

Advisory Board Meeting Summary June 13-14, 2011 Fondazione Eni Enrico Mattei Venice, Italy

Attendance

Staff members: Angel Aguiar, Meghan Alexander, Ginger Batta, Thomas Hertel, Robert McDougall, Badri Narayanan, Nelson Villoria, Terrie Walmsley, Monica Woods

Consortium members and visitors: as listed in the Board Report and Issues Document https://www.gtap.agecon.purdue.edu/events/Board_Meetings/2011/documents/2011_IssuesReport.pdf, with the following last minute changes:

Robert Koopman, US International Trade Commission, Washington DC was unable to attend due to a family emergency.

A. Summary of Goals and Accomplishments in the Past Year

See Board Report and Issues document:

https://www.gtap.agecon.purdue.edu/events/Board_Meetings/2011/default.asp

B. Summary of Agency Activities in the Past Year

See Agency Reports: https://www.gtap.agecon.purdue.edu/events/Board_Meetings/2011/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*: 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)	AA
– Primary Priority:	
 Collaborate with UNECA, World Bank and AGRODEP to improve African I-O data 	BN, TW
 Collect feedback on EU tables from EU board members and collaborate with European board members (and EUROSTAT) to improve EU data 	TW
 Decisions/reviews to be made on chopping block and several African I-O tables 	RMD, BN
 Further examination on whether the treatment of the dwellings sector can be improved 	RMD
 Secondary Priority: 	
 Exercises on converting Supply-Use-Tables to GTAP format 	TW
 Undertake peer reviews of several I-O tables (including India, Senegal and Brazil) 	
Tertiary priority:	
 Update FAO data for disaggregation 	RMD
I-O disaggregation module	RMD
 Incorporation of Metadata and treatment flags 	BN

Addition and Improvement of Other Datasets used in GTAP Data Base (core)	BN
Primary Priority:	
 Alterations to construction program to fix commodity tax issues 	RMD
 Review protection data set and suggested methodology changes from ITC 	Antoine B.
• Finalize energy data for v8	RMD and JS
 International transportation data and investigate OECD data 	NV and grad
Services trade data	RMD
 Complete fixes and break up of domestic support with advice from Board members 	Hsin, Hans, Martina
	RMD
 CO2 emissions – now to be part of core 	David L.
Export subsidiesContinue to interact with and support TASTE	David L. and Mark H.
Secondary Priority:	_
 Incorporation of skill splits from USITC and examination of the Social Hotspots work on skills data 	TW
 Split ad valorem and specific tariffs in the standard model 	
 NTM's presentation by ITC-Geneva at board meeting next year 	TW
OECD energy subsidies	Jean C. and Frank van T
Monitoring Data Quality using Comparison Programs (core)	BN
Primary Priority:	
 Distribute sign-up sheets (for evaluating specific parts of the data base upon each pre-release) to board members 	
Secondary Priority:	
 Comparing Simulation Results across data bases 	
 Produce reports on how much national I-O tables have changed as a result of FIT for documentation and review/comment by contributors 	AA

Versions and	Documentation	BN
– Prii	mary Priority:	
•	Finalize Documentation of v7	RMD
•	Final release of "time series" v8 for years 2004 and 2007	
•	Develop a new bundling and pricing strategy featuring a special 'energy-environment' bundle	TW
– Sec	condary priority:	
•	Africa version of the GTAP Data Base	AA and TW
•	Documentation of Construction Process	RMD, AA, TW
•	Inter-Regional Input-output version of GTAP (Zhi Wang and Joe François)	TW and RMD
Satellite Data	Bases	
– Prir	mary Priority:	
	Fund raising appeal for support of the Satellite databases (decision made at the post Satellite database meeting - information provided below)	TW, TH, MW
	IIRIO version (Zhi Wang and Joe Francois)	RMD, TW
•	Set up a website for sharing baseline data	TC and TW
– Sec	ondary Priority:	
•	Make available some satellite datasets for v8, conditional on funding (non-CO2 emissions, Land use, GDyn, Migration etc.).	TH, RMD, TW
•	Flesh out government accounts (Yontem Sonmez and Scott McDonald)	1 W
Open Sourcin	ıg	BN
- Sec	condary Priority:	
	Pending funding decision on NSF-SI2 proposal led by the University of Chicago. If funded, this would facilitate a first move in the direction of open-sourcing some programs.	RMD

