

Wiener Institut für Internationale Wirtschaftsvergleiche The Vienna Institute for International Economic Studies

List of Projects

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The spatial impact of EU policies

European Commission, DG Regional Policy October 2023 - January 2025

The objective of this study is to assess the impact of the EU initiatives and policies, such as the Common Agricultural Policy, the Common Fisheries Policy, the European Research and Innovation policy (Horizon 2020), the EU Emissions Trading System etc., on economic and social cohesion in the EU. The results of the study will contribute to the current discussion on the reform of EU Cohesion policy by providing insights into: • potential cohesion trade-offs, synergies and complementarities between EU Cohesion policy and other EU policies and initiatives • how to further develop the "do no harm to cohesion" principle and • how Territorial Impact Assessments can be further developed to improve policy coordination. These aspects will be explored not only through the lens of territories, but also that of social groups, thereby investigating whether the reduction of interregional disparities goes hand-in-hand with the reduction of intra-regional inequalities. The consortium under leadership of wiiw will also analyse funds disbursed under regional State aid, with a particular attention to the amounts of aid channelled to EU regions under this regime to enhance regional development.

Ex post evaluation of Cohesion Policy Programmes 2014-2020: Crisis response (wiiw Team Leader)

European Commission, DG Regional Policy November 2023 - December 2024

This evaluation study aims to review the adjustments brought to the EU Cohesion Policy regulatory framework in the wake of the Covid-19 pandemic crisis and the war in Ukraine: CRII, CRII+, REACT-EU, CARE, CARE+, FAST-CARE and SAFE. More specifically, it will assess whether (and the extent to which) the objectives of these crisis responses have been achieved, and how Member States and regions took up the instruments and flexibility mechanisms they introduced. It will thus evaluate the relevance, effectiveness, efficiency, coherence and EU added value of the crisis responses and provide lessons learned for strengthening resilience in view of future crises. To do so, this study relies on a large range of quantitative and qualitative research methods: data analysis, literature review, survey, interviews, case studies, etc. This study is coordinated by Spatial Foresight.

Carbon Intensive Regions in Transition - Unravelling the Challenges of Structural Change (CINTRAN)

European Commission, Horizon 2020

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May 2020 - April 2024
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In order to meet the climate change mitigation objectives of the European Union as well as the objectives of the Paris Agreement, it is inevitable that the European Union phases out fossil fuel consumption in the power sector and decarbonizes fossil-fuel dependent industries. However, if not managed well, such a structural change may cause serious economic impacts, societal upheaval, aggravated social inequalities and hardship. To minimize such consequences it is necessary to better understand the patterns and dynamics of structural change in response to decarbonization at the regional level, to understand which parameters determine the pace of transformation as well as the capacity of regional actors to adapt and pro-actively create alternative structures. This project aims to enable these activities through highly integrated, inter- and transdisciplinary research working in close collaboration with regional stakeholders. It combines quantitative model-based research with qualitative in-depth analysis. The qualitative research will focus on four highly fossil-fuel dependent regions: Western Macedonia (Greece), Silesia (Poland), Ida-Virumaa (Estonia) and the Rhenish mining area (Germany). The diversity of these regions will enable the project to derive generalizable insights about the patterns and dynamics of decarbonization and the corresponding structural adjustments that hold relevance for all carbon-intensive regions in the EU and its

Challenges for Cohesion: Looking ahead to 2035

European Commission, DG Regional Policy September 2022 - April 2024

This Europan research project focusses on the challenges emerging from globalisation, demographic change, digital and green transitions and their impact on the economic cohesion of European regions until 2035. The research includes the development and analysis of vulnerability indices related to each challenge. One macroeconomic (CAM) and four well-established regional economic models (GEM-E3, E3ME, MASST-5, EU-EMS) are employed to assess how the three challenges might affect EU regions' potential future growth patterns and thus also regional cohesion until the year 2035. The study also includes detailed qualitative work on the regions' adaptive and mitigating capacities with respect to these challenges. The results of this research project are important contributions to the European debate on the future of EU Cohesion policy. The project is a collaborative venture of seven leading European research institutes and is coordinated by the Vienna Institute for International Economic Studies (wiiw).

