Department for the Economy
www.economy-ni.gov.uk

Economic Research Digest Quarter 1 2022

The **Economic Research Digest** monitors recently published research across a number of economic areas relevant to the work of the Department for the Economy such as competitiveness, innovation, enterprise, trade, FDI, tourism and infrastructure. The Skills Research Digest deals separately with recently published skills and labour market research.

In each case, we provide a short summary of the key points and web links to the full article or report*. A full list of sources can be found at the end of the publication.

Highlights this quarter include:

- The Resolution Foundation noted that inflation of approximately 8% in 2022/23 would mean the typical real household income would fall by £1000 compared to 2021/22.
- A report from the House of Commons Library highlighted that with 83% of adults reporting an increase in their cost of living in March 2022, the more profound impact on low-income households means that an extra 1.3m people are expected to fall into absolute poverty in 2023.
- PwC analysis estimated GDP growth in Northern Ireland in 2021 was 5.8%-6.4%, slightly below the UK's rate of 7.0%-7.1% and PwC expect NI's rate to remain slightly below the UK's in 2022.

** Links are correct at the time of publication, however it is likely that some will break over time. The list of sources has more general links, which should help the reader to track down the original report.*

Contents

COMPETITIVENESS 1
PRODUCTIVITY AND GROWTH 2
LIVING STANDARDS, WELLBEING AND PROSPERITY 3
INNOVATION 5
RESEARCH AND DEVELOPMENT 6
SECTORS AND TECHNOLOGIES 6
ENTREPRENEURSHIP 7
BUSINESS GROWTH 7
BUSINESS REGULATION 8
TRADE 9
INWARD INVESTMENT 9
TOURISM 10
ENERGY 10
TELECOMS 12
AIR ACCESS 12
NORTHERN IRELAND 12
ENGLAND 12
SCOTLAND 12
WALES 13
REPUBLIC OF IRELAND (ROI) 13
Sources 13

The Economic Research Digest is issued by:
Analytical Services, Department for the Economy ✉ analyticalservices@economy-ni.gov.uk

The research summarised here presents the views of various researchers and organisations and does not represent the views or policy of the Northern Ireland Executive or those of the authors.

Economic Outcomes

COMPETITIVENESS

Seizing the opportunity - Economic outlook and priorities for Northern Ireland published by PwC argues that Northern Ireland's future success is dependent on tackling issues and seizing opportunities relating to education and skills, trade and investment and climate and energy.

- Estimated GDP growth in Northern Ireland in 2021 was 5.8%-6.4%, slightly below the UK's rate of 7.0%-7.1% and PwC expect NI's rate to remain slightly below the UK's in 2022. Northern Ireland's economy is expected to return to pre-Covid levels (Q4 of 2019 is considered pre-Covid) in early 2022 under the high growth scenario, or no later than the end of 2022 under the limited growth scenario.
- Since 2008, Northern Ireland's annual growth in GDP has been similar to the UK and G7 average, exceeding it in some years. Furthermore, despite a 13.6% contraction in the economy in Q2 of 2020, GDP in the UK as a whole contracted by 19.6%, illustrating Northern Ireland's relatively better resilience to the pandemic. This is reinforced by a year-on-year contraction rate of 9.5% for Northern Ireland in 2020 compare to the UK's figure of 9.8%. Northern Ireland was also quicker to recover from the pandemic, with productivity increasing by just short of 4% in 2020 compared to a UK average of 0.4%. However it is worth noting that overall productivity in NI is significantly and persistently below the UK average.
- Three key areas have been identified where opportunities are rife and the correction of existing issues would allow for future successes:
  - Under education and skills, Northern Ireland has had two key issues. Firstly, underachievement at the "lower end" of secondary education and secondly, one in four students (16,500) leaving to study at higher education institutes in GB (in 2019/20), 2/3 of which are not currently expected to return within six months of graduating. Investment in business-led re-skilling initiatives is seen as a way to correct this, with mechanisms for SMEs and micro businesses to engage with skills providers' one possible recommendation.
  - Under trade and investment, NI has a smaller share of exports and FDI (Foreign Direct Investment) as a proportion of GDP than the UK average, with the leveraging of NI's unique trading positions and promoting NI's key strengths seen as a way to correct this.
  - Finally, the reduction in Northern Ireland's greenhouse gas emissions over the last thirty years (18%) is significantly less than that of other UK regions. Home energy efficiency improvements could save NI households an estimated £230m a year and cut approximately 7m tonnes of C02 emissions by 2030. The acceleration of the transition to "green" skills and jobs and investment in sustainable transport are seen as ways to alleviate the strain on the climate.
- Over the last 15 years, Northern Ireland has had a relatively persistent "hidden unemployment" issue. Whilst the unemployment rate has typically been below the UK average, NI has also experienced consistently higher levels of economic inactivity. Northern Ireland's economy also has a unique gender perspective on the aforementioned "hidden unemployment". Despite ranking in the UK's top three regions for lowest gender pay gaps and having relatively low levels of female unemployment (despite the Covid-19 pandemic disproportionately impacting sectors with higher female employment), Northern Ireland has the lowest rate of female labour force participation in the UK.
- In 2020, 20% of Northern Ireland's population were under the age of 15, a higher proportion than any other G7 country and many of these young people excelled in school in comparison to UK counterparts. Despite this, overall skills in NI still lag behind GB, with 1 in 7 people having no qualifications (1 in 14 in GB) and the proportion of the working age population with tertiary education was six percentage points lower. This statistic in particular has increased relevance as it is estimated that in the coming years 1 in every 3 vacancies will require at least an undergraduate degree and only 1 in 10 will be accessible to those with qualifications below "Level 2".
- Northern Ireland's total value of exports accounted for 25% of GDP, lower than the majority of UK regions and when compared to other small advanced economies of similar size, exports were also lower. The 60% increase in exports to the ROI in the first half of 2021 (compared to the same period in 2020) represents a sign that the opportunity arising from current political arrangements is being exploited and before the pandemic struck there were positive signs in terms of FDI for Northern Ireland. Between 2017 and 2020 there was a 43% increase in new FDI projects in NI

while there was an 11% decrease across the UK in the same period, while Northern Ireland's projects also tended to have larger job multipliers.

