

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 Ireland

September 2016



The information and views set out in this report are those of the author(s) and do not necessarily reflect the official opinion of the Commission. The Commission does not guarantee the accuracy of the data included in this study. Neither the Commission nor any person acting on the Commission's behalf may be held responsible for the use which may be made of the information contained therein.

EUROPEAN COMMISSION

Directorate-General for Regional and Urban Policy Directorate B – Policy Unit B.2 Evaluation and European Semester

Contact: Violeta PICULESCU

 $\textit{E-mail:} \ Violeta. PICULESCU@ec.europa.eu$

European Commission B-1049 Brussels

WP1: Synthesis report (contract number 2014CE16BAT016)

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

Ireland

September 2016

Europe Direct is a service to help you find answers to your questions about the European Union.

Freephone number (*):

00 800 6 7 8 9 10 11

(*) The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

LEGAL NOTICE

This document has been prepared for the European Commission however it reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

More information on the European Union is available on the Internet (http://www.europa.eu). Luxembourg: Publications Office of the European Union, 2016

ISBN [number]
doi:[number]

© European Union, 2016

Reproduction is authorised provided the source is acknowledged.



CONTENTS

LIST OF ABBREVIATIONS	5
LIST OF PROGRAMMES AND LINK TO BENEFICIARIES OF ERDF AND COHESION FUND SUPPORT	6
PRELIMINARY NOTE	
EXECUTIVE SUMMARY	9
1. THE POLICY CONTEXT AND BACKGROUND	10
1.1. Macroeconomic situation	10
1.2. Regional Disparities	11
2. MAIN FEATURES OF COHESION POLICY IMPLEMENTATION	11
2.1. Nature and scale of Cohesion Policy in the country	11
2.2. Division of funding between policy areas and changes over the period	
2.3. Policy implementation	13
2.4. Delivery system (WP12)	15
3. THE OUTCOME OF COHESION POLICY PROGRAMMES - MAIN FINDINGS FROM THE EX POST EVALUATION	15
3.1. Enterprise support and innovation (WP2, WP3 and WP4)	15
3.2. Transport (WP5)	
3.3. Environmental infrastructure (WP6)	16
3.4. Culture and tourism (WP9)	16
3.5. Urban development and social infrastructure (WP10)	16
3.6. ETC (WP11)	
3.7. Impact on GDP (WP14)	17
3.8. Overview of achievements	17

List of abbreviations

AIR	Annual Implementation Report
ERDF	European Regional Development Fund
EU	European Union
ETC	European Territorial Cooperation
GDP	Gross Domestic Product
GDFCF	Gross Domestic Fixed Capital Formation
MA	Managing Authority
MC	Management Committee
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



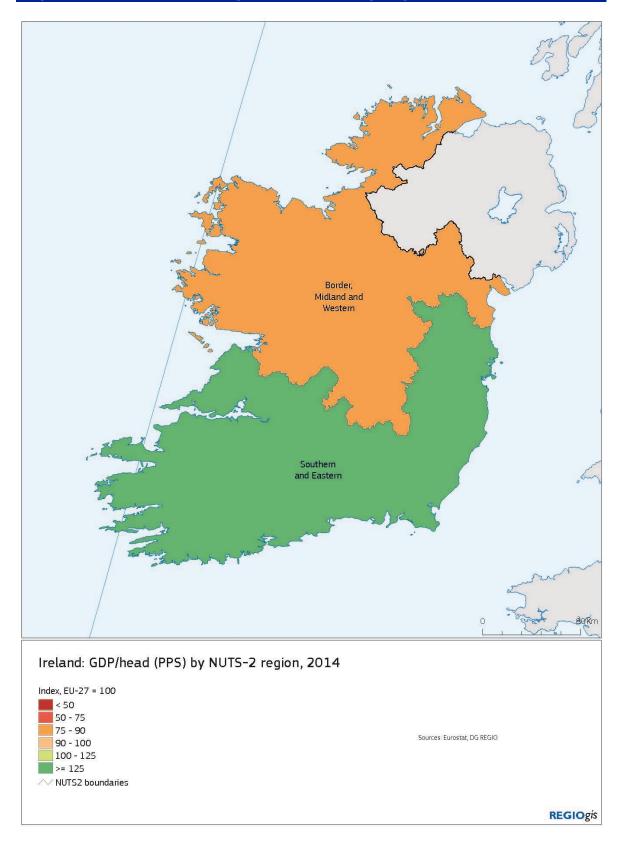
List of programmes and link to beneficiaries of ERDF and Cohesion Fund support

ссі	Name of OP	Link beneficiaries	Number of projects
2007IE162PO001	OP Border, Midland and Western Operational Programme	http://nwra.ie/operational-programme-2007- 2013-2/	3 207
2007IE162PO002	OP Southern and Eastern Operational Programme	http://www.southernassembly.ie/en/info/projects	n.a.

