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## SHIFTING IN GLOBAL VALUE CHAINS <sup>1</sup> What are business strategies?

GVCs (global value chains)\* evolution is questioned by international trade slowdown. What will be the main shifts on global value chains within ten years and how France can manage to take advantage of these transformations? Such are the main points discussed in this work through five sectors: textiles and clothing, automobile, electronics, photonics and agrifood.

In a context of world trade slowdown, it deserves to consider different schemes for GVCs change: are they deepening or contracting? Are they moving or redrawing? Many things are creating different conditions: higher labor costs in China, quality and origin requirements, shorter time-to-market, digital revolution, automation, enhanced customer relationship... but also fall in world demand, emerging middle classes, new patterns of innovation, climate risks, due diligence on supply chains, servitization, etc.

All these present and future trends are analyzed through French and European business strategies in five sectors: textiles and clothing, automobile, electronics, photonics and agrifood. Within these last ones, rules concerning governance and value creation on global chains are also examined.

France's place in these evolving global value chains is also compared to some OECD countries depending on which chain steps value is and will be captured in the future. In what could be the next stage of globalization, French chances might be higher than in the past. That is a question. It's worth deconstructing stereotypes and questioning where are the main economic assets.

\* "Full range of activities that firms and workers do to bring a product from its conception to its end use and beyond" (Gereffi and Fernandez-Stark, 2011)

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<sup>1</sup> Summary from the study : Corinne Vadcar, *Mutation des chaînes de valeur mondiales : quelles stratégies des entreprises ?* Coll. Prospective & Entreprise, no 29, Paris Idf Chamber of Commerce and Industry, April 2016