Levelling Up the United Kingdom Executive Summary **published by HM Government sets out the necessary stages to level up the UK economy.**

- The UK has larger geographical differences than other developed countries on many measures including productivity, pay, educational attainment and health. Whilst the likes of technological progress and a shift from heavy industry to knowledge-intensive sectors have benefitted the UK overall in terms of increased productivity, wealth and living standards, the positive economic and social impacts haven't been felt evenly across the UK. Progress has however been made towards creating a more even spread of opportunity across the UK since 2019. An investment of £3.8bn in skills planned by 2024/25 aims to enable 11m adults to gain A Level or equivalent qualifications for free, a lower Universal Credit taper rate (reduced from 63% to 55%) as well as a higher National Living Wage have been introduced and a £4.8bn investment in infrastructure in towns across the UK was made via the Levelling Up Fund.
- The next stages in the programme to level up the UK are set out in this paper and involve the interplay between a range of sectors. Levelling up requires the UK to boost productivity, spread opportunities and improve public services, restore a sense of community and empower local leaders. By realising the potential of underperforming areas, aggregate UK GDP could be boosted by tens of millions and similarly sized benefits could be seen in skills, health, education and well-being.
- Evidence suggests that the drivers of spatial disparity can be encapsulated in six "capitals": physical, human, intangible, financial, social and institutional. Areas well-endowed in all six capitals benefit from agglomeration and prosper by having skilled people, high quality jobs, outstanding schools and universities for example. On the contrary, areas depleted of these capitals are unable to attract or retain a skilled workforce and businesses are less likely to invest or innovate and so on. These cumulative forces, positive in some areas and negative in others widen the geographical disparities in the UK. The levelling up within the UK aims for every area in the UK to have a rich endowment of all six capitals.
- Learning from the failings of previous, short-term policies to level up the UK, the new regime aims to reverse the widening historical disparities through a five pillar policy regime. Firstly, the UK Government is setting "clear and ambitious" medium term missions as well as identifying focus areas for each mission. For example, for the mission of spreading opportunities and improving public services, education, skills, health and well-being have been identified as focus areas. Pillars two and three focus on central government decision making being reoriented to align their policies with the levelling up agenda and government empowering decision makers in local areas. Fourthly, the UK Government will transform its approach to data and evaluation and finally, government will create a new regime to oversee its levelling up missions.
- In order to achieve the medium-term missions, a new model of economic growth of investment (both private and public), incentives for inward investment and a high wage, high skills labour market will be required. At the centre of this new economic model will be the UK's comparative advantage in science and technology and new R&D investments (target increase to £20bn by 2024-25 with Enterprise Zones and other tax incentives being used to stimulate private sector investment) will strengthen the science base across the country. The Department for Business, Energy and Industrial Strategy will also aim to invest at least 55% of its total domestic R&D funding outside of the Greater South East by 2024-25.
- The UK National Academy, a new, free digital education service will support pupils and the work of schools from all backgrounds. Furthermore, the In-Work Progression Offer will help people on low incomes tackle the barriers between them and better employment opportunities, with the Department for Work and Pensions providing £1.3bn over the SR21 period to provide employment support for people with disabilities and health conditions.

PRODUCTIVITY AND GROWTH

UK Economic Outlook Q4 2021 **published by CBRE, provides forecasts for the UK economy as of July 2021.**

- CBRE forecast that UK GDP will return to its pre-pandemic level in Q2 of 2022, with growth of 4.6% across the whole year underpinned by increases in consumer spending and business investment (attributable at least partly to the two-year super deduction tax incentive). The increase in consumer spending, more specifically the spending of consumer savings (households

accumulated excess savings of approximately 8% of GDP) correlates with the full relaxation of Covid-19 restrictions and the confidence associated with a weakening relationship between cases and hospitalisations. However, tax hikes, rising energy bills and the overall squeeze on household incomes is expected to somewhat counteract this increased spending.

- The success of the furlough scheme can be demonstrated by the unemployment rate of 4.1% recorded in November 2021, with April 2021 forecasts expecting a rate exceeding 5% in the first quarter of 2022. Similarly, the demand for labour remained strong with 1.2m job vacancies recorded in November 2021, leading to a record low vacancy-to-unemployed ratio of 1.1. However, the high number of vacancies does somewhat reflect the challenges employers face in obtaining labour, with economic inactivity persisting above pre-pandemic levels. Furthermore, aggregate wage growth is struggling to keep in line with CPI inflation despite pockets of strong wage growth in occupations that were heavily impacted by the pandemic.
- The 5.4% inflation figure recorded in December 2021 is attributable to a combination of supply chain disruptions, re-opening frictions and high energy prices. The inflation rate is expected to reach a peak in Q2 of 2022 before gradually declining thereafter (while still remaining above the target rate until 2023). A disproportionate amount of the inflation rate was driven by second-hand car prices, energy, fuel and goods with a high import content, all of which are linked by the significant role supply chain issues played. Whilst not to the same extent as goods inflation, the services inflation rate (a better measure of domestically generated inflation) is elevated and this coupled with the aforementioned tight labour market will lead the BoE to continue raising the Bank Rate broadly in line with market pricing.

UK Regional Economic Outlook **published by KPMG provides forecasts for various areas of the economy such as the labour market and business activity.**

- Economic growth in the UK is expected to slow throughout 2022. The impact of the rebound effect which was a key driver behind post-Covid growth has diminished as the UK returns to pre-Covid levels and rising taxes combined with elevated inflation create a squeeze on household's purchasing power. Despite this and the supply chain bottlenecks constraining production, overall GDP growth in 2022 is expected to reach approximately half the rate of last year.
- Inflation in 2022 is expected to peak in April as the new regulated price cap on households' gas prices comes into effect. Despite the stabilisation of gas prices and supply chains recovering indicating that the inflation rate could approach the BoE's 2% target by Q3 of 2023, the current level of inflation points towards three interest rate rises in 2022 to prevent any permanent rise in inflation expectations.
- A combination of the more transmissible Omicron Covid-19 variant and Northern Ireland's lagging behind in terms of vaccinations (relative to the other UK nations) led to the highest level of infections in any of the home nations in January 2022 despite enforcing the strictest government policy.
- As of January 2022, visits to retail and recreation venues returned close to pre-pandemic levels, with stronger than usual activity in Wales and the South West as holidaymakers chose to stay in the UK, a trend that is expected to persist in the medium term at least due to local Covid-19 outbreaks and rules in other global tourist hotspots. London was a clear outlier with retail and recreational venues still experiencing only 60% of pre-pandemic activity. This is attributable to a fall in international travel and the loss of commuter workflow amongst others and is a trend seen in other big cities including Manchester.
- Despite growth in business activity in December 2021 being led by a few regions according to the Purchasing Managers Index (PMI), notably London, the North East was the only UK region experiencing a contraction. The data for this month is however deemed to be skewed due to the Omicron variant and so for 11 of the 12 UK regions to exhibit continued expansion shows the relative resilience of the UK economy. A further business confidence survey highlighted the optimism of all regions to make up for lost output relatively quickly due to the temporary nature of the Omicron impact.
- In the long term, initiatives to lower the high rate of inactivity in areas including Northern Ireland, which existed before the pandemic, are needed to achieve the overall levelling up agenda. Further investment in skills and labour productivity, especially considering UK's current labour market, is needed to bring about real change.

