

# th CONFERENCE on the Evaluation of EU Cohesion Policy

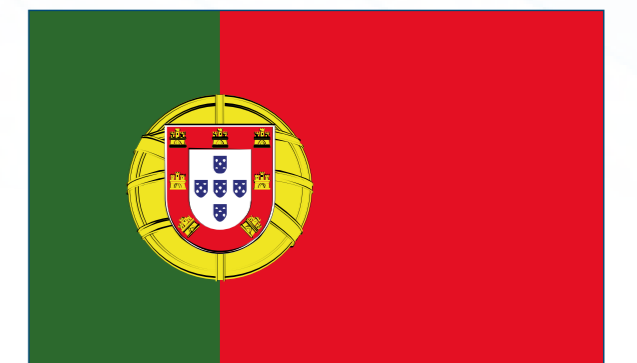
16-17 September 2021 Porto, Portugal

## Shaping Transitions with Evidence



### Macroeconomic Impact Evaluation of the Portugal 2020

Cohesion and Development Agency



#### FUND COVERED

► All funds

#### PROGRAMMING PERIOD

► 2014-2020

#### PROGRAMMES COVERED

All the Operational Programmes under the partnership agreement Portugal 2020

#### THEMATIC OBJECTIVES

All TO

#### TYPE OF EVALUATION

► Impact



#### YEAR OF COMPLETION

► Not completed yet

#### MAIN OBJECTIVES

The evaluation aims to answer two questions:

1. What is the macroeconomic impact of Portugal 2020 at national level, considering the most relevant macroeconomic variables (GDP, employment, investment, productivity, etc.)?
2. What is the macroeconomic impact of Portugal 2020 at regional level (NUT II)?

#### METHODOLOGY USED

Macroeconomic simulation, using two models: QUEST III (national level) and RHOMOLO (regional level).

#### DATA SOURCES

ESIF implementation and forecast data from coordinating bodies information systems, arranged by fund, intervention field, region, and economic activity.

#### MAIN FINDINGS

Preliminary results at the regional level show that:

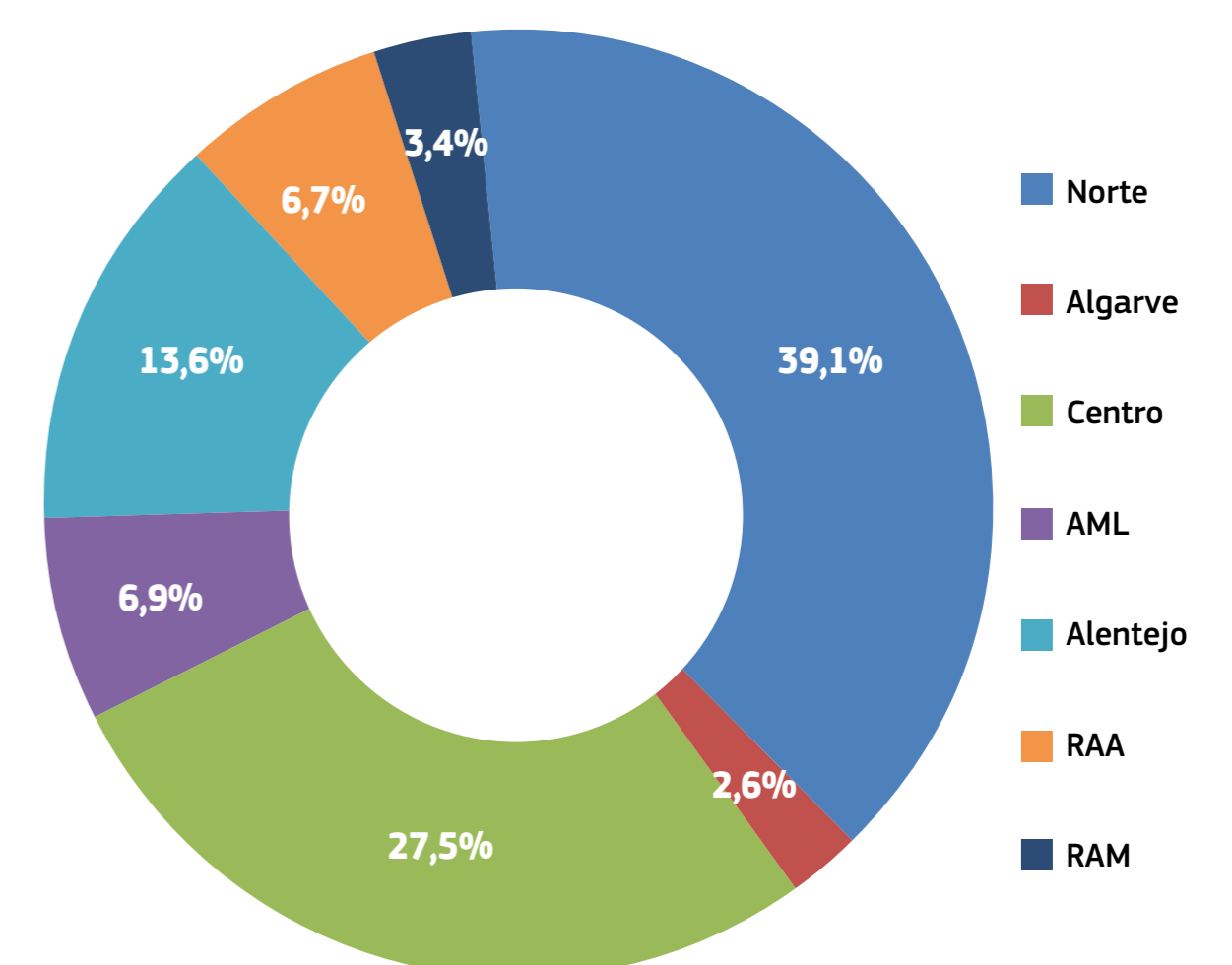
- ESIF seem to have an effective contribution to regional convergence within the country, with less developed regions averaging between 1.2 (Centro), 1.4 (Norte), 1.8 (Alentejo) and 2.1 (Azores) times the national average of the effect on GDP levels over a 60 years period. The same happens, more or less, when considering the effects over employment and other relevant macroeconomic variables, such as consumption, private investment, wages and productivity
- Moreover, Norte and Centro concentrate the better part of GDP gains (averaging 40% and 23%, respectively), and do so increasingly over time. The Lisbon region, on the other hand, is unable to sustain its share of gains after the programming period is over. Overall, average regional gains tend to reflect the weight in terms of ESIF allocations across regions
- Taken individually, the impact of ESF, ERDF and CF at regional level displays a similar tendency to reinforce the regional convergence trend, which is roughly in line with the differences in volume of each fund allocated to each region. In the case of EAFRD, only Alentejo and Azores raise well above (6 fold and 3 fold, respectively) the national average impact on GDP levels, with all other regions staying below average, and for the EMFF is the Algarve region the one standing out, with a long term average impact over 6 times the national average of EMFF's impact

National results and multiplier effects (both at national and regional level) will also be computed, providing a clearer picture of the Portugal 2020 short, medium and long term effects on most relevant macroeconomic variables.

#### CONCLUSIONS

► This evaluation has not yet been completed

Overall ESIF allocations (projected implementation), by NUTS II region



Impact of ESIF public expenditure on GDP by region NUTS II, 2015-2074 (ratio between the % change compared to steady state for each region and the % change compared to steady state for the national average; 1 = national average)

