



# 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

### The Netherlands

September 2016



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**WP1: Synthesis report  
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## List of abbreviations

AIR	Annual Implementation Report
ERDF	European Regional Development Fund
EU	European Union
GDP	Gross Domestic Product
GDFCF	Gross Domestic Fixed Capital Formation
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

CCI	Name of OP	Link beneficiaries	Number of projects
2007NL162PO001	OP Noord 2007-2013	<a href="http://www.snn.eu/upload/documenten/efro-projecten-20-2-2015.pdf">http://www.snn.eu/upload/documenten/efro-projecten-20-2-2015.pdf</a>	137
2007NL162PO002	OP West 2007-2013	<a href="https://www.europaomdehoek.nl/projecten/">https://www.europaomdehoek.nl/projecten/</a>	n.a.
2007NL162PO003	OP Zuid 2007-2013	<a href="http://www.europaomdehoek.nl/open-data">http://www.europaomdehoek.nl/open-data</a>	110
2007NL162PO004	OP Oost 2007-2013	<a href="https://www.europaomdehoek.nl/projecten/">https://www.europaomdehoek.nl/projecten/</a>	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 The Netherlands and NUTS 2 regions, GDP/head (PPS), 2014



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

- Index, EU-27 = 100
- < 50
  - 50 - 75
  - 75 - 90
  - 90 - 100
  - 100 - 125
  - >= 125
- ∕ NUTS2 boundaries

Sources: Eurostat, DG REGIO



## **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.*

*WP0 – 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*

*WP11<sup>1</sup> – European Territorial Cooperation (case study Interreg IVA Germany-The Netherlands)*

*WP12 – Delivery system (case study ERDF OP West Netherlands - ETC NL/DE – National ESF OP)*

*WP13 – Geography of expenditure*

*WP14 – Impact modelling*

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<sup>1</sup> 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 global recession in 2008-2009 on the Dutch economy was less severe than on many other EU countries but the contraction in GDP between 2011 and 2013, after an initial recovery from the recession, was larger than average. In the following two years, however, GDP growth was similar to that in the rest of the EU. The effect of the recession was to reduce the employment rate, though with a lag of a year or two, so that by 2013, the proportion of those aged 20-64 in work was 2 percentage points less than in 2007 (though still well above the EU average) and unemployment had risen from 3% of the labour force to 7%.

The recession had a more immediate impact on the public sector financial balance which partly as a result of the expansionary measures taken was transformed from a small surplus in 2007 to a deficit of over 5% of GDP in 2009. Fiscal consolidation measures, including cutbacks in government investment, reduced this to 2% of GDP by 2015.

The Dutch economy, with a GDP per head above the EU15 average, is characterised by only small disparities between regions (all regions received support under the Competitiveness and Employment Objective for 2007-2013). The main disparity is between the central and peripheral regions and this changed relatively little over the period. The rise in unemployment affected all the regions.

The ERDF for the period 2007-2013 amounted to EUR 830 million, or just under 0.4% of government capital expenditure, equivalent to EUR 7 per head of population each year. The implementation rate of programmes, as reflected in payments from the EU in relation to the funding available, was relatively constant over the period, apart from an initial delay. By March 2016, payments amounted to 88% of available funding.

The ERDF mainly went to innovation and RTD and support of SMEs and to a lesser extent to urban development, tourism, the environment and energy. Despite the economic and financial crisis, the division of funding between policy areas remained substantially unchanged over the period, maintaining the focus on long-term development objectives.

Overall, the measures co-financed over the period led directly to the creation of over 18 000 jobs and supported the start-up of over 6 000 new businesses. In all, 3 700 projects were undertaken to help firms finance investment and funding was provided for 550 RTD projects and around 500 projects to support cooperation between enterprises and research centres, while investment in urban regeneration led to the rehabilitation of around 9 square km of land, mainly in the Noord region.

Cohesion policy, together with regional development policy, is estimated to have a net positive effect on GDP, even after allowing for the contribution made by the Netherlands to their financing. In particular, GDP in 2023 will be an estimated 0.2% higher than it would be without these policies.



