



National Productivity Boards

State of play

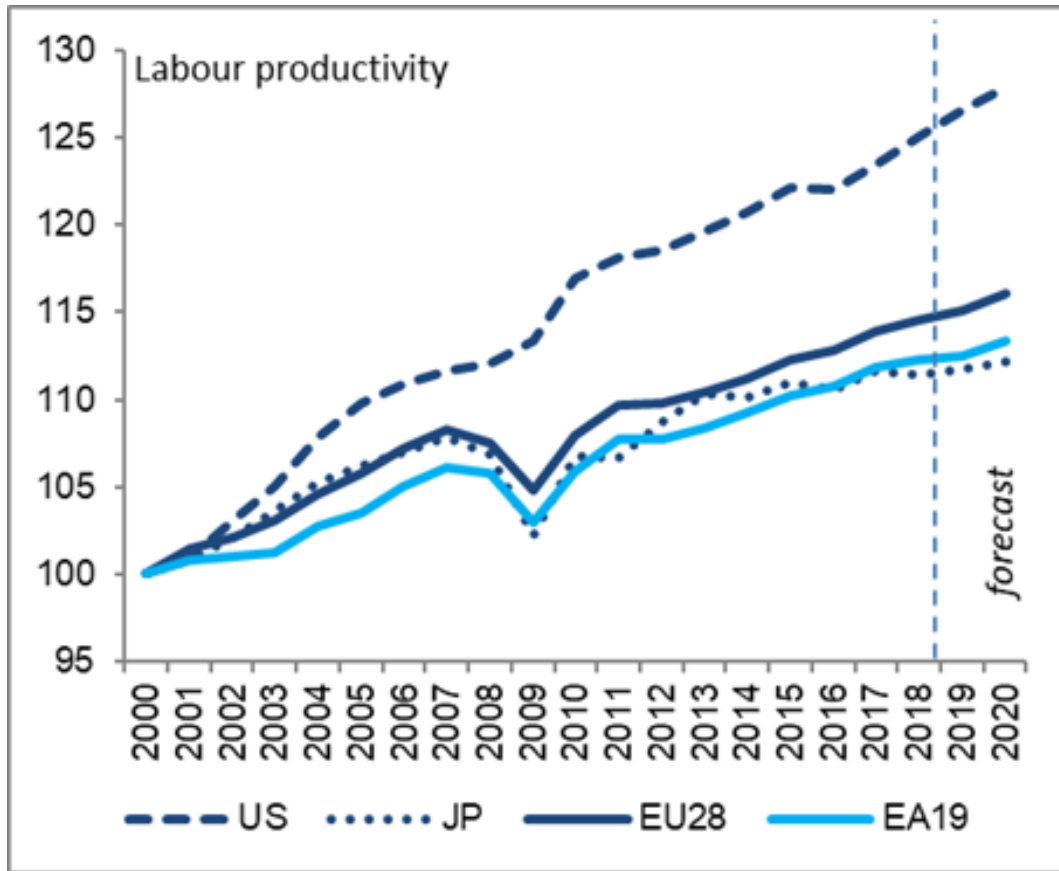
Rome, February 2020

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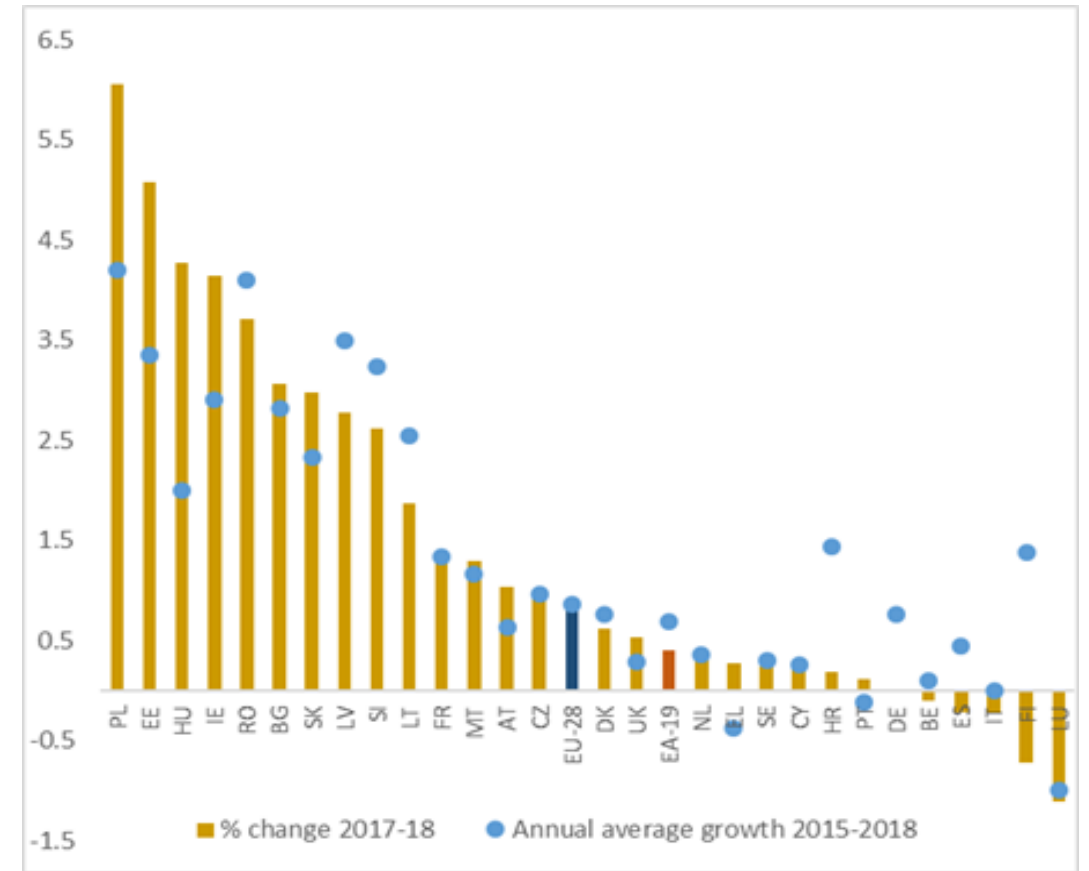
Productivity trends

