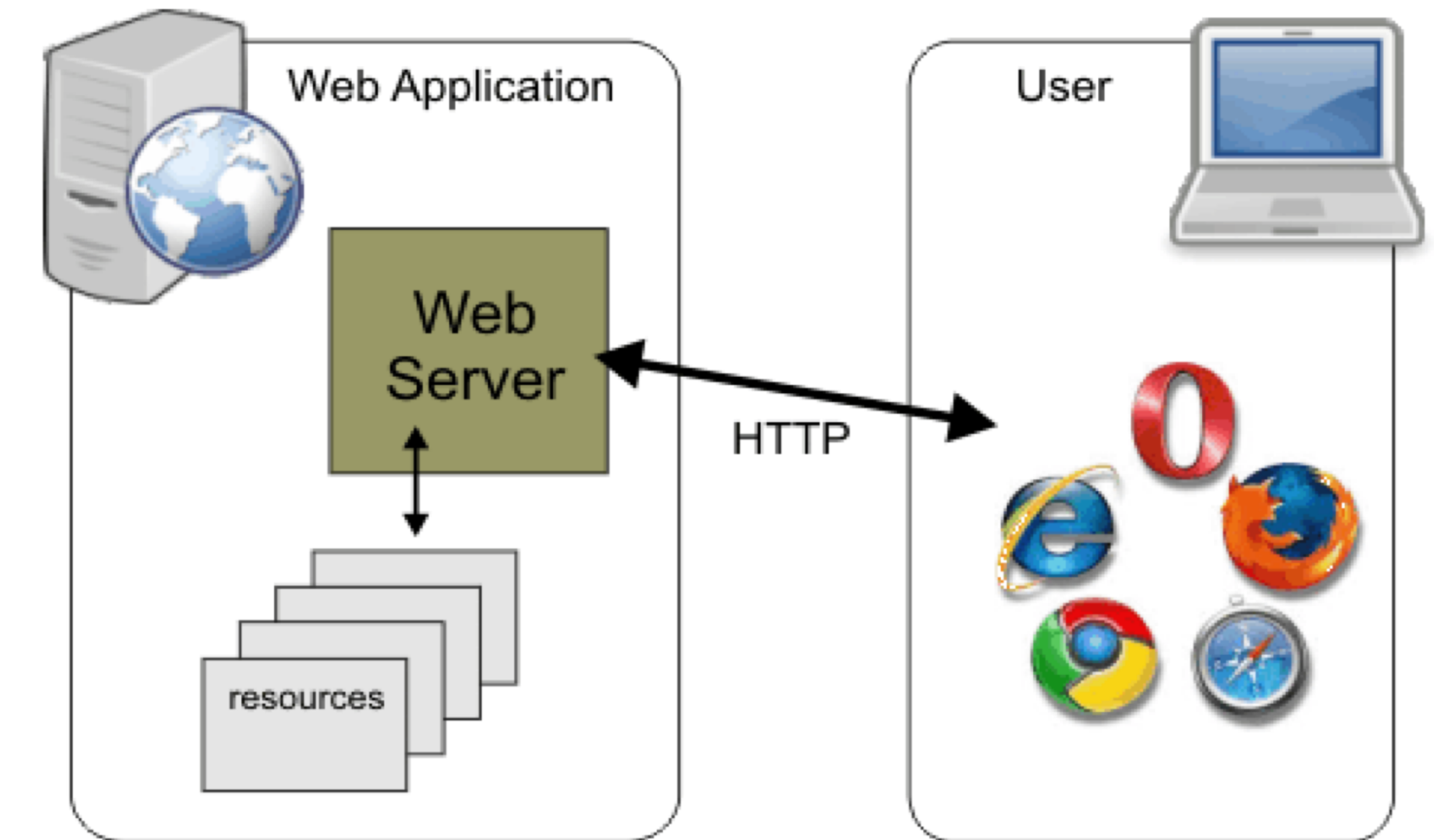
- WEB simulation tools of International institutes that allow estimating the engagement of countries in external fragmentation of production:
- Trade in Value Added (TiVA) instrument, developed by OECD for the comparative analysis of GVC integration across countries,
  - Market Analysis Tools of International Trade Center of the WTO and the UN.

## Impact of research

- EaP countries' connection with web-based applications mentioned above will allow:
- ✓ To establish the product specialization of countries in GVC and its predominant market concentration,
  - ✓ To elaborate proposals for deepening penetration of countries in the value chains of EaP and European region,
  - ✓ To adjust and develop adequate policies in the areas of education, R&D, the labor market and industry, and the service sector by decision makers and the private sector of the EaP countries.

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Graphic 1. Proposed data pipeline

## Our expectations from support of RENAM

- ✓ We will receive the corresponding data for our research regarding EaP countries, and especially it is required that 46 principal indicators be selected for six EaP countries for the period of time 2006-2016: [https://stats.oecd.org/Index.aspx?DataSetCode=TIVA\\_2018\\_C1](https://stats.oecd.org/Index.aspx?DataSetCode=TIVA_2018_C1)
- ✓ We will establish collaboration contacts with the researchers interested in our topic from the other EaP countries,
- ✓ We will benefit on guidance on Open Data and Open Science with OpenAIRE