



Supply Use tables: From National to Global

GROUP OF EXPERTS ON NATIONAL ACCOUNTS

**Special Session for the countries in Eastern Europe,
Caucasus, Central Asia and South East Europe
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Background



- Built around a global IO table
- Underpinned by a global SUT
 - **Built from national SUTs** and balanced bilateral trade data.



National SUTs

- Typically
 - At
 - purchasers prices (for consumption estimates)
 - With
 - Imports c.i.f. (but total f.o.b.)
 - Non-residents expenditure/residents expenditures abroad, shown as an ‘of-which’ item
 - And import-flow matrices are not always available



But a global SUT requires (1):

- A consistent price basis for exports and imports
- And, so, individual **imports need to be recorded on a f.o.b. basis.**
 - In other words, the **import column in conventional SUTs needs to be complemented with another column reflecting the c.i.f. margin applied to each product** (ideally by partner country), with a corresponding reallocation to services products



A global SUT requires (2):

- **That residents expenditures abroad and non-residents expenditures are shown separately for each product:**
 - Partly because it's important for policy makers to isolate cross-border trade
 - Partly because it's important to understand the tourism sector
 - **But especially because bilateral trade in services data for travel includes a component for goods that are allocated to specific products**



A global SUT requires (3):

- **Good quality import flow matrices**
 - With each transaction at f.o.b. prices
- In many countries these are derived using the proportionality assumption but refined approaches can be used:
 - Through the BEC classification
 - And TEC (linking firms in customs registers and business registers)



A global IOT requires

- Converting global SUTs in Purchasers prices to basic prices:
 - Which **also** requires either:
 - **Complementary tables showing the contribution of:**
 - each ‘distribution’ industry to each transaction** (i.e. **a margins table**, ideally broken down by the specific distribution industry);
 - taxes & subsidies on products to each transaction**
 - Or, **SUTs in basic prices**



What else is required?

International comparability

- A minimum breakdown of industries and products
- Ideally - 2008 SNA

| ISIC Rev.3 | Industry |
|------------|--|
| 0105 | Agriculture, hunting, forestry and fishing |
| 1014 | Mining and quarrying |
| 1516 | Food products, beverages and tobacco |
| 1719 | Textiles, textile products, leather and footwear |
| 20 | Wood and products of wood and cork |
| 2122 | Pulp, paper, paper products, printing and publishing |
| 23 | Coke, refined petroleum products and nuclear fuel |
| 24 | Chemicals and chemical products |
| 25 | Rubber and plastics products |
| 26 | Other non-metallic mineral products |
| 27 | Basic metals |
| 28 | Fabricated metal products except machinery and equipment |
| 29 | Machinery and equipment n.e.c |
| 30,32,33 | Computer, electronic and optical products |
| 31 | Electrical machinery and apparatus n.e.c |
| 34 | Motor vehicles, trailers and semi-trailers |
| 35 | Other transport equipment |
| 36137 | Manufacturing n.e.c; recycling |
| 4041 | Electricity, gas and water supply |
| 45 | Construction |
| 5052 | Wholesale and retail trade; repairs |
| 55 | Hotels and restaurants |
| 6063 | Transport and storage |
| 64 | Post and telecommunications |
| 65167 | Finance and insurance |
| 70 | Real estate activities |
| 71 | Renting of machinery and equipment |
| 72 | Computer and related activities |
| 73,74 | Other Business Activities (incl. R&D) |
| 75 | Public admin. and defence; compulsory social security |
| 80 | Education |
| 85 | Health and social work |
| 9093 | Other community, social and personal services |
| 95 | Private households with employed persons |



And ideally

- **Separate columns (of-which items) for**
 - **Exports of second hand goods**
 - **The merchanting component of exports**
 - **(although included in import-use matrices), a separate column for re-exports**



OECD has.....

- Developed a **questionnaire** in coordination with Eurostat
- And **would welcome countries reporting information to the OECD Secretariat** for integration into TiVA and the global SUT