Development of EXIOBASE 3

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EXIOBASE database framework

A global multi-regional input-output database with a focus on environmentally relevant activities

- ▶ High sector detail
- ▶ Connect to other global environmental databases
- ▶ Large amount of environmental satellite accounts
- ▶ Within SEEA guidelines

EXIOBASE

Objectives Versions

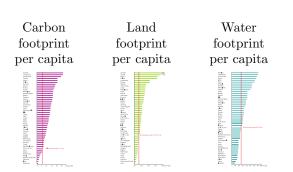
Development

Top-Down approach Macro Economic Industry Output Trade Structural changes Balancing Constant prices

Why?

Questions we want to answer:

▶ Role of consumers?¹



Objectives Versions

Development

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EXIOBASE

 $^{{\}rm ^{1}Tukker\ et\ al\ 2014.\ The\ Global\ Resource\ Footprint\ of\ Nations.\ http://bit.do/exiobook}}$

²UNEP 2011. Decoupling natural resource use and environmental impacts from economic growth. Paris

Why?

Questions we want to answer:

- ▶ Role of consumers?¹
- ▶ Where do environmental impacts occur?¹



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Results MRIO

EXIOBASE

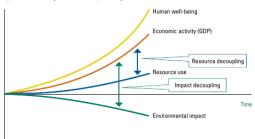
 $^{^1}$ Tukker et al 2014. The Global Resource Footprint of Nations. http://bit.do/exiobook

²UNEP 2011. Decoupling natural resource use and environmental impacts from economic growth. Paris

Why?

Questions we want to answer:

- ▶ Role of consumers?¹
- ▶ Where do environmental impacts occur?¹
- ▶ Dynamics/Decoupling?²



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EXIOBASE

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 $^{^2\}mathrm{UNEP}$ 2011. Decoupling natural resource use and environmental impacts from economic growth. Paris

EXIOBASE Versions and History

	EXIOBASE 1	
Base-years	2000	
Products	129	
Industries	129	
Countries	43 (EU 27 + 16 other)	
Rest of the world	d 1	
regions		
Water accounts	Green and Blue (47 activities)	
Material accounts	48 (Used extractions)	
	48 (Unused extractions)	
Energy products	58	
(supply/use)		
Land accounts	14	
Social accounts	6 (Employment)	
Emissions	26 (combustion)	

► EXIOBASE 1 - EXIOPOL (fp6)¹

A New Environmental Accounting Framework Using Externality Data and Input-Output Tools for Policy Analysis

EXIOBASE

Objectives Versions

Development

Top-Down approach Macro Economic Industry Output Trade Structural changes Balancing Constant prices

Results MRIO

¹Tukker et al. 2013. Exiopol - Development and Illustrative Analyses of a Detailed Global MR EE SUT/IOT. Economic Systems Research 25(1)

²Wood et al 2014. Global Sustainability Accounting - Developing EXIOBASE for Multi-Regional Footprint Analysis. Sustainability 7(1)

³Stadler et al. in prep

EXIOBASE Versions and History

	EXIOBASE 1	EXIOBASE 2	
Base-years	2000	2007	
Products	129	200	
Industries	129	163	
Countries	43 (EU 27 + 16 other) 43 (EU 27 + 16 other)		
Rest of the world regions	1 5 (Europe, Asia, Africa, America, Middle East)		
Water accounts	Green and Blue (47 activities)	Green and Blue (172 activities)	
Material accounts	48 (Used extractions) 48 (Unused extractions)		
Energy products (supply/use)	58	59 (emission relevant/gross)	
Land accounts	14	15	
Social accounts	6 (Employment)	6 (Employment)	
Emissions	26 (combustion)	26 (combustion, incl. fd) 11 (non-combustion) 3 (HFC, PFC, SF6)	

► EXIOBASE 1 - EXIOPOL (fp6)¹

A New Environmental Accounting Framework Using Externality Data and Input-Output Tools for Policy Analysis

► EXIOBASE 2 - CREEA (fp7)²

Compiling and Refining Environmental and Economic Accounts

EXIOBASE

Objectives Versions

Development

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Results MRIO

 $^{^1\}mathrm{Tukker}$ et al. 2013. Exiopol - Development and Illustrative Analyses of a Detailed Global MR EE SUT/IOT. Economic Systems Research 25(1)

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EXIOBASE Versions and History

