

## **GVCs-Linked Spillovers and Development: Firm-Level Evidence**

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Global Value Chain (GVC) integration has played an important role in industrial development for many developing nations. It is well established that imported intermediates boost productivity of developing-nation firms, both foreign affiliates and free-standing firms. But does this productivity boost spillover to the suppliers of these firms? This paper uses firm-level data (from the World Bank's Enterprise Surveys) to see whether developing country firms that participate in GVCs create positive spillovers for their upstream suppliers, and whether these spillovers depends upon foreign ownership. Turning to possible mechanisms, the paper shows that developing nation firms engaged in GVCs are more likely to use training programs, foreign-licensed technology, quality certification and the internet for communicating with customers and suppliers. In future drafts, the paper will seek to link the spillovers to these behaviors (please find attached an extended abstract of the paper).