

panorama

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Evaluating Regional Policy

Insights and results

en

EDITORIAL

Dirk Ahner

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Policy evaluation is a topic of growing importance for Cohesion Policy. This is why we have decided to put it at the centre of this edition of Panorama. Based on our experience of the ex post evaluations of the 2000-06 programming period, we want to discuss a number of key issues – Who needs to be doing it? How? When? And how do results fuel change? Is there a wider application for more rigorous, analytical approaches?

2000-06 was a period that witnessed a fundamental change to the structure of the EU, the accession of 10 new countries. The resulting disparities accentuated the role of Cohesion Policy, making the ex post evaluation for the period particularly thought provoking. Statistics show that strong growth in the new EU countries reduced disparities in GDP per capita across the EU. How much of that growth was down to Cohesion Policy? These and other questions are considered over the following pages.

Speaking to managing authorities and project managers shows that methods used for the delivery of Cohesion Policy are feeding into the ways domestic policies are run - monitoring, evaluation, multi-year planning all hone practices that can be used elsewhere. Cohesion Policy is bringing new forms of legislation and methods of implementation into the administrations of regions, towns and villages across Europe.

Although a wealth of data in the form of reports, terms of reference, data bases and case studies is available on the Inforegio website, with more to come over the next 18 months, the Directorate-General for Regional Policy is still keen to hear from policymakers, academics and those involved in Regional Policy, in whatever capacity, about the evidence they have on the performance of the policy.

Our interviewees in this edition are well placed to add their voices to the debate: two academics, a managing authority and the Polish Minister for Regional Development all put forward their opinions on the positive and negative aspects of the 2000-06 period.

Finally, Panorama welcomes the new Commissioner for Regional Policy, Johannes Hahn, and asks him about his priorities and hopes for his period as Commissioner.

Dirk Ahner

*Director General, European Commission
Directorate-General for Regional Policy*

“ Cohesion Policy is bringing new forms of legislation and methods of implementation into the administrations of regions, towns and villages across Europe ”

EX POST EVALUATION 2000-06

OF OBJECTIVES 1 AND 2:
WHAT HAVE WE ACHIEVED?

Between 2000 and 2006, Cohesion Policy not only spent one third of the EU budget, it was also a policy that was challenged by history and helped to change history. The enlargement of the EU by 10 new Member States in 2004 deepened the economic and social disparities in a manner never seen before. The policy had to respond to this challenge without forgetting those that continued to exist in the 'old' EU-15.

The task of the ex post evaluation of this period was to analyse what has been achieved across all regions and identify any possibilities that could make the policy even more successful in meeting its challenges. The evaluation could not cover all the details of Cohesion Policy between 2000 and 2006 in more than 230 Objective 1 and 2 programmes. However, its 14 elements did capture the policy's contribution to the real development of poorer regions of the EU (Objective 1), the restructuring process in Objective 2 areas and the delivery of the Lisbon objectives. More evaluations, currently under way, look at the effects of the Cohesion Fund, the European Social Fund and the Community Initiatives URBAN and INTERREG.

Poor regions caught up

Statistics show that disparities in terms of GDP per capita shrank, between both Member States and regions. The strongest contributing factor was accelerated growth in the EU-10.

The key question for the evaluation was the extent to which this success could be ascribed to Cohesion Policy. First insights came from two macroeconomic models. Both models show that programmes in Objective 1 regions increased the long-term productive potential of the economies and enhanced the level of GDP per capita. Modelling even suggests that the entire EU, not just supported regions, was better off with Cohesion Policy than without it.

Thematic studies examined the performance of the policy in key areas. They back up the modelling work and demonstrate that GDP is not the only figure to count. The studies provide evidence for a real debate between Member States, regions and the Commission.

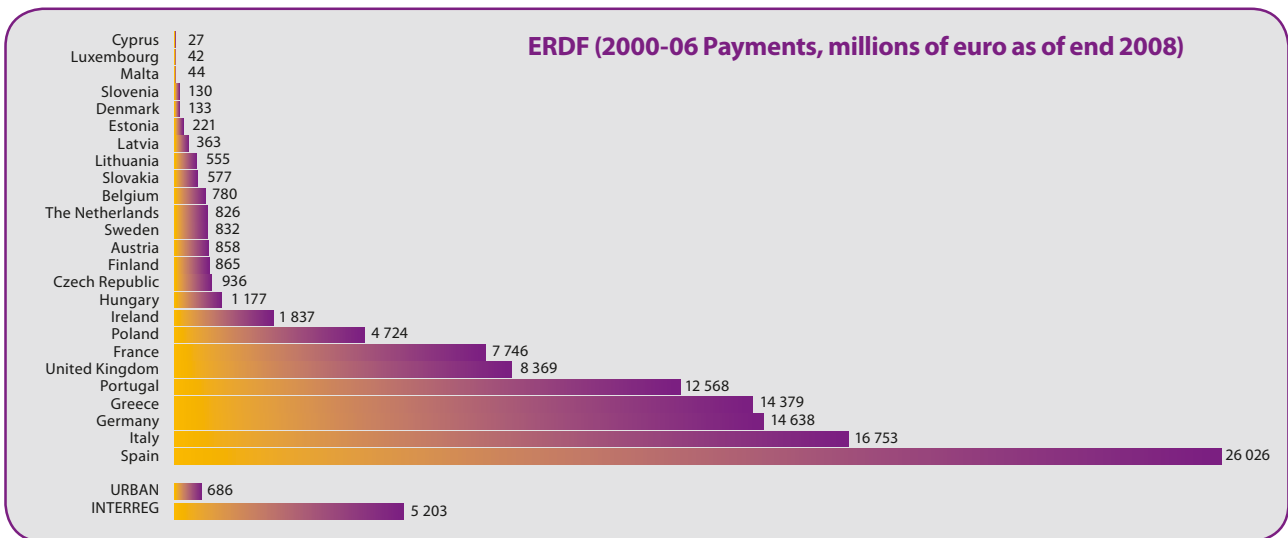
“ Modelling even suggests that the entire EU, not just supported regions, was better off with Cohesion Policy than without it ”

Better transport system for citizens and an efficient Single Market

Of the 8 500 km of motorway constructed over the period across the EU, 2 043 km (24%) were a direct result of investment co-financed by the ERDF. Most of these were in poorer regions in Greece, Spain and Portugal. The ERDF co-financed 294 km of high-speed railway lines which was around a quarter of the total km completed in Spain and Italy. It also contributed to the modernisation of 31 airports and 45 sea ports, most again in the more deprived parts of the Union. An ongoing evaluation on projects supported by the Cohesion Fund will provide more information next year to complement this picture.

The ERDF contributed more to investment in roads than in railways, especially in the EU-10 countries where improving the road network was the most pressing need. The evaluation confirms that the EU-10 still need to modernise their transport networks. But the study asks if EU funding for roads in the EU-15 needs more rigorous prioritisation of projects and it puts in question support for local roads and maintenance. For the future, there is a need to invest more in improving links between different modes of transport and to improve public urban transport in order to move towards a low carbon economy.





Environment: Meeting EU standards and exploiting the potential for growth

Much of the support to environmental projects in poorer regions helped Member States to comply with the Water and Wastewater Directives, by co-financing connections to clean drinking water and to sewage treatment, especially in rural areas. Around 14 million more people were connected to a main water supply and an estimated additional 20.5 million were connected to wastewater treatment.

The evaluation finds that the construction of environmental infrastructure (water and wastewater projects, solid waste projects) was often driven by purely environmental considerations. It is clear, therefore, that Cohesion Policy *de facto* had, as an autonomous objective, environmental improvement. Cohesion Policy was not only about GDP growth and assisting regions to fulfil their economic potential. It also helped to ensure that everyone, no matter where they live, shares in the gains from economic growth. It actively supported a process to ensure that growth is accompanied by improvements in living standards and the quality of life and that development is territorially balanced and in keeping with the natural and physical assets of regions.

An issue for the future is how regions can take advantage of the challenges stemming from climate change and the protection of the environment to enhance the competitive position of their enterprises in the global markets.

Enterprises: jobs and innovation

Small and medium-sized enterprises were the main target of ERDF support to enterprise, receiving 83% of such funding over the 2000 to 2006 period. This reflects national policy priorities – enterprise policy focusses on smaller enterprises in practically all Member States. Entrepreneurship and start-ups are particular priorities. The thirty programmes spending most on support for enterprises (representing around 60% of the total amount spent in this field) created at least 638 000 jobs.