	EXIOBASE 1	EXIOBASE 2	EXIOBASE 3
Base-years	2000	2007	1995 – 2012
Products	129	200	200
Industries	129	163	163
Countries	43 (EU 27 + 16 other)	43 (EU 27 + 16 other)	43 (EU 28 + 16 other)
Rest of the world	1	5 (Europe, Asia, Africa,	5 (Europe, Asia, Africa,
regions		America, Middle East)	America, Middle East)
Water accounts	Green and Blue (47 activities)	Green and Blue (172 activities)	Green and Blue (194 activities)
Material accounts	48 (Used extractions)	48 (Used extractions)	222 (Used extractions)
	48 (Unused extractions)	48 (Unused extractions)	222 (Unused extractions)
Energy products	58	59 (emission relevant/gross)	69 (emission relevant/gross)
(supply/use)			
Land accounts	14	15	15
Social accounts	6 (Employment)	6 (Employment)	14 (Employment per skill level and gender; vulnerable employment)
Emissions	26 (combustion)	26 (combustion, incl. fd) 11 (non-combustion) 3 (HFC, PFC, SF6)	27 (combustion, incl. fd) 28 (non-combustion incl. N/P, waste, agriculture) 3 (HFC, PFC, SF6)

► EXIOBASE 1 - EXIOPOL (fp6)¹

A New Environmental Accounting Framework Using Externality Data and Input-Output Tools for Policy Analysis

► EXIOBASE 2 - CREEA (fp7)²

Compiling and Refining Environmental and Economic Accounts

► EXIOBASE 3 - DESIRE (fp7)³

Development of a System of Indicators for a Resource efficient Europe

EXIOBASE Objectives

Versions

Development

Top-Down approach Macro Economic Industry Output Trade Structural changes Balancing Constant prices

Results MRIO

 $^{^{1}}$ Tukker et al. 2013. Exiopol - Development and Illustrative Analyses of a Detailed Global MR EE SUT/IOT. Economic Systems Research 25(1)

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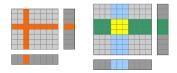
³Stadler et al. in prep

Development decisions

All EXIOBASE versions use SUT in the background.

EXIOBASE 21

- ▶ Starting point: National SUT
- ▶ Disaggregation based on:
 - ▶ Detailed IO/SUT
 - ► FAOstat (Agriculture)
 - ► IEA (Energy)
 - Mining databases
 - ► LCA data



 $^{^1{\}rm Wood}$ et al 2014. Global Sustainability Accounting - Developing EXIOBASE for Multi-Regional Footprint Analysis. Sustainability 7(1)

EXIOBASE

Objectives Versions

Development

Top-Down

Macro Economic Industry Output Trade Structural changes Balancing Constant prices

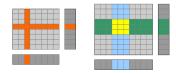
Results MRIO

Development decisions

All EXIOBASE versions use SUT in the background.

EXIOBASE 2¹

- ▶ Starting point: National SUT
- ▶ Disaggregation based on:
 - ▶ Detailed IO/SUT
 - ► FAOstat (Agriculture)
 - ► IEA (Energy)
 - Mining databases
 - ► LCA data



EXIOBASE 3

- ► Starting point:
 - ► Macro Economic Time Series
 - ► EXIOBASE 2 tables
- Structural change based on national SUT/IO

EXIOBASE

Objectives Versions

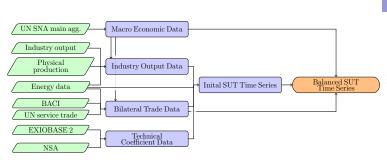
Development

Top-Down

Macro Economic Industry Output Trade Structural changes Balancing Constant prices

¹Wood et al 2014. Global Sustainability Accounting - Developing EXIOBASE for Multi-Regional Footprint Analysis. Sustainability 7(1)

Top - Down approach



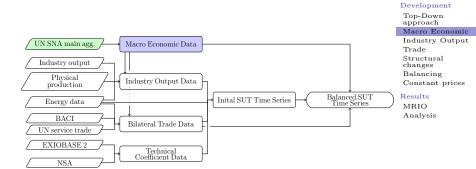
EXIOBASE

Objectives Versions

Development Top-Down approach

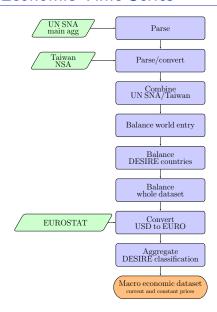
Macro Economic Industry Output Trade Structural changes Balancing Constant prices

