

## Workshop Announcement

### SEEK Workshop

# The Economics of Public Support to the European Car Industry

## Representation of the State of Baden-Württemberg to the European Union, Brussels, 3 May 2012

The Centre for European Economic Research (ZEW) and the Catholic University Leuven (K.U. Leuven) are pleased to announce their joint workshop on "The Economics of Public Support to the European Car Industry". As a response to the recent economic and financial crisis the European Commission, at the end of 2008, adopted the Temporary Framework for State aid for Member States to tackle the effects of the credit squeeze on the real economy. This Framework introduced new instruments for State aid and simplified legal procedures for granting State aid. In parallel to those temporary instruments, traditional public support instruments (e.g. scrapping schemes, loans of the European Investment Bank) were used to support the European economy to overcome the crisis. The European car industry appears to be one of the major beneficiaries of that overall public support and especially under the Temporary Framework. However, although public support measures can help address the short-term challenges the car industry faces, they may undermine its long-term competitiveness, e.g. by postponing the settlement of structural problems (such as overcapacity).

The workshop takes place within the framework of the international multiannual research programme "Strengthening Efficiency and Competitiveness in the European Knowledge Economies (SEEK)", funded by the German State Baden-Württemberg and carried out by the ZEW. We will present preliminary results of the on-going SEEK project "Fostering Competitiveness of the European Car Industry" devoted to the questions above. Furthermore, the workshop brings together various stakeholders of the European car industry, representatives of EU institutions and national administrations, industry and academia to discuss the topical issue of public support to the European car industry.

#### Specific topics of the workshop

- Rationale for and objectives of State aid/public support to the car industry: efficiency, equity or strategic trade motives?
- European car industry and the Temporary Framework for State aid to the real economy
- Car scrapping schemes
- Economic analysis of State aid/public support to the car industry: short-term effects and long-run risks
- Implications for the European State aid control

#### Schedule

The workshop will start on 3 May 2012 at 9.30 and close with a lunch. Please see the detailed programme for further information.

#### Registration

Please register for the workshop by sending an e-mail to [seekcarworkshop@zew.de](mailto:seekcarworkshop@zew.de)

#### Location

Representation of the State of Baden-Württemberg to the European Union, Brussels

#### Organizing Committee

Laura Grigolon (K.U. Leuven), Nina Leheyda (ZEW Mannheim), Frank Verboven (K.U. Leuven)

#### Further Information

Please contact the Organizing Committee at [seekcarworkshop@zew.de](mailto:seekcarworkshop@zew.de). Workshop information will also be available at <http://www.zew.de/carworkshop2012>

#### Contact

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