

Original Research

Analyzing the Key Industrial Chain of Energy-Food Coupling in the Yangtze River Basin – Based on the Multi-Regional Input-Output Approach

Hailiang Ma*, Yurong Li

School of Business, Hohai University, Nanjing 211000, Jiangsu, China

*Received: 12 November 2023**Accepted: 21 December 2023*

Abstract

Based on the multi-regional input-output model, the key industrial chains of energy-food coupling in 10 provinces in the Yangtze River basin are identified through an integrated nexus strength metric, linkage analysis, and net flow analysis. The results show that: (1) In terms of energy consumption, most sectors in the Yangtze River Basin play the role of consumers in energy consumption, and their energy consumption is mainly used to satisfy their own production and development needs. (2) In terms of food consumption, the 01 Agriculture, Forestry, Animal Husbandry, and Fishery, the 04 Textile Industry, the 09 Manufacture of Chemical Products, the 11 Smelting and Processing of Metals, and the 20 Production and Distribution of Electric Power and Heat Power mainly play the role of suppliers in the Yangtze River Basin, and the remaining sectors whose food consumption is used to meet their own production and development needs are the main consumers of food in the basin. (3) The Manufacture of Chemical Products in Jiangsu, the Construction in Sichuan, the Food and Tobacco Processing in Jiangxi, Hunan, and Sichuan, and the Production and Distribution of Electric Power and Heat Power in each region constitute the key industrial chain of energy-food coupling in the Yangtze River basin.

Keywords: energy-food coupling, multi-regional input-output, linkage analysis, Yangtze River Basin

Introduction

Since 2011, when Hoff first proposed to consider water, energy, and food as an integrated system for resource security [1], the study of the “water-energy-food” (W-E-F) nexus has gradually entered the vision

of resource and environmental researchers, and the research on the W-E-F nexus has gradually been deepened and enriched [2-5]. Water is the source of life, the key to production, and the foundation of ecology, and water resources have always been at the core of the W-E-F system, while the energy and food subsystems are subordinate. As an important strategic material reserve in China, energy and food security are related to the overall situation and stability of

*e-mail: hilima@vip.sina.com

Table 1. Details of aggregated sectors.

No.	Sector	No.	Sector
01	Agriculture, Forestry, Animal Husbandry and Fishery	20	Production and Distribution of Electric Power and Heat Power
02	Mining Industry	21	Production and Distribution of Gas
03	Food and Tobacco Processing	22	Production and Distribution of Tap Water
04	Textile Industry	23	Construction
05	Manufacture of Leather, Fur, Feather and Related Products	24	Wholesale and Retail Trades
06	Processing of Timber and Furniture	25	Transport, Storage, and Postal Services
07	Manufacture of Paper, Printing and Articles for Culture, Education and Sport Activity	26	Accommodation and Catering
08	Processing of Petroleum, Coking, and Nuclear Fuel	27	Information Transfer, Software and Information Technology Services
09	Manufacture of Chemical Products	28	Finance
10	Manuf. of Non-Metallic Mineral Products	29	Real Estate
11	Smelting and Processing of Metals	30	Leasing and Commercial Services
12	Manufacture of Metal Products	31	Scientific Research and Polytechnic Services
13	Manufacture of General Purpose Machinery	32	Administration of Water, Environment, and Public Facilities
14	Manufacture of Special Purpose Machinery	33	Resident, Repair and Other Services
15	Manufacture of Transport Equipment	34	Education
16	Manufacture of Electrical Machinery and Equipment	35	Health Care and Social Work
17	Manufacture of Communication Equipment, Computers and Other Electronic Equipment	36	Culture, Sports, and Entertainment
18	Manufacture of Measuring Instruments and Other Manufacturing and Waste Resources	37	Public Administration, Social Insurance, and Social Organizations
19	Repair of Metal Products, Machinery and Equipment		

Note: Among the 10 provinces involved in the study, for ease of description and unification, Shanghai's (01) Agriculture, Forestry, Animal Husbandry and Fishery is referred to as A01, and the same sector in Jiangsu is referred to as B01, and Anhui's is called C01, Jiangxi's is called D01, Hunan's is called E01, Hubei's is called F01, Chongqing's is called G01, Sichuan's is called H01, and Yunnan's is called H01, and the sector in Qinghai is called J01. And so on for other coupling sectors.

on the energy-food coupling in the economic system of the Yangtze River basin.

