



CASE – Centrum Analiz Społeczno-Ekonomicznych
CASE – Center for Social and Economic Research

Annual Report 2019

■ TABLE OF CONTENTS

Letter from the President...3

About CASE...6

The CASE Network...7

CASE People...10

CASE Highlights 2019...16

Thematic Areas

Fiscal, Monetary, and Financial Policies...33

Sustainable Development Policies...44

Trade, Innovation, and Productivity Policies...59

CASE Communications...74

Financing of CASE Activities...84

Letter from the President



Dear Colleagues, Friends, and Readers,

2019 has been marked in Polish history as a year for celebrating two important events on our way to capitalism: the 30th anniversary of economic transformation and the 15th anniversary of Polish accession to the EU. Both events are recognized as relevant milestones in building Polish democracy, boosting economic growth, and catching up with the wealthier West. Also, CASE activities in 2019 were intensively focused around these two anniversaries, in parallel with our daily project-based activity.

In May, we organized a joint conference of CASE and INE PAN, where, for the first time, we presented the results of the CASE Report *Our Europe: 15 Years of Poland in the European Union*. This unique report concisely presents the multidimensional benefits of Poland's membership in the EU based on facts and demonstrates the barriers and challenges to further European integration. The report was broadly recognized and attracted the interests of different environments and the Polish media. Just to mention one of them, we were pleased to organize a series of lectures on the topic *What has the European Union given us? A socio-economic balance of Poland's membership in the EU* together with the Open University of the University of Warsaw. This experience showed us how important, but also how difficult, it is to go out to society and talk about complex economic processes to non-economic audiences.

In this place, I would like to express my sincere gratefulness and immense appreciation to all co-authors and editors of the CASE Report. Due to their intensified efforts and their pro-bono contributions, we were able to share with society an excellent piece of work, which undoubtedly will contribute to the historical picture of Polish economic development.

Along the same lines, within the project *30 years of economic reforms in Poland* performed with CASE's daughter organization – CASE-Belarus, we shared the experience of Polish transformation with Belarusian society through a series of lectures organized in Belarus, as well as through our contribution to the Kastrýčnicki Economic Forum in November in Minsk.

But 2019 would not be so prosperous if CASE's project-based statutory activity was not so dynamic and intensified. This year, we performed 36 projects with an overall turnover of EUR 1.1 million – an increase of 38% when compared to 2018. For the second year in a row, we contributed significantly to the European debate on fiscal policy, with a particular focus on excise duty and PIT tax. We also had the privilege to carry on the measurement of the VAT Gap for all EU Member States for the seventh year in a row. In addition to the flagship study, we looked at the future of green taxation, analyzed the possibility of applying VAT to financial and insurance services, and concluded work on a high-impact analysis of the foregone tax revenue because of tax havens. On top of this, a series of dissemination

activities took place, like the organization of the second edition of the CASE tax workshop. This year, together with the European Commission, the Lazarski University, as well as the Center for Economic Analysis, our panelists concentrated their work on the topic of the structure and effectiveness of the Polish tax system. We were also very proud to take part in the prominent Tatra Summit event in Bratislava, where CASE Vice President, Dr. Grzegorz Poniatoski argued that smart taxation is a necessity in a fast-changing global economy.

Within the sustainable development field, huge efforts from our team were devoted to analyses of climate change as well as energy efficiency. Within the Horizon 2020 grants, we examined the impact of climate effects on European sustainability as well as continued contributing to the implementation of a pilot study on the alternative ways of financing energy efficiency investments for households (EuroPACE) being implemented in the city of Olot, Spain. Other activities within this field were concentrated on the measurement of the shadow economy in the Polish labor market, analyses of the future of work under global transitions, as well as addressing the social challenges of refugees and migrants not only in Europe, but also in other parts of the world. As for dissemination activities, CASE has been particularly active in discussions on social entrepreneurship in the MENA region, organized in Amman, Jordan, under the patronage of Her Royal Highness: Princess Sumaya bint El Hassan. Also, the topic of the fair data economy has been on CASE's radar, with our experts' presentations during the Vision Europe Dialogue that took place in April in Helsinki, Finland.

This year we have also started a couple of particularly interesting and challenging projects in the Mediterranean region on the topic of macroeconomic stability and trade. For example, we had the pleasure of evaluating the impact of the trade chapter of the Euro-Mediterranean Association Agreements with six countries: Algeria, Egypt, Jordan, Lebanon, Morocco, and Tunisia. We also provided political research and dialogue for inclusive policy making processes in the Middle East and North Africa on such topics as the development of the blue economy in the region and regional integration within Mediterranean countries.

Our continuous efforts, our competences and dedication in providing evidence-based analyses, and our presence in different regions of the world have been appreciated and reflected in the Global Go To Think Tank Index for 2019. We received the honor of being the first worldwide social policy think-tank and a Center of Excellence in Central and Eastern Europe in 2019. During our presence at the Global Think Tank Summit 2019 in Rio de Janeiro, organized in December by Think Tanks and Civil societies program and FGV Brazil, we emphasized how important the third sector is in the recent global, geopolitical transitions and how fragile it can be without proper appreciation and support.

In summary, 2019 has been another successful year for CASE. Not only have we strengthened our presence in Poland and the EU, but also we extended our activities to the MENA region. Within our analysis, we were covering the most pressing issues of the European agenda, and we tried to respond to recent challenges and changes. CASE's Anniversary Report gathered a lot of attention from different environments and has been shared with thousands of stakeholders in Poland and abroad.

Like in previous years, this success would not be possible without our devoted team of experts, economists, communication manager, and administration. I would like to express my sincere gratitude to all of them for their hard work and devotion. But above all, sincerest appreciation and gratitude is given to CASE's Supervisory Council for their professional guidance and advice, especially during the preparation of the CASE Anniversary Report. As they were the active witnesses and decision makers during the transformation and EU negotiation processes, their invaluable comments and contributions significantly enriched the work performed by the CASE team this year.

We, the CASE Management Board, but also all of the CASE Team enter 2020 with stronger beliefs in our mission, with new ideas, and optimism, proving once again that the value of the third sector and think tanks lies in the professionalization of our services, the devotion of people, as well as in the networking activities that bring a global world, full of diversity and diverging aims, closer in seeking compromise and effective solutions for common challenges. We encourage you to read this CASE Annual Report to find out more about our activities and contributions in 2019.

Dr. Izabela Styczyńska

President of CASE Management Board

| About CASE

CASE – Center for Social and Economic Research is an independent, non-profit research institute founded on the idea that research-based policy making is vital for the economic welfare of societies.

Established in Warsaw in 1991, CASE today is recognized as the top think tank in Central and Eastern Europe and is one of the most highly regarded think tanks internationally.

CASE carries out policy-oriented research and development assistance projects, specializing in the areas of:

- Fiscal, Monetary, and Financial Policies;
- Sustainable Development Policies;
- Trade, Innovation, and Productivity Policies.

Drawing on an experienced in-house staff, a network of fellows, and a database of approximately 1,000 experts, CASE provides rigorous quantitative and qualitative analyses, innovative methodologies, and sound recommendations.

■ The CASE Network

CASE boasts of a network of independent research institutes across post-communist countries (including, among others, Ukraine, Belarus, Georgia, and Russia) as well as numerous partner organizations.

We are a member of five pan-European research networks.

CASE Internal Network

CASE has helped establish a network of independent research institutes across post-communist countries, starting with CASE-Kyrgyzstan in 1998. With the addition of CASE-Georgia, the latest member established in 2011, the CASE Network boasts a substantial presence in the CIS and includes the following institutions:

- CASE-Belarus
- CASE-Moldova, Chisinau
- CASE-Georgia, Tbilisi
- CASE-Ukraine, Kyiv
- CASE-Kyrgyzstan, Bishkek

This network represents CASE's continuing effort to increase the range and quality of economic information available to decision-makers and the public across the post-communist world, as well as to foster vibrant think tank sectors in these societies.

CASE External Network

In addition to the CASE Network, CASE is also an institutional member of five pan-European research networks.

EUROMESCO

The Euro-Mediterranean Study Commission (EuroMeSCo) is the main network of research centers on politics and security in the Mediterranean. EuroMeSCo was established in 1996 with the goal of fostering research, information, and social relations among its members as well as acting as a confidence-building measure in the framework of the Barcelona process. EuroMeSCo comprises 107 institutes coming from 32 countries out of the 43 members of the Union for the Mediterranean.

EUROFRAME-EFN

The European Forecasting Network (EFN) is an initiative for improved forecasting and macroeconomic analysis in the European Union. Coordinator: Economic and Social Research Institute (ESRI), Dublin.

FEMISE

Forum Euroméditerranéen des Instituts de Sciences Économiques is a network that brings together more than 70 independent economic institutes from across the Mediterranean regions to conduct socio-economic analysis of the Euro-Mediterranean Partnership.

Coordinators: Institut de la Méditerranée (IM), Marseille, and the Economic Research Forum (ERF), Cairo.

VISION EUROPE

Vision Europe is a consortium of think tanks and foundations collaborating to address some of the most pressing public policy challenges facing Europe. Through research, publications, and an annual summit, they aim to be a forum for debate and a source of recommendations to improve evidence-based policy making at both a national and EU level and to foster as appropriate European integration.

GTIPA

The Global Trade and Innovation Policy Alliance (GTIPA) is a global network of independent think tanks that are ardent supporters of greater global trade liberalization and integration, deplore trade-distorting “innovation mercantilist” practices, but yet believe that governments can and should play important and proactive roles in spurring greater innovation and productivity in their enterprises and economies.

■ CASE People

At the heart of CASE is its full-time employees, as the quality of a think tank must be measured by the quality of its staff.

CASE Fellows play a key role in conducting and organizing our research activities. CASE Fellows are drawn from the ranks of senior researchers and experts with outstanding and internationally recognized academic and professional records in economics and other social sciences.

Supervisory Council

Chairwoman

Ewa Balcerowicz, Economist, Vice-president of the Association of Polish Economists, Coordinator of mBank-CASE seminars

Vice Chairwomen

Barbara Błaszczyk, Senior Researcher, Institute of Economics, Polish Academy of Sciences, Warsaw, Member of the Association of Polish Economists, Warsaw

Stanisława Golinowska, Head of the Health Economics and Social Security Department, Jagiellonian University, Krakow

Members

Tadeusz Baczek, Associate Researcher at the Institute of Economics of the Polish Academy of Sciences, Warsaw

Krzysztof Chmielewski, CASE Co-Founder

Andrzej Cylwik, President of Neo-Doradcy Sp. z o.o., Warsaw

Michał Górzyński, Head of Impact Section, European Institute of Innovation and Technology

Piotr Kozarzewski, Professor of Political Science and Economics at the Maria Curie-Skłodowska University, Lublin

Dariusz Ledworowski, Economist and Consultant, former Chairman of the Finance Working Group, Social Council for a Low-Carbon Economy; former President of the Management Board, Rabobank Polska S.A.; former Minister of Foreign Economic Relations

Agnieszka Sowa-Kofta, Researcher at the Institute of Labour and Social Affairs, National expert for health care and long-term care, European Social Policy Network, European Commission

Maciej Stańczuk, President of Sapere and MS Consulting, Member of the PBG SA Supervisory Council, Member of the Aforti Holding SA Supervisory Council

Richard Woodward, Lecturer in International Business at the University of Edinburgh Business School, Edinburgh

Advisory Council

Chairman

Anders Aslund, Senior Fellow at the Atlantic Council, Washington DC

Members

Vittorio Corbo, Member of the Management Council of the Fundación Chilena del Pacífico (Chilean Pacific Foundation), Santiago

Fabrizio Coricelli, Professor of Economics at the Paris School of Economics, Université Paris 1 Panthéon-Sorbonne, Paris

Georges de Menil, Professor of Economics, Ecole des Hautes Etudes en Science Sociales, Paris

Daniel Gros, Director of CEPS – Center for European Policy Studies, Brussels

Irena Grosfeld, Professor at the Paris School of Economics, Paris

Simon Johnson, Ronald A. Kurtz (1954) Professor of Entrepreneurship, Professor of Global Economics and Management at MIT Sloan School of Management, Boston

Vladimir Mau, Rector of the Russian Presidential Academy of National Economy and Public Administration, Moscow

Lucjan T. Orłowski, Professor of Economics and International Finance, Sacred Heart University, Fairfield

Vladimer Papava, Professor of Economics at Tbilisi State University, Senior Fellow of the Georgian Foundation for Strategic and International Studies (GFSIS), Tbilisi

Jeffrey Sachs, Director of the Center for Sustainable at Columbia University, New York, Director of the UN Sustainable Development Solutions Network

Susan Schadler, Former Senior Fellow at the Centre for International Governance Innovation (CIGI), Waterloo, Ontario

Krassen Stanchev, Associate Professor, Sofia University, Sofia

Nicholas Stern, IG Patel Professor of Economics and Government, Chairman of the Grantham Research Institute on Climate Change and the Environment and Head of the India Observatory at the London School of Economics, London

Jan Svejnar, Professor of Global Political Economy and Director of the Center on Global Economic Governance at Columbia University

Wing Thye Woo, Professor of Economics East Asian Studies, University of California, Davis; Research Professor at Sunway University in Kuala Lumpur

Charles Wyplosz, Emritus Professor of International Economics at the Graduate Institute in Geneva

CASE Fellows

Mark Allen

Expertise: global economic governance, financial crises, economics of transition

Misha Belkindas

Expertise: statistics, development economics

Emmanuel Bergasse

Expertise: energy policy analysis, market reforms, sustainable energy in economies in transition, South East Europe, the CIS, and developing countries

Alexander Chubrik

Expertise: macroeconomics, private sector development

Marek Dąbrowski

Expertise: monetary and fiscal policies, financial crises, international financial architecture, EU and EMU enlargement, perspectives of European integration, European Neighbourhood Policy, political economy of transition

Daniel Daianu

Expertise: macroeconomics, public finances

Christopher Dembik

Expertise: macroeconomics, monetary policy, financial crises, financial markets, economic policy, trade and globalization

Itzhak Goldberg

Expertise: microeconomics, socialist transition, privatization, investment climate, productivity, innovation

Stanisława Golinowska

Expertise: social policy, labor market, pension system in Poland

Iraj Hashi

Expertise: microeconomics, governance reforms, industrial competitiveness, innovation and firm performance, SME policy

Christopher Hartwell

Expertise: applied macroeconomics, private sector development, financial sector reform, economic growth, transition economics, public finance, and public administration reform

Oleh Havrylyshyn

Expertise: economics of transition, eastward enlargement of the EU, economy of independent Ukraine, trade and globalization, tendencies in post-communist countries

Elena Jarocińska

Expertise: political economy, fiscal federalism, public economics, labor economics, institutions

Matthias Luecke:

Expertise: migration and development, social policy, and poverty reduction

Malcolm Maguire

Expertise: youth labor market, vocational education and training, lifelong learning, employee development, employer recruitment strategies, career guidance

Susan Maguire

Expertise: social policy, youth transitions, young people, NEET, policy development, post-16 education and training

Roman Mogilevsky

Expertise: macroeconomics, fiscal and social policy, foreign trade, agricultural economics

Boris Najman

Expertise: labor market, development economics, economics of transition

Richard Pomfret

Expertise: regional integration in Central, Eastern, and Southeast Asia, international economics, development economics, international trade

Bryan Roberts

Expertise: risk analysis, border security, immigration, non-immigrant travel and trade, other homeland security areas

Yochanan Shachmurove

Expertise: international finance and economics, venture capital, emerging financial markets, economies of the Middle East, monetary systems, banking and financial institutions, applied econometrics, Middle East emerging financial markets, the Israeli economy

Cyrus Sassanpour

Expertise: macroeconomics, macroeconomic modeling, economics of oil producers, public finance

Janusz Szyrmer

Expertise: economic forecasting, statistical and data analysis, economic policy

Irena Topińska

Expertise: poverty measurement, social policy, poverty reduction

Uladzimir Valetka

Expertise: labor market, demographic economics, urban and regional development

Anna Wziętek-Kubiak

Expertise: innovation, international economics, development

Canan Yildirim

Expertise: banking in transition, corporate governance, insurance, the markets of EU and Turkey, international capital flows

Management Board

The Management Board is responsible for CASE and CASE Network activities, as well as the generation and management of projects in order to ensure the growth and development of the institution.

