



# **Expert evaluation network delivering policy analysis on the performance of Cohesion policy 2007-2013 Year 3 – 2013**

## **Task 2: Country Report on Achievements of Cohesion policy**

**Italy**

**Version: Final**

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**A report to the European Commission  
Directorate-General Regional Policy**

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## List of abbreviations

- AIR Annual Implementation Report
- ANAS National Road and Motorway Network Agency
- DPS Department of development policy and cohesion, Ministry of Economic Development
- EC European Commission
- EEN Expert Evaluation Network
- FP7 Seventh Framework Programme for Research and Technological Development in the EU
- FSC Fund for Development and Cohesion
- IS Information Society
- ITP Integrated Territorial Projects
- JEREMIE Joint European Resources for Micro to medium Enterprises
- JESSICA Joint European Support for Sustainable Investment in City Areas
- MA Managing Authority
- NSRF National Strategic Reference Framework
- NOP National Operational Programme
- NOP GAT Governance and Technical Assistance National Operational Programme
- OP Operational Programme
- PAC Cohesion Action Plan
- POIN Interregional Operational Programme
- RES Renewable Energy Source
- RFI Italian Railway Network
- ROP Regional Operational Programme
- SEA Strategic Environmental Assessment
- SEAP Sustainable Energy Action Plan
- TA Technical Assistance
- UVAL The Public Investment Evaluation Unit of DPS

## Executive summary

The Italian economy is currently facing a severe crisis whose causes are long term, unresolved structural issues. The impact of these issues was further sharpened by the international recession which shifted focus away from them, to concentrate on measures for supporting existing enterprises, safeguarding employment, and maintaining an unsatisfactory status quo rather than trying to facilitate structural changes in production and in the labour markets. The present economic outlook suggests that significant reductions in regional social and economic disparities over the next few years cannot be expected unless a focused national competitiveness policy sustaining structural change is implemented and the macroeconomic policy stance at European level becomes more supportive towards Member States with high debts. In this context, Southern regions increasingly lose ground due to their higher vulnerability, poorer financial conditions, and the uncertainty about when demand and investment may resume.

The development policy pursued in the current programming period turned out to be too weak, in particular to respond to the needs of Convergence and phasing out regions. In short, most resources were used for: protecting existing firms and employment with grants and credit guarantees, irrespective of their potential in gaining competitiveness and expanding trade, enhancing RTDI infrastructure as well as other infrastructures of various kind (e.g. transport, energy, ICT). Alongside these major types of interventions there are a host of small projects in different field with varying impact potential and sometimes successful, but without critical mass to radically attack and solve the problems they are meant to deal with in education, health, urban attractiveness, tourism.

The reasons of these weaknesses can only partly be found in a significant decrease in the financial size of the intervention caused by the budgetary cuts. The overall strategies in the national and regional programmes suffered from being far too ambitious and unfocused in terms of priorities and of concrete objectives. In addition, too many projects of different nature are financed, requiring the implementation of equally different administrative procedures; this exacerbated the endemic administrative difficulties and inefficiencies which after many decades are still a major obstacle leading to delays and a dilution of the impact of the funds on investment and growth.

In this context, the slow and unsatisfactory utilization of EU funds, in the face of the crisis and of the cut backs in national resources, magnified the negative impact of lacking a strategy and of a public administration incapable of implementing programmes in due time and pursuing realistic objectives. As at the end of October 2013, the certified expenditure in the ERDF Operational Programmes (OPs) was 40.5% in Convergence and 53.1% in Competitiveness: about half the funds have yet to be spent. The reasons behind this unsatisfactory implementation include: the overlapping between programming periods; a lack of political continuity both at national and regional level (e.g. in the case of the Fund for Development and Cohesion<sup>1</sup> (FSC) and a loose and too wide set of priorities to be pursued; a scarce networking

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<sup>1</sup> Previously "Fondo Aree Sottoutilizzate" (FAS)).

capacity between public and private stakeholders; the internal Stability Pact; the low capacity of administrations.

Over the last few years and faced with the risk of a loss of resources some contingent measures have been undertaken (e.g. the Cohesion Action Plan<sup>2</sup> (PAC), an increasing use of major projects, Financial Engineering Instruments (FEIs), various initiatives taken by the regions). Their effect is still uncertain and, on the whole, they do not challenge the systematic underperformance and inefficiency of the management systems which require a more encompassing and holistic revision of the legal, institutional and administrative framework. An attempt to face the problem of institutional capacity has been the outsourcing of administrative and management services to in-house companies and private firms and the establishment of ad hoc programmes aiming at improving the quality of the administration. This approach without going to the source of the problems made the management more costly than it would have been if it had been carried out internally with personnel who could have built up skills and experience over several programming periods. The non-selective use of Technical Assistance (TA), private and in-house, has created parallel management structures and actually made the administrations less accountable for their programmes. Also evaluation activities have progressively been incorporated into in-house agencies and in the internal evaluation units, originating a potential conflict of interest.

The implementation flaws are partially reflected in the achievements of Cohesion policy that are not up to expectations. The paucity of achievements is aggravated by the poor quality of the monitoring data and of the sets of indicators, the deficiency of Annual Implementation Reports (AIRs) and the lack of comprehensive evaluations which do not cover policy areas and instruments in a balanced way. All these issues make an exhaustive analysis of achievements problematic.

In Convergence regions, few significant achievements were recorded in relation to: strengthening RTDI infrastructure, supporting SMEs investments, developing primary and secondary school infrastructure, reconstructing railways, increasing the number of people protected from natural risks and connected to waste water networks. These achievements are nevertheless unlikely to impact on North-South disparities which, during 2007-2013, have continued the deterioration trend experienced in the last decade. Most of these problems were much less severe in the Competitiveness regions because of the smaller size of the programmes and the more efficient and clear strategic focus. In Competitiveness, achievements are more circumscribed, in line with the weight of the funds. However, these were used more efficiently and significant results were produced in terms of enhanced university-business cooperation, access to credit, reduction of digital divide and ICT diffusion, as well as improvement of attractiveness of towns and cities.

There is no solid and comprehensive evidence from studies and evaluation on the most significant policy areas in terms of resources spent, let alone on the wider effects of Cohesion policy intervention and on their contribution to respond to major long-term challenges (such as globalisation, demographic trends, climate change and energy security). Despite the strong emphasis that the National Strategic Reference Framework (NSRF) put at the beginning of the

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<sup>2</sup> «Piano d'Azione Coesione».

programming period on evaluation and its integration with the policy implementation process, the actual use of evaluation was inadequate apart from a few exceptions mostly in Competitiveness regions. There is a lack of evaluation culture in the Convergence and phasing out regional administration and an insufficient attention towards results and accountability. The implementation processes, from the definition of the calls to the quality control of the services provided, are often scanty. Finally there is a lack of a systematic and open discussion of results and recommendations which hampers an effective use of the evaluation evidence in policy making decisions and does not allow a peer review.

## 1. The socio-economic context

Main points from previous country reports:

Overall, the features of the socio-economic context highlighted in last year's report are still valid. The main ones include:

- The causes behind Italian regional disparities are long-term structural issues such as persistent differences in the rate of entrepreneurship, density of business activities, scale and efficiency of infrastructure, human resources development and administrative capacities etc. These perpetuate income, productivity, employment and social gaps.
- The inefficiency of the public sector (central administrations, regions and municipalities), and consequently of the many initiatives implemented as part of Cohesion policy, contribute to worsen disparities.
- In the last six years of strong recession, the North-South socio-economic divide has worsened, also as a result of declining transfers from the north and fewer employment opportunities for southern workers. Emigration from the south towards the rest of Italy, Europe and the other continents has significantly increased, showing that labour mobility is one of the possible solution to a non-inclusive society also for highly skilled and highly educated young professional. The GDP growth rate was negative in the South and close to zero in the Centre (0.1%) in 2011. The performance of the North was far from satisfactory but significantly better (0.6% in North-West and 0.9% in North-East) thanks to the greater degree of openness to international trade and to the contribution of exports to value added<sup>3</sup>.
- Private and public investments were very low and declining. In 2011, fixed capital formation decreased in all regions except for the Centre (+4.3%).
- The 2011 international financial instability (in particular the sovereign debt crisis of the Euro zone) strongly affected the country and contributed to exacerbate the already critical conditions for consumption, investments and credit. Southern regions, and Convergence areas in particular, suffered most from the reduction in internal demand because of weak export, their large public sector, their dependence on public expenditure and transfer.
- Austerity measures to comply with the European Stability and Growth Pact took their toll especially on weak regions by cutting public investments drastically; the EU Cohesion resources have become de facto the most important source of financing for regional development.

### Developments since the 2012 report

#### *Long term structural weaknesses and new developments brought about by the crisis*

The Italian economy is facing a long and severe crisis, negative growth rates, high unemployment, and rising public debt. However, these problems are not recent as the Italian performance has been poor since the turn of the century. The real GDP growth rate was on

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<sup>3</sup> In Central-Northern regions, 39% of medium enterprises turnover is generated by exports while this figure is 22% in the Southern regions - DPS, annual report 2011.

average lower than 1%<sup>4</sup> in the period 2000-2008, due to low labour productivity mainly determined by a high proportion of micro and small enterprises and a prevailing specialisation in traditional manufacturing and low-knowledge services. The disappointing productivity performance of the economy is significantly affected by an oversized public sector in the cohesion and transition regions combined with a pervasive bureaucracy which suffocates the economy, strangled in a web of legislation and regulations which are the result of a highly inefficient and often conflicting multilevel governance.

Southern regions which roughly host more than 30% of the population are resilient to private investments and market-oriented specializations while public employment weights around 30% of the entire work force and crowds out market-oriented employments. The mounting public debt has squeezed out the once significant investments carried out as national policy intervention without affecting much the quality and quantity of current expenditure. This has increased in absolute terms and as percentage of GDP, and is mostly activated by the Regional and Central Government authorities<sup>5</sup>. The country's regional development has therefore remained dualistic with a developed north and a lagging centre and south. Policies trying to implement reforms to enhance development, particularly in the lagging regions, over the last 30 years have failed for a host of reasons among which the political instability, the conflicting interests of social groups and of the different regions play a central role. From 2008 onwards, the economy has suffered more than other EU countries from the international crisis and its performance has deteriorated further. GDP growth was negative in 2008 and 2009, and again in 2012 and 2013 (see Figure 1). The GDP per head dropped in comparison with the European average (from 105% of EU27 in 2005 to 98% in 2012).

**Figure 1 – Real GDP growth rates in Italy in recent years**



Source: own elaboration on ISTAT and Eurostat data.

<sup>4</sup> GDP growth was equal to 0.94% on average in 2000-2003 and to 0.79% in 2004-2008.

<sup>5</sup> Current expenditure in southern regions increased by 3% in 2007-2011 whereas capital expenditure decreased by 15%. Total public expenditure ratio to GDP increased by almost 2 percentage points (from 59 to 61%, in current values). While current expenditure is easy to activate without much benefit for development, public investments are difficult to carry out, paralyzed in a muddy land of permits and procedural controls which grew in number alongside and in direct correlation with the level of corruption and waste of public funds.



During the crisis production decreased significantly, especially in industry which is the main specialization of the strong regions, and employment rates declined (from 58.7% in 2007 to 56.8% in 2012, which corresponds to 88% of the EU27 level). At the same time, inequalities, poverty and social exclusion have increased especially in the less developed regions. The share of population at risk of poverty grew from 31.6 to 32.6% in the South and from 35.8 to 38.9% in the Islands in the period 2004-2011.

The crisis is affecting the Northern and Central regions, despite the fact that some industries have preserved a high export capacity (e.g. precision machinery, and other mechanical engineering, luxury goods). In 2012, the National GDP decreased by 2.4%. The largest falls were recorded in the North-West, where the GDP growth was -2.7%, and in the South, where it peaked -2.8%. In 2013 the relative trends of growth have reinforced the difference between the 2 areas and the fall is significantly larger in the south.

The dynamics of investments followed last year's negative pattern closely. There was a sharp decline in 2012 (-8%<sup>6</sup>) and Central and Northern regions performed better (-7.6%) than Southern ones (-9%).

In 2012 the trade performance of Italian manufacturing was the only positive feature of the economy. Exports increased by 3.5% in the North-West, by 1.1% in the North East, by 6.3% in the Centre, and by 7.8% in the South.

The depth of the crisis of the economy is reflected in the labour market which recorded a fast rise in unemployment, both in Convergence and Competitiveness regions, to reach unprecedented levels in the past decades. In March 2013, the rate of unemployment reached 11.5%, above the EU27 average (10.9%) and below the Euro area average (12.1%)<sup>7</sup>. The increase in unemployment rate was considerably higher in the South (+3.6%) than in the Centre (+1.9%) and the North (+1.7%)<sup>8</sup>. Youth unemployment has reached dramatic levels<sup>9</sup>.

The economic outlook suggests that significant improvements in regional economic disparities over the next few years cannot be expected. The negative trend of the GDP registered during the first quarter of 2013 is expected to continue, particularly in Convergence regions. The sharp decrease in investment expected in the South (-28.9% in 2013) will further affect productivity and competitiveness over the next years<sup>10</sup>. It seems unlikely that the present negative situation will improve substantially in the near future unless the macroeconomic policy stance at European level becomes more supportive towards Member States with high debts, and unless a focused national competitiveness policy sustaining structural change and catching up is implemented. So far, no satisfactory answers to the country's structural problems have been given. Public and private expenditure cuts constrained by the debt (e.g. the expense for interests was approx. 5% of GDP in 2012) generate unemployment and income falls with no effect on

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<sup>6</sup> Prometeia estimates.

<sup>7</sup> Eurostat data.

<sup>8</sup> The number of unemployed people grew by 226,000 units, 14% of the European total (approx. 1.6 million).

<sup>9</sup> In 2012 youth unemployment in the Southern regions was more than 20 points higher than in the Centre and 13 points higher than in the North. During the first quarter of 2013, youth unemployment rate peaked 38.4%, +3.2% with respect to March 2012.

<sup>10</sup> Bank of Italy (2013).

competitiveness. National and regional governments were unable to enforce those structural reforms necessary for boosting competitiveness, especially in relation to high taxation, excess regulation, oversized and costly public sector especially in the south, labour market, infrastructures, transport, urban services, and the legal system.

The significant cuts in living standards, public and private consumption and investments make growth trends of income more negative and do not establish a sound basis for resuming growth, as they were intended to do (see next section on policy pursued). In this context, Southern regions increasingly lose ground due to their higher vulnerability, worse financial conditions, and the uncertainty about when demand and investment may resume. At the same time the crisis shifted focus away from regional disparities, as measures for supporting enterprises and safeguarding employment were prioritized, draining a substantial part of the resources available and benefiting those regions with the largest manufacturing workforce.