Labour productivity developments in euro area and EU28 compared to US and Japan



Source: AMECO

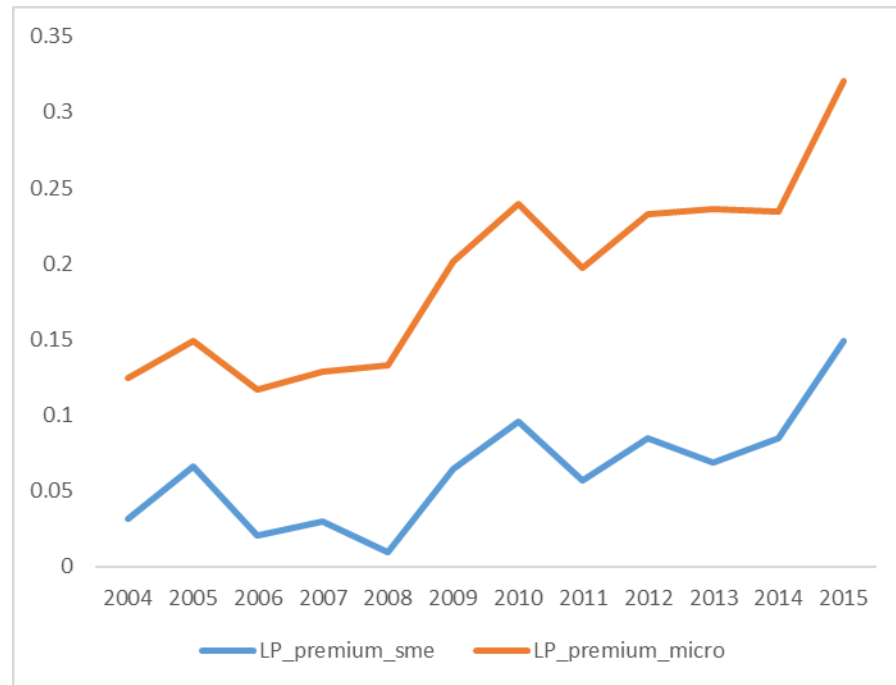
Labour productivity growth in EU countries, 2018 and 2015-2018 average



