

List of Projects

Peter Havlik

Studies in the Areas of European Competitiveness

European Commission, DG Growth

August 2014 - July 2018

The purpose of this framework contract is to provide the European Commission, DG Enterprise and Industry, with background studies concerning the competitiveness of European industries. These background studies are mainly used for the preparation of the Commission's European Competitiveness Report which is published annually in order to provide analytical input to the policy debate on issues related to competitiveness and to underpin proposals and recommendations regarding the Europe 2020 strategy and future enterprise policy.

Euroasian Integration (*wiiw Team Leader*)

International Institute for Applied Systems Analysis (IIASA)

June 2013 - December 2017

This project is part of wiiw's scientific cooperation with IIASA. The aim of the project is to support IIASA in its research on the newly launched investigation about the modalities of Eurasian economic integration. The project will assess the prospects and modalities of alternative economic integrations of regional alliances on the Eurasian space. wiiw is involved in the coordination of the Euroasian integration project, the preparation of further materials in the context of the project and particularly the organisation the series of 'Euroasian Workshop' starting in February 2014, including the design of the agenda, selection of participants, preparation of background concept papers and in the development of the future project's concept. The project is coordinated by Peter Havlik who acts simultaneously as guest research scholar at IIASA.

<http://www.iiasa.ac.at/web/home/research/EconomicIntegration.html>

Challenges and implications of the DCFTA agreements between the EU and Georgia, Republic of Moldova and Ukraine

Bertelsmann Stiftung

July 2016 - September 2017

In a joint research project of the Bertelsmann Stiftung and the Vienna Institute for International Economic Studies A. Adarov and P. Havlik analysed the benefits and costs of the DCFTAs between the EU and Georgia, Moldova and Ukraine and proposed recommendations for the European Neighbourhood Policy. The analysis suggests that the net benefits are highly asymmetric along the time dimension (high costs in the short and medium run - benefits accruing mostly in the longer run), as well as across regions and economic sectors (less competitive sectors and regions will face particularly onerous adjustment costs). In the light of the macroeconomic and geopolitical challenges the DCFTA countries have been facing, this may jeopardise progress of reforms.

Neighbourhood cooperation for a sustainable trade and investment policy

Federal Ministry of Science, Research and Economy

October 2015 - January 2016

This study focuses on the potential for cooperative activities of trade and foreign direct investment (FDI) policies with Austria and its neighbouring countries to further promote competitiveness of all countries and firms involved on the world markets, with a particular focus on oversea destinations. First, a detailed analysis of actual trends and patterns of trade and FDI at the global level and with a focus on the neighbouring countries is provided. Particularly, the study presents evidence on commonalities and differences of these countries in geographical

patterns of trade and foreign direct investment both in Europe and more distant markets like Asia, Africa and America. Second, based on these findings a rationale for potential cooperative activities at the institutional level and the trade-off between benefits of cooperation on the one hand and the issue of competition amongst involved parties on the other hand are discussed. The study finally outlines some suggestions for concrete cooperative activities that were developed on the basis of discussions with practitioners. An appendix lists institutions involved in export promotion in the neighbouring countries and outlines existing activities in Austria that might serve as a starting point for developing cooperative activities, which in the future might be integrated into a policy framework promoting a competitive position in world markets for all partners.

Socio-economic assessment of the Danube Region: state of the region, challenges and strategy development

*Ministerium für Finanzen und Wirtschaft Baden-Württemberg
July 2013 - October 2015*

The main objective of this project was an analysis of potential opportunities, requirements, challenges, and recommendations, in order to enhance the competitiveness, the innovative strength, the attractiveness, and the prosperity of the entire region of the Danube riparian countries and regions, and to develop strategic orientations in view of transnational and interregional cooperation for the period 2014-2020. wiiw developed this assessment in cooperation with two German partners, the Centre for European Economic Research (ZEW) - which was also the leader of the project - and the Institut für Angewandte Wirtschaftsforschung (IAW). The focus on wiiw's contribution was on labour markets, regional development, cluster development and cooperation in the Danube Region.