## **2. The regional development policy pursued, the EU contribution to this and policy achievements over the period**

### **The regional development policy pursued**

Main points from previous country reports:

The policy changes in recent years have been discussed in earlier reports and are summarised in the following bullet points:

- The strategy clearly spelled out in the preparatory documents of the NSRF can hardly be recognized in the programme implementation. Most resources were spent to protect existing firms and employment with grants and credit guarantees, irrespective of their potential for gaining competitiveness and expanding trade. In research and development equipment, infrastructure and aid schemes, whose effectiveness and results are scarcely monitored, have been massively implemented. Infrastructures of various kind, transport, energy, ICT, environment are mostly still incomplete. Alongside these major types of interventions there are a host of small projects in different fields with varying impact potential and sometimes successful, but without critical mass to radically attack and solve the problems they are meant to deal with in education, health, urban policy and tourism. Finally the objective to improve public administrations and the fund management has remained on paper and no results have been generated.
- The crisis has not helped the achievements of these policy strategies but clearly there is a widespread feeling among the shareholders of the ERDF that to overcome the crisis and resume growth and productivity the development policy system and mechanisms and strategies need to be seriously reformed.
- The delays in implementation caused the most relevant changes in the policy and management of the funds.
- The PAC was introduced at the end of 2011 and funded by decreasing the national co-financing. The first two stages of the PAC took place in December 2011 and May 2012 (EUR 4.3 billion in total) and were targeted to objectives such as reducing regional disparities, in education and school infrastructure, railways and broadband, care

services, etc. The third and last re-programming, in December 2012 (EUR 5.7 billion), was focused on anti-cyclical measures to support firms and workers affected by the crisis and on financing individual projects worthy of support but lagging behind schedule<sup>11</sup>. Most projects launched by the PAC will not be completed during the current programming period.

- Most of the shifts in the allocation of EU funding up to the end of 2011, brought about to boost implementation, took place in Convergence, in relation to human capital development, environment and transport (+ EUR 1,334 million). This was balanced by reductions in the resources devoted to tourism as well as to specific measures aimed at improving access to the labour market (- EUR 606 million). In Competitiveness regions, the main increases concerned research, technological development and entrepreneurship (+ EUR 358 million) while the largest reductions have been registered in the transport policy area (- EUR 236 million).
- As regards Cross Border Cooperation, the OP IT-FR Maritime and the OP IT-Switzerland are the only programmes which experienced a shift in the allocation of resources. In both cases, the reasons lie in the difficulty of implementing transport projects<sup>12</sup>.

### **Developments since the 2012 report**

The shifts in priorities which took place during 2012 mostly reflect the need to speed up implementation. These shifts and their motivation are summarised in the following paragraphs.

#### *Changes in Convergence and phasing out regions*

Most of the national programmes were downsized through a reduction of the national co-financing rate from 50% to 25%. Significant reductions of the National OP (NOP)<sup>13</sup> Research and Competitiveness (EUR 1,781 million), the NOP Cultural attractors and tourism (EUR 330 million), the NOP Energy (EUR 504 million), the NOP Security (EUR 180 million) and the NOP Networks and Mobility (EUR 172.8 million) took place. A less substantial reallocation concerned the NOP Governance and technical assistance (- EUR 50 million).

These resources were channelled towards the four main strategic objective of the PAC: education, employment, railways, and digital agenda.

Regional programmes have also undergone considerable changes. The policy areas mostly affected are urban policy, tourism and energy. Territorial development and energy were cut mostly because of the significant delays resulting from governance and management difficulties

<sup>11</sup> Overall the third and last PAC reprogramming is worth EUR 5,398.3 million. As regards counter-cyclical initiatives, most of the ERDF resources were allocated to de-minimis support of micro-enterprises and SMEs (EUR 377 million), upgrading equipment and machinery (EUR 327 million), promotion of tourist and commercial development (EUR 358.9 million), support to industrial areas particularly hit by the crisis (EUR 282 million), creation of new enterprises (EUR 204 million).

<sup>12</sup> In the first, case the AIR highlights that the available resources were insufficient to carry out any significant transport initiative and the MA requested the authorization to reduce the funds allocated to the 1st axis. In the second case, the resources initially allotted to an integrated cross-border initiative on transport were shifted to ordinary projects, because in the end the transport initiative was not submitted and, in general, all integrated projects are suffering from excessively long procedures and problems of coordination between the cooperating administrations.

<sup>13</sup> «Programma Operativo Nazionale»(PON) in Italian.

among the stakeholders involved in implementation. Among the regions, Campania registered the highest reductions across all policy areas losing EUR 1,688 million.

#### *Changes in Regional Competitiveness and Employment*

In Competitiveness regions, limited shifts of funds were made. Some of the most relevant variations took place in Lazio, where EUR 181.5 million have been reallocated as follows: EUR 80 million to urban and rural development, EUR 70.6 million to innovation and EUR 30.9 million to environment. In Tuscany EUR 20 million were moved from transport to research and innovation and other minor shifts were undertaken to address emergencies such as the risk of floods and landslides (e.g. EUR 8 million from energy to environmental risks). A total of EUR 100 million were allocated to a “solidarity fund” set up to support the areas hit by the earthquake in May 2012 (Emilia-Romagna, Lombardy and Veneto).

Apart from these shifts, total resources available for Cohesion in the current programming period suffered from the reduction in the National Fund for Development and Cohesion. Between July 2011 and December 2012 a large share of the FSC was “unfrozen” (EUR 24.5 billion) to ease the co-financing of the OPs.

#### *A final judgement on significance and strategic relevance of policy*

The development policy pursued in the Convergence and phasing out regions in the current programming period, turned out to be too weak and too slow to respond to the need for reforms and the consequences of the crisis, and the desired impacts have not been achieved despite the growing relevance of EU funds over total public and private investments. In fact, the total ERDF and co-financing, allocated to Convergence regions in 2007-2013, amounts to 40.4% of the annual average gross fixed capital formation of the public sector<sup>14</sup>. In Competitiveness regions the ratio is one tenth of this figure, namely 4%, and it is approximately 13.4% for Italy as a whole.

This outcome can only partly be attributed to a significant decrease in the financial size of the intervention and the reduction in national co-financing of the EU Cohesion policy funds. A second reason for the strategic failure of the OPs lies in the way they were formulated and implemented. The overall strategies in the national and regional programmes suffered from being far too ambitious and unfocused in terms of priorities and of concrete objectives and impacts to generate. This aspect emerges not only from reading the OPs which are a list of unspecific measures exploding in far too many actions and projects going in all directions and without a clear and verifiable end result, but also from the set of monitoring indicators and targets which are most of the time inappropriate to demonstrate outcomes. In addition, since the OPs finance too many projects of different nature requiring the implementation of equally different administrative procedures, the endemic administrative difficulties and inefficiencies, which after many decades are still a major obstacle hampering the efficiency of the intervention, were exacerbated.

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<sup>14</sup> Average annual gross capital formation in the period 2007-2010 of: public administration and defence; compulsory social security; education; human health and social work activities; arts, entertainment and recreation, repair of household goods and other services.

In this context of a slow and unsatisfactory utilization of EU funds, in the face of the crisis and of the cut back of national funds, it is difficult to assess OPs strategic relevance to development problems on the basis of their concrete or even likely results and in absence of a comprehensive set of evaluations<sup>15</sup>. Within these limitations, several remarks can be made:

- The strategy behind the unitary and synergic approach to national and EU Cohesion programming foreseen at the beginning of the period had to be abandoned and the significant cut-back in resources due to an inaccurate forecast on the budgetary policy framework surprisingly did not generate any significant revision of the overall objectives nor of the strategy, as would have been desirable.
- The fragmentation in a multitude of projects (total projects: 679,393<sup>16</sup> monitored in the “Open Coesione” website) caused a heavy administrative burden with a modest impact on the territories, due to a lack of critical mass and excessively long implementation times.
- The programmes design of the regional and national institutions was often inadequate as programmes are treated as a set of resources to be distributed to “please” the largest possible number of economic actors; each regional and national ministry has its share and uses it irrespectively of a holistic development strategy.
- The coordination between regional and national institutions was unclear and ineffective, as the problems encountered by the Interregional OPs (POIN) show (POIN “Attrattori culturali, naturali e turismo”, POIN “Energia rinnovabile”). Many crucial policies have indistinct and overlapping national and regional competences, as for example the enterprise support and RTDI policy in the Convergence and phasing out regions.
- In general political ownership was weak for a host of reasons. Firstly, because the OPs fell under heavy criticism from the very beginning for their delayed start and slow implementation. The strategy was not backed up by the politicians also because the changes of the governments at national level and in key regions most of the time reflected in administrative changes of the top officials.
- The intervention strategies of the Convergence regions were mostly aiming to defend the existing economic structure, rather than oriented towards the structural changes (e.g. emergence of new knowledge-intensive specialisations and upgrading the traditional ones in order to boost labour productivity and competitiveness, reduction of the excessive size of the public sector as well as red-tape) which are needed to deal with global challenges. Often uncompetitive specializations were supported rather than new and promising business areas encouraged. The weakness highlighted in the strategies and in the overall political and administrative governance has prevented such a change in policy stance.

The performance and the strategy in the Competitiveness regions is much more effective both in terms of objectives and management, though there is room for improvement by enhancing

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<sup>15</sup> Paradoxically, the difficulties in starting and implementing the various OPs did not prompt the MAs to investigate the reasons for these, but they delayed “sine die” the carrying out of the evaluations; these, until well over the middle of the programming period, were focusing on the previous programming periods.

<sup>16</sup> This figure includes both ERDF and ESF.

interregional synergies in fields such as RTDI where each region lacks critical mass of research and firms, to make investments competitive.

## Policy implementation

Main points from previous country reports:

- An acceleration in the implementation of programmes took place across regions and policy areas in 2011. This was a considerable improvement compared to the previous years but overall the execution of initiatives co-financed by ERDF was still far behind schedule.
- In Convergence regions, there was an increase in commitments from 29.4% to 49% while in Competitiveness there was an increase from 56% to 77.3%. The expenditure performance varied considerably across regions and interventions but also in this case there was an improvement compared to the previous years in most policy areas<sup>17</sup>.
- Italy did not meet the level of commitments required to fulfil the *additionality* principle. Therefore there were negotiations with the European Commission (EC) in order to change the levels. Three main ways to accelerate implementation were undertaken: the introduction of periodical targets; the creation of a national fund to mitigate the constraints of the internal stability pact; the mentioned PAC. Initiatives taken by the regions to accelerate expenditure and mentioned in last year's report include the use of major projects and of guarantee funds.

## Developments since the 2012 report

### *Current situation with respect to implementation*

#### *Progress in Convergence and phasing out*

In Convergence regions, the certified expenditure in the ERDF OPs at the end of October 2013 was 40.5% of allocated resources (see Table 1). In a number of OPs the financial implementation is even more modest. The initiatives that fall within the human resource development policy area perform better while territorial development and transport lag behind, despite the over-commitments (see Annex Table B).

As of end of October 2013, two national programmes, the NOP Networks and mobility and the POIN "Attrattori Culturali, Naturali e Turismo" did not reach their expenditure targets. The latter did not achieve its target also at the end of 2012 and lost EUR 33.3 million due to de-commitments.

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<sup>17</sup> In enterprise support and RTDI the certified expenditure increased from nearly 9% (May 2011) to approximately 25.8% of allocated ERDF at the end of 2011, corresponding to EUR 1,619.8 million in Convergence; in Competitiveness, The expenditure increased from 27% to approximately 37% or EUR 1,034.7 million. In the area of territorial development, there was a significant increase of expenditure from 5.8% to 21.9% of allocated resources in Convergence and from 7.8% to 13.8% in Competitiveness. As regards environment and energy, the expenditure increased from 10.2% to 24.7% of allocated ERDF in Convergence and from 11.1% to 22.8% in Competitiveness. In transport, a moderate acceleration was registered in Competitiveness (expenditure from 14.5% to approximately 17.7% of allocated resources) while it was only minor in Convergence (from 11.2% to 16% of allocated ERDF). In human resource development, the expenditure increased from 36.2% to 37.8% in Convergence, corresponding to EUR 187.2 million while the expenditure was equal to 6% in Competitiveness (EUR 10.4 million).

**Table 1 - Implementation by programme (31 October 2013)**

Programme	Certified expenditure	
	EUR million	% of allocated
Total CONV	10,433.2	40.5
NOP Sicurezza	485.9	57.0
NOP Ricerca e competitività	2,414.0	54.6
ROP(*) Basilicata ST	403.0	53.6
NOP Governance e AT	119.0	52.6
ROP Puglia	2,279.2	50.7
NOP Istruzione	241.6	47.3
POIN "Energia rinnovabile/risparmio energetico"	465.2	43.4
ROP Sicily	1,479.1	33.9
NOP Reti e mobilità	601.7	32.8
ROP CalabriaROP	622.3	31.1
ROP Campania	1,160.5	25.4
POIN "Attrattori culturali, naturali, turismo"	161.7	25.4
Total COMP	4,028.1	53.1
ROP Toscana	584.2	60.6
ROP Abruzzo	187.3	59.0
ROP Provincia Autonoma Bolzano	43.5	58.9
ROP Emilia Romagna	225.2	58.8
ROP Friuli Venezia Giulia	134.3	57.6
ROP Valle d'Aosta	27.8	57.2
ROP Lombardia	303.3	57.0
ROP Provincia Autonoma Trento	35.5	56.9
ROP Liguria	295.8	56.2
ROP Veneto	241.2	53.8
ROP Marche	153.3	53.6
ROP Molise	101.7	52.8
ROP Piemonte	542.8	50.8
ROP Umbria	173.7	50.5
ROP Lazio	354.3	48.1
ROP Sardegna ST	624.2	45.8
Total CONV + COMP	14,461.3	43.37

Source: own elaboration on DPS data. (\*) Regional OP (ROP) ("Programma Operativo Regionale" (POR)).

### *Progress in Regional Competitiveness and Employment*

In Competitiveness, the certified expenditure in the ERDF OPs at the end of October 2013 was 53.1% of allocated resources. The performance of these OPs is better but also in these cases there are delays. The reasons behind these are similar to those highlighted for the Convergence regions though the smaller size of the programmes has favoured their implementation. The crisis took a toll in several cases; for instance in Friuli Venezia Giulia, the percentage of enterprises dropping out of aid schemes was considered unexpectedly high by the MA. In Competitiveness regions there is less variance among policy areas. Enterprise support and RTDI is the area with the best performance while transport and territorial development register the worst level of payments.

The programmes failed to reach the target set for the period in Sardinia, Lazio, Piedmont, Umbria and Valle d'Aosta<sup>18</sup>.

*Initiatives taken to accelerate implementation*

Several initiatives were taken to mitigate the constraints of the Stability Pact. Law 148/2011<sup>19</sup> allowed the requirements of the Pact to be partially waived with respect to expenditures concerning national co-financing of Cohesion policy. The waiver amounts to EUR 1 billion in 2012 and EUR 1.8 billion in 2013. Between July 2011 and December 2012 a large amount of national resources for development (FSC) were “unfrozen”; EUR 6.2 billion were allocated to Central Administrations and EUR 18.3 billion to Regional Authorities. Finally, an initiative was recently taken to accelerate re-payments of debts by the Public Administration (EUR 40 billion).

