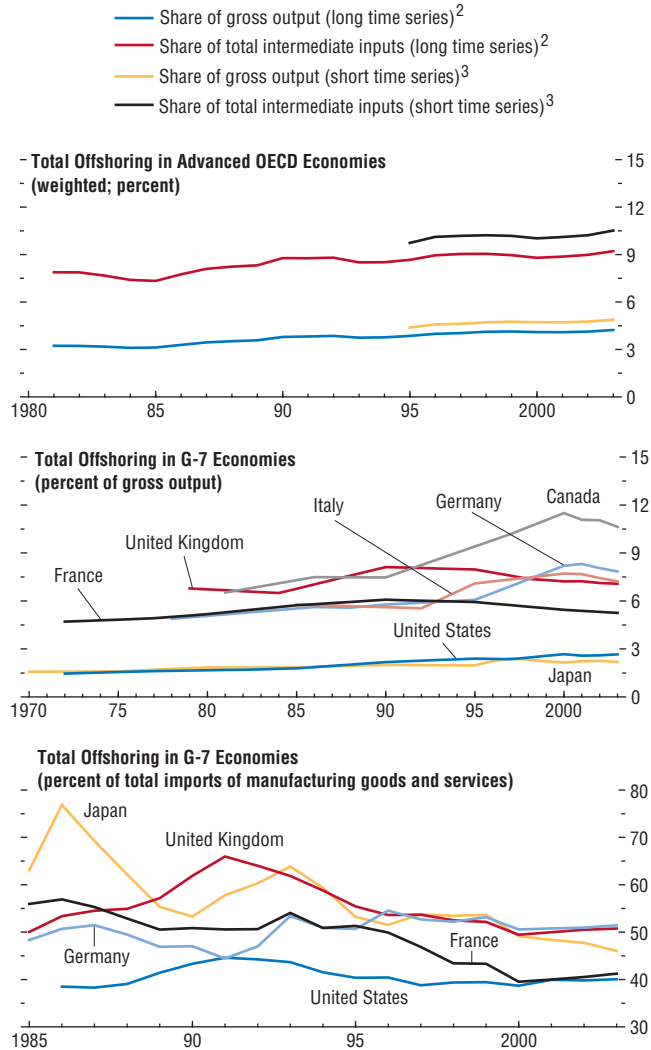


## Figure 5.5. Offshoring by Advanced Economies<sup>1</sup>

The extent of offshoring is still quite limited in advanced economies. In 2003, the offshoring of nonenergy manufacturing and services inputs averaged about 5 percent of gross output and roughly 10 percent of total intermediate inputs. The low level of offshoring is particularly pronounced in the world's largest economies, the United States and Japan.



Sources: OECD, Input-Output Tables (1995, 2002, and 2006 editions), International Trade in Services Database, and STAN Industrial Database; Groningen Growth and Development Centre, 60-Industry Database (September 2006); and IMF staff calculations.

<sup>1</sup>Offshoring measures calculated using Input-Output Tables from OECD; resulting series extended from 2001 to 2003 by estimating extent of offshoring using a combination of data from the OECD STAN Industrial Database and the Groningen 60-Industry Database; only offshoring of nonenergy manufacturing and services inputs considered.

<sup>2</sup>Advanced OECD economies used in calculations for long time series include Australia, Canada, France, Germany, Japan, the Netherlands, the United Kingdom, and the United States; weighted using series on GDP at current U.S. dollars from the World Economic Outlook database.

<sup>3</sup>Advanced OECD economies used in calculations for short time series include Australia, Austria, Canada, Finland, France, Germany, Greece, Italy, the Netherlands, Japan, Korea, Portugal, Spain, Sweden, the United Kingdom, and the United States; weighted using series on GDP at current U.S. dollars from the World Economic Outlook database.