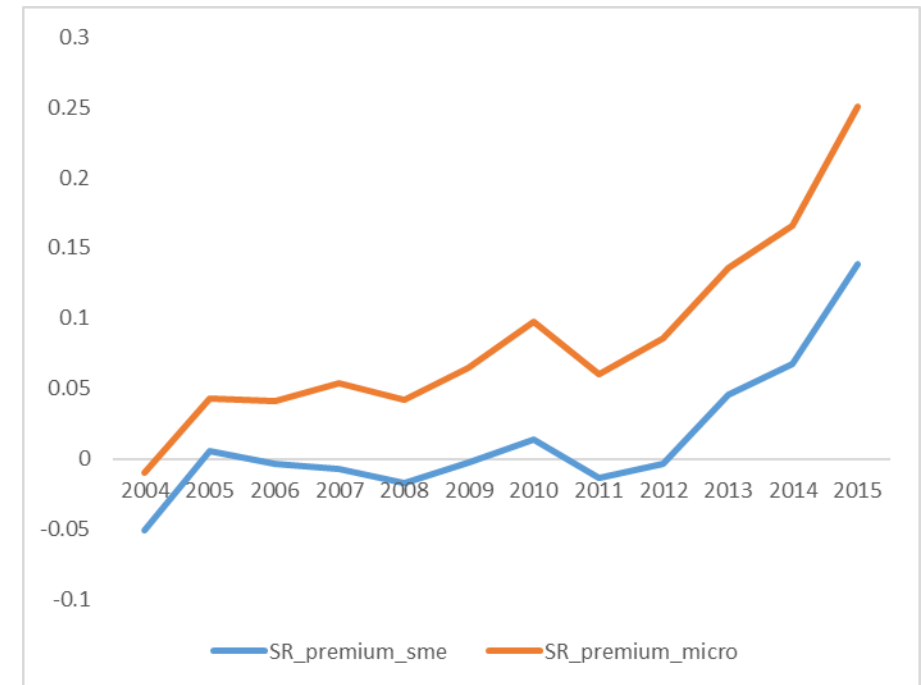
Source: Eurostat

Productivity premium of large firms vs. SMEs and micro-enterprises

Labour productivity