## 1. The policy context and background

### 1.1. Macroeconomic situation

After a period of sustained economic growth over the 2000-2007 years (2% a year on average), the global recession led to an abrupt halt and GDP declined between 2007 and 2009, though by less than in most other EU Member States (by just over 1% a year on average). GDP recovered over the next two years 2009-2011 but it fell again in 2011-2013, this time by more than in most other countries (Table 1). In the subsequent two years, 2014-2015, growth resumed at much the same rate as in the pre-recession period.

The effects of the recession on the labour market were delayed. It was not until after 2009 that the employment rate declined, falling by over 2 percentage points between 2009 and 2011 despite the economic recovery and falling further slightly to just under 76% of the population aged 20-64 by 2013, though it remained well above the EU average. While unemployment, reflecting the employment rate, remained much the same during the recession, it increased to just over 7% of the labour force by 2013, still below that in most other parts of the EU. It then declined slightly between then and 2015 as the employment rate rose.

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

	2000-07	2007-09	2009-11	2011-13	2013-2014	2014-15
<b>GDP growth</b>	<i>(Annual average % pa)</i>					
Netherlands	2.0	-1.1	1.5	-0.8	1.0	2.0
EU average	2.3	-2.0	1.9	-0.1	1.4	1.9
	2000	2007	2009	2011	2013	2015
<b>Employment rate (% 20-64)</b>						
Netherlands	74.2	77.8	78.8	76.4	75.9	76.4
EU average	66.5	69.8	68.9	68.6	68.4	70.1
<b>Unemployment rate (% lab force)</b>						
Netherlands	2.7	3.2	3.4	5.0	7.2	6.9
EU average	9.2	7.1	8.9	9.6	10.8	9.3

Source: Eurostat, National accounts and Labour Force Survey

The recession had a quicker effect on public finances. The budget which was broadly in balance in 2007 was transformed into a deficit of over 5% of GDP in 2009 as a result of the decline in economic activity and the expansionary measures taken to counter this, leading the Council to initiate the Excessive Deficit Procedure (Table 2)<sup>2</sup>.

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

	2000	2007	2009	2011	2013	2015
<b>Public sector balance</b>	<i>(% GDP)</i>					
Netherlands	1.9	0.2	-5.4	-4.3	-2.4	-1.8
EU average	0.0	-0.9	-6.7	-4.5	-3.3	-2.4
<b>Public sector debt</b>						
Netherlands	51.4	42.4	56.5	61.7	67.9	65.1
EU average	60.6	57.9	73.1	81.1	85.5	85.2
<b>General Govt investment</b>						
Netherlands	3.8	3.9	4.3	4.0	3.6	3.5
EU average	2.9	3.2	3.7	3.3	3.0	2.9

Source: Eurostat Government financial accounts

Fiscal consolidation measures were then taken to reduce the deficit below 3% of GDP by 2013 despite renewed recession, government investment being cutback as part of

<sup>2</sup> Council Decision of 19 January 2010 on the existence of an excessive deficit in the Netherlands (2010/287/EU).



these measures. The budget deficits had the effect of increasing government debt, in 2011 raising it above the 60% of GDP ceiling set by the Stability and Growth Pact, where it remained up until 2015 (though it declined slightly in the latter year).

## 1.2. Regional Disparities

Of the four regions at the NUTS 1 level at which Cohesion policy operated, Noord Nederland (Drenthe, Friesland and Groningen) is the most rural and least urbanised, with lower participation rate and higher unemployment than the others. West Nederland (Noord- and Zuid-Holland, Utrecht and Zeeland), where Amsterdam is situated, has the largest urban agglomeration, with a highly educated workforce and a cluster of international businesses which underpin the economic growth of the region. Oost Nederland (Flevoland, Gelderland and Overijssel) has a combination of attractive green areas and sizeable brownfield sites, with universities specialised in food, healthcare and high tech which are focal points for economic development. Zuid Nederland (Noord-Brabant and Limburg) combines processing industries, logistics and tourism in the south-west with a strong high-tech sector, medical technology and life sciences in the south-east.

Regional disparities are relatively small in the Netherlands, especially after allowing for the distorting effect of commuting. Although the Groningen region has a higher GDP per head than others after commuter-adjustment, this is largely due to natural gas production, the income from which pushes up GDP but predominantly benefits other regions.