Direct instruments (i.e., financial support, mostly grants but also loans and equity) are still the mainstay of ERDF support to enterprise and innovation, accounting for some 69% of spending over the period. The evaluation identified a trend from a narrow ‘restructuring and diversification strategy’ towards broader strategies with a greater emphasis on innovation and a wider range of instruments. The use of indirect instruments (e.g., non-financial support such as business services, reduction of administrative burdens, clusters, networks and knowledge transfer) grew considerably over the period. The variety of instruments was most obvious in support to smaller enterprises – in contrast, support to large enterprises was almost exclusively in the form of non-repayable grants.



Making it easier to move around Greece

As part of the evaluation, the performance of supported enterprises in East Germany was compared with non-supported enterprises. The study proved that supported enterprises performed better in terms of investment, R&D intensity and patent applications.

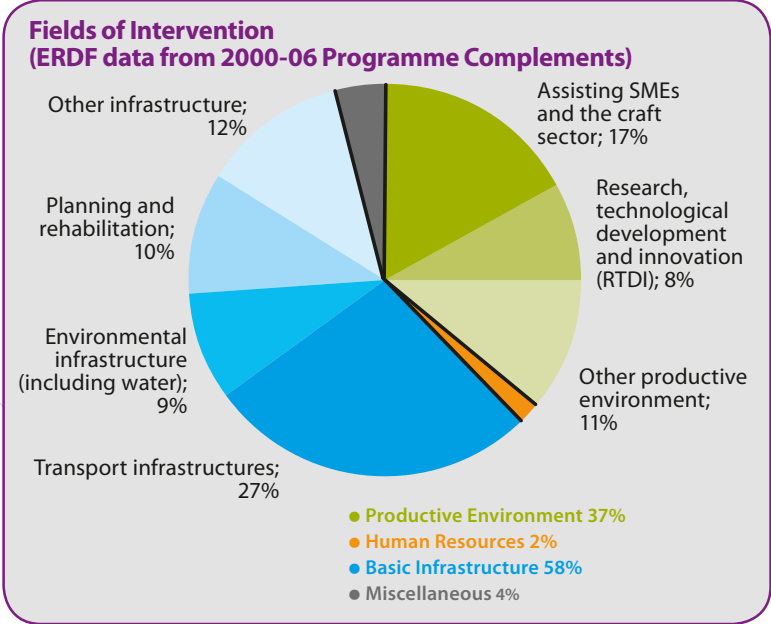
Outdated economic structures can be changed – but it takes time and political will

An evaluation on selected regions undergoing structural change (Objective 2 regions) found that regional development programmes can contribute effectively to changing the social and economic structure of a region, breaking the dependence on old industries. But such a process needs time, often decades, and political will. The evaluation showed that the ERDF can reinforce and speed up this process. Case studies suggest that a focus on innovation and research is the way forward, even if this is a strategy not without risks. Stakeholders from Objective 2 regions underlined that EU Cohesion Policy with its multiannual character and programming approach, requiring analysis and clear development objectives can form part of a long-term process of restructuring regions.

An adaptive and flexible policy

In 1999, when the Cohesion Policy programmes for 2000-06 were conceived, climate change, the ageing of our societies and globalisation were not yet high on the political agenda. Through case studies and examples of good practice the ex post evaluation shows that regions – some, not all – used their programmes to react to these new challenges. These regions did not wait for guidance from ‘Brussels’; they acted and Cohesion Policy programmes were flexible enough to integrate these initiatives. Their experience can be used for better design of the policy for the future.

“ The experience to date suggests that a proliferation of ‘horizontal’ priorities regardless of context is not the ideal way ”



Cohesion Policy helps fight climate change

Governance – a real added value

Implementing Cohesion Policy programmes correctly and efficiently is a major challenge for all administrations involved, in both 'old' and 'new' Member States. In 2004-05 there were many sceptical voices saying that the new Member States would not be able to put in place effective management arrangements in such a short space of time. But the evaluation has proved these 'nay-sayers' wrong! It showed the rapid learning that took place in these Member States, who with high motivation overcame the teething problems of a new policy. Even more striking, there are signs that some of the key features – multi-year programming, the wide involvement of relevant stakeholders, monitoring and evaluation – were adopted by domestic policies, leading to more effective decision-making.

An interesting aspect is that Cohesion Policy, with its tens of thousands of projects, actually put into practice many aspects of EU regulation – such as public procurement rules. Via Cohesion Policy, administrations in villages, towns and regions were acquainted with new legislation and practices.

The knowledge society is one of Cohesion Policy's top priorities



Setting horizontal priorities – the way forward?

No doubt the environment, job creation, climate change, attention to small and medium-sized enterprises, the knowledge society and equal opportunities are high on the agenda of Cohesion Policy. But the extent and nature of problems vary across regions. The policy must have effective means to move from intentions to action in different contexts.

Several studies of the ex post evaluation looked at the effectiveness of 'horizontal' priorities in achieving objectives. Twelve case studies examined equal opportunities, but found, somewhat disappointingly, that though the need to ensure equality between men and women was mentioned in most programming documents, only a few programmes put this into practice in the design and implementation of projects supported by the ERDF. Equal opportunities were regarded more as an issue for the European Social Fund. In high performing programmes, the promotion of equal opportunities was integrated into the strategy and driven by political leadership.

This raises the question for the future: would it be better to be more selective and targeted when a region decides on the best tools to achieve its development objectives? The experience to date suggests that a proliferation of 'horizontal' priorities regardless of context is not the ideal way.

An invitation for research and public debate

All documents produced during the three years of the ex post evaluation – terms of reference, interim reports, data bases, case studies, good practice examples, final reports, executive summaries – have been published on the Inforegio website. More reports and data will be published in the next 18 months concerning the impact of the Cohesion Fund, further building up the evidence base on the performance of Cohesion Policy. The Directorate-General for Regional Policy invites debate and further research by policymakers, the academic community and the audience at large.

FOR MORE INFORMATION, EVALUATIONS ON INFOREGIO:

http://ec.europa.eu/regional_policy/sources/docgener/evaluation/rado2_en.htm



TERRY WARD

Research Director of Appliance

For the past two years, Ward has been coordinating the ex post evaluation of the ERDF covering the 2000-06 period.

From your perspective, what did Cohesion Policy achieve in the 2000-06 programming period?

The statistics show that the regions assisted grew faster than others over the period. This is especially true of Objective 1 regions in nearly all Member States. But it is also true, if less so, of regions assisted under Objective 2 and, in general, the more funding they received the better they performed. Equally, the policies followed across the EU broadly targeted the things which economic theory and international organisations like the OECD say they should have been aimed at – improving infrastructure and strengthening businesses, in particular. There are also signs that Cohesion Policy did a lot to focus policy attention on the critical problems of regional development and to encourage the involvement of people on the ground to work to solve these. The difficulty is in drawing a direct link between the policy measures and regional performance, which is not surprising given everything else that was going on. But we can point to the tangible results of particular measures which are consistent with the policy being effective. Drawing a direct link for the Central and Eastern European countries is even more difficult because they received major funding only from mid-2004, but the evidence is that the funds were used constructively and helped establish a solid basis for regional development policies in the present period.

“ The statistics show that the regions assisted grew faster than others over the period ”

If you could change one thing about the policy, what would it be?

Obliging governments across the EU to spell out in concrete terms what the funding received is expected to achieve and how this will contribute to regional development, or improving territorial balance, and to define meaningful quantified indicators and targets to enable measures to be monitored, would not only enable policy to be better assessed but also encourage a more effective use of the funds. This would probably need to go hand in hand with more conditions set on the provision of funding and encouraging public debate within countries on the concrete targets of policy as well as outcomes.

Should policy be more concentrated in particular policy areas to be more effective?

Yes and no. It is clear that funding needs to be large enough to make a difference which implies it should not be spread too widely across policy areas. But because regions differ in terms of the problems they face and their specific needs, which are hard to identify centrally, there is a case for allowing them to choose a limited number of areas on which to concentrate funds. This would also make it easier to monitor and evaluate Cohesion Policy.



Supporting small businesses

ELŻBIETA BIEŃKOWSKA

Minister of Regional Development, Poland



From January 1999 to November 2007, Bieńkowska worked in the Silesian Voivodship Marshall Office. As a Director of the Regional Development Department she was responsible for programming and implementation of regional development instruments funded by EU pre-accession programmes as well as Structural Funds in the framework of the National Development Plan (NPR) 2004-06 and the National Cohesion Strategy 2007-13.

From your perspective, what did Cohesion Policy achieve in the 2000-06 programming period?

First of all, implementing Cohesion Policy resulted in an improvement in the major macroeconomic indicators. In fact, it has a direct impact on the economic, social and territorial convergence of Poland with the more developed EU countries.

European funds have helped to gradually improve the infrastructure quality. In addition, thanks to the Cohesion Policy, the level of governance and administration has substantially improved.

