

NEREUS

Núcleo de Economia Regional e Urbana da Universidade de São Paulo The University of São Paulo Regional and Urban Economics Lab

Class 10 - Global Input-Output Models

Inácio F. Araújo

Departamento de Economia da Universidade de São Paulo

Global Input-Output Models

- WIOD World Input-Output Database
- ICIO Inter-Country Input-Output Database, OECD
- EORA Multi-Region Input-Output (MRIO)
- ECLAC Input-Output Table for Latin America and the Caribbean
- EXIOBASE Multi-Regional Environmentally Extended Supply-Use Table (MR-SUT) and Input-Output Table (MR-IOT)
- FIGARO EU-Inter Country Supply, Use and Input-Output Tables
- GTAP Global Trade Analysis Project
- IDE-JETRO International Input-Output Tables

Data base



Release 2013:

World Input-Output Tables and underlying data, covering 40 countries, and a model for the rest of the world for the period 1995-2011. Data for 35 sectors are classified according to the International Standard Industrial Classification revision 3 (ISIC Rev. 3). The tables adhere to the 1993 version of the SNA

Release 2016:

World Input-Output Tables and underlying data, covering 43 countries, and a model for the rest of the world for the period 2000-2014. Data for 56 sectors are classified according to the International Standard Industrial Classification revision 4 (ISIC Rev. 4). The tables adhere to the 2008 version of the SNA

Link: https://www.rug.nl/ggdc/valuechain/wiod/?lang=en

WOD

Release 2013

Input-Output Tables:

- World Input-Output Tables (World IO Tables)
- Deflated WIOTs in Previous Years' Prices (World IO Tables PYP)
- Regional aggregations (<u>Regional IOTables</u>) of the WIOTs
- International Supply and Use Tables (<u>International SUTs</u>)
- National Supply and Use Tables (<u>National SUTs</u>)
- National SUTs (<u>Input for SUTs</u>)
- * WIOT tables are also available in **STATA** format and **MATLAB** format

Release 2013



Socio Economic Accounts:

 Data on employment (number of workers and educational attainment), capital stocks, gross output and value added at current and constant prices at the industry level

Environmental Accounts:

- Data on energy use, CO₂ emissions and emissions to air at the industry level
- Land use, materials use and water use

WOD

Release 2016

Input-Output Tables:

- World Input-Output Tables (World IO Tables)
- Deflated WIOTs in Previous Years' Prices (World IO Tables PYP)
- Regional aggregations (<u>Regional IOTables</u>) of the WIOTs
- International Supply and Use Tables (<u>International SUTs</u>)
- National Supply and Use Tables (<u>National SUTs</u>)
- National SUTs (<u>Input for SUTs</u>)
- * WIOT tables are also available in **STATA** format and **R** format

Release 2016

Socio Economic Accounts:

 Data on employment, capital stocks, gross output and value added at current and constant prices at the industry level

Environmental Accounts (by European Commission):

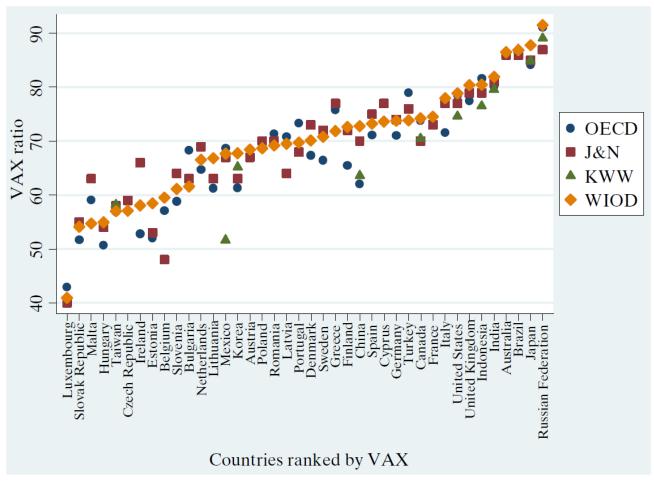
- Gross energy use, emission relevant energy use and CO2 emissions by 64 sectors and by households, for 12 energy commodities
- WIOD EAS

Schematic Outline of a World Input-Output Table (WIOT)

		Use by country-industries						Final use by countries					
			Country 1			Country M		Country 1		Country M	Total use		
		Industry		Industry		Industry		Industry					
		1		N		1		N					
Supply from country-industries	Country 1	Industry 1											
		Industry N											
	Country M	Industry 1											
		Industry N											
Value added by labour and capital													
Gross output													

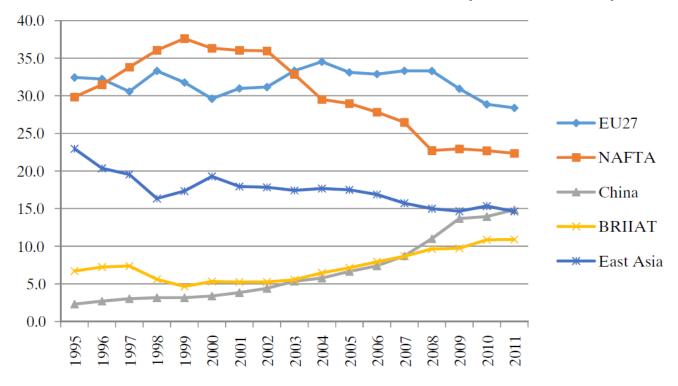
Source: Timmer et al. (2015).

Domestic Value Added Exports Ratios in 2004 (%)



Source: Timmer et al. (2015).

