

List of Projects

Roman Römisch

Effects, opportunity costs and spillovers of EU Cohesion Policy (*wiiw Team Leader*)

Anniversary Fund of the Oesterreichische Nationalbank

September 2018 - February 2020

This project aims 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 aims to: a) estimate the effects of CP on regional GDP, employment and productivity 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.

Demographic and economic development in Central and East European countries (CEECs)

City of Vienna

December 2017 - December 2018

The influx from Central and East European countries (CEECs) played an important role in the population development of Austria and Vienna between 2000 and 2016. This has also led to a significant change in the employment structure in Vienna, which has partly resulted in the displacement of both domestic and other foreign workers. In this context the study assesses the current and future migration potential to Austria and Vienna from the Central and Eastern European countries and the two Western Balkan countries Bosnia and Herzegovina and Serbia. Economic development in the CEECs has been very positive for some years now and forecasts also point to steady economic growth with significantly higher growth rates than the EU average. In line with this, the labour market situation in these countries generally improved. This and the general demographic developments in the region lead to a general slowdown in mobility flows from CEECs. Nonetheless, demographic developments in the region and the Western Balkans remain worrying as population is shrinking and the working-age population even more so. Demographic long-term scenarios even suggest that the population in the region will continue to shrink sharply in the coming decades. Summarising, these developments point towards a flattening of trends, if not a weakening of existing mobility flows to Austria and Vienna in the medium term. Finally, there are no indications that the patterns of mobility flows to Austrian regions (i.e. with respect to individual provinces) will shift significantly.

Externalities of Cohesion Policy (*wiiw Team Leader*)

European Parliament

January 2018 - October 2018

The study investigates the effects of Cohesion Policy (CP) which occur in a country other than the one in which CP resources were actually spent. The study estimates that macroeconomic spillovers significantly contribute to the impact of CP. Spillovers directed to EU countries represent around 9% of the total annual CP expenditure. Other spillovers to non-EU countries are around 8% of the CP expenditure. Macro and micro spillovers together arrive at 21% of the annual CP expenditure, 67% of which is distributed among EU countries. Around 20% of the CP expenditure can trigger sectoral spillover effects in the environment, transport and higher education sectors. The

analysis demonstrates that externalities reinforce EU growth and competitiveness without CP deserting its convergence objective.

Support for the preparation of the analytical part of the position paper of Commission services on the use of the ERDF in Austria in the programming period 2021-2027 (*wiiw Team Leader*)

European Commission, DG Regional Policy

August 2018 - September 2018

The aim of the project is to enable the European Commission to formulate a negotiation position for the discussion with Austria regarding its priorities for support by the European Regional Development Fund (ERDF) in the 2021-2027 programming period. The work is split into two tasks, whereby the first, analytical task will follow the structure of the EU Commission's position paper and consist of the following sections:

- **Main challenges:** This section provides an overview of Austria's main socio-economic challenges.
- **Policy objectives:** This section analyses the situation and key challenges for the policy objectives a) 'a smarter Europe', b) 'a greener, low-carbon Europe' and c) 'a Europe closer to citizens'. The results of this section shall be indicative of key areas for future ERDF support.
- **Success factor for effective delivery: Enabling conditions:** This section will analyse the Enabling conditions as formulated in Annex IV of the draft 'Common provisions' regulation and identify those conditions that may be problematic for Austria to fulfil.

Task 2 includes a discussion of the Task 1 results with Commission services.

Territorial challenges, potentials and impacts of transnational cooperation in Central Europe (*wiiw Team Leader*)

Interreg CENTRAL EUROPE

February 2018 - July 2018

The project analyses the territorial challenges, potentials and impacts of the transnational cooperation programme Interreg CENTRAL EUROPE (CE). It is divided into three tasks:

- Identification of the main territorial challenges and needs of CE,
- Analysis of the impacts and results of transnational cooperation in CE achieved by the CE 2007-2013 and the Interreg CE 2014-2020 programme, illustrated by concrete case studies,
- Outlook and conclusions on the future needs and potentials of transnational cooperation in CE.

