

WP 1 Harmonization of supply and use tables

Work package number	WP 1				Start date or starting events:	Month 1		
Work package title	Harmonization of supply and use tables							
Activity Type	RTD							
Beneficiary number	1	3	6	7				
Person-months per beneficiary	18	10	10	5				

Objectives

This work package provides time series of annual Supply and Use Tables (SUTs) for the period 1995-2006 on a country-by-country basis in nominal and real terms. The tables are internationally harmonized in terms of price and output concepts, and have a common industry- and product classification and detail. The tables constitute the quantitative input to the construction of the world input-output tables carried out in WP3.

Description of work

Task 1.1 (partners involved will be responsible for data for specific country groups, in view of their expertise)

The following steps will be needed:

1. Collect national current price SUTs at lowest product and industry level possible for all countries. These will be available for some benchmark years, but not for all years.
2. For some non-EU countries input-output (IO) tables (product-by-product or industry-by-industry) will be available, rather than SUTs (product-by-industry). These tables need to be "reverse-engineered", i.e. converted into SUTs using additional assumptions (see Beutel, 2005; Yamano and Ahmad, 2006). This process will differ from country to country depending on the information supplied.
3. Harmonize price concepts to basic price, and apply other adjustments needed to overcome differences in concepts such as treatment of financial intermediation services indirectly measured (FISIM) and c.i.f/f.o.b adjustments.
4. Benchmark current price SUTs on industry-level gross output, value added and intermediate inputs and final demand categories from the National Accounts (NA). This benchmarking is essential to ensure comparability of SUTs over time, and maintain the link with socio-economic and environmental indicators which will be grounded in NA statistics.
5. Derive full time-series of SUTs for the period 1995-2006 using interpolation techniques for years inbetween based on time series from the National Accounts (see Broersma and van Moergastel, 2007). For some major countries series back to 1980 will be attempted.
6. Aggregate up to the WIOD product-level (60) and industry-level (30).

Task 2.1 (this task will be carried out by partner 1)

7. Deflate nominal SUTs on an industry-by-industry basis using gross output, intermediate input and import deflators from the National Accounts, possibly complemented by expenditure deflators and unit import values from trade statistics.
8. Apply relative prices across countries (PPPs) to convert the tables in national currency into comparable units for both outputs and inputs. This will correct for differences in prices across countries.

Sources used for the SUTs include: SUTs from National Statistical Institutes and research organizations, Eurostat IO-database, OECD IO-database and tables underlying the EU KLEMS database. The beneficiaries have all contributed heavily to many of these databases now and in the past. Beneficiary 1 and 7 contributed and managed the EU KLEMS database and beneficiary 6 has been the main advisor for the Eurostat database. For deflation, use will be made of National Accounts of the countries and series available within EU KLEMS. For the deflation to constant international prices use will be made of a large international dataset of relative output and input prices (PPPs) to be developed by beneficiary 1 (Inklaar and Timmer, 2007). These data are currently available for a limited set of countries but will be expanded using the results of the 2006 worldwide round of the World Bank/UN International Comparisons Project.

Deliverables

- D1.1 (month of delivery: 1): Report outlining detailed strategy for SUT data collection and processing
- D1.2 (month of delivery: 6): Preliminary harmonized nominal SUTs for 1995-2006
- D1.3 (month of delivery: 12): Preliminary harmonized constant national price SUTs for 1995-2006
- D1.4 (month of delivery: 16): Preliminary harmonized constant international price SUTs for 1995-2006 (PPP-converted).
- D1.5 (month of delivery: 36): Final set of harmonized nominal and constant price SUTs for 1995-2006 (1980-2006 for a limited set of major countries).