



RESEARCH PROGRAMME 2024-2025

and delivery on the 2023-24 Research Programme

5 September 2024

Introduction

In 2023, Bruegel changed the way in which it organises its research programme, establishing a two-tiered structure. **Priority topics** express a firm commitment to undertake research on questions described in the programme, and publish at least one – normally several – longer research pieces (Policy Briefs or Working Papers) over the course of the 12-month research cycle. Priority topics are selected based on expected impact, time criticality (delay would be costly) and – importantly – our ability to deliver. **Additional projects** are all other projects Bruegel researchers are proposing to undertake. They also serve as a buffer to accommodate unexpected research needs.

There were two main reasons for adopting this approach. First, to give our work better strategic direction, to which Bruegel members contribute through discussions and written comments. Second, to improve accountability. Barring a cataclysmic shock, Bruegel is firmly committed to its priority topics. If we fail to deliver on our priority topics, we need to explain.

From Bruegel’s perspective, the two-tiered structure has been a significant success. We have delivered on – and in most cases, exceeded – our research promises (see Annex). In addition, the structure has led to greater coherence of our work *within* the chosen priority topics. Topics served as focal points; the papers within them are often related. In some areas, like the EU fiscal framework, or economic security, priority topics have stimulated a research-based discussion across Bruegel authors that do not fully agree. In short, the 2023-24 priority topics offered a great learning experience which arguably increased the quality of our research.

Given the success of the new structure, we plan to maintain it. Table 1 lists the proposed 2024-25 topics (middle column) and compares them to the priority topics of the current cycle (left column, with some rearranging of the order for better comparability). The final column contains a short remark on whether and how the new topic relates to the current one.

The proposed topics can be grouped in three categories.

Table 1. 2023-24 and proposed 2024-25 priority topics

2023-24 topics	Proposed 2024-25 topics	Relationship of proposed to past
1. The design of the EU’s proposed economic governance framework	1. The implementation of the new EU fiscal framework	Successor topic
2. EU public goods and how to finance them	2. Reform of the EU budget	Successor topic
3. Making a reality of Capital Markets Union	3. Closing Europe’s investment gap	New, but likely to include follow-up work on CMU
4. The consequences of Ukraine’s accession to the EU	4. The EU economic model in an age of demographic shift	New
5. Europe’s economic security	5. Reinvigorating single market reform	New, but both topics have a security dimension. Single market topic was considered for 2023-24 but postponed for lack of resources.
	6. A single market for the defence industry	
6. EU digital regulation: what has been achieved? What is missing?	7. EU digital regulation	Successor topic
7. The economic impact of AI		
8. EU climate and energy governance	8. An Industrial and Social Deal to safeguard the EU green transition	A combination of new and successor
9. Electricity market design: beyond short-term patches		
10. How to decarbonise the global south	9. Expanding Europe’s Green Global Reach	Successor, but much broader and more ambitious
11. The Chinese economy and its influence on Europe	10. Europe in a multipolar World	Successor, but much broader

1. **Successor topics.** These essentially continue the work we started in the last cycle, albeit with a different emphasis, and often with a more practical bent. With the new EU fiscal framework legislated – not quite as we would have liked, but in some cases reflecting our advice – attention is turning to its first application. The same is true for ‘Reform of the EU budget’, where we will apply what we have learned in our work on EU public goods, and for digital regulation, where the proposed topic is deliberately broad to (for example) cover the application of the Digital Markets Act. Topic 9, ‘Expanding Europe’s Green Global Reach’ will significantly broaden the work conducted under its predecessor topic this year, and focus on the necessary changes to EU and G7 policy and funding levels to accelerate emissions reductions outside their borders. It will also

connect the climate and biodiversity agendas. Topic 10, ‘Europe in a multipolar World’ will include our work on China under the *China Horizons* project (which runs until late 2025), but is much broader – we also plan to write on the relationship with the United States after the November presidential election; on resetting and improving the EU-UK economic relationship; and on EU enlargement.¹

2. **Topics that we wished to have started last year but could not.** The main element in this category is topic 5, ‘Reinvigorating single market reform’. With the benefit of Enrico Letta’s Report on the future of the Single Market, we plan to take stock of the causes of single market fragmentation and the record of previous reform attempts, and use our findings to prioritise and structure recommendations for effective reform.
3. **New topics.** These are topics that have gained an importance, urgency, or are particularly suited to the beginning of the new EU legislative term. They include ‘Closing Europe’s investment gap’ (a topic that will gain urgency as the EU’s new fiscal rules are applied and as the Recovery and Resilience Facility comes to an end); ‘The EU economic model in an age of demographic shift’; ‘A single market for the defence industry’; and ‘An Industrial and Social Deal to safeguard the EU green transition’. Additional motivation and explanation of these topics is provided in the next section below.

A further element of continuity in this year’s proposed programme is our collaboration with CEPR – the Centre for Economic Policy Research, Europe’s premier academic research network for economists, led by Beatrice Weder di Mauro, President of CEPR. The fruit of this collaboration during the past year was the joint [Paris Report](#) on a policy topic of important common European interest: Economic Security. It consisted of 6 chapters, of which the first – written by Jean Pisani-Ferry, Beatrice Weder di Mauro and myself – summarises our policy takeaways. In the upcoming research cycle, we plan to devote the *Paris Report* to the question of how Europe can most effectively accelerate global emissions reductions and how this links to the preservation of biodiversity.

The remainder of this research programme motivates the ten proposed priority topics, outlines the key main questions that we will try to address, and sketches the main proposed outputs (Section I). Section II of the paper briefly describes additional topics, organised by research area. The Annex summarises and lists the main outputs of the now completed 2023-24 research cycle.

Jeromin Zettelmeyer

5 September 2024

¹ Some of last year’s priority topics would have deserved successor topics but did not get one, for lack of capacity. This is particularly the case for “The Economic Impact of AI”, which we explored only from the angle of its impact on labour markets. This said, the impact of AI is the subject of two ‘additional’ projects.

I. Priority topics

1. The implementation of the new EU fiscal framework

Lead scholars: Zsolt Darvas, Lucio Pench and Jeromin Zettelmeyer

Motivation. The new EU fiscal framework is in place and will be applied for the first time in the fall of 2024. This initial application is critical as (1) its success or failure will determine the credibility and usefulness of the framework; (2) it will require answering questions that were left open in the legislation (for example, on interplay between countries' medium-term fiscal-structural plans and the excessive deficit procedure) and hence establish important precedents. In addition, the fiscal plans that member states and the Council will agree to are critical in their own right, by influencing EU countries' plans for long-term public investment and the structural transformation of their economies. In parallel, an expert working group on debt sustainability analysis will be exploring methodological improvements. Building on our work in the 2023-24 programme, we will seek to contribute to these important debates.

Key questions. How can the [tensions](#) between the deficit-based excessive deficit procedures and the debt-based requirement of the new framework be overcome? Will medium-term fiscal structural plans submitted by member states pay sufficient attention to investment and reforms? How should the impact of reforms and investment be reflected in the medium-term fiscal adjustment requirements? What are the main ways in which the debt sustainability methodology of the European Commission should be reformed? How can available options for enforcement be used most effectively? Other than as a "relevant factor" for assessing whether an excessive deficit exists, does the new framework allow any consideration of national defence spending which also benefits other EU countries?

