WP1: Synthesis report

Ex post evaluation of Cohesion Policy programmes 2007-2013, focusing on the European Regional Development Fund (ERDF) and the Cohesion Fund (CF)

Task 3 Country Report
Austria

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Report on the seminar with Member States on the effects of the crisis on Cohesion policy

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WP1: Synthesis report
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List of abbreviations

AIR Annual Implementation Report
ERDF European Regional Development Fund
ETC European Territorial Cooperation
EU European Union
GDP Gross Domestic Product
GDFCF Gross Domestic Fixed Capital Formation
MC Management Committee
MA Managing Authority
NSRF National Strategic Reference Framework
NUTS Nomenclature of Territorial Units for Statistics
OP Operational Programme
R&D Research and Development
RTD Research and Technological Development
SME Small and Medium Enterprise
### List of programmes and link to beneficiaries of ERDF and Cohesion Fund support

<table>
<thead>
<tr>
<th>CCI</th>
<th>Name of OP</th>
<th>Link to beneficiaries</th>
<th>Number of projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007AT162PO003</td>
<td>OP Vorarlberg 2007-2013</td>
<td><a href="http://www.vorarlberg.at/pdf/r57.pdf">link</a></td>
<td>87</td>
</tr>
<tr>
<td>2007AT162PO005</td>
<td>OP Kärnten 2007-2013</td>
<td><a href="http://kwf.at/downloads/deutsch/EU/Publizitaet_Kaernten.pdf">link</a></td>
<td>120</td>
</tr>
<tr>
<td>2007AT162PO006</td>
<td>OP Salzburg 2007-2013</td>
<td><a href="http://www.salzburg.gv.at/rwf-bequenstigte.pdf">link</a></td>
<td>139</td>
</tr>
<tr>
<td>2007AT162PO007</td>
<td>OP Steiermark 2007-2013</td>
<td><a href="http://www.innovation-steiermark.at/de/projekte/verzeichnis/Verzeichnisder-Beguenstigten_01.08.2014.pdf">link</a></td>
<td>1 193</td>
</tr>
</tbody>
</table>

Note: The web links above are to websites of the respective Managing Authorities who, under the rules governing the 2007-2013 programmes were required to publish the names of the beneficiaries of the funding allocated. The number of projects supported has been estimated on the basis of the information published on the website at the time when the data were downloaded. In the meantime the data concerned may have been updated. It may also be that the data have been moved to another part of the website, in which case the link may not work. If this is the case, those who wish to locate the data concerned will need to go to main OP website, as indicated by the beginning part of the link and search from there.
Map 1 Austria and NUTS 2 regions, GDP/head (PPS), 2014

Austria: GDP/head (PPS) by NUTS-2 region, 2014

Index, EU-27 = 100
- <= 50
- 50 - 75
- 75 - 90
- 90 - 100
- 100 - 125
- >= 125

Source: Eurostat, DG REGIO

NUTS2 boundaries

REGIOgis
Preliminary note

The purpose of the country reports is to provide for each Member State a short guide to the findings of the ex post evaluation of Cohesion policy programmes 2007-2013 undertaken by DG Regional and Urban Policy and an overview of the context in which the programmes were carried out. It is based on information produced by Task 1 and Task 2 of WP1 and on the country specific findings from the various WPs that form the ex post evaluation. These are listed below with an indication in brackets of the case studies carried out in the Member State concerned, if any.

WP0 – Data
WP1 – Synthesis
WP2 – SMEs, innovation and ICT
WP3 – Venture capital, loan funds
WP4 – Large enterprises (case study OP Steiermark)
WP5 – Transport
WP6 – Environment
WP8 – Energy efficiency
WP9 – Culture and tourism (case study Interreg Italy-Austria and two mini-case studies on the Transmuseum and Ciclovia Alpe Adria Radwek)
WP10 – Urban development and social infrastructure
WP11\(^1\) – European Territorial Cooperation
WP12 – Delivery system
WP13 – Geography of expenditure
WP14 – Impact modelling

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\(^1\) The findings from WP11 – European Territorial Cooperation are summarised in a separate report as part of Task 3 of WP1.
Executive summary

As a result of the economic and financial crisis, GDP in Austria declined between 2007 and 2009, like in most other Member States, but growth resumed quickly in the following two years. Nevertheless, since 2012, economic growth has been slow. Despite the crisis, employment continued to increase and the employment rate remained well above the EU27 average, the unemployment rate being one of the lowest in the EU. Except temporarily in 2009 and 2010, the public sector balance only saw a small deficit over the period, held down by fiscal consolidation measures.