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

Tasks	Individuals
Trade and Development	
Primary Priority:	
 Continue to publish papers on trade, poverty, migration/labor. 	TW, TH, NV, MV, BN, AA and grads
Global Energy and Environmental issues	
Primary Priority:	
 Continue to publish papers on energy and environmental issues. 	TH, WT, NV, AG, JS, FT and graduate students
3. <i>Model Goal</i> : To promote further development of GTAP-bas	sed models
Tasks	Individuals
Actively seek out potential papers for the GTAP Technical Papers (core)	
Daine and Dainetter	

• GDyn-E Model

Finalize responses to reviews technical paper on poverty module

• Finalize review of tariff aggregation tools (Will Martin and co-authors)

- Secondary Priority:
Firm Heterogeneity Model

TW, TH, NV, grads

AG

TW, TH, MV

TW

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

Tasks	Individuals
Increase access of Education to the network (core)	TW
- Primary Priority:	
• Short course in Purdue (August)	NV
 Work with Hans Jensen re Dynamic GTAP short course in 2012 	MW
 Decide on 2012 location of short course 	NV
Education plan	NV
Secondary Priority:	
• live forums	BN
Graduate Students	
– Primary Priority:	
• Implement a graduate student seminar series	NV

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

Tasks	Individuals
Actively encourage talented staff and graduat (core)	te students TW
Primary Priority:	
 Train Monica Woods, new Mana 	ging Director MW
 Continue to recruit quality graduates research and data work. 	ate students for NV

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

Tasks	Individuals
Seek partners and funding opportunities for collaboration (core)	
Primary Priority	
• Implement collaboration with EU consortium led	Everyone

	by Joe Francois	
•	Continue to collaborate on GEOSHARE and associated potential for providing inputs into satellite data	TH, NV
•	Reunion Project (Sydney Univ, WIOD, EXIPOL and IDE-JETRO)	
•	Continue to collaborate on Energy and environmental data and research	TW
•	Collaborate with UNECA, World Bank and AGRODEP on African data	TH, JS, AG
		TW, AA, BN
_	arketing plan for the Center and GTAP to number of board members	MW
– P1	rimary Priority:	
– Pı	rimary Priority: Potential board members, Purdue, Graduate students etc	TH, TW, MA, GB

E. Summary of Discussions

The following relate to specific areas of discussion at the board meeting.

Data Goal: To Improve the quality of Data Products through:

Improving the quality of contributed I-O data

EU I-O Tables: Joe Francois brought up a number of issues with the EU IO tables. Some of these issues have now been resolved with an improved treatment of the mapping of dwellings, however it was argued that the European board members should provide more assistance in reviewing the tables. Martin Banse and Marijke Kuiper offered to review some of the EU tables. The IPTS have offered to update the EU tables and they have spoken with Terrie Walmsley about starting from the EU I-O tables. At this late stage in the v8 production process however these tables are not expected to change substantially. **Action:** Angel Aguiar will follow up with Emanuele Ferrari from the IPTS about their next contribution and with the EU board members about reviewing the EU tables.

African I-O Tables: Coverage and quality of African data is an important issue for the Center. Most of the countries currently on the chopping block are African. Action: The Center is expected to collaborate with AGRODEP, the World Bank and directly with statistical agencies in Africa through the UNECA on improving the coverage of Africa in GTAP and updating old African I-O tables, currently listed in the chopping block.

Domestic Margins: Interest in improving domestic margins is high however there was a great deal of concern that the treatment of domestic margins in SNA08 would not allow us to greatly improve the data. Robert McDougall pointed out that while we need to be aware of issues in SNA08 it should not stop us improving the data where we can. **Action:** As a result of this feedback from the GTAP Advisory Board, domestic margins were given a low priority in our future agenda.

Addition and Improvement of Other Datasets

Protection: In previous board meetings we were told that protection data would no longer be processed by CEPII, but instead would come directly the ITC-Geneva, using a somewhat different methodology. At this board meeting we heard from Sebastien Jean and Mondher Mimouni how the hand-over of the protection data contributions to ITC-Geneva were progressing. David Laborde also outlined recent and forthcoming changes in the TASTE data and program. **Action:** The final version of the protection data for 2004 and 2007 is required by August for inclusion in the final release of the GTAP 8 Data Base. Antoine Bouët has offered to review the new protection data and methodology, although this is not expected to be completed in time for the final release. This review will be provided to the protection data committee and later to the board. The committee currently includes Will Martin (chair), Antoine Bouët, Martina Brockmeier, Thomas Hertel, Sebastien Jean, Mondher Mimouni, Badri Narayanan and Janine Pelikan. Others wishing to join this committee should contact Badri Narayanan. The Center and the board continue to support the efforts of David Laborde and Mark Horridge on TASTE.