Modalities. At least two Policy Briefs and/or Analyses, and one Working Paper proposing improvements to the European Commission's DSA methodology.

2. Reform of the EU budget

Lead scholars: Marco Buti and Zsolt Darvas.

Motivation. Discussions for the European Union's next Multiannual Financial Framework (MFF) for 2028-2034 are expected to kick off in 2025, while Next Generation EU, a temporary addition to the EU budget for 2021-2026, is set to expire. The Draghi report on EU competitiveness will likely highlight some shortcomings of the EU budget, which will call for remedies. Demands for more EU spending are mounting, which also raises questions about how to finance them. EU enlargement might pose additional challenges to the design of the next MFF. The re-activation of EU fiscal rules will limit the room for manoeuvre for several high-debt countries, including the funds these countries can redirect to the EU budget.

Key questions. How can the next EU budget achieve the closest possible alignment between EU spending categories and European public goods (EPGs) – goods that are not supplied at adequate level without public intervention, and for efficiency reasons should be provided at the EU rather than the national level? Would a greater focus on European public goods justify an increase in the MFF’s size? What financial resources would the integration of Ukraine, Moldova, and the Balkan States require? Could smart regulation (and thereby greater private funding) reduce certain EU budget spending needs? How successful has the ‘mainstreaming’ of policy goals such as climate, biodiversity, and gender in all phases of the budget design been in fostering the achievement of EU priorities? In what areas has EU spending been most effective? Does the experience with the performance-based Recovery and Resilience Facility justify an increased performance focus in the regular MFF? Should the structure of own resources be revised – for instance, by reducing the share of national GNI-based contributions and increasing the share of other EU budget revenues? What new own resources have the strongest economic rationale, would be considered just, and might be politically viable? How can national promotional banks and institutions facilitate an effective deployment of the EU budget?

Modalities. A *Bruegel Blueprint* on the reform of the EU budget in the first half of 2025 (as well as an event launching the blueprint). A report for the European Parliament on performance budgeting by early 2025. A few related Analyses or First Glances throughout the year.

3. Closing Europe’s Investment Gap

Lead scholars: Zsolt Darvas, David Pinkus, Pablo Hernández de Cos and Nicolas Véron.

Motivation. The EU and the UK are facing major investment needs in the decade ahead, in the face of an aging population, the climate transition imperative, previously unanticipated security needs, and underdeveloped innovation ecosystems. At the same time, a notable share of European savings are invested abroad; fiscal space has become much more limited, and real interest rates have risen, increasing the cost of capital. The Letta report and recent pushes by the ECB and some member states on Capital Markets Union have reinvigorated the debate on how to raise and use private and public funding (including the possibility of blending public and private investment).

Key questions. Where do many European companies and households disproportionately invest outside Europe? What are the barriers to raising investment in EU companies from the perspective of both EU and non-EU investors? How can the EU complete the integration of its financial system (banking union, capital markets union, insurance union) to better mobilise its vast savings for its investment needs? How do institutional investors impact European economic outcomes? Is an expansion of funded pension schemes critical to capital market deepening in the EU? What is the right combination of monetary, financial, and fiscal instruments to protect green innovation in times of higher real interest rates?

Should the EIB, and national promotional banks and institutions, take an expanded role in closing the investment gap, and if so, how? What priority should be assigned to a revival of securitisation in order to free up capital and broaden financing sources for investment? How can public expenditure be used most efficiently? Should a new EU investment fund complement the regular Multiannual Financial Framework? What is the right mix of public and private investment to create the energy infrastructure to support the EU's and UK's 2030 and 2050 climate goals? What measures and instruments could help to facilitate financing and realisation of cross-border infrastructure projects?

Modalities. At least one substantial paper on each of: EU investments outside the EU; capital markets union; role of pension funds and insurers in the EU economy and the EU budget (overlapping with Priority Topic 2). A workshop on 'insurance union'.

4. Europe's economic model in an age of demographic shift

Lead scholars: Heather Grabbe, Jacob Kirkegaard, and David Pinkus.

Motivation. European populations are ageing and projected to decrease in the long run, while the labour force has already been shrinking for several years. In this project, we will assess the economic and fiscal implications of this demographic shift, and evaluate policies to address them.

Key questions. How do demographic trends and their implications differ across European countries and regions? How will demographic change impact savings, investment, productivity, consumption and inflation? How will it impact public spending needs and public debt sustainability? How are countries reacting to these challenges, particularly with respect to reforming social security systems, pension and long-term care systems? How will ageing affect the EU's position as an export-oriented, trade-focused, and current account surplus economy? How can the possible adverse effects of ageing on new firm formation, technology diffusion and productivity be alleviated in the EU and the UK? How will ageing populations in the EU and UK impact labour supply, skills, productivity and competitiveness? How can employment opportunities for an ageing workforce be expanded? How will climate change affect migration patterns? How will the green transition interact with demography, changing demand for different kinds of labour and skills?

Modalities. The project will include a 'framework paper' outlining the impact of demographics on different areas of the economy, as well as policy briefs or working papers diving more deeply into selected issues. The latter will likely include: a paper on the effects of demographic change on public debt sustainability; a review of recent long-term care reforms in the EU in the context of Bruegel's participation in the 'Baby-boomers futures' project supported by Horizon Europe, a policy brief related to pension policy, and a policy brief or working paper on the impact of ageing populations on European labour markets.

5. Reinvigorating single market reform

Lead scholars: Niclas Poitiers, Andre Sapir, Jeromin Zettelmeyer

Motivation. The single market is critical to both growth and economic security of the EU. But despite decades-long attempts to remove them, significant barriers to intra-EU services trade and cross-border mobility of people continue to exist. In the last decade, the European Commission has focused on better implementation and enforcement of single market rules, but the success of these attempts remain unclear. The Letta report has provided or revived ideas for new legislation, but some of these ideas have been tried before, and if so, it is worth asking why they have not been implemented.

Key Questions. What single market reforms have been attempted since the Lisbon Treaty? What can be said about the success of these reforms? Are there important reform ideas in the Sapir (2003), Monti (2010) and subsequent reports which have not been implemented, and if so why? Were reforms not attempted, or were they attempted but failed? What attempts have been made to improve single market governance and implementation of single market rules, and what was the impact of these attempts? To what extent is remaining fragmentation in the single market a reflection of home bias, language barriers, and differences in national preferences within the EU, and to what extent is it amenable to policy? Which are the most critical remaining single market barriers, and which of these should policy makers focus on? Which political economy obstacles stand in the way of reform, and how can they be circumvented? What can we learn from estimates of the ‘[cost of non-Europe](#)’, and how have these costs evolved over time? Is the high level of goods and services market regulation an issue in addition to inconsistencies in regulation?

Modalities. 1-2 working papers papers or essays analysing the history of single market reforms. At least one paper on regulatory complexity and the costs of regulation. At least one major policy brief or working paper on how to take reform forward in goods markets, services markets, and to improve EU-internal mobility of labour.

6. A single market for the defence industry

Lead scholars: Jakob Kierkegaard, Jean Pisani-Ferry, and Guntram Wolff.