Regional disparities remained relatively small in Austria over the programming period. However, Burgenland, the Phasing-out region receiving ERDF funding under the Convergence Objective, performed on average slightly better than other regions in terms of GDP per head, despite structural disadvantages.

Overall ERDF support to Austria amounted to EUR 646 million over the period, equivalent to just under 1% of overall government capital expenditure, though more in Burgenland than in other regions. Support was mostly concentrated on innovation, RTD and enterprises. Over the period, there were only small changes to the initial plans.

The rate of programme implementation, as reflected in payments in relation to the funding available, was relatively slow up to 2012. However, the payments rate increased significantly over the last three years of the period to reach 94% by the end of March 2016. This suggests that all the funding available was spent by the end of 2015.

Overall, around 47% of the ERDF direct support to enterprises is estimated to have gone to large enterprises, those with 250 or more persons employed, or in most cases subsidiaries of large enterprises. These were predominantly in manufacturing, a third of the latter in medium-high tech industries, and responsible for many of the jobs directly created over the period.

The support co-financed over the period contributed to the direct creation of nearly 11 thousand full-time equivalent jobs in gross terms, 879 of which were in research, achieved in part through the co-financing of 428 RTD projects and 59 cooperation projects between enterprises and research centres.

Overall, the additional investment supported is estimated to have increased GDP in Austria in 2015 by 0.55% over what it would have been in the absence of the policy. GDP in 2023 will be an estimated 0.6% higher as a result, even allowing for the contribution made by Austria to the financing of the policy.
1. The policy context and background

1.1. Macroeconomic situation

After a period of sustained economic growth between 2000 and 2007, GDP declined by 1.2% a year between 2007 and 2009 because of the global recession (Table 1). The economy recovered relatively quickly in the following two years with growth rates exceeding the pre-recession ones, if only slightly. Since 2012, however, growth remained hesitant. Since the budget deficit was relatively small before the crisis (Table 2), there was room for expansionary policies during the recession to support the economy. These policies enabled employment to increase over the crisis period despite the slow rate of growth of GDP, the employment rate rising by 1.5 percentage points between 2007 and 2015. In 2015, the employment rate was only slightly below the 75% target for the EU fixed in the Europe 2020 strategy.

As a consequence of the expansionary measures taken by the government to combat the effects of the crisis, the government deficit rose to 5.3% of GDP in 2009, which led to the EU Council decision to start the excessive deficit procedure\(^2\). Several fiscal consolidation packages were adopted in 2010 and in subsequent years\(^3\), which brought the deficit down to below 3% and contained the public sector debt. Nonetheless, in 2014 the debt-to-GDP ratio continued to rise due to a large extent to government support of the banking sector, to reach 85% of GDP in 2015.

1.2. Regional Disparities

Economic disparities between the 9 Bundesländer (NUTS 2 regions) are relatively small, with the exception of the small region of Burgenland in the east of the country (accounting for only just over 3% of the Austrian population). These disparities saw no significant change over the 2007-2013 programming period. Burgenland was the sole

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1. The procedure was started in December 2009 (Decision 2010/282/EU).
2. Measures were taken among others to reduce expenditure on pensions, subsidies and public servants’ salaries as well as to close loopholes in VAT collection.
region supported under the Convergence Objective (as a 'phasing-out’ region), its GDP per head being a third lower than the national average. Among the other 8 Länder, the capital region of Wien had the highest GDP per head, over 20% higher than the national average (and 40% higher than the EU average). This is mainly due, however, to the effect of commuting from neighbouring regions of Burgenland and Niederösterreich. Adjusted for commuting, differences in GDP per head across Austria are even smaller (see Country folder for Austria).