Over the 2000-2006, GDP per head declined in PPS terms in all Dutch regions relative to the EU average reflecting the slower rate of growth, though the decline was larger in the central regions<sup>3</sup> than in peripheral ones<sup>4</sup>, so that disparities narrowed, especially after adjusting for commuting (see Country folder for the Netherlands). Over the 2007-2013 period, the gap between the two remained largely unaltered, with central regions in 2014 having a GDP per head, adjusted for commuting, averaging around 30% more than in peripheral ones.

The employment rate, mirroring GDP per head, showed a similar tendency for both central and peripheral regions increasing up to 2009 and then declining up until 2014, though the rate declined more in central regions, so that the gap between the two narrowed. Similarly, unemployment increased over the period in all regions, though slightly more in some (such as Friesland, Groningen and Zuid Holland) than in others (Limburg, in particular). In most cases, however, there was relatively little difference in the extent of the increase (around 3-4 percentage points).

## 2. Main features of Cohesion Policy implementation

### 2.1. Nature and scale of Cohesion Policy in the country

As indicated in the Dutch National Strategic Reference Framework (NSRF), the ERDF support over the 2007-2013 period was focused on 6 priorities: (1) Strengthening innovation and entrepreneurship; (2) Raising the attractiveness of regions; (3) Investing in the socio-economic viability of cities; (4) Increasing the labour supply; (5) Promoting an inclusive labour market; and (6) Increasing adaptability by investing in human capital.

The Ministry of Economic Affairs coordinated the Structural Fund policy nationally, but, provinces and larger municipalities were responsible for managing and monitoring ERDF programmes in their regions. Data quality control systems were also decentralised, with regions being responsible for these.

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<sup>3</sup> Utrecht, Noord and Zuid-Holland, Noord-Brabant.

<sup>4</sup> Friesland, Drenthe, Overijssel, Gelderland, Flevoland, Zeeland, Limburg.



All regions were eligible for support under the Competitiveness and Employment Objective and ERDF co-financing for the period amounted to EUR 830 million. This represented just 0.02% of GDP each year over the 7-year period or 0.4% of Government capital expenditure and was equivalent to 7 EUR per head of population a year, less than half the average for all EU15 Competitiveness regions (Table 3).

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

	2007				2016			
	EU funding	National public funding	National private funding	Total	EU funding	National public funding	National private funding	Total
EUR million								
Competitiveness Change, 2007-2014	830.0	963.2	175.4	1 968.6	830.0	963.2	175.4	1 968.6
Competitiveness % GDP	0.02	0.02	0.00	0.04	-	-	-	-
% Govt. capital expend	0.4	0.5	0.1	1.0	0.4	0.5	0.1	1.0
Per head (EUR) pa	7.2	8.3	1.5	17.0	7.2	8.3	1.5	17.0
<b>EU15</b>								
% GDP	0.13	0.09	0.01	0.24	0.13	0.06	0.01	0.21
% Govt. capital expend	3.1	2.0	0.3	5.5	3.1	1.4	0.3	4.8
Per head (EUR) pa in 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.

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

There were four Operational Programmes (OPs), one for each of the NUTS 1 regions. The distribution of funding varied significantly between them. The Noord, Zuid and Oost Nederland OPs received an amount which was broadly equal (around 20% of the total ERDF available each), while the West Nederland OP received almost double the funding of the other three. However, the latter is the most populous region but also the most prosperous, and relative to population, it received less than the other three, while Noord Nederland, which has the lowest income per head, received most.

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

Most of the ERDF went to innovation and RTD (33%) and urban development and tourism (the territorial dimension in Table 4) (15%), and to a lesser extent the environment and energy (just over 8% of the total in each case) (Table 4)<sup>5</sup>.

The economic downturn over the period did not affect the total funding available for supporting regional development, although there were minor changes in the allocation (Table 4). These involved a net increase in support for innovation and RTD and energy and a reduction in funding going to the support of investment in enterprises, other than for innovation and RTD, and, to a smaller extent, the environment and ICT.

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

<sup>5</sup> 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.