Motivation. Europe’s ability to support Ukraine, deter Russia from further aggression, and reduce its dependency on the United States is constrained by the small size of the European defence industry following 30 years of ‘peace dividend’. Expanding defence production, lowering its cost per unit and raising speed of delivery is essential for European security. A modern defence sector could also be a source of innovation that benefits economic growth rather than just improving security.

In its new institutional cycle, the European Union will increase its focus on the European Defence Technology Industrial Base (EDTIB) and the addition of a European Commissioner for defence. This is justified by the fact that defence is to some extent a European public

good: defence investments by individual countries contribute to collective security through deterrence and the mutual defence clause of article 47(2). At the same time, defence remains a core area of national sovereignty. Art 346 TFEU exempts the defense industry from state aid rules, joint procurement is rare, and national industrial policy objectives often dominate military and cost effectiveness questions. Previous attempts to improve market fragmentation, for example in context of PESCO and EDA or regulatory efforts to limit the impact of Art 346 have not led to a breakthrough.

Key questions. The priority topic will focus on EDTIB, on exploring European funding options, on single market issues related to defence procurement, and on the EU-UK relationship in this area. How should a single market policy for defence be designed with a view to reaping cost benefits of larger production quantities? What is the right market structure, given high fixed development costs, the need for scale, and the need to ensure adequate competition? To what extent can joint procurement contribute to lowering costs? What are the (geo)political sensitivities and consequences of various procurement models? As the defence market becomes more integrated, what should be the consequences for European export rules? How should the EU cooperate with the UK in defence procurement? How can the necessary fiscal resources be made available, also in light of constraints posed by the new EU fiscal framework? What are the implications of defence spending by individual countries for burden sharing and fiscal rules? What is the evidence on the growth effects of defence-related innovation, and what does it imply for EU defence-innovation policy?

Modalities. The project will in part be undertaken in cooperation with the Kiel Institute for the World Economy and researchers across Europe. A Bruegel policy brief on European defence industrial policy; A Bruegel analysis on the EU-UK cooperation on defence; various shorter pieces and events. In an external cooperation, we will also look at Russian industrial-military output to raise European awareness of the urgency of the topic.

7. EU digital regulation

Lead scholars: Bertin Martens and Fiona Scott Morton.

Motivation. The past EU mandate has produced a large set of major digital and data-related regulations, including the Digital Markets Act, the Digital Services Act, the Data Act, sectoral data regulations, and the AI Act. However, the formal adoption of these regulatory instruments is only the start of a longer regulatory process, as many implementation decisions and guidelines are still to be decided. We will examine these implementation decisions and, where feasible, carry out some preliminary economic impact assessment.

Key Questions. What is the cumulative impact of these regulations, and related additional implementation decisions, on competition and innovation in digital data markets and data-driven services markets? Do they facilitate market entry? How much do they increase regulatory compliance costs, particularly for smaller firms and start-ups? Could additional implementation decisions change the economic impact, compared to the baseline

regulation? Are any amendments to the legislation needed to ensure coherence and improve innovation-enhancing outcomes? How does the AI Act affect investment in AI in the EU? Does AI contribute to increasing productivity?

Modalities. The project will produce at least two major policy briefs, devoted to identifying expected impacts of the baseline regulations and more recent implementation decisions (either based on initial experience or a more forward-looking assessment of the likely impact). We will identify gaps and where relevant recommend changes in these additional regulatory steps.

8. An Industrial and Social Deal to safeguard the EU green transition

Lead scholars: Simone Tagliapietra and Georg Zachmann

Motivation. The economy-wide transformation required by the emission reduction objectives of the European Green Deal raises difficult questions about how to reconcile deep decarbonisation with industrial competitiveness, as well as how to distribute the cost of climate action. In the upcoming institutional cycle, EU institutions will be asked to find and promptly implement answers to these questions. If convincing answers cannot be found, the Green Deal targets are likely to be missed.

Key Questions. What is the status of the green industrial transformation in the EU? How have large industrial companies been adapting, and what is the performance of the EU's clean tech sectors? How can the distributional implications of climate policy be tackled, particularly in the transport and buildings sectors? How can EU and national support to vulnerable households best be targeted? Do we need some form of support for middle class households in taking up green alternatives, or is this addressed by having an effective green industrial transformation? How can we design an effective and competition-friendly green industrial policy at the EU level, given limited fiscal resources?

Modalities. At least two Bruegel policy briefs, as well as additional publications.

9. Expanding Europe's Green Global Reach

Lead Scholars: Jean Pisani-Ferry, Simone Tagliapietra, Heather Grabbe, Guntram Wolff, and Jeromin Zettelmeyer

Motivation. While EU Green Deal and UK emissions reduction efforts have been developed as predominantly domestic agendas, successful decarbonisation requires lowering emissions outside of Europe. In addition, a green economic foreign policy agenda will have to be reconciled and link emission reduction, international partnerships and economic security objectives. Europe's environmental agenda beyond decarbonisation will also have international implications, from ocean and land biodiversity protection to changing consumption patterns, and will be a driver of economic cooperation.

Key Questions. How should a new EU Green Deal economic foreign policy be structured? What is the role of existing initiatives such as the Global Gateway? What is the impact, and how can we manage the implications of EU climate policies such as CBAM on trade relationships? How to push the EU and UK's role in fostering global investments in climate mitigation and adaptation via its own climate finance instruments, their role in MDBs, and their key role in global trade? How can the EU and UK foster a stronger transatlantic collaboration in this space, to catalyse G7 action, further develop the Just Energy Transition Partnerships (JETPs) and reform the MDBs? How can the EU design trade and development policies to promote the circular economy and biodiversity protection, while helping partners along their chosen transition paths, starting with the EU-Africa partnership?

Modalities. This project will be conducted as a collaboration with Europe's leading academic network, the Centre for Economic Policy Research (CEPR). Its core output will consist of a joint CEPR-Bruegel report. The policy lessons from the report will also be published as a Bruegel policy brief. Additional publications on specific sub-topics are likely.

10. Europe in a multipolar world

Lead scholars: Ignacio Garcia Bercero, Alicia Garcia Herrero, and Andre Sapir.

Motivation. Europe's international economic relationships have become more complicated. Both the United States and China have adopted nationalist economic policies based on tariffs and subsidies, often in contravention of World Trade Organisation rules. China has surpassed Europe in technological frontier areas and international market share, even in areas of traditional EU comparative advantage, such as automobiles and clean technologies. It has also engaged in economic coercion against advanced country trading partners, including in the EU. The change in government in the UK, on the other hand, offers an opportunity for greater collaboration in critical areas, including energy security, defense production and climate policy. India's economic weight and its importance as a trading partner is steadily growing.

Key Questions. How should the EU and the UK respond to economic nationalism in the US and other major trading partners? How can the EU deal with the economic security and competitiveness challenges raised by China while also maintaining collaboration on critical issues of common concern, such as climate goals? How can rules-based international trade be preserved, and if so, how should the WTO be reformed and strengthened? What are the most promising, politically feasible steps to deepen the EU-UK relationship, and to expand the relationship between the EU and India?

Modalities. We are aiming at least 5-7 Policy Briefs or Working Papers, of which at least 2 will be dedicated to the EU-UK relationship; at least one to WTO reform; and at least one to the transatlantic relationship following the US presidential elections in November. Work on the EU-China relationship will continue throughout the 2024-25 research cycle in the context of our [China Horizons](#) project.