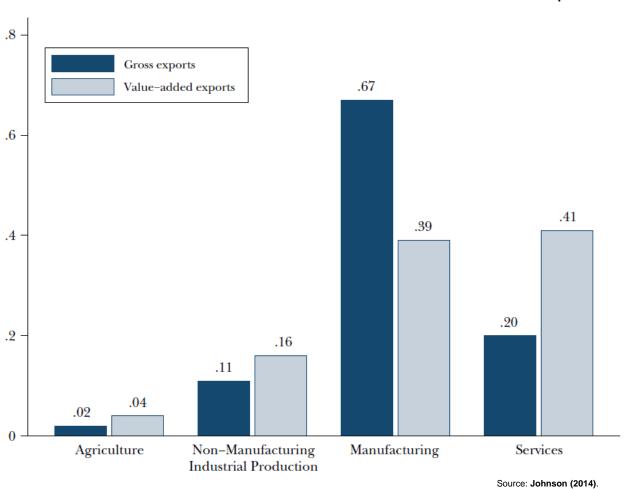
GVC Income from Production of Automotives (as % of world)



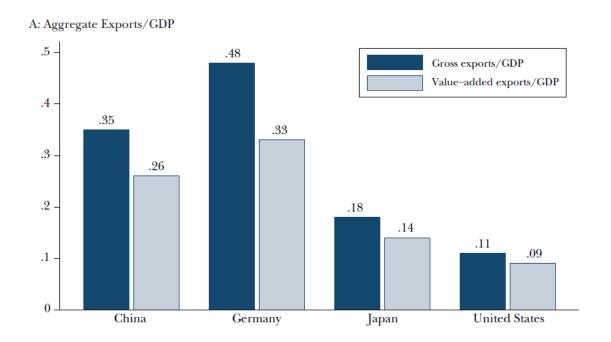
Source: Timmer et al. (2015).

Global Value Chain - a final good as the set of all value-adding activities needed in its production.

Sector Shares in Total World Value-Added and Gross Exports

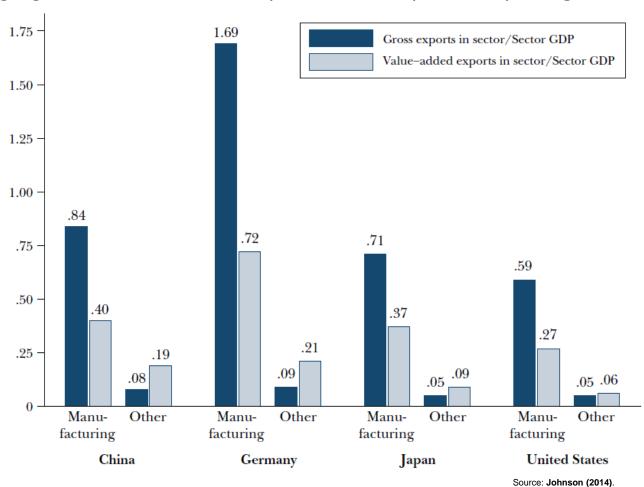


Aggregate and Sector-Level Openness for Top Four Exporting Countries

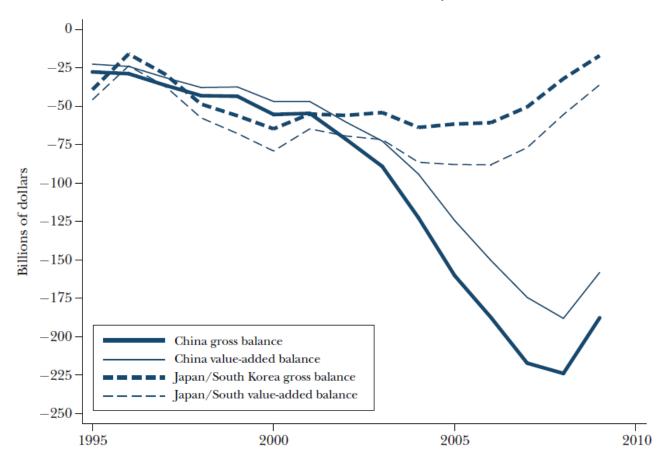


Source: Johnson (2014).