Task1 analyses ten main challenges of the CE area, i.e. a) circular economy / environment, b) climate change, c) demographic change / migration, d) digital economy, e) employment / skills, f) energy, g) globalisation / competitiveness, h) governance, i) social situation / social risks and j) transport infrastructure / accessibility. For each challenge the study identifies specific policy areas for which TNC has a high potential to promote regional integration and development and analyses the TNC policy options to address them.

Task 2 analyses the achievements and results of the Interreg CE 2007-2013 the CE 2014-2020 programmes. The **first part** of the task includes a quantitative analysis of the financial, output and outreach and results data as well as a qualitative analysis of the CE 2007-2013 programme's results. The **second part** consists of a survey conducted among 2007-2013 project participants and of 12 case studies providing an in-depth analysis of selected and representative projects of the 2007-2013 period.

Task 3 summarises the results of assesses the key contributions of the CE programmes to tackle the CE region's challenges. It comments on the CE programme's synergies with other EU policies, provides recommendations for the upcoming call for projects of the Interreg CE 2014-2020 programme and gives an outlook of a potential focus of a post-2020 CE programme.

Monitoring and evaluation systems of the ESF (*wiiw Team Leader*)

European Commission, DG Employment, Social Affairs and Inclusion

March 2017 - March 2018

The project focuses on analysing how to improve the current 2014-2020 ESF Monitoring and Evaluation (M&E) requirements for the next programming period. It includes 3 tasks: Task1: Assessment of the implementation of the

M&E systems in the Member States for the 2014-2020 period; Task2: Identification of options to improve the current M&E requirements of the post 2020 period; Task 3: Identification of options for M&E requirements for ESF implemented through conditional support. wiiw was mainly responsible for Task 3.

Investigating the Impact of the Innovation Union (IU)

European Commission, Horizon 2020

March 2015 - February 2018

Innovation has been placed at the heart of the Europe 2020 strategy aimed at coping with major structural changes, the increase of global competition and the current crisis, and at tackling major societal challenges such as climate change, energy and resource scarcity, health and ageing. The Innovation Union has the main objective to strengthen the European innovative potential; it sets 13 general objectives and 34 specific (policy) commitments associated with the objectives, aimed at stimulating innovation. The objective of this project is to deliver a system of assessment for the commitments. The approach starts from the evaluation of the state of achievement of the individual commitments, but puts crucial emphasis on their effects on the innovation system as a whole, as well as on the economy-wide effects of innovation. The basic idea is to retrace the entire chain of effects of the commitments, from their implementation to their final impact in terms of competitiveness, growth and employment. wiiw is responsible for the evaluation of seven IU commitments having been agreed in the areas of EU patents, eco-innovation, social and territorial cohesion, social innovation, innovation partnerships and international talents.

<http://www.i3u-innovationunion.eu>

Economic challenges of lagging regions (wiiw Team Leader)

European Commission, DG Regional Policy

January 2016 - June 2017

The study analysed: (1) the impact of the fiscal and macroeconomic environment on the low-growth and low-income regions; (2) the main needs in terms of structural reforms that may provide the highest returns in terms of growth and jobs in low-growth and low-income regions; (3) the main investment needs in the low-growth and low-income regions, in particular those which can be supported by the European Structural and Investment Funds, and related development opportunities for these regions. wiiw was the coordinator of a consortium with partners Applica and Cambridge Econometrics.

Falling Behind and Catching Up in Southeast Europe (GDN)

Oesterreichische Nationalbank/Austrian Ministry of Finance

January 2014 - May 2017

Southeast Europe holds a long record of being one of Europe's least developed regions. Sporadic growth spurts are regularly followed by strong fall-backs. Neither firms, nor banks or states were able to make broad industrialization happen in a sustainable way. The proposed research analysed the determinants and effects of backwardness in Southeast Europe. The analysis included inter alia issues of long-run development, industrialization, infrastructure, the role of cities, migration, state building and financial crisis. The results yielded important policy recommendations.

Impact assessment related to the future development of Cohesion Policy and the European Structural and Investment Funds (ESI Funds) (wiiw Team Leader)

European Commission, DG Regional Policy

March 2014 - February 2017

The purpose of this framework contract (lot 1 of 4 lots) is to provide input to planned and on-going Impact Assessments of Commission proposals on Cohesion Policy and the ESI Funds. The tasks range from background work to short term requests for providing ad hoc expertise and reports. It may also require carrying out analyses to support substantial parts of an Impact Assessment, including stakeholder consultations, economic modelling work and presentation of policy options and recommendations.