II. Additional topics

Macroeconomic policy and governance

Monetary policy

Scholars: Pablo Hernandez de Cos, Lucrezia Reichlin

Lessons learnt from the last inflationary/disinflationary episode. The recent inflationary-disinflationary episode in the euro area and the ECB response to it has contained a number of specificities, such as the presence of very negative supply shocks and of high uncertainty. Some of these specificities seem to be here to stay. What can we learn for monetary policy from the recent experience of very negative supply shocks? How should monetary policy react in a context of high uncertainty?

On the usefulness of r^* for monetary policy. The 2021 ECB strategy review's main motivation was the evidence of a very low level of the natural rate of interest. Moreover, throughout the tightening cycle, policy institutions and researchers have worked to identify movements in the natural rate of interest, seeking to determine how contractionary monetary policy was each step of the way. This approach will become more and more important as we reach the final stages of the disinflation process. What is the level of r^* in the euro area? Which are the main factors behind its recent evolution and what can we expect for the future? What are the implications for monetary policy, including in particular those derived by the high level of uncertainty surrounding the precise estimate of this concept?

EU enlargement

Scholars: Marek Dabrowski, Zsolt Darvas, Heather Grabbe.

The progressive integration of the Western Balkans into the EU. The Western Balkan countries' journey toward EU membership has recovered momentum after Russia's full-scale attack on Ukraine. A new instrument involving €6 billion EU financing in grants and loans during 2024-2027, the *Growth Plan for the Western Balkans*, has been put in place. This aims to offer some benefits of EU membership in advance of accession and boost reforms and investments in the region. At the same time, some Western Balkan countries continue to face difficult challenges, including political instability, poor governance, a lack of alignment with EU standards and policies, and economic and social disparities. This project will look deeper into the areas covered by the Growth Plan and identify priority policy areas that can address these challenges and accelerate the integration of the region.

Banking and capital markets

Scholars: Rebecca Christie, Silvia Merler, David Pinkus, Elina Ribakova, Nicolas Véron, and Stavros Zenios.

Rebooting European banking union completion. Active negotiations on completing the banking union, triggered by the European Commission’s proposal for a European Deposit Insurance Scheme in late 2015, have stalled in mid-2022 but the theme has not lost any of its urgency. A Bruegel book by Nicolas Véron, published in June 2024, described why the debate is stuck. The new Commission and momentum on single market deepening offers an opportunity to give a new impulse in this area.

Banks and Net Zero. Banks are the gatekeepers of the transition to a more sustainable economy, due to the key role they play in allocating funds across economic sectors. The key metrics for gauging banks’ impact on the environment is that of “financed emissions” – also known as Scope 3 Category 15. While there has been significant regulatory and supervisory action to foster transparency of banks’ exposures to climate related risk, the environmental and climate impact of banks’ asset allocation choices are much less explored (let alone regulated). Only few of the banks that respond to the Climate Change questionnaire administered by the Carbon Disclosure Project (CDP) disclose Scope 3 Category 15 emissions. From those disclosures, it is evident that those emissions trump any other direct environmental impact of banks. While the number of banks signing up to the Net Zero Banking Alliance (NZBA) and/or committing to set Science Based emission reduction Targets (SBTs) has increased over the past few years, it is unclear whether these commitments translate into actual changes in lending policies to the most polluting sectors. This paper will take a double materiality approach to answer what we think is a key question: what does it mean for banks to be truly net zero?

The EU’s sustainable finance framework. Over the past few years, regulators in different jurisdictions have been drafting frameworks to direct capital towards ensuring sustainable economic activities and companies, while building safeguards against the risk of greenwashing. The EU sustainable finance package (including a taxonomy of sustainable economic activities, reporting requirements for companies and reporting requirements for investors) has been at the forefront of these developments. Is the current EU sustainable finance framework delivering on its objective to drive more capital towards sustainable investment? Following the first reporting cycle under the EU Sustainable Finance Disclosure Regulation in 2023, and ahead of the Commission’s expected review of the Sustainable Finance Disclosure Regulation (SFFR) it is time to take stock. This project will assess the effectiveness of the EU current sustainable finance framework and highlight areas where the framework remains unclear or inconsistent. It will also provide preliminary evidence of sustainable finance flows, to evaluate whether capital is indeed flowing towards the kind of investments most needed for the transition.

Microeconomic policy

Scholars: Anne Bucher, Zsolt Darvas, Duygu Güner, Bertin Martens, Miquel Oliu-Barton, Georgios Petropoulos, David Pinkus, Fiona Scott Morton.

Digital economy and the impact of AI

Structural weakness in the EU's digital economy. What to do about the EU's structural weaknesses in the digital economy, at all levels (hardware production, telecoms and cloud infrastructure, absence of big B2B or B2C intermediation platforms, relative slow uptake of innovative digital technologies and services)? Do they affect economic performance in terms of productivity growth and strategic autonomy?

Structural change in the digital economy. Data non-rivalry potentially generates welfare spillovers through economies of scope in data re-use and aggregation. This implies that the social value of data often exceeds the private value. Realizing these welfare externalities requires reigning in exclusive private data rights. Recent EU data regulations have somewhat hesitantly moved in that direction. How does this affect personal data protection, trade secrets, and possibly IPR?

The impact of new technologies on EU labour markets. We will be revisiting this old topic using the Eurostat survey microdata to understand how new technologies are affecting different skill groups in the workforce. Which occupations become more important in the workforce? How is the gender balance in the workforce evolving in the post-covid world and what is the role of technology for that?

Artificial intelligence as an input to firm production. How does artificial intelligence affect firms' market performance, competitive conduct and market concentration? This project undertaken with Wang Jin (Stanford) and Sebastian Steffen (Boston College) reexamines and extends work summarized in a 2021 [Bruegel blog post](#) in light of the enormous change in AI adoption since 2022.

Skills and labour markets

Attracting skilled labour. High-skilled talent is not only scarce and in high demand but also highly mobile across international borders. Countries like the US and Canada have long benefited from this mobility. Similarly, the EU implemented the Blue Card to attract such talent. Now, with a pressing need for skilled workers in many industries, the EU aims to enhance its attractiveness. To address skill and labour shortages through attracting skilled migrants from third countries, the EU has developed several policy tools, including the EU Talent Pool. In this research, we aim to analyse the EU's ability to attract skilled labour compared to other developed economies such as the USA, Canada, the UK, Australia, and Singapore, as well as emerging economies like Brazil, China, and India, which have policies aimed at attracting skilled workers. We will further evaluate the relative performance of EU member states in attracting foreign talent. After identifying the top performers, we will

examine the characteristics that enabled these EU countries to succeed in attracting talent, discussing the role of national immigration systems and targeted policies. This research will further assess the implications of this skilled migration for sending countries.

Activating underrepresented groups to tackle skill and labour shortages. There is widespread inactivity among individuals in working age with 53.5 million people aged 20 to 64 not participating in the labour force. 40 percent of inactive people are aged 55 to 64, and women constitute 63 percent, while individuals with at most a lower-secondary and an upper-secondary education represent 34 and 49 percent respectively. Supporting the activation of these underrepresented groups in the labour market is one of the five key policy areas identified by the European Commission to tackle skill and labour shortages. Yet, a comprehensive understanding of the reasons behind their low labour market participation is missing. While factors such as care responsibilities and health issues offer partial explanations, they do not provide a complete picture. Merely one in six inactive individuals express a willingness to work and understanding this substantial reluctance to participate is essential to activating these individuals. By utilising various data sources, this research aims to provide a realistic estimation of the size of this untapped labour pool and identify the characteristics of those who are not detached from the labour market. By doing so, it aims to support a more efficient allocation of EU resources to address skills and labour shortages.