President:

Przemysław Kowalski (to April 2019)

Izabela Styczyńska (from May 2019)

Vice Presidents:

Izabela Styczyńska (to April 2019)

Grzegorz Poniatowski

Operational Staff

Director of Fiscal Policy Studies

Grzegorz Poniatowski

Director of the Middle East and North Africa Department

Katarzyna Sidło (from July 2019)

Senior Economists

Jacek Liwiński

Tomasz Tratkiewicz

Senior Policy Analyst

Agnieszka Paczyńska (to March 2019)

Political Economist

Katarzyna Sidło (to June 2019)

Economists

Krzysztof Głowacki

Łukasz Janikowski (to October 2019)

Kateryna Karunska (from August 2019)

Agnieszka Kulesa

Anna Malinowska

Adam Śmietanka

Karolina Zubel

Business Development Team

Stanislav Bieliei

Justyna Perzanowska-Szymczak
Marek Peda
Łukasz Przybyszewski (from May to July 2019)
Olga Sulkowska

Trainer

Aleksandra Teliszewska

Communications

Monika Rębała

Publications

Monika Rębała

Coordinator, mBank-CASE Seminars

Monika Rębała

Secretariat

Grażyna Kraśniewska

IT Specialist

Michał Dąbrowski

2019 Interns

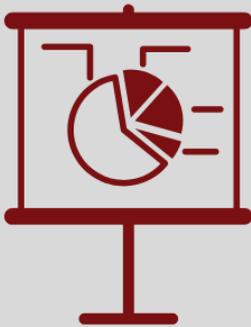
Anna Csere, Alejandra Escobar, Geoffroy Garin, Andrew Harney, Melis Kiran, Maria Krell,
Justine Renard, Helena Voss

CASE HIGHLIGHTS 2019



A Center of Excellence in Central and Eastern Europe

... and the top social policy think tank in
the world according to the University of
Pennsylvania Global Go To Think Tank
Index Report for 2019



36 PROJECTS

23 PUBLICATIONS



10 EVENTS

16 LECTURES

8 TRAININGS

**Our mBank-CASE seminars were
watched online
by 3,204 individuals**



**more than 5,000 subscribers received
our bulletin showCASE**

SOCIAL MEDIA in 2019

as of December 2019
3,325 individuals followed CASE
on Facebook



an increase of
157 followers



we gained more than 150 new
followers on Twitter

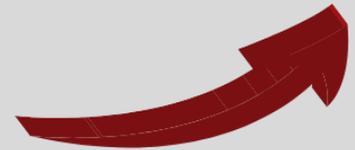


our profile noted more than
20,000 visits in 2019

as of December 2019
1,010 individuals followed
CASE on LinkedIn



an increase of
200 users



CASE WEBSITE

44,597 users visited our website in 2019 and it gained 143,478 views



Highlights

Our Europe — CASE Strategy for the biennium 2019-2020

The mission of *Our Europe* is to promote understanding of the value (and limits) of an economically and institutionally integrated Europe and, in particular, Poland and other CEECs' membership in the EU, and to provide high quality evidence and advice in support of better future EU policy making. CASE recognizes that the possible disintegration of the EU is the single most important political and economic threat to our region. The debate on the future of the EU gets increasingly political and evidence is often either not provided or swept under the carpet. The CASE mission statement builds on working closely with European stakeholders and providing evidence on European policy issues, and it connects these activities to our local mission of promoting good economic policy in Poland and the CEECs. Our strategy does not promote any specific political or ideological agenda.

Conference and presentation of: “*Our Europe: 15 years of Poland in the European Union*”

On May 16, a joint conference of CASE and the Institute of Economics of the Polish Academy of Sciences (INE PAN) was held in Warsaw. During the conference, the **CASE Report “*Our Europe: 15 years of Poland in the European Union*”** was presented to a wider audience for the first time. The report was the result of the joint work of a number of experts from various fields who – for many years – have been analyzing the multidimensional effects of EU institutions and cooperation with Member States pursuant to European values and mechanisms. In the report, the authors summarize the benefits of Poland’s membership in the EU based on facts and demonstrate the barriers and challenges to further European integration.



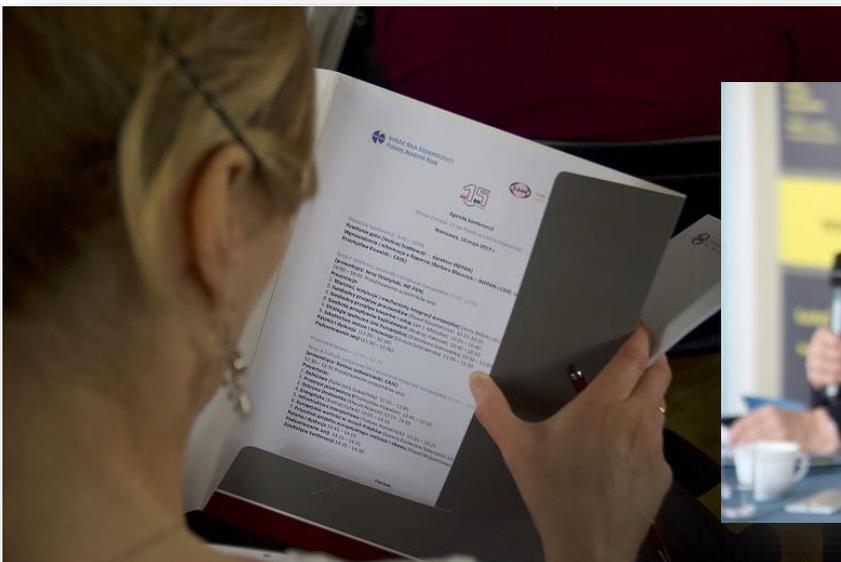
The welcoming speeches, provided by CASE's President, **Dr. Izabela Styczyńska**, **Prof. Andrzej Szablewski**, Director of INE PAN, **Prof. Barbara Błaszczyk**, Vice President of the CASE Supervisory Council, and **Dr. Przemysław Kowalski**, CASE Expert, discussed how membership in the European Union had changed Poland.

"Poland has benefited from accession much more than it has received from EU funds; we have gained a lot from the opening of borders. For many of our compatriots, Poland's European character is obvious, it is difficult for them to imagine how the country would have looked like today, if it was not the member of the EU," said **Prof. Barbara Błaszczyk**.

Dr. Izabela Styczyńska pointed out that the report was part of the year-long *Our Europe* project, under which CASE also initiated a coalition of think tanks consisting of the best independent Polish institutions at the beginning of the year. *"Our activities have two important goals: celebrating the fifteenth anniversary of Poland's accession to the European Union by providing and popularizing high quality analyses, and promoting the value of an economically and institutionally integrated Europe, as well as deepening cooperation among Polish think tanks,"* said **Dr. Styczyńska**.

The conference featured two sessions with 13 speakers.

The event attracted approximately 100 guests.



The first session, titled ***European values, freedoms, and institutions*** was moderated by **Prof. Jerzy Osiatyński** from INE PAN. Presentations in this session were focused on the institutions and mechanisms of European integration, the four freedoms in the EU (movement of goods, persons, services, and capital within the EU), the social agenda of the EU, and higher education. *“Poland’s membership in the EU should be viewed as a civilizational and developmental leap, as well as a reinforcement of the institutional foundations of the economy, state, and civil society, the construction of which began along with the post communist transformation in 1989,”* said **Prof. Jerzy Wilkin** during his speech.

This session featured **Prof. Stanisława Golinowska**, **Prof. Paweł Kaczmarczyk**, **Prof. Jan J. Michałek**, **Andrzej Halesiak**, and **Prof. Urszula Szanderska** as speakers.



[Read the Report](#)

[Read the Summary](#)

The second session, titled ***EU sectoral policies and challenges of European integration***, moderated by **Dr. Dariusz Ledworowski**, a member of the CASE Supervisory Council, featured seven presentations on various topics ranging from agriculture, manufacturing, and energy to the challenges of the single market.

Prof. Katarzyna Zawalińska opened the session by discussing how Poland’s membership in the European Union improved the conditions of the functioning of Polish agriculture. **Dr. Przemysław Kowalski** noted that joining the single market, together with the adoption of European production quality standards and regulations for the protection of intellectual property, had created the conditions for the establishment of cooperation with advanced foreign enterprises, in particular as part of well-developed value chains. **Prof. Maciej Nowicki** focused on the progress that Poland had made in environmental protection in recent decades. **Dr. Andrzej Cylwik** emphasized that Poland did not find it difficult to adjust to the requirements of the liberalized European Union energy market; however, underdeveloped renewable energy sources and excessive carbon dioxide emissions remain

Poland's future problems. **Prof. Tomasz Komornicki** noted that the effect of being a member of the EU on the improvement of spatial accessibility had been deemed definitely positive.

The main challenges of Poland's further integration with the EU were analyzed by **Dr. Joanna Konieczna-Salamatin** and **Prof. Paweł Wojciechowski**.

Media coverage:

[Co członkostwo w UE daje polskiej kulturze? \(TOK FM\)](#)

[Jak przynależność do UE wpłynęła na ochronę środowiska w Polsce? \(TOK FM\)](#)

[Przez 15 lat w UE Polska notuje nieprzerwany wzrost gospodarczy \(Obserwator Finansowy\)](#)

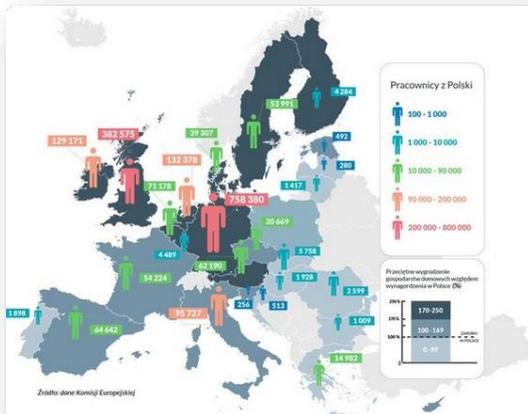


The conference was organized under the patronage of the **European Commission** and **The World Bank**. Media patrons for the conference included: **Rzeczpospolita**, **Parkiet**, **TOK FM**, **Radio Kampus**, and **Euractiv.pl**.

In 2019, CASE also initiated a **coalition of think tanks**, consisting of the best independent Polish institutions supporting research, education, and the promotion of economic and social knowledge in our country. The Coalition's activities were focused on the 15th anniversary of Poland's accession to the European Union. Through joint activities, we also emphasized the important role of think tanks in the public debate in Poland.



CASE also created a website dedicated to the project which featured publications, graphics, videos, and information about events organized as part of the project.



Prof. Paweł Wojciechowski

CASE experts and the authors of the report “Our Europe” participated in many different events during which they presented the results of the report.



Prof. Jan J. Michałek and Olgierd Łukaszewicz during the course *What has the European Union given us? A socio-economic balance of Poland's membership in the EU* at the University of Warsaw.



Dr. Izabela Styczyńska presented the CASE Report “Our Europe” during a conference in Gdańsk in June 2019, which was organized by Europe Direct Information Centre in Gdańsk and the Marshal Office of the Pomorskie Voivodeship.

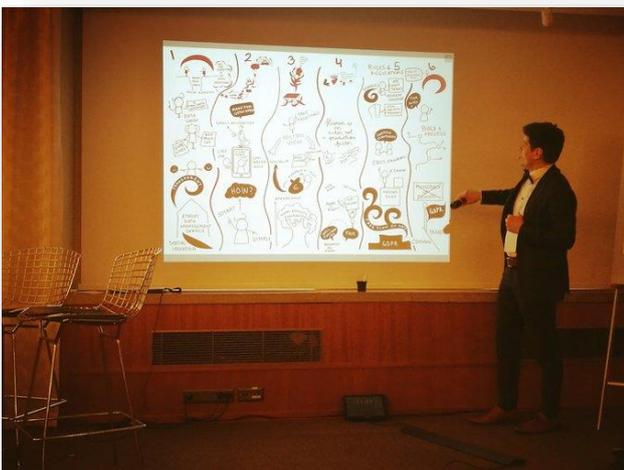
»» For more details about the “Our Europe” project, see also p. 54

Highlights: Events

Vision Europe Dialogue in Helsinki

The Vision Europe Dialogue (VED) 2019 took place in Helsinki, Finland, on April 1-2, 2019. Over 50 data practitioners and theorists from various EU states gathered together to discuss the data economy in Europe. The theme for this year's meeting was **"Making Europe a pioneer of the fair data economy."** Dialogues focused on a vast range of topics relevant for building a fair digital Europe, such as: policy options for the EU digital economy; training and educating data professionals and digital visionaries; the role and functions of social protection in data economy; the idea of a "philanthropic" data economy; and the realities of living a digital life. Two keynote addresses – delivered by **Alexander Stubb**, Vice President of the European Investment Bank, and **Pekka Ala-Pietilä**, chair of the EU's High-Level Expert Group on Artificial Intelligence – provided some initial insights for the dialogue.

Each of the Vision Europe consortium think tanks – Bertelsmann Stiftung (Gütersloh, Germany), Bruegel (Brussels, Belgium), Calouste Gulbenkian Foundation (Lisbon, Portugal), Chatham House (London, UK), Compagnia di San Paolo (Turin, Italy), Notre Europe Jacques Delors Institute (Paris, France), CASE, and the Finnish Innovation Fund Sitra (Helsinki, Finland) – prepared thought pieces on selected fair data economy-related issues in order to provide inputs for the following meeting dialogues.



The thought piece authored by **Agnieszka Kulesa**, CASE Economist, entitled **"Data professionals and digital visionaries for the human-driven data economy"** can be accessed [here](#). The results of the VED2019 meeting were summarized during the closing panel discussion, which included esteemed representatives of the Vision Europe consortium, including **Izabela Styczyńska**, CASE Vice President. A brief summary of VED2019 can be accessed on [SITRA's webpage](#).

Official release of the Global Go To Think Tank Index for 2018

On January 31, CASE held a panel discussion on *Why Facts and Think Tanks Matter?*, which was organized on the occasion of the release of the Global Go To Think Tank Index for 2018. The panel discussed issues critical to think tanks in Central and Eastern Europe, including rising populism and polarization. Among the speakers were: **Dr. Małgorzata Bonikowska**, President of the Centre for International Relations; **Bogusław Chrabota**, Editor-in-chief of Rzeczpospolita daily; **Michał Kobosko**, Director of Poland's Office at the Atlantic Council; **Wojciech Przybylski**, Editor-in-chief of Visegrad/Insight and Chairman of the Res Publica Foundation, and **Jan Szyszko** an Expert at In.Europa Institute.



According to the University of Pennsylvania **Global Go To Think Tank Index Report for 2018**, CASE remained the number one **think tank** in Central and Eastern Europe. CASE also had the honor of being named the **second-ranked social policy think tank in the world**, behind the Urban Institute and ahead of the Brookings Institution, both in the United States. CASE also came up as the **number one in the world** for think tanks with an operating budget less than USD 5 million.

“Today, think tanks are more important than ever before. A reliable analysis based on data and referring to the current important challenges, such as the effects of globalization and technological progress, as well as deepening inequalities, is today crucial to stop the ongoing political and social polarization in Europe and the world. CASE is proud to be a balanced voice in the public discourse, pointing the way to well thought out and effective solutions. The results of the ranking are a testament to the hard work and innovation of our team at CASE, but also reflect the work we have put into outreach and communications in order to create impact,” noted Dr. Przemysław Kowalski, former President of CASE. For 2018, CASE also had an impressive showing as a Top Domestic Economic Policy Think Tank (ranked 11th), as a Top Non-U.S. Think Tank Worldwide (32nd), and as a Top International Economics Think Tank (21st). CASE has furthermore been ranked 3rd in the “Best New Idea or Paradigm Developed by a Think Tank” and “Think Tanks with the Most Innovative Policy Ideas/Proposals” categories.

The think tank ranking was determined by a nomination process involving approximately **3,800 journalists, public and private donors, and policy makers** from around the world, who then assessed **8,100** think tanks from all over the world. The ranking has been conducted since 2006. The 2018 issue comprised over 50 categories such as Top Think Tank in the World, Top Domestic Economic Policy Think Tank, Top Social Policy Think Tank, and Best

Advocacy Campaign. More information about the Global Go To Think Tank Index Report is available at <http://gotothinktank.com/>.

mBank-CASE Seminars

mBank-CASE Seminars are a CASE project with a 28-year tradition. The Seminars provide a forum for discussion among academics, economists, bankers, students of economics, and journalists specializing in economic affairs. With four Seminars per year, the project brings in highly respected and visible policy makers and academics to speak on key issues of the day, including macroeconomics, the financial sector, and public finance in Poland and the EU, as well as important economic policy issues in Poland, the EU, and worldwide. The Seminars are broadcast on the Bankier.pl portal to increase their reach, and are followed by a publication, “mBank-CASE Seminar Proceedings,” published in Polish and English and available via CASE’s website.

The Seminars are organized thanks to the generous support of mBank.

Highlights: Projects

Study on Measuring the Tax Evasion of Individuals

This project provided estimates of the offshore wealth held by individuals (for the world’s main economies) and corresponding estimates of international tax evasion (for the EU and EU Member States). Following the literature, the methodology relied on public statistics published by international organizations. Several additions to the standard approach were proposed including (i) estimates of offshore wealth held indirectly through shell companies, based on the identification of “Type II” international financial centers (defined as jurisdictions providing shell companies and similar devices) and (ii) the use of foreign direct investment data to improve on available statistics for cross-borders deposits.

The key results are as follows. Global offshore wealth is estimated at USD 7.8 trillion in 2016 (EUR 7.5 trillion) or 10.4% of global GDP, which is a considerable amount. This estimate is largely consistent with existing published valuations. The EU share is valued at USD 1.6 trillion (EUR 1.5 trillion), or 9.7% of GDP. The corresponding EU estimated revenue lost to

international tax evasion is EUR 46 billion in 2016 (0.32% of GDP). Among Member States, there is a great deal of heterogeneity, both in monetary terms of the estimated offshore wealth (and the corresponding tax evasion) and in GDP percentages of the same.

The project was commissioned by the Directorate General Taxation and Customs Union (DG TAXUD), and conducted along with Economisti Associati srl, ECOPA, Centre for European Policy Studies (CEPS), EUROPE Ltd., and wedoIT – solutions GmbH.