Category	EUR million					% Total	
	2007	2016	Added	Deducted	Net shift	2007	2016
1. Innovation & RTD	271.2	288.1	30.4	-13.6	16.8	32.7	34.7
2. Entrepreneurship	44.8	43.6	-	-1.3	-1.3	5.4	5.2
3. Other investment in enterprise	39.9	26.4	-	-13.6	-13.6	4.8	3.2
4. ICT for citizens & business	67.2	63.0	-	-4.2	-4.2	8.1	7.6
5. Environment	68.3	61.6	-	-6.8	-6.8	8.2	7.4
6. Energy	49.4	63.4	16.1	-2.0	14.0	6.0	7.6
7. Broadband	-	-	-	-	-	-	-
8. Road	10.1	8.4	-	-1.7	-1.7	1.2	1.0
9. Rail	0.8	0.4	-	-0.4	-0.4	0.1	0.1
10. Other transport	45.3	41.4	-	-3.9	-3.9	5.5	5.0
11. Human capital	11.2	11.2	-	-	-	1.3	1.3
12. Labour market	16.2	15.8	-	-0.4	-0.4	2.0	1.9
13. Culture & social infrastructure	38.0	37.6	2.5	-3.0	-0.4	4.6	4.5
14. Social Inclusion	7.4	7.4	-	-	-	0.9	0.9
15. Territorial Dimension	123.5	125.3	1.9	-	1.9	14.9	15.1
16. Capacity Building	3.3	3.3	-	-	-	0.4	0.4
17. Technical Assistance	33.2	33.2	-	-	-	4.0	4.0
<b>Total</b>	<b>830.0</b>	<b>830.0</b>	<b>50.9</b>	<b>-50.9</b>	<b>-</b>	<b>100.0</b>	<b>100.0</b>

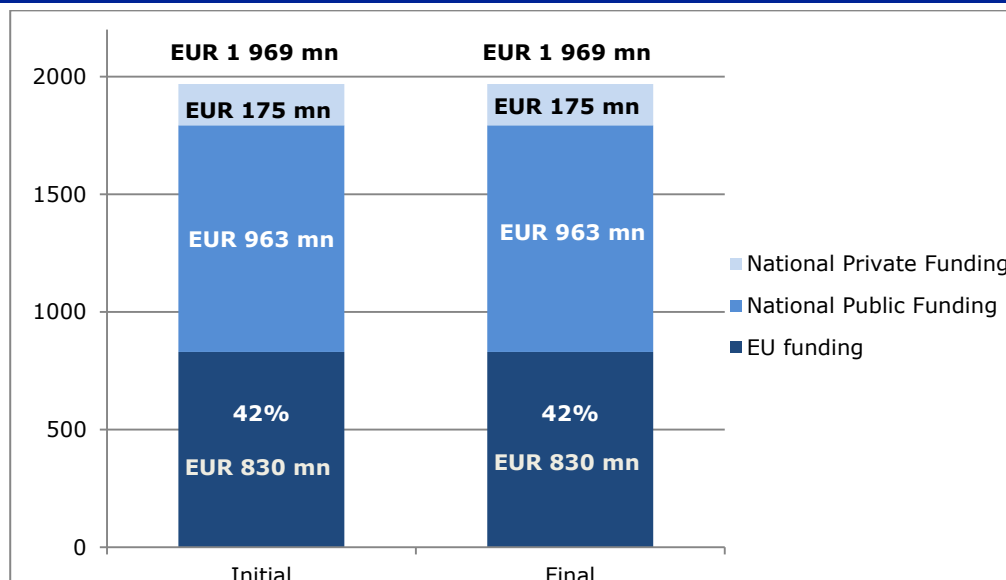
Note: 'Added' is the sum of additions made to resources in OPs where there was a net increase in the funding going to the category. 'Deducted' is the sum of deductions made to resources in OPs where there was a net reduction in funding. 'Social inclusion' includes measures to assist disadvantaged groups 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 on the EU co-financing rate for the Netherlands, unlike for some other EU15 countries where public finance problems and the difficulty of finding co-financing for programmes were more acute (Figure 1).