LIVING STANDARDS, WELLBEING AND PROSPERITY

[Rising cost of living in the UK] published by the House of Commons Library gives an overview of rising prices, particularly food, energy and fuel prices, including the potential impact of the conflict in Ukraine.

- There are a number of driving forces behind the 7.0% rise in the Consumer Price Index (which measures consumer prices) between March 2021 and March 2022. Firstly, the simultaneous increase in demand and supply chain bottlenecks have caused rising inflation. Secondly, the 28% increase in domestic gas prices in the year to March 2022 and the 19% increase in domestic electricity prices across the same timeframe represent the change to energy prices which the BoE say account for approximately half of the overall increase in inflation in 2021.
- On the 1st of April 2022 Ofgem's new price cap took force, with a 54% increase in the maximum prices for a unit of energy and standing charges. The cap only applies where a customer hasn't signed up for a fixed-term contract with their supplier and does not cap maximum annual bills. However, there is no cap for heating oil which has experienced significant recent price rises which has caused concern for many households, especially in Northern Ireland which has by far the highest rate of heating oil use (67.5% in 2016).
- The Russian invasion of Ukraine has forced forecasters to re-evaluate inflation expectations in both the short and long term. The Office for Budget Responsibility now predicts CPI inflation will peak in Q4 of 2022 at 8.7% as opposed to the prediction of 7.25% in April 2022 made in February of this year. It is also now predicted that inflation will remain above 7.0% in each quarter from Q2 2022 to Q1 2023.
- The impact of the above is that 83% of UK adults have reported an increase in their cost of living in March 2022, with the OBR expecting post-tax incomes adjusted for inflation to start falling in Q2 of 2022 and not recover until Q3 2024. The more profound impact on low-income households means that an extra 1.3m people are expected to fall into absolute poverty in 2023 according to the Resolution Foundation.
- A number of policies to support household budgets have been announced including in the Spring Statement on the 23rd of March 2022including an increase in the level of earnings required before people start paying NICs (National Income Contributions) and an increase from £4,000 to £5,000 in the employment allowance. Furthermore, the 23rd of March signalled the beginning of a temporary 12-month reduction of 5p per litre on fuel duty and in April 2022 no VAT will be paid on energy saving materials such as solar panels for five years. In terms of the prominent energy bills issue, a £200 rebate will be taken off customers' bills in autumn 2022 and paid back over the following five years.
- There have also been other tax related changes that will impact households. The freeze on income-free tax allowance at £12,570 and the point at which people will start paying the 40% higher rate of income tax will cost income tax payers the more inflation rises. In addition to this, the rate of inflation exceeding the benefits increase in April 2022 will pressurise household incomes further and the removal of the universal credit uplift will deprive over 4 million families of the additional £20 per week of income.
- The Institute for Fiscal Studies (IFS) estimates that the net effect in 2022/23 of the government measures implemented since November 2021 amounts to a "relatively modest giveaway to households of in the order of £5bn or so". Additionally, The Resolution Foundation estimates that only one third of the measures announced at the Spring Statement will go to the bottom half of income distribution.

[The Living Standards Outlook 2022] published by the Resolution Foundation assesses the prospects for household incomes and living standards up to 2026-27.

- Living standards are expected to take a significant hit as the war in Ukraine exacerbates the existing rise in inflation driven by energy prices. The Resolution Foundation anticipates that the inflation rate will peak in April 2022 at 8.3% and that the average rate over 2022/23 will be 7.6%, 1.4 percentage points higher than the BoE predicted in February 2022. However, the average inflation rate doesn't shed any light on who bears the brunt of this inflationary pressure. Increasing petrol prices will skew inflationary pressures towards higher income households (tend to drive more) while if the energy cap (increased by 54% in April 2022) or food prices were to rise further, low income households would carry the burden.
- Despite healthy growth of nominal wages attributable to the relative tightness of the labour market, the extent of the rise in inflation is expected to lead to a decline in real wages of nearly 4.0% in the coming year, with the BoE anticipating before the war in Ukraine began that there

would be no rise in real wages before summer 2024. Further labour market concern stems from a fall in labour market participation, with the rate in November 2021 below the pre-pandemic peak of 64.4% by more than a percentage point.

- The UK government's policy on uprating benefits is expected to cause great variation in rates over the next 14 months. With benefits uprated in April by the previous September's CPI, April 2022's 3.1% increase will cause a decrease of 4.2% in real benefits when the cost of living could be as high as 8%. This fall in real benefits is expected to be "largely undone" in April 2023 when benefits could rise by 7.2% (largest nominal increase in benefits since 1991/92) while the BoE estimates inflation could be 2.9% in 2023/24.
- The drop of 511,000 in the number of working age people in employment since the beginning of the pandemic is an indication of the concerning post-pandemic labour force participation statistics. The fall in the labour force participation rate (unemployment remained relatively unchanged) is accountable for 0.3 percentage points of the 2% scarring the economy is expected to suffer as a result of the Covid-19 pandemic and will negatively impact household incomes as the benefits system provides low levels of support to those who have fallen out of work.
- Inflation of approximately 8% in 2022/23 would mean the typical real household income would fall by £1000 compared to 2021/22, with the expectation that real incomes would also fall in 2023/24. Even as far ahead as 2026/27, projections suggest that income growth will be weakest at the bottom of the income distribution as the majority of benefits in real terms will stay constant or be reduced. Real incomes in 2024/25 are expected to be unchanged from 2004/05, illustrating the extent of the weak growth.
- In terms of income inequality, there was a relatively large drop in 2020/21 which is at least partly attributable to significant pandemic-related support schemes (which also helped reduce absolute poverty from 18% to 16% in the same year). However, this trend is likely to be reversed in 2021/22. Inequality in terms of the Gini coefficient is expected to be slightly lower in 2024/25 than it was in 2019/20 as benefit income would be better-protected than earnings from high rates of inflation.
- Relative poverty rates are expected to decline in 2023/24 as the incomes of the poorest households' decline by less than others' and benefits catch up with 2022's rapid rise in inflation. However, towards the end of The Resolution Foundation's projections (2026/27) relative child poverty is expected to rise (more so in households with more than two children) as family benefits continuously fall behind relative to earnings growth. A factor causing further concern in relation to relative child poverty is that the projection holds even under the higher growth and lower unemployment scenarios.

