

From theory to practice: what makes the European Union's Inter-Country Supply, Use and Input-Output tables different?

Topic: SUT compilation: experiences from NSOs

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The Eurostat-JRC project "Full International and Global Accounts for Research in Input-Output Analysis" (FIGARO) has produced experimental EU-Inter Country Supply, Use and Input-Output Tables for the year 2010 in line with the ESA 2010 methodology. Setting up a European Inter-country Supply, Use and Input-Output Table implies the compilation of a balanced view of international trade consistent with National Accounts data. It is therefore absolutely necessary to: (a) reconcile the trade asymmetries and provide one single trade flow for each bilateral transaction between partners; and (b) align the trade figures with National Accounts data, in order to capture, for instance, the potential environmental, social and economic effects of supply and demand shocks on the national economies via the existing global value (and supply) chains. The paper describes methodological issues raised by the construction process of the Inter-country Supply, Use and Input-Output Tables: e.g. econometric estimations of cif/fob margins; econometric estimations of missing bilateral services trade; alignment of trade statistics and national accounts data: e.g. goods sent abroad for processing, merchanting activities!..