

## **Making the circle square: treatment of goods sent abroad for processing in the construction of the European Union's Inter-Country Supply, Use and Input-Output tables**

Topic: Management of Globalisation in the National Accounts and Implications for Input-Output Tables and Analyses

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The extension from national to inter-country Supply, Use and Input-Output tables (SUIOTs) consists in splitting national SUTs domestic exports (FOB) by country of destination (and importing industry) and by type of use (intermediate or final), which in turn produces indirect estimations of imports of intermediate and final goods and services among countries of origin (and exported products). It could also be the other way round, splitting national SUTs imports by countries of origin, as in the WIOD approach. The two approaches should not differ, in principle, as long as the view of bilateral trade among countries is balanced at the level of each good and service and both exports and imports are valued in FOB. However, this is not the case in official statistics, mostly due to trade asymmetries and the different valuation of exports (FOB) and imports (CIF). This paper however justifies the first choice for various reasons and put a special focus on the treatment of goods sent abroad for processing, including some indications about the necessary assumptions made in the absence of official data about trading partners and type and destination of the processed goods.