Aggregate and Sector-Level Openness for Top Four Exporting Countries

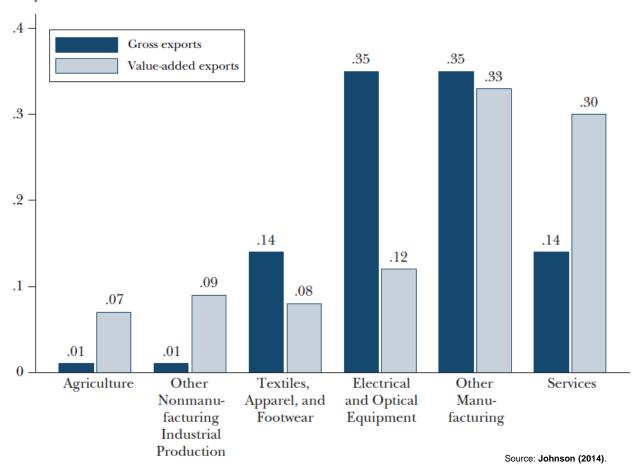


United States Trade Defi cits with China, Japan, and South Korea

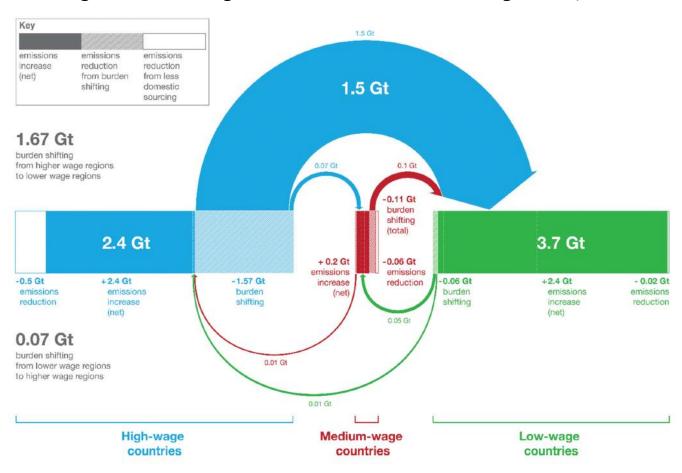


Sector-Level Export Shares for China

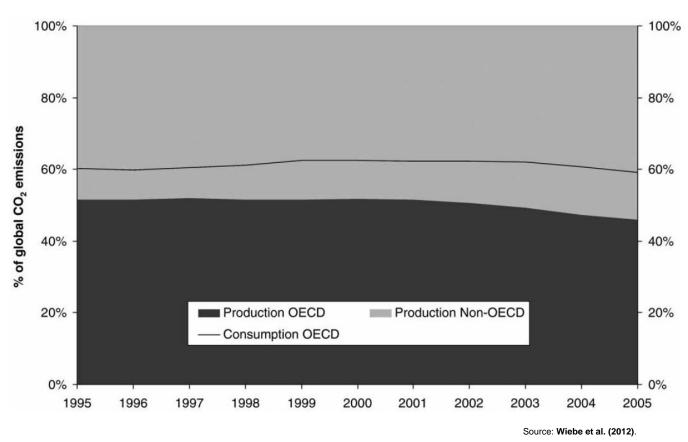
A: Export Shares, All Sectors



Changes in global CO2-emissions due to changes in variables in high-wage, medium-wage and low-wage countries and the sourcing effect, 1995–2007



Carbon production and consumption: OECD and Non-OECD



OECD Databases



ICIO

Inter-Country Input-Output Tables

TiVA

Trade in Value Added

TECO2

CO₂ Emissions Embodied in International Trade

TiM

Trade in Employment

Link: https://www.oecd.org/sti/ind/inter-country-input-output-tables.htm

Data base



ICIO SNA93, ISIC REV.3:

Data are presented for 63 countries (i.e. 35 OECD countries and 28 non-OECD economies), the Rest of the World and split tables for China and Mexico. Period: 1995-2011. Industrial sectors: 34

ICIO SNA08, ISIC REV.4:

Data are presented for 66 countries (i.e. 36 OECD countries and 30 non-OECD economies), the Rest of the World and split tables for China and Mexico. Period: 1995-2018. Industrial sectors: 45

Development flows of ICIO



- Collection of data sources
- 2. Estimation of harmonized constraints
 - Output and value added by industry
 - Trade flows by product (partner world)
- Estimation of harmonized SUTs (filling gaps)
 - Domestic and import tables
- 4. Bilateral trade data in goods and services
- 5. Domestic Input-Output (IO)
- 6. International use table (product-by-industry)
- Inter-Country Input-Output (ind-by-ind)
- 8. Estimation of indicators

Development flows of ICIO TiVA VA & Output by industry Supply table ICIO **SNA Indicators** constraints Use table pu Exports/Imports for goods, services & Direct purchases Inter country Dissemination (data, publication) use table Use table (domestic Final expenditure import, margin)

Table A A.1. Co	intry coverage
-----------------	----------------

Country
Argentina
Brazil
Brunei Darussalam
Bulgaria
Cambodia
China (People's Republic of
Croatia
Cyprus ²
India
Indonesia
Hong Kong, China
Kazakhstan
Lao People's Democratic Re
Malaysia
Malta
Morocco
Myanmar
Peru
Philippines
Romania
Russian Federation
Saudi Arabia
Singapore
South Africa
Chinese Taipei
Thailand
Tunisia
Viet Nam
Rest of the World





OECD	All 38 OECD countries		
Other G20	Argentina, Brazil, China PR, India, Indonesia, Russian Federation, Saudi Arabia, South Africa		
Other European Union	Other EU members (5)		
Other South Eastern Asia	Other ASEAN members (9)		
Other Eastern Asia	Chinese Taipei, Hong Kong China		
Other	Kazakhstan, Morocco, Peru, Tunisia, Rest of the World		
Region groups	OECD, Non-OECD, APEC, ASEAN, Eastern Asia, EU27, Euro Area, North America, etc.		

2021 Edition

Published ICIO tables include 66 economies + "Rest of the World"

The shares* of sum of 66 economies in the world economy for 2018 are:

GDP: 93.0%

Exports: 92.0% Imports: 89.8% Population: 71.3%

^{*} National Accounts, current prices

Table A A.3. Industry coverage

Code	Industry	ISIC Rev.4 Divisions	ISIC Rev.4	
1 D01T02	Agriculture, hunting, forestry	01, 02		
2 D03	Fishing and aquaculture	03	Α	
3 D05T06	Mining and quarrying, energy producing products	05, 06		
4 D07T08	Mining and quarrying, non-energy producing products	07, 08	В	
5 D09	Mining support service activities	09		
6 D10T12	Food products, beverages and tobacco	10, 11, 12		
7 D13T15	Textiles, textile products, leather and footwear	13, 14, 15		
8 D16	Wood and products of wood and cork	16		
9 D17T18	Paper products and printing	17, 18		
0 D19	Coke and refined petroleum products	19		
1 D20	Chemical and chemical products	20		
2 D21	Pharmaceuticals, medicinal chemical and botanical products	21		
3 D22	Rubber and plastics products	22		
4 D23	Other non-metallic mineral products	23	С	
5 D24	Basic metals	24		
6 D25	Fabricated metal products	25		
7 D26	Computer, electronic and optical equipment	26		
8 D27	Electrical equipment	27		
9 D28	Machinery and equipment, nec	28		
0 D29	Motor vehicles, trailers and semi-trailers	29		
1 D30	Other transport equipment	30		
2 D31T33	Manufacturing nec; repair and installation of machinery and equipment	31, 32, 33		
23 D35		35	D	
4 D36T39	Electricity, gas, steam and air conditioning supply		E	
25 D41T43	Water supply; sewerage, waste management and remediation activities Construction	36, 37, 38, 39	F	
26 D45T47		41, 42, 43	F	
27 D49	Wholesale and retail trade; repair of motor vehicles	45, 46, 47 49		
	Land transport and transport via pipelines	50		
28 D50	Water transport		н	
9 D51	Air transport	51	н	
80 D52	Warehousing and support activities for transportation	52		
1 D53	Postal and courier activities	53		
32 D55T56	Accommodation and food service activities	55, 56		
3 D58T60	Publishing, audiovisual and broadcasting activities	58, 59, 60		
34 D61	Telecommunications	61	J	
35 D62T63	IT and other information services	62, 63		
86 D64T66	Financial and insurance activities	64, 65, 66	K	
37 D68	Real estate activities	68	L	
88 D69T75	Professional, scientific and technical activities	69 to 75	M	
9 D77T82	Administrative and support services	77 to 82	N	
10 D84	Public administration and defence; compulsory social security	84	0	
1 D85	Education	85	P	
12 D86T88	Human health and social work activities	86, 87, 88	Q	
13 D90T93	Arts, entertainment and recreation	90, 91, 92, 93	R	
14 D94T96	Other service activities	94,95, 96	S	
5 D97T98	Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use	97, 98	т	