Studies assessing the impact of other European Union policies on economic, social and territorial cohesion (wiiw Team Leader)

European Commission, DG Regional Policy

March 2014 - February 2017

The purpose of this framework contract (lot 2 of 4 lots) is to deliver studies on the impact of different European

Union policies, such as energy, climate, fisheries and maritime policies, transport, employment, health policies on economic, social and territorial cohesion. The themes which will be addressed under this lot are wide ranging and, in addition to the core economic and social focus of the policy, may include environment, transport and energy as well as subjects like governance, good practice, and finance.

Support of European Structural and Investment Funds (ESI Funds) to the implementation of the Country Specific Recommendations and to structural reforms in Member States

European Commission, DG Employment, Social Affairs and Inclusion

December 2015 - February 2017

The study aims to produce evidence which can be used to support the implementation of the current programmes as well as the preparation of post-2020 ESIF programming. The study will focus on the relationships between structural reforms, linked to Country Specific Recommendations (CSRs) proposed as part of the European Semester, and the strategic design and implementation of the ESI Funds. The role of the ESI Funds in promoting and supporting the reforms will be examined in depth, with particular attention on the impact of two of the novelties introduced in 2014-2020: the ex-ante conditionalities and thematic objective 11 on Enhancing Institutional Capacity of Public Authorities and Efficient Public Administration.

Establishment of consolidated financial data 1989-2013 (wiiw Team Leader)

European Commission, DG Regional Policy

December 2015 - September 2016

Good data improve policy-making and serve the general public to understand why Cohesion Policy is needed and how it improves people's lives. This project is about creating such data. Specifically, the project will create a data-set covering the years 1989-2013 including decisions and payments at the NUTS2 level from the European Structural and Investment Funds: a) European Regional Development Fund (ERDF), b) European Social Fund (ESF), c) Cohesion Fund (CF), d) European Agricultural Fund for Rural Development (EAFRD) and e) European Maritime & Fisheries Fund (EMFF). For this the study will harmonise and expand existing data-sets on the periods 1989-1993, 1994-1999, 2000-2006 and 2007-2013. Those data-set differ widely in their coverage of the Funds, their definition of NUTS regions and many other aspects, making the creation of a harmonised data set an extremely challenging task.

Global Development Network Southeast Europe (GDN_SEE)

Oesterreichische Nationalbank/Austrian Ministry of Finance

February 2009 - July 2016

wiiw acts as regional hub for SEE within the Global Development Network (GDN) in providing capacity building for research and policy advice in the areas of labour markets, migration, trade, etc. wiiw initiated several research competitions in the region and also performs own research in this context. The topics of the most recent project phase were labour market developments, inequality, migration and fiscal systems in SEE.

<http://balkan-observatory.net>

Aktuelle Entwicklungen in Mittelost-/Südosteuropa und dem Donaauraum mit Relevanz für Raumentwicklung in Österreich (wiiw Team Leader)

Federal Chancellery of the Republic of Austria

September 2015 - May 2016

The study (developed in cooperation with Rosinak&Partner) analyses recent trends and developments in the Central and East European (CEE) and Southeast European (SEE) countries and the implication for Austrian regional policy. The aim of the study is to contribute to the evaluation of current Austrian and European regional policy instruments as well as to the Austrian preparation of the post-2020 EU Cohesion policy. In an overview, the study analyses a) the main (economic) trends in Austria and the CEE/SEE countries; b) their trade, investment, labour market, transport and tourism relationships; and c) Austrian regional policy in the national and European context. The results of the analysis allow drawing conclusions and recommendations for developing policy initiatives in Austria and the EU.

Identifying revealed comparative advantages (RCAs) in an EU regional context (wiiw Team Leader)

European Commission, DG Enterprise and Industry

February 2014 - December 2015

EU Cohesion Policy sets a framework to reduce differences between regions and to ensure growth across Europe. For regional policy strategies to be effective, and for an efficient use of the available funds, it is crucial to analyse in

detail the assets each region is endowed with, the technologies available, and the business connections among different regions. Against this background, the study evaluated EU regions' international competitiveness on the basis of their Revealed Comparative Advantage (RCA), complemented by additional trade indicators such as trade balances or export specialisation and a series of regional and sectoral characteristics such as skill supply, R&D and patents. Subsequently, the best and worst performing regions were analysed to identify best-practice examples for regional strategies and specific policy approaches. For this study, wiiw developed a model to consistently estimate foreign trade flows (export and imports) at the NUTS-2 regional level.