Additional initiatives were undertaken by national and regional authorities to overcome difficulties and to accelerate implementation:

- With respect to actions aimed at supporting funds' management, procedures and information were centralised in order to save time and reduce disputes (e.g. Molise, Liguria, Calabria and Campania);
- New personnel was employed in Valle d'Aosta, Abruzzi, Veneto, NOP Research and NOP Education; institutional changes were introduced to guarantee the separation of functions required by the Commission in Umbria, and Campania, and to involve local authorities in Lombardy and local stakeholders in Basilicata, Calabria, and Sardinia; training and courses were organised to upgrade monitoring and managing capacity in Friuli Venezia Giulia, and NOP Education, and e-services were introduced to accelerate implementation and to increase transparency in Liguria.
- Resources were re-allocated within OPs in order to concentrate them where expenditures were likely to be faster in Lombardy. Finally, in some cases, crucial tasks were outsourced, such as the first level controls related to the NOP Research.

In sum, over the last year and faced with the risk of a loss of resources some contingent measures were undertaken. Their effect is still uncertain and, on the whole, they do not challenge the systematic underperformance and inefficiency of the management systems which require a more encompassing and holistic revision of the legal, institutional and administrative framework. This need holds even if the risk of de-commitment in 2013 and 2014 seem to be less incumbent. However, problems may arise at the end of 2015 when several deadlines concentrate. This postponement of deadlines almost certainly means that the next programming period will overlap with the current cycle, repeating yet again 2007-2013 experience.

An acceleration in implementation occurred at the end of 2011, went on in 2012 and 2013. However, the overall delays accumulated over the years are so large that the achievement of the objectives of the programmes and the impact on aggregate demand can hardly be recognized to

<sup>18</sup> <http://www.coesioneterritoriale.gov.it/fondi-europei-litalia-raggiunge-il-475-della-spesa-certificata/>

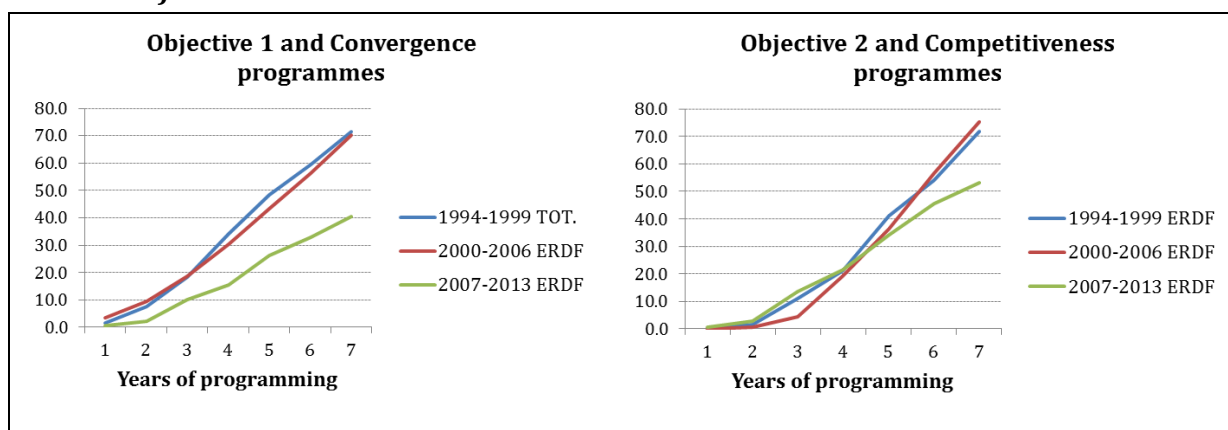
<sup>19</sup> DECRETO LEGISLATIVO 6 settembre 2011, n. 149, Meccanismi sanzionatori e premiali relativi a regioni, province e comuni, a norma degli articoli 2, 17 e 26 della legge 5 maggio 2009, n. 42. (11G0191) (GU n.219 del 20-9-2011 ).



date. The multiple initiatives to accelerate implementation show that the governments were unable to address timely the structural weaknesses of the administration of such policies and delayed intervention or found case by case solutions and provided short term responses.

Even if the delay in implementation of the 2007-2013 OPs was greater than in the past periods in most European Countries, Italy performed particularly badly compared to the rest of the EU as a result of a worsening capacity to manage interventions (see Figure 2). The past experience of the EU programming and the significant resources devoted to institution building and management support have not been translated into more efficient planning, management and organisation.

**Figure 2 - Financial progress in different programming periods (expenditure as % of total allocation)**



Source: own elaboration on Ministry of Economic Development data.

(\*) data on the 7th year of 2007-2013 programming refer to end of October 2013 rather than end of the year.

The late start of the OPs, the overlapping with the previous programming cycle, the crisis, the reduction of national resources and the stability pact constraints do not give an exhaustive explanation. The main causes of this delay are to be found elsewhere, in the loose and often conflicting multilevel governance and the ever more complicated legal and administrative web in which public action is either paralyzed or heavily delayed without much benefit for transparency. These two reasons are magnified by the dispersion and dilution of the programmes in a myriad of different legal procedures which the administration has to go through.

For many programming periods an attempt to face these problems has been the outsourcing of administrative and management services to in-house companies and private firms and the establishment of ad hoc programmes aiming at improving the quality of the administration. This outsourcing did not solve the core of the problems that we have highlighted. Looking at its scale, it can be described as a sort of adaptive reaction to the institutions resilience to reform the organization of the Public Administration which in the South is a "Moloch" for its dimension and for its economic and employment role. Without going to the source of the problems and making the management more costly than it would have been, if it had been carried out internally with personnel who could have built up skills and experience, the TA has been yet another opportunity to widen the Public Administration's indirect employment. Some remarks on the interventions to improve the administration:

- The in-house agency operations may not be less expensive than if the activity was done internally while their ability to speed up or improve the quality of interventions, as well as their higher skills and competence, was not clearly demonstrated. In reality, they were often a means to bypass the public sector's hiring freeze.
- According to the "Open Coesione" database, public agencies and other similar bodies have received nearly EUR 170 million of public resources in the current programming for providing TA services in relation to ERDF OPs (see Annex Table C).
- The non-selective use of TA, private and in-house, has created parallel management structures. Nearly EUR 530 million have already been disbursed for TA activities, 75% of these in Convergence areas and these will increase for the accounting services necessary to speed up expenditure.
- In addition to the TA, large programmes to enhance administrative capacity of the Regions and other institutions were financed by national or regional authorities and were mostly carried out by large in-house bodies such as Formez<sup>20</sup> and other agencies. These agencies provided training and consulting services on a large scale for the management of the programmes. Such assignments made the management procedure easier and more flexible because it does not need tendering and controls are less formal. However, they were inappropriate to the real needs because they are not result oriented and neither the Public Administration nor the in house agency is made accountable for the outcomes.
- Evaluation activities have often been incorporated into in-house agencies and in the internal evaluation units. This tendency currently permeates most administrations where internal units and/or in-house agencies simultaneously support planning, implement and assess programmes mixing up self-evaluation which often remain undisclosed and independent evaluation. For more details see the evaluation chapter.
- Task forces composed of expert staff have been sent to the most problematic regional administrations to speed up the programs, providing consultancy and advice, without any enforcing power apart from their ability to use moral suasion.

Responsibilities however go beyond the Public Administration itself since the complexity of the procedures are the result of inappropriate administrative rules and principles that are too formal and complicated, enrooted in an over-legislation to regulate every decision step to the last detail, imposing complex procedures making the whole process unpredictable and indeterminate in its duration. Local authorities (e.g. agencies, municipalities) and other relevant actors (e.g. universities, service centres and knowledge intermediaries, firms running utilities, railway semi-public firms) suffer from the same problems in their administration capacity and therefore in programmes involving several institutions and bodies, procedures of the individual agency add up to those of the region and the whole process becomes even more unmanageable.

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<sup>20</sup> Formez – Centre which provides services, assistance, studies, training for the modernisation of the Public Administration.

In this context, national and regional political attention to the highlighted weaknesses and towards a general reform of the public administration was missing to date. No adequate solution so far has been conceived let alone been implemented<sup>21</sup>.

### Achievements of the programmes so far

Main points from the previous country reports:

- *Enterprise support and RTDI (including ICT and SMEs access to finance)*. This is the most important policy area in terms of allocated resources. In Convergence regions, there was an acceleration of achievements reported in 2011. The most relevant evidence available consists of indicators such as number of research and innovation projects carried out (471 collaborative initiatives) and the jobs created (5,654 new FTE jobs in SMEs as direct result of finished projects, 64% of target). There is little evidence on the results of support to knowledge intermediaries (e.g. innovation clusters, networks and poles). There is a generalized lack of evidence on effectiveness of FEIs, in addition these were marred by their delayed and limited use by credit institutions. In Competitiveness regions, policy makers agree that the current programming financed relevant interventions and obtained satisfactory results in boosting industry-research cooperation (1,206 collaborative research projects financed, more than 100% of the target), and reducing significantly the digital divide in several areas (652,535 additional people connected to broadband).
- *Human resource development*. In Convergence regions the most important achievement is on schools infrastructures. Interventions of technological ICT upgrading cover 73% of all public primary and secondary schools in the regions; 91% of them have strengthened laboratories aimed at improving learning of key competences such as reading, mathematics and sciences. Achievements of projects aiming at the assistance to migrant participation in the labour market from the NOP security for development have emerged but initiatives are still at an early stage.
- *Transport*. In Convergence regions the achievements mostly consisted in improvements on roads and 276 km of TEN railways constructed/modernised. Major transport interventions financed by the ROPs are still on-going; these include: the metropolitan transport system in Naples, and others which are taking ages to be completed, mostly roads, in Sicily, Puglia and Sardinia. In general, delays are due to long and complex planning and contracting procedures, bureaucratic bottlenecks and constraints of the internal stability pact. Infrastructures works of significant dimension go through several programming periods and their impact is delayed indefinitely.

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<sup>21</sup> The recent decision to create a specific Agency for the coordination of the interventions is considered to be an answer to these problems of scarce capacity to deliver and lack of coordination. A positive feature of the Agency is that it would be under the Prime Minister's Office rather than subordinated to one ministry or another; hence it is more likely to have an effective power of enforcement. On the other hand, the so far mixed experience with agencies and autonomous authorities suggests that this move could simply reveal itself as a further postponement to deal with the problems of administrative responsibility to delivery and obtain results and to tackle over-legislation and change the administrative principles and rules. On the other hand, if this is the case, the agency creates a new centre of costs, providing partial solutions to the need for simplification and for reviewing norms and procedures so that a results-based-management approach is really embraced.

- *Environment and energy.* In Convergence, the most important achievements consist in the additional population served by risk-prevention initiatives, water networks and sewer systems created or improved. 641,000 additional population were served by waste water projects; the vulnerability of 24,000 People exposed to flood risk decreased as a direct result of Cohesion policy projects. The majority of projects on renewables and energy efficiency are still on-going and few indicators were quantified. In Competitiveness regions, implementation was more successful and smooth with several projects concluded in relation to energy efficiency and prevention of risks (e.g. floods and fire). 51,096 people exposed to flood risk and whose vulnerability decreased as a direct result of a Structural Funds project (above 100% of target) mostly in Veneto; 9,024 people exposed to forest fire risk and whose vulnerability decreased were reported in Tuscany.
- *Territorial development.* In Convergence, achievements are mostly expressed as number of projects carried out to strengthen social infrastructure, child care, health, housing, promotion of citizens' safety, urban and rural regeneration. 1,195 projects of various nature were carried out, directly or indirectly aimed to attract tourism. These achievements are scattered and of small size; no information on results and on impact on the tourist industry is available apart from incomplete and often unclear data on jobs created (e.g. 659 new jobs created in tourism thanks to the NOP R&C). In Competitiveness regions, interventions focused on supporting and upgrading the existing facilities, reinforcing endowments of marginal areas and urban regeneration<sup>22</sup>.

### **Developments since the 2012 report and final appraisal of main achievements of ERDF in 2007-2013**

These paragraphs describe the most important achievements recorded so far and the advancement with respect to the last year.

#### *Preliminary remarks on information quality*

Even though most of the programmes have now advanced, a satisfactory analysis of achievements is still problematic due to the following main causes:

- The data produced by the monitoring systems are of low quality and often the indicators are not relevant to illustrate the program results. Apart from few cases of good practice, there are many limitations in the reliability of the data (e.g. inconsistent definitions and unit of measures, difficult interpretation, unclear linkages with the policy objectives) and in the processes used to collect them which call for a thorough check/verification. Such verification was not carried out by regional or central authorities, apart from sporadic attempts. The low quality concerns both core and non-core indicators and the AIRs.
- The evaluations carried out on the programs do not contribute sufficiently to achievements. Many studies focus only on processes; there are several evaluations of program outcomes but, apart few analyses focused on specific policies, the majority of them do not provide significant findings and suggestions to revise the programmes.

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<sup>22</sup> For instance: 70 projects ensuring sustainability and improving the attractiveness of towns and cities were implemented mostly in Emilia-Romagna, Umbria and Tuscany, where over 44,500 sq. m. of urban surface have been recuperated.

Moreover, a considerable number of impact evaluations focus on 2000-2006, with no clear evidence that their findings are relevant and can be extended to the current period (see section on evaluation).

### Enterprise support and RTDI (including ICT and SMEs' access to finance)

In **Convergence** regions, enterprise support was used to mitigate the consequences of the crisis rather than to support structural change towards more competitive, knowledge intensive and sustainable value chains. In any case, according to the administrations, ERDF helped to compensate for the reduction in national resources for enterprise support.

In **Convergence** regions, overall 9,528 SMEs investment projects were carried out, 5,679 FTE jobs were created and EUR 436 million of investment was induced.

The contribution to the upgrading of the technical infrastructure in universities and public research centres was one of the most significant achievements of Cohesion policy in Convergence. The NOP Research financed the upgrading of 81 research infrastructures/labs (over EUR 500 million disbursed) in the Universities and public research centres, and results are above the set target of 70. Moreover, 80 large scale equipment and instruments (including IT networks) were financed (55% of the target).

As regards clusters, networks and poles, 91 projects were undertaken within the High Tech Districts initiative (EUR 320.5 million committed) and 75 projects were carried out to strengthen public-private labs (EUR 241.4 million committed). There is little evidence on the achievements of these intermediate institutions. We do not know whether the consortia or the institutions financed are competitive and can be sustainable from the financial point of view. An analysis<sup>23</sup> of the scientific and technological "intermediaries" in Convergence regions shows that these are too numerous and often overlap in their missions, they are weak as providers of competitive services and very rarely supply advanced services directly; only one fifth of these structures support the commercialisation of innovation. The number of collaborative projects financed signals the industry-research capacity to liaise and ensure a critical mass: 588 cooperation projects involving firms and research centres were carried out and over 420 research positions created. These figures appear modest but there is no evaluation evidence to assess the significance of these results in the individual regions.