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



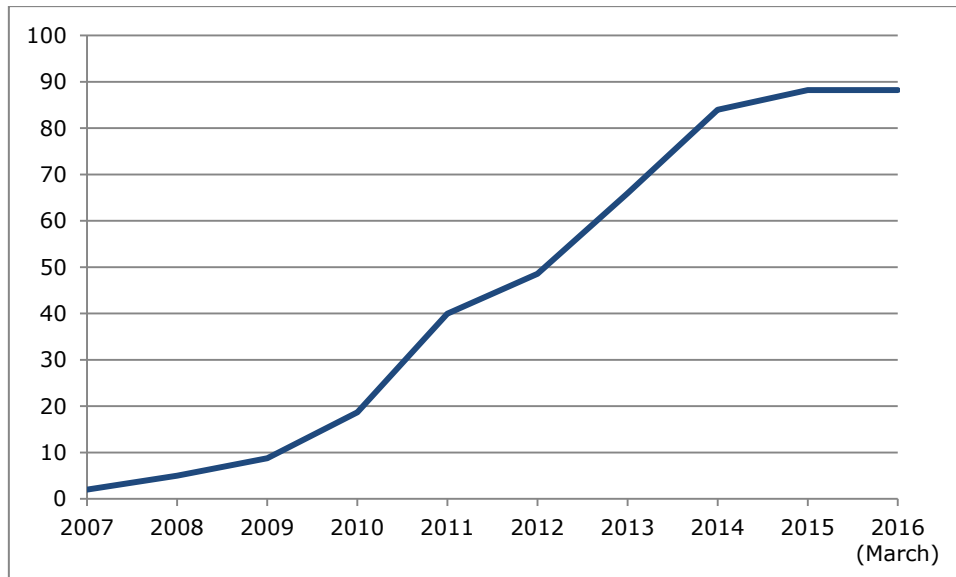
Source: DG Regional Policy financial data, 14 April 2016

Apart from an initial delay due to the overlap with the previous period, the implementation rate of OPs, as reflected in payments of the ERDF from the Commission to reimburse the expenditure undertaken, was relatively stable over the period. By the end of March 2016, payments amounted to 88% of the total funding



available (Figure 2). 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, it is likely that all the funding was spent by the end of 2015, in line with the regulations.

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



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 period was carried out by WP12<sup>6</sup>. In the Netherlands, there was a solid institutional framework in place and experienced public officials. The authorities were found to have performed well, with extensive use of e-government methods, an orientation towards performance and service and accountability and the involvement of executive agencies. The latter were often semi-public administrative organisations (*Zelfstandige bestuursorganen* or ZBOs) operating under the jurisdiction of their respective ministerial departments. In addition, public officials proved to have gained significant experience in the implementation of Cohesion policy programmes during previous programming periods.

According to the evaluation, the overall structure of planning and managing the Structural Funds was an example of well-performing multi-level governance. The available funding was distributed among the four regional OPs, but at the same time central coordination was undertaken by the Ministry of Economic Affairs. Accordingly, the planning of specific interventions and the overall strategy was decentralised and implemented at OP level, enabling municipalities to participate in the process by helping to design measures based on their specific local needs.

In general, the project selection process was perceived as highly effective and transparent by beneficiaries<sup>7</sup>. Project applications were typically selected on a 'first come first served' approach ensuring transparency and equal accessibility to funding opportunities, although this could have limited the possibility of selecting the best projects for funding. In addition, a wide range of stakeholders, such as representatives

<sup>6</sup> The WP12 report is published at [http://ec.europa.eu/regional\\_policy/en/policy/evaluations/ec/2007-2013/#1?](http://ec.europa.eu/regional_policy/en/policy/evaluations/ec/2007-2013/#1?)

<sup>7</sup> A case study was carried out as part of Case study reports (Task 3), Delivery System, WP12, see [http://ec.europa.eu/regional\\_policy/en/policy/evaluations/ec/2007-2013/#1?](http://ec.europa.eu/regional_policy/en/policy/evaluations/ec/2007-2013/#1?)



of the provinces and cities, potential applicants, research institutions, development agencies and business representatives were involved in the drafting of calls ensuring equal accessibility and a better definition of key application terms<sup>8</sup>.

In general, the Dutch management and control system helped to ensure compliance with the regulations, as demonstrated by the low level of error rates in most programmes<sup>9</sup>. In some cases, however, the burden on beneficiaries was identified as being excessive as regards compliance with the audit and control rules, mainly due to the high level of detail required and to a lesser extent to inefficiencies in the audit process<sup>10</sup>.

The reporting by the monitoring system, as well as monitoring requirements were clear and transparent, partly as a result of the introduction of a new set of common indicators for all OPs in 2009 based on European Commission definitions.

