

GTAP Advisory Board Meeting Summary June 10-11, 2013 Shanghai University of International Business and Economics Shanghai, China

Attendance

Staff members: Angel Aguiar, Alla Golub, Thomas Hertel, Robert McDougall, Badri Narayanan, Nelson Villoria and Terrie Walmsley

Consortium members and visitors: as listed in the Board Report and Issues Document https://www.gtap.agecon.purdue.edu/events/Board_Meetings/2013/documents/2013_IssuesReport.pdf.

A. Summary of Goals and Accomplishments in the Past Year

Board Report and Issues document:

https://www.gtap.agecon.purdue.edu/events/Board_Meetings/2013/default.asp

B. Summary of Agency Activities in the Past Year

Agency Reports: https://www.gtap.agecon.purdue.edu/events/Board_Meetings/2013/default.asp

C. Overview of Priorities and Core Goals for Next Year and Beyond

Goals 2008-2012

- 1. *Data Goal*: To Improve the quality of data products through:
 - Improving the quality of contributed I-O data
 - Addition and improvement of other datasets
 - Monitoring of data quality using comparison programs
 - Version control and documentation
- 2. **Research Goal:** To actively participate in quantitative economic analysis of pressing global concern in the areas of:
 - Trade and Development and
 - Global Environmental Issues
- 3. *Model Goal*: To promote further development of GTAP-based models
- 4. *Education Goal*: To expand and improve global economic analysis education worldwide
- 5. *Staffing Goal*: To actively seek and encourage talented staff and graduate students
- 6. *Collaboration Goal*: To actively seek opportunities for fostering collaboration with institutions around the world

D. Overview of Priorities and Responsibilities

1. *Data Goal*: To Improve the quality of Data Products.

Tasks	Individuals
Improving the quality of contributed I-O data (core)	Aguiar

Primary Priority

- Develop programs that would facilitate the contribution Grad of Supply and Use tables and alternative formats more consistent with those coming out of statistical offices
- Work with contributors to improve the EU IO Tables
- Work more closely with National Statistical Offices (NSOs) and OECD
- Further examination on whether the treatment of the McDougall dwellings sector can be improved Capital stock and depreciation

Capital stock and depreciation	
Addition and Improvement of Other Datasets used in GTAP Data	a Narayanan
Base (core)	
Primary Priority	
 Respond to feedback on Labor Splits 	Walmsley
 Investigate Services trade data from Francois 	McDougall
 Update income tax rates for all years 	Aguiar
• Improved estimation of International Transport Margins	Villoria
 FIT Module changes (to accommodate improve 	d McDougall
targeting of taxes & domestic support)	_
 Agricultural disaggregation module updates 	Peterson
 Energy module fixes in African countries 	McDougall
 Incorporation of Agricultural production targeting int 	o McDougall
main construction build process	_
 Processing of ITC tariff dataset for version 9 	Mimouni
 Finalize reference year and set labels for v9 	
 Updates to non-agricultural disaggregation modules 	
Secondary Priority	
 Examine possibility of targeting trade balances 	McDougall
• Examine the availability of NSO data (production, etc	_
by year) to update IO tables as part of FIT process (whe	
redo FIT)	
Domestic Margins	McDougall
	and Aguiar
 Domestic support, PSE database for Latin America and 	•
Africa – MAFAP	Depends on
 Baseline/forecast tool for updates 	resources
Addition/Improvement of Protection Data (core)	Narayanan
Update TASTE to v8	Pelikan,
•	Guimbard,
	Laborde,
	Horridge
Version Control and Documentation	Narayanan
Begin to implement pre-release process for version 9	McDougall
	and Aguiar
Monitoring Data Quality using Comparison Programs (core)	Narayanan
Undertake more pre- and post-data Comparisons	Aguiar and

		McDougall
Communica	tion (core)	Narayanan
•	Add a number of FAQs to the website to address	Aguiar
	questions like: Is GTAP SNA compatible?	
•	FAQ/Website: where does my money go?	Kincaid
Satellite Dat	ta	Narayanan
•	Release new GTAPAgg	Horridge
•	Finalize NonCO2 emissions satellite dataset	Ahmed,
		Rose, and
		Hertel
•	Incorporate land use construction into main build	Baldos and
		Villoria
•	Major update to Land Use Data, including Physical data	Villoria
•	Finalize MRIO and document (release BEC concordance	Francois,
	to WITS to facilitate automated aggregation of sourcing	Walmsley
	estimates)	etc
•	Consider including compositional differences.	
Publish more papers on the GTAP data Base construction Process		
•	Papers on data base construction process, including	Aguiar,
	specific examples of why data do not match original data	McDougall,
•	Paper/chapter outlining how much I-O tables have	Narayanan,
	changed - ranking of countries. Which changed the most	and
	and which the least and why?	Walmsley
•	Work with Productivity Commission and Joe François to	Narayanan
	include more data resources	<u>-</u>

2. *Research Goal*: To actively participate in quantitative economic analysis of pressing global concern

