
WHAT HAVE STRUCTURAL AND COHESION FUNDS DONE FOR US? ASSESSING THE LONG-TERM ACHIEVEMENTS OF COHESION POLICY

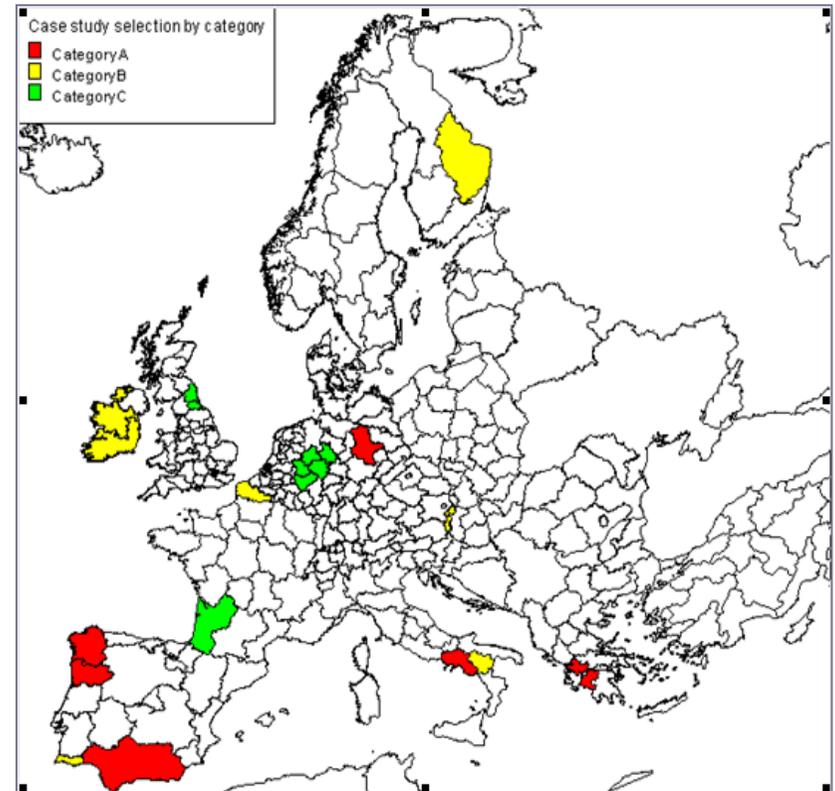
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- Aims and methodology of the study
- Strategies and expenditure: how was the funding spent?
- Effectiveness: What was achieved?
- Utility: Did it make a difference?
- Conclusions and lessons

15 case-study regions, mix of Convergence, RCE & Phasing in/out

Country	Objective 1 / Convergence	Phasing– in/out	Objective 2 / RCE
Austria		Burgenland	
Finland		Itä-Suomi	
France		Nord-Pas-de-Calais	Aquitaine
Germany	Sachsen-Anhalt		Nordrhein-Westfalen
Greece	Dytiki Ellada		
Ireland		Ireland	
Italy	Campania	Basilicata	
Portugal	Norte	Algarve	
Spain	Andalucía, Galicia		
U. Kingdom			N-E England



- experimental theory-based evaluation (commissioned by DG Regio)
- reconstruction of intervention logic of programmes:
 - *what was it that policy-makers sought to change, and how was it done?*
 - *Was the logic appropriate for regional circumstances?*
 - *how did it evolve as needs changed?*
- assessment of the achievements of ERDF/CF programmes – programme relevance, effectiveness, utility

