CompNet The Competitiveness Research Network

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The Technical Support

Instrument: First six months

Steering Committee 21/04/2023

(*) We are grateful to Daniele Aglio and Marco Matani for their excellent help

TSI: Where do we stand

- The 1st TSI Workshop in Lisbon has been a great chance to exchange views on common projects and kick-off the work
- Since then, ongoing interactions to develop collaboration
- Three key features of the assistance we provide are:
- CompNet Training
- Setting a common Research Agenda
- Help improving microdata infrastructure (e.g. MDI)



CompNet Training

- ☐ So far, we provide a <u>self-guided program</u>:
- Available online for the 8th vintage of data.
- Divided into 3 modules: Beginners, Intermediate, Advanced.
- **☐** TSI countries involvement:

Beginners	Intermediate	Advanced
All countries completed it.	France and Portugal worked on it; Slovenia completed it.	Portugal worked on it; Slovenia completed it.

- **Evaluation from our side:** with the exception of Slovenia, we did not receive any feedbacks. Does it mean that everything was alright? Were there any difficulties?
- What's your thought?



1) THE PRODUCTIVITY PUZZLE REVISITED: FIRM PERFORMANCE POST COVID-19

Main items:

- ➤ Heterogeneity in **firm performance** by size, sector, and country dimensions
- Use micro-aggregated data to estimate the output gap

- Completed literature review and preliminary analysis
- Analytical tasks in collaboration with the contributing NPB
- Collaborating NPB: Urška Čede (Slovenia, IMAD)



2) THE EU THROUGH GLOBAL CHALLENGES: FIRM AND COUNTRY COMPETITIVENESS

Main items:

- Trade and GVC developments, contribution of exporters to productivity
- Reproduce the Enterprise Competitiveness Indicator on CompNet together with the Portuguese team (GEE and BOP)
- Market concentration building on previous CompNet publications

- Completed literature review and early analysis
- Selecting variables for the Indicator with the PT team
- Moving on with the research tasks
- Collaborating NPB: Eva Pereira (Portugal, GEE) and BOP Economists



3) RESOURCE REALLOCATION AND FIRM DYNAMISM OVER THE BUSINESS CYCLE

Main items:

- **Efficiency in resource allocation** across countries and over the business cycle
- Relate cross-country differences in firm dynamism to specific institutional features of the respective labor markets

- > Completed literature review and preparatory analysis
- Collaborating with Slovenian colleagues to extend the study on MDI data
- Collaborating NPB: Urška Lušina (Slovenia, IMAD)



4) ENERGY USE AMID CLIMATE TRANSITION AND DISRUPTED SUPPLY LINES

Main items:

- > Impact of energy price shocks on several firm dimensions
- Reaction of firms to energy price shocks (pass-through to consumers, margin compression, other costs reduction, or increased energy efficiency?)

- Completed literature review
- Analytical tasks coordinating with the contributing NPB
- Collaborating NPB: Urška Čede (Slovenia, IMAD)



5) **CONSTRAINED SMEs**

Main items:

Characteristics of firms affected by credit constraints and their impact on productivity

- Completed literature review
- Setting up the analytical framework
- Together with Slovak colleagues, trying to extend the investigation to additional micro-level data on financial transactions
- Collaborating NPB: Ján Šebo (Slovakia, GOV)



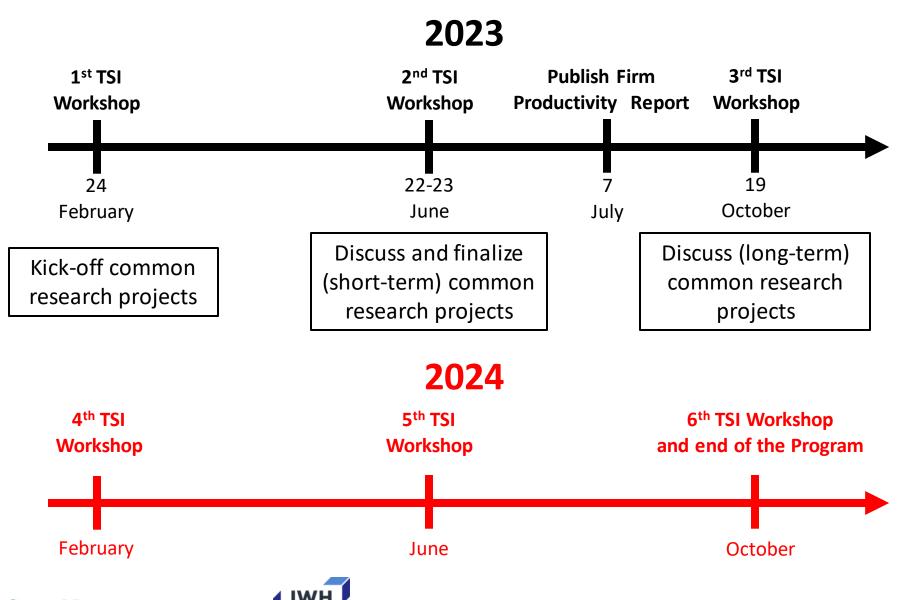
Common Research Agenda: Output

- The 2023 CompNet Productivity Report
 "European firms navigating multiple crises"
- > Recently circulated Report Outline with **detailed research program**
- > 5 chapters on Productivity, Competitiveness, Reallocation, Energy, SMEs, plus ad-hoc boxes
- > Will highlight the **stylized facts from the 9th Vintage** as discussed and in collaboration with contributing TSI participants/NPBs
- Further research projects (in parallel and on top of Report)
- Longer gestation
- Examples: Output Gap, Competitiveness Indicator (PT), Energy (DE and FR), SMEs (SK)
- > Publications delivered in the medium/long run (for instance, next workshops)

Are you already collaborating? If not, are you interested in any of the topics?



Common Research Agenda: Timeline



Micro Data Infrastructure (MDI)

Country	Fully Established	Advanced Preparation	Contract Signed	Not Started
Austria			X	
Finland		X		
France	X			
Germany			X	
Latvia				X
Netherlands	X			
Portugal		X		
Slovenia		X		
Slovakia				X

Conclusions

- Collaboration with TSI participants and NPBs on common research projects is in full swing, but there is space for improvement
- Policy relevant evidence from the 9th CompNet Vintage to be included in the Productivity report will possibly stimulate this
- We are gathering every four months to liaise on topics of mutual interest
- We encourage you to join one or more projects
- Looking forward to hearing your feedback!



Important Links

TSI Website

The 2023 CompNet Productivity Report Outline