Media coverage (selected articles)

[Polski podatnik ucieka do raju. Jak i z czym? \[RAPORT\] \(Dziennik Gazeta Prawna\)](#)

[Polacy ukrywają za granicą gigantyczny majątek \(Radio ZET\)](#)

[Polacy uciekają do podatkowych rajów. Za granicą mają 32 mld euro \(Business Insider Polska\)](#)

[Z czym polski podatnik ucieka do raju \(TVN24BiS\)](#)

[READ the REPORT](#)



Z czym polski podatnik ucieka do rajów

Aż 32 miliardy euro - tyle wyniosła wartość majątku Polaków za granicą w 2016 roku. Na niezapłaconych od niego podatkach budżet stracił 1,4 miliarda euro. Niemiej na tle innych krajów Unii Europejskiej Polska na ukrywaniu dochodów traci niewiele - czytamy w czwartkowym wydaniu "Dziennika Gazety Prawnej".

"DGP" podaje, że to wniosek z najnowszego raportu przygotowanego przez Fundację CASE Komisji Europejskiej. Autorzy podliczyli statystyki dotyczące tego, jak wyglądała ucieczka osób prywatnych do rajów podatkowych w całej UE w latach 2001-2016. W tym niechlubnym zestawieniu prym

PANAMSKA AF



BUSINESS INSIDER E-MOBILITY FIRMY FINANSE TWOJE PIENIĄDZE GIEŁDA RAZEM Z BIZNESEM

Polacy uciekają do podatkowych rajów. Za granicą mają 32 mld euro

Przeгляд прасы, PAP
17 paź 19 08:48 73 945

Polacy za granicami kraju w 2016 r. trzymali aż 32 miliardy złotych. Traci na tym polski budżet - w konsekwencji to aż 1,4 mld euro niezapłaconych podatków. O sprawie pisze "Dziennik Gazeta Prawna".

"DGP" podaje, że to wniosek z najnowszego raportu przygotowanego przez Fundację CASE Komisji Europejskiej. Jego autorzy podliczyli statystyki dotyczące tego, jak wyglądała ucieczka osób prywatnych do rajów podatkowych w całej UE w latach 2001-2016.

W 2016 r. Polacy mieli za granicą majątek wart 32 mld euro. Budżet stracił na tym 1,4 mld euro w postaci niezapłaconych podatków.

ZOBACZ TAKŻE

Rząd zabiera się za raje podatkowe. "Młowy krok we właściwym kierunku"



Polski podatnik ucieka do rajów [RAPORT]

W 2016 r. Polacy mieli za granicą majątek wart 32 mld euro. Budżet stracił na tym 1,4 mld euro w postaci niezapłaconych podatków.

To wniosek z najnowszego raportu przygotowanego przez Fundację CASE Komisji Europejskiej. Autorzy podliczyli statystyki dotyczące tego, jak wyglądała ucieczka osób prywatnych do rajów podatkowych w całej UE w latach 2001-2016. W tym niechlubnym zestawieniu prym wiodą Niemcy, którzy w badanym okresie mieli za granicą średnio ok. 301 mld euro. Polacy wynikli średnio 1,4 mld euro. W rankingu krajów od nas ułożyli za granicą przed Finlandią jedynie Czechy - przekroczyli 17 mld euro. W przypadku Węgier to 3,5 mld euro, dla Szwajcarii - 3,3 mld euro.

Study and Reports on the VAT Gap in the EU-28 Member States

The aim of this project, commissioned by the Directorate General Taxation and Customs Union (DG TAXUD) was to build on the earlier studies and continue publishing reports on the latest VAT Gap figures, on an annual basis, in order to identify trends and monitor progress in closing the Gap. Additionally, we complemented the case studies of Member States with an econometric analysis of VAT Gap determinants. The set of objectives for the two subsequent updates of the VAT Gap study included 9 components, which were: 1) to present the data on the VAT Gap in 2016 for publication in 2018. The presentation shall be realized for the EU as a whole and for each of the 28 Member States (via dedicated individual pages); 2) to update the report for the year 2017 to be published in 2019; 3) to revise the VAT Gap estimates for 2012-2017, in line with new or updated data available at the moment before publication; 4) to present the data on the VAT Policy Gap, with a country-by-country analysis on the respective impact that VAT reduced rates and exemptions have on it; 5) to analyze the trends that can be interpreted from the numerical estimates; 6) to describe in detail the methodologies used to arrive at the findings in the report; 7) to analyze the statistical impact of different factors on the VAT Gap, including the possible impact on the VAT on importation; 8) to identify and analyze the statistical determinants available in order to provide answers to additional questions, including offering estimations where possible; and 9) to provide an external review of the methodological considerations, validity of analysis, data integrity and calculation, and conformity with the purpose of the Study from an independent source.

The results of the study

In nominal terms, in 2017, the VAT Gap in EU-28 MS fell to EUR 137.5 billion, down from EUR 145.4 billion. In relative terms, the VAT Gap share of the VAT total tax liability (VTTL) dropped to 11.2 percent in 2017 and is the lowest value in the analyzed period of 2013-2017. Fast estimates for 2018 indicate that the downward trend will continue and that the VAT Gap will likely fall below EUR 130 billion in 2018. Of the EU-28, the VAT Gap as a percentage of the VTTL decreased in 25 countries and increased in three. The biggest declines in the VAT Gap occurred in Malta, Poland, and Cyprus. The smallest Gaps were observed in Cyprus (0.6 percent), Luxembourg (0.7 percent), and Sweden (1.5 percent). The largest Gaps were registered in Romania (35.5 percent), Greece (33.6 percent), and Lithuania (25.3 percent). Overall, half of EU-28 MS recorded a Gap above 10.1 percent

The Policy Gaps and its components remained stable. The average Policy Gap level was 44.5 percent, out of which 9.6 percentage points are due to the application of various reduced and super-reduced rates instead of standard rates (the Rate Gap). The countries with the most flat levels of rates in the EU, according to the Rate Gap, are Denmark (0.8 percent) and Estonia (3 percent). On the other side of spectrum are Cyprus (29.6 percent), Malta (16.5 percent), and Poland (14.6 percent). The Exemption Gap, or the average share of Ideal Revenue lost due to various exemptions, is, on average, 35 percent in the EU, whereas the Actionable Policy Gap – a combination of the Rate Gap and the Actionable Exemption Gap – is, on average, 13 percent of the Notional Ideal Revenue.



Dr. Grzegorz Poniatowski presented the results of the Study at *Parkiet* daily news program.

The econometric analysis repeated after the 2017 Study confirmed the earlier results. We observe that the dispersion of tax rates and the unemployment rate have a positive impact on the VAT Gap. Regarding the variables in the hands of the administration, on the extended times series compared to the previous year, our results suggest that the nature of the expenditure of the administration, in particular IT expenditure, is more important than the amount of the overall resources.

Media coverage (selected articles)

[CASE: Luka w VAT w Polsce spadła do 9,5% w 2018 r. z 13,7% w 2017 r. \(Gazeta Wyborcza\)](#)

[Luka VAT spadła w Polsce w 2018 r., ale straty nadal są liczone w miliardach złotych](#)

[\(Business Insider Polska\)](#)

[System podatkowy jest szczelniejszy \(Rzeczpospolita\)](#)

[Nie tylko uszczelnianie napętnia portfel VAT \(Dziennik Gazeta Prawna\)](#)

Evaluation of the impact of the trade chapters of the Euro-Mediterranean Association Agreements with six partners: Algeria, Egypt, Jordan, Lebanon, Morocco, and Tunisia

The goal of the project, commissioned by the European Commission, DG Trade, is to carry out an evaluation of the impact of the trade chapters of the Euro-Mediterranean AAs. The project is implemented by CASE together with its partners, Ecorys Netherlands and FEMISE (the Euro-Mediterranean Forum of Institutes of Economic Sciences). The Association Agreements (AAs) between the EU and respectively Algeria, Egypt, Jordan, Lebanon, Morocco, and Tunisia were signed between 1995 and 2002 and entered into force between 2000 and 2006.

The AAs were part of the outcome of the so-called Barcelona Declaration, an attempt aimed at fostering political, security, cultural, human, economic, and financial partnerships between the EU and the Southern Mediterranean partner countries.

The AAs emphasized economic liberalization and reforms, and trade was one of the main forces driving these economic reforms. The trade chapters of these agreements (amounting to an FTA) were therefore the most important operational and binding commitments that were made.



Dr. Katarzyna Sidło, Dr. Przemysław Kowalski, and other members of the project team during the workshop in Tunisia.

During 2019, the project team published its initial results in the form of an Inception Report and worked towards finalization of the Interim Report, the publication of which is foreseen for the beginning of 2020. Under the project, consortium experts evaluate the impact of the trade chapters of the AAs on the economies of each of the six partner countries, with between two and four sectoral case studies conducted for each state. Additionally, the impact of the FTA on sustainable development is evaluated as well, with a focus on social and human rights as well as environmental impacts.

[Read the Interim Report](#)

[See the project website](#)

Moreover, as stakeholders can provide valuable inputs and feedback to the study, stakeholder consultations have constituted an important element of the evaluation. Thus far, Open Public Consultations have been conducted online and four workshops in the Mediterranean countries – Egypt, Jordan, Morocco, and Tunisia – have taken place.

Workshops in Algeria, Jordan, and Brussels are planned for the first quarter of 2020. The project team has additionally been carrying out interviews with a wide spectrum of stakeholders, including representatives of the private sector, public authorities, civil society, and academia from both Mediterranean partner countries and the European Union.

REmote Climate Effects and their Impact on European sustainability, Policy and Trade (RECEIPT)

In an interconnected world, Europe’s economy will be increasingly affected by climate change impacts that occur beyond its border. The movement of goods and services, people, and capital occurs at ever increasing rates and volumes. This complex network reveals Europe’s globalized climate exposure, vulnerability, and risk structure, through which both gradual and sudden impacts of climatic features at any location in the world (hurricanes, droughts, melting ice sheets) propagate, ultimately impacting Europe’s socio-economic welfare. Public awareness of Europe’s sensitivity to global climate impacts is steadily growing. Building on recent research implies that “storylines,” describing the interactions of remote climate effects on European economic sectors, provide complementary insights on remote climate risk. The development of storylines is driven by stakeholders, who assess the effects of remote climate change on Europe through anecdotal and explorative activities.



[See the project website](#)

The advantage of assessing risk through storylines over conventional risk assessment is that (a) it reduces a complex collection of data and models into recognizable and understandable storyline scenarios, and (b) since the storylines themselves are developed together with stakeholders, their risk impacts will be more easily accepted and adopted in policy and decision making.



In order to provide relevant and quantitative information on the European risks from remote global climatic features, RECEIPT will develop and implement a novel stakeholder driven storytelling concept that maps representative connections between European socio-economic activities and remote climatic hazards. Using a limited number of storylines designed for selected sectors, RECEIPT has the **following key objectives**:

- Mapping of global hotspots of remote areas, which are relevant for Europe through their connection pathways and sensitivity to climate change, using state of the art climate and climate impact archives;
- Co-development of sectoral storylines with societal partners, describing the relationship between climate and non-climate drivers of the following socio-economic activities: European food security, finance/capital networks, international development, supply and value chains, and European coastal infrastructure;
- Assessment of European socio-economic impacts along each of the selected storylines under three “Paris scenarios,” representing different interlinked socio-economic development, adaptation, mitigation, and climate change pathways towards mid-21st century;
- A robust synthesis of the storylines resulting in a pan-European socio-economic risk assessment focusing on the difference between the three Paris scenarios;
- Innovative web-based concepts for visualizing the potential impacts of remote drivers and risk mitigation options.

The project received funding from the Horizon 2020 program.

Fiscal, Monetary, and Financial Policies

Projects

Study and Reports on the VAT Gap in the EU-28 Member States (ongoing)

The aim of this project is to update estimates of the VAT Gap, identify trends in the VAT Gap time series, and monitor progress in closing the Gap. The study will be complemented by an econometric analysis of VAT Gap determinants. Similar to previous studies, the set of objectives for the two subsequent updates of the VAT Gap study includes nine components, which are: 1) to discuss the economic and policy context, potential VAT regime changes, and sources of potential changes in VAT revenue components; 2) to review and, where applicable, revise the VAT Gap estimates of previous publications for 2014-2018 by taking into account the new or updated data available at the moment of publication and the 5-year period for revision; 3) to present the estimates of the VAT Gap in 2018 at the EU level and for each of the 28 Member States; 4) to include “fast estimates” for the VAT Gap for 2019; 5) to analyze the trends in the VAT Gap estimates that can be interpreted from the numerical estimates; 6) to present estimates of the VAT policy Gap in 2018 at the EU level, with a country-by-country analysis on the respective impact that VAT reduced rates and exemptions have on it; 7) to further analyze the VAT Gap with respect to possible irregularities over time, such as sudden drops/increases, or with respect to possible anomalies, such as negative gaps or gaps close to zero; 8) to consult the Member States’ statistical offices and Ministries of Finance prior to the finalization of the calculations, in agreement with the European Commission, in order to validate the results of the analysis and check for and correct possible anomalies in the data; and 9) to describe in detail the methodologies used to arrive at the findings in the report, preferably presented in a specific annex.

Experts: Grzegorz Poniatowski, Adam Śmietanka, Mikhail Bonch-Osmolovskiy
Project funding: Directorate-General Taxation and Customs Union (DG TAXUD)
Project leader: CASE – Center for Social and Economic Research

Review of the VAT rules for financial and insurance services, in light of the existing regulatory and other indirect taxation rules (ongoing)

The main goal of the project is to analyze the current impact of VAT exemption in financial and insurance services across the EU and to serve as the basis for an impact assessment of VAT functioning. Other goals include: a) to evaluate the functioning of the current VAT rules impacting financial and insurance services at the EU and Member State levels, while putting them in the context of all other relevant legislative developments in the financial and insurance sectors and taking into account the new rules on the regulation of financial and insurance markets; b) to develop options for the review of the provisions of the VAT Directive on the treatment of financial and insurance services; and c) to prepare an analysis of the benefits, costs, opportunities, risks, and impacts, with the expectation that the

analysis will feed into preparations for a future legislative proposal on the VAT treatment of financial and insurance services.

Experts: Grzegorz Poniatowski, Tomasz Tratkiewicz

Project funding: Directorate-General Taxation and Customs Union (DG TAXUD)

Project leader: Economisti Associati srl

Project partners: CASE – Center for Social and Economic Research, CEPS -Centre for European Policy Studies, Europe Economics, Hedeos société d’avocats, Oxford Research AB, Mazars N.V., SEURECO - Société Européenne d’Economie

Study contributing to an impact assessment concerning a possible legislative proposal authorizing Portugal to apply a reduced excise duty rate on rum, liqueurs and eaux-de-vie produced in specific Outermost Regions (ongoing)

The aim of the study is to evaluate and understand the reason for the current situation of the reduced rate of excise duty and to assess if the fiscal advantage is still proportionate and sufficient to overcome the competitive disadvantages of the regions. It will also identify and describe a possible alternative measure to a tax derogation system. In particular, it will analyze the possibility to introduce a reduced excise duty rate for rum products only. Through an impact assessment, an analysis of the advantages and disadvantages of the alternative policy option identified will be undertaken. The study will consider this special regime in regards to its interactions with EU policies in various key domains (competition, agricultural policy, and regional development).

Experts: Grzegorz Poniatowski, Anna Malinowska

Project funding: Directorate-General for Taxation and Customs Union (DG TAXUD)

Project leader: PwC

Project partners: CASE – Center for Social and Economic Research, Institute for Advanced Studies (HIS)

Study contributing to an impact assessment concerning a possible legislative proposal authorizing France to apply a reduced excise duty rate on traditional rum produced in specific French Outermost Regions (ongoing)

The study will demonstrate to what extent the current system of reduced excise duties in the French Outermost Regions was fit for purpose. The study also aims to identify the unknown and potential future problems of the current policy and to identify and describe the scope for the simplification of the rules and for reducing regulatory burdens and the possibilities for synergies with other policy tools or potential collisions with other policies. The evaluation period is 2014-2017. The purpose of the study is to contribute to the decision-making process of the Commission under Better Regulation Rules. The study’s impact assessment will aim to establish the most realistic policy options under Article 349 TFEU and describe their possible impact on stakeholders, including economic operators and

the Internal Market as well as regulators, building on the results established in the evaluation.

Experts: Grzegorz Poniatowski, Łukasz Janikowski

Project funding: Directorate-General Taxation and Customs Union (DG TAXUD)

Project leader: PwC

Partners: CASE – Center for Social and Economic Research, Institute for Advanced Studies (IHS)

Income inequalities, political instability, and the deficit bias (ongoing)

The aim of this project is to investigate the connection between two economic phenomena – income inequalities and the excessive accumulation of public debt, both of which are perceived to be among the most important contemporary, global economic challenges. The scientific literature suggests that the connection between these two phenomena is not direct, but that income inequalities and public debt are linked through intensified political conflicts over the distribution of the national income, which can result in elevated political instability, ultimately leading to higher fiscal deficits and an excessive accumulation of public debt. Outcomes of the study are important not only from a scientific point of view, but will also contribute to policy making, allowing for the implementation of more effective, evidence-based policies.

