

Demographic challenges and Cohesion Policy: findings and recommendations of the evaluation of the ERDF 2000-2007

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Outline of the intervention

Demographic change was not among the core priorities in the 2000-2006 programming period, however the ERDF focus on local development could have a relevant potential effect (both direct and indirect) on the capacity of regions to adapt to the demographic challenges.

The evaluation provides an assessment of the extent to which the ERDF supported regions in their adaptation to demographic changes, as well as a better understanding of what the ERDF interventions can deliver in terms of adaptation to demographic change in the future planning periods.

The study was based on:

- an extensive literature review on gender equality and demographic trends to derive the analytical framework and formulate the working hypothesis;
- the selection and analysis of those ERDF fields of interventions that, according to the literature review, were the most likely to influence, directly or indirectly demographic change. Research hypotheses were formulated on the magnitude and typology of effects that could be observed;
- the selection of twelve regional case studies and six good practices for field analysis to test the hypotheses. The regional case studies are representative of the different socio-economic conditions and policy approaches relating to demographic trends and gender equality present in the European Union.

Main findings

1. The literature review shows that the ERDF interventions supporting local development could indeed help addressing the demographic challenges at the local level. Demographic trends, besides the revision of social security, pension and health policies, require the adaptation of policies usually managed at the regional and local level, such as healthcare facilities and services, transport, housing and urban planning.
2. The regional case studies show that the demographic challenges have been mentioned in most regional strategies and have usually been considered in the context analysis of the ERDF OPs, but they find little further development in the implementation and evaluation systems. This was probably due to the difficulties for regional and local authorities to translate local needs into specific interventions within a framework of ERDF regulations that did not address these issues and did not identify them as explicit priorities.
3. However all regions have implemented measures which directly and/or indirectly address the demographic challenges. The ERDF interventions have supported the creation of social infrastructures (health care facilities and training facilities for the elderly, educational and community centres for young people and migrants), transport and ICT infrastructures reducing the

isolation of remote areas and improving their living conditions, urban/rural regeneration projects, improving the attractiveness of areas at risk of depopulation and/or supporting urban renewal and economic development. There is, however, little awareness and monitoring of these effects on demographic variables.

4. Little or no quantitative evidence is available on impacts, but qualitative evidence shows that women, the elderly and migrants are usually the main beneficiaries of these measures, even if often little attention has been paid to their specific needs in the intervention design and in defining the accessibility conditions, resulting in a weaker potential impact. More precisely:

- *Integrated urban/rural regeneration programmes* appear to have contributed to the improvement of the attractiveness of some areas, which could mitigate the migratory deficit (as in Saxony, Gelderland, Liguria and NPDC). This was especially so where the ERDF interventions were part of multi-year local development plans in synergy with regional and/or national programmes.
- *Transport and ITC interventions* have been a good pre-condition for improving access to services and employment, especially in remote and scarcely populated areas and in regions characterised by high internal disparities (as in Norra Norrland, Castilla, Ireland and Saxony). However, when their use was not directly targeted to specific population needs (such as those of the elderly and of women), their overall impact remained limited.
- *Social infrastructures* also appear to have contributed to restoring the attractiveness of isolated and/or degraded urban areas; however, they risked having a more limited impact when not integrated with economic measures in a wider strategic framework.
- *SMEs, NGOs and municipal authorities have been relevant players* in local development programmes. These actors, however, have often little awareness of the relevance of demographic change for local development and are usually able to implement only very small projects, difficult to sustain in the long run.
- In most cases, the ERDF intervention presented *high synergies with the ESF measures* supporting training and counselling services (complementing the ERDF provision for educational infrastructure and business support) and the *EQUAL projects* aimed at the social inclusion of the elderly, migrants and women. *EAGGF measures (Leader +)* supporting rural development also presented synergies with ERDF measures on local infrastructures and services for depopulated areas. In some regions the ERDF interventions were included in wider strategies of regional and local development, complementing national and regional measures and increasing their sustainability in the long run.
- There are strong interactions between support to demographic change and gender equality, as interventions in social infrastructures and in re-qualification projects in areas experiencing

depopulation or deprived urban areas were indirectly beneficial for women's employment and their work-life balance.