Innovation and Enterprise

INNOVATION

UK Innovation Report 2022 **published by the Cambridge Industrial Innovation Policy aims to facilitate policy discussions on innovation and industrial performance – and the interplay between them.**

- During the Covid-19 pandemic, the largest sectoral contributors to aggregate productivity growth were human health and social activities, real estate activities, education, public administration and financial and insurance activities.
- The UK's 1.74% figure for GDP expenditure on R&D (38.9% of which is allocated to UK research and innovation) is well below the OECD average of 2.5%, and below some non-OECD countries such as China and Singapore. The UK Government has pledged to increase public funding for R&D to £22bn per annum by 2026/27 in order to achieve their target of investment in R&D reaching 2.4% of GDP by 2027.
- The UK business sector contributes to approximately 55% of R&D funding, less than comparable economies such as Germany (64.5%) and Japan (78.9%) however the share of the UK's R&D which is funded from businesses abroad is relatively high (13.7% in 2018).
- In 2018 the UK was ranked twelfth in the world in the production of pharmaceuticals despite value added per employee metrics showing a 7.9% annual reduction in productivity. Furthermore, the UK has experienced deficits in pharmaceutical trade every year since 2014 except 2015, with the deficit widening to -$1bn in 2020. This loss in trade competitiveness is attributable to a 1% increase in exports and a 2.8% decline in exports between 2010 and 2020, numerous potential

drivers of which have been identified such as greater tax incentives to attract manufacturing investment and the EU membership referendum casting uncertainty on investment decisions in the sector.

- The UK was the ninth largest exporter of vehicles by value in 2020, with approximately 81% of cars made in the UK being exported. However, the UK was also the fifth highest importer of vehicles by value in the same year and a consistent trade deficit in automotive components has been recorded in recent years. In 2018 the automotive industry accounted for almost 15% of total business R&D in the UK and had an 11.7% increase in business enterprise expenditure on R&D. Despite increased automation, the industry is reportedly facing a skills shortage and future growth will be heavily dependent on the production of electric and hydrogen vehicles and the ability of firms to adopt digital manufacturing practices.
- In 2020 the UK's level of tertiary education attainment was 49.4%, well above the OECD average. Despite this, there was great regional disparity, with levels of 68% in Greater London and 38% in North East England. Graduates in STEM subjects which account for 43.4% of total UK graduates in 2019 are of particular importance to innovation activities, with the UK outperforming comparator economies in this regard.

RESEARCH AND DEVELOPMENT

Investing in UK R&D 2022 Update **published by The Royal Society sets out the current UK landscape for R&D investment and outlines factors that could help deliver a longer-term target of 3% of GDP invested in R&D.**

- There is a positive correlation between investing in research and innovation and economic growth, underpinned by a statistic provided by the Department for Business, Innovation and Skills suggesting firms that consistently invest in R&D are 13% more productive than firms that don't.
- The UK government has committed to increasing public funding in R&D to £20bn per year (£14.8bn in 2021/22) by 2024/25 and increasing overall UK investment in R&D to 2.4% of GDP by 2027 (a 3% longer term target is in place). A country led by innovation is deemed the best strategy for the UK's future prosperity, with R&D supporting the economy's recovery from the Covid-19 pandemic, stimulating growth and working towards the levelling up agenda.
- The UK currently invests a lower percentage of GDP in R&D than many of its competitors. The average across the OECD is 2.5% with the US for example investing 3% of GDP in R&D. These other countries therefore offer a better environment for research, innovation and business and are more attractive than the UK for firms deciding to situate high-value R&D activities.

SECTORS AND TECHNOLOGIES

Financial Services Survey March 2022 **published by PwC/CBI analyses key challenges facing the financial services sector.**

- Sentiment within the UK financial services fell at the fastest pace since September 2019 according to the survey, with the main reasons cited being geopolitical instability, faltering business confidence and the rising cost of living as the UK's lowest earners face a £1,300 annual hit. Despite business volumes remaining unchanged and returns anticipated to fall over the next three months, investment in technology is set to increase, illustrated by the +35 figure (difference between percentage of respondents reporting an increase and those reporting a decrease) for capital expenditure on IT over the next 12 months.
- With inflation and consumer and business uncertainty both rising, retail and business banking have both taken a hit as customers no longer have the aid of furlough and emergency loans. NPL's (Non-Performing Loans) are expected to rise in the months ahead however priorities remain to invest in technology and digitalisation and there is an expectation that average spreads could increase.
- Confidence amongst insurers stood out from other financial services sectors as business volumes increased. As people spent more time at home during the pandemic, claims losses decreased and a boost was also provided by the step-up in digitalisation in the industry. However, asset prices could become more volatile as people continue to get out more and the growing threat of cyberattacks could lead to an increase in claims losses.
- Pressure on consumer spending and the rising cost of capital suggest volatility is ahead and an end to the benign market conditions that sustained performance and growth in the investment

market. An increase in private market allocations is expected and within private portfolio companies, a shift to longer and more active turnaround strategies is being observed.

- Two thirds of financial services organisations have said that embedding environmental, social and governance (ESG) considerations into their business is a priority for their transformation plans, and that defining the right plan and attracting the right talent are the two key challenges to achieving their Net Zero targets.
- Looking to the future, the response of banks to the cost of living pressures and the existing challenges businesses face from the pandemic will shape public perceptions. ***A PwC study on responsible growth within banking*** highlights the importance of a "proactive approach to financial wellbeing" and would also see banks using their financial weight to promote ESG. In insurance, changing market conditions have presented the opportunity for firms to compete on more than price through differentiators such as ESG strategy and performance. ESG is also a key growth opportunity for asset managers.
- The most common workforce priorities for the year ahead are employee engagement and retaining talent according to the survey. Despite Q1 of 2022 exhibiting a slight decrease in workforce turnover, this is attributable to employees waiting to receive bonuses and it is anticipated that Q2 will see a rise in turnover. Respondents also suggested that pay was more of an expectation than a differentiator amongst talented labour force members, with 80% of employees now preferring to work for firms that care about the same issues as they do.