Experts: Christopher Hartwell, Łukasz Janikowski

Project funding: National Science Center – Poland

Project leader: CASE – Center for Social and Economic Research

Multiple framework service contract for the provision of external expertise in the field of monetary and economic affairs (Monetary Experts Panel) (ongoing)

The framework service contract is intended to support the work of the European Parliament's Committee on Economic and Monetary Affairs (ECON). ECON seeks independent expert advice in the field of monetary and economic policy affairs, mainly in the framework of the monetary dialogue of the European Parliament with the European Central Bank (ECB). Independent expert advice shall mainly be requested in the form of briefings, oral presentations, and associated services, as appropriate.

Experts: Marek Dąbrowski, Christopher Hartwell

Project funding: European Parliament

Project leader: CASE – Center for Social and Economic Research

Future Trends and Taxation

The megatrends of our times, such as climate change, technological advances, population ageing, and globalization, strongly influence the way how societies operate. However, there is already marked uncertainty about these trends in the medium term. For the longer term, the uncertainty becomes fundamental. These trends, or the drivers of change behind them, are also likely to require changes in policies to ensure the welfare of citizens. This is also true for tax policies, as these developments will affect the structure of tax revenues, tax administrations, and policy design. To be prepared for the future, the study on “Future Trends and Taxation” aimed not only at analyzing these impacts on tax revenues but also at forming a basis for follow-up work. It focuses on the interaction of global trends and taxation. The authors pay special attention to four thematic areas and drivers of change: climate change and environmental externalities, technology, demographics, and the geopolitical landscape. The ultimate goal was to support the Commission’s work on securing the sustainability of our tax systems.

Experts: Grzegorz Poniatowski, Karolina Zubel, Paweł Jamrożek

Project funding: Directorate-General Taxation and Customs Union (DG TAXUD)

Project leader: ETLA - The Research Institute of the Finnish Economy

Project partners: CASE – Center for Social and Economic Research, CPB Netherlands Bureau for Economic Policy Analysis, The Carlo F. Dondena Centre for Research on Social Dynamics and Public Policy (DONDENA), PwC

Study on Measuring the Tax Evasion of Individuals

The project aimed at providing estimates of the offshore wealth held by individuals (for the world’s main economies) and corresponding estimates of international tax evasion (for the EU and EU Member States). Following the literature, the methodology relied on public statistics published by international organizations. Several additions to the standard approach were proposed including (i) estimates of offshore wealth held indirectly through shell companies, based on the identification of “Type II” international financial centers (defined as jurisdictions providing shell companies and similar devices) and (ii) the use of foreign direct investment data to improve on available statistics for cross-borders deposits.

Experts: Grzegorz Poniatowski, Adam Śmietanka

Project funding: Directorate-General Taxation and Customs Union (DG TAXUD)

Project leader: Economisti Associati srl

Project partners: CASE – Center for Social and Economic Research, Centre for European Policy Studies (CEPS), EUROPE Ltd, ECOPA, wedoIT – solutions GmbH

 For more details see Highlights pp. 26-27

The economic impact of using higher consumption tax rates

The main goal of the study was to estimate the total financial loss that resulted from the application of an inflated excise duty rate on flavored beer produced by Grupa Żywiec S.A. The analysis consisted of four main components. The first component was theoretical and presented the economic effects of using higher indirect tax rates. It was based on the theory of incidence/tax transferability. The first component allowed us to set the theoretical framework and select the factors which determine the market balance of consumer goods. Based on the analytical framework, in the second component, an econometric analysis was carried out. It was followed then by the third component of the study, a simulation analysis. The results of both analyses allowed us to determine the estimated financial loss of Grupa Żywiec. The fourth component contained a summary of our analysis, which included the results of the analysis for specific beer brands and the most important conclusions.

Expert: Grzegorz Poniatoski, Łukasz Janikowski

Project funding: PwC

Project leader: CASE – Center for Social and Economic Research

Study on Council Directive 2011/64/EU on the structure and rates of excise duty applied to manufactured tobacco

The main purpose of the study was to contribute to the periodical Report on the Directive that the Commission shall submit to the Council every four years, in accordance with Article 19.1. The Report should focus on the proper functioning of the internal market, the real value of the excise duty, and the achievement of the broader policy objectives of the Directive and may include, where relevant, a proposal for review of the current rates and structures. In this respect, the Study intends to provide robust and comprehensive evidence for the evaluation of the Directive and the related impact assessment of possible amendments. The Study will focus mainly on the minimum rates set in the Directive and on how they have responded and currently respond to the evolving policy needs.

Experts: Grzegorz Poniatoski

Project funding: Directorate-General Taxation and Customs Union (DG TAXUD)

Project leader: Economisti Associati srl

Project partner: CASE– Center for Social and Economic Research, Università degli Studi Milano-Bicocca – Dipartimento di Sociologia e Ricerca Sociale

Study and Reports on the VAT Gap in the EU-28 Member States

The aim of this project was to build on the earlier studies and continue publishing reports on the latest VAT Gap figures, on an annual basis, in order to identify trends and monitor progress in closing the Gap. Additionally, we complemented the case studies of Member States with an econometric analysis of VAT Gap determinants. The set of objectives for the

two subsequent updates of the VAT Gap study included 9 components, which were: 1) to present the data on the VAT Gap in 2016 for publication in 2018. The presentation shall be realized for the EU as a whole and for each of the 28 Member States (via dedicated individual pages); 2) to update the report for the year 2017 to be published in 2019; 3) to revise the VAT Gap estimates for 2012-2017, in line with new or updated data available at the moment before publication; 4) to present the data on the VAT Policy Gap, with a country-by-country analysis on the respective impact that VAT reduced rates and exemptions have on it; 5) to analyze the trends that can be interpreted from the numerical estimates; 6) to describe in detail the methodologies used to arrive at the findings in the report; 7) to analyze the statistical impact of different factors on the VAT Gap, including the possible impact on the VAT on importation; 8) to identify and analyze the statistical determinants available in order to provide answers to additional questions, including offering estimations where possible; and 9) to provide an external review of the methodological considerations, validity of analysis, data integrity and calculation, and conformity with the purpose of the Study from an independent source.

Experts: Grzegorz Poniatoski, Adam Śmietanka, Mikhail Bonch-Osmolovskiy

Project funding: Directorate-General Taxation and Customs Union (DG TAXUD)

Project leader: CASE – Center for Social and Economic Research

Partners: Institut d’Economia de Barcelona (IEB), Institute for Advanced Studies (IHS)



For more details see Highlights pp. 28-29



[Read the Report](#)

Events

The 2nd Edition of CASE's Tax Workshop: The structure and effectiveness of the Polish tax system

March 25-26, 2019

An economics workshop devoted to the effectiveness of the Polish tax system was held in Warsaw on March 25-26. The organizers were: CASE, the European Commission, the Łazarski University, and the Centre for Economic Analysis. The workshop was under the patronage of the *Rzeczpospolita* daily. The main goal of the workshop was to build connections among Polish economists and to review their current research. The event was part of a large economic research project to analyze the effectiveness of the Polish tax system. The discussion of the economic aspects of the system of tax rates is intended to raise the level of the debate over taxes, as tax changes are often introduced in a manner that is completely divorced from optimal taxation theory, and are not preceded by an economic analysis of existing conditions. Still, the purpose of the project is not to create a vision of the optimal tax system, but only to demonstrate certain tools and provide analysis. This year, the main topic of the discussion was taxation of income from work.



[See the presentations](#)

The 163rd mBank-CASE seminar: *Estonia's corporate tax: Lessons for Poland*

November 7, 2019

Speakers:

Dmitri Jegorov

Dr. Anna Leszczyłowska

Aleksander Łożykowski

The subject of the 163rd mBank-CASE seminar was Estonian corporate income tax (CIT) and its potential attractiveness for Poland. Estonia has Europe's most competitive tax system (while Poland is second to last, in 35th place) and is also known for its pioneering approach to the taxation of corporate profits. Since



2000, Estonian companies do not pay tax on profits until they are realized. In principle, this approach should make access to capital easier, boost companies' investments, and contribute to faster economic growth, though of course it causes a transitional decline in budget revenues from this tax. Now that the tax is well into its second decade, we can take a moment to assess it and ask how such a solution would work in Poland. We asked Dmitrij Jegorov, Deputy Secretary-General for Tax and Customs Policies at the Estonian Ministry of Finance, to evaluate the tax and present the rules for how it functions. His presentation was commented on by Dr. Anna Leszczyłowska of the Poznań University of Economics and Business and Aleksander Łożykowski from the Warsaw School of Economics.

 [See the presentations](#)

33 attendees

2098 watched the broadcast

 [Read mBank – CASE Seminar Proceeding No. 163](#)

Seminar: VAT. Discussion based on Mirrlees Review

December 6, 2019

The event was co-organized by CASE and the University of Economics and Business in Poznań, with the support of the National Chamber of Tax Advisors, RSM, and BDO. The seminar was part of the [Effective Tax System Program](#) run by CASE. The seminar aimed to discuss the content of the *Mirrlees Report* published by the Institute for Fiscal Studies in London in 2010-2011. During the event, participants focused on several chapters in this report related to the taxation of consumption, in particular, the value-added tax. Dr. Grzegorz Poniatowski and Dr. Tomasz Tratkiewicz from CASE, during their presentation, discussed the VAT gap. After a short methodological introduction, they presented estimates of the so-called *policy gap*, which is a result of using exemptions and reduced rates. In Poland, this gap is exceptionally high. During the panel discussion, many different issues were discussed. In the opinion of some entrepreneurs, VAT rates are not particularly important when considering market entry. Much more important for them is the certainty about the VAT rate, and above all, certainty about the safety of turnover.



Photo credit: Arkadiusz Bernal

 [See the presentations](#)

Publications

Why do we need self-employed persons? Some economic reflections, mainly tax related ones

Authors: Adam Adamczyk, Jarosław Neneman, Leszek Morawski
mBank – CASE Seminar Proceedings No. 159, May 2019

For many years, we have been hearing about the need for innovation and entrepreneurship. Successive Polish governments declare their support for entrepreneurs and expand the catalogue of privileges, mainly related to taxes and mandatory contributions. Not infrequently, in these discussions, the self-employed are equated with entrepreneurs. In this work, the authors seek an answer to the questions: Who, then, are the self-employed? Are they really entrepreneurs? Should we support their activities? And finally, the fundamental question: What does the economy get from the self-employed?

 [Read the study](#)

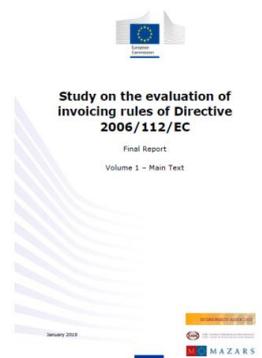


Study on the evaluation of invoicing rules of Directive 2006/112/EC

Authors: Grzegorz Poniatowski, Łukasz Janikowski
External Publication, June 2019

This Study was prepared for the EU and it is intended to contribute to the forthcoming evaluation of the VAT invoicing rules, and, in particular, of those affected by the Second Invoicing Directive. This Directive was well transposed by Member States, with only minor exceptions of a very limited relevance. The Second Invoicing Directive was one of the factors supporting the growth of the use of e-invoicing technologies among EU businesses since 2014. This resulted in EUR 920 million savings over the period 2015-2017, of which about EUR 540 million was realized in 2017. These savings represent the bulk of the administrative burden reduction generated by this legislative act, which, overall, amounts to EUR 1.1 billion over the 2015-2017 period. Differently, the Directive had a negligible impact on the fight against VAT fraud, as the simplifications to e-invoicing and invoicing rules did not affect tax control activities or lead to costs for tax administrations. As its provisions were largely considered as working well by the stakeholders, few changes to the current legal framework are warranted in the short term, and, whenever possible, by means of soft law instruments. In the medium term, a revision of the VAT Directive to promote the use of automatically processable e-invoices and the diffusion and harmonization of additional e-reporting requirements may be considered.

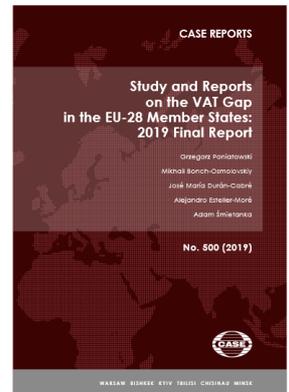
 [Read the study](#)



Study and Reports on the VAT Gap in the EU-28 Member States: 2019 Final Report

Authors: Grzegorz Poniatowski, Mikhail Bonch-Osmolovskiy, Alejandro Esteller Moré, José María Durán-Cabré, Adam Śmietanka
CASE Reports No. 500, October 2019

This Report was prepared for the European Commission, DG TAXUD and serves as a follow-up to the six reports published between 2013 and 2018. This Study contains new estimates of the VAT Gap for 2017, as well as updated estimates for 2013-2016. As a novelty in this series of reports, “fast VAT Gap estimates” are also presented for the year immediately preceding the analysis, namely for 2018. In addition, the Study reports the results of the econometric analysis of VAT Gap determinants initiated and initially reported in the 2018 Report. It also scrutinizes the Policy Gap in 2017 as well as the contribution that reduced rates and exemptions made to the theoretical VAT revenue losses.



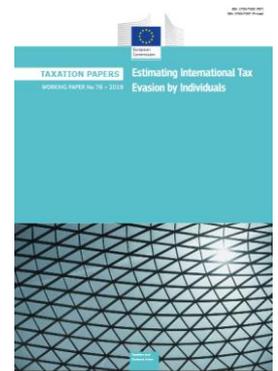
 [Read the Report](#)

The study was originally published by the [European Commission](#).

Estimating International Tax Evasion by Individuals

CASE Authors: Grzegorz Poniatowski, Adam Śmietanka
External Publication, October 2019

This study provides estimates of offshore wealth held by individuals (for the world's main economies) and corresponding estimates of international tax evasion (for the EU and EU Member States). Following the literature, the methodology relies on public statistics published by international organizations. Several additions to the standard approach are proposed including (i) estimates of offshore wealth held indirectly through shell companies, based on the identification of “Type II” centers (defined as jurisdictions providing shell companies and similar devices) and (ii) the use of foreign direct investment data to improve on available statistics for cross-border deposits. The key results are as follows. Global offshore wealth is estimated at USD 7.8 trillion in 2016 (EUR 7.5 trillion), or 10.4% of global GDP – a considerable amount. This estimate is largely consistent with existing published valuations. The EU share is valued at USD 1.6 trillion (EUR 1.5 trillion), or 9.7% of GDP. The corresponding EU estimated revenue lost to international tax evasion is EUR 46 billion in 2016 (0.32% of GDP). Among Member States, there is a great deal of heterogeneity, both in monetary terms of the estimated offshore wealth (and the corresponding tax evasion) and in GDP percentages of the same.



 [Read the study](#)

Sustainable Development Policies

Projects

Digital Entrepreneurship for Employability Paths (ongoing)

The main goal of the project is to improve the chances for professional success for VET (*vocational education and training*) students of different backgrounds by developing their digital and entrepreneurial skills. The other goals are: 1) mapping and stock taking of Digital Entrepreneurship dynamics in the countries involved, by identifying common trends, issues, best practices, and tools; 2) boosting both digital skills and entrepreneurship by developing and testing a set of innovative materials and resources that allow VET equipping at least 200 students of the participating organizations with two crucial entrepreneurial success skills; and 3) raising awareness among VET providers and training authorities of the potential of digital and entrepreneurship skills and their role as business success factors.

Experts: Izabela Styczyńska, Agnieszka Kulesa, Kateryna Karunska

Project funding: Erasmus PLUS, European Commission

Project leader: CASE – Center for Social and Economic Research

Project partners: CTS Customized Training Solutions Sp. Z O.O., Institut De Haute Formation Aux Politiques Communautaires, Internet Web Solutions SL, Mindshift Talent Advisory Ida, IDP SAS Di Giancarlo Constantino, Pravo I Internet Foundation

 [SEE THE PROJECT WEBSITE](#)

REmote Climate Effects and their Impact on European sustainability, Policy and Trade (RECEIPT) (ongoing)

In order to provide relevant and quantitative information on the European risks from remote global climatic features, RECEIPT will develop and implement a novel stakeholder driven storytelling concept that maps representative connections between European socio-economic activities and remote climatic hazards. Using a limited number of storylines designed for selected sectors, RECEIPT has the following key objectives: 1) mapping of global hotspots of remote areas that are relevant for Europe through their connection pathways and sensitivity to climate change, using state of the art climate and climate impact archives; 2) co-development of sectoral storylines with societal partners, describing the relationship between climate and non-climate drivers of the following socio-economic activities: European food security, finance/capital networks, international development, supply and value chains, and European coastal infrastructure; 3) assessment of European socio-economic impacts along each of the selected storylines under three “Paris scenarios,” representing different interlinked socio-economic development, adaptation, mitigation, and climate change pathways towards the mid-21st century; 4) a robust synthesis of the storylines resulting in a pan-European socio-economic risk assessment focusing on the

difference between the three “Paris scenarios”; and 5) innovative web-based concepts for visualizing the potential impacts of remote drivers and risk mitigation options.