Agriculture Mining and quarrying



Manufacturing

Business sector services

Public admin, education, health and other personal services

OECD, Inter-Country Input-Output (ICIO) Tables, 2021 edition

current million USD

	Intermediate use at basic prices	F	Output		
	ctry 1 x indy 1 [] ctry 71 x indy 45	HFCE NPISH GGFC GFCF INVNT DPABR	[]	HFCE NPISH GGFC GFCF GFCF DPABR	at basic prices
Country 1 Country 1 Industry 45 Industry 1 Country 2 Industry 45 Industry 45 Industry 45 Industry 1 Industry 1 Industry 1 Industry 45	(Z)	(FD)	[]	(FD)	(X)
Taxes less subsidies on intermediate and final products products Taxes less subsidies on paid by country 1 [] paid by country 2 [] paid by country 67 Value added at basic prices	(TLS)	[TLS]	[]	[TLS]	
Output at basic prices	(X)				

71 economies x 45 industries = 3195 sectors

One year per CSV fileDescriptionZIntermediate use at basic pricesTLSTaxes less subsidies on intermediate and final productsVAValue added at basic pricesXOutput at basic pricesFDTotal final demand

Dimension

(3195 origin sectors x 3195 destination sectors)
(67 economies x 3195 industries)
(1 row x 3195 industries)
(1 row x 3195 industries)
(3195 origin sectors x (67 economies x 6 demand items))

How to access



- ✓ ICIO website. http://oe.cd/icio
- ✓ National I-O website. http://oe.cd/i-o
- ✓ OECD.STAT Data portal. https://stats.oecd.org
- xlsx and RData format with sample codes available by request: CIOTiVA.Contact@oecd.org

2021 ICIO TABLES IN CSV FORMAT

Read Me

Note: In case of issue when downloading, right-click and select "save as".

from 1995 to 1999

from 2000 to 2004

from 2005 to 2009

from 2010 to 2014

from 2015 to 2018



2021 ICIO TABLES IN RDATA FORMAT

Read Me

Note: In case of issue when downloading, right-click and select "save as".

The R objects include the following:

- · Intermediate use
- Final demand
- · Households final consumption expenditure
- · Non-profit institutions serving households
- · General government final consumption
- Gross fixed capital formation
- · Change in inventories and valuables
- · Direct purchases by non-residents
- Value added
- Output

ICIO-RData

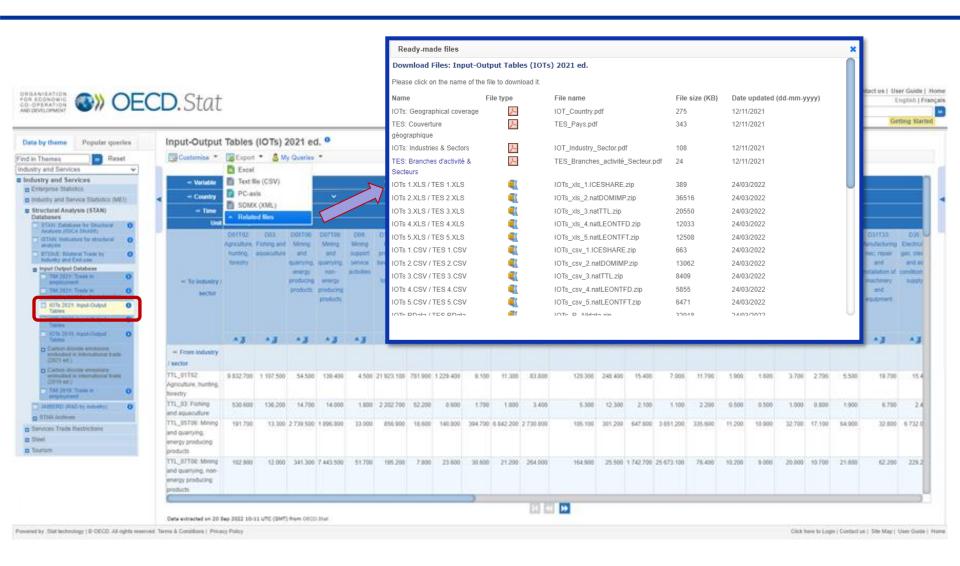
ICIO-econA

ICIO-econB

ICIO-econVB

ICIO-econZ

https://www.oecd.org/sti/ind/intercountry-input-output-tables.htm



Trade in Value Added (TiVA)