After a period of sustained growth, all the Bundesländer were affected by the crisis but to different extents. In Competitiveness regions, the contraction in GVA per head in 2007-2009 ranged from just over 3% in Oberösterreich to 5% in Kärnten. In the recovery phase which followed, growth in GVA per head over the period 2009-2011 varied from just over 2% in Wien to just under 7% in Oberösterreich. In Burgenland, the ‘phasing-out’ region, GVA per head fell less than in other regions during the recession, but growth was also slightly lower in the recovery period. Nevertheless, in 2014, GDP per head in Burgenland had risen to 68% of the national average from 64% in 2007.

However, the employment rate in Burgenland declined over the programming period. In 2015, at 73%, it was some 1.5 percentage points lower than in 2007, while in the other regions, the rate had risen by the same amount. It was, therefore, around 1 percentage point lower than the average for the rest of the country, whereas in 2007, it had been almost 2 percentage points higher. The unemployment rate, on the other hand, was also slightly lower in Burgenland than in other regions in 2015, implying a lower rate of participation of people of working age in the labour force, among men as well as women.

In addition, compared to other regions, a larger proportion of the work force was employed in agriculture and construction and a significantly smaller proportion in business and financial services. Burgenland also saw a much lower level of expenditure on R&D (only 1% of GDP as opposed to an average of 3% in other regions).

2. Main features of Cohesion Policy implementation

2.1. Nature and scale of Cohesion Policy in the country

The National Strategic Reference Framework (NSRF - in Austria called Strat.at) defined three main policy priorities: (1) promoting an innovation- and knowledge-based economy; (2) developing attractive regions and competitive enterprise locations; and, (3) increasing the adaptability and qualification of the work force.

ERDF and national policy priorities were closely interconnected, ensuring a strong integration of interventions. Although the ERDF support in Austria amounted to less than 0.1% of GDP over the period, it contributed significantly to regional innovation policies in several Länder, representing, in some cases, half of the budget available to regional agencies.

Austria received initially an allocation of EUR 680 million from the ERDF, an amount that was reduced over the period to EUR 646 million (Table 3). This is equivalent to just under 1% of Government capital expenditure and EUR 11 per head per year over the period. The funding going to Burgenland, however, was nearly 7 times larger, amounting to EUR 63 per head.

The priorities of the NSRF were translated into 9 regional programmes (one per Land) of which 8 under the Competitiveness Objective and one, Burgenland, as a Phasing-out region under the Convergence Objective. The latter region, with just over 3% of the total Austrian population received 19% of the funding.

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In more detail, programmes were largely focused on two NSRF priorities, innovation and knowledge-based economy, and competitive locations (Table 5). Nearly half of the funding available overall was allocated to innovation and RTD, while 30% went to support investment in enterprises and to promote entrepreneurship. The remaining
resources were allocated to the territorial dimension and energy, principally to energy efficiency measures in enterprises.

There was a net shift in funding across regions over the period from innovation and R&D to other investment in enterprises along with a much smaller reduction in funding for investment in human capital. The former reflects the fact that companies were less inclined in the crisis to invest in research and innovation because of the greater uncertainty attached to the future growth of markets, allied to the fact that firms found it more difficult to access finance from the market for investment. In other areas, the amounts shifted were relatively small and the overall division of funding between categories of expenditure was much the same as planned at the beginning of the period.

Table 5 Division of financial resources in Austria for 2007-2013 by category, initial (2007) and last (April 2016) and shift between categories