The impact on social cohesion can be seen particularly in the unemployment figures and job creation. It is estimated that in the years 2004-07 as much as 20% of new jobs were created thanks to the EU funds. Every third zloty invested in Poland through public projects is being stimulated by European money.

Cohesion Policy has been a significant accelerator during prosperity. However, it turned out to be a powerful shield against the disastrous effects of the economic downturn. Public and private enterprises turned to European funds in the face of limited credit. In my opinion, Cohesion Policy was a sort of oil that kept the economic engine running.

If you could change one thing about the policy, what would it be?

Looking at the way Cohesion Policy has proven to be an efficient tool for providing sustainable development to Poland, I think there should be more emphasis on supporting the strengths of the regions to make them more competitive.

Then what are the greatest challenges for Poland in terms of Cohesion Policy?

In my opinion, it is undoubtedly to effectively use the European funds to both increase the regions' competitiveness and bridge the gap of economic and social disparity between them. Judging by the results that Poland has achieved so far, I'm confident that we'll succeed.

“ In the years 2004-07 as much as 20% of new jobs were created thanks to the EU funds ”



Improving transport links in Poland

ALBINO CAPORALE

General Director, Economic Development, Tuscany Region



In 2005, Caporale headed the managing authority of the SPD Objective 2, 2000-06 and is currently in charge of the OP Regional Competitiveness and Employment, ERDF, Region of Tuscany. In 2007, he was appointed Deputy Director General for Industrial Policies, Innovation & Research, and Craft.

From your perspective, what did Cohesion Policy achieve in the 2000-06 programming period?

In management terms, there was an attempt at simplifying the decision-making process by granting more autonomy to the regions in charge of programmes. This implied the need to separate functions and monitoring activities. The methods for programme management went along these lines, though did not always produce significant results in terms of improved efficiency.

The following areas were strengthened: the functions for the evaluation of programmes within the scope of the criteria of accountability to stakeholders, the political-institutional partnership, the importance of the role of local institutions and the central role of regional development policies.

The planning period 2000-06 confirmed the value and function of a European regional Cohesion Policy, which continues to represent 'the most influential lever' in spite of the fact that it has not yet been ranked as highly as its financial value.

If you could change one thing about the policy, what would it be?

The debate that took place on the 2007-13 budget prospects, as well as the first documents and actions that are providing food for thought for the post-2013 period, are all based on the acknowledgement of a contradiction which lies at the heart of the Cohesion Policy: more than any other policy, it is grounded on the principles of territoriality and additionality and so is closer to citizens and enterprises – but even though it is the tangible side of the EU, it is looked at warily by Member States.

Cohesion Policy runs the risk of being seen merely as an extraordinary means of intervention for areas that are most lagging behind in terms of development.

The experience of the last planning cycles of Structural Funds has strengthened the importance of the notion of territory without, however, being able to fully represent the added value of a policy that has led to a genuinely more cohesive Europe.

Do you think that the 'Barca Report' – requested by the Commissioner Danuta Hübner – contains solutions for a possible reform of European Cohesion Policy?

The 'Barca Report' points out all critical aspects of the current Cohesion Policy, decisively presenting theoretical and political arguments for the continuation of the policy on condition that some changes are made.

I believe that Barca's modification proposals are both reasonable and feasible. They are also radical since they will inevitably come up against 'intellectual intransigence' as does most reform.

One of the strong points of the report is that it demonstrates that a reformed Cohesion Policy is advantageous for both Member States and territories (regional governments and local bodies).

“ The planning period 2000-06 confirmed the value and function of a European regional Cohesion Policy ”



Protecting the Baltic coastline

JOHN BACHTLER

Professor of European Policy Studies and a Director of the European Policies Research Centre at the University of Strathclyde in Glasgow.



Bachtler has published books, chapters, articles and research papers on regional development and Regional Policy as well as on policies for the service sector.

From your perspective, what did Cohesion Policy achieve in the 2000-06 programming period?

In 2008-09, the European Policies Research Centre led an evaluation on the management and implementation of Cohesion Policy in 2000-06. Our study identified several important trends:

- There was evidence of increased partnership working.
- The process of programme design was usually based on at least some analysis, strategic reflection and partner consultation, and it involved a more consistent use of ex ante evaluation.
- More attention was paid to monitoring, although the utility of the systems and information provided was sometimes questionable.
- Greater emphasis was placed on financial management, control and audit, especially procedures to comply with new implementing regulations and closer monitoring of financial flows to avoid automatic decommitment.
- The development of an evaluation culture was aided by the requirement for a Mid-Term Evaluation and Update MTE; the latter in particular was used in preparing the 2007-13 strategies. Many Member States undertook their own evaluations.

However, these developments were not universal. So, one has to ask why, after 15-20 years of managing Cohesion Policy, many managing authorities are unable or unwilling to fully exploit the potential of EU management and implementation processes. How much is this due to external factors or internal constraints?

If you could change one thing about the policy, what would it be?

Structural Funds management needs to rediscover a sense of 'policy mission' – some of which has been lost over the past decade. Many programmes have become preoccupied with financial absorption at the expense of project quality. Considerable administrative resources are devoted to reporting, monitoring and financial management systems designed more to ensure regulatory compliance than to be tools of programme management. An increasing proportion of time has to be devoted to financial control and audit.

One of the most damaging effects is that policy stakeholders are becoming frustrated and disillusioned with the policy. There are even cases of beneficiaries avoiding applying for EU funding because of the administrative burden.

It is often claimed that the implementation method of Cohesion Policy represents 'added value'. Is there any evidence of this?

A question for our evaluation was whether there is evidence of 'spillovers' from Structural Funds on the domestic policy management systems of Member States. Often referred to as 'added value', this has been the subject of contested debate. Here, we could draw an unambiguous conclusion: the experience of delivering the Structural Funds has influenced (usually positively) the practices and procedures used by Member States for managing their own domestic policies. This kind of change does, though, depend on activist 'policy entrepreneurs' and strong political commitment.

FOR MORE INFORMATION, EVALUATIONS ON INFOREGIO:

http://ec.europa.eu/regional_policy/sources/docgener/evaluation/expost2006/wp11_en.htm

“ The experience of delivering the Structural Funds has influenced (usually positively) the practices and procedures used by Member States for managing their own domestic policies ”

EX POST EVALUATION OF OBJECTIVES 1 AND 2 2000-06: FINDINGS AT A GLANCE

The effects of Cohesion Policy in 2000-06 have been examined from different angles, using various evaluation methods. All these various blocks fit in together to give an overall picture of the impacts of Cohesion Policy in 2000-06. This,

- on one hand, through macroeconomic models, administrative data and analysis on the management and implementation systems
- on the other hand, through a thematic breakdown of the policy areas where the ERDF and Cohesion Fund made significant contributions

Impacts of Cohesion Policy in 2000-06

The impact of Cohesion Policy is built up by elements around this circle:

- Effect on GDP and employment,
- Contribution to environmental objectives and balanced spatial development,
- Results in main sectors,
- Contribution to capacity building and policy learning in all Member States,
- Examples of good practice.

MACROECONOMIC EFFECTS

- Two models (HERMIN, QUEST) simulate the long-term effects of Cohesion Policy on GDP, employment and capital stock in Objective 1 regions.
- Cumulative GDP compared to situation without Cohesion Policy for 2009 (result of QUEST):
 - + 0.61% Germany
 - + 5.0% Poland
 - + 9.5% Spain
 - + 15.7% Portugal
- Effect on employment in 2008 compared to situation without Cohesion Policy: + 819 000 persons (HERMIN).

TRANSPORT

- The ERDF co-financed 24% of the extension of motorways in the EU leading to significant development of road networks.
- 13% of all new high-speed rail lines in Europe were ERDF co-financed.
- Intermodal and urban transport, cross-border links and rail need more attention.

ENTERPRISE SUPPORT

- SMEs are the main target of ERDF support to enterprise (83% of funding). Increasing use of indirect instruments – business services, support to clusters, networks.
- At least 638 000 gross jobs created.
- In a case study in East Germany, there is convincing evidence that direct investment support increases productive activity and investment.

MANAGEMENT & IMPLEMENTATION SYSTEMS

- EU-10 managed to put in place systems to correctly draw down resources: significant improvements over time and positive spillovers on domestic governance systems.
- Both EU-10 & EU-15 need a stronger focus on results.

STRUCTURAL CHANGE & GLOBALISATION

- Path-dependencies can be changed by long-term, well defined regional policies. Objective 2 programmes are most effective when they reinforce regional policies and do not pursue additional objectives.
- The ERDF contribution is most effective when interventions are focused on innovation and internationalisation.

ENVIRONMENT & CLIMATE CHANGE

- €25.5 billion spent on environment-related interventions in 2000-06.
- 14 million more people connected to modern water supply systems; 20 million more people with waste water treatment – through ERDF support.
- The European Commission needs to explicitly state that meeting the EU environmental requirements is an objective of Cohesion Policy even if it does not lead in the short term to economic growth.