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.

Ex post evaluation of Cohesion policy programmes 2007-2013, focusing on the ERDF and CF - Work Package 13: Geography of expenditure (wiiw Team Leader)

*European Commission, DG Regional Policy
December 2014 - August 2015*

This project collected data on the NUTS 3 regional breakdown of the European Regional Development Fund (ERDF) and Cohesion Fund (CF) programmes under the Convergence, Regional Competitiveness and Employment (RCE) and the European Territorial Cooperation (ETC) Objectives. Regarding the latter, the focus was on Cross-border Cooperation (CBC) programmes only. For this, the project identified the cumulative allocations to selected projects as well as the expenditure at NUTS 3 level, broken down by the 86 priority themes, for the period 2007-2013. The collected and estimated data was stored in an easy-to-use database, so that data are available for further use by the Commission and, once these data are published, by the general public. Furthermore, results of the data were published in the form of maps, to provide first impressions of the nature and regional distribution of ERDF and CF programmes.

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

*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>

Knowledge-Based Regional Development in Albania and Kosovo - Reducing social and economic disparities through social and economic innovation (wiiw Team Leader)

*Centre for Social Innovation (ZSI)
January 2014 - September 2014*

The purpose of this research project (consisting of joint research and a workshop) is to investigate to what extent and in what ways, if at all, strategies, policy interventions and programmes for the development of a knowledge-based society in Albania and Kosovo could contribute to sustainable regional development. This research project seeks to explore how knowledge-based regional development can impact social and economic disparities. In this sense, the research project will investigate the potential conflict between knowledge-based growth and social cohesion given the gap in knowledge production between urban and peripheral areas. This research project intends

to explore the concept of “knowledge-based regional development”, i.e. regional development through social and economic innovation which is informed by the outcomes of the partnership (Triple Helix) between government, business and research in academia in the context of Albania and Kosovo.

Study on potential investors for settlement in Vienna

Vienna Business Agency

September 2012 - January 2013

This study addresses the question from which countries and from which economic sectors do potential investors, that would be suitable for settlement in Vienna, come from.

CENTROPE - Business & Labour Report II (wiiw Team Leader)

ARGE CENTROPE Agency

June 2010 - December 2012

The CENTROPE Regional Development Report serves as a means to develop frequent transnational analyses and policy recommendations. The report is supposed to provide insights on the socio-economic situation and competitiveness of the CENTROPE region, to serve as a solid basis for further discussions on (trans-border) policies and measures and to provide a database for international business location marketing. wiiw acted as a partner in a consortium together with WIFO, the Slovak Academy of Sciences, the Mendel University Brno and the West Hungarian Research Institute.

Globalisation and crisis effects on the Austrian regions - a new methodology to estimate regional trade and an analysis of the crisis effects (wiiw Team Leader)

Austrian Ministry of Economy, Family and Youth

January 2012 - August 2012

Foreign trade and foreign direct investments (FDI) are key elements for economic development and growth of both a country and its regions. This study introduces a method to estimate foreign trade of the nine Austrian NUTS-2 regions. The basic idea of the method is to disaggregate national foreign trade data to the regional level using national input-output, regional employment and other supplemental data. This allows for the estimation of foreign trade of the Austrian regions for the years 1999 to 2009. The results indicate highly differentiated patterns of trade competitiveness across the Austrian regions. While Upper Austria and Vorarlberg perform well on European and global markets, other regions, foremost Burgenland, are in a much more difficult position. The regions' reactions to the 2009 economic crisis were equally differentiated. Although the decline of foreign trade led to an employment loss in all Austrian regions, Vorarlberg and Tyrol proved to be much more resilient than others.