Health and wealth inequality

Little is known about the impact of the COVID-19 pandemic on wealth inequality. By using household-level data from the fourth wave (2020-2022) of the European Central Bank's Household Finance and Consumption Survey (HFCS) for 22 EU countries, and complementary 2021-2022 microdata from the Luxembourg Wealth Study for several EU and non-EU countries, we aim to explore wealth dynamics, composition and inequality in recent years, paying special attention to the development during the pandemic. The potential association of the national social and economic support measures adopted as a response to the pandemic with wealth dynamics and inequality will be explored.

Energy and climate policy

Scholars: Heather Grabbe, Lucrezia Reichlin, Ben McWilliams, Jean Pisani-Ferry, Simone Tagliapietra, Georg Zachmann.

European energy security and competitiveness. Bruegel will continue to monitor European energy security of supply trends as well as energy prices and provide timely analysis on relevant policy decisions. For as long as deemed helpful, Bruegel will maintain its existing databases tracking natural gas imports and natural gas demand in Europe. Bruegel will also carry out fresh analyses on the new EU energy policy trends during the first year of the new EU cycle, namely focusing on the interplay of EU energy markets integration and competitiveness. Precise research topics will be guided by real-world events providing

Bruegel researchers with the flexibility to adapt to the fast-moving political and economic reality.

Electricity markets for full decarbonisation. Clean electricity is expected to become the dominant energy vector for transport, heating and industry. To encourage the right investments in a competitive and secure electricity system, incentives and financing for grid-development, market signals for generation and storage investment as well as tools for demand side action need to be reconsidered. Bruegel plans to substantively contribute to discussions on the reforms of the corresponding European regulatory framework.

European climate policy “Fit for 90”. The “Fit for 55” package strengthened the EU climate policy architecture by creating a second emissions trading system for buildings and road transport. After the entry into operation of the system, most economic sectors will be covered by a carbon-pricing mechanism, with the notable exception of the agriculture and LULUCF sectors. As all sectors will need to contribute to the 2050 climate neutrality objective – and to negative emissions thereafter – this gap should be addressed by a future “Fit for 90” package, the potential shape of which Bruegel will investigate with this project as a contribution to the next phase of EU climate policy.

Modelling the green transition. In the framework of three Horizon Europe projects (Decipher, IAM COMPACT, PRISMA) Bruegel participates in international modelling consortia. The model ensemble covers a wide range of time frames, geographic and sectoral resolution as well as economic approaches. Bruegel will, together with its excellent partners, identify relevant policy questions, translate those into sensible scenarios and generate useful policy recommendations.

Disclosure for climate-related risks and opportunities. The EU has designed complex rules for disclosure related to sustainability issues faced by companies, including climate. These rules are based on the concept of “double materiality” and rely on a taxonomy on what can be classified as “green”. The conceptual framework is different from international disclosure rules as designed by the International Financial Reporting Standards (IFRS) foundation which are based on the “single/financial materiality” concept. As the support for the green deal is likely to weaken in the next legislature, a system which is less reliant on a top-down classification such as the one of the IFRS is likely to be less vulnerable to political pressures. This is an open question. The project aims at following a sample of EU and non-EU companies over time in order to understand how the two systems work in practice and draw lessons for the design of the EU rules also in relation to their global adoption.

Circular economy and sustainability

Scholars: Heather Grabbe, Miquel Oliu-Barton.

Circular economy. Bruegel will continue to research the role of circular economy principles in increasing resource efficiency and contributing to EU strategic goals for economic security, strategic autonomy, competitiveness and financial stability. This work will explore

the application of concepts around “competitive sustainability” in guiding economic policy to take into account Europe’s long-term comparative advantages and disadvantages in an era of fast-growing climate and environmental pressures.

Valuing nature. Bruegel will research new approaches to valuation of natural capital, financial tools for biodiversity, and environmental risks to economic and financial stability.

Water stress. Bruegel will begin work on the implications of growing water stress for the European economy, including long-term desertification and adaptation needs for infrastructure. This work will explore the effects of increasingly unpredictable water availability on energy systems, industry, agriculture and food systems.

Execution of the 2023-2024 Research Programme

Table 2 summarises the execution of the 2023-24 Bruegel Research Programme, including publications and new and existing datasets. It also shows statistics on testimonies, podcasts, and events that were used to disseminate our research.

Between 1. September 2023 and end July 2024, Bruegel publications included **26 Policy briefs**, **22 Working Papers**, **46 Analyses** (research-based extended blogs), **48 First Glances** (short blogs) and 16 ‘other’ publications. The latter included **two books** – on the [macroeconomics of decarbonisation](#), and the [history of Europe’s banking union](#); **two essays** – on the [birth of the euro](#), and [income inequality and the liberal economic order](#); **two reports** – on [accelerating strategic investment in the EU](#) and the [impact of Ukraine’s potential future accession on the EU](#), commissioned by the Belgian presidency of the EU and by the Federal Chancellery of Austria, respectively; as well as **10 papers for the European Parliament**.² Two papers were prepared at the request of the Belgian presidency of the EU: one on the [state of financial knowledge in the EU](#) for the informal Ecofin meeting in February 2024, and one on [incorporating social investments and reforms in the EU’s new fiscal framework](#).

Research related to the 2023-24 priority topics accounted for slightly less than half of Bruegel’s total publication (and views), but for more than half of Bruegel’s longer publications. Among a total of 65 Policy Briefs, Working Papers and other in-depth publications, 40 were written in priority research areas, and 25 in additional areas. The most extensive work outside the priority topics was undertaken in the energy and climate areas (in addition to that delivering on three focused energy and climate topics that had priority status).

We have met or exceeded the baseline that we had promised to deliver under the 2023-24 research programme in all research areas. Highlights include quantitative work showing the [implications of the new EU fiscal framework](#) as this evolved over between April 2023 until the final legislation was passed in April 2024; a trilogy of major publications on European Public Goods: on [debt financing](#) (September), [own resources](#) (March) and [identification and governance](#) (May); our work on [Ukraine’s path to EU membership and its implications for the EU](#); a major research-based report on [Europe’s economic security](#) co-edited and co-published together with the Centre for Economic Policy Research (CEPR); a working paper on [Chinese industrial policy and its implications for Europe](#), a series of papers on [digital regulation](#) and [competition](#), a policy brief on the [economic case for north-south climate finance at scale](#), a policy brief proposing a new [governance framework to safeguard the EU green deal](#), and another making the case for much higher [integration of EU electricity markets](#). These, and many other contributions are listed in Table 3 below.

Significant efforts went into preparing our quintennial crown publication, the **Memos to the new EU leadership**, a collection of 20 papers that will be launched at this year’s [Bruegel Annual Meetings \(BAM\)](#). Two – our [Memo the Presidents of the European Commission, Council and Parliament](#) and [Memo to the High Representative for Foreign and Security Policy](#) – were published ahead of time, following the nomination of the new office holders in July.