Overview



EXIOBASE Objectives Versions

Macro Economic Time Series



EXIOBASE

Objectives Versions

Development

Top-Down

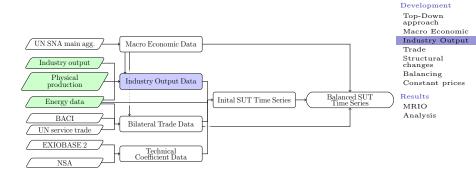
Macro Economic

Industry Output Trade Structural

changes
Balancing
Constant prices

Results

Overview



EXIOBASE Objectives Versions

Industry Output

Order Dataset Name Default assumption based on EXIOBASE2 (mainly for waste products) Selected mining and mineral data*price Product output data from available country national accounts Product output data from available country SUT FAO Monetary data Detailed IEA energy balance data*energy prices Macro database of industry output for 7 product groups

EXIOBASE

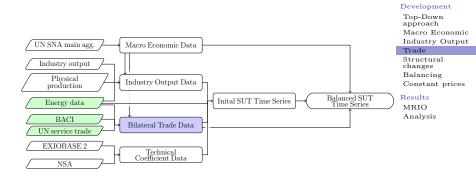
Objectives Versions

Development Top-Down

approach
Macro Economic
Industry Output

Trade Structural changes Balancing Constant prices

Overview

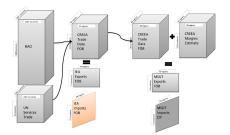


EXIOBASE Objectives Versions

Trade

Datasources

- ► BACI (based on UN Comtrade)
- ▶ UN service trade
- ► IEA



EXIOBASE

Objectives Versions

Development

Top-Down approach Macro Economic Industry Output

Trade

Structural changes Balancing Constant prices

Results MRIO

Trade

Datasources

- ▶ BACI (based on UN Comtrade)
- UN service trade
- ► IEA

Approach

- ► Full trade link for every year
- Benchmarked to EXIOBASE 2 base year
- ▶ Balancing constrained to the macro-economic trade data

EXIOBASE Objectives

Versions

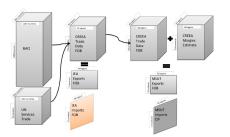
Development

Top-Down approach Macro Economic Industry Output

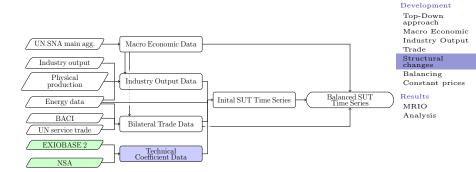
Trade

Structural changes Balancing Constant prices

Results MRIO



Overview



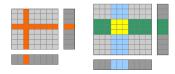
EXIOBASE Objectives Versions

Development decisions

All EXIOBASE versions use SUT in the background.

EXIOBASE 2¹

- ▶ Starting point: National SUT
- Disaggregation based on:
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 - ► FAOstat (Agriculture)
 - ► IEA (Energy)
 - Mining databases
 - ► LCA data



EXIOBASE 3

- ▶ Starting point:
 - Macro Economic Time Series
 - ► EXIOBASE 2 tables
- ► Structural change based on national SUT/IO

EXIOBASE

Objectives Versions

Development

Top-Down approach Macro Economic Industry Output Trade

Structural changes

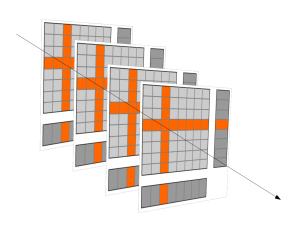
Balancing Constant prices

Results MRIO

¹Wood et al 2014. Global Sustainability Accounting - Developing EXIOBASE for Multi-Regional Footprint Analysis, Sustainability 7(1)

EXIOBASE 3 - structural change

▶ Structural changes based on national SU/IO tables



EXIOBASE

Objectives Versions

Development

Top-Down approach Macro Economic Industry Output Trade

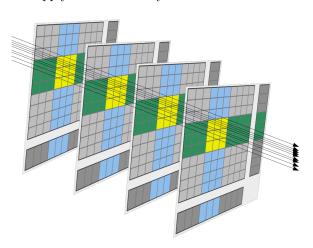
Structural changes

Balancing Constant prices

Results

EXIOBASE 3 - structural change

- ▶ Structural changes based on national SU/IO tables
- ▶ Apply to benchmark year



EXIOBASE

Objectives Versions

Development

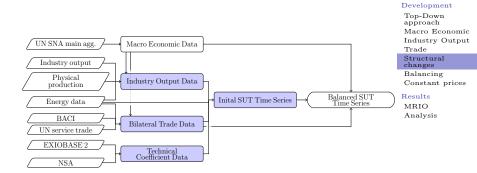
Top-Down approach Macro Economic Industry Output Trade

