African Inter-Country Input-Output Tables and TiVA Indicators for Enhancing Economic Integration and Policy Analysis in Africa

Topic: Input-output Modelling and Network Theory
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African Inter-country input-outputs tables (AfCIOT) and derived TiVA indicators seek to provide critical insights into the domestic and foreign value-added content of exports, facilitating informed policy decisions for the African Continental Free Trade Area (AfCFTA). With these tools, policymakers can better navigate trade and industrialisation policies, foster sustainable economic growth, and enhance regional integration, aligning with the aspirations of African Union Commission's Agenda 2063. AfCIOT and TiVA analysis enable policymakers to understand Africa's participation in global value chains (GVCs), allowing for strategic positioning to maximize value-added exports and enhance economic competitiveness. These tools support the understanding of basic traits in the quest to establish regional value chains and promote intra-African trade and investment by identifying opportunities for cross-border value chains, crucial for AfCFTA's success. Besides, AfCIOT and TiVA indicators are instrumental in supporting industrialization strategies, fostering job creation and sustainable development across Africa. They help policymakers design policies that promote local value-added production, contributing to sustainable economic growth and poverty reduction. By enhancing understanding of intra-African trade dynamics, AfCIOT supports deeper regional integration, aligning with Agenda 2063's vision for a unified and prosperous Africa.

 The development of African inter-country input-output tables (AfCIOT) and related TiVA indicators is pivotal for understanding Africa's economic dynamics within global value chains. This initiative, supported by UNECA, OECD, and WTO, addresses the under-representation of African economies in global trade databases.

This paper will primarily focus on presenting the preliminary results for a handful of African pilot countries, providing an analysis of their economic inter-dependencies and TiVA indicators. It will also provide highlights of the methodology for developing AfCIOT which involves using Supply-Use Tables (SUTs), National Accounts, and trade statistics, and addressing data gaps through innovative methods.