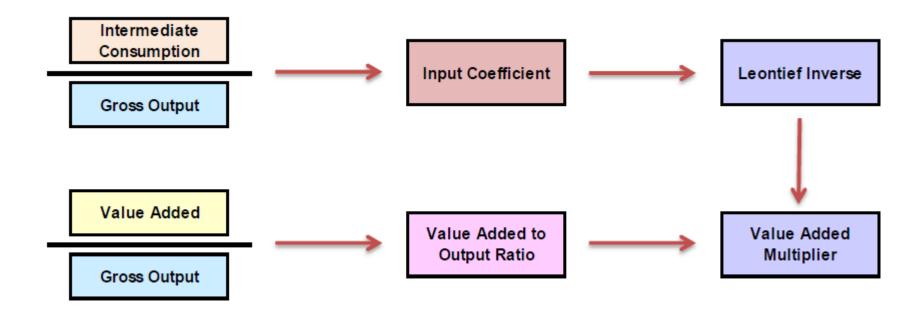
TiVA indicators are designed to better inform policy makers by providing new insights into the commercial relations between nations

The indicators are expressed in USD millions at current prices, in case of values, or in percent, in case of shares

Total of 50+ indicators:

- Structural indicators
- Indicators linking VA and gross exports
- Indicators linking VA and final demand
- Detailed indicators for gross exports, gross imports and final demand

Trade in Value Added (TiVA)



Trade in Value Added (TiVA)

Data presented in the TiVA database provide insights into:

- Domestic and foreign value added content of gross exports by exporting industry
- Services content of gross exports by exporting industry, by type of service and value added origin
- Participation in global value chains (GVCs) via intermediate imports embodied in exports (backward linkages) and domestic value added in partners' exports and final demand (forward linkages)
- Global orientation' of industrial activity, i.e. share of industry valued added that meets foreign final demand
- Country and industry origins of value added in final demand, including the origin of value added in final consumption (by households and government) and in GFCF (investment by businesses)
- Bilateral trade relationships based on flows of value added embodied in domestic final demand
- Inter-regional and intra-regional relationships
- Domestic value added content of imports

Trade in eMployment



Employment and Global Value Chains (GVCs)

The **Trade in eMployment** (TiM) Database presents indicators of employment by industry, consistent with output and value added in the TiVA database, for all OECD, European Union and G20 countries

In addition, indicators based on compensation of employees are provided for all <u>TiVA target countries</u>

All 36 <u>TiVA industries</u> are covered for the time-period 2005-2015

Carbon dioxide emissions embodied in international trade



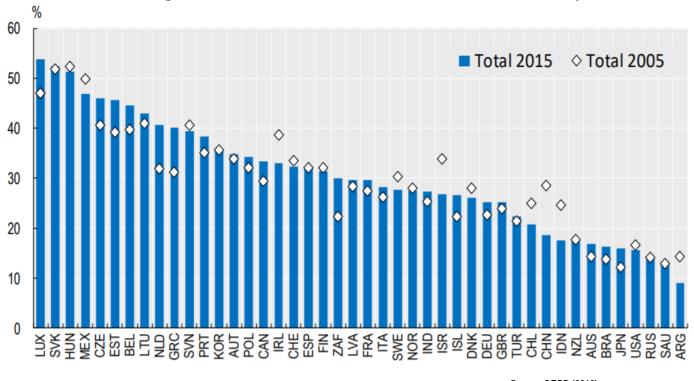
The **Trade in Embodied CO₂** (TECO₂) database presents a set of indicators to reveal patterns of CO_2 demand compared to CO_2 production (via resident industry or household emissions).

The aim is to provide policy makers with new insights into the environmental impacts of global production systems.

Indicators presented in TECO₂ database include:

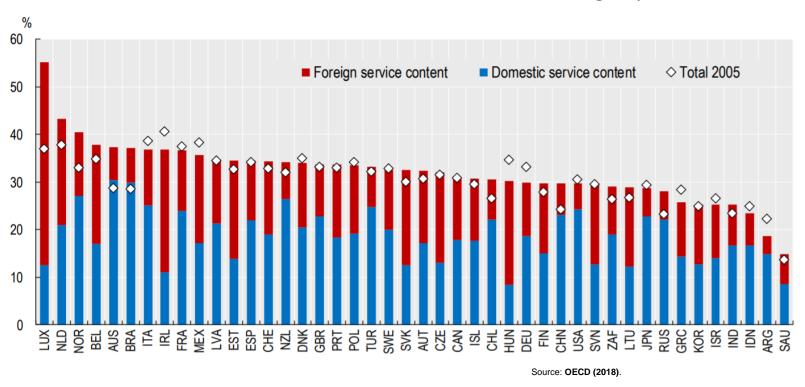
- CO₂ emissions based on production (i.e. emitted by countries)
- CO₂ emissions embodied in domestic final demand (i.e. consumed by countries)
- Net exports of CO₂ emissions
- Per capita emissions; production and demand-based
- Country origin of emissions in final demand

Foreign value-added share of manufactured exports

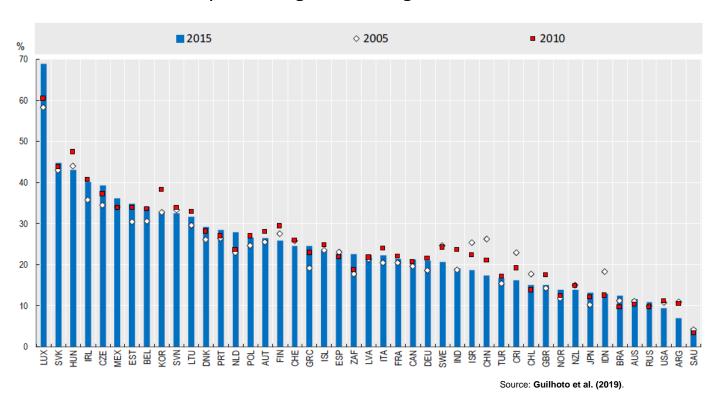


Source: OECD (2018).