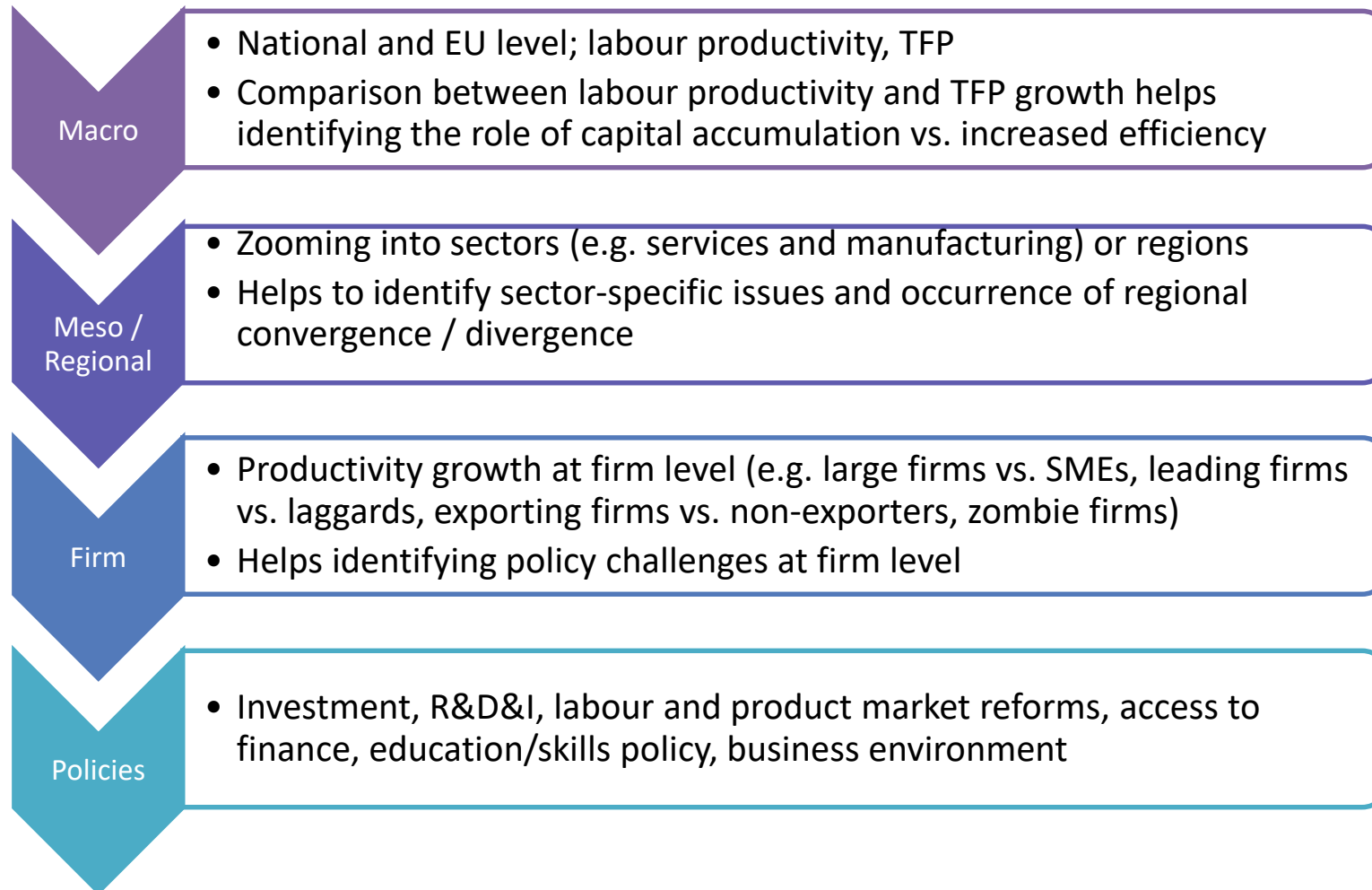


Total factor productivity



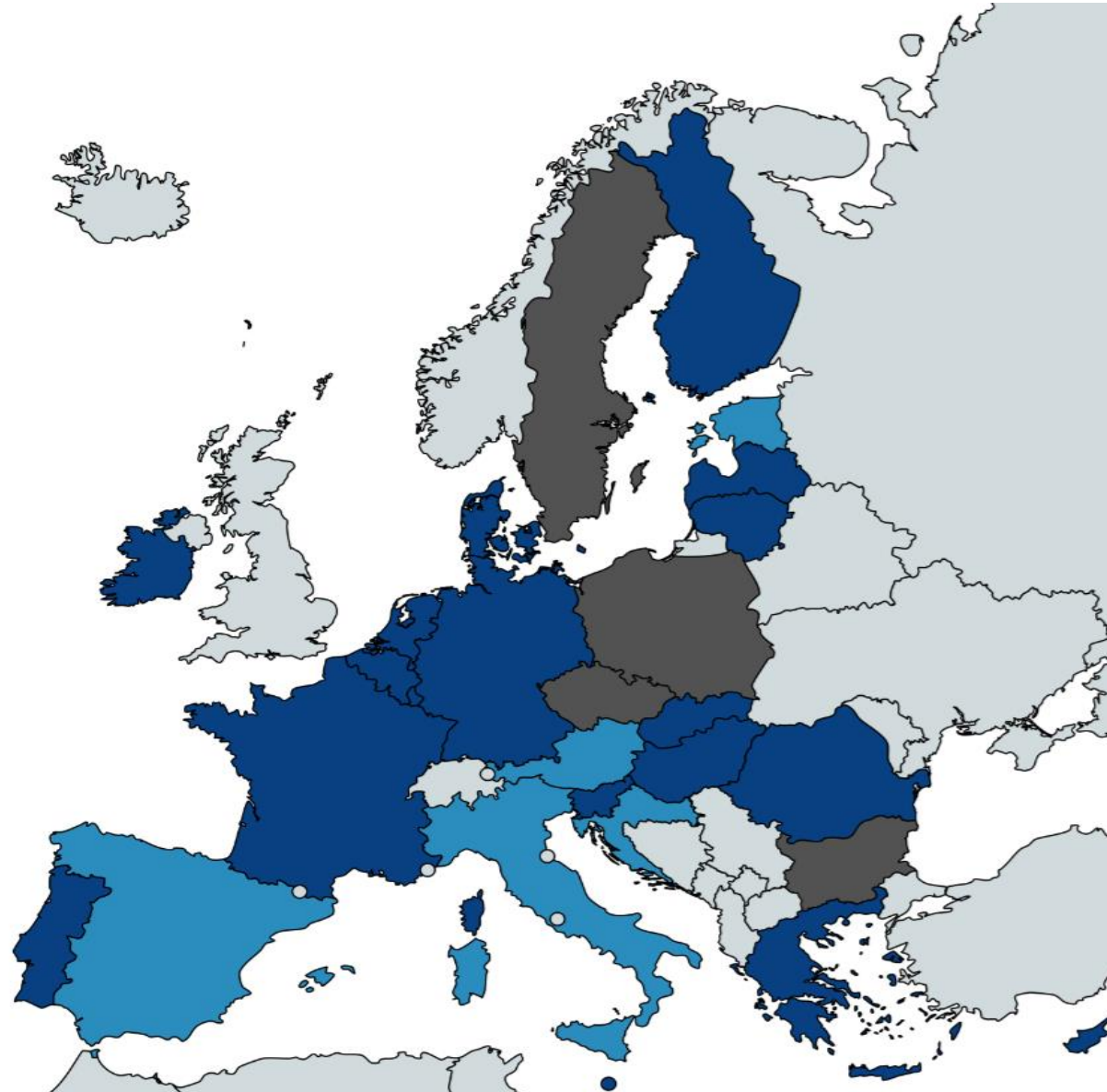
Source: CompNet Database, 6th vintage and ECFIN calculations