² On the [economic governance review and its impact on monetary-fiscal coordination](#), [European electricity market design](#), the [European Union’s long-term borrowing cost bill](#), the [emergence of non-personal data markets](#), [low-carbon allocation in monetary policy implementation](#), [monetary policy and the ECB operational framework](#) after 25 years, [Capital Markets Union](#), the [EU trade agenda](#), [competitiveness and its link to European public goods](#), and [European economic security](#).

Table 2. Execution of the 2023-24 Research Programme

	Datasets		Publications						views	Testimonies count	Podcasts		Events			
	count	views	count								Testimonies count	count	listens	count	participants	
			Analyses	FGs	PBs	WPs	Other	Total							in-person	online
Priority topics																
1. The design of the EU's fiscal framework	-	-	-	5	3	2	1	11	45410	2	2	4278	1	26	-	
2. EU public goods and how to finance them	-	-	4	2	1	2	2	11	24971	-	1	2082	1	59	316	
3. Making a reality of Capital Markets Union	-	-	1	3	1	-	1	6	13386	1	1	2106	-	-	-	
4. The consequences of Ukraine's accession to the EU	-	-	-	-	1	-	1	2	18061	-	2	3332	1	47	472	
5. Europe's economic security	-	-	-	1	2	1	2	6	21314	-	3	5615	3	131	597	
6. The Chinese economy and its influence on Europe	1	9323	1	8	1	2	-	12	48040	-	10	18709	9	247	464	
7. EU digital regulation	1	11591	4	1	3	3	-	11	32762	-	2	3557	5	172	352	
8. The economic impact of AI	-	-	-	1	-	3	-	4	13921	-	3	5380	2	59	171	
9. EU climate and energy governance	-	-	-	1	2	-	-	3	22578	-	2	3106	4	356	1566	
10. How to decarbonise the global south	-	-	-	-	2	-	-	2	9789	-	-	-	3	132	1115	
11. Electricity markets: beyond short-term patches	-	-	1	-	3	-	1	5	24543	-	1	2071	1	76	403	
Total priority topics	2	20914	11	22	19	13	8	73	274775	3	27	50236	30	1305	5456	
Additional topics																
Macroeconomic policy & governance	1	1942	5	8	1	2	3	19	67889	1	3	5888	11	403	2309	
Banking and Capital Markets	-	-	1	1	-	1	1	4	13521	1	4	7908	7	221	511	
Geoeconomics, trade policy, industrial policy, and innov:	3	19041	9	6	4	4	3	26	80278	2	7	13354	9	201	1900	
Digital economy, labour markets, skills and health	3	6205	10	2	-	1	-	13	23184	-	1	1598	-	-	-	
Energy and climate policy	5	128400	10	9	1	1	1	22	84492	2	1	1598	9	339	879	
Multi-topic and other	-	-	-	-	1	-	-	1	23187	-	6	10432	5	790	12755	
Total additional topics	12	155588	35	26	7	9	8	85	292551	6	22	40778	41	1954	18354	
Grand total	14	176502	46	48	26	22	16	158	567326	9	49	91014	71	3259	23810	

Note: Table covers the period 1.9.2023 - 31.7.2024. Datasets include both new and existing datasets that were updated during the reporting period. FGs refers to First Glances (short blogs), PBs to Policy Briefs, WP to Working Papers, and Other to books, essays, reports, and papers commissioned by the European Parliament. 'Testimonies' refers to parliamentary hearings and presentations at the Eurogroup or the informal ECOFIN.

Table 3: 2023-24 Bruegel priority research topics: status of delivery by end-July 2024

Priority Topic	Outputs, September 2023 – July 2024
1. The design of the EU's proposed economic governance framework	<ul style="list-style-type: none"> • A quantitative evaluation of the European Commission's fiscal governance proposal (Working paper by Z. Darvas, L. Welslau and J. Zettelmeyer, September) • Making Sense of the European Commission's Fiscal Government Reform Plan (Policy brief by L. Pench, September) • The economic governance review and its impact on monetary-fiscal coordination (Paper written for the European Parliament ECON committee by Z. Darvas and J. Zettelmeyer, September) • Are the emerging EU fiscal rules green enough? (First Glance by J. Zettelmeyer, November) • Bringing the reform of European Union fiscal rules to a successful close (First Glance by Z. Darvas, J. Pisani-Ferry, J. Zettelmeyer, December) • Incorporating the impact of social investments and reforms in the European Union's new fiscal framework (Working paper by Z. Darvas, J. Zettelmeyer, L. Welslau, March) • Three risks that must be addressed for new European Union fiscal rules to succeed (Policy brief by L. Pench, May) • The implications of the European Union's new fiscal rules (Policy brief by Z. Darvas, L. Welslau and J. Zettelmeyer, June)
2. European public goods and how to finance them	<ul style="list-style-type: none"> • European Union debt financing: leeway and barriers from a legal perspective (Working paper by S. Grund and A. Steinbach, September) • What will it cost the European Union to pay its economic recovery debt? (Analysis by G. Claeys, C. McCaffrey and L. Welslau, September) • When will the European Union finally get the budget it needs? (Analysis by M. Buti, December) • Accelerating strategic investment in the European Union beyond 2026 (Report by M. Demertzis, D. Pinkus, N. Ruer, January) • Broader border taxes: a new option for European Union budget resources (Policy brief by P. Saint-Amans, March) • A conceptual framework for the identification and governance of European public goods (Working paper by G. Claeys and A. Steinbach, May) • Debt financing European air defence (Analysis by A. Steinbach, G. Wolff, June) • The European Investment Bank can afford to take more risks (Analysis by M. Demertzis, D. Pinkus, N. Ruer, July)
3. Making a reality of Capital Markets Union'	<ul style="list-style-type: none"> • The state of financial knowledge in the European Union (Policy brief by M. Demertzis, L. Léry Moffat, A. Lusardi, J. Mejino Lopez, February) • European capital markets union: make it or break it (First Glance by N. Véron, March) • Capital Market Union: 10 Years Later (Paper written for the European Parliament ECON committee by N. Véron, March) • EU savers need a single-market place to invest (First Glance by R. Christie, C. McCaffrey and D. Pinkus, April)
4. The consequences of Ukraine's accession to the EU	<ul style="list-style-type: none"> • Ukraine's path to European Union membership and its long-term implications (Policy brief by Z. Darvas, M. Dabrowski, H. Grabbe, L. Léry Moffat, A. Sapir, G. Zachmann, March) • The impact on the European Union of Ukraine's potential future accession (Report by Z. Darvas, M. Dabrowski, H. Grabbe, L. Léry Moffat, A. Sapir, G. Zachmann, April) • How to harvest the windfall profits from Russian assets in Europe (Analysis by A. Steinbach, June)
5. Europe's economic security	<ul style="list-style-type: none"> • De-risking and decarbonising: a green tech partnership to reduce reliance on China (Policy brief by A. García-Herrero, H. Grabbe and A. Källenius, October) • How Should Europe Think About Economic Security? (Journal article by S., Tagliapietra and C. Trasi, Intereconomics, Volume 59, 2024, March)