In terms of sectoral differences, as shown in Fig. 1. the Production and Distribution of Electric Power and Heat Power (20) has the largest INS in the basin with 10.50%, indicating that this sector plays an important role in the energy-food coupling relationship in the Yangtze River basin as a key supply sector of energy. It is followed by 03 Food and Tobacco Processing and 04 Textile Industry with INS of 9.60% and 6.03% respectively, both of which belong to typical food or energy consuming sectors and directly affect the stability and balance of food or energy demand in the basin. In addition, 01 Agriculture, Forestry, Animal Husbandry and Fishery sector, 09 Manufacture of Chemical Products, 21 Production and Distribution of Gas sector, and 26 Accommodation and Catering sector also have significant energy and food consumption intensity, and the INS of the four sectors in the basin

are 4.32%, 4.98%, 4.39%, and 4.00%, respectively. The combined INS values of the above seven sectors account for about 43.81% of the total INS in the region and are important segments of energy and food consumption in the basin.

In terms of provincial differences, the INS of each sector has significant spatial variability. For example, Shanghai's Accommodation and Catering sector (A26) has the highest INS value of 0.3989. As one of the most well-developed cities in China, Shanghai has a strong radiative influence on Jiangsu, Zhejiang, and Shanghai, and its consuming market is stable and strong, and the intensity and development of its Accommodation and Catering sector is much higher than those of other regions, hence, this sector in Shanghai plays a significant role in the energy-food coupling in the Yangtze River basin with a resource, and the contribution to energy consumption is obvious. For Jiangsu, the Production and Distribution of Electric Power and Heat

and Heat Power, accounting for 43.81% and 48.22% of the total implied food exported from this sector, respectively. In addition, Agriculture, Forestry, Animal Husbandry, and Fishery in Sichuan (H01) export 4.08 mt of implied food to the Production and Distribution of Tap Water in Yunnan (I22), which is consistent with the NFL highlighted in H01 above.

From the above analysis, it can be seen that four sectors, the Manufacture of Chemical Products in Jiangsu (B09), the Construction Sector in Sichuan (H23), the Food and Tobacco Processing in Jiangxi, Hunan, and Sichuan (C03, E03, H03), and 20 the Production and Distribution of Electric Power and Heat Power in each province outline the key chain of E-F coupling in the Yangtze River basin. The Yangtze River basin is densely populated, with a high level of economic development and a well-established industrial base, and the demand and supply of energy and food between sectors are closely related and flow frequently. Among them, the Manufacture of Chemical Products in Jiangsu (B09), as a technology-intensive industry, needs energy as power input and energy as raw material input for the production of its products, and also needs food as raw material input for the production of chemical products, so the B09 plays a prominent role in the E-F coupling in the Yangtze River basin, which strengthens the position of the Jiangsu chemical industry as a key national base for the industry. Meanwhile, the 03 Food and Tobacco Processing in the basin stands out in the energy-food coupling, where the sector requires a large amount of food as raw material input in the production process and consumes energy to power the production activities and further ensure the normal operation of the sector's economic activities. Further, 20 the Production and Distribution of Electric Power and Heat Power exported a large amount of implied energy to other sectors by providing power to them, while at the same time, the sector received a large amount of implied food input from the sector of 03 Food and Tobacco Processing.

Conclusions and Suggestions

By constructing an MRIO combining energy and food consumption, introducing an integrated nexus strength metric (INS) to identify the main energy-food coupling nodes, characterizing the resource behavior of the main energy-food coupling sectors based on linkage analysis, and finally quantifying the net flows between the main coupling sectors, the key industrial chain of energy-food coupling in the Yangtze River basin is revealed. The study finds that:

From the perspective of energy consumption, most sectors in the Yangtze River Basin play the role of consumers in energy consumption, and their energy consumption is mainly to meet their own production and development needs, whereas the 09 Manufacture of Chemical Products, the 20 Production and Distribution of Electric Power and Heat Power mainly

to meet the needs of other upstream and downstream sectors in the basin, and they play the role of energy suppliers in the basin.

In terms of food consumption, the 01 Agriculture, Forestry, Animal Husbandry, and Fishery, the 04 Textile Industry, the 09 Manufacture of Chemical Products, the 11 Smelting and Processing of Metals, and the 20 Production and Distribution of Electric Power and Heat Power play the role of suppliers in the Yangtze River Basin's food consumption, which is mainly driven by the final demand of the other sectors, and the rest of the sectors, which are mainly used to satisfy their own production and development needs, are the main consumers of food in the Basin.

The Manufacture of Chemical Products in Jiangsu (B09), the Construction Sector in Sichuan (H23), the Food and Tobacco Processing in Jiangxi, Hunan, and Sichuan (C03, E03, and H03), as well as the 20 Production and Distribution of Electric Power and Heat Power in each region, together outline the key industrial chain of energy-food coupling in the Yangtze River Basin, which should be emphasized to mitigate the risks of industrial development due to external shocks such as epidemics or trade frictions.

In response to the above findings, the following suggestions are made:

Dynamically identify the economic roles of the major coupled energy-food sectors in the Yangtze River Basin in terms of resource consumption, accurately locate resource suppliers and consumers, and optimize the efficiency of resource utilization. Differentiated analysis and management of consumers and suppliers of different types of resources will be carried out, and changes in the major coupled energy-food sectors and their economic roles will be monitored in real-time according to the current state of economic development and industrial restructuring to ensure the timely supply of resources to avoid inefficiency and confusion.