RURAL DEVELOPMENT

- The ERDF contributed significantly to development in rural areas, in both Objective 1 and 2 regions.
- Cohesion Policy should make its contribution more visible to citizens in rural areas.

GENDER & DEMOGRAPHY

- Demography: though not a priority at the beginning of the programming period, regions started to support relevant projects.
- Evaluation evidence suggests that it is not enough to set gender equality as a horizontal priority – it is most effective when backed by specific, tangible actions. The number of horizontal priorities should be limited to those relevant to the regions.

In this edition of Panorama we take a look at four projects across the EU that have been evaluated and show examples of good practice in four priority areas of Regional Policy funding: infrastructure, enterprise support, environment and gender equality.

A NEW UNDERGROUND SYSTEM FOR ATHENS

The words 'Athens' and 'transport' together have long caused even the most sincere lover of that city to turn pale – now the city is ready to shake off that image.

From 1965 to 1983 the number of people using public transport almost halved, falling from 973 million to 510 million – a sharp rise in car ownership kicked in over the same period. The result: congestion, pollution and public health issues. The solution: a new metro system.

A faster, cleaner transport system

An extensive project, fraught with technical complications ranging from earthquakes to preserving archaeological finds, the construction of the city's underground system began back in 1992. Prior to that people were principally reliant on busses and so subject to the same congestion as car users. As the first phase drew to a close, extensions started to be added, from 2004. In total, 30 km of underground were built, which, in 2007 helped just under 200 million people go about their daily lives while taking pressure off the crowded roads overhead. With a daily number of 650 000 passengers, there is no doubt that Athens Metro has helped alleviate a part of the traffic problem in central Athens, particularly along the traffic corridor served by the metro network.

FROM 1994-99 THE FIRST PHASE RECEIVED €2.1 BILLION:

- 50% of which came from the ERDF and Cohesion Fund
- 39% from loans from the European Investment Bank
- 11% from the Greek state

FROM 2000-06 THE EXTENSION PHASE RECEIVED €2.2 BILLION:

- 43% from the ERDF and Cohesion Fund
- 38% from loans from the European Investment Bank
- 19% from the Greek state

It has been estimated that the project's first phase reduced the number of cars entering the city centre by 70 000, representing 335 000 vehicular kilometres on a daily basis. More recent estimates provided by Attiko Metro SA indicate a total reduction of 120 000 daily trips by private car following the opening of extended lines. Fewer cars also means easier parking and a significant, consistent decline in air pollutants.

Travelling across town is far more efficient – a recent interruption to the system resulted in a 20-25% increase in journey time during the rush hour, on main roads serving the same route as the metro.

Building infrastructure, building partnerships

The project's evaluation revealed many examples of good practice including the collaboration between partners, such as the various managing authorities, particularly impressive given the additional pressure of a tight deadline imposed by the Olympic Games.

Archaeological excavations were also needed which, along with the preservation, transportation and display of the finds, required close co-operation between bodies as diverse as Attiko Metro SA, the Olympic Metro Consortium and the Ministry of Culture. The Ministry supervised all archaeological work while Attiko Metro funded and coordinated excavations in co-operation with contractors and the authorities and services involved.

Since the project crossed over a number of prefectures, various local authorities were involved along with public transport operators. Delicate artefacts to be saved against the ticking clock represented by the forthcoming Games, and a complex network of organisations to coordinate – project leaders have the right to a feeling of job satisfaction.

Boosting employment and tourism

Reductions in travel time, coupled with the imaginative presentation of excavated artefacts at stations are welcome incentives for tourists to come to the city – the metro itself becomes a showcase for Athenian heritage. Although a benefit to the tourist industry, the Metro was primarily set up for the Athenians. Outlying areas of the city are now served by the metro and, as a result, are regenerating as commuting becomes more feasible. For many residents, the daily commute has become far less time-consuming.

FIND OUT MORE:

<http://www.ametro.gr/page/>



Lightening the traffic load in Athens

CZECHINVEST – SMART INVESTING

STARTS HERE

Investment and business development are the two core activities of CzechInvest, an agency which has provided free services to domestic and foreign companies since 1992. As such, it has been instrumental in the making of 1 200 investments worth roughly CZK 650 billion (€26 billion).

In 2004 CzechInvest began to channel European grants to Czech-based companies. Through the Operational Programme for Industry and Enterprise, CzechInvest administered some €350 million to these companies.

EU regional funding	€4.9 million in 2007
and a further	€5.09 million in 2008

Following the markets

While CzechInvest originally focused on projects in the manufacturing industry (cars, electronics, aerospace), it now deals mainly with projects in the field of R&D (technology centres) and business support services (customer support centres, financial and accounting services).

CzechInvest's largest project is with Hyundai. A brand new factory worth €1 billion is being set up in northern Moravia and will bring jobs to some 12 000 people.

Building a solid reputation

CzechInvest is now seen as the starting point for smart investment, having gained a reputation as the most efficient intermediary body in the Czech Republic. So what are the key factors in CzechInvest's success?

- Regional branches were set up across the whole of the Czech Republic, 13 in total, under the motto 'towards the client'. This allowed the agency to provide a systematically high level of services to its clients throughout all of the country's self-governing regions.
- Setting up a free information helpline, now in operation four years, was innovative. This service has handled more than 33 000 inquiries on the subject of European grants.

Alexandra Rudysarova, CEO of CzechInvest explains, "the Czech Republic provides a fairly strong package of national investment incentives. We were able to fine-tune EU funding so that it could be used to support the most valuable projects in R&D and investors are welcoming it."

Meeting the challenges

One major challenge CzechInvest had to overcome was finding the budget to hire new staff for its regional branches, but they managed to persuade the banks to lend them the funding they needed. Then it was a question of finding the right staff. This often took up to six months. Ideally, the candidates had to have a business background so as to understand the needs of private companies and be able to speak their language.

Setting an example

The network of regional branches is considered to be highly professional and will continue throughout the new programme period 2007-13. During this time, companies operating outside of the capital will be granted more than €3.6 billion from the Operational Programme for Enterprise and Innovation.

There is great potential for the approach to be transferred to other contexts and countries – provided a strong and convincing leadership, as shown by CzechInvest, can be found.

FIND OUT MORE:
www.czechinvest.org

Boosting business in the Czech Republic

THE LAHTI SCIENCE AND BUSINESS PARK

– FINLAND'S CLEANTECH CLUSTER

From 2000-06 the Lahti Science and Business Park received:

€855 982 from the ERDF

Total funding of €2 463 179

Once home to heavy industry, Lahti in Southern Finland was hit hard by the collapse of its major market, the Soviet Union. One third of the wood, metal and plastic products the town manufactured were destined to cross the border – when that came to an end, so did the town's prosperity. But with the support of ERDF funding, cleantech green industry flowers in a town which had been dominated by smelting and pulp mills. In 2000, the economy was still trying to absorb these changes and unemployment stood at around 12% in the region.

The park is now home to around 120 companies, a consortium of five universities and public development corporations. So where did it all start?

The secret of success

One of the key goals of the region's development strategy was to increase and enhance the attractiveness and competitiveness of companies. Two approaches were used: to develop SMEs and the environment in which they worked and to support new technologies and training. It was at this point that the help from the ERDF became instrumental. As part of this priority, the ERDF supported the environmental projects of the companies

involved, with the aim of developing business, competitiveness and employment through innovation. The support also embraced the notion of strengthening international ties.

The geography came into play – Lake Vesijärvi had research potential attracting scientific interest to the region, and in 2005 Lahti benefitted from the establishment of a regional innovation system.

The region has had a clearly defined remit as regards economic development. Each Regional Council specified its project allocation to the specific key areas using the regional programme as guidance, and determined their long-term strategy according to these parameters. This allowed the Päijät-Häme Region to focus its action on the region's strengths.

At the park

At the cutting edge of environmental technology, the Science and Business Park acts as a meeting place for environmental research, education and business. It coordinates the cleantech cluster, whose main areas of expertise are recycling, material efficiency, energy efficiency and water purification.

Universities, companies, development organisations, funding organisations and municipalities all come together to offer services and projects that are entirely based on the needs of companies, which lead the coordination of all activities. 12% of ownership is private.

And the collaborators put their money on the table. The Park had a turnover of €7.2 million in 2009, approximately €0.9 million (12%) financed by the ERDF, €2.7 million by other public institutions (ministries, Tekes, etc.) and the ESF, €1.5 million by private stakeholders, and €2.1 million by municipalities (mainly the city of Lahti).

