

## **Integrating developing countries into the global value chain: Compilation, Extensions, and Analysis of the ADB Multiregional Input-Output Database**

Topic: Input-Output Analysis: Industrial Policies - I

Author: Faith BALISACAN

Co-Authors: Mahinthan Joseph Mariasingham, Xue Han

This paper focuses on the development of the Asian Development Bank's (ADB) Multiregional Input-Output (MRIO) tables and Digital Supply and Use Tables (DSUTs). These tables are a critical area of research as these are tools for analyzing the interdependencies of global production chains and assessing the potential impacts of policy interventions. In the compilation and regularly updating of the underlying national input-output tables and the integration of new economies to the database, the most significant challenges encountered are data availability and the capacity of national statistics offices (NSOs) to collect and compile the necessary data, particularly in developing countries where resources could be limited and constrained. As such, the ADB has been working towards providing technical assistance projects such as building the capacity of national statistical offices to collect, compile and/or improve the quality of their data. Moreover, these knowledge and support initiatives aim to strengthen the capacity of national statistics offices to undertake extensions to the multiregional table, such as the digital supply and use tables (DSUTs). Among these is the Japan Fund for Prosperous and Resilient Asia and the Pacific (JFPR) technical assistance, initiated by the ADB, to compile DSUTs for Indonesia, Viet Nam, Georgia, and Thailand.

The importance of continued efforts in developing MRIO and DSUTs cannot be overstated. Developing countries, in particular, can benefit greatly from the insights provided by the MRIOs and DSUTs. The ADB has been working continuously to address the challenges associated with compiling these tables, but more needs to be done to expand the coverage to more developing countries.