

**COHESION POLICY 2000-2006: WHAT HAVE WE ACHIEVED?
A DEBATE ON THE RESULTS OF THE EX POST EVALUATIONS OF OBJECTIVE 1 AND 2**

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Introduction: Moderator Jacki Davis

Opening remarks and main points presented by the speakers

The author of the synthesis report, **Terry Ward** said that it is a product of many work packages written by different evaluation teams and he invited the audience to read the individual evaluations. He stressed two aspects:

- The independence and objectivity of the report. DG REGIO insisted that the evaluation should be as objective as possible as this is the only way to improve the policy.
- The wealth of new information we learned about the policy. For instance, he admitted to have been originally quite sceptical about Objective 2. But evidence shows that it was beneficial to many regions despite the small amount of money. The value of secure long term funding and partnership makes it clear that cohesion policy is not a zero-sum game.

Professor Grzegorz Gorzelak from the University of Warsaw expressed his own views on cohesion policy's role in Central Eastern European Countries and his country, Poland in particular.

- Cohesion policy has definitely contributed to successful adaptation to the way EU operates. The Central European Countries were developing very fast even before accession to the EU so not everything can be attributed to cohesion policy. However, cohesion policy has certainly contributed to their accession to the EU, and to positive institutional changes, which was very correctly indicated in the report.
- There are many examples of positive change but still a lot remains to be done, particularly in finding synergies between Cohesion Policy and other European policies.

Professor Harvey Armstrong from Sheffield University highlighted that evaluation has increased in quality.

- The report presents convincing evidence and more than ever before. More importantly, this evidence has been triangulated, from different sources and using different methods, which confirms the findings.

- Cohesion Policy has demonstrably and substantially improved both policy and evaluation capacity/competences in the regions.

Some areas for improvement were pointed out by Professor Armstrong.

- We still have problems with quantification. In this aspect, he referred to Professor Alberto Martini's paper on counterfactual impact evaluation presented at the European Evaluation Conference in Warsaw 2009 as a way forward.
- More use could have been made of beneficiary surveys and time series data. Professor Armstrong raised the need to evaluate across programming periods and not to limit evaluations only to one. Innovation policy is an example for policy that needs a longer time frame to evaluate.
- The fact that cohesion policy has multiple objectives poses problems for evaluation. He talked about "mission creep" in regional policy in the recent decades.

Mr Dirk Ahner, Director General for Regional Policy, stressed that the goal of this event was to stimulate discussion. What he found essential in this evaluation exercise was the following:

- The new thematic approach: in the past, the ex post was primarily a meta-evaluation of all programmes in all regions in all MS, resulting in general and vague reports. In this exercise, 14 thematic evaluations were carried out, some sectoral and some cross-cutting, with a combination of methodologies and different questions asked, to seek pieces of evidence.
- The combination of evaluation methods: the various methods provide convincing evidence on what has been achieved and, more generally, on the effectiveness of Cohesion Policy. For the first time we tried counterfactual impact evaluation and surprisingly we realised that it can deliver strong evidence in particular sectors. This makes a case to use this method in the future as well.
- The added value of Cohesion policy beyond economic growth: Cohesion policy is not only about financial support but also about partnership, learning and cooperation across regions and countries. This is a very important part of the policy.
- The learning function of evaluation: Evaluation helps us improve future programmes by learning from mistakes and good practices. We are currently preparing the next generation of programmes and the results of this evaluation will feed into the design of the new Cohesion Policy.

Can we draw some broad conclusions, are there any significant gaps?

- Evaluating single policies which are interlinked in their regional context is a weakness. We cannot isolate the effects of cohesion policy from rural development policy for example. He expressed hope that future evaluations will be more comprehensive and will focus not only on one policy but consider actions on the ground by other related European policies. (Grzegorz Gorzelak)
- We now know much more what the achievements are in particular areas but there is a missing link – the effect on different regions of particular policy measure. The only way forward is to examine particular examples through case studies. (Terry Ward). It

is necessary indeed to do field work in the regions but this is very costly and time consuming; therefore evaluations should not cover all regions and be selective. (Grzegorz Gorzelak)

- It is more difficult to isolate the impacts of different policies but estimating the counterfactual is still vitally important. Should we mainstream environment in every aspect of the policy or concentrate resources on some aspects? (Harvey Armstrong)
- It is important to underline the contribution of Cohesion Policy to territorial cohesion as a whole and not only to economic growth. But do we have appropriate indicators to measure territorial cohesion? (Harvey Armstrong).
- At this stage we do not have the indicators to measure global objectives such as territorial cohesion or sustainable development. Environmental aspects are a bit missing and we need to develop some meaningful indicators for sustainable development that go beyond GDP. (Terry Ward).
- All panellists agreed that environmental aspects are missing and that environment could be an asset of its own for regional development and not just an issue of complying with EU directives. By investing more in environmental projects, regions could even attract more companies thanks to the improved and cleaner environment.