How to Stabilize the Economy of Ukraine and Put it on a Sustainable Growth Trajectory (wiiw Team Leader)

*United Europe e.V.
December 2014 - June 2015*

On behalf of United Europe and Bertelsmann Stiftung, wiiw explored the possible ways how to stabilise the Ukrainian economy and analysed the economic effects of the Russia-Ukraine conflict. To that end, wiiw analysed the macroeconomic developments, foreign trade and FDI relations, as well as industrial and regional patterns. The study was presented jointly with the clients, representatives of the EU Commission (Commissioner J. Hahn) and of the Ukrainian parliament in the framework of a Policy Dialogue in Brussels. A similar presentation in Kyiv also generated considerable attention among international as well as Ukrainian media and policy-makers. The study was furthermore supported by the Austrian Central Bank (OeNB), Bertelsmann Stiftung, DER-think tank, ING Bank NV, Porsche Holding Gesellschaft m.b.H and Raiffeisen Bank International AG.

Growth-Innovation-Competitiveness: fostering cohesion in Central and East Europe (GRINCOH) (wiiw Team Leader)

*European Commission, 7th Framework Programme
April 2012 - March 2015*

GRINCOH was an FP7 research project with the main objectives: (1) to establish development scenarios for the CEECs for the period up to 2020; (2) to identify the implications for sustainable growth - based on innovation and the development of technological capabilities - and greater economic, social and territorial cohesion in the CEECs; and (3) to advise on future policy options for the CEECs, and in particular for EU cohesion policy. wiiw led a work package on economic development patterns and structural change in the process of transition and EU membership. Furthermore, wiiw contributed research on labour market development, migration, inequality, trade integration, foreign direct investment, EU budget as well as regional aspects.

<http://www.grincoh.eu>

International conference 'The 2004 EU Enlargement – Ten Years After: Achievements and Next Steps'

*Austrian Ministry of Finance
June 2014 - June 2014*

The conference celebrated the 10th anniversary of the accession of ten Central, Eastern and Southeastern European countries to the European Union. It reflected on achievements and lessons learned and discussed possible future political and economic developments in Europe.

Support to the Development of the South East Europe 2020 Strategy

*Regional Cooperation Council (RCC)
June 2013 - September 2013*

The Regional Cooperation Council (RCC) Secretariat was requested by the countries of the Southeast Europe Cooperation Process (SEEC) as well as the European Commission (EC) to advance the preparation of a regional development and growth strategy - SEE 2020. In course of this process, eleven specific targets have been identified that span convergence with EU, trade, investment, employment, education and governance. All in all, the SEE 2020 encompasses 14 policy dimensions. In the framework of this consultancy assignment, wiiw coordinated a group of experts who compiled and synthesized the various inputs from regional initiatives, platforms and other relevant stakeholders into the Strategy document. Last but not least, wiiw experts ensured the internal consistency of the proposed targets and measures and provided contextual analysis and advise. In November 2013, the SEE 2020 strategy was finally approved by the Ministerial Conference of the South East Europe Investment Committee.

Study on structural change (Competitiveness Report 2013) (*wiiw Team Leader*)

*European Commission, DG Enterprise and Industry
November 2012 - June 2013*

This study serves as a background report for the yearly Competitiveness Report of the EC. It illustrates and analyses the broad trends in the relative weight of quite highly aggregated sectors within market activities. It provides an overview as well as an explanation of the broad patterns and trends of structural change for the EU-27 member states. Based on empirical evidence, economic consequences of the observed patterns of structural change will be examined with special attention to the implications of emerging middle-income growth traps. The results will include policy conclusions and provide evidence on the stylised facts of structural change in Europe, the importance of structural change for aggregate growth and the relevance of basic economic mechanisms at work. Furthermore, it will highlight the importance of manufacturing relative to other sectors, which is not sufficiently captured merely by the percentage of the workforce it uses. wiiw is partner in a consortium lead by The Nordic Institute for Studies in Innovation, Research and Education (NIFU).

Workshop on competitiveness in Azerbaijan: concepts, measurement and analysis (*wiiw Team Leader*)

*Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
September 2012 - October 2012*

The aim of this project was to provide Azerbaijani members of government and non-government organisation with an in-depth training in analysing the competitiveness of their economy. In this context, wiiw prepared a 1-day seminar on various aspects of competitiveness for 50 participants in Baku. The workshop was structured into three sessions. The first session presented a concept for measuring competitiveness (e.g. real exchange rates, unit labour costs, revealed comparative advantages, market share analysis). The second session familiarised the participants with issues of trade competitiveness and industrial policy, the final session with foreign direct investment and privatisation policies and restructuring.

