# GTAP Virtual Seminar Series, Vol 1, No 1 (2020)

## *Baselines for Dynamic Computable General Equilibrium Models: Part 1*

# Welcome to the first GTAP Virtual Seminar!

| 8:00-8:05 EST<br>14:00-14:05 GMT+2 | Moderator welcome and topic introduction<br>(~~Dominique van der Mensbrugghe~~ Rob Dellink) |
|---|---|
| 8:05-8:15<br>14:05-14:15 GMT+2 | Shaping Baseline Scenarios of Economic Activity with CGE Models<br>(Rob Dellink) |
| 8:15-8:25<br>14:15-14:25 GMT+2 | Macroeconomic Drivers of Baseline Scenarios in Dynamic CGE models<br>(Jean Fouré) |
| 8:25-8:35<br>14:25-14:35 GMT+2 | Modelling Consumption and Constructing Long-Term Baselines in Final Demand<br>(Mun Ho) |
| 8:35-9:05<br>14:35-15:05 GMT+2 | Discussion |
| 9:05-9:10<br>15:05-15:10 GMT+2 | Moderator closing |

- **All questions can be posed through the chat function**

# Shaping baseline scenarios of economic activity with CGE Models

Rob Dellink, OECD Environment Directorate
Joint work with Dominique van der Mensbrugghe (GTAP)
and Bert Saveyn (JRC)
GTAP seminar 13 October 2020

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# The informal 'Calibrating CGE baselines' project

- Creation of GTAP was outcome of need to harmonise economy-wide data for global CGE models
  - Similar need to work better together on baseline projections
- Initial GTAP-OECD workshop in January 2018
- 26 participating modelling teams
- Special issue in JGEA June 2020
- Project will continue as long as people volunteer to work on it
  - Next discussion at annual GTAP meeting (t.b.c.)

# Key elements in calibrating CGE baselines

1. **Base year data**
   - Social Accounting Matrices, additional indicators, …
2. **Trends in exogenous drivers**
   - Population, demographics, …
   - Factor productivity, cost structures, consumer preferences, …
3. **Expectations**
   - Savings and investment decisions, foresight, …
4. **Policies**
   - Current policies, policy developments outside domain, …

# Set-up of the special issue

# Today



Mun Ho

Jean Fouré

Demand trends · Supply trends · Specific sector trends

Macroeconomic trends → Macroeconomic projections → CGE projections

Physical trends (emissions)