Several FEIs were set up with the ERDF support to facilitate the firms access to credit. There are 39 FEIs co-financed by ERDF in Italy during the current programming period. The large majority of these are implemented without a holding fund. Guarantee funds, including Confidi, prevail (19 out of 39; one based on the Joint European Resources for Micro to medium Enterprises (JEREMIE) mechanism), followed by loans (12 funds; three based on the JEREMIE mechanism), equity (5 instruments) and urban development funds (3 regional funds based on the Joint European Support for Sustainable Investment in City Areas (JESSICA) mechanism)<sup>24</sup>.

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<sup>23</sup> "Le Strutture di Interfaccia tra organismi scientifico-tecnologici e imprese per la promozione dell'innovazione e il rafforzamento competitivo dell'economia nelle Regioni della Convergenza" NOP Research and Competitiveness, 2013 (see Annex Table D).

<sup>24</sup> For more information on this, see Expert Evaluation Network (EEN) report on financial engineering in Italy (2012).

A total of approximately EUR 2,434 million (1,124 million of ERDF) was paid into these funds to support enterprises, urban development etc. as repayable funds. Loans represent approx. 45% of this amount, guarantees account for 38%, JESSICA funds account for 13% and venture capital funds are approx. 4% of the total<sup>25</sup>. The issue which undermined such instruments is their low attractiveness due to crowding out of more generous and easily accessible national/regional schemes. Following the change in the EU rules which has loosened the requirements for eligibility, there was an acceleration in the use by final beneficiaries. There are big differences in this respect: some FEIs such the Central Guarantee Fund (EUR 105.2 million allocated from the NOP R&C) have been fully absorbed.

The NOP Governance and Technical Assistance (NOP GAT), as part of the support the Information Society (IS) initiatives (i.e. project "POAT SI"), has financed events, seminars, training sessions to strengthen the competences of public administrations with respect to the implementation of e-government initiatives.

In **Competitiveness** regions, there are important examples of considerable achievements in some fields since funds are more concentrated, on average better focused and more rapidly spent.

The main achievements were to boost cooperation between industry and research as well as to reduce the digital divide of some territories. Overall, 883 collaborative research projects involving firms and research centres were financed, their values vary from EUR 0.2 million when they focus on SMEs to EUR 0.5 million and above; 1,737 research jobs were created. 591 Information Society projects have been carried out so far and 944,776 additional people are covered by broadband Internet access.

Innovation poles or technology platforms were funded in Piedmont, Tuscany, Liguria, Abruzzi, Emilia-Romagna. Little evidence on achievements has been provided. In Piedmont a study on the innovation poles<sup>26</sup> highlights positive results in terms of increased inclusion of SMEs in the innovation system, diffusion of knowledge and provision of specialized services for R&D. When the evaluation was carried out, the poles involved almost 1,750 organisations, funded 355 projects and 193 services, promoted projects worth EUR 200,000 on average and actively involved many university departments. A technology assessment was carried out in Emilia-Romagna to verify the level of the research financed and the results in terms of increased competitiveness<sup>27</sup>. The main positive findings were: a good coverage of the European technology scenario outlined by the investments carried out in relation to the Seventh Framework Programme for Research and Technological Development (FP7), increased cooperation of the funded laboratories with the business sector (e.g. 131 contracts signed at the end of 2012) and hiring of over 830 dedicated industrial researchers. An evaluation on innovation poles was also carried out in Abruzzi where it highlights their difficulties of involving and interacting with private actors.

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<sup>25</sup> The total amount, averaged over the 7 years of the programming period, is equivalent approximately to 7.4% of the total amount of public loans reported in the Central Credit Register (CCR) held at the Bank of Italy (i.e. EUR 4,700.0 million in 2007; equivalent to 12% of total state aid to firms).

<sup>26</sup> Thematic evaluation on Innovation Poles co-financed by the ROP Piedmont, 2013 (see Annex Table D).

<sup>27</sup> See Annex 1 and Annex Table D for details.

To sum up, the sustainability of these public or semi-public laboratories, as well as other research networks and poles, is still open to doubts if they have to become self-sustainable through private contracts with the business sector. A second major need has emerged in relation to Universities should become more open and operational to enter into international networks of research applied to innovation, especially when their industrial counterparts in the regions are not able to support the development of new technologies.

A large number of business research and innovation projects were financed and some effects in terms of induced investments have been produced. For instance, EUR 270 million R&D investments were carried out in Umbria thanks to ERDF funded projects worth approximately EUR 30 million; this indicates a considerable multiplication effect.

The most notable achievements in terms of reduction in the digital divide are recorded in Lombardy where 46% of the total number of municipalities is reached by the optical fibre cables and the entire regional population will be covered at the end of the period. In Bolzano the number of additional people covered represents approx. 80% of the total population. In Veneto, 133 km of optical fibre network were built. In Sardinia, 120 e-inclusion centres (“@ll-in” initiative) were set up to provide free services (access to internet, online services, printing etc.) to the population.

The FEIs in the North-Centre perform better due to the wider demand of the business sector. The outcomes however differ. In Abruzzi no operations are recorded whereas approx. half of the available resources have been used in some cases (e.g. Friuli Venezia Giulia, Emilia-Romagna and Veneto), and there was an excess of demand in Lombardy where the FRIM FESR fund for innovative investments was increased to 64 million (54 million already used). Some evaluations pointed out that it was too “onerous” in administrative terms to use ERDF-based FEIs (e.g. Bolzano) but also highlighted positive effects of guarantees and loans on the SMEs’ access to credit and on employment, as well as a lower risks of bankruptcy and a higher investment propensity (e.g. Tuscany, Veneto).

The above achievements were obtained in a context in which regional disparities did not decrease or rather worsened throughout the period. Most RDTI statistics show a slow increase in the performance of Italian regions during the last decade and stagnation during the current programming period. For instance total R&D expenditure grew from 1.04% of GDP in 2000 to 1.25% in 2011 and remained relatively unchanged from 2008 onwards. In this context, the regional North-South disparities in the last ten years worsened. The southern regions R&D intensity decreased from 67.5% of the North-Centre level in 2000 to 61.6% in 2010; the share of research personnel in the South (per 1,000 inhabitants) decreased from 43.6 of the North-Centre to 37.5 in the period 2003-2011. Results would have probably been worse without the ERDF.

In relation to enterprise environment evidence is mixed. For instance, bank loans increased steadily during the last ten years in both Convergence and Competitiveness regions. In Convergence regions, the loans increased from 31.3% of GDP, at the beginning of the programming period, to 34.4% in 2009 despite the crisis. In Competitiveness areas, they increased from 61% to 68.8% of GDP between 2007 and 2009. The birth rate of firms decreased during the last decade in both Convergence and Competitiveness regions. The share of new firms set up in the South in relation to active firms decreased from 125.4% of the North-Centre

in 1999 to 119% in 2010. The Southern exporting capacity increased but it is still less than half than in the North-Centre from 39.3% in 2000 to 42.7% in 2010. Overall, the available data confirm that North-South disparities remain unchanged or worsened throughout the period.

In relation to ICT diffusion and use, the more advanced regions seem to have developed faster however a reduction in North-South disparities can be observed in relation to the number of firms connected to broadband; the performance of the South in this indicator increased from 77.7% of the North-Centre level in 2003 to 96.4% in 2011.

### Human resource development

The most important achievements in Convergence areas are due mainly to the NOP Education which has a tradition of good performances.

The NOP produced significant outcomes in terms of improving/upgrading the education infrastructure of Convergence regions. Over 80% of the public primary and secondary schools located in Convergence regions carried out interventions to improve technological equipment and the student/pc ratio was reduced from 12 to 9 in the period 2007-2012. All Convergence region schools which benefit from the NOP have set up one laboratory for learning key competences (e.g. mathematics, sciences and languages).

As regards regional programmes, in both Convergence and Competitiveness areas several small initiatives to restructure/upgrade school infrastructures were carried out (e.g. 138 schools upgraded within the ROP Calabria). It is an open question whether these achievements can reduce the most prominent North-South disparities (e.g. school drop-outs and human resource competences measured, for instance, by the proportion of S&T graduates), this deserves ad hoc studies and evaluations.

A considerable effort was made in the current programming period by means of both the ERDF and ESF to enhance human capital. In particular, as the analysis in this paragraph shows, ERDF provided a considerable contribution to strengthen education infrastructure in Convergence areas. However this effort was made in a context of unchanged or increased disparities.

For instance the share of students with high level of competences in mathematics increased from 13.3% in 2006 to 17.5% in 2009 in Southern Italy, but it is still way below the North-Centre level which is 31.9% (OECD-PISA). A similar pattern can be observed in relation to reading competences.

The share of graduates in science and technology disciplines increased very slightly in Convergence and phasing out regions from 8.1 (per 1,000 inhabitants) in 2007 to 8.5 in 2010; the increase in Competitiveness was also very small, namely from 13.9 in 2007 to 14.5 in 2010, hence the gap between the territories remains significant. The share of 25-64 year old population in professional training did not change on average between 2007-2012 in Convergence and still amounts to 5.3%, while in Competitiveness regions, it increased from 6.6% to 7.1% in the same period.



The results of the 2012 national (INVALSI<sup>28</sup>) and international evaluations (OECD-PISA) confirm that: Southern regions experience worse performances, while there are a few signs of improvement confined to primary schools and mostly due to the contribution of few regions (Puglia, Abruzzi and Basilicata). As regards secondary school, the disadvantage of the South, and in part also of the Centre regions, remains considerable.

## Transport

Transport and mobility infrastructures are of strategic importance for developing Southern Italy, to enhance tourism and to sustain intra-regional and trans-regional clusters, however, both the NOP Networks and Mobility as well as the ROPs were particularly behind schedule.

In **Convergence** regions, the most notable achievement of the NOP Networks and Mobility so far is the upgrading of approximately 814.7 km of railways, which is approx. 13.5% of the total km of railways existing in these territories in 2007 and 4.1% of the total extension of railways in Italy; 728.2 km belong to the TEN network. The number of new roads constructed is negligible and most projects are still at an embryonic phase of development.

Several major projects were launched but few of them have advanced significantly so far; the works on the regional metropolitan system in Campania should be mentioned: 70% of the 1<sup>st</sup> line is completed (the certified expenditure is EUR 400.4 million) and the 6<sup>th</sup> line is at an advanced state of progress (EUR 77.1 million paid). However, the network is far from being completed and operational. Other major projects related to the regional metropolitan system or to logistics and ports (e.g. ports of Naples and Salerno) have the potential to contribute to the modernization of the regional transport system but are still in preparation. This policy area is the most emblematic example of the procedural impasse in which complex projects fall and get stuck.

In Sicily, among the main outputs, we can mention the upgrading of the state road SS 640 to Porto Empedocle (80% of the works were completed; the total cost of the project is approximately EUR 500 million). The 4 lane road represents a significant improvement. Another intervention in advanced state of implementation is the doubling of the railway between Palermo and Carini which is however a tiny part of the Palermo-Trapani (90% of the works were completed; the total cost is EUR 433.7 million); additional on-going projects include the construction of three new tramways in Palermo and the upgrade of the Palermo-Agrigento railway. Nonetheless, the state of the railways in Sicily is appalling and uncompetitive in relation to roads.

A significant constraint on the launching and implementation of road and railway infrastructural projects in Convergence regions arises from the role played by the national implementation bodies, namely the Italian Railway Network(RFI)<sup>29</sup> (the public company that manages the national railway network) and ANAS<sup>30</sup> (the public company in charge of the Italian road and motorway network). The AIRs, the interviews carried out and the other evidence

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<sup>28</sup> The 2<sup>o</sup> and 5<sup>th</sup> years of the primary school as well as the 1<sup>st</sup> year of the first degree secondary school and the 2<sup>nd</sup> year of the second degree secondary school were included in the assessment which concerned 32,000 schools and 2,850,000 pupils.

<sup>29</sup> «Rete Ferrovia Italiana»

<sup>30</sup> National Road and Motorway Network Agency («Azienda Nazionale Autonoma delle Strade»)

highlight that the interaction of these bodies with the regional administrations was problematic and, especially in relation to railways, the strategic interest of the railway company to invest in the South of Italy, and to co-finance EU Cohesion policy initiatives foreseen in the OPs, was simply non-existent.

In **Competitiveness** regions, the paucity of funds makes this policy area scarcely relevant for ERDF which supports some inter-modal nodes, parking areas aimed at facilitating mobility and other minor investments. Even though transport initiatives are minor in size, they may be strategically relevant when they concern the improvement of existing major infrastructures.

Most of the available indicators consist in a number of projects which say little or nothing on what has been actually completed. Some relevant initiatives concern urban transport networks (e.g. the metropolitan tramway system in Florence) and the construction of interchange hubs. For example, in Lombardy a EUR 2.9 million project consisting in upgrading the hub of the Melzo Station, construction of new car parks, cycle and walking paths. In Veneto, 9 intermodal hubs are being renewed. In particular the Padova interport works were concluded: 81,548 sq. m. of intermodal railway terminal which allows handling a potential 8,000 twenty-foot equivalent units of goods. The Venice port and the Chioggia's intermodal system are also near completion.

In Sardinia, the OP contributed to the construction of a railway station near Cagliari's airport (EUR 402,472), on the Cagliari-Sassari-Olbia line. The travelling time from the main regional airport to the town was reduced to 10 minutes. The over-ground metropolitan line of Cagliari was extended to reach the hinterland town of Monserrato (EUR 27.7 million). While the relevance of these initiatives may be considerable in the areas they serve, their impact in the regions as a whole is limited.

In conclusion, even though a considerable share of ERDF was devoted to transport in Convergence regions in 2007-2013 and in the previous programming period, the interventions mostly needed to overcome the regional North-South gaps (i.e. railways and roads, especially motorways) suffered from huge delays and other implementation problems which make their completion difficult. Therefore, the disparities have remained unchanged in most cases.

When the on-going major transportation projects will be concluded in Convergence, they may produce a relevant impact on the regions; however, the extent to which they will reduce transportation disparities remains to be assessed, since these projects last far too long and in the meanwhile investment and improvements occur in Competitiveness regions.

### Environment and energy

In **Convergence** regions, environmental initiatives are of key importance due to their geological and geographical features such as the length of the coastline and the high vulnerability to landslides, floods and forest fires which make the environmental policies very relevant. Water quality and distribution networks and waste disposal remain endemic problems for the communities.

The contribution of Cohesion policy to safeguard the environment and mitigate risks was little but tangible. Overall 1,063,445 additional people were covered by waste water projects, mostly in Sicily and Basilicata where there was also an intervention on 46 km of water mains. The

result on waste water is significant since it represents approximately 13% of the total population in Convergence areas and nearly 40% of the population of Sicily and Basilicata where most of the achievements were recorded. About 56,000 additional people have benefited from hydrogeological risk prevention projects, mainly in Apulia and Sicily. In Calabria, the interventions to safeguard areas threatened by the risk of erosion and landslides concerned approximately 11% of the coast.