Experts: Karolina Zubel, Stanislav Bielei

Project funding: The European Union’s Horizon 2020 research and innovation program

Project leader: Deltares (the Netherlands)

Project partners: CASE– Center for Social and Economic Research (Poland), Arctik Sprl, Cicero Senter Klimaforskning Stiftelse, Eidgenoessische Technische Hochschule Zuerich, Fondazione Centro Euro-Mediterraneo Sui Cambiamenti Climatici, Internationales Institut Fuer Angewandte Systemanalys, Koninklijk Nederlands Meteorologisch Instituut-Knmi, Potsdam Institut Fuer Klimafolgenforschung, R2 Water, Sayers And Partners Llp, Stichting International Red Cross Red Crescent Centre on Climate Change And Disaster Preparedness, Stichting Netherlands Escience Center, Stichting Solidaridad, Stichting Vu, Universitaet Bern, University of Leeds, The University Of Reading



[SEE THE Project website](#)



For more details see Highlights pp. 31-32

Development and implementation of innovative tools aimed at combating the problem of unregistered labor in institutions jointly responsible for minimizing the shadow economy on the labor market (SzaWER) (ongoing)

SzaWER aims to raise awareness of the consequences of unregistered employment among employees and employers and to combat the shadow economy by building a network of Polish and foreign institutions to deal with unregistered employment. Under the project, innovative training programs are being developed both in-house and online. The training programs focus on the consequences of a shadow economy and its impact on the labor market and are addressed to employees and employers as well as the research institutions dealing with unregistered employment, labor market institutions, and organizations working with foreigners. The next stage of the project is assessing the PIT gap in Poland to develop a model to forecast the financial effects of innovative fiscal solutions for public finance.

Experts: Łukasz Janikowski, Kateryna Karunska, Agnieszka Kulesa, Jacek Liwiński, Agnieszka Paczyńska, Grzegorz Poniatowski, Izabela Styczyńska, Adam Śmietanka, Aleksandra Teliszewska, Tomasz Tratkiewicz

Project funding: European Union within the Operational Programme – Knowledge, Education, Development (PO WER)

Project leader: CASE – Center for Social and Economic Research

Project partners: Association for Legal Intervention, Croatian Institute of Public Finance, Institute of Labour and Social Studies – IPISS, Maguire Policy Research Ltd. based in the UK, National Revenue Administration, the Voluntary Labor Corps, Voivodship Labor Office in Katowice, Voivodship Labor Office in Olsztyn

Establishment of Energy Efficiency Experts Platform (ongoing)

In order to facilitate the application procedure for potential beneficiaries (especially in the special program entitled “Clean air”), the National Fund for Environmental Protection and Water Management (NFEP&WM) is seeking support to put in place an energy efficiency expert platform. The general objective of the project is to support the efforts of Polish national authorities to define and implement appropriate processes and methodologies by taking into account the good practices and lessons learned of other countries. CASE’s main task is to prepare a baseline report showing the best practices in several European countries. The report will be a reference point for the creation of the project platform and will be later managed by the NFEP&WM.

Experts: Karolina Zubel, Andrzej Cylwik, Szymon Firląg, Tomasz Kraszewski

Project funding: Directorate-General for Structural Reform Support (DG Reform)

Project leader: ICF International Inc.

Partners: CASE – Center for Social and Economic Research, SPARK Legal Network

Developing, piloting, and standardizing on-tax financing for residential energy efficiency retrofits in European cities and regions (EuroPACE) (ongoing)

EuroPACE will develop a scalable on-tax financing mechanism to unlock the huge potential for the deployment of energy saving and generation technologies to European households. The scheme is inspired by the successful US PACE scheme that was developed in California in 2008. The project will address several fundamental challenges to energy efficiency (EE) investment by: (1) creating a market-based approach: EuroPACE will deploy private capital as up-front financing to homeowners to reduce reliance on grants and subsidies. In turn, municipalities will be the conduit for repayment via a special levy collected with the property tax bill; (2) de-risking EE investment: the long-term repayment obligation is tied to the property and not its owner; (3) providing technical assistance: decision-making processes for homeowners will be optimized by training energy service contractors. They will be held accountable by a comprehensive consumer protection code; and (4) aggregating and standardizing: EuroPACE will design standard underwriting requirements and project performance guidelines to enable project aggregation and the issuance of green bonds.

CASE Experts: Izabela Styczyńska, Karolina Zubel

Project funding: European Union Horizon 2020 research and innovation program

Technical leader: Global New Energy Finance S.L (Spain)

Project partners: CASE – Center for social and Economic Research (Poland), Agencia Extremena de la Energia (Spain), Ajuntament d’Olot (Spain), Climate Bonds Initiative (UK), Joule Assets Europe (Finland), Ente Vasco de la Energia (Spain), Social Innovation for Communities – UPSOCIAL SL (Spain)

 [READ THE REPORT](#)

Strengthening the system of integration of refugees in Poland (ongoing)

Project activities include an analysis of strengths, weaknesses, opportunities, and threats related to the implementation of individual integration programs (IIPs) for refugees and the beneficiaries of subsidiary protection as well as their families in Poland. Based on this analysis and the available source materials, proposals for changes with respect to the construction of the programs themselves – including the tools available to social workers which would support their work with foreigners and enable them to assess the results – as well as to the legal and institutional environment for the implementation of the IIPs will be developed. The main objectives of the project are: 1) supporting social workers implementing IIPs by providing them with opportunities to exchange experiences and network as well as through providing potential training; 2) developing a tool supporting the work of social workers with foreigners who have been granted international protection status that would enable the monitoring and evaluation of IIPs (within the framework of existing legal provisions); and 3) developing recommendations concerning possible changes in IIPs and in the legal and institutional environment, aimed at increasing the effectiveness of the provided assistance.

Expert: Agnieszka Kulesa

Project leader: UNHCR Poland

Project partners: CASE – Center for Social and Economic Research, WCPR – Warszawskie Centrum Pomocy Rodzinie (Warsaw Family Help Center)

Financial ABC – managing the household budget for youth threatened by financial exclusion

The main objective of this project was to increase the level of knowledge of persons from youth educational centers (MOWs) and orphanages about the management of the household budget. The goal was achieved through the creation of a guidebook for teachers and instructors and organizing 16 workshops in three Voivodships. Approximately 240 people participated in the workshops.

Experts: Agnieszka Kulesa, Aleksandra Teliszewska, Izabela Styczyńska

Project funding: National Bank of Poland

Project leader: CASE – Center for Social and Economic Research

 [Read the Guidebook](#)

EU and ILO: Shaping the future of work

The overarching goal of this study was to propose a robust and dynamic model for collaboration between the ILO and the EU by providing an up-to-date review of the current

approach and cooperation between the agencies in view of the new challenges brought forward by the changing world of work.

Experts: Agnieszka Kulesa, Izabela Styczyńska

Project funding: European Parliament

Project leader: ICON-INSTITUTE Consulting Gruppe

Project partners: CASE – Center for Social and Economic Research, Visionary Analytics

Capacity building of local and regional public administrations in Eastern Partnership countries

The study provided an overview of the capacity building programs, trainings, and technical assistance available for local and regional authorities of the following countries: Armenia, Azerbaijan, Belarus, Georgia, and the Republic of Moldova. As a first step, experts analyzed the offering of capacity building programs in each country. They identified the degree and non-degree programs offered by public administration academies; bilateral and multilateral programs; trainings offered by foreign governments, international NGOs, and political foundations; and EU-based public administration trainings. Second, experts analyzed the gaps and bottlenecks of the training programs for each country. Thanks to desk research and some insightful interviews from public servants, the experts were able to highlight several recurrent problems including corruption, a politicized recruitment process for public servants, and little legislative and fiscal autonomy for local and regional authorities. Overall, a lack of trainings focusing on technical skills, project management skills, public finance, and human resources management were identified. Finally, some recommendations were proposed for the EU in order to provide sustainable expert support and training for local and regional public administrations. A training curricula applicable to the entire EaP region was also proposed.

Experts: Stanislav Bieliei, Krzysztof Głowacki, Justine Renard, Nino Sichinava, Katarzyna Sidło, Szymon Ananicz, Dymitry Babicki, Małgorzata Zawadzka

Project funding: European Committee of the Regions

Project leader: CASE – Center for Social and Economic Research

SHIFT - Strengthen Higher Education through Innovative Financial Tools

Strengthen Higher Education through Innovative Financial Tools (SHIFT) recognized the need for the more intelligent spending of HE funds and sought to develop new mechanisms to empower students to afford HE. The project developed and validated (via financial stress testing) an innovative funding model based on the concept of an endowment fund that pools private and public money. Taking into consideration the diversity of the HE system across Europe, SHIFT aimed to ultimately develop a mechanism that combined the private sector management of funds to generate profit with the public sector mission to ensure the proper allocation of the proceeds for public policy objectives while flexibly adapting to the

various EU HE environments. To this end, SHIFT extrapolated the virtuous elements of successful national student financing models (such as the UK's) and embedded them to the developed mechanism.

Experts: Agnieszka Paczyńska, Izabela Styczyńska

Project funding: Erasmus PLUS, European Commission

Project leader: Aston University (UK)

Project partners: CASE – Center for Social and Economic Research, Foundation of the Catholic University of the Sacred Heart (EDUCatt), IDP sas, The Institut de Haute Formation aux Politiques Communautaires asbl (IHF), Swansea University, University of Durham

Social Entrepreneurs' Responses to the Refugee Crisis in Jordan and Lebanon

The aim of this study was to provide an overview of the social entrepreneurship scene working in the field of refugee crisis mitigation in both countries. The assumption, grounded in preliminary background research, was that social entrepreneurs positively – if not on a large scale – contributed to the alleviation of the refugee crisis by virtue of working with and for refugees, and indeed deriving from the refugee community themselves. In order to answer these questions, CASE and the RSS interviewed a number of social entrepreneurs as well as representatives of the entities supporting them (business angels, accelerators) and created case studies exploring the functioning of refugee-focused social enterprises in selected fields (education, environment, financial inclusion, and women's empowerment).

Experts: Katarzyna Sidło, Izabela Styczyńska

Project funding: FEMISE 2018/19 Internal Competition

Project leader: CASE – Center for Social and Economic Research

Project partner: Royal Scientific Society of Jordan (RSS)

Just-in-time education

Within the project, CASE sought to develop the comprehensive financial skills of young people and promote non-formal education to enhance opportunities for people without professional experience in the modern labor market. The main objective of this project was to promote financial education among young people by conducting workshops, seminars, and tutorials at local universities and in CASE offices. Within the project, we shared our knowledge and experience with young people regarding how to plan, control, and manage own budgets and how to take responsibility for personal outcomes.

Project funding: Erasmus PLUS, European Commission

Project leader: CASE – Center for Social and Economic Research

Project partners: Chargée de mission, Citizens of Europe e.V.

Study to Support Investment for Sustainable Development of Blue Economy

The study aimed at building a pipeline of investable projects that contribute to societal goals such as the reduction of carbon emissions, the increase of marine food production and other bio-economy products, the efficient use of resources and the reduction of waste, circular economy models, the use of renewable resources, or the sustainable use of natural and cultural heritage. The study looked into best practices, promising projects, market opportunities and threats, and critical success factors to create a favorable investment environment. The final report put forward recommendations regarding the potential for a dedicated investment platform, options for its governance structure (including incentive design, level of complexity, and communication strategies, based on the most successful schemes), and, additionally, made policy recommendations related to the implementation of future Cohesion Policy and ESI Funds.

Experts: Krzysztof Głowacki, Rúben Barreto

Project funding: EUROPEAN COMMISSION - Executive Agency for Small and Medium-sized Enterprises (EASME)

Project leader: Metis GmbH

Project partners: CASE – Center for Social and Economic Research, Acacia Sustainable Business Advisors, Panteia B.V., ICF International Inc.

Events

Vision Europe Dialogue in Helsinki

April 1-2, 2019

The Vision Europe Dialogue 2019 took place in Helsinki, Finland. Over 50 data experts from various EU states met to discuss the data economy in Europe. In order to provide inputs for subsequent meeting dialogues, each of the Vision Europe consortium think tanks prepared thought pieces on selected fair data economy-related issues. The piece authored by [Agnieszka Kulesa](#), CASE Economist, entitled “Data professionals and digital visionaries for the human-driven data economy” can be accessed [here](#). A brief summary of VED2019 can be accessed on [SITRA’s webpage](#).



»» For more details see Highlights p. 24

Workshop *Social Entrepreneurship in the MENA Region: Inclusiveness and Growth*

April 17, 2019



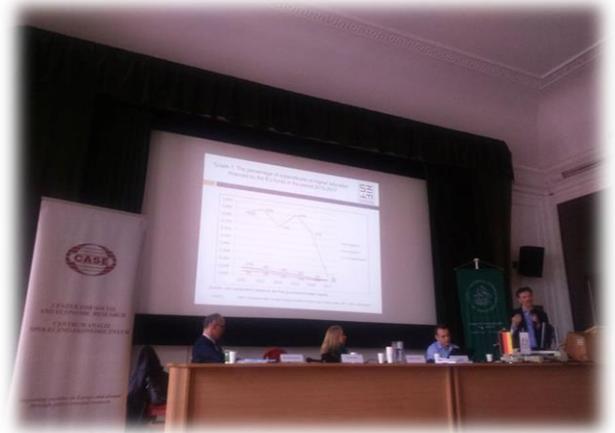
The Royal Scientific Society, iPARK, FEMISE, and CASE (Dr. Katarzyna Sidło) organized, under the Patronage of Her Royal Highness: Princess Sumaya bint El Hassan, a workshop in Amman, Jordan to address the issues of social entrepreneurs (SE) in the MENA region and the roles of actors in supporting these initiatives financially and technically. A special focus was made on how SE addressed the refugee crisis in Jordan and Lebanon. The workshop also provided a space for debate among different stakeholders: supporting institutions, international organizations, the private sector, researchers, and social

entrepreneurs. As a result of the workshop, a policy brief presenting the main conclusions and recommendations of the participants and stakeholders was developed. Outcomes of the discussion and the focus group also contributed to the preparation of a report “Social Entrepreneurs’ Responses to the Refugee Crisis in Jordan and Lebanon,” developed by CASE and RSS under FEMISE funding.

Seminar *Alternative forms of financing higher education on the example of SHIFT (Strengthen Higher Education through Innovative Financial Tools)*

May 17, 2019

The panel discussion organized at the Warsaw School of Economics by CASE was part of the Polish-German Economic Forum. During the event, the following issues were discussed: the most important changes in higher education and its financing over the past 15 years and contemporary forms of financing higher education. In their speeches, CASE experts Jacek Liwiński and Agnieszka Paczyńska presented alternative forms of financing higher education based on the example the Strengthen Higher Education through Innovative Financial Tools (SHIFT) project.



Workshops on the consequences of working in the shadow economy

October 2019

CASE, together with the Association for Legal Intervention (SIP), the Voluntary Labor Corps, the Voivodship Labor Office in Katowice, and the Voivodship Labor Office in Olsztyn, conducted eight trainings for foreigners, the unemployed, and employers interested in deepening their knowledge about legal employment in Poland and the consequences of unregistered work. The meetings were part of the SzaWER project. The main aim of the SzaWER project is to raise awareness of the consequences of unregistered employment among employees and employers and to combat the shadow economy by building a network of Polish and foreign institutions to deal with unregistered employment.



The 162nd mBank seminar: *The EU in 2019: State of play and prospects*

October 3, 2019

Speaker:

Dr. Janusz Lewandowski

The 162nd mBank seminar focused on the state of play of the European Union and its prospects. The guest speaker Dr. Janusz Lewandowski, economist, academic teacher, politician, and Polish and EU official, started his presentation by elaborating on the reasons for the existence of the only supranational parliament worldwide. Specifically, he pointed out that the commonalities making the Union possible go beyond geographical proximity and include, in particular, common lessons, cultural memories, as well as contributions from both the good and bad parts of European history. As the European Union has freed generations of Europeans from the existential links related to the two World Wars and totalitarian regimes, it has allowed countries to shift from purely geopolitical concerns to focus on developing a common future.



61 attendees

263 watched the broadcast



[Read mBank – CASE Seminar Proceeding No. 162](#)

Lecture series: *What has the European Union given us? A socio-economic balance of Poland's membership in the EU*

Autumn/Winter 2019

The course summarized the benefits of Poland's membership in the EU based on facts and analyzed the barriers and challenges to further European integration. The course was prepared by CASE in cooperation with the Open University of the University of Warsaw. The lectures were prepared by the authors of the CASE Report "Our Europe: 15 years of Poland in the European Union," who have, for many years, been analyzing the multidimensional effects of EU institutions and cooperation with Member States pursuant to European values and mechanisms.



Publications

Merchants of Fear. Discursive Securitization of the Refugee Crisis in the Visegrad Group Countries

Authors: Givi Gigitashvili, Katarzyna Sidło
External Publication, January 2019

Ever since the beginning of the so-called refugee crisis in 2015, politicians from Visegrad group states have been infamously vocal in their aversion to asylum seekers (and economic migrants as well). This is despite the fact that their respective countries were among the least affected by refugee movements. In this brief, the authors write that through their remarkably negative rhetoric, the policymakers in question have managed to securitize the issue of migration. By virtue of portraying migrants and asylum seekers as a threat to their countries' state and societal security, they have managed to convince the public that migration poses a great danger to both the well-being and the very existence of their countries. As a result, they are able to portray themselves as defenders of people's safety, sovereignty, and culture, and draw political capital from uniting the electorate against "the other."

This Policy briefing was prepared for the EuroMeSCo network.

