

List of Projects

Javier Flórez Mendoza

EU-Asia relations: technological competition and trade policies in an era of regionalisation

Anniversary Fund of the Oesterreichische Nationalbank

June 2023 - May 2026

This project analyses various aspects of EU-Asia relationships with a focus on East and Southeast Asia. It addresses two main aspects which characterise current global economic developments: a tendency towards competing regional integration ('regionalisation') and fiercer technological competition. In a first module it analyses intra- and interregional research collaborations of firms, the positioning of EU and East and Southeast Asian countries in terms of the functional specialisation of global value chains, and technology spillovers from multinationals from emerging East and Southeast Asian economies and multinationals from advanced economies to domestic EU firms. The second module focuses on the roles of competing trade policy arrangements and technological complementarity in regional vs. inter-regional integration processes, the impact of different trade policy designs on trade structures in the context of industry-specific technology catching-up and leap-frogging, and global and regional competition with respect to regulatory standards. The policy relevant conclusions with respect to innovation and trade derived from the results will be summarised in a Policy Note.

Funded by the [Anniversary Fund of the Oesterreichische Nationalbank](#) (Project No. 18833).

Study on value-added exposure estimates to assess spillovers and competitiveness

European Commission, DG Economic and Financial Affairs

August 2024 - November 2025

Current models based on input-output tables are prone to various weaknesses and challenges. First, input-output tables are released with a considerable time lag (publication lag), which might lead to inaccurate estimates in the times of fast-changing economic conditions. Second, input-output tables are typically available in nominal terms only, as opposed to real terms (or more exactly, chain-linked volumes) as is the case with National Accounts data. The aim of this study is to advance DG ECFIN's input-output modelling framework in several respects. Specifically, this project will produce a tool enabling researchers to update and forecast input-output data to the extent possible. This will allow DG ECFIN to undertake spillover assessments (both for demand and price shocks) in a forward-looking manner within the economic surveillance framework.

How can economic instruments of climate policy be directed through foreign direct investment?

Anniversary Fund of the Oesterreichische Nationalbank

October 2022 - June 2025

This project explores how policymakers can strategically harness foreign direct investment (FDI) to promote innovation and the development of green and environmental technologies in the European Union. It comprises three interconnected work packages and a policy note. The first work package examines the key factors shaping FDI location decisions across regions and industries, emphasising the roles of regulatory distance - particularly through non-tariff measures - and technological proximity between foreign investors and host regions. The second work package investigates the impact of FDI on employment and productivity, both at the firm level and the regional-sector level. It differentiates the effects on domestic firms from those on the entire sector, revealing that the benefits of FDI are most significant when domestic firms possess sufficient absorptive and innovative capacity and are linked to upstream foreign suppliers. The third work package focuses on the diffusion of knowledge and green innovation through multinational corporate networks. It finds that the global innovation profile of an MNE group - especially its parent and affiliates outside the EU - plays a decisive role in driving domestic green patenting,

provided there is technological alignment. The accompanying policy note translates these findings into actionable recommendations for aligning FDI attraction with Europe's innovation and sustainability objectives.

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Export diversification strategy for Venezuela

United Nations Conference on Trade and Development (UNCTAD)

October 2023 - December 2024

This project aimed to design a sustainable diversification strategy for Venezuela and industrial policies to support the identified products and processes. In the framework of this project, wiiw analysed the export structure of Venezuela using the product space methodology and identified new export opportunities through a thorough analysis that involved the product space metrics and additional indicators on linkages, employment, export markets, and foreign exchange.

Spend, transfer, or repay. What to do with all the money from the EU carbon border tax?

Anniversary Fund of the Oesterreichische Nationalbank

October 2022 - September 2024

The project addresses the impact of the European carbon border adjustment (CBA) mechanism. The research project estimates the effects of a carbon border tax on trade, GDP, and welfare for alternative spending scenarios for the carbon border tax revenues. This is explored with two different carbon border adjustment designs. The research will strive to contribute to the policy debate on the design of the CBA, and on the future of the EU budget in the context of new own resources.

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