



OECD-JRC - Cohesion policy and industrial policy: Competition or complementarity? (Closed session)

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Abstract

Recent crises and geopolitical uncertainty have led to a resurgence of industrial policies that aim to (re)build industrial capacity in EU and OECD countries. In the United States, some of the measures introduced in the Inflation Reduction and CHIPS Acts explicitly target “underserved communities” or “disadvantaged communities”. At the same time, the measures rely on selection processes that concentrate investments in a small number of places. In Europe, the State Aid Temporary Framework opened up targeted support during the COVID-19 pandemic. Investment continued through the Recovery and Resilience Facility even after the end of the Temporary Framework. Some broad objectives align – support for decarbonisation and industrial capacity in digital goods – but strategies put different weight on ensuring (open strategic) autonomy, alignment with social objectives and strengthening of access to critical resources.

The central question for regional development is whether industrial policy and regional development policy (including cohesion policy) operate as competitors, pursuing distinct objectives, or in a complementary manner and thus achieving and amplifying shared goals such as sustainable transition, innovation, and territorial cohesion.

The territorial impact of policies depends on the interplay between different funding instruments and regulatory frameworks applied across multiple levels of government. In particular, the interaction between cohesion policy and other sectoral or industrial policies (such as support to the twin transition, state aid, etc.) affects regional development due to the different economic specialisation of territories and their potential to enhance industrial competitiveness by targeting sectoral growth.

This special session brings together experts from the OECD and the European Commission JRC with senior academics to discuss the interplay between regional development policy/cohesion policy and industrial policies in shaping regional development, reducing disparities and fostering industrial transition.

Contributions will focus on theoretical perspectives, empirical analyses, and case studies, highlighting the conditions under which these policies align or diverge.

Possible topics for discussion in the session include:

- Cohesion policy and industrial / sector policies as drivers of sustainable transition

- Territorial cohesion versus industrial specialisation
- The spatial dimension of access to critical raw materials
- Policy coordination of cohesion policy and industrial policy
- Synergies and complementarities of funding initiatives

Speakers / moderators:

- Anabela M. Santos (European Commission, JRC)
- Alexander C. Lembcke (OECD)
- Simona Iammarino (University of Cagliari)
- Andrea Conte (European Commission, JRC)
- Ron Boschma (Utrecht University) – TBC
- Others TBC