### **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) into which the ex post evaluation exercise was divided. 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 the Netherlands except for the evaluation of large enterprises (WP4), which focused only on those countries which allocated significant amounts of funding to large enterprises, which was not the case for the Netherlands. 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

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<sup>8</sup> European Commission (2012), Comparative study of the project selection process applied in Cohesion Policy programmes 2007-2013 in a number of Member States. See [http://ec.europa.eu/regional\\_policy/sources/docgener/studies/pdf/selection/selection\\_process.pdf](http://ec.europa.eu/regional_policy/sources/docgener/studies/pdf/selection/selection_process.pdf)

<sup>9</sup> Algemene Rekenkamer (2014), Rapport bij de Nationale verklaring 2014. Some issues concerned the audit and control activities were pointed out by the Dutch Audit Authority in the West Netherlands OP (2013 annual report), which brought the Managing Authority to implement an action plan.

<sup>10</sup> Ibid. Algemene Rekenkamer (2014). In particular, an increased pressure on the audit function came from the Audit Authority which set a significant number of norms in order to ensure compliance with the regulations considering the number of institutions at the national and regional involved in the delivery system.



the allocation of funding and of expenditure between regions are not considered here<sup>11</sup>.

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

A total of EUR 358 million was earmarked for this broad policy area, representing around 43% of the total ERDF allocation for the Netherlands for the period. Most of the funding went to RTD and innovation. (A further EUR 63 million, 8% of the total went to support of ICT.).

Overall, up to the end of 2014, 550 RTD projects had received support, together with 519 cooperation projects between companies and research institutions and 3 752 investment projects in SMEs. Over the country as a whole, an estimated 18 518 full-time equivalent jobs, in gross terms, were reported by MAs to be directly created as a result of the ERDF support (see Table 5 at the end of this section).

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

The Netherlands is one of the most innovative economies in Europe, with public authorities actively supporting research and innovation in universities and the private sector<sup>12</sup>. Over the 2007-2013 period, EUR 288 million was set aside for investment in RTD and innovation, while a further EUR 70 million went directly and indirectly to support of SMEs.

The main focus was on measures aimed at fostering entrepreneurship and innovation through strengthening existing clusters, stimulating product and process innovation providing services for companies, particularly SMEs, and knowledge transfer. The ERDF support was oriented towards specific sectors, such as food processing, healthcare, new technology and creative industries, tourism and energy conservation. Support of cluster involved measures to strengthen their organisational structure of the cluster and the extent of collaboration between businesses and research centres. Subsidies were provided both to foster business innovation and to encourage knowledge transfer (such as through the knowledge voucher scheme).

#### **Financial Instruments for enterprises (WP3)**

Financial instruments (FIs) were originally introduced in the Netherlands in the 2000-2006 programming period. Over the 2007-2013 period, their use in ERDF programmes was limited, the funding going to them amounting to only EUR 11 million. National co-financing provided 77% of the total funding for FIs of them, private co-financing accounting for almost half of this, which was more than in the case of other EU15 countries. By the end of 2014, 95% of the funding committed to FIs had reached final recipients<sup>13</sup>.

FIs were used in three of the 4 Dutch OPs, the exception being in Zuid-Nederland, the aim being to stimulate innovation and entrepreneurship in SMEs and to overcome their lack of access to finance for innovative projects. Typically, FIs took the form of loans and to a lesser extent, equities.

### **3.2. Transport (WP5)**

Around EUR 50 million of the ERDF, or 6% of the total available, was allocated to Transport. Some 20% of this went to roads, while the remainder was earmarked for transport other than roads and rail, such as urban transport, which is in line with the

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<sup>11</sup> They are available at: [http://ec.europa.eu/regional\\_policy/en/policy/evaluations/ec/2007-2013/#1](http://ec.europa.eu/regional_policy/en/policy/evaluations/ec/2007-2013/#1).

<sup>12</sup> The European Innovation Scoreboard 2016 indicates that the Netherlands is an "Innovation Leader" with a performance rate well 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).

<sup>13</sup> Fourth Progress Report in financing and implementing financial engineering instruments, DG REGIO, September 2015.





distribution of funding under the Competitiveness Objective in other EU15 countries where relatively small amounts of support were involved. Many of the projects were carried out in Oost-Nederland.