Trade integration in the CIS: Alternate options, economic effects and policy implications for Belarus, Kazakhstan, Russia and Ukraine (*wiiw Team Leader*)

*Anniversary Fund of the Oesterreichische Nationalbank
January 2011 - July 2012*

The study examines the effects of various trade agreements between CIS states on the conditions for trade (non-tariff barriers and other administrative issues linked to trade) and also the economic impact these agreements have through trade. Emphasis is placed on the sequence of trade agreements signed between Belarus, Russia and Kazakhstan since the 1990s, which has recently culminated in a new Customs Union agreement. Furthermore, potential effects if Ukraine joins the Customs Union and its WTO compatibility are estimated. In contrast with recent research in this area, it is planned to estimate the non-tariff impact of these new agreements with an econometric gravity model of bilateral trade at the industry level using more up-to-date data. Policy implications for the economic integration of the region resulting from the analysis will be discussed as well.

The European neighbourhood - challenges and opportunities for EU competitiveness (Competitiveness Report 2012) (*wiiw Team Leader*)

*European Commission, DG Enterprise and Industry
November 2011 - May 2012*

This study serves as a background report for the yearly Competitiveness Report of the EC. In order to assess the

differences between neighbouring countries with respect to their importance for EU competitiveness, the study first maps the economic situation and competitiveness of each of the Eastern and Southern ENP partner countries, non-candidate EFTA countries, potential candidate countries as well as Russia. The study describes and analysed the economic importance of institutional arrangements and instruments for cooperation between the EU and the above countries. It also explores the economic and trade impact of bilateral agreements and related trade and investment flows including energy, raw materials and other resources between EU Member States. The final part of the study contains a discussion of the challenges and opportunities for EU competitiveness resulting from its different economic relations, institutional arrangements and instruments with its immediate neighbours, as well as the bilateral relations between EU member states and neighbouring countries. The prospects for EU SMEs to expand their activities into neighbouring countries are discussed and conclusions drawn on the basis thereof. The study concludes with policy recommendations stemming from the discussion of challenges and opportunities. wiiw coordinated the study.

http://ec.europa.eu/enterprise/policies/industrial-competitiveness/competitiveness-analysis/european-competitiveness-report/index_en.htm

Country risk analysis

Erste Group Bank AG

November 2011 - April 2012

Country studies are performed for Austria, Croatia, the Czech Republic, Hungary, Romania, Russia, Serbia, Slovakia and Ukraine, analysing the political and institutional, economic and social situation on a qualitative and quantitative basis.

Ukraine, the European Union and the international community: current challenges and the agenda for overcoming the stalemate

Austrian Ministry of Finance

May 2010 - February 2012

wiiw wrote a report on current economic and political challenges for Ukraine and organised a high-level workshop with analysts and policy-makers from Ukraine, the European Commission, Poland and Russia.

Workshop: MENA transition and international responses

Austrian Ministry of Finance

August 2011 - December 2011

In December 2011, wiiw organised a workshop with high-level experts to discuss the current economic, political and social situation in MENA countries, the challenges they face and the challenges posed for the EU neighbourhood policy. The workshop took as a vantage point the experiences from Central and Eastern European countries and the lessons the transformation of these countries may hold for future developments of the MENA region. wiiw produced a background paper for this workshop.

Study on labour taxation in CEE countries (wiiw Team Leader)

TPA Horwath

March 2011 - June 2011

The study analysed the development of wage costs, taxation of labour and the structure of tax revenues in CEE countries (Bulgaria, Croatia, Hungary, Poland, Romania, Serbia, Slovakia, Slovenia, Czech Republic), with Austria as a point of comparison. The analysis of wage costs was based upon gross and net wages plus employer contributions. Unit labour costs were chosen as indicators for productivity; and the tax structure was analysed mostly with the aim of indicating the relative share of labour taxation relative to other taxes, especially indirect taxes.

European energy security (wiiw Team Leader)

Anniversary Fund of the Oesterreichische Nationalbank

January 2008 - November 2010

The project analysed the current status and the medium-term perspective of EU total primary energy supply, the role of Russia, other CIS countries, as well as Persian Gulf and north and west African countries for energy supply and transit, focusing on oil and gas. The main objective of the study was to analyse EU efforts in diversifying its energy product mix and its energy suppliers and prospects for increasing energy efficiency and decreasing energy consumption.