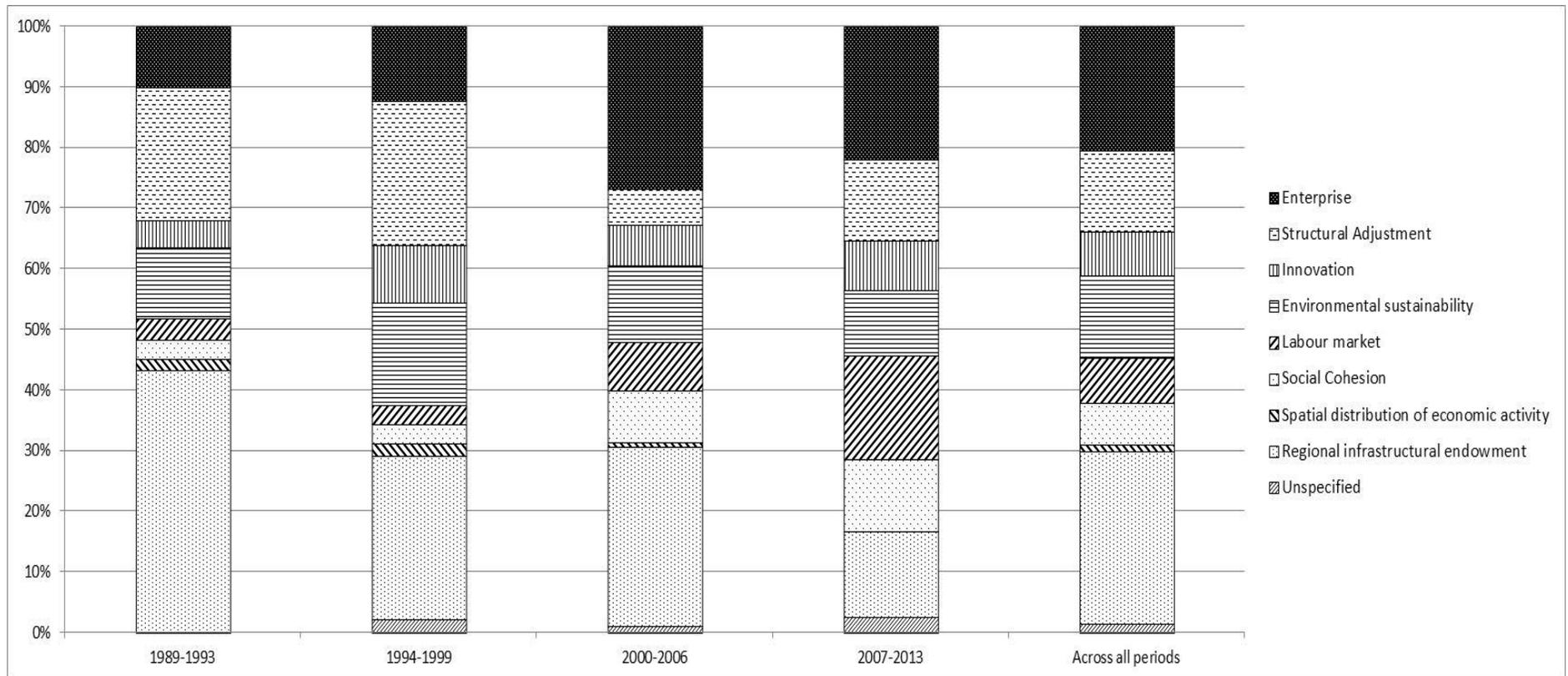
- mixed methods approach:
 - secondary source research, semi-structured interviews with strategic, operational and expert informants, online survey of stakeholders, quantitative analysis, regional workshop, project case studies
- use of thematic axes for analysis
 - Innovation, enterprise, structural adjustment, infrastructure, environment, labour market, social cohesion, territorial cohesion
- challenges
 - unavailability and deficiencies of data, revealing logic from past programmes, establishing causalities, making judgments on achievements

- Early programmes had generic strategies, weak conceptual basis, lack of specific objectives, few quantified targets, lack of coordination
- Progressive improvements over time, esp. strategic planning, assessment of needs, more sophisticated interventions (e.g. SME, innovation support)
- External pressures (EU) played an important role, particularly in 2000s (Lisbon, CSG)
- Objective setting and monitoring has remained weak
- Coordination also problematic – within Convergence regions (NOPs/ROPs) and within RCE regions (EU/domestic policy)