### **3.3. Environmental infrastructure (WP6)**

Some EUR 62 million, 8% of the total funding available, went to environmental projects over the period. Of this, just 4% was allocated to environmental infrastructure (the focus of the evaluation carried out under WP6) divided fairly equally between water and waste management projects. In line with most EU15 countries, the funding going to such projects was small because of the limited need for investment in this broad area.

### **3.4. Energy efficiency in public and residential buildings (WP8)**

Around EUR 34 million of the ERDF, just 4% of the total, was allocated to energy efficiency, co-generation and energy management over the period. Most of this funding was invested in hydro-electricity and geothermal facilities and support for improving energy efficiency in public and residential buildings, the focus of the WP8 evaluation, was limited. What support was provided went mainly on measures for energy saving in housing, mostly in West- and Oost-Nederland.

### **3.5. Culture and tourism (WP9)**

Over the period, EUR 104 million of the ERDF was set aside for support of culture and tourism. This represented around 12% of the total funding available, a larger share than in most Member States. Overall, around two-thirds of funding went to support of tourism, a third to culture.

Support was provided for these areas in all four of the Dutch OPs, most especially in Noord- and West-Nederland, where a relatively large share of funding went to investment in protecting and developing the natural and cultural heritage and improving tourist services. Only a small share of funding was allocated to direct support of hotels and restaurants, mostly in rural areas. Support was exclusively provided in the form of non-repayable grants<sup>14</sup>, a major aim being to stimulate innovation as well as economic diversification. (In West-Nederland, for example, support was given for the use of ICT in both policy areas.)

### **3.6. Urban development and social infrastructure (WP10)**

Some EUR 144 million, or 17% of the overall ERDF support to the Netherlands over the period, went to support of urban development and social infrastructure, predominantly to the former (98%).

West- and Zuid-Nederland accounted for most of funding provided (EUR 108 million overall). An example of the projects supported is the rehabilitation of the brownfield site in the former port area of Rotterdam, which was part of a wider regionally-integrated project for which ERDF co-financing provided only part of the funding. Support mainly took the form of non-refundable grants, though a financial instrument was created to stimulate private investment.

Evidence on achievements is scarce. The only core indicator reported relates to land rehabilitated and then only by the Noord-Nederland MA, which cited 9 square km of polluted land being cleaned up to the end of 2014 in Drenthe, Friesland and Groningen.

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<sup>14</sup> Culture and Tourism, WP9, Final report, [http://ec.europa.eu/regional\\_policy/sources/docgener/evaluation/pdf/expost2013/wp9\\_final\\_report.pdf](http://ec.europa.eu/regional_policy/sources/docgener/evaluation/pdf/expost2013/wp9_final_report.pdf).



### 3.7. ETC (WP11)

The Netherlands was involved in 4 programmes financed under the Cross-border Cooperation strand of the ETC Objective. These were, respectively, with Belgium, Germany, France and the UK. The ETC-funded programmes are the subject of a separate report.

### 3.8. Impact on GDP (WP14)

The investment supported by Cohesion and rural development policies over the 2007-2013 period in the Netherlands amounted to only around 0.03% of GDP a year. This is estimated to increase GDP in 2023 by 0.2% over and above what it would be in the absence of such policies, even after taking explicit account of the contribution made by the Netherlands to their financing<sup>15</sup>.

### 3.9. Overview of achievements

Up to the end of 2014, the investment undertaken with the support of the ERDF for the 2007-2013 period in the Netherlands resulted in the direct creation of over 18 500 jobs (Table 5). It should be emphasised that since not all MAs reported data for all core indicators, the figures tend to understate achievements, perhaps substantially. In addition, the data reported relate to the situation one year before the official end of the period in which funding could be spent, so do not include the outcomes of the projects completed during this time.

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

Core Indicator Code	Core indicator name	Value up to end-2014
1	Jobs created	18 518
4	Number of RTD projects	550
5	Number of cooperation projects enterprises-research institutes	519
7	Number of direct investment aid projects to SMEs	3 752
8	Number of start-ups supported	6 072
29	Area rehabilitated (km2)	9

*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*

<sup>15</sup> 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](http://ec.europa.eu/regional_policy/sources/docgener/evaluation/pdf/expost2013/wp14a_final_report_en.pdf).