Working for the future

Thanks to the constant emphasis on strengthening expertise, recycling and waste management now account for more than 50% of cleantech business in the region, and the growing importance of material efficiency and closed loops in traditional industries has justified the strong focus of the ERDF in this field.

Lahti Science and Business Park has become the leading environmental technology centre in Finland. The cleantech cluster has attracted several international, fast-growing companies. In 2006 the Park had attracted 70 established companies, 41 incubator companies and approximately 200 active company partners. More than €30 million had been invested and 170 new jobs in the region were created between 2005 and 2007.

Going green in the new business park



FIND OUT MORE:

<http://www.lahtisbp.fi/en>

MATCHING WOMEN'S NEEDS WITH THOSE OF THE LOCAL ECONOMY IN SALZBURG

In a region that does not have a single woman among its 15 mayors, the job of regional project manager for equal opportunities promised to be a challenging task. Since Andrea Schindler-Perner took up work eight years ago, the rural district of Lungau (Austria) has come a long way.

When she was appointed in 2002, infrastructures enabling women to strike a balance between work and family such as all-day childcare facilities were virtually non-existent. Figures from this period reflect this deficit: less than half of the mothers were working, earning more than 30% less than men, and over 80% of all female university graduates left the region.

Schindler-Perner's post, created thanks to co-funding through the European Regional Development Fund (ERDF), was set up to turn this situation around.

"The beginning was tough", Schindler-Perner says, looking back. "I was the only woman among a group of male decision-makers, lacking political power, staff and budget." Patriarchal structures were not the only challenge; there was also a complete lack of awareness about the whole notion of gender mainstreaming.

But she was determined to make a difference. A mother of two herself, she had experienced the difficulty of reconciling work and family when returning to the Lungau region after graduating: "If my mother and my husband hadn't helped me, I couldn't have stayed."

'Pagitsch Kinderland' – all-day, year-round in-company childcare



Understanding, first hand, the need for childcare was a driving force for Schindler-Perner during the creation of the kindergarten for the construction company Pagitsch. The fast-growing company, then employing around 160 people, contacted her for assistance to find female candidates to cover their increasing staff needs regionally. Following a survey identifying appropriate childcare as an important incentive, the pilot project 'Pagitsch Kinderland' was launched.

Co-financed through the ERDF as well as through national resources, it opened its doors in 2006 offering professional day care for children between two and 14 years in groups of up to 16 children, six days a week, 12 months a year. The opening hours are tailored to the needs of working parents.

Starting off with one group, the success was such that a second group was created in 2008. In 2009 alone, Pagitsch hired 11 women with children.

'PAGITSCH KINDERLAND' – FUNDING

- Total project budget for one year (2006): €105 000
- ERDF contribution: €47 250 (45%)
- Other sources of funding: Land Salzburg resources: €15 750

The project received several awards for promoting equal opportunity and corporate social responsibility by the Land of Salzburg and the Austrian Federal Ministry of Economy.

'Lungauer Frauen Netzwerk' – empowering women through networking

Recognising that networking between women committed to gender mainstreaming would be useful, Schindler-Perner started to organise meetings: the 'Lungauer Frauen Netzwerk' was born. After one year of intense preparation, the network applied successfully for funding under LEADER+.

Through events, training sessions, information exchange and media presence, the network has managed to strengthen women's roles in decision-making processes and to increase the general awareness of gender issues.

LUNGAUER FRAUEN NETZWERK – FUNDING

- Total project budget for three years (2003-06): €39 000
- EAGGF contribution: €20 670 (53%)

The way ahead

The Salzburg case study shows that the application of the gender perspective in all policies and at all policy phases may have useful results for regional development provided it is supported by the establishment of equal opportunity bodies with strong political commitment. The region has achieved some sound gender equality results not because gender equality was a horizontal priority but thanks to the creation of an implementing body (two gender equality project promoters).

Is she satisfied with the results achieved so far? "We are moving in the right direction, but we have still a long way to go", she says. Long-term commitment is necessary to make equal opportunities a reality in the region.

FIND OUT MORE:

- <http://www.lungauerfrauennetzwerk.at/>
- <http://www.pagitsch.at/>

EVALUATION – WHAT METHODS TO USE?

Choosing methods is a crucial step after having decided the theme of an evaluation and its main questions. Methods are not just important for the person or company actually doing the evaluation – every municipality, region or administration commissioning evaluations should have at least an overview of the tools available and their possibilities and limits. Last but not least – methods vary in their degree of technicality and costs.

The challenge to apply appropriate methods was especially pressing when DG Regional Policy had to design its approach to the ex post evaluation of the 2000-06 period with more than 230 Objective 1 and 2 programmes of different sizes (from €6 million to €6 billion!) and content in 25 Member States. In order to make a high quality evaluation possible, one of the first decisions was to select key intervention areas and to adapt questions and methods to these themes. What is more, a selection of themes attracted academics and consultants specialized in the different sectors.

Choosing the right evaluation methods is important. But there is no method that can answer all questions. Methods depend on the questions to be answered, data and users. Each method has its limits, is fallible and captures only a small part of our complex societies.

Accountability: what did we spend the money on?

Good policymaking needs good reporting and good accounting. Policymakers want to know what has been produced through support from Structural Funds (e.g. how many business start-ups received support). Today most programmes collect such data as output indicators.

The very first task for the ex post evaluation was to assemble such information on the physical effects of programmes. This is not evaluation yet, but a first building block and is information wanted by policymakers. The evaluation teams looked at information from the monitoring systems of Member States. It soon turned out that this information – though often valuable for the individual programme – had many gaps when it came to giving a comprehensive picture across all Member States. Surveys provided more information for the main intervention areas.

Qualitative methods: Did Cohesion Policy programmes meet real needs? What is the real story behind the programmes? Why did some work better than others?

Numbers alone are not enough to convince taxpayers and policymakers that public money was well invested. This is why the ex post evaluation made extensive use of case studies. Altogether 84 case studies and 39 good practice examples were included. Most evaluation teams carried out interviews with stakeholders in order to obtain information and to verify findings. Such qualitative studies can provide a great deal of other information, besides quantifiable effects, useful to policymakers and to citizens when it comes to understanding how public policies impact on the ground.

These methods try to answer the question of why a set of interventions produces effects, intended as well as unintended, for whom and in which context. This approach does not produce a number, it produces a narrative. It is based on the idea of a theory of change. This is why this group of methods is also called theory-based impact evaluation.

Testing counterfactual impact evaluation for ERDF programmes

There is a set of methods that is extremely popular and accepted in natural and social sciences but has not been widely used for the evaluation of ERDF programmes – counterfactual impact evaluation. The core idea of counterfactual methods is to reconstruct what would have happened in the absence of the intervention.

As regional development programmes are not replicable under controlled conditions as experiments in physics or chemistry are, the only way to find an approximate answer to this question is to establish control groups. For instance, for a programme

Good accounting means good policymaking



OVERVIEW OF EVALUATION METHODS WITH EXAMPLES

COUNTERFACTUAL IMPACT EVALUATION

Does a programme work?

- Randomised control trial
- Difference in difference
- Discontinuity design
- Matching methods
- Instrumental variables

MODELLING

- Macroeconomic models (e.g., HERMIN, QUEST)
- Sectoral models (e.g., TRANSTOOLS)
- Input-output analysis
- Social accounting matrices

THEORY-BASED EVALUATION

Why does a programme work?

- Beneficiary surveys
- Case studies, interviews
- Realist evaluation
- Participative evaluation

ASSESSING ALTERNATIVES

- Cost-benefit analysis
- Cost-effectiveness analysis
- Multicriteria analysis
- Contingent evaluation

supporting business start-ups it would be important to contrast the development of enterprises that received public money with a group of enterprises without such support. In the best case, but rarely feasible in Cohesion Policy, this can be done by a random selection of beneficiaries from a large group of applicants.

Other techniques exist to create control groups (e.g., difference in difference, matching techniques). Several of these were tested in a study on investment support to enterprises in the German Objective 1 area. The study demonstrated that this instrument led to additional investment in supported enterprises. It is plausible to give a causal interpretation to these differences, based on empirical evidence and some assumptions.

Modelling – the bigger picture

All methods mentioned so far look at the results of programmes in a relatively narrow sense. They cannot capture an economy as a whole, including the interaction of a programme with the economy. Models can help to answer this question. Their goal is to replicate the main mechanisms of an entire economic system, which may consist of a region or a nation state. A model could for instance ask whether supported business start-ups really added jobs in an economy or if they simply pushed unsupported enterprises out of the market.

The ex post evaluation used two different macroeconomic models for Objective 1 regions: HERMIN and QUEST. Their simulations give insight on the effect of Cohesion Policy programmes on the Gross Domestic Product, employment or the capital stock of the economy.