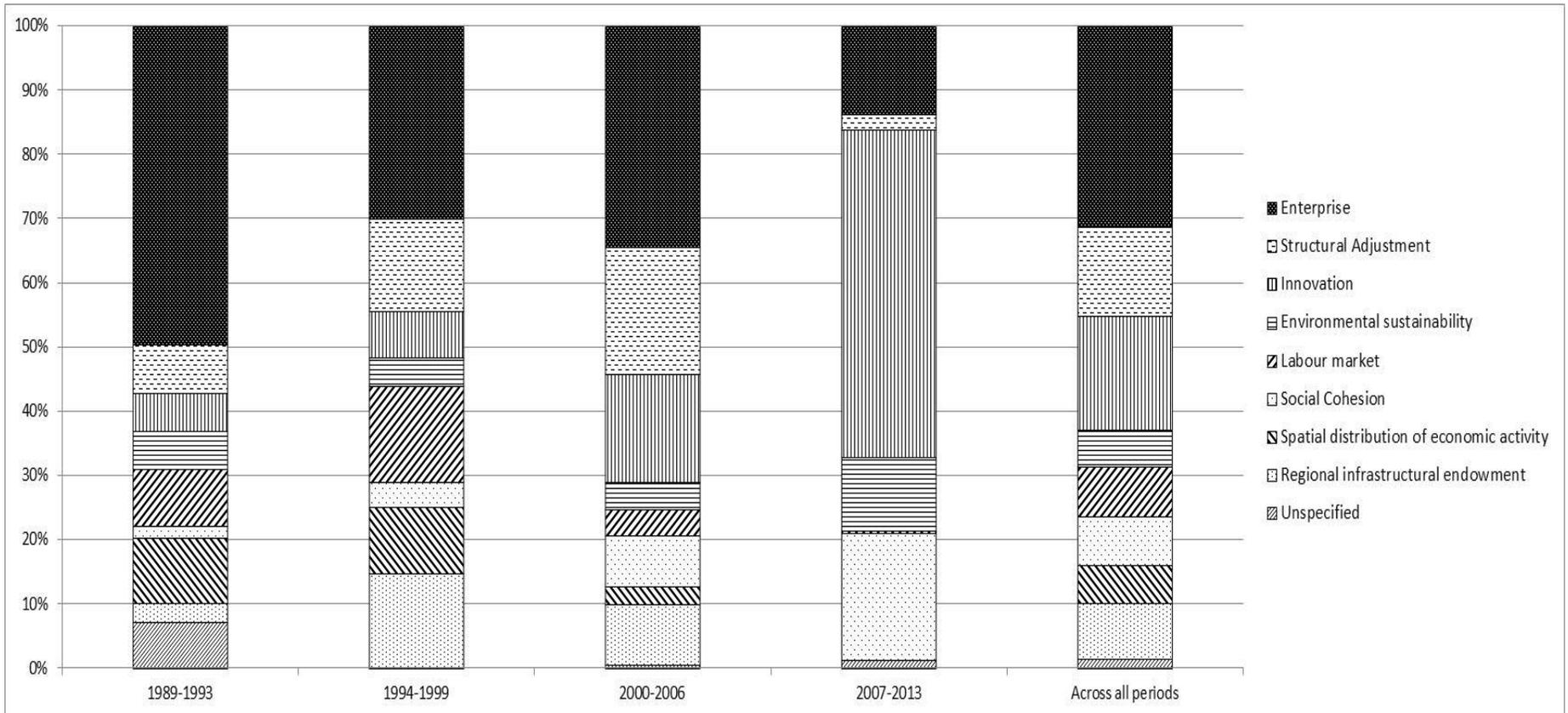
But...