The NOP GAT, through the operational project on environment and safeguarding of territories and sea, provided support to regional administration: technical assistance to the projects aimed at reclaiming contaminated land in the so-called SIN – polluted sites of national interest<sup>31</sup> (e.g. preliminary selection of projects, transfer to the regions of methodologies for the preparation of plans for reclaiming land), guidelines for local SEAs and monitoring etc. The support has involved approximately 150 experts (approx. EUR 19.7 million).

Initiatives geared towards energy efficiency and Renewable Energy Source (RES) were scattered and suffered from many delays; progress resumed significantly only in 2012.

Regional ERDF programmes focus mainly on energy saving, through public building efficiency as well as improved production processes, and on support to the energy value chains to match the growing demand for renewable sources. Overall, 217 renewable energy projects were carried out in Convergence regions leading to an increase in the production capacity of approx. 561 MW.

Within the interregional OP on renewable energy<sup>32</sup>, which supports production of energy from renewable sources and energy efficiency in firms and buildings, the support to investment programmes aiming at strengthening the biomass value chains (i.e. all the activities ranging from biomass collection to its transformation and use to generate energy and sub-products) and the support to entrepreneurship in the production of RES were the best performing initiatives. The “biomass” tender financed 26 projects worth EUR 186.3 million (EUR 115 million of public resources) in 2012. Overbooking, with respect to the post-PAC resources available (EUR 80 million), required an integration of the funds in February 2013.

On the other hand the support to renewable energy installations in public building suffered from the financial constraints of public administrations (149 projects launched in 2010, still to be completed by the end of 2013).

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<sup>31</sup> The SIN (Siti contaminati di interesse nazionale) are 55 wide contaminated areas which are considered particularly dangerous and were identified by decree 22/97 of the Ministry of Environment and for which there is a step-by-step reclaiming process regulated by law.

<sup>32</sup> The interregional OP on renewable energy suffered from several problems which hindered its implementation. Governance shortcomings have affected the implementation so far and a relevant change occurred in 2011 when the Department of Energy of the Ministry of Economic Development replaced Puglia as MA of the programme. The shortcomings which hindered the OP include: failure to abide by several EU organizational and audit requirements, inefficient planning of initiatives, excessively long procedures for preliminary studies and authorization of carrying out works on the territory, internal stability pact which constrains the participation of local public administrations, involvement of a wide and heterogeneous set of implementing partners (municipalities, local public health organisations) etc. Following the results of a DG REGIO audit, the Commission interrupted payments in the period July-October 2011 until appropriate action was taken. In 2011, the approval and implementation of several initiatives previously planned continued but there is no particularly relevant achievement.

Interventions on smart grids are in progress and works on 1,136 km of networks are expected to be completed by the end of 2013.

In **Competitiveness** regions, all ROPs intervene in this policy area which receives a relevant share of resources. Interventions are mostly focused on energy rather than on the environment and on prevention of risks. However, the achievements for which we have the most significant data are related to the latter: prevention of natural risks, preservation of natural sites, monitoring air and water, reclaim polluted or abandoned sites.

306 risk prevention projects were carried out, which cover over 51,600 additional population from flood risks, mostly in Veneto, Friuli Venezia Giulia and Tuscany. In Friuli Venezia Giulia, the intervention on the banks of the river Fella involved an area of 7,000 sq. m. (100% of the target set). Additional 9,300 people benefited from forest fire risk prevention in Tuscany. In Abruzzi, ERDF provided a fundamental input to address environmental and hydrogeological risks especially in the areas affected by the 2009 earthquake.

As regards energy, the initiatives undertaken as part of the ROPs complement national incentives for the use of renewable energy sources, and support energy efficiency in public buildings/areas (e.g. installation of over 6,700 spot lightings in Lombardy) or in the production cycle of private firms. In Sardinia, the modernisation programme of public lighting (85,000 installations) allows significant energy savings (14,600 tons of CO<sub>2</sub> and 5,446 Tonne of oil equivalent (TOE)). Some interventions also supported energy research and innovation (e.g. 9 pilot initiatives for the experimentation of innovative technologies in relation to renewable energy production in Valle d'Aosta) or RES value chains. Overall, 1,792 projects concerning renewable energy were carried out. 25 systems for thermal energy generation from RES were installed in Veneto; 139 production systems from RES were created in Liguria with an installed power of 2.33 MW; in some cases the energy interventions were combined with projects of conservation of cultural assets such as in Friuli Venezia Giulia (geothermic system in relation to the conservation of the "De Grazia" Palace in Gorizia).

Positive achievements in the capacity to manage and implement energy initiatives were developed since ERDF contributed to the preparation of the Sustainable Energy Action Plans (SEAPs)<sup>33</sup>. In Molise these were implemented in relation to the signature of the Covenant of Mayors; in Sardinia, as part of the Smart Cities project, 21 SEAPs involving 256 municipalities were approved.

A few evaluations on these policies were carried out in Italy (e.g. in Puglia, Piedmont, Valle d'Aosta and Molise) and others are currently on-going (e.g. Tuscany and Friuli Venezia Giulia). The results are mixed, and do not shed light on the effects. The evaluation on the waste collection cycle in Puglia is focused on 2000-2006. It highlights that overall the strategy was effectively implemented but the results of the waste differentiated collection initiatives are poor. An evaluation of the environmental interventions implemented in Tuscany (requalification of deprived sites, air monitoring, prevention of seismic and industrial risks)

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<sup>33</sup> A SEAP is the key document in which the Covenant of Mayors signatory outlines how it intends to reach its CO<sub>2</sub> reduction target by 2020. It defines the activities and measures set up to achieve the targets, together with time frames and assigned responsibilities.

based on case studies, points out that, even though projects are still on-going, there are potentially positive effects on the environment, well-being and also the economic system.

Positive results in terms of CO<sub>2</sub> reduction were highlighted by the evaluation of the ROP Piedmont which is focused mainly on RTDI and Energy support. An evaluation carried out in Molise and oriented towards preparing the 2014-2020 programme underlines an overall positive impact of the energy support initiatives, but also inefficiencies and delays in the implementation as well as a significant deadweight (see the evaluation section for details and references).

No significant intervention has been implemented in the current programming period to improve natural sites, apart from scattered initiatives on parks and biodiversity. This is shown by the pattern of some indicators such as the surface of "Natura 2000" network which increased slightly from 22.9% of regional surface to 23.5% in Convergence between 2006 and 2011, and from 19.7% to 20% in Competitiveness regions.

The North-South disparities in relation to water and wastewater treatment infrastructure have not improved in recent years while the relative position of Southern regions has improved in relation to solid waste collection (e.g. the share of differentiated collection of waste increased from 9.6% of total collected waste in 2007 to 23.8% in 2012 in Convergence; the same indicator increased from 34.3% to 45.9% in Competitiveness; at the same time, there was a progressive reduction of the amount of waste disposed in landfills). In any case the contribution given by ERDF still has to be assessed.

A relevant effort has been made in the current programming period to commit to the EU2020 strategy, increase the energy production from RES and promote an efficient use of energy. However, the achievements of ERDF were penalized by particularly severe implementation delays, the fall in private investment and the difficulty in public co-financing. Some improvements in the performance of the Southern regions (e.g. in the share of energy produced from renewable sources), are the result of national policy incentives<sup>34</sup>.

### Territorial development

In **Convergence** regions, 824 tourism projects were co-financed by the ROPs and by the NOP Research and Competitiveness which recorded the creation of 998 tourism jobs. Most of the tourism initiatives promoted by the regions are small scale, they are scattered and are not planned within a specific regional or local strategy for developing tourism, prolong the season and improve the marketing; very often they consist of the renewal of old rural or urban houses or upgrading small hotels, which remain unused for long periods of time during the year; these features cast serious doubts on the capacity of this policy area to produce permanent effects on the attractiveness of the areas where they were funded.

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<sup>34</sup> While national policy operates mostly through indirect measures (e.g. feed-in tariffs, tradable green certificates and tax exemptions), ERDF-funded interventions mostly take the form of direct grants and benefits going to those investing in energy efficient technologies or in the production of renewable energy. In addition to direct measures, regional authorities support awareness campaigns.

The NOP “Cultural attraction poles and tourism” had a very difficult start-up phase. It was significantly revised and pruned in 2012<sup>35</sup>, and its achievements have been minor up until now. The first axis of the programme finances the major project “Pompei”; so far it is still at a launching phase while only some interventions (22) mostly consisting of securing archaeological sites have been carried out. The second axis supports tourist firms; apart from the allocation of EUR 80 million to the reserve of the Central Guarantee Fund, the only output worth mentioning is the support to new enterprises set up by young or disadvantaged people. Over 1,100 minor projects were financed; their scale is extremely small and hence they are unlikely to have any significant impact on the sector. No evaluation shows their sustainability.

Other initiatives which can be included in this policy area concern: cleaned up and rehabilitated areas, initiatives to improve attractiveness of towns, security, social inclusion, child and health care.

In Sicily and Puglia 103 sq. km. of contaminated sites were reclaimed. 370 projects improving the attractiveness of towns and cities were carried out, half of them in Campania where they benefited the population of the towns and 1/5 were co-financed by the NOP Security. A video-control system was installed; it covers 40 of the main roads and 77 areas characterized by a high risk of criminality. However, there is no satisfactory information on the operation and effectiveness of these initiatives.

280 projects promoting social inclusion and equal opportunities for youths and minorities have been carried out so far, mainly in Campania and Puglia. Half of Campania’s municipalities have activated child care services with the ROP’s contribution. 428 health projects were completed, primarily in Puglia, Sicily and Basilicata. These mostly consist of upgrading health care infrastructures (e.g. purchase of advanced equipment), assessment of the health conditions of the population (e.g. surveys on diffusion of diseases) and assessment of quality, effectiveness and efficiency of public health care services. In Calabria almost 80 interventions to restore archaeological and historical buildings have also been carried out.

The NOP GAT helped to support local administrations in planning and implementing health interventions, through the operational project managed by the Ministry of Health. Feasibility studies, analyses of needs, e-health initiatives were carried out.

In **Competitiveness** regions, this policy area absorbs a small share of resources. Interventions mainly consist of promoting tourism, valorising cultural and natural assets, improving of urban attractiveness and upgrading existing social infrastructure.

619 tourist projects were carried out mostly in Emilia-Romagna, Lazio, Marche and Tuscany. In Friuli Venezia Giulia, several tourist information points were upgraded and permanent exhibitions organized to improve attractiveness of the natural park of Prealpi Giulie; a requalification was carried out in several other public areas with lighting systems, installation of structures for use in urban planning, children’s playground areas etc.

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<sup>35</sup> A new MA, the Department for the development of economies and territories (DISET) of the Prime Minister’s Office, replaced the Campania regional administration in 2012. Approximately EUR 1,031.2 million were allocated to the OP originally; After the launch of the PAC and the de-commitments, the OP is now worth EUR 681.7 million.

In total, 361 projects improving attractiveness of towns and cities were implemented, mostly in Tuscany, Sardinia, Lazio and Emilia. In Umbria, 50% of the urban surface of historical centres was regenerated with the ROP contribution. 38,337 sq. m. of areas of cultural and natural interest were reclaimed in Lombardy; a biodiversity observatory was set up in Valle d'Aosta and the target of a total 300,000 visitors in the recovered areas has been almost entirely achieved. 50 cultural heritage sites and 65 areas with cultural assets were restored in Marche. 38 cultural and natural assets were regenerated in Emilia-Romagna.

In Liguria, 40 significant interventions on social laboratories, open markets, municipality swimming pools, pedestrian areas etc. were concluded out of 86 launched. 14 interventions on cultural and historical assets were completed, out of 70 initiatives launched as part of the integrated projects of urban development<sup>36</sup>; these include the requalification and upgrading of the museum network of the Imperia Province. 36 projects promoting social inclusion and equal opportunities were carried out in Tuscany.

In conclusion, the initiatives carried out in tourism and urban development are too fragmented to produce any sizeable effect on tourist development and disparities. The capacity to attract tourism increased only slightly during the programming period and North-South disparities remain considerable. The very high number of initiatives taken in Convergence regions highlights a lack of strategy at regional level and a lack of national coordination, hence the contribution of EU Cohesion policy in this respect is unlikely to be effective and substantial. The southern regions over the past decade have not benefited from the substantial increase of the world tourist market despite their enormous potential. Indicators which measure the attractiveness of urban areas based on the extension of public transportation infrastructure and its use, surface of green areas, attractiveness of health care infrastructures have showed very limited improvement or no improvement at all in recent years, leaving the North-South gaps substantially unchanged.

If, in the next programming cycle, tourism and urban development are given more or less the same resources as in the current period, it is crucial to assure concentration and increase integration of initiatives and create an overall policy context in which these investments can be made effective.

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<sup>36</sup> e.g. Bonassola castle; renovation of Villa Regina Margherita in Bordighera.

**Table 2 - Selection of main physical indicators and achievements – Convergence**

Policy area	Main indicators	Outcomes and results	
Enterprise support and RTDI	Number of cooperation projects enterprises-research institutions (core indicator)	588	Collaborative research endeavours involving a public private partnership and boosting S&T networking and the development of the knowledge economy. In a context of scarce collaboration between industry and academia, these can be considered a positive result per se. 420 research positions were created thanks to the RTD projects financed.
	Jobs created in SMEs as direct result of finished projects (gross, full time equivalent) (core indicator)	5,679	FTE jobs resulting from investment projects implemented by SMEs using financial aid from Structural Funds; the investment induced was EUR 436 million.
	Number of research infrastructures and laboratories significantly upgraded	81	This is considered a significant output of the NOP Research and Competitiveness, the target (70) was exceeded and helped to achieve the objective of strengthening the structural capacity of Convergence universities.
Human Resources (ERDF only)	Share of schools which benefited from technological upgrading	80%	NOP Education projects include: creation/upgrading of equipment and laboratories (learning, multimedia, sports and recreational activities); improving the quality of school environment and students well-being (safety, eco-sustainability and accessibility of buildings); improving infrastructure for training of teachers.
	Reduction in the student/pc ratio	from 12 (baseline) to 9	The reduction in the student/pc ratio is a result of the interventions of technological upgrading of ICT equipment and laboratories
Transport	Km of reconstructed railways (core indicator)	814	Total length of railways of which quality and capacity have been improved. This includes electrification, developing single track railroad into double track, increasing the possible speed on the track, ensuring European Rail Traffic Management System compatibility. 728.2 km are part of TEN. Some important railway projects have been completed in the regions: 1° line of the regional metropolitan system of Campania; the railway Palermo-Carini in Sicily.
Environment and energy	Additional population served by waste water projects (core indicator)	1,063,445	Number of persons, previously not connected, benefiting from waste treatment/increase in capacity of sewage (mostly recorded in Sicily and Basilicata).
	Number of people benefiting from flood protection measures (core indicator)	56,000	People exposed to flood risk and whose vulnerability decreased as a direct result of a Structural Funds project.
	Km of smart grid networks	1,136	Km of smart grid network near completion financed by the POIN renewable energy as part of the initiatives aiming at increasing energy efficiency.
Territorial development	Number of jobs created in tourism (core indicator)	998	Gross direct jobs created (in FTE) by tourism projects co-financed by the NOP Research and Competitiveness.
	Sq. km of area rehabilitated (core indicator)	103	Surface of contaminated or derelict land made available for economic (except agriculture) or community activities.