Analysis of the main factors of regional growth: an in-depth study of the best and worst performing European regions (wiiw Team Leader)

European Commission, DG Regional Policy

January 2008 - June 2012

The aim of the study was to deepen our understanding of economic development in the regions of the EU27. Special emphasis was given on the one hand to NUTS2 regions that performed relatively well (i.e. well above EU average or as compared to their national average) and, on the other hand, to NUTS2 regions that performed relatively poorly (i.e. well below EU average or as compared to their national average). Underlying factors of the different performance had to be identified and analysed. Broad policy conclusions have been drawn. wiiw was partner in a consortium with Applica and Cambridge Econometrics.

World Input-Output Database (WIOD)

European Commission, 7th Framework Programme

May 2009 - April 2012

WIOD aimed to develop databases, accounting frameworks and models for policy-makers who are facing increasing and pressing trade-offs between socio-economic growth and environmental problems. The core of the database is a set of harmonised supply and use tables, alongside with data on international trade in goods and services. These two sets of data have been integrated into sets of inter-country input-output tables. Taken together with extensive satellite accounts with environmental and socio-economic indicators, these industry-level data provided the necessary input to several types of models used to evaluate policies aimed at striking a suitable balance between growth, environmental degradation and inequality across the world. wiiw led two work packages in this project: (1)

WP2 „International Trade Data“ and (2) WP8: „Application of the database: Socio-Economic Aspects“. The institute also contributed to WP3 „Estimation of inter-country input output tables“ and to WP5 „Satellite Accounts: Socio-Economic Indicators“.

<http://www.wiod.org>

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.

Study on labour taxation in CEE countries

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.

Study tour for experts of the Department of Economic Planning in BiH

Coffey International Limited

July 2010 - March 2011

Design and organisation of a one-week seminar for Bosnian experts, financed by DFID. The seminar dealt with issues of Austrian and European economic policy, focusing on macroeconomic developments, EU integration, regional policy, coordination of national and regional entities, policy processes and administrative reform.

Access by Romanian small and medium-sized enterprises (SMEs) to Structural Funds and support mechanisms

European Commission, DG Regional Policy

December 2009 - March 2011

The overall objective of the study was to assess the effectiveness of use of structural funds with the range of products proposed and the extent to which they meet the needs of SMEs. In order to achieve this objective we (1) assessed the capacity and needs of SMEs in Romania to access EU funds, (2) identified the gap between the needs and available funding and support, and (3) worked out corrective recommendations for the Managing Authorities to improve the SMEs' capacity to apply for and implement COS IEC funded projects. wiiw had the lead in this project which was conducted in cooperation with SME Research and four local experts.

The Competitiveness of firms, regions and industry in the knowledge-based economy: What room for job-rich growth in Europe? (MICRO-DYN)

European Commission, 6th Framework Programme

October 2006 - January 2011

MICRO-DYN dealt with growth, employment and competitiveness in the knowledge-based European economy through a micro-founded firm-based approach. The nature of the analysis was 'bottom-up' i.e. moving from the micro-entities of economic actions and strategies at the enterprise level to sectoral, regional, national and European levels. The rationale for such an approach was that understanding the microeconomic foundations of innovation, competitiveness and growth at the firm level, as well as the firms interactions with the labour market, is key to understanding the nature of these phenomena at a more aggregated (regional, sectoral or macro) level and of the resulting aggregate economic performance. The analysis used as far as possible comprehensive data-sets across all European regions and industries. wiiw co-ordinated a consortium of 17 research institutions.

<http://www.micro-dyn.eu>

Ex-post evaluation of cohesion policy programmes 2000-2006; Work Package 1: Coordination, analysis

and synthesis (*wiiw Team Leader*)

European Commission, DG Regional Policy

November 2007 - December 2009

This Work Package aims to assess the macroeconomic background for cohesion policy in the period 2000-2006 and the quality of strategies, to assemble other information facilitating the implementation of later work packages and synthesise the results of all 11 other work packages. In addition, the project consortium will support the Commission in certain management tasks of the overall evaluation.

Regional challenges in the perspective of 2020 - regional disparities and future challenges (*wiiw Team Leader*)

European Commission, DG Regional Policy

December 2008 - September 2009

The study aimed to improve our understanding of the role of key challenges such as globalisation, climate change, demographic change and migration, energy and social polarisation, play in generating and reducing spatial disparities in the European Union and neighbourhood countries. It focused on synthesising existing literature and bringing together experts to better understand the economic, environmental and social impact at regional (NUTS II) level.