<table>
<thead>
<tr>
<th>Category</th>
<th>EUR million</th>
<th>% Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.Innovation &amp; RTD</td>
<td>373.6</td>
<td>309.5</td>
</tr>
<tr>
<td>2.Entrepreneurship</td>
<td>49.1</td>
<td>44.6</td>
</tr>
<tr>
<td>3.Other investment in enterprise</td>
<td>104.6</td>
<td>150.0</td>
</tr>
<tr>
<td>4.ICT for citizens &amp; business</td>
<td>18.6</td>
<td>14.3</td>
</tr>
<tr>
<td>5.Environment</td>
<td>11.2</td>
<td>14.2</td>
</tr>
<tr>
<td>6.Energy</td>
<td>30.2</td>
<td>32.7</td>
</tr>
<tr>
<td>7.Broadband</td>
<td>0.5</td>
<td>0.3</td>
</tr>
<tr>
<td>8.Road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.Rail</td>
<td>3.0</td>
<td>-</td>
</tr>
<tr>
<td>10.Other transport</td>
<td>5.4</td>
<td>6.0</td>
</tr>
<tr>
<td>11.Human capital</td>
<td>9.5</td>
<td>-</td>
</tr>
<tr>
<td>12.Labour market</td>
<td>1.2</td>
<td>0.5</td>
</tr>
<tr>
<td>13.Culture &amp; social infrastructure</td>
<td>12.5</td>
<td>12.1</td>
</tr>
<tr>
<td>14.Social Inclusion</td>
<td>1.6</td>
<td>1.6</td>
</tr>
<tr>
<td>15.Territorial Dimension</td>
<td>29.8</td>
<td>31.9</td>
</tr>
<tr>
<td>16.Capacity Building</td>
<td>16.2</td>
<td>15.8</td>
</tr>
<tr>
<td>17.Technical Assistance</td>
<td>12.9</td>
<td>12.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>680.1</strong></td>
<td><strong>645.8</strong></td>
</tr>
</tbody>
</table>

Note: ‘Added’ is the sum of additions made to resources in OPs where there was a net increase in the funding going to the category. ‘Deducted’ is the sum of deductions made to resources in OPs where there was a net reduction in funding. ‘Social inclusion’ includes measures to assist disadvantaged groups and migrants. ‘Territorial dimension’ includes support for urban and rural regeneration and tourist services and measures to compensate for climate conditions.

Source: DG Regional and Urban Policy, Inforegio database, April 2016

2.3. Policy implementation

Over the programming period, there were no changes in the EU co-financing rate suggesting that there was no particular difficulty in finding the national co-funding for programmes. There was however a cut in the amount of the ERDF provided (of EUR 69 million or 5.4% of the amount initially set) because administration bottlenecks with regard to eligibility issues delayed programme implementation and resulted in de-commitments which reduced the funding available by 5% (which amounted to over 10% in the case of the Steiermark regional OP) (Figure 1).

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5 The 17 categories shown in the table are aggregations of the more detailed 87 categories into which expenditure was divided in the period for reporting purposes.
The pace of the programme implementation was relatively slow up to the end of 2012, when the implementation rate, as indicated by Commission payments in relation to the overall funding available, was only just over 40%. Starting from 2013 the absorption of funding accelerated. At the end of March 2016, payments to Austria amounted to 94% of the funding available. Given the lag between expenditure on the ground and payments for it being claimed and made and the fact that 5% of funding is held back until all the expenditure is approved, this suggests that all the funding was spent by the end of 2015, in line with the regulations.
2.4. Delivery system (WP12)

An evaluation of the management and implementation of Cohesion policy over the 2007-2013 period was carried out by WP12. The programming phase was managed by a dedicated central body, the ÖROK (Österreichische Raumordnungskonferenz). By coordinating the whole process, it helped the Länder to build a common understanding of structural policies and to identify regional and sectoral priorities. Active participation in the regions resulted in a bottom-up approach in the design of the development strategies, making Austria one of the Member States with the highest level of regional involvement in the governance of Structural funds.

Nevertheless, several shortcomings with regard to financial management were observed as noted above. In particular, between 2011 and 2014, Austria had the largest proportional loss of ERDF funding of all Member States, essentially because of deficiencies at the level of the Audit Authority.

In addition, the role of the Monitoring Committee (MC) in supporting the implementation of the programmes turned out to be sub-optimal because of the excessive heterogeneity of its members due to its overly formal nature. In order to improve the performance of the MCs, sub-committees for specific priorities were set up with the ability to involve external experts.