Construction Output in Great Britain: January 2022 **published by the ONS outlines short-term measures of output by the construction industry and contracts awarded for new construction work in Great Britain.**

- In terms of volume, construction output increased by 1.1% (£162m) in January 2022 to the highest level since September 2019 following three consecutive months of growth over 1.0%. Six out of the nine sectors saw growth (non-housing repair and maintenance, private housing repair and maintenance, private commercial new work, private industrial new work, private housing new work and public housing new work) with infrastructure new work, public other new work and public housing repair and maintenance the three to not grow. In addition to this, the 3.0% increase in the three months to January 2022 was the strongest growth in the three-month on three-month series since June 2021. The main contributor to this growth was non-housing repair and maintenance, which grew by 5.5%.
- Despite construction output increasing by 1.4% since February 2020 (which is considered pre-pandemic), the recovery has been mixed at sectoral level, with infrastructure 37.9% (£709m) above pre-pandemic levels and private commercial 27.8% (£693m) below.
- Responses from both the Monthly Business Survey for Construction and Allied Trades and the Business Insights and Conditions Survey (BICS) suggested that supply chain constraints had eased in the latter half of 2021. Furthermore, new orders in the construction industry grew by 9.2% in Q4 of 2021 compared to Q3, with demand for all types of work across the industry illustrated by all new orders sectors exceeding pre-pandemic levels.

ENTREPRENEURSHIP

[No relevant material sourced for this quarter's release.]

BUSINESS GROWTH

Agents' Summary of Business Conditions - 2022 Q1 **published by the Bank of England summarises intelligence gathered by the Bank's Agents between mid-January and late February.**

- Agents reported an increase in consumer spending in early 2022 as the impacts of the Omicron Covid-19 variant that weakened demand in December 2021 subsided. Actual spending in shops is reported to have increased and demand for durable consumer goods such as household appliances has remained solid. However, the squeeze on household incomes caused by higher energy and goods prices is expected to reduce demand in the coming months. With many of the fears surrounding the Omicron variant alleviated, lower-priced restaurants and pubs experienced a bigger share of the associated pickup in hospitality, illustrating the tightening on household budgets.

- Despite revenues from international tourism remaining well below pre-pandemic levels, export services grew at a moderate pace which was supported be the easing of many international travel restrictions. Recruitment consultants reported high levels of activity, a reflection of the tight labour market and demand for IT services continued to be strong despite staff shortages hampering growth.
- BoE contacts expect output constraints causing modest manufacturing output growth to persist until the middle of 2022 and into 2023 in some cases. Shortages of both goods and labour as well as the impact the conflict between Ukraine and Russia has had on supply chains have contributed to the aforementioned constraints. UK goods exports have however increased slightly in the last three months compared to a year ago, attributable to stronger demand from non-EU countries. Exports to the EU had returned to 2019 levels despite the increased difficulty resulting from Brexit leading to some smaller firms reducing exports to the EU or stopping altogether.
- Construction output growth remained modest as rising costs as well as material and labour shortages hampered activity, despite availability improving since the most severe shortages seen in the summer of 2021. However, contacts expected positive output growth to continue due to public sector infrastructure spending and strong housebuilding activity.
- Despite high materials costs, goods costs and supply issues hindering the ability of firms to implement investment plans, investment intentions have remained strong. Companies have restarted investment projects that were paused by the pandemic, invested more as demand rises and responded to a tighter labour market by investing in automation and technology to increase output.
- Planning delays and labour shortages constrained the supply of new-build houses, with demand in the housing market exceeding the supply of available properties. Demand for rental properties also outstripped supply, creating upward pressure on rents. Demand was also strong for industrial premises with many agents voicing concern about the affordability of rents once leases renew. Demand for office spaces remained below pre-pandemic levels due to working from home measures, with existing demand primarily focused on flexible city centre spaces.

Industry Outlook Survey **published by the FLA (Finance & Leasing Association) gauges the opinions of senior executives across the asset finance, consumer finance and motor finance markets on the outlook of the UK economy and the markets they represent.**

- Senior executives expressed concern about how the squeeze on household incomes would impact demand in the asset finance, consumer finance and motor finance markets. Q1 of 2022 saw supply issues create a shortage of vehicles and equipment to finance however there is the expectation that these shortages will subside as the year goes on. Investment is also expected to recover towards the end of 2022, with FLA members reporting very few issues regarding the availability of funding, albeit at an increased cost (68% of respondents anticipated that the increase would be slight).
- The pent-up demand stemming from the economic recovery post-pandemic has meant that respondents saw a range of opportunities for growth even after demand had been partially offset by threats to industry such as concerns regarding new variants of Covid-19, high inflation, high interest rates and higher taxes.
- Across all of the divisions, 86% of respondents expected some increase in new business, with 55% expecting an increase greater than 10%. Meanwhile, credit risk, technology, sales and finance were a few job categories amongst a broad range that respondents reported difficulty hiring good quality staff.

BUSINESS REGULATION

2022/23 Ofgem Forward Work Programme **published by Ofgem sets out our plan for retail market reforms, including changes to the price cap, tighter controls, and measures to improve financial resilience.**

- The Forward Work Programme outlines how the identified reforms relating to tighter financial regulation in the retail market and price cap will help Ofgem carry out its primary duty of protecting the interests of consumers. These will include new license conditions relating to financial standards, stress testing, strengthened assessments at entry and growth milestones, and enhanced monitoring. The Forward Work Programme also aims to support the UK Government and devolved administrations' climate change targets, acknowledging how the economics of energy have changed and the strains placed on both the sector and consumer by heavy reliance on gas.