The need to focus on a certain number of objectives

- It is necessary to have broadly defined objectives at European level that can be translated at regional level according to the specific needs of every region. To do this, operational programmes need flexibility. The programme specific objectives should be well defined and quantified so that people can measure the success of their work. (Dirk Ahner)
- There is not necessarily a contradiction between the message to concentrate resources and have fewer objectives and the value of integrated programmes with interlinked objectives. The point is that the objectives should be clear and fewer than in the past. (Terry Ward)

Objective 2 to continue: consensus among the panellists

- EU is losing its innovative competitiveness to China and adaptation to smart growth is key for all regions. (Grzegorz Gorzelak)
- The competitiveness question goes beyond the issue of regions lagging behind. But if Objective 2 ceases to exist, what should be the types of instruments to boost competitiveness? (Dirk Ahner)
- Objective 2 should continue. Many examples of projects that worked well prove that. The reason why Cohesion Policy survived during all these years (even during the times of Mrs Thatcher) is that rich regions could also benefit from it. (Harvey Armstrong).

Balanced development, territorial cohesion

- The concepts of territorial cohesion and balanced development are not clear. Innovation was supported only in richer countries while in poor Member States the focus was mostly on infrastructure. Shouldn't we withdraw from the idea of "balanced development"? Resources should be focused either on innovation or on equalisation. (Grzegorz Gorzelak)
- You cannot ensure that there will be balanced territorial development across the EU but what Cohesion Policy can do is to ensure that preconditions are there. And yes, at this stage some new Member States are in desperate need of infrastructure. There should be concentration of resources on the basis of the needs. (Terry Ward)

Questions from the floor

- *How realistic is it to use these results for new programmes given that the 2000-2006 was not marked by the crisis and now the economic situation is quite different than in the past programming period?*
 - The post crisis global economy will be more innovation driven. If we take the example of Slovenia, it is the only new Member State that increased R&D spending as an anti-crisis policy, and this is an example to follow. (Grzegorz Gorzelak)
 - Cohesion policy has become even more important in time of recession than any other moment. If you want us to evaluate alternatives, you have to tell us what they are. Two of them would be nationalising cohesion policy or have no such policy. Let us see what the preferred alternatives are. (Harvey Armstrong)
- *How did you know that we got real value for money for all the resources spent?*
 - We do not have the evidence to answer this question. Much better data and more evaluations not only at EU level would be needed. (Terry Ward)
- *How do we make sure that Cohesion Policy does link with various policy areas in the future?*
 - We need both sectoral and territorial policies. It is more a question of balance and how to translate the objectives into objectives that are meaningful on the ground. We want to draw innovation and environment into the future development of the EU (Dirk Ahner)
- *Institutional capacity is very important. In terms of policy results we should think of new mechanisms. It is a shame that there is not an evaluation on the integration of the different funds.*
 - Institutional capacity is crucial but the report does not even mention terms such as corruption, inefficiency or fraud while these are realities in some Member States. If cohesion policy leads to their alleviation it could be an indication of its success. (Grzegorz Gorzelak). However, the Work Package on Management

and Implementation systems identified existing weaknesses and areas where national administration can improve. (Terry Ward)

- Integration between different funds and European/national policies is a crucial issue and should be further analysed in order to assess how it is addressed on the ground. (Dirk Ahner)

Closing remarks: suggestions for the future

- A more performance based policy should be promoted. At European level there should be a focus on a limited number of clear goals. (Dirk Ahner)
- EU2020 should be translated into tangible and relevant measures to be carried out on the ground. (Terry Ward)
- The concept of balanced development should be replaced by an approach based on concentration of interventions in particular areas and dissemination of positive effects from agglomeration to the others – along with the doctrine of “concentration and diffusion”. (Grzegorz Gorzelak)
- Concerning evaluation, questions and data gathering needs should be well defined just before the implementation of interventions. (Dirk Ahner) More attention should be devoted to counterfactual evaluation and panel data analysis. (Harvey Armstrong)

Mr Dirk Ahner closed the Conference highlighting that evaluation is a fundamental tool for better policy making but it makes sense only if it is followed by discussions and if its results are disseminated. This event is just the beginning. A lot of work has been done but still some issues need to be addressed. To do that, an honest cooperation with Member States and regions is of fundamental importance.