**Table 3 - Selection of main physical indicators and achievements – Competitiveness**

Policy area	Main indicators	Outcomes and results	
Enterprise support and RTDI including ICT	Number of cooperation projects enterprises-research institutions (core)	833	Collaborative research endeavours boosting university-industry cooperation and the development of the knowledge economy.
	Research jobs created (core)	1,737	Gross direct jobs created to directly perform R&D activities, in FTE, as a result of a finished or on-going R&D project. Support staff is not counted.
	Number of additional population covered by broadband access (core)	944,776	Persons who can access the internet with a download speed of at least 256 Kbit/sec and who did not have access before or only had limited access.
Transport	Number of inter-modal hubs (non-core)	10	Total number of important intermodal hubs which have been completed with the support of Cohesion policy. For example, the EUR 2.9 million hub of the Melzo Station in Lombardy, the Padova interport (81,548 sq. m. of intermodal railway terminal which allows the handling a potential 8,000 twenty-foot equivalent units of goods), the Chioggia intermodal system etc.
Environment and energy	Number of people benefiting from flood protection measures (core)	51,600	People exposed to flood risk and whose vulnerability decreased as a direct result of a Structural Funds project. For example, additional 9,300 people benefited from forest fire risk prevention carried out in Tuscany; in Abruzzi, ERDF provided a fundamental input to address environmental and hydrogeological risks especially in the areas affected by the 2009 earthquake.
Territorial development	Number of projects ensuring sustainability and improving the attractiveness of towns and cities (core)	361	Projects of various nature aiming at improving the attractiveness of towns and cities: cultural and natural assets regenerated, set up of biodiversity observatory, social labs, pedestrian areas, sports sites etc.

***Main outcomes of cross-border cooperation***

CBC programmes are marred by even worse monitoring problems due to the scarcity of meaningful result indicators. Moreover, it is often unclear whether the reported projects are completed or on-going; we suspect that they are mostly on-going since their take off was more delayed than the other operational programmes. The information provided in the AIR, shows that the large majority of cooperation projects is even more behind than the other programmes.

In general, the programmes can be divided in two groups: (a) those characterised by a relatively better but still modest financial performance involving France, Austria and Switzerland; (b) those suffering from serious delays which involve Malta and Slovenia.

Most common objectives include monitoring the environment, safeguarding natural and cultural assets, developing common tourist products, supporting research and business cooperation, and finally, providing common health and social services. The initiatives launched are rather fragmented in their aims and in their activities, often with overambitious objectives. However, they have developed new partnerships and stable networks, and involve a considerable number of stakeholders, administrations, firms, research centres.

The *Italy-France Maritime OP* registered mild progress in improving the access to information and the networks. Information systems to monitor movements of goods, interregional info-

mobility platform, access to public services, networks of natural and marine parks, solutions to prevent fire risk and preservation of cultural heritage areas are the areas in which some progress was registered. The commitments were 79.1% and the payments were equal to 41.4% of allocated resources at the end of 2012. In total 16 interventions were carried out in relation to the first axis 1 “accessibility and communication networks”; it is difficult to discern clearly how many of these are concluded. They range from feasibility studies for setting up logistic platforms, to the installation of common IT systems and WI-FI antennas, to urban development initiatives mostly targeted at improving the connection between ports and cities. 25 interventions have been carried out as part of the second axis “research and innovation”. These consist of knowledge and technology transfer, cooperative research, tourism and agro-food innovation. The third axis “natural and cultural resources” is the best performing in terms of expenditure (>50% of allotted funds at the end of 2012), 69 initiatives were carried out consisting of interventions on common cultural assets, initiatives to promote biodiversity, monitoring of environmental risks on cross border areas. 37 initiatives were carried out in the fourth axis “integration of resources and services”. These include networking and exchange of good practices in managing cultural assets, joint actions to prevent social exclusion of the young, improved access to “cross-border” health structures. An evaluation was carried out in 2010 and highlighted the difficulties in generating effective partnerships and the limited participation of Universities and private actors. There is no other evidence apart from the AIR to help assess the relevance of the outcomes in the territories where the initiatives took place with no solid evidence provided.

The *Italy-France Alcotra* programme has registered some progress in recent years but most of the projects funded are still on-going. The commitments were 96.2% and payments were 48.1% of allocated resources at the end of 2012. As part of the 1<sup>st</sup> axis “development and innovation”, 6 research initiatives and 25 rural development projects involving 65 organisations were financed; 12 tourism initiatives were carried out leading to 28 new tourist itineraries. In the second axis “territorial protection and management”, 15 projects aiming at monitoring and abating pollution and diffusing renewable energy were financed; these led to the set-up of 22 shared information systems; furthermore, 23 bio-diversity projects and 16 environmental risk prevention interventions were implemented. As part of the 3<sup>rd</sup> axis “quality of life”, 15 health and social cooperation initiatives were carried out, 5 transport projects launched, 30 initiatives for the conservation of the cultural heritage and 14 projects supporting education and labour market services were financed, involving 53 “cross-border” schools.

In the *Italy-Austria CBC* programme, approximately 94% of the available funds were committed and the payments were 41% of allocated resources at the end of 2012. 82 projects were carried out in relation to the first axis “competitiveness and economic relations”. These mostly focus on strengthening tourist services, cooperative research and internationalisation. 96 projects have been financed in relation to the second axis “territory and sustainability”. These include initiatives for the creation of networks among administrations and organisations, bio-diversity, prevention of environmental risks, development of rural areas, safeguarding common cultural heritage, cross border education for health professionals. A second strategic evaluation report was completed in spring 2012; this mainly focuses on summarising progress and monitoring information, while there is little on achievements. The most relevant outcome is the

contribution given to new forms of partnerships involving actors from both sides of the cross-border areas.

The implementation of the *Italy-Switzerland OP* accelerated during the last year. Over 92% of the funds were committed and the payments amounted to 42.1% of allocated resources at the end of 2012. 54 projects were financed as part of the first axis “environment and territory”, including monitoring natural risks, promotion of biodiversity, and joint innovation in the agro-forest sector; nearly 20 of the municipalities in cross-border areas were involved in the risk prevention initiatives. In the competitiveness axis 101 projects were financed. They focus on tourism, cooperative research and innovation, transport solutions and eco-innovation. As a result, 159 tourist packages were created, nearly 380 firms were engaged in joint projects thanks to the OP’s support and 63 research centres and universities and enterprises cooperate. 89 projects were funded within the third axis “quality of life”. These include promotion of cultural heritage, diffusion of ICT, institutional cooperation, initiative for the integration of the cross-border labour markets and health services. The most notable results include: 42 cultural institutions that cooperate thanks to the programme, 658 individuals participating in the cross-border training initiatives, 3,405 beneficiaries of the cooperation initiatives in the health sector. As in the Italy-France Maritime programme, the 2009 evaluation report on the Italy-Swiss OP underlined that, although participation in transnational partnerships was good, the capacity of involving new actors in cooperation activities is insufficient to achieve the needed results.

The *Italy-Malta OP* started its operations in 2011. The commitments were 71.5% of the allocated resources but the payments were still equal to 23.3% at the end of 2012. All the projects reported in the AIRs are on-going. As part of the first axis “competitiveness, research and innovation”, 9 projects have been financed. These mainly support cooperative research, an integrated tourism supply and common transport solutions. 13 projects on monitoring and safeguarding natural resources, risks prevention and development of RES were funded.

The *Italy-Slovenia OP* speeded up considerably in 2012 but is severely lagging behind. The commitments were 98.3% of the allocated resources but the payments were still equal to 20.6% at the end of 2012. In relation to the first axis “environment, transport and territorial integration”, 30 projects were funded. These concern mostly environmental risk prevention, energy efficiency and sustainable mobility; 111 municipalities have been involved so far in the cooperation initiatives and 56 new stable partnerships have been set-up thanks to the programme. In the second axis “competitiveness and knowledge based society”, 30 projects mostly oriented towards internationalisation, cooperative research and tourism support were funded. A total of 215 firms have been involved so far, 6 cross-border networks for the promotion of tourism were set-up. In relation to the third axis “social integration”, 25 projects were funded. These focus on facilitating the creation of networks between universities, research centres and schools, on joint cultural projects and on “cross-border” health initiatives. It is not possible at this stage of the programme to go beyond the number of projects. An interim evaluation was launched at the end of 2012; there is still no available output.

### 3. Effects of intervention

Main points from the previous country report:

- Due to the implementation delays it is unlikely that the expected impacts on disparities will materialise anytime soon. Moreover, the monitoring systems and the lack of robust impact evaluations do not help clarify effects.
- The most important effects are likely to take place where there is a critical mass of interventions. In Convergence areas, effects should appear in RTDI and Education. The RTDI achievements in terms of collaborative research effort, S&T infrastructure, SMEs' investment projects produced impacts measured in additional jobs created, reduction/elimination of digital divide, increased networking and cooperation between universities and firms. Some effects also appear in the policy areas where due to common practice, accumulated knowledge, tradition and history, the regional intervention has become dependent on EU funds. This is the case of waste water infrastructure and environmental risk protection.
- Effects tend to be minor in tourism and more in general in territorial development where the extreme fragmentation of initiatives, the insufficient evidence provided by the AIRs and the lack of evaluations makes it difficult to attempt an assessment which goes beyond the outputs.
- In Competitiveness, the effects occur on specific territories and can be relevant in that context. There is evidence given by interviews and studies on the positive impacts of research cooperation, diffusion of innovation and experimentation of new policy approaches (e.g. pre-commercial procurement as a tool to boost innovation and digital diffusion).

#### Developments since the 2012 report

These points remain by and large valid. There is no significant evaluation evidence on wider effects of intervention on regional development or quality of life. As it was highlighted in the section on achievements, the statistics and the available studies suggest that regional disparities have deteriorated in recent years due to structural causes and to the impact of the crisis. However the role of ERDF in this pattern is still to be assessed.

**Enterprise support and RTDI.** Even though ERDF has a relevant weight in this policy area in Convergence regions, there is no comprehensive evidence that allows us to quantify the timing and scale of impacts e.g. a stronger public and private research capacity, and a greater competitiveness of firms.<sup>37</sup> The available studies confirm positive effects on the performance of firms in the short term, in their propensity to innovate and invest, though at the cost of significant deadweight (see the evaluation section for more details). Very little evidence exists on FEIs and on innovation clusters and poles in Convergence areas. At a macro-level, the statistical data show that in the current period regional disparities in research and innovation as well as enterprise environment have remained unchanged or even worsened. In

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<sup>37</sup> For example the 2007-2013 initiatives co-financed by the NOP Research and Competitiveness, which is the major programme for boosting research and firms' investments, have not been evaluated so far.

Competitiveness regions, mostly local effects emerge; these can be considerable as in the case of digital divide, increased university-industry cooperation and facilitation of access to credit. There is more evaluation evidence than in Convergence areas even though studies on effects are few and focus on specific measures and territories<sup>38</sup>.

**Human resource development.** The ERDF provided a considerable contribution to education infrastructure in Convergence regions and some tangible results emerged. The effects may appear in the long term while at the moment relevant regional disparities still persist.

**Transport.** The effects that the achievements of Cohesion policy can produce in Convergence regions are heavily hampered and/or postponed by the obstacles and delays, especially in railways and motorways which are the least developed infrastructures in Southern Italy. Some major transport projects are still on-going; these, mainly consisting of roads and ports, have the potential to produce relevant effects on the entire area.

**Environment and energy.** Relevant outcomes are recorded in waste water infrastructure and management of solid waste in Convergence regions. The data on the last decade suggest an improvement of the North-South disparities, especially in relation to solid waste; however, the contribution given by the ERDF is unclear. Considerable achievements from initiatives taken to safeguard population from floods, landslides and forest fire were recorded but also in this case there is no evidence on their effects. In Competitiveness regions, only local positive effects on the environment can be expected and there are some evaluations<sup>39</sup>. In energy policy effects are likely to materialise when the numerous on-going initiatives are concluded.

**Territorial development.** The initiatives in tourism and urban development are too fragmented to produce an effect on a sizeable scale. Evaluations of territorial development policy were carried out mainly in Convergence regions, they focus on 2000-2006 and are unable to support any assessment on the present period. The majority of these examine Integrated Territorial Projects (ITPs) which have rarely been repeated during the present period, and it is difficult to understand why they were carried out, especially when many of the largest 2007-2013 interventions have not been evaluated. In Competitiveness regions, territorial development initiatives are marginal and we have no evidence of any effect that has occurred.

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<sup>38</sup> Positive effects of innovation poles and clusters on university-industry cooperation and inclusion of SMEs in the innovation system are highlighted in some regions. The few evaluations of FEIs pointed out positive effects of guarantees and loans on the SMEs' access to credit and on employment, as well as lower risks of bankruptcy and a higher investment propensity. There is no evaluation on ICT diffusion but the impact of ERFD on reducing digital divide is clearly positive as reported in the previous section.

<sup>39</sup> Positive effects in terms of CO<sub>2</sub> reduction were highlighted in Piedmont; in Tuscany, positive effects on the environment, well-being and economy were pointed out by the evaluation of the (on-going) interventions on the requalification of deprived areas, air monitoring and risk prevention.

## 4. Evaluations and good practice in evaluation

Main points from the previous country report:

- In 2012 a great number of evaluation reports (around 40) was completed. This delayed activism reflected a delayed start of the evaluations and the scarce attention paid to the evaluation plans, in addition to the delayed implementation of the programmes; coordination of individual OP evaluations had also been weak right from the beginning of the period and did not provide common public discussion of evaluation findings.
- The majority of the evaluation reports followed a thematic approach (around 60% of the total) and used different types of methodology (mainly qualitative, but also quantitative); within this group a moderate number of ex-post and counterfactual evaluations focused on the 2000-2006 interventions. Evaluations of RTDI and enterprise support (including ICT) were carried out mostly in the Competitiveness objective. Their findings are often contradictory but several studies indicated positive, but not large, effects on the performance of firms, and on their participation in research networks.
- Evaluations of territorial development policy were carried out mainly in Convergence regions and focused on the 2000-2006 period. The majority of these reports concentrated on the ITPs with a mostly theory based approach and mixed findings.
- Environmental interventions, energy and transport policy fields, urban and tourist projects were generally less investigated by the evaluations, notwithstanding their relevant role in the programmes. Institution building and the serious implementation problems encountered by many OPs have not been subjected to accurate evaluations. Similarly, very few OPs in the Convergence objective have been subjects to evaluations.
- While evaluation has been considered a formal obligation, accountability has been considered optional. Consequently, evaluators were often asked to provide studies or technical support to MAs rather than evidence of achievements.
- Mechanisms to integrate the evaluation findings and recommendations in the policy making process have been mainly left to the initiative and the capacity of the individual MAs.