- Ofgem's Strategic Framework for delivery consists of two "Enduring Priorities". Firstly, core regulatory functions to regulate the sector and protect the interests of consumers, of which there are many outlined for 2022/23. Ofgem plan to support the government in providing the £200 market rebate introduced by the Chancellor and are also consulting on medium-term changes to the Price Cap. Other functions include the Heat Network Regulation and ensuring that Electricity and Gas System Operation regulation provides value-for-money through price controls while facilitating the delivery of Net Zero.
- The second Enduring Priority is the delivery of Environmental and Social Schemes for Government which are collectively worth £9bn per annum. A key element of this going forward is the decarbonisation of heat, which support net zero goals and reduces the impact of gas price increases on the consumer.
- The strain placed on the retail market as a result of wholesale energy price rises has been unprecedented. In coordination with government, industry and consumer representatives Ofgem have consulted on updating the Price Cap methodology, ensured customers were protected if suppliers left the market and taken steps to ensure energy suppliers pursue financially sustainable business models. There is also a range of new and continuing activities relating to financial resilience and control, future retail market, current retail market policy and the market-wide half-hourly settlement.
- There is a general agreement that the transition to net zero requires accelerated deployment of renewable power and electric vehicles, with the "Low Carbon Infrastructure" Strategic Change Programme designed to address three key strategic themes: network planning, network investment and disinvestment and new technologies. The Electricity Transmission Network Planning Review, future gas policy, hydrogen, the development of a framework for future price controls, climate resilience, nuclear generation and offshore transmission infrastructure are a few of the new and continuing activities regarding the transition to net zero.

Succeeding Globally

TRADE

UK Trade: January 2022 **published by the ONS outlines key trends in UK exports and imports and analyses a host of trade related data.**

- Total imports excluding precious metals increased by 11.0%, equivalent to £4.7bn in January 2022. This increase is attributable to a significant 24.3% increase in imports from EU countries, while imports from non-EU countries remained flat. For most of 2021 non-EU imports had exceeded EU imports which was linked to significant increase in the imports of fuels in the last months of the year.
- The largest increase in imports from the EU was in machinery and transport equipment, which saw an increase of £2.0bn. There was also an increase in the import of cars which was at least partly attributable to fall in domestic production. Furthermore, chemical imports from both EU and non-EU countries increased as a result of the increased importation of medicinal and pharmaceutical products.
- Total exports excluding precious metals decreased by 8.7%, equivalent to £2.5bn. This total change is the result of a combination of a £0.6bn increase in exports to non-EU countries and a £3.0bn decrease in exports to EU countries, £2bn of which is attributed to the operational change implemented by HM Revenue and Customs. In the three months to January 2022 the total trade in goods and services deficit widened by £8.7bn to £51.8bn.
- The Business Insights and Conditions Survey reported that 67% of exporters and 72% of importers faced challenges in late January to early February 2022 with additional paperwork, change in transportation costs and custom duties, an increase when compared with the retrospective figures of 64% and 61% seen in the same period in 2021.

INWARD INVESTMENT

Business investment in the UK: October to December 2021 revised results **published by the ONS provides an estimate of short-term indicators of investment in non-financial assets, business investment and asset and sector breakdowns of total gross fixed capital formation.**

- Business investment grew in Q4 of 2021 by 1.0% while gross fixed capital formation (GFCF) increased by 1.1%, with the slight difference reflecting the different patterns of investment by businesses. Despite a semi-conductor shortage being highlighted as a factor contributing to weaknesses in transport equipment investment, the easing of this shortage in recent times has allowed businesses to acquire vehicles, resulting in transport investment growth which contributed 2.0 percentage points towards business investment growth.
- Government investment, which is 10.4 percentage points higher than pre-coronavirus, has driven the growth in GFCF since Q4 of 2019. Investment in ICT equipment is also above pre-pandemic levels as firms have heavily invested in hardware and technology to facilitate hybrid working and the government's Covid-19 restrictions.
- In Q4 of 2021, investment in "other services" exhibited growth of 6.8%, the highest of any industry. Growth in the transportation and storage industries of 1.6 percentage points and growth of 1.4 percentage points in the information and communication industries contributed the most to growth in business investment. As previously mentioned, the strong growth in transportation and storage is attributable to the easing of the semi-conductor shortage, however it is worth noting that investment in this area can be volatile.

TOURISM

[No relevant material sourced for this quarter's release.]

Economic Infrastructure

ENERGY

British energy security strategy published by HM Gov is a policy paper outlining the programmes designed to deliver secure, clean and affordable British energy for the long term.

- The 200%+ and 100%+ increases in gas and coal prices respectively in 2021 were the result of a number of factors. Firstly, the reopening of the economy following the end of the Covid-19 restrictions resulted in a sudden and significant increase in demand for everything including cars and foreign holidays and in turn, the price of oil and gas. Secondly, the restrictions on the supply of gas from Russia following of the invasion of Ukraine have led to increases in the internationally set price.
- Whilst immediate financial assistance is needed to support the households most heavily impacted by these price rises, in the long term steps must be taken to lower bills. Steps to improve energy efficiency that will reduce the amount of energy households and businesses need are crucial, as well as reducing the UK's dependence on the international market by reducing the importation of oil and gas. Furthermore, increasing the proportion of the UK's electricity that stems from renewables reduces its exposure to volatile fossil fuel markets.
- The government's "Ten point plan for green industrial revolution", the "Net zero strategy" and this "British energy security strategy" all aim to have the cumulative effect of generating £100bn of private sector investment in new British industries (including offshore wind) by 2030, supporting 480,000 clean jobs. Planned investment in the North Sea, expanding renewable capacity and leading in nuclear power will also enable the UK to produce more hydrogen, which will again reduce the UK's dependency on other countries for vital superfuels.
- In terms of immediate help for households, a £150 non-repayable Council Tax rebate for the majority of households in England was introduced in April, with a comparable provision in the devolved administrations. The government is also investing a further £500m in a Household Support Fund for local authorities to use in order to support the most vulnerable with food and utility bills. For businesses, the EII Compensation Scheme has been extended by a further three years and the government has pledged to increase aid intensity to 1.5% of GVA as it acknowledges UK industrial electricity prices are higher than those of other countries.
- Around 90% of the UK's homes are heated by fossil fuels and with the majority of homes being energy inefficient, improvements could reduce bills by approximately 20% and reduce the UK's dependency on foreign gas. The UK has set out an ambitious strategy and launched many policies to cut the cost for consumers wanting to make home improvements, as well as sending signals through the market, government channels and frameworks.