	<ul style="list-style-type: none"> • European Economic Security: current practices and further development (Paper written for the European Parliament INTA committee by C. McCaffrey, J. Mejino Lopez, N. Poitiers and authors from CEPII, May) • Paris Report 2: Europe's Economic Security (CEPR-Bruegel report, edited by J. Pisani-Ferry, B. Weder Di Mauro and J. Zettelmeyer, May) • How to de-risk: European economic security in a world of interdependence (Policy brief based on Chapter 1 of CEPR-Bruegel Paris Report, by J. Pisani-Ferry, B. Weder di Mauro and J. Zettelmeyer, May) • Instruments of Economic Security (Working paper based on Chapter 6 of CEPR-Bruegel "Paris Report", by C. McCaffrey and N. Frederic Poitiers, May)
6. The Chinese economy and its influence on Europe	<ul style="list-style-type: none"> • To what extent can urbanisation mitigate the negative impact of population ageing in China? (Working paper by A. García-Herrero, J. Xu, October) • Third time lucky? China's push to internationalise the renminbi (Policy brief by A. Amighini, A. García-Herrero, November) • Why the European Union-China summit is bound to disappoint (First Glance by A. García-Herrero, December). • Potential Geoeconomic and Geopolitical Consequences of an Expanded BRICS (External publication by A. García-Herrero, January) • Unpacking China's industrial policy and its implications for Europe (Working paper by A. García-Herrero and R. Schindowski, May) • The European Union's proposed duties on Chinese electric vehicles and their implications (Analysis by U. Dadush and C. McCaffrey, July)
7. EU digital regulation	<ul style="list-style-type: none"> • The Digital Markets Act is about enabling rights, not obliging changes in market conditions (Analysis by C. Carugati, September) • Compliance principles for the Digital Markets Act (Policy brief by C. Carugati, November) • The 'pay-or-consent' challenge for platform regulators (Analysis by C. Carugati, November) • Digital Market Act designations: the interoperability of Google Android (Analysis by Fiona Scott- Morton, November) • Are new EU data market regulations coherent and efficient? (Working paper by B. Martens, December) • Improving the contestability of e-commerce in two jurisdictions: the Amazon case (Policy brief by F. Scott Morton, December) • Entry and Competition in Mobile App Stores (Working paper by F. Scott-Morton, January) • The chicken-and-egg problem in the European Union Digital Markets Act (Working paper by F. Scott-Morton, January) • The European Union AI Act: premature or precocious regulation? (Analysis by B. Martens, March)
8. The economic impact of AI	<ul style="list-style-type: none"> • The rise of skills-based hiring for AI and green jobs (Working paper by F. Stephany, E. Gonzalez Ehlinger, December) • Exposure to generative artificial intelligence in the European labour market (Policy brief by L. Nurski and N. Ruer, March) • Economic arguments in favour of reducing copyright protection for generative AI inputs and outputs (Working paper by B. Martens, April) • Why artificial intelligence is creating fundamental challenges for competition policy (Policy brief by B. Martens, July)
9. EU climate and energy governance	<ul style="list-style-type: none"> • A new governance framework to safeguard the European Green Deal (Policy brief by J. Pisani-Ferry, S. Tagliapietra and G. Zachmann, September) • Financing buildings decarbonisation in Europe: key challenges and smart policies (S. Tagliapietra, February)

	<ul style="list-style-type: none"> • Lessons from the European Union’s inaugural Hydrogen Bank auction (Analysis by J. Kneebone and B. McWilliams, May) • Procrastination not dismantlement now threatens the European Green Deal (First Glance by S. Tagliapietra, June) • How to finance the European Union’s building decarbonisation plan (Policy brief by S. Tagliapietra, B. McWilliams, C. Trasi, U. Keliauskaite, G. Sgaravatti, July)
10. How to decarbonise the global south	<ul style="list-style-type: none"> • The economic case for climate finance at scale (Policy brief by P. Bolton, A. Kleinnijenhuis and J. Zettelmeyer, June) • Repowering Europe’s global green reach (Policy brief by G. Sgaravatti, S. Tagliapietra and C. Trasi, forthcoming)
11. Electricity markets: beyond short-term patches	<ul style="list-style-type: none"> • The massive value of European Union cross-border electricity transmission (Analysis by G. Dimopoulos C. Heussaff, G. Zachmann, November) • Europe’s under-the-radar industrial policy: intervention in electricity pricing (Policy brief by B. McWilliams, G. Zachmann, S. Tagliapietra, G. Sgaravatti) • Unity in power, power in unity: why the EU needs more integrated electricity markets (Policy brief by G. Zachmann, C. Batle, F. Roques, M. Morawiecka, F. Beaudé, February) • The changing dynamics of European electricity markets and the supply-demand mismatch risk (Policy brief by C. Heussaff, G. Zachmann, July)
Additional topics	
Macroeconomic policy & governance	<ul style="list-style-type: none"> • Europe’s strategic challenge (First glance by M. Buti, October) • The European Union’s remarkable growth performance relative to the United States (Analysis by Z. Darvas, October) • Rule of law rules future European Union enlargement (First Glance by H. Grabbe, November) • Low-carbon allocation in monetary policy implementation (Paper for the European Parliament by D. Schoenmaker, November) • Poland: hope for rule-of-law correction, but serious economic challenges ahead (First Glance by M. Dabrowski, November) • The benefits of bringing the Western Balkans into the European Semester (Analysis by Z. Darvas, December) • Euro@25: What’s next for the EMU (Paper for the European Parliament by J. Pisani-Ferry, L. Reichlin, and J. Zettelmeyer, February) • A tale of two treatises: the Werner and Delors Reports and the birth of the euro (Essay by I. Maes, February) • The rocky road to EU accession for Western Balkan countries: obstacles and lessons from the Eastern Partnership (Working paper by A. Steinbach, March) • Price stability is all about climate change (First Glance by D. Schoenmaker, April) • The push-pull between geopolitics and domestic resistance: lessons from the 2004 enlargement of the EU (First Glance by H. Grabbe, May) • German pension reform push crystallises challenges faced by many European countries (First Glance by D. Pinkus, May) • Navigating the treacherous political economy of structural reform (Working Paper by J. Ostry, D. Furceri, C. Papageorgiou, and D. P. Quinn) • Twenty years of European east-west household income convergence (Analysis by Z. Darvas, June) • The European Central Bank must adapt to an environment of inflation volatility (Analysis by L. Reichlin, and J. Zettelmeyer, June) • Tough trade-offs: the big strategic issues for the next EU term (First Glance by M. Buti, and M. Messori, June) • Divergent economic dynamics grind down the Franco-German EU axis (First Glance by M. Buti, June)