Structural changes

Balancing Constant prices

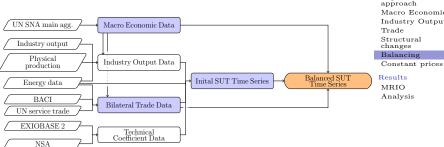
Results MRIO

Initial SUTs



EXIOBASE Objectives Versions

Balancing



EXIOBASE

Objectives Versions

Development

Top-Down approach Macro Economic Industry Output

Balancing - Decisions

- ▶ Pre-processed SUT respect all auxiliary data
- ▶ Unbalanced

EXIOBASE Objectives

Versions

Development

Top-Down approach Macro Economic Industry Output Trade Structural

Balancing

Constant prices

Results MRIO Analysis

changes

Balancing - Decisions

- ▶ Pre-processed SUT respect all auxiliary data
- ▶ Unbalanced

RAS

- ► Fix row/column sum
- + Fast
- High certainty on uncertain industy/product output
- Allows for variations in import/export

EXIOBASE Objectives

Versions

Development

Top-Down approach Macro Economic Industry Output Trade Structural changes

Balancing Constant prices

Results

Balancing - Decisions

- ▶ Pre-processed SUT respect all auxiliary data
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RAS

- ► Fix row/column sum
- + Fast
- High certainty on uncertain industy/product output
- Allows for variations in import/export

Math. programming

- ▶ Minimize information gain
- + Respects balancing constraints
 - Macro economic parameters
 - ► Trade vectors
- No guaranteed solution (conflicting constraints)
- Relatively slow

EXIOBASE Objectives

Objectives Versions

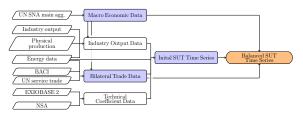
Development

Top-Down approach Macro Economic Industry Output Trade Structural changes

Balancing Constant prices

Balancing - Method

- ▶ QP target function
- ▶ Minimize difference between initial and final table
- ► Respect constraints
 - ▶ Prod/Ind output equal in Supply/Use
 - ► Import/Export vectors
 - Macro-Economic parameters
- ► Each SUT/year separate



EXIOBASE

Objectives Versions

Development

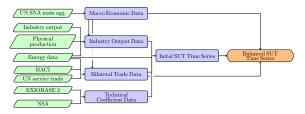
Top-Down approach Macro Economic Industry Output Trade Structural changes

Balancing

Constant prices

Constant prices

- ▶ Macro-economic time series (UN SNA main agg.)
- Deflators
 - ► IEA
 - ► FAO
 - ► National Accounts
 - WIOD
- ▶ Error checking, gap filling, repeat
 - ▶ Remove single year jumps (100% cutoff)
 - ▶ Remove extreme jumps (400% cutoff)
 - ► Interpolate (if enough values)
 - Proxy countries



EXIOBASE

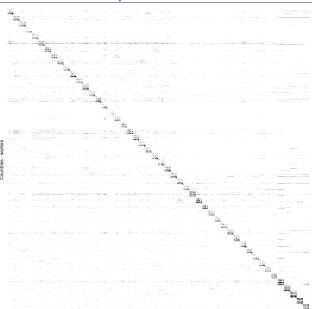
Objectives Versions

Development

Top-Down approach Macro Economic Industry Output Trade Structural changes Balancing

Constant prices

EXIOBASE map



Countries - sectors

EXIOBASE

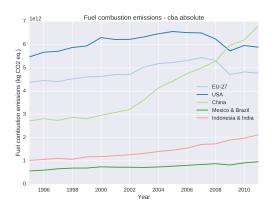
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Results

Analysis - a glimpse



EXIOBASE

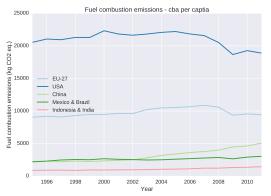
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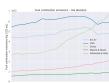
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Results MRIO

Analysis - a glimpse





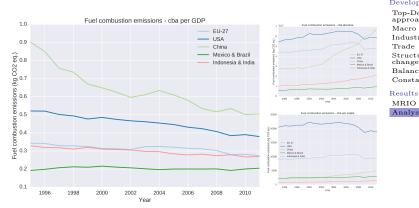
EXIOBASE

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Analysis - a glimpse



EXIOBASE

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EXIOBASE 3

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27 (combustion, incl. fd)	
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agriculture)	
3 (HFC, PFC, SF6)	

http://www.exiobase.eu

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EXIOBASE

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