

# LOCAL CONTENT POLICIES IN THE ENERGY SECTOR

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# Energy projects in the Balkan and East MED



Unique opportunity for:

- ✓ Regional economic development
- ✓ Employment generation
- ✓ Energy security
- ✓ Sectoral diversification
- ✓ Innovation and growth

Need to ensure environmentally,  
socially and economically  
sustainable development in line  
with the Sustainable  
Development Goals of the UN  
Agenda to 2030



**Local Content Policies: Opportunities and Challenges**

# Why local content policies matter

Indirect economic benefits of:

- Knowledge transfer and innovation
- Upgrade of human capital and infrastructure
- Spillover effects

**...outnumber the direct economic benefits**

Outcomes of relevance to the Greek economy include: Human capital upgrade; Transfer of international good practices; Subsea technology; Automation and dynamic positioning equipment; Maritime technology; Shipbuilding and outfitting; Environmental protection and restoration





Employment generation

Adoption of best practices by international standards

Local content policies

Stimulation of Research and Development

Knowledge transfer

Sectoral diversification

# Sectoral characteristics and policy challenges

- Technological complexity and existing domestic capacity
- Time required to develop backward and forward links
- Specialized input and costly technology often provided by well organized international network of suppliers
- Limited market efficiency
- EU regulatory framework

# Policy recommendations and regulatory implications



Integration of local content policies with development policies



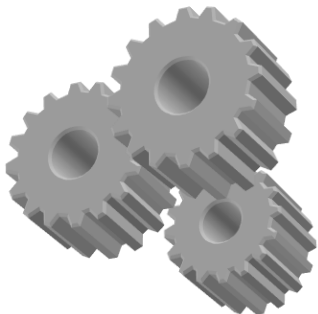
Regulatory interventions that can address information asymmetries



Identification of sectors with fully developed products or that need little adjustment



Timely education measures to address skills shortage, linking of the sector with R&D



Promotion of (geographical/sectoral) clusters at local, national and/or regional level

Thank you for your attention.

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