Cohesion Policy in the Outermost Regions (wiiw Team Leader)

European Parliament June 2023 - December 2023

This research study aimed to analyse the socio-economic development and convergence process of the EU outermost regions (i.e. the Canary Islands, Guadeloupe, Martinique, Saint-Martin, French Guiana, Réunion, Mayotte, the Azores and Madeira). Building on an overview of the geographic, governance, economic, social and climate characteristics of these remote territories, it investigated how EU Cohesion Policy is implemented at the regional level, and the role of place-based, tailor-made approaches to foster sustainable and inclusive growth. Furthermore, three case studies allowed for more detailed insights into territorial, social and economic cohesion issues in these regions and their situation in the context of a smarter, greener, more connected and more social Europe. The findings of this analysis fed into policy recommendations on the design and purpose of EU policies (in particular, EU Cohesion Policy) to better support the EU outermost regions.

How to dovetail Ukraine's reconstruction with EU integration and accession

Bertelsmann Stiftung January 2023 - December 2023

The reconstruction of Ukraine and its accession to the EU constitute one of the biggest challenges for the international community, the EU and the country itself for many decades. Ukraine received candidate status from the EU in 2022 and could open negotiations even this year. Meeting the Copenhagen Criteria for EU accession, however, will be a monumental task. A joint assessment released in March 2023 by the Government of Ukraine, the World Bank Group, the European Commission, and the United Nations, estimates that the cost of reconstruction and recovery in Ukraine has grown to US \$411 billion (€383 billion). The costs are expected to be spread out over 10 years, and to use a mixture of private and public money. This research team argues that these two historic processes—reconstruction and EU integration—and how to further develop Ukraine as a functioning market economy capable of meeting the demands of EU internal market competition must be thought together to achieve the best possible outcomes - for the EU and Ukraine alike. Shedding light on what exactly the main challenges are, how Ukraine compares with previous joiners, and what can be learned from the successful EU accession of EU-CEE countries, is the ultimate ambition of this report. Within a series of research reports and policy briefs a group of economists from wiiw, the Bertelsmann Foundation, the Kiev-based Growford Institute and the Institute for Economic Research and Policy Consulting analyse in detail five key and complementary areas of economic reconstruction: trade and FDI, regional policy, infrastructure, demographics, finance. They also investigate how these reconstruction areas can be structured as part of the EU accession process, and provide policy proposals for Ukraine and the EU.

Framework contract for studies in the field of Social Policy, Education, Employment, Research, Culture and Digital Single Market (Lot 1 - Social and Employment Policy)

Committee of the Regions July 2022 - June 2023

The purpose of this framework contract is to enhance the European Committee of the Regions' capacity to provide input into the policy-making process by a) increasing its rapid response capability, b) allowing a broader

consultation of local and regional players, c) offering the possibility of drawing up specific opinions on topics of current interest, d) making databases and knowledge built up by research centres and universities accessible for the evaluation of policies, e) improve its capacity to prepare outlook opinions in the context of the Cooperation Protocol with the European Commission, f) use Territorial Impact Assessments as valuable tools for complementing Commission ex ante impact assessments and g) strengthen the capacity and increase the activity in foresight analysis of regional and local developments. The framework contract focuses on social and employment policies that will be addressed from the perspective of local and regional authorities. wiiw is leading a consortium with Spatial Foresight and t33.

The use of Cohesion Policy funds to support refugees from Ukraine (wiiw Team Leader)

European Parliament December 2022 - May 2023

This research study aims to assess the use of Cohesion Policy funds and instruments to support refugees from Ukraine in the context of the Cohesion's Action for Refugees in Europe (also known as CARE). Building on an analysis of the inflow and needs of refugees arriving in the EU from Ukraine, the study reviews the EU response(s) to the migratory crisis and the actions taken by EU countries, regions and cities to assist those refugees. In that regard, individual case studies on six European NUTS-2 regions are carried out to shed light on the challenges faced and resources mobilised by regional authorities to help refugees settle and integrate into local communities and labour markets. The findings of these analytical tasks should feed into policy recommendations on the design and purpose of the EU Cohesion Policy, as its role as crisis response tool could place it at odds with its long-term goal of promoting convergence.