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 Ireland and NUTS 2 regions, GDP/head (PPS), 2014





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.

WPO - Data

WP1 - Synthesis

WP2 - SMEs, innovation and ICT

WP3 - Venture capital, loan funds

WP4 - Large enterprises

WP5 - Transport

WP6 - Environment

WP8 - Energy efficiency

WP9 - Culture and tourism

WP10 - Urban development and social infrastructure

WP11¹ – European Territorial Cooperation (case studies Northern Ireland, the-Border region of Ireland and the Western Coast of Scotland and Atlantic Area programme)WP12 – Delivery system

WP13 - Geography of expenditure

WP14 - Impact modelling

 $^{^{1}}$ The findings from WP11 – European Territorial Cooperation are summarised in a separate report as part of Task 3 of WP1.



Executive summary

The effect of the financial crisis on the Irish economy was dramatic, GDP growth which averaged over 5% a year over the 2000-2007 turning into a decline of 4% a year in the two years 2007-2009. Although growth resumed in the following years, it was relatively slow up until 2014, when GDP began to grow again at rates similar to those in the pre-crisis period. The recession had a marked effect on employment, the proportion of working-age population in work falling by 10 percentage points between 2007 and 2011 and unemployment climbing from under 5% of the labour force to almost 15%. Though employment began to increase after 2011, the employment rate in 2015 was still 5 percentage points less than in 2007 and the unemployment rate still over 9%.

The impact of the recession on public finances was also substantial. The budget which was close to balance in 2007 was pushed into large deficit. This amounted to almost 14% of GDP in 2009, which together with the substantial support needed to prevent domestic banks from failing, led the Government to request financial assistance from the International Monetary Fund, the European Commission and the European Central Bank. A period of severe fiscal consolidation measures were required in return and the budget deficit was reduced to 2% of GDP by 2015. Although public sector debt was reduced at the same time, it was still around 90% of GDP at the end of the period. Public investment was cut back severely as part of the consolidation measures, being reduced from almost 5% of GDP in 2007 to under 2% in 2013 (as well as in 2015).

There is a pronounced disparity between the Southern and Eastern region, where Dublin is situated, and the Border, Midland and Western one, which is more rural. Although both regions were hit strongly by the financial crisis, the Border, Midlands and Western region has been slightly slower to recover.

In total, support from the ERDF amounted to EUR 375 million over the period, equivalent to 0.7% of public expenditure and an average of just EUR 12 per head of population per year. The rate of implementation of programmes, as reflected in payments from the Commission in relation to the funding available, was relatively stable over the period and by the end of March 2016, 95% of the funding available had been spent within the period allowed.

Funding was strongly focused on innovation and enterprise support and, to a lesser extent, on investment in transport. Cutbacks in public expenditure caused shifts of funding across policy areas. In particular, funding was reduced for urban development and increased for innovation and RTD, mainly to help firms hit by the credit crunch, and to a lesser extent for Transport.

Overall, the measures co-financed over the period led directly to the creation of 6 833 jobs, most of them in SMEs and around 1 000 in research. This was achieved in part through the support given to 8 315 projects to help firms finance investment. In addition, funding led to the upgrading of 33 km of roads.

The additional investment funded is estimated to have increased GDP in Ireland in 2015 by 0.3% over what it would been in the absence of the policy, after taking account of the Irish contribution to its financing, and GDP in 2023 will be an estimated 0.3% higher as a result of the investment.



1. The policy context and background

1.1. Macroeconomic situation

The financial crisis hit the Irish economy hard. After growth averaging over 5% a year over the 2000-2007 period, GDP declined by 4% a year over the two years 2007-2009 (Table 1). Growth resumed over the subsequent four years but at a slow rate and it was not until 2014 that the rate picked up, rising to a similar level as before the crisis.

The effect of the recession was to reduce employment markedly, the proportion of those aged 20-64 in work declining by 7 percentage points between 2007 and 2009 and by a further 3 percentage points in the following two years. As a result, the unemployment rate climbed from under 5% of the labour force to nearly 15% in 2011. Employment increased after 2011 as growth resumed but in 2015, the employment rate was still 5 percentage points below what it had been in 2007 and although unemployment came down, it was not much below 10% at the end of the period. Throughout the period, therefore, job creation was a primary concern of government.