Services value-added embodied in manufacturing exports, 2015

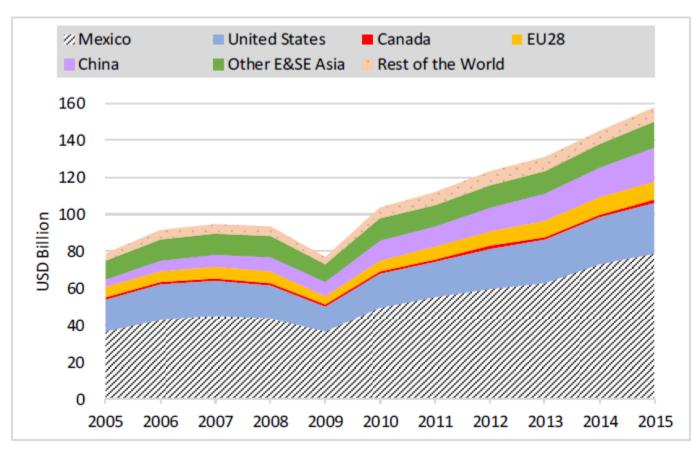


Foreign value added share of total gross exports, as a percentage of total gross

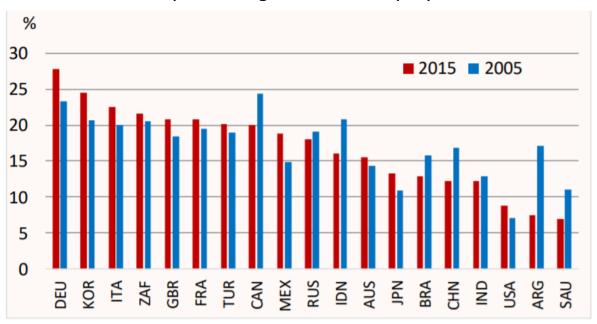


Trade in Value Added (TiVA):

US imports of "electronics, machinery and transport equipment" from Mexico, 2005 to 2015 (by country or region of value added origin)

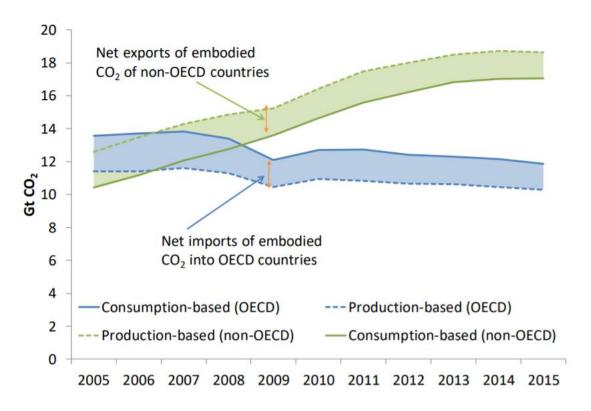


Employment sustained by foreign final demand As a percentage of total employment



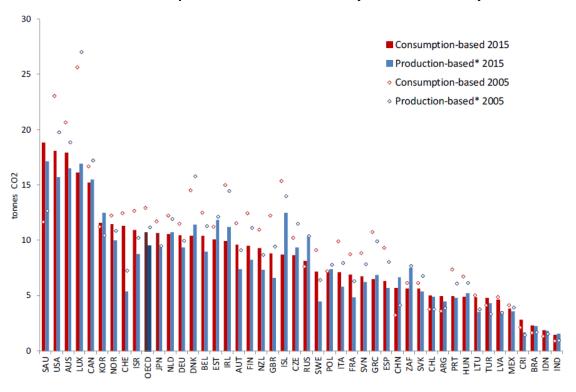
Source: OECD (2018).

CO2 emissions from fuel combustion (OECD and non-OECD countries), demand-based and production-based



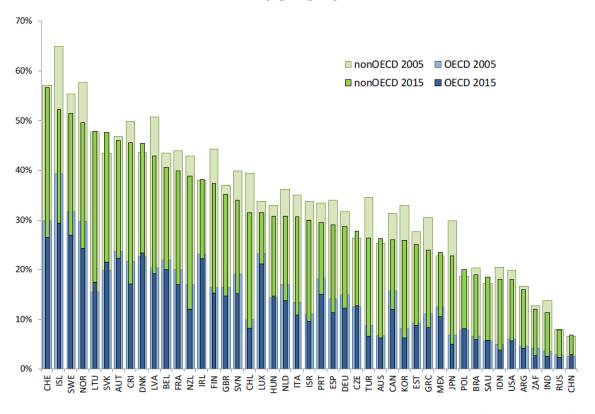
Source: OECD (2018).

Per capita CO2 emissions from fuel combustion, consumptionbased and production based (tonnes CO2)



Source: Guilhoto et al. (2019).

Share of CO2 emitted abroad in total CO2 embodied in domestic final demand



Source: Guilhoto et al. (2019).



The Eora Global Supply Chain Database (EORA)

The Eora global supply chain database consists of a **multi-region input-output table** (MRIO) model that provides a time series of high-resolution IO tables with matching **environmental** and **social satellite accounts** for **190 countries**