3. The outcome of Cohesion Policy programmes – main findings from the ex post evaluation

The main findings summarised here come from the evaluations carried out under the Work Packages (WPs) of the ex-post Evaluation of Cohesion Policy 2007-2013 which covered in detail the following policy areas:

- Support to SMEs – increasing research and innovation in SMEs and SME development (WP2);
- Financial instruments for enterprises (WP3);
- Support to large enterprises (WP4);
- Transport (WP5);
- Environment (WP6);
- Energy efficiency in public and residential buildings (WP8);
- Culture and tourism (WP9);
- Urban development and social infrastructure (WP10);
- European Territorial Cooperation (WP11);
- Delivery system (WP12);
- Geography of expenditure (WP13);
- The impact of cohesion policy 2007-2013: model simulations with Quest III and Rhomolo (WP14).

All of these are relevant for Austria except the evaluation on the environment (WP6) which was focused on investment in water, wastewater and solid waste infrastructure to which there was no allocation of funding (largely because Austria for the most part already complied with the EU Directives in these areas). The evaluation of ETC (WP11), it should be noted, is the subject of a separate report. The findings of WP12

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were outlined above, while the estimates produced by WP13 on the allocation of funding and of expenditure between regions are not considered here\(^8\).

### 3.1. Enterprise support and innovation (WP2, WP3 and WP4)

The total funding going to enterprise support and innovation amounted to EUR 504 million, around 80% of the total ERDF support available. Nearly two third of this went to RTD and innovation projects, either in enterprises or in research centres, while the rest went to other investments in enterprises.

According to the data reported by MAs, by the end of 2014, 428 RTD projects had been co-financed, together with 59 cooperation projects between enterprises and research institutions, while the start-up of 76 new businesses had been supported. Overall, 10 880 gross full-time equivalent jobs were reported to have been directly created as a result of the support provided, along with 879 research jobs (see Table 6 at the end of this section). It should be emphasised, however, that these figures understate the achievements of projects over the period, as they do not cover the last year of expenditure (2015) and not all MAs reported all relevant outcomes of expenditure.

#### SME support, R&D and innovation (WP2)

During the 2007-2013 period, Austria recorded an increase in R&D expenditure as well as growth of value-added and employment in SMEs. R&D expenditure, in particular, went up from 2.4% of GDP to 3% over the period\(^9\). However, this did not happen everywhere. The Southern regions, which were more affected by the crisis, saw a reduction in in-house innovation by SMEs.

The ERDF was strongly focused on enterprise support, which accounted for around 80% of the ERDF available over the period, one of the largest shares among Member States. Nonetheless, the amount of national funding going to this policy area was consistently larger than the ERDF allocation (EUR 545.9 million), which illustrates the emphasis of development policies on such investment.

As in many other Member States, there was some shift of funding over the period, as a result of the crisis, from research and innovation to support of other investment in SMEs, as noted above, partly because of their reduced access to financial market funding. This was the case, in particular, in Burgenland and Steiermark (see Box below).

#### Financial Instruments for enterprises (WP3)

Only around EUR 10.3 million, or less than 2% of the overall ERDF going to business support, was allocated to FIs. As in other parts of the EU15, private funding played a significant role, amounting to 68% of national co-financing. At the end of 2014, all the funding allocated had been paid into the two funds set up, but less than half (49%) had reached final recipients.

FIs were funded in only two of the 9 OPs, in Burgenland (EUR 7.5 million) and Oberösterreich (EUR 2.8 million). The reason for using them to support enterprises was set out in the OPs in very general terms, namely, to address market failure. Interestingly, Austria was one of only 5 countries (the others being Finland, Malta, Sweden and Slovenia) to concentrate funding on venture capital (for enterprises in the early phases of development) and private equity funds (for more mature enterprises) and not to provide any support for loans or guarantees, which were by far the most common types of FI co-funded over the period.