 [Read the Paper](#)



Employment creation through industrial policy in the Middle East and North Africa

CASE Author: Katarzyna Sidło
External Publication, April 2019

The lack of productive employment is one of the most pressing challenges of countries in the Middle East and North Africa (MENA). No other region in the world has such high rates of unemployment and underemployment. Policy makers across the region are extremely concerned about the problem but have not yet been able to identify an effective strategy to address it. Many academic publications and donor reports focus only on the labor market rather than on what is happening on the production side of the economy. In addition, there is an emerging literature stressing the need for new industrial policies in the MENA region. Very few of these, however, focus on employment creation and promotion as a distinct goal of industrial policies.

DIETHELM SCHMIDT | 

Summary Report on the International Workshop "Employment Creation through Industrial Policy in the MENA (Middle East and North Africa) Countries"

Bonn, Germany, 21-22 September 2018

Tina Zittel
Amrisha El-Hodadi
Markus Lorenz

The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), on behalf of the Federal Ministry for Economic Cooperation and Development (BMZ), commissioned the German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE) to bring international experts on industrial and labor market policies in the MENA region together for a workshop to discuss what industrial policies in MENA should look like in order to generate employment that is sustainable, decent, and productive. The workshop took place in Bonn on September 21-22, 2018.

 [Read the Paper](#)

EU and ILO: Shaping the Future of Work

CASE Authors: Agnieszka Kulesa, Izabela Styczyńska, Nino Sichinava, Tomasz Tratkiewicz
External Publication, June 2019

This Report reviews the main results of some 60 years of collaboration between the European Union (EU) and the International Labour Office (ILO) and coincides with the 100th anniversary of the ILO. Started in 1958, EU-ILO collaboration has intensified over recent years, covering an ever-greater range of issues to address the future of work and the challenges it poses to the sustainability of decent work and social protection.

This document was prepared by Policy Department A at the request of the European Parliament's Committee on Employment and Social Affairs.

STUDY
Requested by the EMPL committee



EU and ILO

Shaping the Future of Work



Policy Department for Economic, Scientific and Quality of Life Policies
Directorate-General for Internal Policies
Authors: F. Pastore, S. Garcia, I. Styczyńska et al.
PL 033607 – June 2019

EN

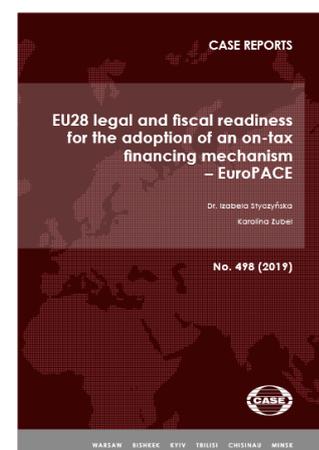
 [Read the Report](#)

EU28 legal and fiscal readiness for the adoption of an on-tax financing mechanism – EuroPACE

Authors: Izabela Styczyńska, Karolina Zubel
CASE Report No. 498, August 2019

EuroPACE is an innovative financial mechanism inspired by an American building improvement initiative called Property Assessed Clean Energy (PACE). The innovative character of the EuroPACE mechanism is that financing through EuroPACE is linked to the taxes paid on a property. To establish the EuroPACE program, several conditions must be satisfied, each of which are relevant for different stakeholders at different stages of implementation. For the purpose of this report, we divided these criteria into two categories: key criteria that make implementation possible and complementary criteria that make implementation easier.

Residential on-tax financing is a concept in its infancy in the EU. Therefore, the methodology to evaluate the readiness of a country to implement on-tax financing is complex and consists



of six stages: 1) identification of fiscal and regulatory conditions; 2) data collection; 3) weighting; 4) grading; 5) country SWOT analysis; and 6) qualitative assessment.

 [Read the Report](#)

EuroPACE Market Analysis

CASE Authors: Izabela Styczyńska, Karolina Zubeł
Contributor: Grzegorz Poniatowski
CASE Reports No. 499, August 2019

EuroPACE is an innovative tool designed to make home renovation simple, affordable, and reliable for all Europeans by combining affordable financing with people-centric technical assistance. EuroPACE offers 100% up-front financing that can be repaid over a long term of up to 25 years. The innovation lies in the collection and repayment mechanism – financing is attached to a property and is repaid regularly with charges linked to it. Homeowners are offered logistical and technical support throughout the process and access to trained and qualified contractors. Two-phases of research (first – legal and fiscal readiness, and second – market demand) have been conducted in order to assess overall readiness for adapting this model across the European Union (EU). This document is the second phase of the EuroPACE readiness assessment developed to identify the European countries most suited for EuroPACE implementation. It complements the legal and fiscal assessment by focusing on the “demand dimension” by analyzing local needs for energy efficiency (EE) and renewable energy sources (RES) in residential building renovation in seven selected countries.



 [Read the Report](#)

This report was produced under the EuroPACE project.

Social Entrepreneurship to Alleviate Refugee Crisis in Jordan and Lebanon

Author: Katarzyna Sidło
External Publication, September 2019

In the face of an ongoing refugee crisis in Syria, the private sector has been increasingly involved in the quest to alleviate the situation. The presented policy brief discusses the potential of one particular group of businesspeople, social entrepreneurs, to help relieve the situation of hundreds of thousands displaced persons who found refuge in Jordan and Lebanon.

The author's main finding is that social enterprises have a lot to offer in terms of refugee crisis alleviation. First and foremost, they are uniquely positioned to assist with the labor market integration of the refugees. Unlike purely profit-



oriented private companies, they can accommodate their specific needs, focusing on the social impact of their work rather than just profit maximization. Moreover, unlike non-profits, they can create sustainable jobs that do not (entirely) depend on donor funding – provided that local legislative frameworks allow them to do so.

This publication was published in the FEMISE Policy Brief series.

 [Read the Paper](#)

Social Entrepreneurs' Responses to the Refugee Crisis in Jordan and Lebanon

Author: Katarzyna Sidło

External Publication, September 2019

The author's main finding, developed based on an extensive literature review and stakeholder consultations (29 interviews with SEs and support organizations, a focus group, and a panel discussion during a workshop), is that although social entrepreneurs overcome numerous obstacles in order to achieve their goals, assessment of the real impact of their actions is not possible due to the lack of social impact measurement mechanisms in place. Judging their success is also impeded by the fact that the majority of the SEs examined are relatively young, being predominantly established within the past five years. At the same time, however, the anecdotal evidence does suggest that refugees in both countries benefit from the actions of social enterprises in a number of ways. Most notably, SEs are a source of employment opportunities, helping refugees to start new careers or resume the ones they had back in their home countries.



This publication was prepared for the FEMISE Research Papers.

 [Read the Paper](#)

Trade, Innovation, and Productivity Policies

Projects

Evaluation of the impact of trade chapters of the Euro-Mediterranean Association Agreements with six partners: Algeria, Egypt, Jordan, Lebanon, Morocco, and Tunisia (ongoing)

This study sought to provide an evidence-based report on the impact of the trade chapters of the Euro-Mediterranean Association Agreements (AAs) with six Mediterranean partner countries: Algeria, Egypt, Jordan, Lebanon, Morocco, and Tunisia. These free trade agreements (FTAs) are part of wider agreements signed between the EU and the partner countries. The study will be the basis of an ex-post evaluation in the form of a Staff Working Document which will be drafted by the Commission once the study is completed. In particular, the study will examine the effectiveness and efficiency of the FTAs in achieving Objective 1: to promote trade and the expansion of harmonious economic and social relations and to establish the conditions for the gradual liberalization of trade in goods, services, and capital between the EU and partner countries and Objective 2: encouraging intra-regional integration by promoting trade and cooperation both within the region and between it and the EU and its Member States.

Experts: Przemysław Kowalski, Anna Malinowska, Katarzyna Sidło

Project funding: The Directorate General for Trade (DG Trade)

Project leaders: CASE – Center for Social and Economic Research, Ecorys Netherlands

Project partner: Forum Euroméditerranéen des Instituts de Sciences Économiques (the Euro-Mediterranean Forum of Institutes of Economic Sciences) (FEMISE)

 [SEE THE PROJECT WEBSITE](#)

Report on significant distortions in the economy of the Russian Federation for the purpose of trade defense investigations (ongoing)

Russia, a big player in many international markets and an important trade partner for the EU, is still not meeting some of its WTO accession commitments. As far as EU trade defense is concerned, among the 237 anti-dumping and anti-subsidy proceedings initiated since 2003, Russia has been a respondent in 13 cases – this relatively small share is higher than Russia's share in the world economy. The objective of this study is to investigate and analyze state-induced distortions in the economy of the Russian Federation. The data used in the study consisted of a broad range of material: legal policy documents, official statements, interviews, and international reports, among others. To identify as many distortions as possible, the report will analyze different forms of distortions such as in the financial system or state-owned enterprises. As the burden of proof for the existence of state-induced distortions rests with the European Commission, the Directorate-General for Trade seeks to prepare reports showing distortions in relevant countries. The Commission has selected the

Russian Federation because of the relative weight of the country in the EU's trade defense activity.

Experts: Marek Dąbrowski, Przemysław Kowalski, Christopher Hartwell, Krzysztof Głowacki, Anna Malinowska, Katarzyna Sidło

Project funding: The Directorate General for Trade (DG Trade)

Project leader: CASE – Center for Social and Economic Research

Project partners: LSE Consulting, The Norwegian Institute of International Affairs - NUPI

The Rule of Law and its Social Reception as Determinants of Economic Development (ongoing)

The study is an interdisciplinary research project which aims to explore the connection between the rule of law, especially in terms of its social reception, and the functioning of market economy from the perspectives of Germany and Poland. The study consists of three parts. In the first step, the researchers will analyze legislation and literature to come up with a picture of the legal basis of the market economy, for example the independence of the judiciary, property rights, and anti-corruption laws, among others. This part ends with an inventory of the rule of law *de jure* in Poland and Germany in the economic context. In the second step, the study will examine the societal perceptions of institutions and their socio-economic impact within an economic context by means of a sociological and econometric methodology. The aim will be to determine the *de facto* state of the rule of law and its impact on the market economy in Poland and Germany. In the third step, the results of the study will be disseminated by way of a final report, a conference, and press releases. The project connects two fields of research in an innovative way: 1) New Institutional Economics, which focuses on the relationship between institutions (the rules of social life) and economic outcomes, and 2) the social working of legal rules, which deals with the interaction between social and legal norms and between the states' *de jure* and *de facto* legal norms.

Experts: Krzysztof Głowacki, Christopher Hartwell, Maria Krell

Project funding: Polsko-Niemiecka Fundacja na rzecz Nauki / Deutsch-Polnische Wissenschafts Stiftung

Project leader: CASE – Center for Social and Economic Research

Project partner: European Academy Berlin (EAB)

Euro-Mediterranean Political Research and Dialogue for Inclusive Policymaking Processes and Dissemination through Network Participation; WP: The Role of China in the Middle East and North Africa. Beyond Economic Interests (ongoing)

The project aims at increasing the political research capacities and influence of think tanks and research institutes in the framework of the EuroMeSCo network and to promote dialogue and understanding on the key political trends and challenges of the Euro-Mediterranean Partnership and their dissemination to relevant stakeholders, policy makers, and civil society. The project is centered on three types of activities: 1) research activities

which consist of the publication of joint policy studies, policy briefs and recommendations, and papers; 2) dialogue activities which comprise dialogue workshops, annual conferences, and an online platform; and 3) dissemination activities, which include presentations, development of a website, and the production of a monthly newsletter.

Expert: Katarzyna Sidło

Project funding: European Union and the European Institute of the Mediterranean

Project leader: European Institute of the Mediterranean (IEMed)

Project partners: Members of the Euro-Mediterranean Study Commission (EuroMeSCo) network

Integration within the European Single Market: accounting, computer, and construction services in four Member States

The aim of the project was to assess, using Poland, Hungary, Germany, and Sweden as examples, the state of trade integration within the EU single market in three service sectors: (1) construction services; (2) IT/computer services; and (3) accounting and auditing services. The assessment addressed several existing barriers as well as the possible effects of further liberalization from Poland's perspective. The study, including both quantitative and qualitative analysis based on data from the Organisation for Economic Cooperation and Development (OECD) on trade in services and barriers to trade in services, assessed the benefits and freedoms to provide services within the European Union (EU) single market, and identified the remaining barriers, including those that were particularly acute for Polish operators, as well as assessed the possibilities and effects of the further liberalization of trade in services at the EU level. The project aimed to provide information, arguments, data, and calculations that could be used to develop Polish proposals in connection with the planned discussion on the Single Market at the December European Council and the future debate on the agenda of the next European Commission.

Experts: Krzysztof Głowacki, Przemysław Kowalski, Anna Malinowska, Małgorzata McKenzie

Project funding: Ministry of Foreign Affairs of Poland

Project leader: CASE – Center for Social and Economic Research

 [READ THE REPORT](#)

The contribution of local and regional authorities to the development of the blue economy

The study analyzed the contribution of local and regional authorities (LRAs) in the blue economy. In this context, experts provided an annotated bibliography of the contribution of LRAs to the development of blue economy in the following areas: coastal tourism; food, health and ecosystem services; energy at sea and raw materials; maritime and transport activities; environmental monitoring; and the protection of maritime areas. Next, the main barriers for the contribution of LRAs to these areas were identified. Experts also identified and provided a list of funding possibilities available to LRAs from South Mediterranean

partner countries that would allow them to fund projects related to the development of the blue economy. Finally, detailed policy recommendations were proposed to give LRAs the tools to better support the blue economy. The project covered the following countries: Egypt, Turkey, Algeria, Morocco, Tunisia, Israel, Jordan, Lebanon, Palestine, and Libya.

Experts: Krzysztof Głowacki, Christopher Hartwell, Anna Malinowska, Karolina Zubel, Katarzyna Sidło

Project funding: The European Committee of the Regions

Project leader: CASE – Center for Social and Economic Research

Project partner: European Institute of the Mediterranean

The contribution of local and regional authorities to regional integration in the Mediterranean

Project experts identified the main barriers for integration between the South-South and North-South regions on all governance levels. The work was focused on six dimensions: trade, infrastructure, governance, labor mobility, research and innovation, and higher education. The study provided policy recommendations for the EU to support further South-South and North-South integration and presented how the LRAs can concretely support regional integration. The study covered the following countries: Egypt, Turkey, Algeria, Morocco, Tunisia, Israel, Jordan, Lebanon, Mauritania, Palestine, Albania, Bosnia and Herzegovina, Monaco, and Montenegro.

Experts: Katarzyna Sidło, Stanislav Bieliei, Krzysztof Głowacki, Christopher Hartwell, Kateryna Karunska, Agnieszka Kulesa

Project funding: The European Committee of the Regions

Project leader: CASE – Center for Social and Economic Research

Project partner: European Institute of the Mediterranean

Division of Powers study – EU Member States

In 2012, the Committee of the Regions (CoR) updated its 2008 Study on “The Division of Powers between the European Union, the Member States, and Regional and Local Authorities” and supplemented it with a dedicated website. The 2012 Study provided an overview of the organization of local and regional governments in the EU-28 Member States, and in the candidate countries at the time of publication – Iceland, Montenegro, North Macedonia, and Turkey, as well as the four then-potential candidates – Albania, Bosnia and Herzegovina, Kosovo, and Serbia. The objective of the project was to check and update the existing constitutional and fiscal data with all recent and relevant developments and to harmonize the data in the Division of Powers Website referring to the EU Member States.

Experts: Krzysztof Głowacki, Stanislav Bieliei, Karolina Zubel

Project funding: The European Committee of the Regions

Project leader: LSE Consulting

Partner: CASE – Center for Social and Economic Research

 [SEE THE PROJECT WEBSITE](#)

30 years of economic reforms in Poland: successes and failures as an example for today's Belarus

The main goal of the project was to increase knowledge in Belarus on the process of the reforms implemented in Poland in 1989-2019. That goal was achieved through the following activities: 1) the organization of open lectures in Minsk, where Polish economists shared knowledge on selected topics which were crucial for the economy of Belarus; 2) the organization of a discussion panel at the Kastyryčnicki Economic Forum, during which experts passed on knowledge on the successes and challenges of Polish reforms for Forum participants; and 3) the preparation of educational video materials.

Experts: Jarosław Neneman, Krzysztof Głowacki

Project leader: CASE – Center for Social and Economic Research

Project partner: CASE Belarus

 [READ THE REPORT](#)

THINK, Belt and Road Initiative: opportunities and challenges for Europe

CASE, within the THINK Initiative, drafted recommendations for European stakeholders on the Chinese Belt and Road Initiative (BRI). Based on a grassroots approach to strategy development, the THINK Initiative involved the most influential European stakeholders from the business, government, civil society, and research sectors via the online THINK Platform and regular round tables across Europe. The first research strategy development phase took place from May to October 2018. Strategy development questions focused on the economy and foreign and security policy. The goal was to develop strategy recommendations for EU and Western Balkan state and non-state actors to better address the challenges and opportunities created by the Chinese actions in the context of the BRI. Recommendations were developed in a final Strategy Paper which was presented to the Austrian EU Presidency in October 2018.

Experts: Stanislav Bieliei, Krzysztof Głowacki, Christopher Hartwell, Przemysław Kowalski, Katarzyna Sidło

Project funding: THINK Initiative

Project partners: CASE – Center for Social and Economic Research (Poland), Centre for European Perspective (Slovenia), European Policy Center (Serbia), United Europe (Germany), We Build Europe (Austria)

Events

160th mBank-CASE Seminar: Financing for the Polish economy: prospects and threats?