Main lessons learned

The implemented measures were more successful in those cases where a number of conditions were satisfied, such as a better focus on demographic priorities, the integration of ERDF interventions within other programmes implemented at the local level, the creation of effective public-private partnerships and the governance capacity of local and regional authorities.

The main *lessons* coming from the case studies to improve the effectiveness and sustainability of the ERDF interventions in relation to demographic change are related to the issues currently under discussion regarding the future of cohesion policy and integrated local development:

- The first is the *relevance of the regional and the local dimension* in addressing demographic change. These issues have indeed an important place-based nature: they are context-dependent and require interventions tailored to the local characteristics and needs. While all regions are increasingly confronted with the effects of demographic change, this happens with different intensity and different patterns which ask for different policy mix; in addition demographic trends require the adaptation of facilities and policies usually managed at the regional and local levels.
- The second is the importance of implementing *integrated and multilevel policy responses*, combining different measures (economic, social and environmental) at the local level, within broader regional and national development strategies, cutting across administrative boundaries. To avoid the fragmentation of interventions and to overcome the limitations due to the scarce financial resources available, ERDF measures have to be integrated into broader strategies which clearly address a demographic priorities and exploit possible synergies with national programmes and other co-financed programmes implemented at the regional/local level.
- *Targeting* measures to the specific needs of local areas (remote rural areas or congested, degraded urban districts) and population groups (such as the elderly, migrants, women) is another condition for effectiveness. This implies good knowledge of the local context and the capacity to integrate different measures according to local needs. It also implies the capacity to find "new" solutions to new challenges. For example, the ERDF interventions supporting SMEs and entrepreneurship should integrate financial aid with the provision of business services (such as training and marketing services) and environmental infrastructures. The ERDF interventions expanding and improving transport, ICT and social infrastructures should place greater attention on the accessibility needs of potential beneficiaries, especially the elderly, the disabled and women.
- Integrated local development programmes addressing the demographic challenges require *good governance capacities* at the local level, able to mobilise local resources and involve a wide range of local actors to generate innovations in policy making, besides the presence of effective multilevel governance mechanisms. Support from higher level institutions and the implementation of pilot

projects and guidelines for the design and implementation of local strategic plans may help institutional learning among local authorities (as in the Gelderland MOZC project and in the Saxony urban regeneration project).

Policy recommendations

- *Include ageing and migration among the core priorities of ERDF intervention.* These are relevant challenges for regional development and there is a scope for the ERDF to effectively address them. A European framework of common intervention principles and general objectives is also relevant when tackling these issues, because they cross-cut regions and nations;
- *Promote the adoption of a pro-active and integrated approach* to address demographic change, starting with easing the integration of the interventions financed by the Structural Funds and supporting the development of appropriate institutional frameworks with a clear division of responsibilities for different types of interventions.
- *Support management and implementation skills at the local level.* It is necessary to integrate financial support with technical assistance and capacity building among regional and local actors and managing authorities, especially when addressing complex issues such as the demographic challenges. The urban regeneration programmes presented in the Gelderland and Saxony mini-case studies provide useful insights in this respect, showing how national/regional and local authorities and actors have been effectively involved in the design and implementation of complex integrated programmes.
- *Promote innovation and exchange of experiences for institutional learning.* The Structural funds promoted innovation in policy making and institutional learning both at the national and regional/local level, especially in the case of well focused Community Initiatives (such as Urban, Leader +, Equal). To support a more proactive approach on demographic challenges, it would be particularly relevant to mobilise partnerships both at the local and at the cross border and inter regional level through the promotion of good practices exchange, with specific attention to pilot and innovative actions. Given the wide variety of experiences across EU regions and Member States, the dissemination of useful information on these experiences could be a way to support institutional learning.
- *Improve monitoring and evaluation tools* to support the planning and implementation of interventions through a learning process. The monitoring and evaluation of the demographic effects of the Cohesion policy may be supported and improved through the definition and dissemination of specific guidelines, the development and diffusion of specific indicators and tools to evaluate the (potential) demographic impact of interventions and the capacity to reach targets. Qualitative monitoring activities should also be implemented, to derive lessons on how and why results are (not) reached. Ex-post evaluations and participative evaluations, involving a broad range of key stakeholders, could offer support by drawing conclusions on how to overcome the critical aspects arising from the implementation of the planned interventions.