Impact Evaluation of the Interreg Central Europe Programme

Interreg CENTRAL EUROPE September 2020 - March 2023

The Interreg Central Europe Programme is one of the 15 transnational programmes established in the framework of the EU Cohesion Policy for the programming period 2014-2020. It promotes regional cooperation among nine central European countries, with the aim to develop smart solutions to regional challenges. The underlying impact evaluation assesses the effects of the Interreg Central Europe programme implementation by following a theory-based approach. It concentrates on the immediate outcomes, results and the changes achieved by the programme and its projects in the fields of innovation, low-carbon economy, environment, culture and transport. In particular, the evaluation aims to answer three guiding research questions: - What change can be observed in relation to the objectives of the programme? - To what extent can the observed changes be attributed to the implementation of the programme? - What mechanisms of programme implementation have delivered the observed impact?

Impact Evaluation of the Interreg Rhin Supérieur / Oberrhein Programme (wiiw Team Leader)

Interreg Rhin Supérieur

September 2021 - December 2022

The Interreg Rhin Supérieur / Oberrhein programme is one of the 60 cross-border programmes established in the framework of the EU Cohesion Policy for the programming period 2014-2020. It promotes regional cooperation within the Upper Rhine area spanning across 3 European countries (France, Germany and Switzerland) and pursues several Specific Objectives, including SME development and job creation. The impact evaluation assesses the effects of the Interreg Rhin Supérieur / Oberrhein programme by focusing on three main evaluation points: # The contribution of the programme to the expected changes in the Upper Rhine area; # The causality relationship between the programme and the observed changes; # The endogenous and exogenous factors influencing these changes. This evaluation addresses the programme's Specific Objectives 8 (Extend cross-border development possibilities and opportunities for SMEs in the Upper Rhine area) and 9 (Increase employment opportunities through the development of strategic economic sectors in the Upper Rhine area).

The Future of Cohesion: Effects of the Twin Transition on Disparities in European Regions

Bertelsmann Stiftung May 2022 - October 2022

Europe is in the middle of a twin transition. Digitisation on the one hand and the green transition on the other are bringing major upheavals to the European economy. They are changing existing economic structures and have the potential to fundamentally alter the current distribution of potential growth and prosperity in Europe. While EU regions have been extensively analysed according to various (socio-)economic criteria, e.g. by the European

Cohesion Reports, only few of them look into the future and assume a holistic perspective. Therefore, the aim of this study is to close this gap by analysing the consequences of the twin transition for the future economic development of European regions. These will be studied by developing and analysing scoreboard indicators for the EU regions' potential to benefit from the green and digital transition as well through econometric and descriptive analysis. With this methodological approach, the study aims to make a substantial contribution to the design of cohesion policies in Europe and its Member States by answering the following key questions: What are the economic priorities of European regions today? Which key factors determine the success of the double transformation? Which regions tend to benefit/lose from the structural change caused by digitalisation? Which regions tend to benefit/lose from the structural change caused by digitalisation?

Effects, opportunity costs and spillovers of EU Cohesion Policy

Anniversary Fund of the Oesterreichische Nationalbank September 2018 - June 2020

This project aimed at contributing to the discussion on the future, post-2020 EU Cohesion Policy (CP). In the past, CP has been the main tool to promote growth and convergence across the EU, thus having positive direct effects on the net recipient countries and also indirect ones on the net payer countries. Still, there is a never-ending debate on the rationale of CP, partly in favour of it, partly doubting its usefulness. The 2021-2027 EU budget funds to be expected will likely become scarcer, not only because of the Brexit but also because of the emergence of new priorities such as migration and security. In respect of these forthcoming challenges the debate on the effects, opportunity costs and spillovers of CP becomes fundamental. A quantitative estimation permits a more balanced assessment of the costs and benefits of CP for net paying Member States (MS) and a broader view of CP support to EU growth in general. Against this background the project aimed to: a) estimate the effects of CP on regional GDP growth; b) analyse the opportunity costs of CP investments (by investment priorities and geographical distribution); c) analyse the macroeconomic spillovers of CP investments in one country on the development in other EU MS; and d) analyse these spillovers at the regional level.