	<ul style="list-style-type: none"> • Countries are still slow to follow European Union policy recommendations (Analysis by Z. Darvas, July) • The changing dynamics of the Western Balkans on the road to European Union membership: an update (Policy brief by L. Moffat and M. Dabrowski, July)
Banking and capital markets	<ul style="list-style-type: none"> • The European Central Bank's timid operational framework update (First Glance by M. Demertzis and F. Papadia, March) • Europe's Banking union at ten: unfinished yet transformative (Book by N. Véron, June) • On the digital euro holding limits (Analysis by M. Demertzis and J. Mejino Lopez, July) • The European Central Bank's operational framework and what it is missing (Working Paper by F. Papadia and G. Gotti, July)
Geoeconomics and trade policy	<ul style="list-style-type: none"> • European Union grain imports from Ukraine: the right decision and a cynical rebellion (First Glance by M. Dabrowski, September) • The reason for the European Union-Australia trade negotiation hiccup (Analysis by A. Sapir, November) • The European Union should do better than confiscate Russia's reserve money (Analysis by N. Véron, December) • Taiwan's future economic direction hinges on the election outcome (First Glance by A. García-Herrero, January) • Making industrial policy work: a case study on the European Battery Alliance Academy (Working paper by N. Poitiers and C. McCaffrey, January) • To become a geopolitical player the European Union needs Treaty change (First Glance by M. Dabrowski, January) • Global income inequality has hardly changed during the COVID-19 pandemic (Analysis by Z. Darvas, February) • Smarter European Union industrial policy for solar panels (Policy brief by S. Tagliapietra, B. McWilliams and C. Trasi, February) • The post-election Taiwanese economy: decisions ahead and takeaways for the European Union (Analysis by A. García-Herrero, February) • Indonesia's post-election balancing act (First Glance by A. García-Herrero, February) • Knowledge spillovers and geopolitical challenges in global supply chains (Working Paper by K. Sekut and N. Poitiers, February) • Global supply chains: lessons from a decade of disruption (Policy brief by N. Poitiers and L. Moffat, March) • Coordination for EU Competitiveness (Paper for the European Parliament by D. Pinkus, J. Pisani-Ferry, R. Veugelers, G. Zachmann and J. Zettelmeyer, March) • The European defence industrial strategy: important, but raising many questions (Analysis by G. B. Wolff, March) • Emerging countries have replaced most of Russia's lost trade with advanced economies (Analysis by Z. Darvas, L. Moffat and C. McCaffrey, March) • Use the financial system to enforce export controls on Russia (First Glance by B. Hilgenstock, E. Ribakova, and G. B. Wolff, April) • Key new factors likely to shape the EU's trade agenda in the next term (Paper for the European Parliament by P. Mavroidis and A. Sapir, May) • Rippling out: Biden's tariffs on Chinese electric vehicles and their impact on Europe (Analysis by U. Dadush, May) • India's indecisive election result could point to slower economic reform (First Glance by A. García-Herrero, June) • How to harvest the windfall profits from Russian assets in Europe (Analysis by A. Steinbach, June) • What role do imports play in European defence? (Analysis by J. Mejino Lopez and G. B. Wolff, July)

	<ul style="list-style-type: none"> • Productivity spillovers from FDI: A firm-level cross-country analysis (Working paper by J. Ahn, S. Aiyar and A. F. Presbitero, July) • Adapt to a harsher world: Memo to the High Representative for Foreign and Security Policy (Policy brief by A. García-Herrero, H. Grabbe and Jean Pisani-Ferry, July) • Joint public procurement as a tool for European Union industrial policy (Policy brief by F. Nicoli, July)
Digital economy, labour, skills, and health	<ul style="list-style-type: none"> • Competition with politicisation is not competition, it's harmful protectionism (First Glance by C. Carugati, September) • The emergence of non-personal data markets (Paper for European Parliament by S. Marcus, October) • Productivity parity is the road to gender equality (First Glance by Rebecca Christie, October) • Home-grown innovation has costs as well as benefits (Analysis by F. Scott Morton, November) • The competitive relationship between cloud computing and generative AI (Working Paper by C. Carugati, December) • The value of skill complementarity, especially in artificial intelligence (Analysis by F. Stephany, December) • New technologies in the workplace: a round-up of project research (Analysis by L. Nurski, December) • New ways of working: a round-up of project research (Analysis by L. Nurski, December) • Promoting STEM skills: a brief assessment of French individual learning accounts (Analysis by K. Sekut and D. Güner, December) • Gender equality and reboundability in the labour market: lessons from COVID-19 (Analysis by A. Prskawetz, C. Berghammer, S. T. Koszegi and E. Gómez, December) • Reskilling and mobility: a round-up of project research (Analysis by F. Stephany, March) • Inclusive digital economy: a round-up of project research (Analysis by R. Christie, April) • Beyond retirement: a closer look at the very old (Analysis by D. Pinkus and N. Ruer, April) • Research, innovation and data: a fifth freedom in the EU single market? (Analysis by B. Martens, May)
Energy and climate	<ul style="list-style-type: none"> • The struggle to cut emissions from international aviation and shipping (Analysis by G. Sgaravatti, September) • The European Union is ready for the 2023-24 winter gas season (Analysis by B. McWilliams, G. Sgaravatti, G. Zachmann and S. Tagliapietra, October) • Israel-Hamas war: implications for the global oil market (First Glance by S. Tagliapietra, October) • How might China hit back over the EU's electric vehicle anti-subsidy investigation? (First Glance by A. García-Herrero, October) • Israel-Hamas war: implications for gas markets (First Glance by A. Łoskot-Strachota and S. Tagliapietra, October) • Recessions, the Energy Mix, and Environmental Policy (Working paper by J. Ostry, October) • COP28: key issues at stake and indicators of success (Analysis by C. Trasi, G. Sgaravatti and S. Tagliapietra, November) • Bypassing the German debt brake and continuing climate spending (First Glance by G. Zachmann, November) • Climate ambition, at what cost? Emission reductions and income effects (Analysis by D. Van der Duin, B. Burgoon and F. Nicoli, December) • US and UK strikes in Yemen: implications for global energy markets (First Glance by S. Tagliapietra, January)

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- [Climate policies carry political costs, but those costs can be mitigated](#) (Analysis by M. Ganslmeier, D. Furceri and J. Ostry, January)
 - [A smart solar strategy for Europe](#) (First Glance by S. Tagliapietra, B. McWilliams and G. Zachmann, February)
 - [The Macroeconomics of Decarbonisation: Implications and Policies](#) (Book by G. Claeys, M. Le Mouel, S. Tagliapietra, G. B. Wolff and G. Zachmann, February)
 - [Four questions for Germany's big hydrogen power plan](#) (Analysis by B. McWilliams and G. Zachmann, February)
 - [The European Union-Russia energy divorce: state of play](#) (Analysis by B. McWilliams, G. Sgaravatti, S. Tagliapietra and G. Zachmann, February)
 - [EU air quality agreement sends a positive signal but leaves loopholes](#) (First Glance by M. Oliu-Barton, February)
 - [Beyond the numbers of EU national energy and climate plans](#) (First Glance by B. McWilliams and G. Zachmann, April)
 - [The Letta report: an assessment of the energy proposals](#) (First Glance by B. McWilliams, S. Tagliapietra and G. Zachmann, April)
 - [Lessons from the European Union's inaugural Hydrogen Bank auction](#) (Analysis by B. McWilliams and J. Kneebone, May)
 - [How much does Europe pay for clean air?](#) (Policy brief by M. Oliu-Barton and J. Mejino Lopez, June)
 - [Future European Union gas imports: balancing different objectives](#) (Analysis by A. Łoskot-Strachota and G. Zachmann, July)
 - [Transatlantic clean investment monitor](#) (Analysis by M. Delgado, Y. Garcia, H. Hess, U. Keliauskaitė, B. McWilliams, S. Tagliapietra, M. Tamba, H. Tavarez, and C. Trasi, July)
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