

New MIPs for Mercosur countries: Argentina, Bolivia, Brazil, Paraguay, Uruguay, and Venezuela – state of the art

Topic: Input-Output economics in Latin America: Advances and challenges (II)

Author: JOSE ELIAS DURAN

member countries has accelerated in recent years, as these economies have deepened their international trade agendas. This process has been particularly significant following the signing of the MERCOSUR–European Union Association Agreement, which entered into force on May 1, 2026. In this context, and with the aim of supporting policy design, analytical tools such as multi-country input-output matrices are becoming increasingly relevant.

The rapidly changing international environment requires each country to assess the potential impacts of exogenous shocks on domestic economies. Similarly, MERCOSUR member states must collectively evaluate the aggregate effects of developments in the global economy, such as changes in tariff structures in the United States (e.g., MFN tariffs, Section 232, and Section 301 measures), which have affected the competitiveness of several export products from the region. In addition, fluctuations in international commodity prices—such as iron ore, copper, soybeans, maize, and food products—represent critical external factors influencing economic performance.

Any analysis of the issues described above requires a solid empirical foundation based on the sectoral structure of each national economy, as well as on the interlinkages among countries. These elements are integrated within a multi-country input-output matrix, which constitutes an appropriate technical tool and the analytical backbone for the types of studies described.

Section 1 presents the background of the project and provides a detailed description of all data sources used, including the compilation of satellite accounts on employment and emissions.

Section 2 describes the procedures followed in assembling each national matrix. These matrices were constructed using multiple data sources, including the National Institute of Statistics and Censuses of Argentina (INDEC), the Brazilian Institute of Geography and Statistics (IBGE), the National Institute of Statistics of Bolivia (INE), and the Central Banks of Paraguay, Uruguay, and Venezuela. The main datasets include Supply and Use Tables, the decomposition of gross value added, taxes, and import duties applied to international trade for the period 2019–2024.

Section 3 examines structural change between 2018 and 2024 across key macroeconomic variables for the six countries analyzed, including private consumption, government consumption, investment, changes in inventories, output, gross value added, and taxes, all measured at basic prices.

Section 4 outlines the methodological framework for assembling the subregional matrix integrating all MERCOSUR countries. It provides a detailed explanation of the harmonization process for international trade statistics in goods and services, including the transformation from the Harmonized System (HS) and Balance of Payments classifications into the input-output sectors defined in the model. The primary data sources include the UN COMTRADE database, the BATIS database, as well as statistical systems from international organizations such as the United Nations, the Organisation for Economic Co-operation and Development (OECD), and the World Trade Organization (WTO).

Finally, Section 5 concludes by outlining the future research agenda following the final assembly of the MERCOSUR multi-country matrix. It highlights a range of potential applications, particularly those related to economic, social, and environmental impact assessments, made possible by the integration of satellite accounts.