#### Large enterprises (WP4)

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\(^9\) The European Innovation Scoreboard 2016 also indicates that Austria has innovation performance above the EU average, see: [http://ec.europa.eu/growth/industry/innovation/facts-figures/scoreboards_en](http://ec.europa.eu/growth/industry/innovation/facts-figures/scoreboards_en).
Despite the stated priority in the programmes of strengthening the competitiveness of SMEs and to preserve their employment, large enterprises received substantial support from the ERDF, predominantly in the form of non-repayable grants. A total of EUR 133 million went to large enterprises, defined as having 250 or more people employed across their operations, corresponding to 47% of the ERDF allocated to direct enterprise support, or 9.5% of the total funding available. Overall, 194 projects were co-financed in 148 large enterprises, so that on average more than one project received funding in each firm, in some cases two or three projects being supported. On average, each enterprise received EUR 0.9 million, which is less than the average of EUR 1.6 million observed in the 8 case studies carried out under WP4.\(^\text{10}\)

The great majority of the enterprises supported were subsidiaries of multinational companies, mostly domestic ones (45% of the total), while national companies (or those with branches only in Austria) made up just over a quarter of the total\(^\text{11}\)). In most cases, the enterprises supported operated in the manufacturing sector (84%), about a third of them in high- and medium-high tech industries. The funding was mainly concentrated in the regions bordering the EU12 Member States, essentially in Burgenland and Steiermark (EUR 50 million and EUR 32 million, respectively).

The main rationale for supporting large enterprises related to direct effects on employment and productivity and spill-over effects on local SMEs. However, the case study showed that, while the direct effects materialised to a substantial extent (e.g. by the end of 2013 large enterprises accounted for nearly 60% of the new jobs created), the wider, indirect effects on local SMEs were less clear (See Box).

### Steiermark case study\(^\text{12}\)

The funding from the ERDF allocated to large enterprises in Steiermark amounted to EUR 32.3 million or 24% of the overall ERDF funding for enterprises in Austria. In total, 72 projects were co-financed in 54 large enterprises and, unlike in the other parts of the country, the form of support was exclusively non-refundable grants. Although the majority of the enterprises supported (68%) had less than 250 employees at the site to which funding went, the large majority was part of a bigger corporation (75%).

The funding was mainly aimed at supporting technological investment and R&D activities. It was also expected to produce spill-over effects on SMEs and to contribute in this way to their development. However, this effect did not materialise as planned.

As a result of the intervention, EUR 621.55 million of investment was generated (as against a target of EUR 865 million) and 2 006 gross full time jobs were directly created (target 1 700). Research jobs were also created, mainly in large enterprises (93 out of 108 by end-2013), but this result is less than half of that initially planned.

The findings from the case study suggest that firms receiving technology investment support were able to improve their technology standards and to expand both their activities and exports, while firms receiving R&D investment support were able to increase their capacity to innovate. Although the support from the ERDF helped to accelerate the implementation of projects and, in some cases, to carry out larger ones, it was not the determining factor behind the decision to invest since many of the projects supported would have been carried out anyway or with other forms of public support.

### 3.2. Transport (WP5)

The investment co-financed in transport was marginal. Only the phasing-out region of Burgenland allocated anything to this sector, EUR 6 million in total, mainly for waterways. The planned funding of EUR 3 million for railways was shifted to other areas over the period.

\(^\text{10}\) However, an in-depth analysis of the ownership structure of the supported enterprises revealed that the majority of them were subsidiaries of larger corporations, de facto increasing the average amount received by each large enterprise (this is particularly true for the case of OP "Steiermark 2007-2013". See Box).

\(^\text{11}\) In practice, 72% of the large enterprises supported had less than 250 people employed at the site to which funding went, though 75% of the enterprises employed 1 000 or more across all their operations.

3.3. Energy efficiency in public and residential buildings (WP8)
The resources allocated to the expenditure category of energy efficiency, co-
generation and energy management amounted to EUR 6 million, less than 1% of the
total funding available. Investment in improving the energy efficiency of buildings
formed a major part of this investment (estimated to be just over half of the total\textsuperscript{13}).
In total, 18 projects were co-financed mainly through grants.