Models can also be limited to just one sector. In this evaluation, DG Regional Policy and the Joint Research Centre of the Commission tested a sectoral transport model (TRANSTOOLS).

When using modelling results, it is important to remain aware that models are simplifications of reality, despite all the impressive mathematics used. Simplifications and assumptions built into the model must be made explicit for the user, otherwise models can create a misleading impression of ‘accuracy’.

Competing alternatives – what do we do?

Policymakers are often confronted with situations where alternative projects or programmes compete for funding. Cost-benefit analysis is the best known technique in this field. It strives to support the decision on a public project by weighing all costs and benefits of the project – and comparing the results with alternative projects. In order to make this weighing possible, costs and benefits are expressed in monetary terms. Currently DG Regional Policy is testing the utility of such analyses after project completion for projects that received support from the Cohesion Fund in 2000-06.

How to move forward

The European Commission alone cannot deliver all the evidence on the performance of Cohesion Policy. This is why it encourages Member States to use some of the more rigorous methods in their own evaluations. The more evaluations we have that deliver credible evidence on different aspects of the policy, the better we will be able to build up a picture of the performance of the policy overall.

To sum up: there is no magic, single method to find out, in a simple manner, whether Cohesion Policy programmes were successful or not. But evaluations based on a variety of methods can build up evidence to claim success.

FOR FURTHER INFORMATION SEE THE METHODS SOURCEBOOK OF EVALSED:

http://ec.europa.eu/regional_policy/sources/docgener/evaluation/evalsed/sourcebooks/method_techniques/index_en.htm

EVALUATION STRENGTHENS COHESION POLICY

Evaluation is built into Cohesion Policy from the top to the bottom. When European leaders decide on the budget for the policy, this must be translated into objectives and targets at Member State, region and ultimately project level. Clear objectives and targets at each level can demonstrate the contribution projects make to achieving European goals of economic, social and territorial development. Evaluation helps in both setting the objectives and revealing if those objectives have been met.

Regions are responsible for the evaluation of their programmes, to see if they are performing according to plan and making necessary improvements if they are not. In 2007-13 regional and national authorities have great freedom to decide what they will evaluate and when. The main point is that evaluations should be designed to meet their needs: if they need the results, they are more likely to use them!

In this feature, programme coordinators in four areas of the EU, France, Poland, North-Rhine Westphalia in Germany, and Austria, tell us how evaluation helps them to deliver effective programmes which meet the objectives of Cohesion Policy.

FRANCE

Traditionally, regional development policy in France has been centralised. Over the last 20 years the national planning approach has been evolving towards decentralisation and greater responsibility for local authorities. Furthermore, since 2000 there has been a constant desire for better coordination between the ERDF programmes and the *Contrats de plan Etat-Région* (CPERs) which are State-Region programmes introduced by the decentralisation policy applied in France in the 1980s.

To help achieve this goal, the State-Region programmes were aligned to the seven-year programming period of the ERDF programmes (2000-06). The aim was to promote more coherent actions and increase the leverage effect of the domestic and European funds. During this period, evaluation also brought added value to the State-Region programmes by introducing new practices such as mid-term evaluation and generated a stronger evaluation culture in both state and regional administration. This coherence with the ERDF programme was increased further in the current period through the introduction of ex ante evaluations for the State-Region programmes, setting up of common regional evaluation committees and launching of common evaluations for the ERDF programmes and the CPERs.

FIND OUT MORE:

<http://www.datar.gouv.fr/>

DATAR is the national body in charge of spatial planning and regional development policies in France providing guidelines to define the national strategy. It is responsible for the process and coordination of evaluation of the ERDF programmes and the CPERs, proposes methodologies and produces national thematic evaluations. At regional level, the prefectures in partnership with regional self-governments (with the exception of the Alsace regional authority to which this role was delegated) are responsible for monitoring and evaluation.

Due to a complex institutional division of responsibilities between regions and the central level, monitoring of national and regional programmes is a real challenge. Before 2000, regions used their own monitoring system which was not always compatible with the one at central level, making it impossible to consolidate the data collected by the regions. The 2000-06 period was marked by the introduction of PRESAGE, a system for financial monitoring of the programmes co-financed by the ERDF. As for the evaluation activities, this system was extended to cover monitoring activities of the CPERs in the current period. Although monitoring is often considered as an administrative burden, it served as a useful learning tool for both project partners and regional authorities.

POLAND

In the lead-up to EU accession in 2004, Poland faced the huge task of creating systems from scratch to assess the impact of investment programmes. Along with other new Member States, institutional structures and capacity had to be put in place before any type of evaluation could begin. This task ahead seemed monumental. Today however, the National Evaluation Unit is going from strength to strength and what began as a duty for programme control is now becoming an example of modern management in public administration.



The first steps in this journey began in 2004 with intensive efforts to create robust institutions and train officials in evaluation techniques. Enough ground had been covered by 2006 to complete ex ante evaluations of programmes for the 2007-13 period and to ask broader questions about how to evaluate impacts, who should be responsible for this and how best to disseminate the results of their findings. The picture of evaluation now is one of ongoing, integrated studies and data collection to reveal the true economic impact of individual projects and the wider, horizontal aims of regional development programmes.

Having achieved much in a short space of time, Polish evaluators have an enthusiasm for sharing their knowledge and maintaining the momentum of progress. All those involved are committed to making the results of their work known and getting them disseminated through conferences, the internet, reports and databases available to the public.

Training in evaluation procedures and improving techniques continues to be at the heart of their work. EU funding has ensured that the evaluation process can develop continually through new training opportunities and by committing resources to research in this area. This is supplemented by calling on external experts and benefiting from increasing international co-operation. With this powerful combination of resources and ambition, evaluation in Poland is fast acquiring an enviable reputation.

FIND OUT MORE:

Poland - <http://www.mg.gov.pl/English>



Funding renewables in La Réunion

“ What began as a duty for programme control is now becoming an example of modern management in public administration ”



NORTH-RHINE WESTPHALIA, GERMANY

The long track record of programme monitoring in Germany provides a firm foundation for the increasingly wide-ranging indicators being tracked today. In North-Rhine Westphalia, programme evaluators are collating an overall picture of the effect of regional development through financial and employment data. This gives an insight into how the range of projects is contributing to job creation, innovation, new firm creation, and professional training opportunities.

Looking beyond this to horizontal objectives, the evaluation process also measures environmental gains and equal opportunities. Martin Hennicke, head of the managing authority at the Ministry for Economic Affairs and Energy of North-Rhine Westphalia, is convinced that “continuous monitoring and evaluation is the basis for transparency, effectiveness and efficiency.”

Every project proposal has to set out a detailed justification for funding in terms of the economic, social and environmental benefits anticipated. This wealth of information bears increasing fruit over time and the more detailed the projected benefits, the more useful they are in the ongoing process of evaluation and setting specific milestones.

For some complex programmes, especially involving new funding instruments, an in-depth assessment is completed after project completion. In these cases, evaluators are looking at quantitative data of the outcomes of projects, as well as more qualitative assessments of levels of innovation and social improvements. Sometimes external teams are also brought in to boost the expertise in particular areas, allowing more measurable progress in wider thematic targets like the Climate Protection Strategy.

All these strands can now be brought together into a reliable and powerful evaluation process that demonstrates value for money across a range of measures and is the basis for continually fine-tuning the management of future projects.

FIND OUT MORE:

North-Rhine Westphalia - <http://www.economy.nrw.de/grundsatz/nrwineu/index.php>

AUSTRIA

The driving force behind evaluation in Austria was the new regulation for EU Structural Funds which encouraged a more open, logical approach.

Systemic evaluation, which is a prerequisite for process-orientated systems of evaluation, requires knowledge sharing and networking to ensure that lessons learned are shared.

In the period running 2000-06 a new instrument to improve the communication and coordination of the evaluation process was created. This was the coordination and work platform evaluation, KAP-EVA, set up in time to benefit the specific, obligatory mid-term evaluations.

As part of the mid-term evaluation in 2003 the Upper Austrian research company Profactor was evaluated regarding the regional effects of its EU-cofinanced research projects. The process looked closely at the project’s impact on the innovation potential of local and regional SMEs, the development of innovation-oriented infrastructure and improvement of the transfer of technology. Although some room for improvement was found, such as encouraging less innovative enterprises to access R&D know-how, the evaluation of Profactor confirmed the positive effects of EU-cofinanced projects.

The evaluation approach was further developed in 2007-13 by setting up an integrated strategic monitoring process ‘STRAT. ATplus’. As a result of a quantitatively conducted pilot study (period of observation 1995-2007), the following conclusion can be drawn: regions assisted (in the period 1995-2007) are developing better in terms of employment and labour market and have achieved more progress in comparison to unassisted regions. The number of decentralised activation structures and the creation of regional intermediary facilities have improved the conditions for development in the regions.