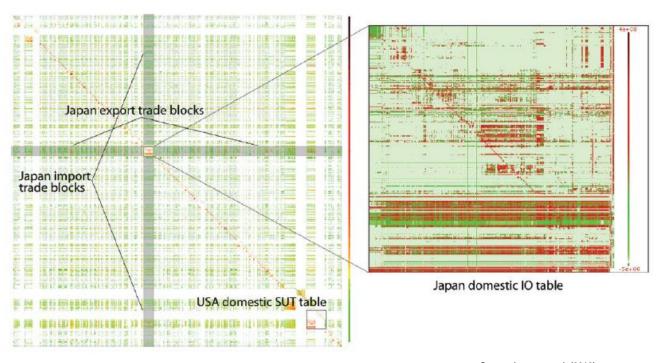
Link: https://worldmrio.com/



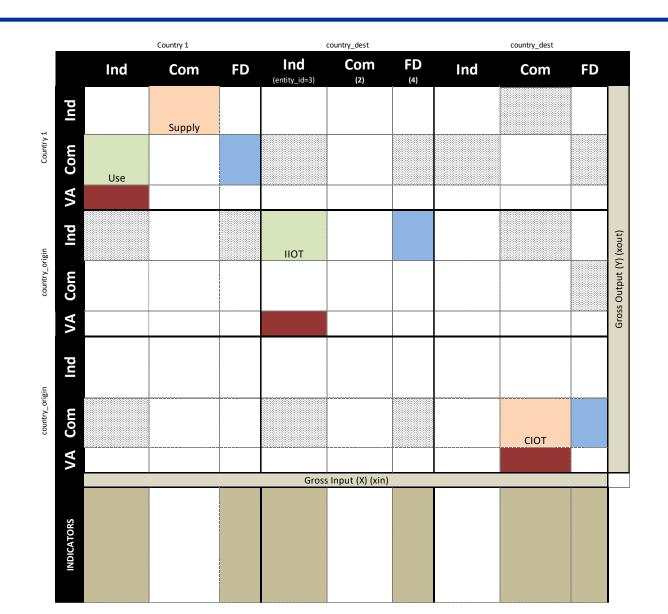
The Eora MRIO features:

- A balanced global MRIO table documenting the inter-sectoral transfers amongst 15,909 sectors across 190 countries
- A complete timeseries for <u>1990-2021</u>
- 2720 line item environmental indicators covering GHG emissions, labour inputs, air pollution, energy use, water requirements, land occupation, N and P emissions, primary inputs to agriculture (including 172 crops) from FAOSTAT, and Human Appropriation of Net Primary Productivity
- A high-resolution version (full Eora) preserving national IO table detail, and a simplified verison (Eora26) with <u>26-sector</u> harmonized classification
- Raw data drawn from a wide range of national and international data sources
- Reliability statistics for all results

Eora MRIO



Source: Lenzen et al. (2012).



Entities:

Ind Industries

Com Commodities

FD Final demand

VA Value added (also called primary inputs)

Indicators Satellite indicator accounts, documenting nonmonetary inputs to production

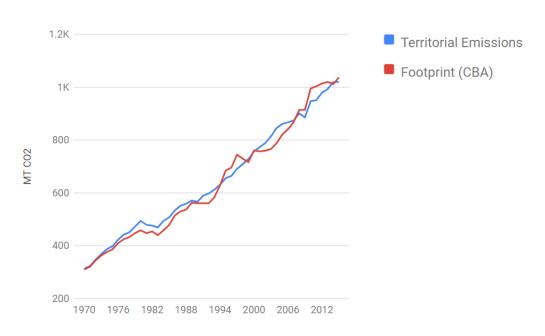
In Eora countries use a mix of different types of IO tables. They are:

- Industry-by-Industry IO tables (IIOT)
- Commodity-by-Commodity IO table (CIOT)
- Supply-Use Table (SUT), with an Commodity->Industry Use table and an Industry->Commodity Supply (also called "Make") table The figure to the left shows how these IO tables are combined in the Eora MRIO layout.

Colored and shaded blocks contain values/transactions; white blocks are empty.

Eora Carbon Footprint of Nations

Carbon Footprint for Brazil (1970-2015)



Consumption-based accounting (CBA) of emissions (also called carbon footprints) accounts for emissions associated with imported and exported goods.

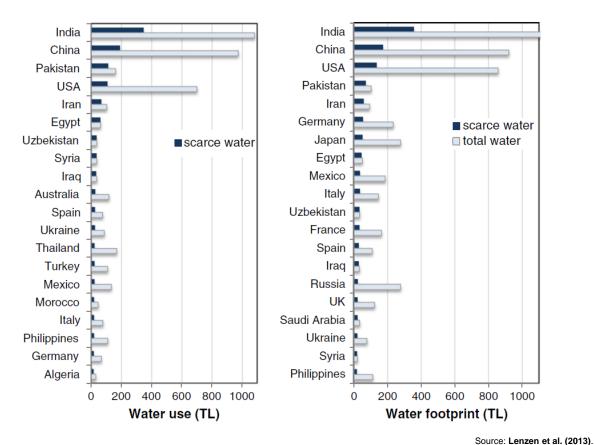
CBA reports the total emissions associated with final demand in each country.

UNCTAD-Eora Global Value Chain Database

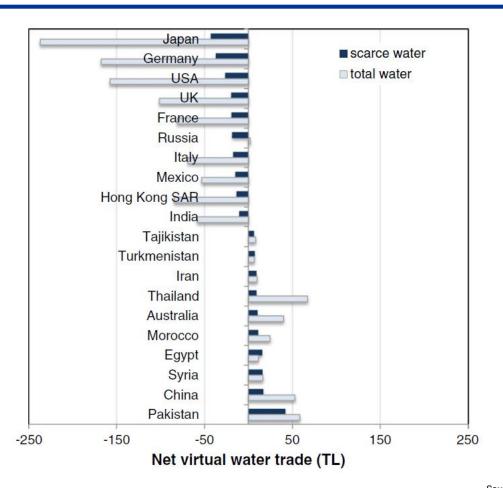
The UNCTAD-Eora Global Value Chain (GVC) database offers **global coverage** (189 countries and a "Rest of World" region) and a **timeseries from 1990 to 2019** of the **key GVC indicators**:

- Foreign value added (FVA)
- Domestic value added (DVA)
- Indirect value added (DVX)

Results from 1990 to 2017 are generated from EORA Multi-Region Input-Output tables (MRIOs). Results for 2016-2017 are provisional "beta" results and will be revsied in early 2019. Results for 2018-2019 are nowcasted based on the IMF World Economic Outlook

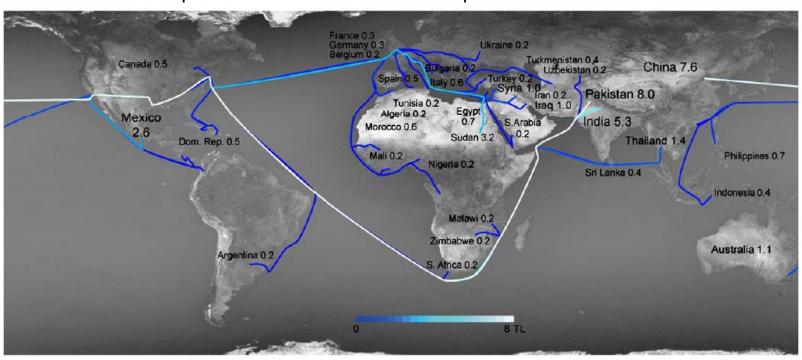


ource. Lenzen et al. (2013).