- The speed at which the UK can transition from fossil fuels depends on how quickly renewables can be rolled out. The UK's 10 point plan for a green industrial revolution has set it at the forefront of many renewable technologies, with capacity set to increase by another 15% by the end of 2023. With the combination of the cost of solar falling by approximately 85% in the last decade and the removal of VAT on solar panels installed in residential accommodation, a five-fold increase is expected in deployment by 2035.
- The UK's connecting network infrastructure needs upgraded in order to support the accelerated domestic supply of clean electricity. By prioritising the anticipation of need and hyper-flexibility in matching supply and demand, a more efficient system could bring down costs by £10bn a year by 2050. The government has also offered a clear plan on how they will ensure lower costs, including the publication of a strategic framework with Ofgem for how networks will deliver net zero.
- For each of: Oil and gas, nuclear, solar, wind, hydrogen and demand, the British energy strategy provides both key measures and annual ambitions until the year 2030, providing a clear structure and pathway for future improvements.

Energy Trends UK, October to December 2021 **published by the Department for Business, Energy & Industrial Strategy outlines information on energy production, trade, and consumption in the UK for total energy and by specific fuels.**

- Energy consumption in 2021 remained 8% below 2019 levels, despite consumption increasing from April onwards as restrictions eased. Energy demand for industrial use was close to returning to pre-pandemic levels, with domestic demand remaining higher than usual as people continued to spend more time at home.
- In 2021 total production was 106.9 million tonnes of oil equivalent which is the lowest level in over 50 years. The production of all fuels had decreased compared to 2020 levels with the exception of bioenergy and waste, and wind and solar which is the result of increased capacity.
- Total coal demand in 2021 was 2.9% higher than in 2020, predominantly attributable to a 14% rise in coal-fired generation. The increase in coal-fired generation itself was driven by decreases in renewable electricity and nuclear generation due to less rain and windfall and outages respectively. Despite a historical trend for coal-fired generation demand to peak in winter (seasonal demand is observed), these peaks have declined in recent times as it becomes less economically competitive and is displaced by gas and renewable sources. Coal imports also rose to 4.6 million tonnes in 2021, filling the gap left by decreased domestic production due to mine closures and reduced demand.
- Demand for primary oils in 2021 was relatively similar to levels seen in 2020, with a slight increase of 1.1% observed. Production however fell to a seven year low, down 17% compared to 2020 due to extensive maintenance, notably to the Forties Pipeline System (FPS) which accounts for a significant proportion of UK oil and gas production. With demand remaining stable, supply was balanced with a 15% reduction in exports. UK oil stocks were down 32% in December 2021 when compared with December 2020. This came as a result of the UK leaving the EU and as such was no longer obligated to hold stocks as an EU member country, only as a member of the IEA which traditionally has a lower obligation.
- Colder average temperatures and lockdown restrictions which lead to households spending more time at home resulted in an increase in domestic demand for gas of 6.2% in comparison to 2020. Despite this, domestic gas production hit a record low of 363 TWh (terrawat-hours), with a 17% increase in imports (Norway the largest source of natural gas) band a substantial slowing of exports (lowest level since 1998) needed to meet this demand. Q4 of 2021 did witness a recovery in the levels of gross gas production following the culmination of maintenance work in the summer months, but remained below pre-pandemic levels.
- Final consumption of electricity increased by 1.8% in 2021 compared to 2020. Both domestic and non-domestic consumption increased across the year, however Q4 of 2021 saw lower electricity use compared to the same period in 2020, attributable to warmer average temperatures reducing electricity demand for heating offsetting the increase resulting from the lifting of Covid-19 restrictions.
- Transport demand was 7% greater than in 2020, however remained 23% below 2019 levels. Despite the consumption of diesel and petrol increasing in 2021, the consumption of aviation fuel declined to levels 62% below those seen in 2019.
- The net import dependency increased to 37.9% for energy in 2021, the result of a combination of increased demand and reduced output of oil, gas and nuclear energy attributable to maintenance.

Electricity output from renewable technologies also dropped drastically in 2021 as a result of unfavourable weather conditions. Renewables share of generation dropped from 43.1% to 39.3% despite capacity increasing.

TELECOMS

[Telecommunications Market Data Update Q3 2021] published by Ofcom highlights some of the key trends emerging this quarter from data collected on the UK telecommunications sector.

- In Q3 of 2021, there was a 2.1% (£32m) reduction in revenue from UK fixed voice services compared to Q2 of the same year, of which 89% is attributable to access and ad-on call bundles. Of this revenue, BT had a 49.3% share which represents an increase of 0.9 percentage points in comparison to the same period in 2020.
- Mobile telephone services generated £3.09bn in retail revenue in the third quarter of 2021, representing an £18m decrease from the previous year. The number of active mobile subscriptions was up 0.7% or £0.6m in Q3 of 2021 compared to the same period of 2020. Despite the number of mobile messages and mobile-originated voice call minutes both declining year-on-year, data usage rose rapidly with volumes increasing by 28.8% year-on-year.
- At the end of Q3 2021 there were 27.6m fixed broadband lines, a 0.3% rise in comparison to Q2 of 2021 with growth driven by a 2.3% increase in "other inc. FTTx (Fibre to the X)" lines' (there were 18.2m of these connections at the end of the quarter). The number of cable broadband lines also increased in Q3 of 2021 in comparison to the previous quarter while the number of ADSL lines simultaneously fell by 8.4%.

AIR ACCESS

[Overseas travel and tourism, UK, provisional: July to September 2021] published by the Office for National Statistics estimates visits to the UK by overseas residents, air visits abroad by UK residents and spending estimates by travellers, using the International Passenger Survey and administrative sources of passenger travel

- As insufficient data for sea and Eurotunnel travel were collected due to Covid-19 restrictions, the data in this publication relates to air travel exclusively with estimates expressed in terms of confidence intervals (95% confidence intervals used).
- Throughout Q3 of 2021, 1.3m visits were made to the UK by overseas residents, which represents an 86% decrease in comparison to Q3 of 2019 which is considered pre-pandemic. This overall decrease is comprised mainly by a 70% decrease in the number of people visiting friends and family (to 872,000) and a 95% decrease in those making holiday visits (to 198,000) and a reduction in business trips of 90% (to 140,000). The reduction of business trips from
- The amount spent by overseas visitors in Q3 of 2021 decreased by 87% compared to the same quarter in 2019, with this decrease consistent with similarly sized countries all over the world.
- UK residents made 6.1m visits abroad in Q3 of 2021 (5.4m of which were made to Europe) resulting in a 76% decrease when compared to the same period of 2019. Holidays were the most common reason for travelling abroad, accounting for 52% of all trips, while business trips (of which there were only 248,000) were the least.