The strategic monitoring process fully supports the partnership principle and highlights the regional strategic developments from a cross-funds perspective.

FIND OUT MORE:

Austria - www.oerok.gv.at

“The long track record of programme monitoring in Germany provides a firm foundation for the increasingly wide-ranging indicators being tracked today”



The Profactor project showed the benefits of EU funds

INTRODUCING COMMISSIONER HAHN, THE EU'S NEW COMMISSIONER FOR REGIONAL POLICY



What do you see as the key challenges ahead in your new role as EU Commissioner for Regional Policy?

Firstly, let me say that it is a privilege to have been appointed to this job. Steering the EU's Regional Policy – one of the great success stories of European integration – is a huge challenge in itself and I look forward to continuing the good work carried out by my predecessors.

My view is that we need to develop regional economies that are more knowledge-based, innovative and sustainable. The financial crisis and subsequent economic downturn has hit all regions across the Union. It continues to have a huge impact on economic development and employment. By investing even more regional money in research, innovation and education we can help to underpin competitiveness and innovation in our regions, which in turn will help us emerge stronger from the economic crisis.

We also need to ensure that our policy is more focused than ever on producing tangible results and creating jobs. In our closely interconnected world, achieving growth in one region will lead to new employment in another. In the end, regional investment means European progress.

You have pledged to make Regional Policy goals a key aspect of the EU 2020 Strategy – is that a realistic goal?

One of my key aims is to ensure that the EU's Cohesion Policy is closely aligned with the Europe 2020 Strategy. This is a top priority. This strategy will set out the framework for the economic, social and environmental development of the EU for the next decade. Given the current economic climate, meeting its objectives will be no easy task. However, with its integrated framework for investment, proven delivery system and ownership on the ground, Cohesion Policy can, and will be, one of the main delivery vehicles for Europe 2020.

You are now responsible for one of the biggest budgets in the European Union – how will you ensure that impact of the policy is rigorously assessed?

A policy worth €50 billion a year certainly represents a lot of money! Evaluating the impact of this investment, learning what works and why it works, is of course critical to its success. I firmly believe that Cohesion Policy must focus more on results, with performance criteria reflecting the nature of the interventions and policy objectives.

Millions of projects have been supported by the policy. These projects tell the story of how its sustained investment in infrastructure, in environmental improvements, in innovation and business development, and in people's skills, has delivered real benefits for citizens throughout the EU. Letting the public know what has actually been achieved with taxpayers' money is not only crucial, it is also a cornerstone of democratic accountability. We therefore need to make absolutely sure we have the best control systems in place, so the taxpayer knows that the money is well spent.

This will require an even stronger monitoring and evaluation culture and commitment to learning within partnerships. An increased focus on performance, objectives and results may also need to be linked to incentives and conditionality to encourage quality.

There has been much discussion on the future Cohesion Policy – what are your personal views on some of the key issues at stake?

In the context of both the EU 2020 Strategy and the budget review, 2010 is in many ways a pivotal year for laying down the foundations for the future Cohesion Policy. Shaping the policy for post-2013 so that it can support Europe's regions in confronting new challenges and moving into tomorrow's economy, will be one of my most important tasks.

Europe's project of economic integration is for everybody – therefore Cohesion Policy should be a policy for all regions. However, to increase the effectiveness of the policy, we need to focus future support on a limited number of priorities in line with Europe 2020 and avoid further multiplication and fragmentation of Community funding. To achieve this, we must simplify the rules of the policy and focus more on results, and work together on all levels to combine European funding with local, regional, national or private budgets to lever investment to maximum effect.

The Directorate-General for Regional Policy supports the development of evaluation capacity in the Member States and regions by providing advice and guidance on evaluation methods and good examples. The aim is to assist national and regional administrations to improve the rigour and quality of their evaluations. We do this through various working documents and guidelines, evaluation events and two evaluation networks.

Member State Evaluation Network

The Member State Evaluation Network is a forum for discussion between the European Commission (Directorate-General for Regional Policy) and Member States on issues concerning the evaluation of Cohesion Policy. This network is chaired by the Evaluation Unit of DG Regional Policy and meets two or three times a year to discuss evaluation methods, good practice, evaluation results and their use.

It sets out to facilitate exchanges of experience and good practice between Member States in order to strengthen evaluation capacity throughout the European Union. The Evaluation Network comprises representatives of Member States who are responsible for evaluation of Cohesion Policy, in particular the European Regional Development Fund and the Cohesion Fund.

From the agenda for the 25-26 February 2010 meeting:

- National strategic reports: overview of core indicators and evaluation results
- Core indicators: Organisation of the Pilot Exercise and Information on Annual Reports 2010
- Update and presentations from DG REGIO of final results from ex post evaluations of Objectives 1 & 2 for 2000-06;
 - Structural Change & Globalisation
 - Transport
 - Environment & Climate Change
- Update on the ex post evaluation of the Cohesion Fund and ISPA
- Presentation of evaluation results from Poland (on enterprise support & control groups)
- Presentation of evaluation results from Sweden and a recent publication on ongoing evaluations

Expert evaluation network

The objective of this new initiative is to capture all available evidence on the performance of Cohesion Policy, each year, and to produce an annual report for each Member State. The first reports will be published at the end of 2010.

Starting in early 2010, this network of experts will synthesise evidence on the performance of the policy in the 2007-13 period by looking at the physical and financial performance of the Operational Programmes. It will analyse the evidence coming from evaluations undertaken in the Member States.

Under current regulations, Member States are responsible for evaluations during the programming period according to their needs and priorities. Over the last couple of years, Member States have developed evaluation plans and many have launched evaluations which are delivering new insights into the performance of programmes. The evaluation expert network will analyse the results of these studies in each Member State.

Another objective of this network is to identify examples of good practice in evaluation (interesting methods, good data, and so on). The studies that may be useful and interesting for other Member States will be available in the on-line library of the InfoREGIO website, where users will be able to search evaluation studies according to different criteria.

Focus on innovation in 2010

In line with the renewed Lisbon Strategy, Cohesion Policy stresses the need to invest in innovation to sustain competitiveness, growth and employment in Europe. A quarter of the ERDF 2007-13, €85 billion, is targeted at activities fostering innovation. The work of this expert network will give insight into the kinds of measures supported by the ERDF and the relative emphasis of the innovation dimensions in each Member State.

Is there a regional dimension to national innovation policies and how do ERDF programmes contribute to regional and national innovation policies? These are among the key issues experts will look at in each Member State. The objective is to give insights on how Cohesion Policy programmes could contribute to improve the innovative potential of the EU.





EVALSED

EVALSED is an online source providing guidance on how to design and implement evaluations and how to ensure their quality. Designed primarily for decision makers – specifically those who design and manage evaluations – EVALSED is a practical tool aimed at helping decision making on socio-economic development policies.

It defines the role of evaluation in socio-economic development, discusses various ways to develop evaluation capacity and elaborates on evaluation methods. EVALSED has traditionally focused on programme evaluations. The experience of ongoing evaluation for 2007-13 and the thematic, ex post evaluation of the 2000-06 period, also demonstrate the greater potential for evaluations of themes or interventions to deliver credible results. Following these recent evaluation experiences, the guide part of EVALSED was updated and provided in printed form in order to promote and improve the practice of evaluation in the EU.

EVALSED CONSISTS OF TWO PARTS:

- Guide:** intended for general users and readers
- 2 Sourcebooks:** of particular interest to practitioners and those wishing to impart or acquire evaluation skills
 - Methods & techniques
 - Capacity-building

The overall structure of the Sourcebook on evaluation methods and techniques has been recently updated and new sections on macroeconomic models and counterfactual impact evaluation have been published. In 2010, a more in-depth examination of the Guide and Sourcebooks is planned in order to further develop and update their contents.

Conference on evaluation

A major international conference on 'New Methods for Cohesion Policy Evaluation: Promoting Accountability and Learning' took place in November 2009 in Warsaw, Poland. The theme of the conference was the use of evaluation methods which will deliver credible evidence of the performance of Cohesion Policy. This event brought together 500 participants from all Member States and beyond, including policymakers, those responsible for evaluation of Cohesion Policy programmes at national and regional level, evaluators and the academic community.

One of the key messages is that evaluation needs to capture the effects of Cohesion Policy and this is a two-way process: the Commission alone cannot deliver evidence on the performance of the policy – Member States and regions also need to deliver evaluation evidence. Robust evaluation methods should be used in different areas of intervention.