Table 1 GDP growth, employment and unemployment, Ireland and the EU, 2000- 2015

	2000-07	2007-09	2009-11	2011-13	2013-14	2014-15	
GDP growth	(Annual average % pa)						
Ireland	5.5	-3.9	1.5	0.8	5.2	6.9	
EU average	2.3	-2.0	1.9	-0.1	1.4	1.9	
_	2000	2007	2009	2011	2013	2015	
Employment rate (% 20-64)							
Ireland	70.1	73.8	66.9	63.8	65.5	68.7	
EU average	66.5	69.8	68.9	68.6	68.4	70.1	
Unemployment rate (% lab	Jnemployment rate (% lab						
force)							
Ireland	4.3	4.7	12.0	14.6	13.0	9.4	
EU average	9.2	7.1	8.9	9.6	10.8	9.3	

Source: Eurostat, National accounts and Labour Force Survey

The recession also had a profound effect on public finances (Table 2). A budget which was broadly in balance in 2007 was transformed into one with a deficit of 14% of GDP in 2009. The borrowing required to finance this, together with the substantial amount needed to prop up domestic banks which were in danger of failing, led the Government to request financial assistance from the International Monetary Fund, the European Commission and the European Central Bank. A condition for this was that the budget deficit should be reduced to 3% of GDP by 2015. Accordingly, a series of fiscal consolidation measures were taken in the following years to bring down the deficit, to large extent by reducing public expenditure. Public investment in particular was cut back, being reduced from close to 5% of GDP in 2007 to less than 2% in 2013, well below the EU average and one of the lowest levels in the EU. It remained at this level in 2015. Through much the period, therefore, the development expenditure undertaken was considerably smaller than in earlier years.

Table 2 Government budget balance, accumulated debt and investment, Ireland and the EU, 2000-2015

	2000	2007	2009	2011	2013	2015	
Public sector balance			(% GI	DP)			
Ireland	4.9	0.3	-13.8	-12.6	-5.7	-2.3	
EU average	0.0	-0.9	-6.7	-4.5	-3.3	-2.4	
Public sector debt	Public sector debt						
Ireland	36.1	23.9	61.8	109.1	120	93.8	
EU average	60.6	57.9	73.1	81.1	85.5	85.2	
General Govt investment							
Ireland	3.5	4.6	3.7	2.4	1.8	1.8	
EU average	2.9	3.2	3.7	3.3	3.0	2.9	

Source: Eurostat Government financial accounts



1.2. Regional Disparities

There is pronounced regional divide between the Southern and Eastern region and the Border, Midland and Western Ireland one. The former includes Dublin, which is a centre for financial and business services and a location for many multinational companies, as well as Cork, the second largest city in the country, while the latter is predominantly rural, much of it without towns of any size. In 2006 immediately before the start of the programming period, the Border, Midlands and Western region had a GDP per head of only 64% of that of the Southern and Eastern region (see Country folder for Ireland). This was more than in 2000 (when it was 60% of the latter) at the beginning of the previous period. There was some narrowing of disparities over this period, when the EU funding going the Border, Midlands and Western region was much larger than in the following period because it had Objective 1 status. Moreover, for the early part of the period (up to 2003), Ireland was also in receipt of the Cohesion Fund.

In the 2007-2013 period, the region was given the status of a 'Phasing-in' region under the Competitiveness and Employment Objective and received substantially less funding from the EU. Over the period, both regions were hit similarly hard by the financial crisis, the Southern and Eastern partly because of cutbacks in expenditure on public administration. The latter region, however, recovered more strongly from the recession than the Border, Midland and Western Ireland region and in 2015, GDP per head in the latter was lower in relation to the former than 9 years earlier (59% of the former instead of 64%).

The employment rate also declined by slightly more over the period in the Border, Midlands and Western region and unemployment increased by more (in 2015, unemployment stood at 10.6% of the labour force as against 9% in the Southern and Eastern region).

2. Main features of Cohesion Policy implementation

2.1. Nature and scale of Cohesion Policy in the country

The priorities of the Irish National Strategic Reference Framework (NSRF) for the 2007-2013 period were: (1) promoting human capital investment increasing the participation and setting up of groups outside the workforce, which was co-financed by the ESF; (2) supporting innovation, knowledge and entrepreneurship in the regions; (3) strengthening the competitiveness, attractiveness and connectivity of the National Spatial Strategy (or securing more balanced regional development).

