



Module 6: Compilation of Import Use Table and Domestic Use Table

Ana Francesca Rosales

Consultant (Research Analyst), ADB

Regional Course on Supply and Use Table

20-24 January 2020

Chiba, Japan

Outline

- Structure of the Imports Use Table
- Compilation of the Imports Use Table
- Example: ADB MRIO



Main References

- System of National Accounts 2008
- UN Handbook on Supply, Use and Input-Output Tables with Extensions and Applications, 2018
- Eurostat Handbook on Supply, Use and Input-Output Tables



Why compile Imports Use?

- How are imported products used in an economy – as intermediate input, capital good, consumption good?
- Used as an intermediate step to compile IOTs (though not an essential step)
- With globalization, GVA chains in production are becoming more complex and international
- Distinction between competitive imports vs. complementary imports
 - Competitive imports can be subject of economic analysis (e.g., substitution policies and effects)
 - Complementary imports are sometimes vital and can be subject of economic analysis (e.g., impact of changes in prices or volume)



Imports Use

Structure of the Imports Use Table

Industry Product	Industries					Final Uses			Total use
	Agri	Mfg	...	Services	Total	Final consumption	Gross Capital formation	Exports	
Agriculture	Imported products for intermediate consumption at CIF values				Total imported products for intermediate consumption	Imported products for final uses at CIF values			Imported total use
Manufacturing									
Other services									
Total	Intermediate consumption by industry					Total final uses by category			

Source: UN Handbook



Imports Use

Use Table at basic
prices

-

Imports Use Table

=

Domestic Use
Table at basic
prices



Domestic Use

	Agri	Mfg	...	Services	Total	Final consumption	Gross Capital formation	Exports	Total use
Agriculture	Domestic products for intermediate consumption at basic prices					Domestic products for final uses at basic prices			Total use by product
Mfg									
Other Services									
Total at basic prices	Domestic intermediate inputs at basic prices					Final uses at basic prices			
Use of Imported products, CIF	Total imported products for intermediate consumption					Total imported products for final uses			
Taxes less subsidies on products	Net taxes on products for intermediate consumption					Net taxes on products for final uses			
Adjustments						Adjustments on final use			
Total at purchasers' prices	Intermediate inputs at purchasers' prices					Final uses at purchasers' prices			
COE	Value added by component and by industry								
ONTP									
CFC									
Net OS/MI									
Value added at basic prices	Total value added by industry								
Total inputs at basic prices	Total input by industry								

Source: UN Handbook

Compilation of Imports Use table

- Business and trade surveys (value of purchases of imports of goods and services) – total direct imports
- International trade data – detail by product
- International passenger survey – to separate expenditure by business travelers (IC) from expenditure by households (HFCE)
- Other sources - credit card data, sector-specific (e.g., shipping, air transport)



Alternative approach

- Use import proportionality or comparability assumption which assumes that imports are used in the same proportion across all industries intermediate inputs and final uses (except exports)
- Import proportionality + allocation ratio (e.g., BEC) – BEC allocates imports of goods into categories of intermediate goods, consumer goods, and capital goods
- Using import proportionality+BEC in combination with detailed constraints derived from IO surveys, large company case studies, and/or use microdata linking of trade and business statistics