The need for political debate on the performance of the policy was a consistent message during the two days of presentations, discussions and workshops on particular evaluation methods. The conference was a timely occasion for some top European policymakers and evaluators to reflect on what the Commission, Member States and evaluators need to do to ensure that evaluation delivers and contributes to the policy debate. If we want a policy that performs and if we want to be able to demonstrate this through evaluation, we need also to be clear on what the objectives of the policy are – and not overload the policy with a multiplicity of objectives.

FIND OUT MORE:

http://ec.europa.eu/regional_policy/sources/docgener/evaluation/evalsed/index_en.htm



INSIDE OUR PROJECTS

In each edition, Panorama finds out how two projects are unfolding from the perspective of the people managing them. We look into the highs and lows of managing an ERDF-funded project: identifying the problems and sharing solutions.

PROJECT 1

INSIDE LONGLIFE

Facts and figures

Some €2.3 million is being invested in the Longlife project from January 2009 to January 2012.

Building for life

Environmental considerations are becoming one of the main design features of new modern residential buildings in the Baltic Sea Region thanks in part to the Longlife project. Practices, innovative technologies, unified procedures and guidelines are being developed by the project to plan and build a prototype for a sustainable, energy-efficient and resource-saving residential building.

Knowledge gained in the process will be transferred to Denmark, Germany, Lithuania, Poland and Russia. It is expected that this sharing of knowledge will lessen the differences as regards the practices, technologies, procedures and rules, thereby leading to more environmentally sound residential buildings.

Behind the scenes – managing the ERDF project

Meet project manager, Klaus Rückert

Klaus Rückert is the lead partner of the project. A professor in the fields of design, structure and construction at the Institute for Architecture at the Technische Universität Berlin, Rückert considered it “a short step” to extend his research area from countries such as Mexico, China, Afghanistan and Iran to Europe's Baltic Sea Region. He took on board the major task of looking for partners and writing a successful project proposal for the INTERREG IV B programme.



A recent national holiday in Lithuania gave project coordinator, Maria Kiefel the chance to send out congratulations to the project's partners and associations based there, “It's really important for the project that people feel appreciated and informed,” she explains. With partners in different countries,



competence teams in different areas of specialty and EU guidelines on activities in the Baltic Sea Region that are now in their fourth edition, the need to keep everyone up to date is pressing.

So when, at the project's last workshop she presented a status report to the steering committee which also set out the main tasks for the next reporting period, she was happy to see all recommendations were accepted. The report itself and supporting presentations were sent out to all project partners, “We don't want anyone to feel out of the loop” says Kiefel.

Should the management of an ERDF-supported Baltic Sea Region project get too complex, Kiefel has an invaluable resource at her fingertips. The EU's Joint Technical Secretariat is based in Rostock, “They can answer every question I might have. The service is invaluable,” she adds.

As the first project to receive ERDF funding in the first call of the last programme, the project's managers have reason to feel proud of what has been achieved. And what does Kiefel believe the key to a successful project in the Baltic Sea Region is? “There must be trust between the lead partner and the Joint Technical Secretariat”, she says.

Successful outcomes

With the project running smoothly, focus is on the anticipated results. The central aim is to create a new building, designed from scratch and certified as sustainable, for use by regional, national and EU bodies, planners, housing associations, developers, companies and small businesses. And when one is up and running, the hope is that more will be created.

When asked about any major obstacles along the way to implementation, Rückert said: “Of course it needs some effort to coordinate 14 partners from 5 countries on such a difficult topic!” He is quick, however, to point out that the high level of commitment of all his fellow project partners has helped to make things smooth sailing.

FIND OUT MORE:
www.longlife-world.eu

While we will be following up on the Musikpark and Nanohealth Centre in our next edition, in this issue we discover what's been happening in two new projects – Competitive Health Services and Longlife, both of which involve partnerships across different Member States.

PROJECT 2

INSIDE COMPETITIVE HEALTH SERVICES

Facts and figures

Just under €1 million is being invested in the Competitive Health Services project from January 2008 to the end of 2010.

A modern approach to healthcare

Finland, Ireland, Norway, Sweden and Scotland have some of Europe's most sparsely populated regions where population densities average out at 3.5 inhabitants per km². Getting healthcare to these regions with their aging populations and cold climates is a challenge that has long been known. It is only recently, however, that solutions have been found.

From his office in Brussels, Seppo Heikkilä, then Director of the North Finland EU Office, dreamed up a plan together with Pasi Parkkila from the Northern Ostrobothnia Hospital District to bring telemedicine and eHealth services to far out regions. Through his connections and funding knowledge, the Competitive Health Services project came into being.

Meet Minna Mäkineniemi – project coordinator

Mäkineniemi was approached to put her specialist knowledge to very practical use as project coordinator. Her scientific background – researching DNA replication and repair at the University of Oulu and later modelling the genesis of cancer in the UK – as well as her knowledge of information processing and public administration placed her in an ideal position to head up this ambitious transnational project. Two years into the project, she describes the work as “highly interesting and stimulating” in spite of the many deadlines to be met.

And what would be Mäkineniemi's advice to others trying for support from the ERDF? “Administration of an EU project takes a lot of time, filling in the timesheets and documenting everything in detail. Paying attention to details does pay off though, as writing reports and preparing for the financial audits is easier.”



Running the project – what's involved?

The economic downturn has meant that the healthcare sector has funding problems and needs to cut back on spending. When this is combined with the recent swine flu epidemic, it becomes clear that these unexpected constraints have left the sector with less time and money to spend on developing new services. To deal

with this, the project consortium has tried to ensure that all people involved are compensated for their time – a step that seems to be paying off.

Mäkineniemi is clear that communication is the key to dealing with most hurdles that arise, “Communication through e-mail is convenient, but it is not the best management tool. We have held extra telephone and video conference meetings to supplement our biannual meetings.” Involving top management, and the commitment they have shown, has also been crucial for project progress.

No distance too far

After many brainstorming and preparatory sessions, the most promising services were selected in Finland, Norway, Sweden and Scotland. ‘Matchmaking’ sessions were then organised in Inverness in Scotland, bringing together service providers and pilot site representatives.

In Finland

A Swedish innovation to monitor physiological data from a distance was put to the test. Known as the Remote Check-up Bag, this innovation allows patients to have their blood pressure checked together with blood sugar levels, weight and body fat percentages. The bag is also to be used to offer ECG readings to cardiac patients. All this data can then be accessed via a web browser.

In Norway

Small communities on the island of Senja have had great difficulty in filling General Practitioner positions. Thanks to the Remote Check-up Bag, doctors all located in one centre will offer services to Senja islanders.

In Sweden

A mobile eye screening unit will bring services to the very doorsteps of diabetic and glaucoma patients. The unit is in a trailer and therefore easily transportable.

In Scotland

Teledialysis (a Norwegian model) creates a video link between dialysis units at the main hospital in Inverness and a rural hospital in Wick. This will enhance support for satellite nursing staff, and enable remote consultations between renal patients, nephrologists and other specialists based primarily at the main hospital.

FIND OUT MORE:
www.ehealthservices.eu

DIARY DATES – MAKE YOUR VOICE HEARD

DATES 2010	EVENT	PLACE
19 April	Cohesion Policy 2000-06: what have we achieved?	Brussels (BE)
19-21 April	Wien/Bratislava Conference on the EU Strategy for the Danube Region	Vienna (AT) and Bratislava (SK)
10-11 May	Ruse Conference on the EU Strategy for the Danube Region	Ruse (BG)
20-21 May	Regions for Economic Change conference 'Building Sustainable Growth' and RegioStars 2010 Award Ceremony http://ec.europa.eu/regional_policy/conferences/sustainable-growth/home_en.cfm?nmenu=1	Brussels (BE)
24-26 May	Conference 'Regional Responses to Global Shifts: Actors, Institutions and Organisations' http://www.regional-studies-assoc.ac.uk/	Pecs (HU)
27-28 May	Forum on Outermost Regions	Brussels (BE)
10-11 June	Constanta Conference on the EU Strategy for the Danube Region	Constanta (RO)
21-22 June	Informal ministerial meeting on Housing and Urban Development http://www.eu2010.es/	Toledo (ES)
4-7 October	Open Days – 8 th European Week of Regions and Cities – 'Objective 2020: Competitiveness, co-operation and cohesion for all regions' http://www.opendays.europa.eu/	Brussels (BE)

Find out about key Regional Policy events at http://ec.europa.eu/regional_policy/conferences/agenda/index_en.cfm

The next Panorama editions:

Panorama 34 (Summer 2010) will be dedicated to the following subject: 'Integrated Approach'.

Panorama 35 (Autumn 2010) 'Combating Poverty and Social Exclusion' will look at the European year on that theme, through the eyes of Cohesion Policy.

The challenges of social exclusion, urban poverty and marginalised communities such as the Roma, will be examined.

We would like to hear your comments and ideas, so if you have something to say, contact:

regio-panorama@ec.europa.eu

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