Cohesion policy had played a significant role in supporting the development of the Irish economy in the two previous programming periods. The funding was reduced substantially in the 2007-2013 period as a result of the country's high rate of growth over the preceding decade, which had increased GDP per head in PPS terms to well above the EU average.

In total, EU funding over the period amounted to EUR 375.4 million (Table 3). This is equivalent to just 0.7% of Government capital expenditure and to an average of only EUR 12 per head of population a year over the period, slightly less than the average in other Competitiveness regions in the EU15.

The NSRF priorities set out above were pursued through two regional Operational Programmes: the Border, Midland and Western OP, which received about 60% of the funding available, and the Southern Eastern OP. Since only around 27% of the country's population lived in the former region, funding per head was substantially larger, though much smaller than in the previous period.



Table 3 ERDF and national co-financing for the 2007-2013 period in Ireland, initial (2007) and last (April 2016)

		20	07		2016			
	EU funding	National public funding	National private funding	Total	EU funding	National public funding	National private funding	Total
EUR million								
Competitiveness	375.4	563.5	-	938.9	375.4	449.2	-	824.5
Change, 2007-2014								
Competitiveness					-	-114.4	-	-114.4
% GDP	0.03	0.05	-	0.08	0.03	0.04	-	0.07
% Govt. capital expend	0.7	1.0	-	1.7	0.7	0.8	-	1.5
Per head (EUR) pa Competitiveness	11.8	17.7	-	29.5	11.8	14.1	_	25.9
EU15								
% GDP	0.13	0.09	0.01	0.24	0.13	0.06	0.01	0.21
% Govt. capital expend Per head (EUR) pa	3.1	2.0	0.3	5.5	3.1	1.4	0.3	4.8
Competitiveness	16.1	15.0	3.1	34.1	15.9	12.6	3.2	31.8

Note: EU funding relates to decided amounts as agreed in 2007 and as at 14 April 2016. The figures for % GDP and % Govt. capital expenditure relate to funding for the period as % of GDP and Govt. capital expenditure aggregated over the years 2007-2013. Govt. capital expend is the sum of General Government gross fixed capital formation and capital transfers. The EU15 figures are the total for the EU15 countries for comparison.

Convergence and Competitiveness categories for EU15 include the Phasing-out and Phasing-in regions, respectively. For Ireland, the Phasing-in region of Border, Midland and Western is included in the Competitiveness category.

Source: DG Regional and Urban Policy, Inforegio database and Eurostat, national accounts and Government statistics

2.2. Division of funding between policy areas and changes over the period

Over 40% of the funding available was allocated to innovation and RTD, while around 11% went to other investment in enterprises (Table 4)². A relatively large share of funding (22%) also went to support investment in transport, mainly in roads.

Over the programming period, there were a substantial shifts of funding mainly from urban development (included in the 'territorial dimension' in Table 4) and energy to innovation and RTD and transport, again mainly to roads. The increased funding for innovation and RTD was intended to help firms hit by the crisis and to ease their difficulty of obtaining credit from banks to maintain investment. The shift of funding from urban development to roads was partly to facilitate expenditure.

² 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.



Table 4 Division of financial resources in Ireland for 2007-2013 by category, initial (2007) and last (2016) and shift between categories

	EUR million						otal
Category	2007	2016	Added	Deducted	Net shift	2007	2016
1.Innovation & RTD	114.6	155.2	40.6	-	40.6	30.5	41.3
2.Entrepreneurship	-	=	_	-	-	-	-
3.Other investment in							
enterprise	42.0	40.0	-	-2.0	-2.0	11.2	10.7
4.ICT for citizens & business	16.0	15.5	-	-0.5	-0.5	4.3	4.1
5.Environment	8.0	20.5	16.5	-4.0	12.5	2.1	5.5
6.Energy	38.0	15.5	-	-22.5	-22.5	10.1	4.1
7.Broadband	20.0	18.5	-	-1.5	-1.5	5.3	4.9
8.Road	20.0	63.5	43.5	-	43.5	5.3	16.9
9.Rail	6.4	16.8	10.4	-	10.4	1.7	4.5
10.Other transport	16.4	3.6	_	-12.8	-12.8	4.4	1.0
11.Human capital	-	-	-	-	-	-	-
12.Labour market	-	-	-	-	-	-	-
13.Culture & social							
infrastructure	-	0.5	0.5	=	0.5	-	0.1
14.Social Inclusion	-	-	-	-	-	-	-
15.Territorial Dimension	85.0	22.4	-	-62.6	-62.6	22.6	6.0
16.Capacity Building	-	=	_	-	-	-	-
17.Technical Assistance	9.0	3.4	-	-5.6	-5.6	2.4	0.9
Total	375.4	375.4	111.5	-111.5	-	100.0	100.0