### Developments since the 2012 report

No significant changes occurred in the national and OP evaluation strategies between 2012 and 2013. Evaluations plans have rarely been updated and fully respected, and often numerous planned activities are still pending. However, on-going evaluations are continuing and new reports have been delivered in some OPs; due to their delayed start the evaluations will cover the period up to 2015.

In general, attention for evaluation is moving from the current programmes to the new programming period; MAs are focusing on the ex-ante evaluations for the next programmes, and also the on-going evaluations are more explicitly oriented towards supporting the new planning period. The Central Evaluation Unit (UVAL, in Italian) is also fully involved in the new programming and is not working on the evaluation of the current programming period; consequently, no coordination or synthesis of the OP evaluations are provided.

According to our estimation based on *Open Coesione* database<sup>40</sup>, up to the end of 2012 resources devoted to evaluation in ERDF programmes amounted to around EUR 16 million, less than the resources destined for the evaluation of the ESF programmes (see next table). Payments for evaluation amounted to slightly less than 40% of the committed resources, proof of the significant delay. Independent evaluators received the larger part of the committed resources, but additional resources awarded to public agencies and units within the administration to carry out their activities are not included in the table<sup>41</sup>.

In practice, for every EUR 10,000 committed by the ERDF, 354 supported various forms of technical assistance and only 6 Euros funded evaluation. In addition, evaluation is seriously behind time in public agencies, which received around EUR 3 million but spent only 0.2.

**Table 2 - Resources for evaluations at December 2012 (ERDF and ESF; OPs within CONV and CRO regions; EUR million and % values)**

Resources for evaluations	Commitments <sup>(a)</sup> (EUR million)	Payments <sup>(a)</sup> (EUR million)	Payments on commitments (%)
Total resources for evaluations (ERDF +ESF)	33.7	14.0	41.4
ERDF	16.0	6.8	42.8
- Private evaluators	24.9	12.2	49.0
ERDF	13.0	6.5	49.8
- Public agencies	7.9	1.5	18.5
ERDF	2.8	0.2	7.7
- Other Expenditures (calls for tenders, events, etc.)	0.9	0.3	31.6
ERDF	0.2	0.2	67.9
Total resources for technical assistance and similar <sup>(b)</sup>	1,673.1	855.2	51.1
ERDF	1,011.4	495.9	49.0
Total resources NSRF	39,326.2	19,444.0	49.4
ERDF	28,560.5	12,540.0	43.9

Source: own elaboration on data from *Open Coesione*, December 2012.

Note: a) Calculated on the eligible costs; b) categories linked to technical assistance and similar activities (see Regulation n.1828/2006).

Resources for evaluation have been distributed in an unbalanced way among ERDF interventions: Convergence committed 60% of the total resources for evaluation, a little less than its financial relevance, but above all 86% of this amount (around 8 on EUR 9.5 million) is committed by only 3 OPs (Governance and Technical Assistance, Networks and Mobility for transport, Security) and has produced very few reports up to the present. Some very large and problematic OPs, such as Campania and Research and Competitiveness, devoted a negligible amount of resources to evaluation and some programmes still have no independent evaluation (e.g. Calabria and Campania). In Competitiveness the distribution is more balanced, but again some OPs (Lazio, Umbria, Sardegna) dedicated very few resources to evaluation.

<sup>40</sup> This database includes all the projects funded in Italy by ERDF and ESF, with the exclusion of the territorial cooperation objective (see <http://www.dps.tesoro.it/opencoesione/ml.asp>).

<sup>41</sup> Evaluation units in the national and regional administrations are paid by the State (around EUR 10 million yearly), but they are mainly taken up by technical assistance and sometimes in open clash of interests with evaluation.

At the basis of this, there is a public administration which considers evaluation and accountability marginal activities rather than useful and systematic policy tools. This approach is connected to the administrations' weak commitment to policy objectives which is often one of the main causes of failure in implementation.

In order to partially overcome such problems and include the proposed focusing on results in the new programming period, in 2012 the Italian Ministry for Social and Territorial Cohesion proposed a guideline document aimed at triggering an "Open Public Evaluation" process. The current delay in the new programming period is laying those principles aside as at present the attention of the actors is focusing on the distribution of resources. Even if it is too early to appraise the new programming, it is clear that it will take some time to apply the indications proposed by the Government in relation to results, monitoring and evaluation.

Annex Table D shows all the evaluations completed in Italy since the previous report, and includes main findings, objectives, scope and methods used and corresponding links where available. The classification of the evaluations is often problematic, because thematic analyses are frequently integrated in multi-field reports and often different methodologies are combined.

Last year 47 evaluation reports relating to contracts and activities launched between 2011 and 2012 were delivered<sup>42</sup>. This delay in the use of evaluations suggests that they and their role in the decision making mechanisms were considered of secondary importance. In addition to these evaluations, other studies to support programming have been implemented by internal evaluation units.

Not only the resources, but also evaluation reports are distributed in an unbalanced manner. Only 19% of the completed reports come from Convergence, while the majority of reports (66%) comes from Competitiveness, despite the fact that the resources in this area are a small part of the total<sup>43</sup>. This reflects a different sensitivity and use in planning and implementing public policies. For instance, in Tuscany this year seven reports have been delivered by the independent evaluator and the regional research institute, bearing witness to the extended support of evaluation to policy decision making. In Territorial Cooperation only one OP (Switzerland-Italy) has carried out a systematic evaluation. 9% of the relevant evaluations implemented were not funded by the Structural Funds.

Around 43% of the reports are devoted to the analysis of achievements, while the remaining mainly support monitoring and check progress, but some annual reports of the on-going evaluation associate thematic analyses of initial results to the traditional assessment of progress. However, more than half of the 20 achievement oriented reports focus on the interventions of the previous programming period; hence, delays in programme

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<sup>42</sup> In addition to these evaluations and according to the AIRs, other studies (around 10) have been implemented by internal evaluation units or private consultants but did not have the features of an evaluation related to structural funds (e.g. "Analysis of the health sector in Campania") or were oriented towards assessing communication activities.

<sup>43</sup> Data on resources devoted to all the evaluations are not available; this means that the number of the evaluation reports is examined as a proxy of the evaluation capacity and effort. Obviously, the number of reports is not a precise measure of that commitment, but it remains the main and most reliable information.



implementation, as well as insufficient planning of evaluations, have hindered a more in depth investigation of the achievements of the current period.

Counterfactual impact approaches characterise eight evaluation reports (17%), of which seven focus on the previous period and four have been implemented out of Structural Funds by the Bank of Italy.

The prevailing methodologies are a mix of quantitative and qualitative methods (49% only qualitative and 34% mix quantitative and qualitative). However, a real theory based approach is rarely developed. In general, the reconstruction of the theory of the intervention is weak, even if increasing attention is being paid to the evaluation questions in the definition of the overall methodology; this was not necessarily expected, because in the previous period evaluation logic was often simply defined on the basis of the available monitoring indicators. In addition, field surveys and analyses are often carried out and a general collection of original information reinforces the evaluation<sup>44</sup>. However, quality varies greatly among reports and is rather low in the majority of the evaluations; as mentioned in our previous reports, MAs' poor quality control, their formal approach and their tendency to reduce potential unfavourable assessments, and the lack of regular opportunities for publicly debating evaluation results make it difficult to increase the quality of evaluations.

Evaluation themes differ, but are polarized in two main groups: RTDI and enterprises support policies (38% of the total reports) on the one hand and multi-policy area (38%) on the other. As mentioned before, this second group often contains more thematic analyses within a multi-area approach. Only four reports were carried out for transport, environment and energy, four for territorial development and two for transversal aspects (equal opportunities). One report in Tuscany was devoted to managerial and institution building aspects connected to the functioning of the OP. All the counterfactual evaluations are included in the group related to RTDI and enterprise policies; in the multi-area group mixed quantitative and qualitative or only qualitative approaches prevail.

These results confirm that evaluations find it difficult to cover the different policy areas in a balanced way and they highlight the scarce attention paid to large part of the co-financed investments and especially transport, environment and urban interventions in convergence regions. Some other shortcomings are evident in individual OPs; for instance, the OP "Networks and mobility" in Convergence regions produced few reports. Or, the OP "Research and Competitiveness" in the Convergence regions delivered only some small evaluation studies on the effects of the previous period and did not examine the huge amount of resources (almost EUR 2 billion) currently spent. The same shortcomings can be highlighted in the regional OPs of Convergence, although these regions (especially Puglia and Sicily) have already spent more than EUR 5 billion.. Not only are these OPs behind time, but the lack of systematic evaluation means that they forgo any additional support to implementation and accountability. The on-going support and the quick comprehension of the types of investment and actors activated are fundamental in such complex programmes and cannot wait for an impact evaluation.

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<sup>44</sup> This generally occurred in thematic evaluations, but also in some programme evaluations, where the surveys integrated the limited information available in the monitoring system (see, for instance, evaluation reports of Lombardy OP or Bolzano OP).

The use of the findings of the evaluation reports is generally limited to the Steering Committee or to the administration which has commissioned the report. The answers to the questionnaires we sent to the MAs<sup>45</sup> confirmed this approach, with the exception of some regions in Competitiveness where the steering groups of the evaluation were active or where the social partners' involvement goes beyond the steering committee. In general, the MAs affirmed that evaluation findings were useful in the reprogramming phase and helped to improve implementation. Sometimes findings and recommendations may arrive from the policy makers (in one case this is explicitly mentioned), however the system is organized in such a way that, in general, findings of the evaluation "belong" to the managing administrations and circulate in a limited circle of experts. This evaluation policy is legitimate and the direct utilization of findings by the administration is fundamental, but it is also very restrictive and does not give rise to a real debate on the structural policies and does not fulfil the accountability principle.

The features of the evaluation carried out in the 2012-2013 period are similar to those encountered in the previous reports. In particular, in the last three Italian reports (since 2011 and including the present one) we have identified 103 evaluations; probably this is a partial underestimation of the total number of concluded reports, because some of them are not public. The characteristics of the evaluations that emerged in this programming period from these 103 reports are:

- Insufficient evaluation in the Convergence programmes: 55% of the 103 evaluation reports were produced in Competitiveness programmes, and only 31% in Convergence programmes. 13% of cross-border cooperation and evaluations were not funded by the Structural Funds.
- Policy areas are unevenly covered and important areas remain uncovered: approximately 30% of the total reports cover RTDI and enterprises support; 36% cover multiple policy areas and 20% cover territorial development. The remaining 14% is shared between transport, environment, energy, human resources and transversal aspects.
- Diffusion of thematic evaluations, these amount to circa 60% of the total reports, but some multi-area reports contain further thematic analysis.
- Significant diffusion of counterfactual impact evaluations, which constitute 13% of the reports. Thanks to the availability of a large database and independence from the programming cycle, research institutions outside the programmes favoured this trend. However, qualitative approaches and techniques remain predominant: 46% of the reports adopted only qualitative approaches and 38% a combination of qualitative and quantitative methods.
- Increasing focus on achievements and results: almost 47% of the reports intended to assess achievements, even if at times the information and methods used do not seem quite appropriate. In this respect, it is worth noting that 31% of the total reports and 65% of the result-oriented reports focused only on the previous programming period. This focus favoured the accumulation of knowledge on impacts but in many cases

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<sup>45</sup> We sent the questionnaire in June 2013 and received responses from 18 OPs (7 in Convergence and 11 in Competitiveness).

crowded out the analysis of the current interventions (especially in the convergence programmes) and produced very little general analysis useful for further programming.

Despite the fact that at the beginning of the programming period the NSRF placed a strong emphasis on evaluation and its integration in the implementation processes, these elements confirm a weak and erratic role of evaluation during the programming period. The non-binding rules in the EU regulation and several national factors, which are highlighted below and grouped in four main issues, favoured this inadequate approach.

1) *An unfavourable institutional environment* does not support evaluation of structural funds and is strongly dependent on the EC to enhance national evaluation. This adverse environment consists in the lack of evaluation culture and practice in the administration, a lack of national rules for evaluation and insufficient attention of the political class to policy implementation and accountability. The governance culture is based on approving laws and allocating public resources, but very rarely do national or regional Parliaments debate how a law has been implemented and what it has produced. The PA is prevalently aligned with this bureaucratic approach and minimises its own responsibility in the implementation of legal directives.

2) *A weak coordination at national and OP level* makes it difficult to rationalise an evaluation strategy. Consequently, in some OPs only one kind of question has been evaluated<sup>46</sup> and a complete knowledge and accountability of the funded interventions is lacking. This problem is often connected to a misleading definition of the evaluation questions and the role of monitoring, which is not sufficiently based on an accurate reflection on and awareness of the OP strategy. In this respect, bar for some exceptions, evaluation plans and steering committees have been of little use in Italy as they have been unable to provide an effective platform for defining, planning and publicly discussing evaluation. The lack of adequate coordination has often made it impossible to integrate findings on the same topic, such as RTDI or enterprise support, from different evaluations and produce a summary of the effects of a specific policy (below we will come back to this point).

3) *The low quality of the evaluation implementation processes* negatively affects the quality, the utilization and the effectiveness of the evaluation. The inaccurate definition of the call for tender in terms of objectives, resources and selection processes<sup>47</sup> makes the implementation of evaluation often inefficient. The lack of quality control on behalf of some administrations means that the quality of the reports varies greatly. Scarce attention paid to the independence principle and the prominent role of MAs in defining the evaluation processes negatively affect the authoritativeness and the freedom of the evaluators; in some cases public agencies and administrative units largely involved in the implementation or under the direct responsibility of the MAs are required to evaluate the programme, in the case of private evaluators MAs are at the same time the object and buyer of the evaluation service.

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<sup>46</sup> For instance, only impact of the previous programming period or only issues related to current implementation processes.

<sup>47</sup> For instance, OP Transport commissioned an evaluation for around EUR 4 million, but the potential impacts of the interventions are still difficult to understand. In other cases selecting evaluators on the basis of automatic criteria such as number of interviews without any consideration for the quality of the methodology, or accepting a circa 50% financial reduction in the proposed price was hardly consistent with the quality of the required services.

4) *Lack of a systematic and public discussion of results and recommendations of the evaluations* hampers an effective use of the findings in policy decision making and simultaneously does not produce a quality control by peers. This factor weakens the possibility of defining evidence-based policy and, moreover, limits the democratic participation in policy making decisions. As the resistance of social groups advantaged by financial transfers is considered one of the causes of policy inefficiency, evaluation would have played an important role in improving the overall policy design. Although the *Open Coesione* database permits a free access to basic information on funded projects and promotes increasing transparency, it is not really used for evaluations.

These have been persistent issues in the current programming period, however some improvements in the Italian evaluation have to be underlined. First of all, we welcome that the thematic approaches were widespread and have allowed a better focus on sectoral problems and a more “customised” design of the evaluation. Secondly, the diffusion of counterfactual impact methodologies has increased evaluation capacity and the knowledge on policy results; unfortunately, in some OPs this became the sole approach and prevented a more wide-ranging analysis. Thirdly, the Competitiveness regions<sup>48</sup> demonstrated a more constant and effective use of evaluation, even if there were significant differences in effort and quality. These elements indicate a positive evolution of the evaluation experience in some contexts and the development of some new evaluation capacities in line with the guidance of the EC.

