

A brief introduction of ADB MRIO and Digital Supply and Use Table

Topic: Methodological and Statistical Challenges for Analyses of Integration of Developing Countries in Regional and Global Value Chains - II

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The development of Multi-Regional Input-Output (MRIO) tables and Digital Supply Use Tables (DSUTs) by the Asian Development Bank (ADB) is a critical area of research and development in the field of economics. These tables serve as essential tools for policymakers and researchers to analyze the interdependencies of global production chains and assess the potential impacts of policy interventions. In this paper, we discuss the challenges involved in compiling these tables, the initiatives undertaken by the ADB to address these challenges, and the importance of continued efforts in developing MRIO and DSUTs. One of the significant challenges in compiling MRIO and DSUTs is the lack of data availability, particularly in developing countries. To overcome this challenge, the ADB has been working to build the capacity of national statistical offices in developing countries to collect and compile data. The ADB has also been providing technical assistance to improve the quality of data. These efforts have been successful in expanding the coverage of MRIO and DSUTs to more developing countries. Another challenge in compiling MRIO and DSUTs is the need to enhance the quality of data. This is particularly important for developing countries where the quality of data can be limited due to resource constraints and other factors. The ADB has been providing technical assistance to national statistical offices to enhance the quality of data. This includes developing guidelines and standards for data collection and improving the capacity of staff in statistical offices. In addition to these challenges, there is also a need to strengthen the capacity of national statistical offices to analyze segments of their economic statistics. This is important because the MRIO and DSUTs are derived from economic statistics and are only as accurate as the underlying data. Therefore, it is critical to ensure that the data used to compile MRIO and DSUTs is of high quality and accurate. To address these challenges, the ADB has been implementing several initiatives. One such initiative is the Japan Fund for Prosperous and Resilient Asia and the Pacific (JFPR) knowledge support and technical assistance program. The program aims to provide technical assistance to Indonesia, Vietnam, and Georgia to compile DSUTs, which are essential tools for analyzing the interdependencies of global production chains. The program is also providing training and capacity building to staff in national statistical offices to enhance the quality of data and analyze segments of their economic statistics. This initiative is significant because it demonstrates the commitment of the ADB to developing MRIO and DSUTs and promoting economic growth and poverty reduction in developing countries. The development of MRIO and DSUTs has important implications for policymakers, particularly in developing countries. These tables can help policymakers understand the complex interdependencies of global production chains and identify potential vulnerabilities in their economies in the context of digital transformation. For example, the COVID-19 pandemic has highlighted the vulnerabilities of global production chains and the need for policymakers to understand the potential impacts of disruptions in these chains. MRIO and DSUTs can provide policymakers with the necessary information to design policies that promote economic growth and reduce poverty. 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 MRIO and DSUTs. The ADB has been working to address the challenges associated with compiling these tables, but more needs to be done to expand the coverage of MRIO and DSUTs to more developing countries.