March 21, 2019

Speakers:

Andrzej Halesiak

Stefan Kawalec

Dr. Ernest Pytlarczyk

Mariusz Więckowski

The 160th mBank-CASE seminar was devoted to a discussion of the financing of the Polish economy, its prospects, and its threats. Access to funds and the way they are used are key for the growth of investment in an economy, in both the private and public sectors, and a country's economic development. A specific role in this process is played by financial intermediaries. They were the main subject analyzed by the four experts invited to the panel and in the audience discussion.



41 attendees

517 watched the broadcast

 [Read mBank – CASE Seminar Proceeding No. 160](#)

Seminar on the future of the European Single Market

May 20, 2019

The CASE report *“Integration within the European Single Market: accounting, computer, and construction services,”* commissioned by the Ministry of Foreign Affairs (in consultation with the Ministry of Entrepreneurship and Technology) was presented to a wider audience during two workshops in Brussels and Warsaw. The report was intended as a Polish contribution to the discussion on the future of the Single Market at the highest political level. The report analyzes the extent of integration within the European Single Market in three services sectors, (1) construction, (2) IT/computer services, and (3) accounting and auditing services, and draws key conclusions in the context of future Single Market services liberalization efforts. The main body of the report is organized into three parts. The first one serves as the background for subsequent analyses, providing general information on trade in services in the EU and modes of the provision of services across borders, as well as presenting statistics on export



competitiveness in the sectors of interest. The second part discusses the Services Directive and relevant liberalization efforts within the Single Market. This is followed by a detailed analysis of the remaining barriers in the three sectors within the Single Market. The last section concludes and provides key policy recommendations.



[Read the Report](#)

The 161st mBank-CASE seminar: Turning away from globalization? Trade wars and the rules of competition in global trade: Implications for the EU and Poland

September 19, 2019

Speakers:

Prof. Jan J. Michałek

Dr. Przemysław Woźniak

The subject of the 161st mBank-CASE seminar was contemporary trade wars and their implications for the European Union and Poland. The trade war with China launched in March 2018 by U.S. President Donald Trump has significant implications for the entire global economy and is causing collateral damage to the EU. There is a justified fear that America's current trade policy can lead to the collapse of the multilateral order in global trade and a return to a system based on bilateral agreements.

55 attendees

326 watched the broadcast



[Read mBank – CASE Seminar Proceeding No. 161](#)



CASE lectures: 30th Anniversary of Economic Transformation in Poland – Conclusions for Belarus

October-November 2019

CASE, together with CASE Belarus and partners, organized a series of lectures in Minsk, Belarus, entitled “30th Anniversary of Economic Transformation in Poland – Conclusions for Belarus.” The project aimed to present key issues related to economic reforms in Poland and to provide possible conclusions for Belarus. During the lectures, experts discussed the key issues for the Belarusian economy: macroeconomic stabilization, fiscal policy, local government reform, financial



Photo credits: CASE Belarus

market development. and management of the state sector. Within the project, CASE economists also took part in two discussion panels during the Kastryčnicki Ekanamičny Forum, held in Minsk from October 31 to November 1, 2019.

 [Read the project Report](#)

The Role of China in the Middle East and North Africa (MENA). Beyond Economic Interests

December 3, 2019

The Dialogue Workshop was held at the CASE office in Warsaw as part of the EuroMeSCo Project. The event was organized by CASE and the European Institute of the Mediterranean (IEMed), and co-funded by the European Union and IEMed. The Middle East and North Africa (MENA) region has traditionally been rather peripheral to China's interests. However, under President Xi Jinping this has changed notably. This has mostly been due to the strategic position of MENA countries on the rekindled Silk Road trade route, connecting China with Europe via Asia and Africa. The main aim of the workshop was to discuss the present and potential future role of China in the MENA region. The workshop unfolded with a presentation of the main findings from the authors that drafted the chapters of the Joint Policy Study. Dr. Katarzyna Sidlo (CASE) – coordinator of the research group – kicked off the event by providing the background and context to the study and discussing the economic aspects of China's engagement in MENA countries. Specifically, she focused on the analyses of the development and future prospects of trade and investment patterns in the region. During the second presentation, Dr. Erzsébet Rozsa (Institute of World Economics of the Hungarian Academy of Sciences) presented the chapter on the cultural, political, and security context of China's presence in the MENA region, which was written in partnership with Tamás Peragovics. This chapter highlights the importance of the soft power approach and discusses the development of China's approach to peace and security in the region. In the last session, Lars Andersen (DIIS – Danish Institute for International Studies) and Camille Lons (IISS - The International Institute for Strategic Studies) focused on the geopolitical implications of China's further involvement in the MENA region and its effects on global order and the balance of power in the region.



 [Read the Report from the Workshop](#)

 Watch the [video](#) in which Dr. Katarzyna Sidło explains China's Economic Engagement in the MENA Region.

Publications

Political and Economic Relations Between the V4 and Central Asian Countries after 1991

CASE Authors: Krzysztof Głowacki, Stanislav Bieliei, with contributions from Justyna Perzanowska-Szymczak
External Publication, January 2019

The on-going fundamental geopolitical and geo-economic transformations in the region of Central Asia (CA) as well as in its individual countries create new opportunities and challenges for the Visegrad countries. The study identifies a niche for closer cooperation among the V4 countries within the broader framework of the common foreign and security policy of the EU. The authors also underline the role of Visegrad countries in the elaboration and effective implementation of the new Central Asia Strategy of the EU in areas where they have a clear competitive advantage.

The publication was written within the project “Enhancing cooperation among Central Asia researchers in the Visegrad countries.”

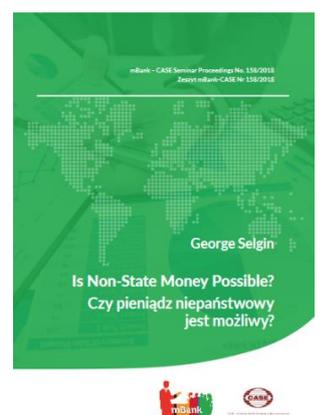
 [Read the Report](#)

Is Non-State Money Possible?

Author: George Selgin
mBank – CASE Seminar Proceedings No. 158, February 2019

In one sense of course, it is obvious that non-state money is possible. That is the sense in which we ask only whether some kinds of non-state money are possible. And of course, the answer is yes. The vast majority of payments today, in Poland as elsewhere, are made with privately produced forms of money – that is, with bank deposits of various kinds – transferable by cheque or using debit cards. And there is nothing surprising about that. But of course, the question can also be understood in a different and more interesting way. The interesting question is not whether some kinds of non-state-supplied money are possible. It is a different question, or rather two different questions. One of these is whether non-state circulating monies, or currencies, are possible. Can we rely on the private sector to supply hand-to-hand circulating means of payment? The other even more fundamental question is whether we can have a complete monetary system in which all forms of money supplied are privately, and the state plays no substantial regulatory role.

 [Read the Study](#)



The Economic and Monetary Union: Past, Present and Future

Author: Marek Dabrowski
CASE Reports No. 497, March 2019

Twenty years of the euro's history confirms the its stability and position as the second global currency. It also enjoys the support of the majority of the euro area population and is seen as a good thing for the European Union. The European Central Bank has been successful in keeping inflation at a low level. However, the European debt and financial crisis in the 2010s created a need for deep institutional reform and this task remains unfinished.

This paper is based on a policy contribution prepared for the Committee on Economic and Monetary Affairs of the European Parliament (ECON).

 [Read the Report](#)

The role of Russia in the Middle East and North Africa region. Strategy or opportunism?

CASE Author: Christopher Hartwell
External Publication, April 2019

This Joint Policy Study investigates the role that Russia has played, is playing, and is likely to play in shaping future political alignments in the MENA region. The study unpacks some of the key aspects that characterize the Russian presence in the area: historical ties, bilateral and international relations, economic cooperation, and so on. It appears to be increasingly clear, in fact, that features distinguishing relations between the Kremlin and MENA countries deserve more extensive and profound scrutiny as they shed light on the complexity of the current scenario of instability, not only in Syria but in the entire MENA region.

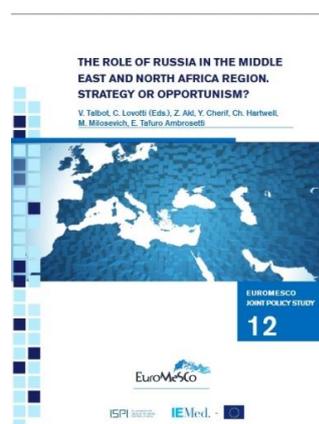
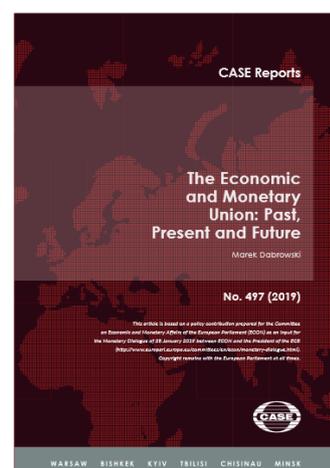
 [Read the Study](#)

This Joint Policy Study was published by the European Institute of Mediterranean.

Integration within the European Single Market: accounting, computer, and construction services

Authors: Krzysztof Głowacki, Przemysław Kowalski, Anna Malinowska, Małgorzata McKenzie-Jakubiak
External Publication, May 2019

This report analyzes the extent of integration within the European Single Market in three services sectors, (1) construction, (2) IT/computer services, and (3) accounting and auditing



services, and draws key conclusions in the context of future Single Market services liberalization efforts. The main body of the report provides a comparative analysis of trade integration and recent trade developments within the three sectors, focusing on Poland's stakes in the agenda regarding liberalization of trading in services. It assesses the still existing trade barriers, both for Polish services providers operating in the European Single Market and for foreign firms from other Single Market Member States selling to customers in Poland. The discussion of potential benefits from further liberalization of trade in these sectors for Poland is set in the broader context of the offensive and defensive interests in these sectors of three of Poland's EU partners: Germany, Hungary, and Sweden.



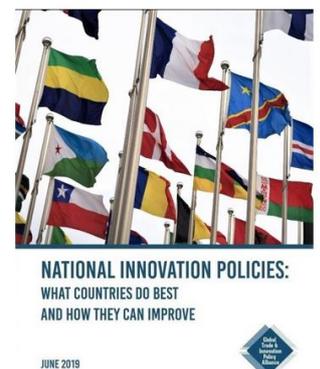
The study was commissioned by the Ministry of Foreign Affairs (in consultation with the Ministry of Entrepreneurship and Technology).

 [Read the Report](#)

National Innovation Policies: What Countries Do Best and How They Can Improve

CASE Authors: Karolina Zubel
External Publication, June 2019

This study provides the GTIPA (Global Trade and Innovation Policy Alliance) members' perspectives on what their nations are doing best when it comes to national innovation policy, and where there is the greatest opportunity for improvement. The goal of this report is to provide a profile of member countries' national innovation policies and a comparative analysis of where the greatest strengths and opportunities for improvement lie.



 [Read the Study](#)

Financing for the Polish economy: prospects and threats

Authors: Andrzej Halesiak, Ernest Pytlarczyk, Stefan Kawalec, Mariusz Więckowski
mBank – CASE Seminar Proceedings No. 160, June 2019

In a properly functioning economy, finance has an important role to play in creating the conditions for the main sectors of the economy – production, trade, services – to thrive. One of the most important – and often unappreciated – channels by which finance affects the processes taking place in the real sector is the selection of investment projects. It is banks and



financial intermediaries that to a great degree decide which projects are carried out in the economy at a given moment, and which are not. If financial institutions are excessively conservative (which today is often an effect of the tight regulatory environment), they will prefer low-risk projects with high levels of collateral (e.g. mortgage loans). A financial system oriented this way will rarely be a source of problems, but at the same time is not inclined to finance innovative projects with a high potential to benefit the economy. Thus, for any economy, a very important question is whether its regulatory framework smartly balances both of these aspects: financial system safety and the need to take on risk. When analyzing the functioning of the financial system, it is worth noting the gradual blurring of certain traditional boundaries. While decades ago, households were the main source of savings in the economy and borrowers were enterprises and the public sector, today both households and companies are on both sides, as suppliers and receivers of capital. The boundary between the functioning of banks and capital markets is also increasingly blurred. Today banks operate broadly through the capital market, both as acquirers of securities and as issuers.

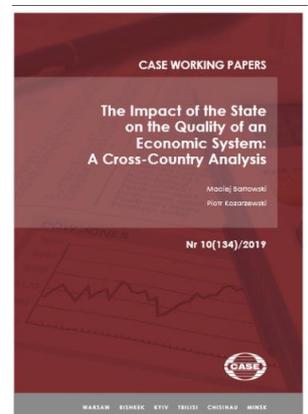


[Read the mBank-Case Seminar Proceeding no. 160](#)

The Impact of the State on the Quality of an Economic System: A Cross-Country Analysis

Authors: Maciej Bałtowski, Piotr Kozarzewski
CASE Working Papers No. 10 (134), August 2019

The paper discusses the role of the state in shaping an economic system which is, in line with the welfare economics approach, capable of performing socially important functions and achieving socially desirable results. We describe this system through a set of indexes: the IHDI, the World Happiness Index, and the Satisfaction of Life index. The characteristics of the state are analyzed using a set of variables which describe both the quantitative (government size, various types of governmental expenditures, and regulatory burden) and qualitative (institutional setup and property rights protection) aspects of its functioning. The study examines the “old” and “new” Member States of the European Union, the post-communist countries of Eastern Europe and Asia, and the economies of Latin America. The main conclusion of the research is that the institutional quality of the state seems to be the most important for the creation of a socially effective economic system, while the level of state interventionism plays, at most, a secondary and often negligible role. Geographical differentiation is also discovered, as well as the lack of a direct correlation between the characteristics of an economic system and the subjective feeling of well-being. These results may corroborate the neo-institutionalist hypothesis that noneconomic factors, such as historical, institutional, cultural, and even genetic factors, may play an important role in making the economic system capable of performing its tasks; this remains an area for future research.



[Read the Paper](#)

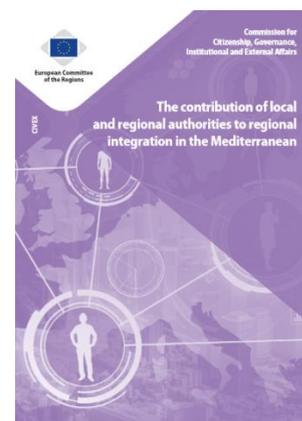
The contribution of local and regional authorities to regional integration in the Mediterranean

Authors: Krzysztof Głowacki, Agnieszka Kulesa, Justine Renard, Katarzyna Sidło

External Publication, November 2019

This report presents the role of local and regional authorities in promoting regional integration in the Mediterranean region in the fields of trade, infrastructure, governance, labor mobility, research and innovation, and higher education.

The report was prepared as part of the project: The contribution of local and regional authorities to regional integration in the Mediterranean, commissioned by the European Committee of the Regions (CoR).



 [Read the Report](#)

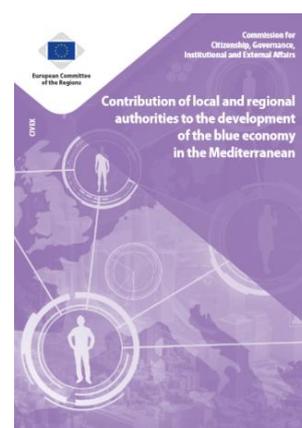
Contribution of local and regional authorities to the development of the blue economy in the Mediterranean

Authors: Krzysztof Głowacki, Maria Krell, Anna Malinowska, Katarzyna Sidło, Karolina Zubel

External Publication, November 2019

This report explores the role of local and regional authorities in the Mediterranean region in the development of the blue economy. This includes a survey of coastal tourism; food, health, and ecosystem services; energy at sea and raw materials; maritime transport activities; and environmental monitoring and the protection of maritime areas.

The report was prepared as part of the project: Contribution of local and regional authorities to the development of the blue economy in the Mediterranean, commissioned by the European Committee of the Regions (CoR).



 [Read the Report](#)

The Urgent Need for a Review of the ECB's Monetary Policy Strategy: Towards an Institutional Review

Author: Christopher Hartwell

External Publication, November 2019

It has been 16 years since the European Central Bank has undertaken a review of its monetary policy. In the intervening time, the world – and the economic challenges facing the ECB – have changed immensely. This paper argues that a review is overdue but that it should

not be limited to policies; instead, an institutional review is needed. This would consist of a backward-looking assessment of outcomes versus mandates, coupled with a forward-looking scenario planning exercise.

This document was provided by Policy Department A for the European Parliament's Committee on Economic and Monetary Affairs.