Government

NORTHERN IRELAND

[No relevant material sourced for this quarter's release.]

ENGLAND

[No relevant material sourced for this quarter's release.]

SCOTLAND

[*Scotland's National Strategy for Economic Transformation*] published by Scottish Government sets out the key interconnected policy programmes that will overcome long-term and short-term economic challenges.

- Scotland's vision is that by 2032, it will have a wellbeing economy which thrives across economic, social and environmental dimensions. The pandemic has exacerbated existing inequalities and highlighted weaknesses within the economy, such as an ageing population and one with high rates of economic inactivity. Furthermore, many households are in poverty and Scotland's productivity lags behind other advanced economies. This makes now the time in the Scottish Government's view to set out a long-term approach to taking on the challenges of structural inequality, the transition to net zero and securing a green recovery to Covid-19. The aforementioned transition to net zero must focus on protecting jobs, diversify the economy and contribute to sustainable growth.
- Scotland has many strengths which can be maximised to improve the economy. Within Scotland there are more top universities per head of population than any country in the world and it is in the top quartile of OECD countries for higher education R&D and young people participation in the labour market. This paper expresses Scotland's view that the ability to maximise economic prosperity is constrained by its constitutional position in that macro-economic, employment and energy powers are reserved to the UK government.
- The transformation of Scotland's economy revolves around the following five interconnected programmes: 1) Entrepreneurial People and Culture, 2) New Market Opportunities, 3) Productive Businesses and Regions, 4) Skilled Workforce and 5) A Fairer and More Equal Society.
  - The first programme revolves around creating an entrepreneurial nation that encourages and promotes entrepreneurial activity in all sectors. Scotland currently lags behind most OECD countries in terms of entrepreneurial dynamism, with a TEA rate of 7.3% in 2019. As high growth start-ups create skilled jobs, pay high wages, drive productivity and radiate innovation across the wider economy, this domain presents an opportunity for Scotland to close the gap between current performance and it's potential.
  - Programme two centres around strengthening Scotland's position in new markets and industries. Scotland already occupies a position of global leadership in the design, development and operationalisation of some key future industries such as renewable energy and the hydrogen economy. However, being alive to further new industries presents the opportunity to generate new and well-paid jobs.
  - Programme three aims to make Scotland's businesses, industries, regions, communities and public services more productive and innovative. Improving productivity through investment, innovation and infrastructure for example increases competitiveness, raises household incomes and generates the tax revenues to invest in public services.
  - Providing people with the opportunity to develop skills enables them to more effectively participate and progress in the labour market while simultaneously improves business productivity and economic prosperity. With Scotland already performing well in terms of tertiary education levels compared to the rest of the UK, it is hoped that projects to adapt the education and skills system to make it more responsive to economic needs and incentivising employers to invest in skills will enable Scotland to keep pace with ever evolving skills requirements.
  - The fifth and final programme is aimed at reorienting the Scottish economy towards wellbeing and fair work in order to deliver higher rates of employment and wage growth, with the hope that this in turn will lead to reduced structural poverty, particularly child poverty, and improve health.
- In order for these interconnected programmes to succeed Scotland requires a culture of delivery and accountability. If all the necessary partners such as the Scottish Government Ministers and officials, Industry Leadership groups and trade unions to name a few can work together to deliver, the rewards for the Scottish economy could be significant.

WALES

[No relevant material sourced for this quarter's release.]

REPUBLIC OF IRELAND (ROI)

[No relevant material sourced for this quarter's release.]

Sources

Catalyst Inc

CBI UK

CBRE

CBRE UK

Centre for Business Research (CBR)

Centre for Economic Policy Studies (CEPS)

Centre for Economics and Business Research (CEBR)

Centre for Enterprise and Economic Development Research (CEEDR)

Centre for European Economic Research (ZEW)

Department for Digital, Culture, Media and Sport

Department for Exiting the European Union

Department for the Economy

Department of Finance

Department of Jobs, Enterprise and Innovation (DJEI)

Department of Transport, Tourism and Sport

Dept for Business, Energy & Industrial Strategy (BEIS)

Economic Advisory Group (EAG)

Economic and Social Research Council (ESRC)

Economic and Social Research Institute (ESRI)

Economics Ejournal

Economist Intelligence Unit

Enterprise Research Centre (ERC)

European Association of Research and Technology Organisations (EARTO)

European Commission - Enterprise and Industry - Growth publications

European Investment Bank (EIB)

Eurostat

Federation of Small Businesses (FSB)

GEM Consortium

Green Alliance

HM Treasury (HMT)

Imperial College London - Business School

Institute for Fiscal Studies (IFS)

Institute for Government

International Institute for Management Development (IMD)

International Monetary Fund (IMF)

InterTradeIreland

Invest NI

Ipsos MORI

Irish Exporters Association (IEA)

Joseph Rowntree Foundation

Journal of Business Research

Kiel Institute

Legatum Institute

LSE - Centre for Economic Performance (CEP)

LSE - Spatial Economics Research Centre (SERC)

McKinsey UK

National Assembly for Wales

National Competitiveness Council (NCC)

National Economic and Social Research Council (NECS)

National Institute of Economic and Social Research (NIESR)

Nesta

Nevin Economic Research Institute (NERI)

NI Assembly Research and Information Service (RaISe)

NI Council for Voluntary Action (NICVA)

NI Science and Industry Panel – MATRIX

NISRA

OECD iLibrary

Open Europe

Organisation for Economic Development and Co-operation (OECD)

Oxera

Oxford Economics

Oxford Review of Economic Policy

Parliament Briefings

Peterson Institute for International Economics (PIIE)

PricewaterhouseCoopers (PWC NI)

PricewaterhouseCoopers (PWC)

Queen’s University Belfast – Economics

Queen’s University Belfast - Research Centre in Sustainable Energy

Resolution Foundation

ResPublica

Scottish Enterprise

Scottish Government

Small Business Research Centre (Kingston University London)

Taxpayers Alliance

Technical Research Centre of Finland (VTT)

Technopolis

The Executive Office (TEO)

Tourism NI

Trinity College Dublin

Ulster University Economic Policy Centre

University College Dublin (UCD)

University of Ulster - Business Management Research Institute (BMRI)

Visit Britain

Visit Scotland

Wavteq

Welsh Government

World Bank

World Economic Forum (WEF)