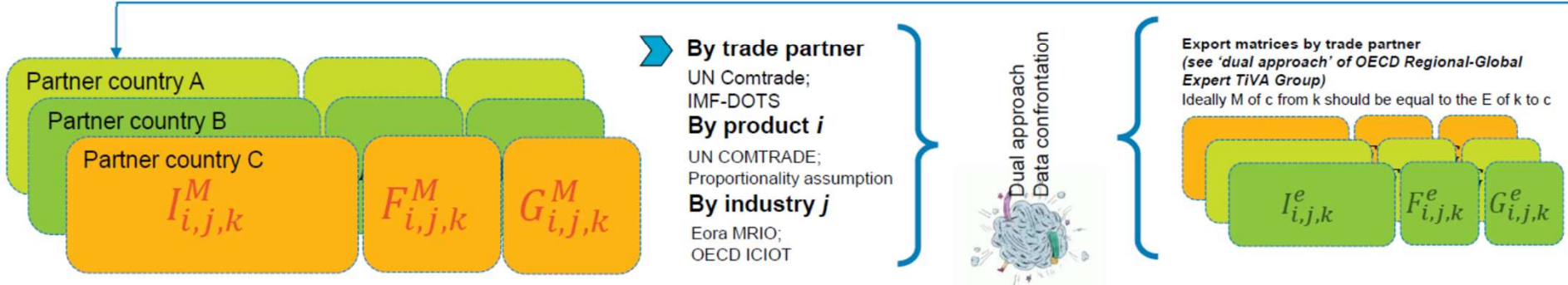
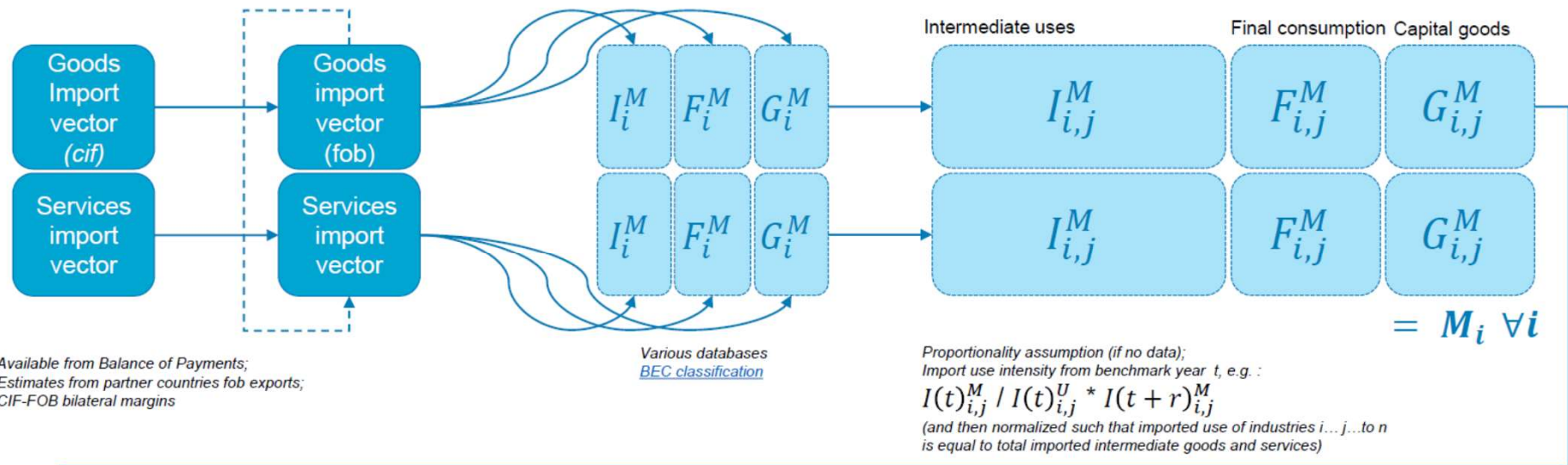


Reasonable assumptions

- Import share of semi-finished and finished products is zero
- Changes in inventories are a balancing item between the inventories at the end of the period minus at the beginning of the period without knowing the inflows and outflows over the period
- Concerning imports of services, in principle the same procedure can be applied. However, the basic information on the imports of services is usually not available at a very detailed level.
- Some services have clearly only one or only a few users and the allocation is thus quite easy (e.g. airport fees).
- Some other services will have a variety of users and only proportional allocation might be applicable (e. g certain business services).
- Checks on the plausibility of the resulting import matrix are also important here.



Example: Construction of bilateral trade matrices (broad algorithm sketch)



Source: Presentation of Lazatin and Garay during the Technical Workshop on Value Chain Development for deeper integration of FEALAC: Asian perspectives, 2019

Thank you!