 [Read the Study](#)



The Urgent Need for
a Review of the ECB's
Monetary Policy
Strategy: Towards an
Institutional Review



CASE Communications

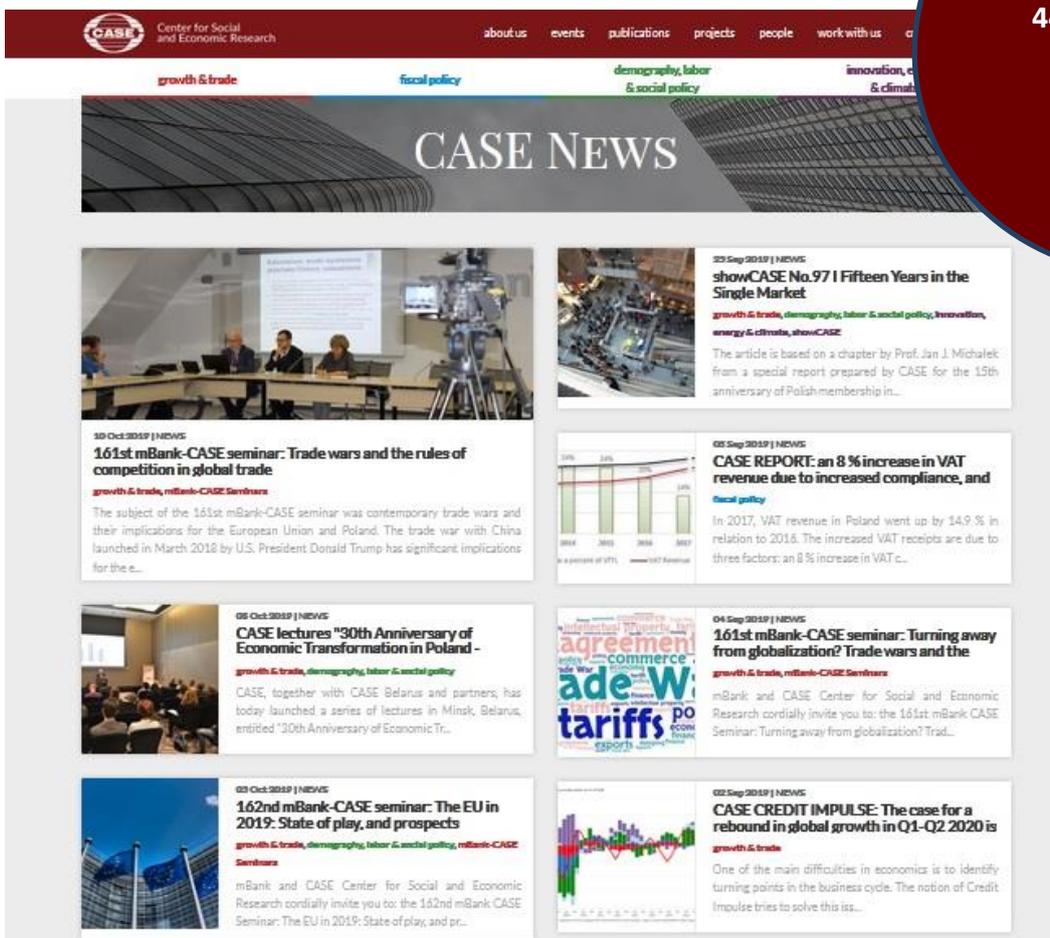
Communications

CASE aims at providing its audience with broad and objective analysis which encourages and stimulates socio-economic dialogue.

Using different communication channels, we inform the general public about CASE initiatives, projects, events, and publications. CASE's communication strategy is based on an integrated approach; it involves a wide variety of information measures: media relations, events, web communication, social media, and publications. Through these channels, CASE connects to its target audience of academics, policy makers, members of the international business community, and the media.

Website

In 2019, our website was visited by nearly 44,600 users and gained nearly 143,500 views



CASE's website is the main mode of communicating information about our mission, upcoming events and activities, new and recently completed projects, and latest publications.

Media

In 2019, the presence of CASE-affiliated experts in international media, such as **The Financial Times**, **BBC**, **The Washington Post**, and **The Nederlandse Omroep Stichting**, among others, has increased. CASE experts have also been interviewed by the Polish media, including **Rzeczpospolita**, **Gazeta Wyborcza**, **OKO.Press**, **Dziennik Gazeta Prawna**, **Obserwator Finansowy**, **PAP**, and **Radio TOK FM**.

Moreover, CASE maintained regular cooperation with the **Polish Press Agency (PAP Biznes)**, which releases monthly updates of the Online CASE CPI.

Examples of media appearances in 2019:

[Ruling party hopes child benefit scheme will woo Poland's voters](#) | **Financial Times**

[Polish Labour Market](#) | **BBC**

[The biggest challenge for Ukraine's president](#) | **The Washington Post**

[Jak przynależność do UE wpłynęła na ochronę środowiska w Polsce?](#) | **TOK FM**

[Nie tylko uszczelnianie napętnia portfel VAT](#) | **Dziennik Gazeta Prawna**

[GUS maluje fałszywy obraz inflacji?](#) | **Rzeczpospolita**



The Washington Post

Social media

In 2019, CASE has significantly enlarged its outreach and influence on public opinion through social media.



CASE's **Twitter** profile was followed by 930 people as of December 2019. We have broadened and engaged our audience by tweeting the results of our research and our economic forecasts, as well as information about our events. Our tweets have been retweeted by researchers, politicians, and journalists.



Our **Facebook** account continues to grow. In 2019, CASE's account gained more than 150 new followers.



CASE's **LinkedIn** account is regularly updated with the CASE news, publications, and weekly showCASE articles. As of December 2019, we had 1,010 followers. We also share our publications on the popular online sharing service **SlideShare**.

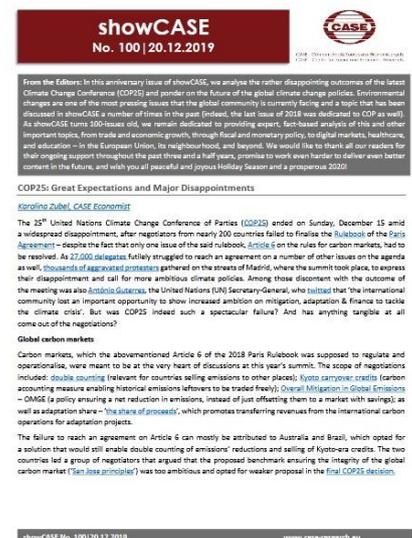
Outreach

showCASE is released on a monthly basis.

The main goal of showCASE is to tackle recent events and decode their implications for Poland and the region. showCASE is sent to our Newsletter lists and reaches more than 5,000 recipients. It is also promoted on our social media.



Our **Medium** blog is also *regularly* updated with articles from showCASE.



CASE provides its audiences with updates on its institutional activities by disseminating a newsletter and events newsletters and by publishing reports and analyses. Altogether, our newsletters reach more than 7,000 recipients globally and present the latest information on new publications, recent and forthcoming events, and information on CASE research and advisory project activities.

Our publications are not only accessible through our website but can be also found at various academic search engines like: the Social Science Research Network (SSRN), the Research Papers in Economics (RePEc), EBSCO, ProQuest, Thomson Reuters, and Columbia University Press. We also actively use our social media channels, and the channels of our Networks, to promote our research and make it accessible to readers from all over the world.

In 2019, we published **9 CASE-branded publications**: CASE Reports, CASE Working Papers, and mBank-CASE Seminar Proceeding series.



»» For more details about our publications, see pp. 42-43, 55-58, 68-73

Events

CASE events are organized each year in order to enhance the debate on key socio-economic issues. They help to promote CASE research projects and are a good means of cooperation with our network partners. In 2019, CASE hosted a set of conferences, seminars, and roundtable talks. We also continued to organize, along with mBank, seminars focused mostly on Polish and European economic policy issues.

CASE also organized and participated in project meetings.



In 2019, CASE was a partner of many different events in Poland and abroad – among others, the Vision Europe Dialogue in Helsinki in April.

»» For more details about our events, see pp. 40-41, 52-54, 65-67

In 2019, CASE's experts participated in more than 10 seminars and conferences on trade, fiscal policy, and international relations, for example, in Brazil, Turkey, Qatar, Belgium, and Poland. Below are examples of our experts' presence at various events:

Towards the National Mechanism of Evaluation of Integration. Diagnosis of the situation of beneficiaries of international protection in Poland

Agnieszka Kulesa participated in the meeting “Towards the National Mechanism of Evaluation of Integration. Diagnosis of the situation of beneficiaries of international protection in Poland,” organized on January 29 by the Institute of Public Affairs in Warsaw. The meeting was devoted to presenting the results of the baseline evaluation carried out as part of the project “National Integration Evaluation Mechanism. Measuring and improving integration of beneficiaries of international protection,” implemented by ISP in partnership with 15 organizations from various EU Member States. The evaluation concerned the various dimensions of integrating beneficiaries of international protection. The report, which includes sections authored by Agnieszka Kulesa, is available [here](#).



Dr. Grzegorz Poniatoski discussed reforms and challenges in closing tax gaps in Poland



Dr. Grzegorz Poniatoski participated in: “Europe and Central Asia Regional Conference: Building Effective, Accountable, and Inclusive Institutions” in Ankara, Turkey. The two-day (June 11-12) event was organized jointly by the World Bank, the United Kingdom Department for International Development (DfID), the European Commission, SIGMA – Support for Improvement in Governance and Management – a joint initiative of the OECD and the European Union, UN Women, and the Asian Development Bank. Dr. Poniatoski participated in a thematic session on managing public resources, during which he discussed reforms and challenges in closing tax gaps in Poland. The conference brought together senior

government officials, international development partners, private sector representatives, civil society organizations, and academia from over 40 countries to discuss how to further facilitate governance reforms in the ECA region.

Dr. Katarzyna Sidło presented her report on social entrepreneurship as a tool for refugee crisis alleviation

Dr. Katarzyna Sidło participated in the FEMISE network Annual Conference in Brussels in June, where she presented the results of her research project “Social entrepreneurship as a tool for refugee crisis alleviation.” The FEMISE annual conference provides a platform for the different actors of the EU-Med region of research institutes’ members, academics, policy



makers, and representatives of the international community, including the EU, to engage in a constructive dialogue about the future of the region and the role the EU can play in the context of the new Neighborhood Policy (ENP).

Seminar “New opening? Germany and Poland in Europe”

Agnieszka Kulesa participated in the seminar “New opening? Germany and Poland in Europe,” organized in Warsaw on June 25 by the Institute of Public Affairs and the European Academy in Berlin. During the first part of the meeting titled “Effective Migration and Integration Policy: Politics and Society in Dialogue,” the CASE expert referred to the current situation in Poland, emphasizing, among others, the fact that the lack of a written migration strategy does not mean that the country does not conduct any policy in this area. Its effectiveness should be evaluated from the perspective of the goals of the political actors who are responsible for designing and implementing solutions in the field of migration and integration. Furthermore, these goals may be divergent from those formulated by experts and scientists. The meeting, which hosted experts and representatives of public administration from Poland and Germany, was intended for experts, media representatives, and multipliers interested in the issues of migration and digitization, which was discussed during the second part of the meeting.



CASE discussed smart taxation in a fast-changing global economy at the Tatra Summit



In a rapidly changing global economy, smart taxation is essential to drive growth and economic prosperity. The [GLOBSEC Tatra Summit 2019](#) hosted a Focus Group bringing together international experts looking to reshape and support a smarter European tax policy that would fit national needs. Speaking at the event, Dr. Grzegorz Poniąkowski said: *“What business in Europe needs today is predictability and stability in order to allow it to grow and be competitive.*

Harmonization is a very important aspect that needs to be settled. Harmonization doesn't mean 'equalization'. It should be considered as a tool to coordinate processes: harmonization of the definitions and exchange of information to ensure equal treatment of the products across the EU. However, harmonization of tax across the EU could have also negative consequences. In the case of excise taxation, it could increase the scale of illicit trade and harm competition.” The Tatra Summit is one of GLOBSEC's flagship projects. The Summit is organized annually and provides an opportunity for experts to have fruitful political discussions on the future of Europe. The Focus Group “Smart taxation in a fast-changing Global Economy” took place on October 12.

CASE at the European Forum for New Ideas (EFNI)

Dr. Izabela Styczyńska took part in the EFNI conference in Sopot, Poland, in October. She participated in a series of discussions on Europe after the elections in May 2019, the ethical aspects of artificial intelligence development, and the role of governments and employers in creating an attractive labor market in Poland. EFNI is one of the largest conferences in Central-Eastern Europe, dedicated to global trends, new ideas, and the future of Europe. Business representatives, charismatic speakers, leaders, and policy makers, as well as authorities from the world of culture and science, discuss the most important challenges for business and society in a changing world, global trends, and the future shape of the European Union during dozens of events, panel discussions, open meetings, counterpoints, and night owl discussions.



Dr. Katarzyna Sidło discussed European policies toward the Middle East and the implications for the region’s economy



“Despite renewed conversations between the EU & GCC countries, any kind of free trade agreement will not likely emerge any time soon,” said Dr. Katarzyna Sidło during a panel discussion titled “Changing European Policies toward the Middle East and the Implications for the Region’s Economy” at the 14th Enriching the Middle East’s Economic Future Conference in Doha, Qatar, in November. The organizers were the Permanent Committee for Organizing Conferences (Ministry of Foreign Affairs, Qatar) and the UCLA Center for Middle East Development (CMED). Among the speakers were economists, experts, researchers, academics, representatives from the business community, and decision makers from all over the world who expressed their views and exchanged ideas and insights on the future prospects of the Middle East and the Mediterranean region in the economic field.

CASE at the Global Think Tanks Summit in Rio de Janeiro

Dr. Izabela Styczyńska represented CASE at the Global Think Tanks Summit 2019 in Rio de Janeiro, Brazil, organized in December by [Think Tanks and Civil Societies Program](#) & FGV Brazil. She took part in two discussion panels on the future of think tanks and public policy advisory. During the event, senior think tank executives from around the globe discussed how think tanks were helping policy makers and the public to understand the economic, technological, geopolitical, and social transitions and transformations that were disrupting politics around the world.



Financing of CASE activities

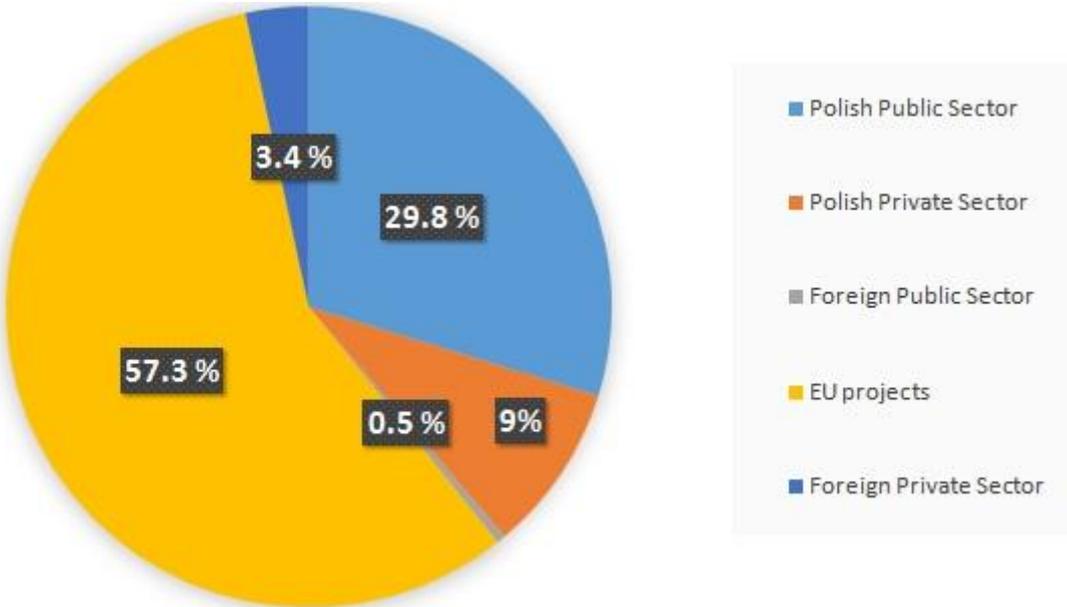
Sources of Financing

Breakdown of total revenue	PLN	EUR
1. Revenue from statutory activity	4,588,205.40	1,077,422.90
1.1. Project-based funding	4,588,205.40	1,077,422.90
1.2. Institutional support	0.00	0.00
2. Other operating revenue	16,492.63	3,872.87
3. Financial revenue	91,848.62	21,568.30

Exchange rates based on NBP rates 1 EUR = 4.2585 PLN (31 Dec 2019)

CASE financing 2019	PLN	EUR
1. Net revenue from statutory activities	1,413,849.80	332,006.53
2. Financial and other operating revenues	108,341.25	25,441.18
3. General and administrative expenses	1,098,791.27	258,023.08
4. Financial and other operational expenses	2,460.38	577.76
5. Net result	420,939.46	98,846.89

As in previous years, CASE’s statutory activity in 2019 was solely based on project activities (both non-profit and for-profit). Funds were obtained from the following sources (as a percentage of total project revenues for 2019):



In 2019, the European Union continued to provide the greatest portion of CASE’s revenue. Its share represented 57.3% of project funding. Funding coming from the Polish public sector amounted to 29.8 % and the Polish private sector provided 9% of CASE’s revenue. The foreign private sector provided 3.4% of revenue, and funding from the foreign public sector amounted to 0.5%.

Changes in the value of the endowment in 2019	PLN	EUR
1. Stocks at the beginning of 2019	3,154,142.39	740,669.81
2. Interest and profits from the endowment in 2019	91,511.94	21,489.24