- Programmes often had implicit understanding of regional needs – almost half of programmes were relevant throughout the 1989-2013 period

Objective 1/Convergence - predominance of infrastructure and structural adjustment, increasing social cohesion & labour market actions over time



Objective 2/RCE regions – strong focus on enterprise support, major shift to innovation



Programme-level assessment of effectiveness - in relation to objectives set out in the strategy

Region	1989-1993	1994-1999	2000-2006
Algarve	3	3	3
Andalucía	4	4	4
Aquitaine	3	3	3
Basilicata	3	3	3
Burgenland	n.a.	3	4
Campania	2	3	2
Dytiki Ellada	2	3	4
Galicia		3	4
Ireland	4	4	1
Itä-Suomi	n.a.	-	4
Nord-Pas-de-Calais	3	3	3
Nordrhein-Westfalen	-	3	1
Norte	1	1	1
North-East England	-	1	4
Sachsen-Anhalt	5	1	5

- **Major infrastructure, local infrastructure (e.g. business parks)** – generally well-delivered but problems due to poor assessment of demand and under-use
- **Structural adjustment** – problematic, slow to yield results, delayed restructuring and improvements in competitiveness
- **Tourism** – good effectiveness, significant short-term and longer term benefits (e.g. changes in perception)
- **Innovation, entrepreneurship** - effectiveness short-term unless part of a systemic approach with mix of policies
- **Environmental measures** – good record for environmental remediation, but limited capacity for low carbon measures
- **Community development** – conventional interventions (e.g. urban regeneration) generally effective, but softer measures struggled

- Objectives relying on public sector intervention were more readily achieved e.g. physical infrastructure, environmental improvements, innovation infrastructure
- Objectives relying on private sector investment or entrepreneurial activity had a mixed record, depending on whether there was:
 - a systemic approach to planning interventions, addressing demand as well as supply side
 - a coordinated approach to implementing measures and projects

- inadequate consideration of the additionality of interventions and deadweight (e.g. in enterprise support)
- lack of prioritisation (failure to concentrate support)
- over-optimistic assumptions of time period for interventions to be effective and yield results (e.g. university investment)
- imbalance between public and private sector investment at different stages
- weaknesses in planning the sustainability of interventions (operational costs, use)
- inadequate consideration of the appropriate scale of investment (critical mass)
- insufficient attention to the spatial or territorial cohesion of regions (widening of disparities)

- in Ireland, programmes contributed to a *transformative effect across the board*, helping the country to take advantage of wider macro-economic opportunities and strategy
- in Algarve, Andalucía and Galicia, programmes delivered a *transformation of the regional economies*
- in most regions (Aquitaine, Basilicata, Campania, Dytiki-Ellada, Norte, NE England and Sachsen-Anhalt) programmes enabled *transformation in specific fields*
- in a few regions (Burgenland, Itä-Suomi and NPdC) programmes have had a *positive influence* (in part reflecting scale of funding)

- significant contribution of Structural and Cohesion Funds to regional development
- quality of life better, especially where there was massive investment in basic infrastructure and services
- changes in culture and mentality

But.....

- incomplete process
- territorially uneven
- difficulty in maintaining the benefits
- economic crisis is undoing some of the gains

- Many criticisms of Cohesion policy are warranted - strategic justification of (and accountability for) spending have been inadequate

However:

- need to recognise the context for decisions and contemporary orthodoxies
- while progress has been slow, there have been improvements over time and across programmes
- programmes were relevant to regional needs, and increasingly met objectives and made contribution to economic development

The study provides evidence to support the recent reform of Cohesion policy, especially with respect to:

- the concentration of resources
- the importance of coherent strategies, integrated investment, sound project planning
- need for development model and intervention logic to inform objective-setting
- the critical requirement for investment in administrative capacity

However, the study also highlights challenges and the limitations in what the policy can achieve, notably:

- varied levels of commitment by Member States (managing authorities, implementing bodies) to the Cohesion policy model – in terms of ambition, vision, competence, expertise
- differences in alignment of EU and domestic political and policy priorities
- mixed record of conditionalities as a control mechanism
- the long-term timescales for bringing about change

Thank you for your attention!

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