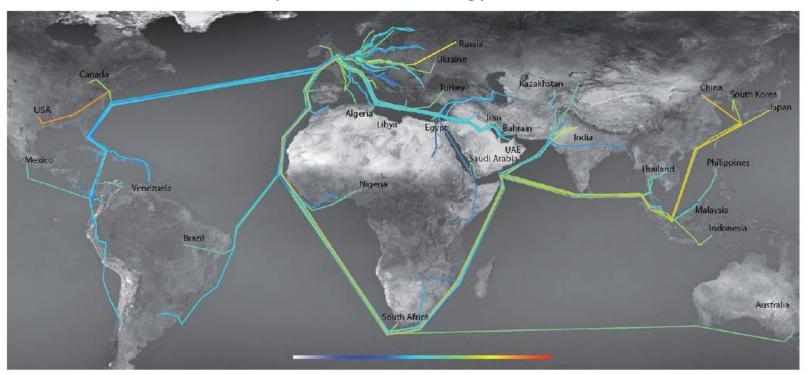
Source: Lenzen et al. (2013).

Top sources of virtual water imports into the USA



Source: Lenzen et al. (2013).

Global flow map of embodied energy consumed in the UK



Source: Lenzen et al. (2012).

Agradecimentos

Uma versão preliminar dos slides foi elaborada para a disciplina de Análise de Insumo-Produto do Programa de Pós-Graduação em Desenvolvimento Econômico (PPGDE) da Universidade Federal do Paraná (UFPR) ministrada pelo Professor Vinícius de Almeida Vale.

Parte dos slides foi estruturada a partir da apresentação feita pelo Professor Joaquim Guilhoto, em 2020, nos Seminários do NEREUS.

Evaluating the Differences in Global Input-Output Databases

MORAN, D.; WOOD, R. Convergence between the Eora, WIOD, EXIOBASE, and OpenEU's consumption-based carbon accounts. **Economic Systems Research**, v. 26, n. 3, p. 245-261, 2014.

ARTO, I.; RUEDA-CANTUCHE, J. M.; PETERS, G. P. Comparing the GTAP-MRIO and WIOD databases for carbon footprint analysis. **Economic Systems Research**, v. 26, n. 3, p. 327-353, 2014.

GESCHKE, A. et al. Investigating alternative approaches to harmonise multi-regional input-output data. **Economic Systems Research**, v. 26, n. 3, p. 354-385, 2014.

STEEN-OLSEN, K. et al. Accounting for value added embodied in trade and consumption: an intercomparison of global multiregional input-output databases. **Economic Systems Research**, v. 28, n. 1, p. 78-94, 2016.

OWEN, A. Techniques for Evaluating the Differences in Multiregional Input-Output Databases. Cham: Springer International Publishing, 2017.

References

GUILHOTO, J.; HEWINGS, G.; JOHNSTONE, N.; WEBB, C.; YAMANO, N. **Exploring changes in world production and trade**: Insights from the 2018 update of OECD's ICIO/TIVA database. OECD Science, Technology and Industry Working Papers 2019/04, 2019.

HOEKSTRA, R.; MICHEL, B.; SUH, S. The emission cost of international sourcing: using structural decomposition analysis to calculate the contribution of international sourcing to CO₂-emission growth. **Economic Systems Research**, v. 28, n. 2, p. 151-167, 2016.

JOHNSON, R. C. Five facts about value-added exports and implications for macroeconomics and trade research. **Journal of Economic Perspectives**, v. 28, n. 2, p. 119-42, 2014.

LENZEN, M. et al. International trade of scarce water. **Ecological Economics**, v. 94, p. 78-85, 2013.

LENZEN, M.; KANEMOTO, K.; MORAN, D.; GESCHKE, A. Mapping the structure of the world economy. **Environmental Science & Technology**, v. 46, n. 15, p. 8374–8381, 2012.

References

LENZEN, M.; MORAN, D.; KANEMOTO, K.; GESCHKE, A. Building Eora: A Global Multi-regional Input-Output Database at High Country and Sector Resolution. **Economic Systems Research**, v. 25, n. 1, p. 20-49, 2013.

OECD. **The changing nature of international production**: Insights from Trade in Value Added and related indicators. TiVA 2018 Update, 2018.

TIMMER, M. P.; DIETZENBACHER, E.; LOS, B.; STEHRER, R.; DE VRIES, G. J. An illustrated user guide to the world input–output database: the case of global automotive production. **Review of International Economics**, v. 23, n. 3, p. 575-605, 2015.

TIMMER, M. P.; LOS, B.; STEHRER, R.; DE VRIES, G. J. **An Anatomy of the Global Trade Slowdown based on the WIOD 2016 Release**. GGDC research memorandum number 162, University of Groningen, 2016.

WIEBE, K. S.; BRUCKNER, M.; GILJUM, S.; LUTZ, C. Calculating energy-related CO2 emissions embodied in international trade using a global input-output model. **Economic Systems Research**, v. 24, n. 2, p. 113-139, 2012.