Trade flows

Macroeconomic projections other regions → CGE projections other regions
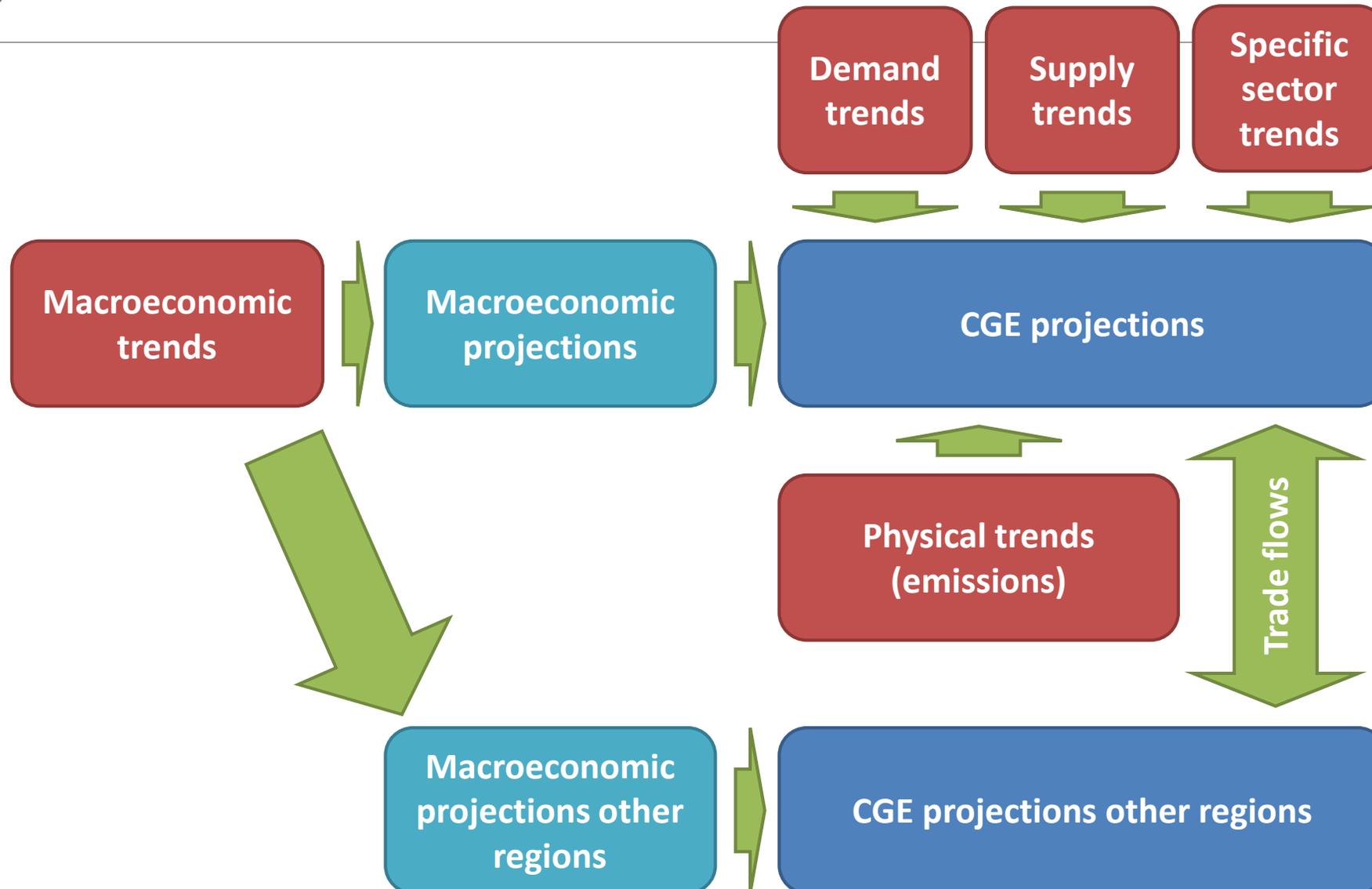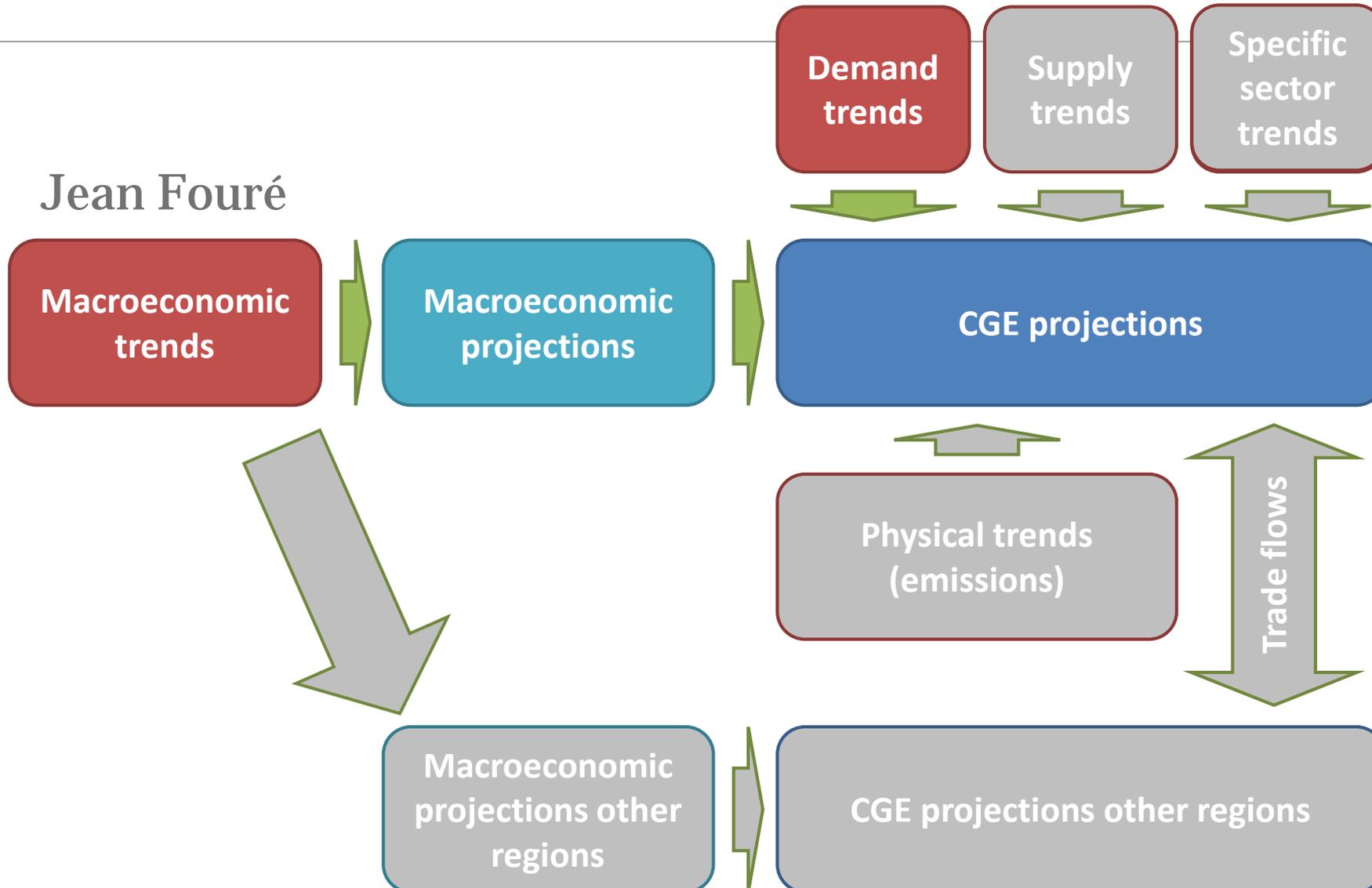
# Next week
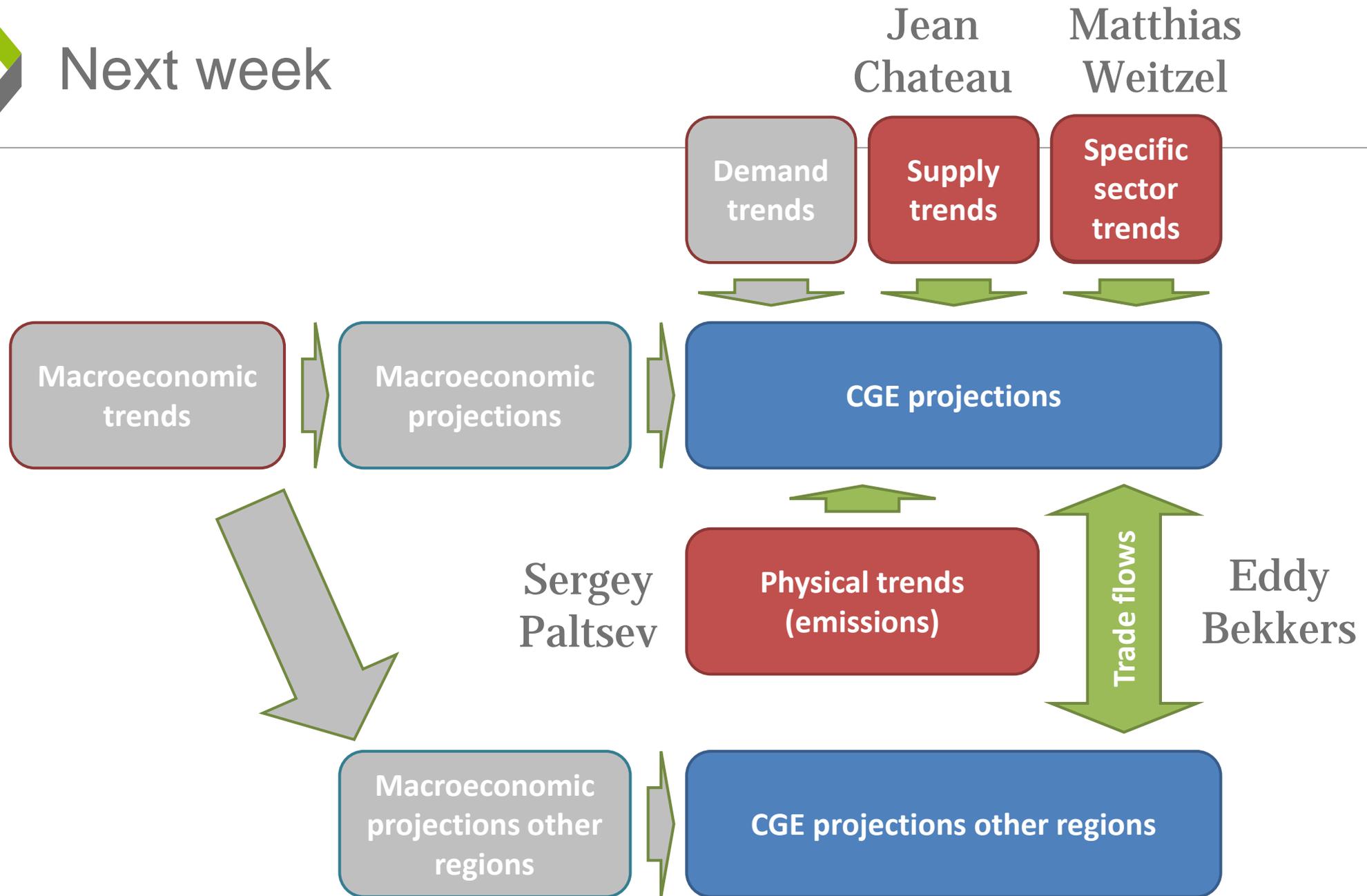
# Next steps

1. A numerical comparison exercise across models
2. A repository of baselines and wiki of underlying models
3. Outreach

- Follow the 'project' at www.gtap.org/CGEBaselines
- Express your interest in participating at CGEBaselines@purdue.edu

# THANK YOU!

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