Tasks	Individ	uals
Trade and Development		
Primary Priority		
Continue to publish papers on trade, poverty, migration/labor	GTAP	Staff
(specifically supply chains)	Grads	
Global Energy and Environmental issues		
Primary Priority		
Continue to publish papers on energy and environmental issues	GTAP	Staff
(specifically water, landuse and biofuels)	Grads	

3. *Model Goal*: To promote further development of GTAP-based models

Tasks	Individuals
Technical papers	Kincaid
Primary Priority	
Finalize tech paper on GDyn-E	Golub
Finalize technical paper on GTAP-E Model	Golub and

Finalize paper on macro transmissions mechanisms	McDougall Walmsley, Hertel,
	McDougall and Villoria
Revise poverty technical paper to reflect latest improvements in handling of the survey data.	Hertel
Paper on incorporation of specific tariffs into the data base and standard model	Narayanan and Villoria
Secondary Priority	
Technical paper on a Firm Heterogeneity Model	Villoria and Grad
Finalize technical paper on tariff aggregation tools	Will Martin

4. Education Goal: To expand and improve global economic analysis education worldwide

Tasks	Individuals
Education	
Primary Priority	
GTAP Short Course (Turkey)	Villoria,
`	Batta and
	Alexander
Implement Education plan	Villoria,
	Batta,
	Burfisher,
	Aguiar and
	Narayanan
Secondary Priority	•
Live Forums on topics of interest to the Network	Narayanan,
	Aguiar and
	Batta

5. *Staffing Goal*: To actively seek and encourage talented staff and graduate students

Tasks	Individuals
Recruitment	
Primary Priority	
Undertake management restructure	Alexander
Develop hiring plan	and Hertel

6. *Collaboration Goal:* Actively seek opportunities for fostering collaboration with institutions around the world.

Tasks	Individuals
Seek partners and funding opportunities for collaboration (core)	

Attend IO meetings	Aguiar
 Ongoing work with contributors, see IO report 	Aguiar
 Extend collaborations with the ILO 	Walmsley &
	Hertel
 Explore ways to help board members get the message out to other divisions 	Alexander
 Link with geospatial community through GEOSHARE/AgMIP 	Hertel and Villoria
Conferences	
Primary Priority	
Work with Antoine Bouët and his collaborators at IFPRI on	Hertel, Batta
2014 Conference (Dakar)	and
	Alexander

E. Summary of Discussions

Data Base

Badri Narayanan presented the status of developments in GTAP Data Base. He summarised the development and release of GTAP 8.1 Data Base and a series of releases that accompanied it, including satellite datasets, labor-splits dataset and Africa Data Base. He also presented a schedule for version 9 data cycle as well as the various data improvements to be incorporated in this version. Several comments were made by the board members on various issues. On TASTE, there were questions about the release date and availability of bound tariff data. Houssein Guimbard from CEPII mentioned that bound tariff data will be incorporated by July, while Mondher Mimouni added that ITC supports the inclusion of this data in the public release of TASTE. Mondher Minouni also mentioned about several special tools and datasets developed by the ITC that can be incorporated into GTAP framework/website in the future. Feedback from David Laborde, which is expected shortly, will help us release TASTE in near future, probably even without the bound tariff for a first version of TASTE for GTAP 8.1 Data Base. On the reference years for GTAP 9 Data Base, there was support for both 2010 and 2011 as the latest amongst the three proposed, apart from 2004 and 2007. Those who proposed to stick with 2010, did so to maintain a 3-year difference across the reference years and to facilitate easier model validation. Others suggested to go with the latest year for which the data is available, which is 2011, for better usability in policy studies. More feedback on the choice of reference years will be useful to make a final decision in this regard.

IO Tables

Angel Aguiar presented the status of IO tables in the GTAP Data Base. He is developing tools to facilitate EU Supply Use tables, as a way to help an EU contributor (IPTS or other) update these data. On the topic of improving our tax representation, it was brought to or attention the treatment of indirect taxes on imports as tariffs in IO tables, which will be further investigated. Also, regarding the chopping block, the merits of not removing Hong Kong table were discussed at the meeting.

Labor data

Terrie Walmsley presented work recently distributed to the board splitting the labor data in the

GTAP Data Base into 5 ILO labor categories. Feedback on this improvement was positive during the meetings - we await possible further feedback.

Non-CO2 Emissions

Tom Hertel presented a summary of the v.8 non-CO2 GHG emissions data base developed by Amer Ahmed, in collaboration with Steve Rose and Tom Hertel. The Board felt comfortable with the overall approach. (Sergey Paltsev requested that the F-Gases be disaggregated by type of gas.) Steve Rose would like to see a few modest changes made to the data base before it goes to the Board. Unfortunately, Amer has taken a job with the World Bank and is no longer available to work on this. His work will be passed on to Burcu Irfanoglu, a PhD student in the Center. When she returns from summer travels in August she will wrap up this data base and make it available to the Board for inspection prior to public release. The proposal was also made that for v.9 we would adopt a simpler approach wherein we would map emissions levels from international sources (EDGAR and AGROSTAT) directly into the GTAP data base. (The present approach only takes growth factors from these data sources and applies them to the 2001 benchmark emissions levels by driver and source.) While more simplistic, the beauty of this new approach is that it could be incorporated directly into the v.9 build process – which means that future updates would be much less resource intensive. After finalizing the v.8 emissions data base, Burcu will turn her attention to this problem for the v.9 data base.