Strengthening resource resilience in key industry sectors in key industrial chains to ensure that energy and food in the Yangtze River Basin are matched between industry supply and demand. Pay full attention to key industrial sectors such as the Manufacture of Chemical Products in Jiangsu (B09), the Construction Sector in Sichuan (H23), the Food and Tobacco Processing in Jiangxi, Hunan, and Sichuan (C03, E03, and H03), as well as the 20 Production and Distribution of Electric Power and Heat Power in each region. Strengthen the links between the leading sectors to ensure the quality and quantity of energy and food supply and to make industrial development resource-resilient and more risk-resilient. and strong risk resilience to reduce the risks associated with the interconnectedness of energy and food.

Taking into account regional resource endowments, establish cross-regional coordination structures and corresponding coordination mechanisms to ensure efficient intersectoral energy and food interoperability on demand. From the perspective of sustainable

and high-quality development objectives, strengthen the links between the same and related sectors in different regions of the basin to improve the efficiency of the use of energy and food; further develop integrated energy-food management efforts; realize the sharing of data and information resources; and promote efficient intersectoral interconnections and synergistic development of energy and food in the basin.

Finally, it should be noted that since the Yangtze River basin under study involves three regions, east, central, and west, the economic development varies greatly among regions, and the industrial structure and industrial development levels vary, resulting in different roles and contributions of the same sector to the coupled energy-food coupling in different regions. In this paper, the resource consumption of each sector in each province within the Yangtze River basin is derived by indirect calculation, which may not fully reflect the resource utilization in reality. In addition, the research process aggregates 42 sectors into 37 sectors, and this mapping process may lead to the loss of some information. The above deficiencies will be further analyzed in the future by combining environmental factors and other effective models to more clearly portray the energy-food coupling of various economic activities in the Yangtze River basin.

Acknowledgments

We are grateful for the Major Projects of the National Social Science Fund(No.19ZDA084) and the Fundamental Research Funds for the Central Universities(NO. B210207041).

Conflict of Interest

The authors declare no conflict of interest.

References

- HOFF H. Understanding the nexus: Background paper for the Bonn 2011 Conference. **2011**.
- WU D., ZHANG Z., LIU D., ZHANG L., LI M., KHAN M. I., LI T., CUI S. Calculation and analysis of agricultural carbon emission efficiency considering water–energy–food pressure: Modeling and application. *Science of The Total Environment*. **907**, 167819, **2024**.
- OULU M., DARKO D., OSALIYA R., AZIZ F., WEKESA D. Governing the nexus: Water-energy-food nexus governance strategies in Ghana and Uganda. *Environmental Development*. **48**, 100933, **2023**.
- SUN C., SUN Z. Research on the Efficiency of Water-energy-food Linkage System in Shanxi Province. *Journal of North China University of Water Resources and Electric Power (Natural Science Edition)*. **69**, **2023**.
- WANG H., FANG L. Spatial-temporal coupling coordination relationship between the security level of water-energy-food nexus system and total factor productivity in China. *Water Resources Protection*. **39** (01), 150, **2023**.
- ALLAN T., KEULERTZ M., WOERTZ E. The water-food-energy nexus: an introduction to nexus concepts and some conceptual and operational problems. *International Journal of Water Resources Development*. **31** (3), 301, **2015**.
- LUO W., YANG X., YANG Y., CHENG S. Co-evolution of water-energy-food nexus in the Yellow River Basin and forecast of future development. *Resources Science*. **44** (3), 608, **2022**.
- YIN D., YU H., SHI Y., ZHAO M., ZHANG J., LI X. Matching supply and demand for ecosystem services in the Yellow River Basin, China: A perspective of the water-energy-food nexus. *Journal of Cleaner Production*. **384**, 135469, **2023**.
- QIN T., TONG J. Spatiotemporal change of water-energy-food coupling efficiency and influencing factors in the Yangtze River Economic Belt. *Resources Science*. **43** (10), 2068, **2021**.
- WU J., LI D., LIU X., XIAO R., QI Y. The spatio-temporal evolving pattern and the influencing factors of grain production in the Yangtze River Economic Belt. *Research of Agricultural Modernization*. **42** (3), 407, **2021**.
- ZHANG C., LIU B., LI N., WANG P., CHEN C., CHEN W., ZHANG L., LIU J., LV Y. Resource nexus for sustainable development: Status quo and prospect. *Chinese Science Bulletin*. **66** (22), 3426, **2021**.
- WANG H., ZHAO W., DENG C., YAN J. Analysis on issues of water-energy-food nexus. *Journal of Natural Resources*. **37** (2), 307, **2022**.
- DONG Y., MU Y. The Research on China's Food Producing Efficiency Change and its Influencing Factors on the Perspective of Energy. *Journal of Northwest A&F University(Social Science Edition)*. **14** (6), 103, **2014**.
- XYDIS G.A., LIAROS S., BOTSIS K. Energy demand analysis via small scale hydroponic systems in suburban areas – An integrated energy-food nexus solution. *Science of the Total Environment*. **610**, **2017**.
- YUE Q., GUO P., WU H., WANG Y., ZHANG C. Towards sustainable circular agriculture: An integrated optimization framework for crop-livestock-biogascrop recycling system management under uncertainty. *Agricultural Systems*. **196**, 103347, **2022**.
- DAI X., CHEN Y., ZHANG C., HE Y., LI J. Technological Revolution in the Field: Green Development of Chinese Agriculture Driven by Digital Information Technology (DIT). *Agriculture*. **13** (1), 199, **2023**.
- FANG F., ZHAO J., DI J., ZHANG L. Spatial correlations and driving mechanisms of low-carbon agricultural development in China. *Frontiers in Environmental Science*. **10**, 1014652, **2022**.
- DU X., HE W., GAO S., LIU D., WU W., TU D., KONG L., XI M. Raised bed planting increases economic efficiency and energy use efficiency while reducing the environmental footprint for wheat after rice production. *Energy*. **245**, 123256, **2022**.
- MA L., TANG Z., WANG C., SUN Y., LYU X., CHEN Y. Research Status and Future Development Strategy of Biomass Energy. *Bulletin of Chinese Academy of Sciences*. **34** (4), 434, **2019**.
- CANTARELLA H., LEAL SILVA J.F., NOGUEIRA L.A.H., MACIEL FILHO R., ROSSETTO R., EKBOM T., SOUZA G.M., MUELLER-LANGER F. Biofuel technologies: Lessons learned and pathways to decarbonization. *GCB Bioenergy*. **15** (10), 1190, **2023**.