Analysis of productivity growth



National Productivity Boards, a growing network (1/2)

- Have appointed a National Productivity Board
- Will appoint a National Productivity Board
- Will not appoint a National Productivity Board



National Productivity Boards, a growing network (2/2)

Member State	Name	Date of appointment
	National Competitiveness Council	October 2016
	Danish Economic Councils	February 2017
	Netherlands Bureau for Economic Policy Analysis	April 2017
	Ministry of Economy and Innovation	December 2017
	National Competitiveness Council	March 2018
	Productivity Council	March 2018
	Institute of Macroeconomic Analysis and Development	April 2018
	National Productivity Council	June 2018
	Cyprus Economy and Competitiveness Council	June 2018

Member State	Name	Date of appointment
	Council of Economic Programming	August 2018
	National Productivity Council	September 2018
	Finnish Productivity Board	October 2018
	National Productivity Board	November 2018
	Centre of Planning and Economic Research	April 2019
	Council of Economic Experts	August 2019
	Institute for Strategy and Analysis	September 2019
	Council for Economic and Social Development	October 2019
	LV PEAK	October 2019

What are the required characteristics?

- The Board should enjoy **functional autonomy** vis-à-vis any public authority in charge of the design and implementation of productivity-related policies
- The Board should be **objective, neutral** and **independent regarding analysis and content**
- The Board should have the ability to be **actively** and **timely present** in the public debate
- The Board should have capacity to undertake its activity on a **continuous basis**, *i.e. sufficient human resources and funding*
- The Board should have **appropriate access to information** to carry out its mandate, *ideally embedded in national legislation*

On the progress of the Council Recommendation's implementation (1/2)

The design of appointed Productivity Boards appears to be broadly in line with the requirements of the Council Recommendation

In several cases, however, some of the requirements are not explicitly embedded in national legislation (e.g. functional autonomy, continuity, appropriate access to information)

On the progress of the Council Recommendation's implementation (2/2)

It is encouraging to see that most Boards are actively contributing to domestic discussions on productivity-related challenges, building on their detailed country-specific knowledge on a wide range of policy issues

When available, analysis from the Productivity Boards is used in the context of the European semester by ECFIN's geographical units

➤ **Further assessment will be undertaken in the course of 2020**

Overview of the published annual reports

Monitoring sections:

- *All* annual report of 2019 contain a section on productivity developments and outlook
- *Most* of the annual reports contain a section on competitiveness developments and outlook

Productivity drivers analysed:

- Innovation; investment; human capital; business environment; competition

Deep-dives topics:

- Some Boards chose special topics, such as manufacturing, services, market regulation, labour markets

The role of the European Commission as a facilitator

Initiatives by the Commission:

- To stimulate discussions on productivity-related issues, including the euro area dimension, for example by organising workshops in Brussels and through the Productivity Dialogues
- To enhance interactions between Productivity Boards
 - ✓ Web page on National Productivity Boards
 - ✓ Restricted web-connection
- To connect the network with OECD, ECB, World Bank, IMF, ...
- To foster collaboration between the Boards and Eurostat
- To facilitate discussions with Economic Policy Committee and its technical working group LIME

Thank you



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