Education Plan

Terrie Walmsley presented an education plan which included increasing the number of web based courses available to the network. The proposal was whole heartedly accepted. GTAP 101 will be offered this fall, and there are already a large number of applicants for this introductory online course, to be led by Mary Burfisher.

NTBs

Ken Kawasaki presented a proposal to collaborate to obtain estimates of NTBs for use with the GTAP model. It appears as though some work might be undertaken to get initial estimates for use in policy analysis, however further work is needed before these become part of the standard GTAP Data Base. ITC-Geneva, the World Bank and the OECD all commented on work being done in their institutions, although there are concerns about converting this work into useable estimates for CGE analysis.

The following people attended the meeting and were interested in being involved: Ken Kawasaki, Peter Petri, Patrick Jomini, Mondher Mimouni, Hans Jensen, Geert Woltjer, Marinos Tsigas, Marla, Lucian Cernat, Susan Stone, Houssein Guimbard, Jean Chateau, Joe Francois, Susumu Suzuki, Martina Brockmeier and Terrie Walmsley.

MRIO/IRIO

A number of board members are working on developing MRIO/IRIO datasets discussed their work on extending the GTAP database or using other datasets, such as WIOD. Terrie Walmsley and Tom Hertel are currently working on a GTAP-MRIO as part of a project with the Asian Development Bank. This work will culminate in a standard tool for undertaking MRIO analysis within the GTAP framework.

One area of future interest is in having the tariff data also reflect differences in intermediate and final use due to different aggregation and underlying differences in applied rates (duty drawbacks). It was though that taking account of differences in aggregation should be relatively easy to do.

Energy

In addition, immediately following the Board meeting, Robert McDougall presented to a sub-group of Board members, a proposal for disaggregating the electric power sector in the GTAP data base/standard model, developed by Jeff Peters, a new graduate student in the Center. Board members were very positive about the idea of work in this area. And some expressed potential interest in supporting such work. However, they would like to see a more fully fleshed out proposal. In particular, they are interested in seeing the data product that would flow out of such work. On the advice of Board members, Jeff Peters will be communicating with, and visiting, a number of Board members this fall in order to flesh out this proposal.

F. The Network

1. 2013 Conference Update

Xingguo Ye and Dongfeng Xu welcomed everyone to the Shanghai Institute of Foreign Trade. He revealed the timeline of activities.

2. 2014 Conference Update

Antoine Bouët updated us on preparations for the 17th Annual Conference on Global Economic Analysis in Dakar, Senegal, hosted by IFPRI and AGRODEP. The Advisory Board Meeting will be June 16-17, 2014, with the conference following June 18-20, 2014. The overall conference theme is "Environment, Poverty and Development." Discussion followed about themes and facilities.

3. 2015 Conference Proposal

Terrie Walmsley presented the proposal to host the 18th Annual Conference on Global Economic Analysis in Australia. Discussion followed about the two alternative locations suggested: Melbourne and Cairns. The Board approved this conference proposal and holding the conference in Cairns.

4. Research Fellow Report and Committee Nominations

The Board approved the committee's recommendation for 2013-2016 GTAP Research Fellows as follows:

- **David Laborde** For sustained, unique and outstanding contributions to the quality of GTAP Data Base, particularly in terms of the state-of-the-art tariff dataset, TASTE tool and export subsidies.
- *Carlos Ludena* For outstanding leadership in the development and extension of GTAP-compatible data bases in Latin America and the Caribbean and his efforts to process the

- household surveys in these regions to develop a poverty module accompanying these regions in the GTAP Data Base.
- *Janine Pelikan* For publications using the GTAP Data Base and/or Model on tariff aggregation methods and impacts of the WTO agreement in refereed agricultural economics journals in addition to work on the coupling of GTAP and CAPRI, TASTE and contributions to the GTAP 8.1 Data Base.
- *Karen Thierfelder* For contributions to CGE analyses and GTAP, she has used and developed a variety of single (STAGE and IFPRI) and global models (USDA-ERS and GLOBE) and is co-author on a number of publications, including GTAP Technical Paper No. 22.
- Niven Winchester For outstanding research using the GTAP Data Base through
 publishing numerous GTAP-related articles as well as research on the impact of the EU
 ETS on aviation outcomes which has been used by the EU Commissioner for Climate
 Action in policy discussions and was circulated at the US Department of the Treasury to
 help shape a U.S. response to said policy. Other institutions, namely, the ADB, OECD,
 Tsinghua University, Brookings Institution and New Zealand Ministry of Foreign Affairs
 and Trade have also used his research for policy discussions.

G. Budgeting and Staffing

As discussed at the board meeting, the Center showed a large surplus this year due to increased data sales and research projects. The Center is now in a good position to obtain another data team member and will be undergoing a review of its management structure and developing a hiring plan for the coming year. Combined with projected staff turn-over, we expect up to three new staff members by next year's Board meeting.