

Global Exposure of African Economies: Evidence from African Continental Input-Output Tables and Trade in Value Added (TiVA) Indicators

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Beyond traditional trade statistics such as gross exports and gross imports, Trade in Value Added (TiVA) indicators provide essential insights into the value added generated through trade. These indicators are crucial for guiding policymakers in shaping development strategies as well as industrial and trade policies. However, although these enlightening indicators are computed in some international input-output analysis databases, they remain distant from the actual Supply Use Tables (SUTs) and National Accounts of African countries. To address this gap, among others, the United Nations Economic Commission for Africa (ECA) developed the African Continental Input-Output Tables (AfCIOT), and as a result, produced Trade in Value Added (TiVA) indicators across African countries. Drawing on appropriate methodologies, largely inspired by the OECD's approach to compiling its Inter-Country Input-Output (ICIO) tables and TiVA indicators, while adapting them to the African context, and relying primarily on official national data sources, fifty-two TiVA indicators have been calculated for African countries included in the AfCIOT. In addition to supporting the monitoring of the effectiveness of the African Continental Free Trade Area (AfCFTA) and contributing to the achievement of the United Nations Sustainable Development Goals and the African Union's Agenda 2063 vision for an integrated and prosperous Africa, AfCIOT and TiVA indicators make it possible to assess trade integration, the diversification of value-added sources and destinations, countries' industrial value added composition, and external vulnerability. This paper aims to examine trade exposure of African countries and their participation in the global value chain.