21. LIU Y., FANG Y., YANG J. Cross-Market Risk Contagion and External Shocks of China's Food Energy. *Chinese Journal of Management Science*. 1, **2023**.
22. LUBEGA W.N., FARID A.M. Quantitative engineering systems modeling and analysis of the energy-water nexus. *Applied Energy*. **135**, 142, **2014**.
23. LIANG S., QU S., ZHAO Q., ZHANG X., DAIGGER G.T., NEWELL J.P., MILLER S.A., JOHNSON J.X., LOVE N.G., ZHANG L., YANG Z., XU M. Quantifying the Urban Food–Energy–Water Nexus: The Case of the Detroit Metropolitan Area. *Environmental Science & Technology*. **53** (2), 779, **2019**.
24. CHEN Y., QIAO Y., LU H., XIA J. Water-carbon-ecological footprint change characteristics and its balance analysis in the Triangle of Central China. *Acta Ecologica Sinica*. **42** (4), 1368, **2022**.
25. VORA N., SHAH A., BILEC M.M., KHANNA V. Food–Energy–Water Nexus: Quantifying Embodied Energy and GHG Emissions from Irrigation through Virtual Water Transfers in Food Trade. *ACS Sustainable Chemistry & Engineering*. **5** (3), 2119, **2017**.
26. ZHOU L., XIE X., ZHU Z., WANG L., WU J. Input-output efficiency of agricultural resources based on the water-energy-food nexus. *Journal of Agricultural Resources and Environment*. **37** (6), 875, **2020**.
27. WIEDMANN T., WILTING H.C., LENZEN M., LUTTER S., PALM V. Quo Vadis MRIO? Methodological, data and institutional requirements for multi-region input-output analysis. *Ecological Economics*. **70** (11), 1937, **2011**.
28. QIAN X., LIANG Q., LIU L., ZHANG K., LIU Y. Key points for green management of water-energy-food in the Belt and Road Initiative: Resource utilization efficiency, final demand behaviors and trade inequalities. *Journal of Cleaner Production*. **362**, 132, **2022**.
29. LIU Y., WANG S., CHEN B. Regional water–energy–food nexus in China based on multiregional input-output analysis. *Energy Procedia*. **142**, 3108, **2017**.
30. GAO T., FANG D., CHEN B. Multi-regional input-output and linkage analysis for water-PM_{2.5} nexus. *Applied Energy*. **268**, 115018, **2020**.
31. HUANG H., ZHAO R., HAN Y. Study on Embodied Carbon Emissions Flow in Different Regions of China. *Journal of North China University of Water Resources and Electric Power(Natural Science Edition)*. **40** (4), 83, **2019**.
32. LEE L.-C., WANG Y., ZUO J. The nexus of water-energy-food in China's tourism industry. *Resources, Conservation and Recycling*. **164**, 105157, **2021**.