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

In the course of the programming period, the EU co-financing rate was increased from 40% to 46% in response to the Irish government's difficulty in finding the necessary co-funding to enable expenditure on programmes to go ahead given the cutbacks in public expenditure required as part of the international support package. In consequence, the overall funding available for investment over the period was reduced by around EUR 114 million, 12% of the amount initially planned, because of the cutback in the government's contribution (Figure 1).



1000 **EUR 939 mn** 900 **EUR 825 mn** 800 700 **EUR 449 mn EUR 564 mn** 600 National Private Funding 500 ■ National Public Funding ■EU funding 400 300 200 40% 46% EUR 375 mn **EUR 375 mn** 100 0 Initial Final

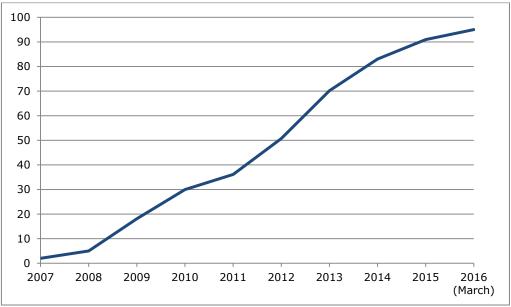
Figure 1 Total funding going to expenditure on Cohesion policy programmes for the 2007-2013 period, initial planned amount and final amount (EUR mn)

Source: DG Regional Policy financial data, 14 April 2016

The rate of implementation of programmes, as measured by payments from the Commission in relation to the overall amount of ERDF, increased after 2011 when the national co-financing rate was reduced (Figure 2). By the end of March 2016, 95% of the funding available had been paid to MAs, implying that all the funding had been absorbed by the end of 2015 as required by the regulations, given the lag in payments and the 5% of funding held back until all the expenditure is approved.

Figure 2 Time profile of payments from the ERDF to Ireland for the 2007-2013 period (% of total funding available)

100 _____



Source: DG Regional Policy financial data, end-March 2016



2.4. Delivery system (WP12)

An evaluation of the management and implementation of Cohesion policy over the 2007-2013 period was carried out by WP12³. It found that in Ireland, the administrative structure ensured flexibility in procedures to ensure an effective response to unexpected issues arising and that Ireland was a good example of the way that projects should be selected for funding. In particular, specific bodies were used for the organisation of calls for proposals and the project selection procedures in order to ensure that the selection procedures were handled in a professional and unbiased way.

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 overall ex-post evaluation exercise. These 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 Ireland except the evaluation of financial instruments (WP3), which were not used as a means of providing ERDF support in Ireland, the evaluation of large enterprises (WP4), which was confined to those countries which allocated significant amounts of funding to large enterprises, which was not the case for Ireland, and the evaluation of energy efficiency in public and residential buildings (WP8), where again the amount going to support of this was very small in Ireland. The evaluation of ETC (WP11), it should be noted, is the subject of a separate report. The findings of WP12 were outlined above, while the estimates produced by WP13 on the allocation of funding and of expenditure between regions are not considered here⁴.

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

The funding allocated to specific projects in this broad policy area amounted to EUR 195 million, just over half of the total ERDF going to Ireland for the 2007-2013 period. Most of the funding (80%) was earmarked for RTD and innovation rather than for other investment in enterprises.

³ The WP12 report is published at http://ec.europa.eu/regional_policy/en/policy/evaluations/ec/2007-2013/#1?.

⁴ They are available at: http://ec.europa.eu/regional-policy/en/policy/evaluations/ec/2007-2013/#1.



Up to the end of 2014, the ERDF had helped to start up 76 new businesses and invested directly in 8 315 projects in SMEs. Partly as a result of this, 6 065 full-time equivalent jobs in SMEs had been created along with 1 002 jobs in research.

SME support, R&D and innovation (WP2)

The European Innovation Scoreboard indicates that Ireland has for some time had an innovation performance above the EU average⁵. Nevertheless, support of RTD and innovation was a major priority over the period. Indeed, funding was increased for this in the course of the programming period, some EUR 40 million being added to the initially planned amount, increasing this by around 35%.