Export Subsidies: David Laborde also discussed recent improvements he has made to the collection of export subsidies. Action: Badri Narayanan will work with David Laborde to see that these are incorporated into the GTAP 8 Data Base.

Transportation data: revised modal shares for international transport of merchandise commodities have been obtained from a number of sources. **Action:** Nelson Villoria and a graduate student are working with David Hummels to update the transportation data. This is expected to be included later in versions 8.1 or 9.

IRIO: There is increasing demand for the construction of an Inter-Regional I-O table that shows imports for intermediate and final use with each regional good treated as a distinct product. Both WIOD and the US-ITC are working on these databases, and Joe Francois has spent some time going through the HS6 data to divide commodities according to intermediate and final use. **Action:** We plan to work with Zhi Wang and Joe Francois to include these in a special version (alternative format) of the GTAP 8 Data Base. This work is expected to be done following the release to the board of the final GTAP 8 Data Base.

Satellite Data Bases

New Bundling and Pricing Strategy: at the board meeting it was suggested that we examine a GTAP-Energy-Environment Data Base bundle which is priced at a premium to permit us to fund ongoing work to produce the associated satellite products. **Action:** we plan to re-examine our bundling and pricing strategy for the GTAP 8 Data Base.

CO2 Emissions: Having produced CO2 emissions as a satellite data base for more than ten years, the methodology and data sources have become sufficiently standardized, and the use of these data sufficiently widespread, to permit their incorporation into the standard build stream.

Action: CO2 emissions are to be made part of the core data base. This work will be undertaken as part of the GTAP Data Base construction process and included in GTAPAgg and FlexAgg.

Non-CO2 Emissions: There was also a call for Non-CO2 emissions to become part of the core. **Action:** Non-CO2 emissions will not become part of the core as the sources and procedures are not yet standardized. The next update of these emissions data will not be possible without supplementary funding and significant input from Steven Rose (EPRI – author of the first set of non-CO2 emissions data) as well as US-EPA and other primary data collection agencies. We will endeavour to include them in the GTAP-energy database bundle, provided support can be obtained for their update.

GEOSHARE and Land-Use: Thomas Hertel discussed a new collaborative project being initiated at Purdue University, nick-named GEOSHARE. This initiative, currently seeking to finalize funding for a two year pilot project, would seek to provide spatially explicit, global data bases for analysis of agriculture, climate, natural resources and the environment. These are the type of data which underpinned the GTAP land use information developed as a satellite data base for GTAP v.6. The initial release will be for the year 2005. If successful, GEOSHARE will ensure a continuing and improving flow of spatially explicit data for use with GTAP, as well as with a wide variety of other modelling frameworks seeking to analyse food security and environmental issues related to agriculture. **Action:** The GTAP land use data will continue to be treated as a satellite data base. Updates will be contingent on supplementary funding from interested stakeholders. Until GEOSHARE becomes available, we will continue to 'update' the original land use data base, using control totals from the UN-FAO as well as time series estimates of land cover.

Baseline: Terrie Walmsley presented the results of a recent project to facilitate the sharing of data and update the baseline data for the Dynamic GTAP model. **Action:** A website will be provided where people can share data and papers on the issues surrounding the development of baselines for dynamic models.

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

User courses (WTO and ADB): The idea of a course for users of model results, was raised last year, but interest this year was extremely low. Action: we will not be holding a user course at the 2012 conference in Geneva.

F. The Network

a. 2011 Conference Update

Francesco Bosello and Angela Marigo welcomed everyone to Venice, Italy and the FEEM offices. They reviewed the conference timeline of activities including education and dinner information.

b. 2012 Conference proposal

Patrick Low presented a proposal to host the 15th Annual Conference on Global Economic Analysis on June 27 – 29, 2012, and Advisory Board Meeting June 25-26, 2012 in Geneva, Switzerland. The conference's overall theme is "New Challenges for Global Trade and Sustainable Development" and will be organized jointly by the World Trade Organization, Economic Research and Statistics Division, Institute for Training and Technical Cooperation; the International Trade Centre, Division of Market Development; and the UN Conference on Trade and development (UNCTAD), Division

on International Trade in Goods and Services and Commodities (DITC).