3.4. Culture and tourism (WP9)
Culture and tourism play a key role in the economy of the country. In the Alpine area,
most regions have a strong tourist sector - especially Tirol and Kärnten - but it is
characterised by strong seasonality (e.g. winter tourism in Tirol and summer tourism
in Kärnten). Support from the ERDF for culture and tourism in Austria amounted to
EUR 77.8 million, or 13.5% of total ERDF support available. All Austrian OPs, except
one, earmarked finance for the two policy areas.
A minor share of the ERDF was allocated to support culture and to develop tourist
activities (12% to each), while the main part of funding (76%) went to investment in
individual hotels and restaurants. Most of the funding was concentrated in mountain
areas and along the national borders – none of it was invested in urban areas - with
Burgenland, Tirol and Vorarlberg allocating the largest shares (of over 20% of the
ERDF available), Support was exclusively provided in the form of non-repayable
grants.
According to the MAs interviewed as part of the evaluation, the main motivation for
providing support to culture and tourism was to help diversify the regional economy,
mainly through investment in infrastructure but also through ‘soft’ measures (such as
territorial marketing)\textsuperscript{14}.

3.5. Urban development and social infrastructure (WP10)
Over the 2007–2013 period, EUR 21 million, or 3.6% of total ERDF support, was
allocated to these broad policy areas across the country as a whole. The projects
supported and their outcomes were not examined in detail by the evaluation.

3.6. ETC (WP11)
Austria was involved in four Interreg programmes financed under the Cross-border
cooperation strand of the ETC Objective. These were, respectively, with the Czech
Republic, Italy, Hungary, Slovenia and Slovakia. The ETC-funded programmes are
the subject of a separate report.

3.7. Impact on GDP (WP14)
In Austria, investment supported by cohesion and rural policies during 2007-2013
amounted to an annual average of 0.04% of GDP. The investment concerned is
estimated to have increased GDP in 2015, at the end of the programming period, by
around 0.55% above the level it would have been in the absence of the funding
provided, even after taking explicit account of the contribution made by Austria to the
financing of the policy\textsuperscript{15}. In 2023, 8 years later, GDP is still estimated to be 0.6% higher than the baseline forecast without the funding concerned. The impact is
estimated to be slightly higher in Austria than in the EU-15 on average where the

\textsuperscript{13} From a detailed study of selected OPs, WP8 estimated that around 54% of the funding going to this
expenditure category went to energy efficiency projects for public and residential buildings.

\textsuperscript{14} A case study on the Interreg Italy-Austria OP and two mini-case studies on the Transmuseum and Ciclovia
Alpe Adria Radweg projects were carried out as part of WP9. These are referred to in the ETC report.

\textsuperscript{15} Estimates by the Quest model, a new-Keynesian dynamic general equilibrium model in kind widely used in
economic policy research, developed by DG Economic and Financial Affairs to assess the effects of policies.
See The impact of Cohesion Policy 2007-2013: model simulations with Quest III, WP14a, final report,
short term effect is 0.3% compared to the situation without the policy and the long term effect just over 0.4%.

3.8. Overview of achievements

In addition, to the achievements reported above under the different WPs, support for investment in renewable energy added 111 Megawatts to the overall capacity to produce electricity from renewables (Table 6).

It should be emphasised that since not all MAs report all core indicators, and in some cases, only a minority, the figures tend to understate achievements, perhaps substantially. In addition, the data reported relate to the situation at the end of 2014, one year before the official end of the period in terms of the expenditure which can be financed, so that they also understate achievements over the programming period because of this.

Table 6 Values of core indicators for ERDF co-financed programmes in Austria for 2007-2013 period, as at end-2014

<table>
<thead>
<tr>
<th>Core Indicator Code</th>
<th>Core indicator name</th>
<th>Value up to end-2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Jobs created</td>
<td>10 880</td>
</tr>
<tr>
<td>4</td>
<td>Number of RTD projects</td>
<td>428</td>
</tr>
<tr>
<td>5</td>
<td>Number of cooperation projects enterprises-research institutes</td>
<td>59</td>
</tr>
<tr>
<td>6</td>
<td>Number of research jobs created</td>
<td>879</td>
</tr>
<tr>
<td>8</td>
<td>Number of start-ups supported</td>
<td>76</td>
</tr>
<tr>
<td>24</td>
<td>Additional capacity of renewable energy production (MW)</td>
<td>111</td>
</tr>
</tbody>
</table>

Note: The figures in the table are those reported by MAs in Annual Implementation Reports. Core indicators for which no data were reported by the Member State are not included.

Source: Annual Implementation Reports, 2014 and DG Regional Policy post-processing of these, August 2016