There is evidence from the WP2 evaluation that ERDF support to SMEs, which was cofunded by County Enterprise Boards through repayable grants and equities, helped to compensate for the limited access of SMEs to finance from banks after the crisis struck and, accordingly, helped to keep many of them in business as well as preventing an even larger fall in investment.

3.2. Transport (WP5)

Some EUR 84 million, 22% of the funding available, was allocated to investment in transport over the period, almost double the amount initially planned. Most of the funding (around 75%) went to the construction of roads, mainly in the Border, Midlands and Western region to improve the secondary road network, with only a relatively small amount going to rail and other forms of transport (just EUR 17 million and less than EUR 4 million to the second). In total, the projects undertaken are reported to have led to the upgrading of 33 km of existing roads in the country up to the end of 2014, though this may well be an under-statement both because of under-reporting and the probability that some of the projects were still to be completed.

3.3. Environmental infrastructure (WP6)

Some EUR 20.5 million, or 5.5% of the total funding available, was allocated to Environment over the period. Over 75% of this went to environmental infrastructure, which was the focus of the evaluation carried out under WP6, in particular to investment in water supply and wastewater treatment. The projects co-financed were aimed at improving the quality of drinking water as well as extending the network of mains water pipelines and upgrading the treatment of sewage in order to comply with EU Directives in these areas.

3.4. Culture and tourism (WP9)

A relatively small amount of funding, EUR 5.1 million or only just over 1% of the total funding available and less than in any other EU country, was set aside for Culture and tourism, which were not considered a priorities in the period⁶. Most of the funding (85%, EUR 4.4 million) went to investment in tourism, mostly to the 'protection and development of the natural heritage' and predominantly in the Border, Midlands and Western region, which took place exclusively in rural areas. On the contrary, the funds allocated to the culture sector (EUR 0.9 million) were entirely invested in the 'protection and preservation of the cultural heritage' located in urban settings.

3.5. Urban development and social infrastructure (WP10)

Some EUR 24 million of the funding, or 6% of the total, was allocated to urban development and social infrastructure, the focus of WP10, over the period. This is considerably less than initially planned because of cutbacks in national funding, concentrated in the Border, Midlands and Western region, which, accordingly, led to the ERDF being shifted to other policy areas. In practice, all of the funding was invested in urban regeneration national projects and none at all in social

⁵ European Commission, Regional Innovation Scoreboard 2016, http://ec.europa.eu/growth/industry/innovation/facts-figures/scoreboards_en.

⁶ Croatia was not included in the WP9 reports.



infrastructure. The projects in question, however, and their outcomes were not examined in detail by the WP10 evaluation.

3.6. ETC (WP11)

Ireland was involved in three programmes financed under the Cross-border Cooperation strand of the ETC Objective. These were all with the UK. The ETC-funded programme are the subject of a separate report.

3.7. Impact on GDP (WP14)

The funding going to Cohesion and rural development policies over the 2007-2013 period amounted to only 0.04% of GDP a year. Nevertheless, the additional investment financed is estimated to have increased GDP in 2015, at the end of the programming period, by around 0.3% above the level it would have been in the absence of the funding provided, even after taking explicit account of the contribution made by Ireland to the financing of the policy⁷. It sis further estimated that in 2023, 8 years after the funding coming to an end, GDP will also be i0.3% higher as a result of the investment concerned, not only in Ireland but in other parts of the EU (the benefit to Ireland stemming from the increased trade generated).

3.8. Overview of achievements

Table 5 summarises the data reported by MAs in Ireland on core indicators, which were intended to give an idea of the outcome of the programmes supported. It shows that, in addition, to the achievements reported above under the different WPs, support for investment in broadband helped to give 153 378 more people access to broadband.

As noted above, it should be emphasised that since not all MAs report all of the 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 could be financed, so that they also understate achievements over the programming period because of this.

Table 5 Values of core indicators for ERDF co-financed programmes in Ireland for 2007-2013period, as at end-2014

Core Indicator		Value up to end-
Code	Core indicator name	2014
1	Number of FTE jobs created	6 833
6	Number of research jobs created	1 002
7	Number of direct investment aid projects to SMEs	8 315
8	Number of start-ups supported	76
9	Number of Jobs created in SMEs (gross, full time equivalent)	6 065
12	Number of additional population covered by broadband	153 378
16	km of reconstructed roads	33

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

⁷ 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, http://ec.europa.eu/regional_policy/sources/docgener/evaluation/pdf/expost2013/wp14a_final_report_en.pdf.



doi: number