



EUROPEAN CENTRAL BANK

EUROSYSTEM

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CompNet: The way ahead

10th CompNet Workshop
Lisbon, 18 September 2014

CompNet last phase

- First 2 years and across the 3 dimensions (macro, firm level, GVC)
 - Compiling data, setting research infrastructure
 - Launching research
- Today and tomorrow will see the results of this work
 - The Competitiveness Diagnosis Toolkit ...integrating macro, firm-level and GVC indicators related to competitiveness into one database:
 - The New firm level data base (V2)
 - A large variety of research papers concluded and ongoing exploiting the novel data bases
- We will discuss communication and dissemination
 - Selection of novel indicators/relationships to use systematically and incrementally for policy analysis
 - Validation of such indicators: statistical property/cross country comparability
 - Possible additional outlets (e.g. ESCB Official publications)
- Ultimately all initiatives from 3 Work-streams must converge in a homogenous framework

WS1 – The Competitiveness Tool-kit

- A truly encompassing set of indicators (ca. 200) with novel features:
 - Large set of non-price indicators, complementing traditional macro indicators
 - Firm-level based indicators
 - GVC indicators
- Compendium on the diagnostic toolkit for competitiveness: A comprehensive review of how indicators complement each other and can be used
- A data base easy to use and an effective procedure to combine data from different work-streams within one data base

WS2 – The enlarged firm level data base (V2)

- **More indicators**

- On top of productivity and cost-related indicators
 - Exporting status
 - Financial position, investment rate, credit constraints
 - Mark-ups and collective bargaining
 - Determinants of employment growth, high-growth firms
- Average, median, standard deviation, skewedness, full distribution, joint moments

- **Wider Coverage**

- 21 EU countries (14 EA), from 10 in the February 2014 WP
- Over the period 1995 to 2012

- **Better Sample Quality**

- Sample > 20 employees fully representative of the underlying population
- Availability of info on SMEs in all countries, except Poland and Slovakia
- Two-year lag

- **Solid Matching of aggregate information**

WS3 – Global value chains

- Further progress in analysing how GVCs affect the domestic economy and international transmission of shocks
 - Several presentations at this meeting (session 2 first part and workstream sessions)
- Exploiting synergies with workstreams 2 and 3
 - In particular use firm level information to improve understanding of functioning of GVC and ultimately improve indicators

Branching out

- **Internal organization**

- More direct involvement of National Statistical Offices

- **External collaborations**

- Connection with other research institutes (IHW, Asian Competitiveness Institute ...)

- **Collaborations within ESCB**

- BACH.... → to strengthen the data collection on firms level balance sheets
- AnaCredit..... → to connect productivity with Bank loans registers
- WDN.... → to connect productivity indicators with labour market survey results

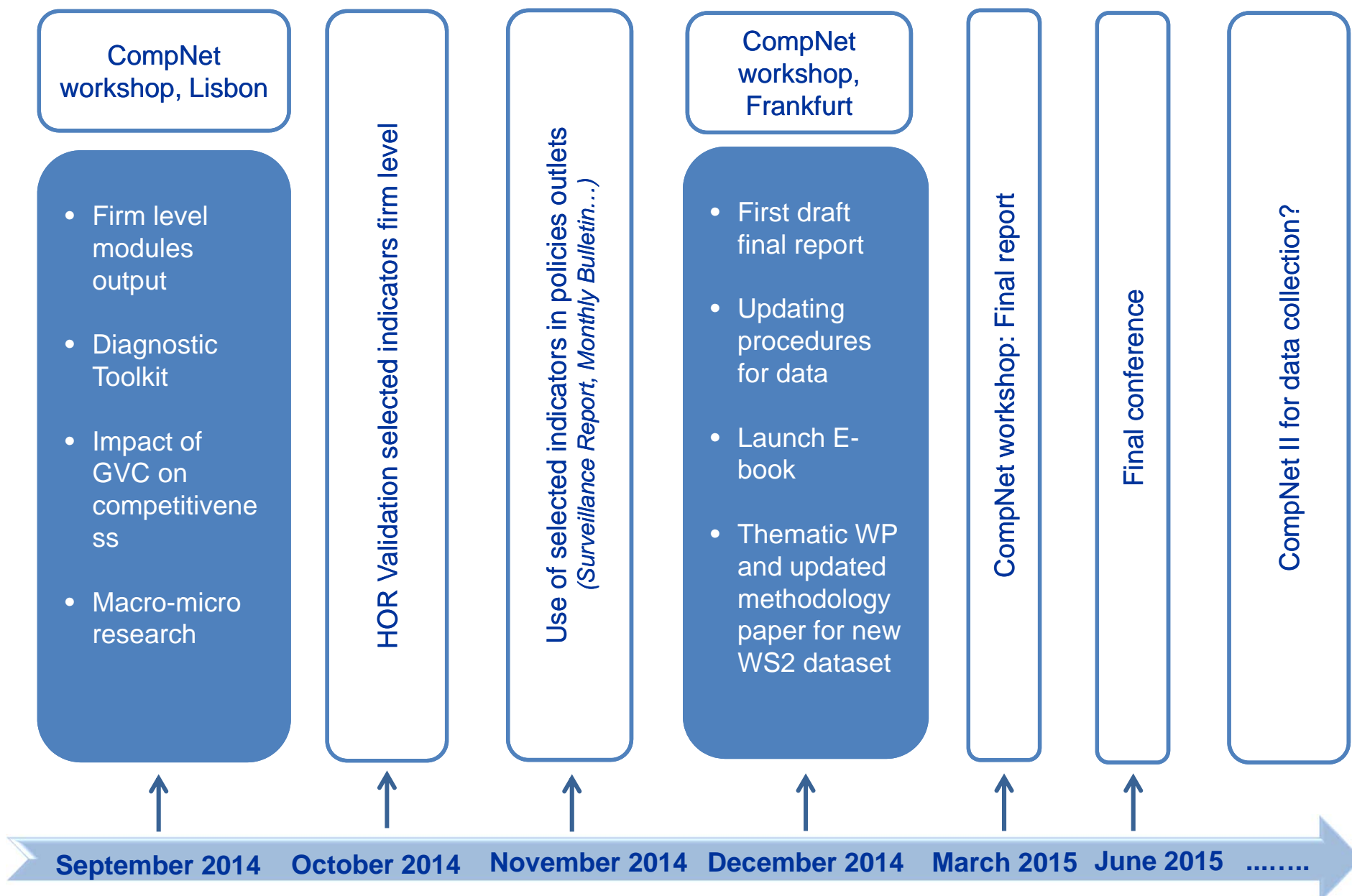
Feedback recently received


- **NBER Summer Institute Boston.**
 - CompNet was presented. Lot's of interest from US academics for our data and work
- **BACH working group**
 - Engaged in firm-level data collection, wants to collaborate with CompNet to improve final product
- **ECB Executive Board**
 - Encouragement to go further, particularly on our financial module
 - Several quotes of our work, including Jackson Hole speech of Mr Draghi on structural reform

Most relevant outstanding issues going ahead

- Complete research program individual Work-streams and encourage further interaction across them .
- Ultimately, think about sufficient material for June 2015 Conference and final CompNet report → high level event (will set up an organization committee)
- Priority for this workshop :
 - Discuss data validation exercise conducted so far also with the help of ECB statistical Department
 - Select a number of indicators/relationships/tables to be cleared by members and HoR for policy dissemination

CompNet Milestones: September 2014 – June 2015 and beyond





Thanks for your contribution
Enjoy the Workshop