Discussion followed on the currency fluctuation rate; close proximity of hotels, meeting venues and the airport; and the possibility of poster sessions. The Board approved this conference proposal.

c. 2013 Conference Proposal

On behalf of the local hosts who were unable to attend, Monica Woods presented their proposal to host the Annual Conference and Board meeting in Shanghai, China as follows. The Advisory Board Meeting: June 10-11, 2013 ((Monday-Tuesday); the 16th Annual Conference: June 12-13-14, 2013 (Wednesday – Friday). The overall conference theme is "New Challenges for Global Trade in a Rapidly Changing World." Conference hosts are the Shanghai WTO Affairs Consultation Center and the Shanghai Academy of Social Sciences. Discussion followed about facilities and the hope that the 2013 host committee representatives attend next year's conference in Geneva. The Board approved this conference proposal. Issues discussed included: the need for the host to attend the board meeting next year and the need to investigate in advance possible issues with visas.

d. Research Fellow Report and Committee Nominations

The Board approved the committee's recommendation for 2011-2014 GTAP Research Fellows as follows:

Houssein Guimbard

Houssein Guimbard is an economist with the CEPII. He has been an important member of the CEPII-ITC team that has been developing the MacMAPHS6 dataset to contribute the tariff data for the versions 7 and 8 of GTAP Data Base. He has also prepared a multi-sector multi-country FDI data for GTAP Data Base. Houssein's continued contributions to both core and supplementary parts of the GTAP Data Base should be recognized by appointing him as a GTAP Research Fellow.

Xavier Pichot

Xavier has been working in the Market Analysis and Research section of the International Trade Centre since 2002. As part of his work on international trade, he has built the Web-based application Market Access Map, which is one of the key inputs to the MacMAPHS6 dataset, the source of the tariff data in the GTAP Data Base since version 6 of the data base. So, he deserves being a research fellow for his sustained contributions to the protection dataset for the GTAP Data Base.

Dominique Van der Mensbrugghe

In recognition of his sustained contributions to the GTAP Data Base and in advancing economy-wide analysis of developing country policies with the Linkage model.

Nico Van Leeuwen

In recognition of his various contributions to the GTAP Data Base including his work on bilateral services trade data and review of recent work on the labor skill splits and taxes.

Zhi Wang

In recognition of his recent work on Multi-region IO data, and for his assistance with reconciling reexport trade data, and the Chinese and Hong Kong IO tables. Zhi has also assisted us in obtaining a proposal from Shanghai for the 2013 conference. Martin Banse and Sergey Paltsev agreed to sit on the research fellows committee next year. Antoine Bouët will chair for another year.

G. Budgeting and Staffing

As discussed at the board meeting the Center is experiencing fiscal deficits and is likely to do so in the near future. We are investigating a number of ways to reduce that deficit including increasing data sales revenue, recruiting new board members and undertaking additional funded research projects that assist the core activities of the Center.

H. Additional Meetings

For those of you who did not attend the follow-up meetings on Wednesday, here is a brief summary of the meetings.

a. Satellite Data Meeting

Wednesday, June 15

Venice, Italy

Meeting chaired by Patrick Jomini.

Identified a common interest in maintaining up-to-date satellite data bases for Greenhouse Gas (GHG) emissions and land use. However, doing so will require additional funding. A number of board members suggested that their agencies might be able to partially support a Purdue University graduate student to ensure that this gets done for the v.8 Data Base.

Details of project execution are as follows:

- 1. CO2 emissions from fossil fuel combustion: it was agreed that (roughly) one month's student time would be allocated to incorporating the calculation of these emissions into the standard GTAP build stream based on disaggregated energy balances from the IEA, along with data on fossil fuel combustion.
- 2. Land use data will be updated from 2000 to 2007 for the v.8 Data Base using time series data on land cover, harvested area and crop yields, in the same way as was done for v.7. Once the GEOSHARE Data Base becomes available (benchmarked initially to 2005), we will incorporate that as well. The estimated time for completion is two months.
- 3. Non-CO2 emissions are in the process of being updated by the US-EPA. Once these are available, we will revisit the producers used to translate these into GTAP categories and incorporate them into the Data Base as well. Given the large number of estimating sources, the reliance on national inventory data, and the diverse mappings into GTAP, this is a much larger job estimated at nine months for completion.

Total additional support needed is \$50K.