Overall, the above presents the fragmented and diversified functioning of evaluation already encountered in the previous reports, but now, close to the end of the programming period, it is necessary to admit that evaluation has not been able to interpret and explain the overall performance of the regional policy.

The different and uncoordinated reports do not provide a persuasive and complete narrative of the current programming period; in some cases reports only reproduced, or slightly extended, monitoring data and did not investigate the structural changes related to the interventions, in other cases they focused only on old and also abandoned interventions. Thus, the available reports do not explain the unquestionable failure of this programming period in Convergence regions in a satisfactory way. In the preparation of the 2014-2020 programmes this is particularly worrying, because fundamental decisions are being taken only on the basis of the perceptions of key actors, even if well-grounded, and very general socio-economic analyses. However and with these limitations, a short summary of the main findings and lessons learnt from the evaluations is attempted below.

In the **RTDI policy area** 16 evaluation reports have been recorded till now, and other thematic analyses on this area are often included in the multi-area reports, especially in the Competitiveness objective where these interventions are crucial. Counterfactual impact evaluations, carried out on interventions of the past programming period in both the territorial objectives, in the short term indicate positive effects of the subsidies in diminishing risk taking and raising R&D activities in enterprises - especially small ones - and in the long term limited or no effects on the performance of the enterprises. On the one hand this indicates the relevance of

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<sup>48</sup> Among Convergence OPs and regions, only OP Education and OP Puglia invested in a more logical and comprehensive approach to evaluation, but the latter focused only on the interventions of the 2000-2006 period.

the incentives to boost innovation and support weak enterprise. On the other hand this highlights the insufficiency of the subsidy alone and the necessity of a more innovation friendly environment in terms financial and knowledge availability, as well as an easier market orientation of the innovation (from the prototype to production and commercialisation). These and other conditions may benefit innovative enterprises more effectively.

Several other evaluations concerned the innovation systems and in particular the public and private innovation poles and intermediate bodies promoted by many OPs. Here, the results showed significant differences between Convergence and Competitiveness regions bodies. Even though the studies related to situations before the current financing period, they underline the insufficient capacity and efficiency of these bodies in Convergence regions, where the industrial fabric is thinner, and call for very careful governance and verification in the allocation of funds<sup>49</sup>. On the contrary, in the Competitiveness regions the evaluations propose a more successful and promising overview, however governance issues exist here too and are mainly related to how resources are allocated and consequently the necessity of identifying the best performing and strategic centres (for instance, in Emilia-Romagna evaluation was directly used to support this regional function).

In other RTDI evaluations, quantitative analyses and surveys on the financed firms highlighted the strategic role of these interventions in supporting enterprises, but also confirmed the limited resources available in the Competitiveness regions, where EU interventions can shape RTDI policy but rarely impact significantly on the whole innovation system.

Evaluations in the **enterprise support** policy area (14 thematic reports) offer a very differentiated image of impacts. For instance, in the 2000-2006 period incentives for enterprises would have had opposite effects in Campania and Sicilia: negative in the former and positive in the latter. These two evaluations were based mainly on qualitative approaches, but also counterfactual approaches on past interventions carried out in this policy area provide different views: some authors consider the role of incentives positive (defined in the L.488/92) and others, especially from the Bank of Italy, are sceptical about any positive effects in the long run. It is important to underline that many of these evaluations were carried out on aid schemes that are no longer functioning and past interventions; this means that the generalisation of these results is also problematic.

More consensus emerges in relation to the FEI and especially the guarantee funds, which are largely used in Italy. Here, some evaluations converge to a positive assessment of these subsidies in rebalancing the short and long term debts of the firms, reducing the interest rate and producing major benefits in the case of small enterprises. In the long term, the effects on the performance of the enterprises are less evident and of rather limited significance.

Evaluation results were not very different between Competitiveness and Convergence regions, however in Convergence regions the weaker industrial presence and the larger amount of subsidised resources were part of the causes of the more relevant failures in enterprise

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<sup>49</sup> In fact, the Research Ministry took over a year to take a funding decision for these bodies in the OP Research and Competitiveness. In addition, administrations frequently are unable to select the performing bodies according to economic and technological criteria and need a cognitive support from the evaluation (see, for instance, the evaluation of the regional research poles in Emilia-Romagna).

supports. In the end, the evaluations make no attempts to calculate the value for money of the interventions; evidently the assistance of guarantee funds has a low unit cost and significant results could imply a good cost effectiveness ratio, but for other aid schemes this relation seems rather ineffective because of the high unit costs and the low impacts.

The lessons that can be learned in this policy area are not clear-cut. On the one hand aid schemes confirm a high deadweight and low efficiency on the other they have an impact on SMEs. However, incentives significantly boosted some activities in the short period. The real issue is how to design the right and more effective aid scheme according to territorial and industrial needs. The recent history of the Italian industrial policy underlines a persistent difficulty, when not a failure, in this adaptation of the policy instruments to the economic changes. Smart specialisation embodies this challenge and proposes a more participated policy design, but, as mentioned before, only some territories seem ready to seize this opportunity.

A small number of evaluations involved the **human resources** policy area, because this was not a major intervention for ERDF. However, the extensive evaluation approach promoted in the education sector must be mentioned. Here, the direction of a unique body, the Education Ministry, favoured the coordination of the evaluations, as well as the diffusion of large surveys on the competences of the students, for example the OECD PISA survey<sup>50</sup>, has significantly increased knowledge and supported programme evaluations. According to the evaluation studies there is still a relevant gap in the competences of Convergence students and problematic levels of drop outs in these regions; there are numerous and multidimensional causes for the premature abandoning of school and affect mainly the weakest territories in terms of economic and social development. In this respect, ERDF and ESF interventions contribute to a slow but progressive reduction of these phenomena; for instance, educational laboratories and activities carried out in extra-time were considered positive and innovative experiences by all the actors (teachers, parents and students) and can tackle premature abandoning of the school system.

Only three evaluations in the **transport** policy area have been carried out so far; despite the importance of its role not much attention is paid to this area. The evaluations of the current NOP analysed the implementation processes, which were greatly delayed, and proposed some improvements or tools to monitor the implementation risks; they did not provide any information on potential impacts of the selected projects on the transport system of the convergence and southern regions. The Sicilian evaluation on the 2000-2006 period highlighted the weaknesses of the regional system but underlined an improvement in the planning of local transport, but also the lack of its integration with urban and territorial planning; no impacts were measured because the majority of the projects was still on-going or blocked.

The **Environment** policy area includes only three evaluations; two of them related to waste disposal in different Convergence regions during the 2000-2006 period and one related to the selection criteria of environmental interventions in a Competitiveness OP. No general results can be extracted from these evaluations, but difficulties in developing waste separation in Convergence regions were confirmed and their causes identified mainly in the low capacity of local administration and weaknesses in the overall regional strategy.

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<sup>50</sup> In Italy, the financial support of the OP Government and Technical Assistance permitted to extend the 2012 OECD-PISA survey to the regional level.

The **Energy** policy area includes only three evaluations during the whole period. This policy field was relatively new for regional administrations and often evaluations took the form of exploratory studies or in-depth monitoring analyses. In addition, structural funds were added to already generous national subsidies, therefore it is difficult to distinguish their relative contribution to the overall effects. However, evaluation in Trento, for instance, confirmed that ERDF played an important role in reducing territorial disparities in the use of renewable energies and in reinforcing the impacts of the national subsidies; similar results have been found in the other evaluations.

In the **Territorial development** policy area 21 evaluation reports have been completed; 14 of them involved convergence regions and 14 of them analysed interventions of the previous programming period. The greater part of these evaluations concerned the ITPs implemented in the 2000-2006 period. Surprisingly, the large amount of knowledge accumulated on these actions has not been summarised nor widely debated; on the contrary, local development interventions were largely abandoned during that period. However, results of the evaluations are controversial and methodological preferences appear to affect the findings: for instance, counterfactual impact evaluation of the Bank of Italy is very critical of the effectiveness of the past Territorial Projects while many qualitative evaluations consider the ITPs effective. In general, failures or successes of the interventions depended on the quality of the selection, implementation capacity, the maturity of the local leadership and partnership, the administrative burdens affecting the interventions. In some cases the evaluations recognised limited, or rather unquantifiable, economic impacts but significant effects in term of capacity building. In Competitiveness regions some evaluations of the ERDF in rural and mountain areas came up with positive findings. The evaluations of the OP Security in convergence regions confirmed that this programme played an important role in fighting illegality; even though, evaluations were qualitative and do not allow to measure effects. The lack of analyses on tourism and urban interventions further hinders the acquisition of an exhaustive view of the implemented measures, since they are highly relevant in many OPs.

To date 37 evaluation reports, which were part of on-going evaluations, have used a **multi-area** approach and had the goal of assessing the operational aspects and the advancements of programme implementation. Most of these reports were carried out in Competitiveness programmes (73%) and in CBC programmes of the Competitiveness regions (21%); hence, it is possible to affirm that Competitiveness OPs favoured this multi-area approach, which was generally integrated with thematic analyses<sup>51</sup>. The multi-area reports mainly adopted qualitative methods and in quantitative terms proposed a review of the monitoring data, some surveys on the beneficiaries and a cross analysis of these data with socio-economic indicators. Consequently, findings were limited and mainly focused on implementation processes. In general, these evaluations seem useful to counterbalance the poverty of current monitoring and integrate it with additional investigation on what the programme is producing. Even though Competitiveness OPs performed better than Convergence OPs their absorption was not particularly high, therefore, results of these evaluations often appeared too optimistic and did not highlight the depressive effects on impacts generated by delayed and slow expenditure.

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<sup>51</sup> For instance, Liguria, Lombardia and Bolzano included in these multi-area reports some in depth investigations, while Toscana, Piemonte and Trento produced separate thematic analyses.

According to the AIRs and the responses to our survey, at least 34 evaluation reports are expected in the next year, as summarised in Annex Table E. These reports derive from the continuation of the on-going evaluations mainly in the Competitiveness regions and include thematic as well as multi-area approaches. In some cases the delay in the implementation of the evaluation strategy is evident, and 2000-2006 interventions are still being examined.

## 5. Further Remarks - New challenges for policy

The main points from the previous country report:

- Even though the major implementation delays which prevent the EU Cohesion policy to unleash their potential are being addressed by the National government, there is a concrete risk that in the 2014-2020 no significant advancement will be made in terms of efficiency and effectiveness unless adequate action is taken. The effort put in place with the PAC should be continued to ensure a prompt policy take off, continuity of action across programming periods, and concentration of resources on key priorities.
- In addition to improving the quality of the monitoring system it is crucial that the information are gathered in a way that can be effectively consulted and processed by the policy maker through ad hoc dashboards which can be used at national and regional level. The “Open Coesione” initiative is an important step forward for transparency and accountability, consisting in a database that provides information on all the individual projects which are being funded. What is still missing is a systematic endeavour aimed at analysing, aggregating and interpreting the available information so that the policy makers and the administrators, at all levels, have a clear understanding of the results and effects of intervention. Without this further step ahead, Cohesion policy would increasingly look like a coach travelling without a coachman.
- In order to govern policy effectively, it is also necessary to fill the existing gaps in the evidence provided by independent evaluation. These are both methodological and thematic (existing studies do not cover all typologies of instruments). It is important that binding guidelines on these issues become an integral part of the future strategy.

These points are still valid. In the light of the analysis carried out in this paper, the following issues can be highlighted:

- The outsourcing of administrative and management services to in-house companies and private firms carried out over several programming periods did not deal with the core of the problems by employing the right skills and competences and building up the know-how of internal staff. It can be described as a sort of adaptive reaction to the political unwillingness to reform the organization of the PA. The non-selective use of TA, private and in-house, has created a sort of parallel management structures and actually made the administrations less accountable for their programmes. Also evaluation activities have progressively been incorporated into in-house agencies and in the internal evaluation units, originating a potential conflict of interest. Responsibilities however go beyond the Public Administration itself since the complexity of the procedures also are the result of inappropriate administrative rules and principles too formal and complicated enrooted in an over-legislation involving many tiers of government and social partners, which inevitably find obstacles and make the whole process



unpredictable and indeterminate in its time length. National and regional political attention to the highlighted weaknesses and towards a general reform of the public administration was missing to date. No adequate attempt so far to deal with the issue of institutional capacity has been conceived let alone been implemented.

- The currently unreliable monitoring system, which further hampers a results orientation of policy and an adequate use of evaluation, is not caused by a lack of technical means available or by a shortage of staff (on the contrary Italy is well endowed from this point of view). The causes include a lack of coordination and no clear responsibilities for verifying the data reported in the system and to the EC. At the moment collecting physical data on the progress of Cohesion policy is simply an administrative duty. Unless clear responsibilities for verifying indicators are assigned, as part of a result-based management approach, the monitoring system will not improve and hence become useful for assessing and steering the interventions and for accountability. There are considerable differences in the reliability of monitoring across administrations and sometimes even within the same region, where good example exist alongside bad ones, however the efforts of few are likely to be neutralised when data are aggregated into figures whose consistency and meaning is uncertain.
- Despite the strong emphasis that the NSRF posed at the beginning of the programming period on evaluation and its integration in the policy implementation process, the actual use of evaluation was inadequate. The drivers are not only a lack of evaluation culture in the administration and an insufficient attention towards results as pointed out earlier. The weak coordination between the central and regional levels and amongst the OPs hindered the pursuit of a coherent strategy. The implementation processes, from the definition of the calls to the quality control of the services provided, are often scanty. Finally there is a lack of a systematic and open discussion of results and recommendations which hampers an effective use of the evaluation evidence in policy making decisions and does not allow a peer review. This undermines a democratic participation in policy making.

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## Interviews

(including questionnaires)

Dario Gargiulo, MA Campania

Arturo Polese and Sara Gaudino, Evaluation Unit, Campania

Gabriella Drago, MA Liguria

Carlo Terrabujo, MA Veneto

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Valeria Raffaele, MA NOP GAT

## Annex 1 - Evaluation grid for examples of good practice in evaluation

### Evaluation Grid A - Technology assessment of the regional network of high-tech laboratories for industrial research in Emilia-Romagna

BASIC INFORMATION	
Country: Italy	
Policy area: RTDI	
Title of evaluation and full reference: Technology assessment of the regional network of high-tech laboratories for industrial research in Emilia-Romagna	
Intervention period covered: 2007-2013	
Timing of the evaluation: February 2010 – February 2013	
Budget: EUR 362,700	
Evaluator: external evaluator	
Method: mix of methods (case studies, survey of firms, detailed interviews of research directors, foresight and benchmarking)	
<p>Main objectives and main findings: The analysed intervention intended to reinforce 37 public industrial research labs and 8 innovation centres in a region specialized in manufacturing with a potentially high demand for innovation and qualified services. The labs are divided in 6 thematic platforms: agro-food, mechanics and materials, life sciences, energy and environment, ICT, constructions. The main objectives of the analysis were: (1) to verify how effectively the network and the individual platforms work and if they function as a system; (2) to verify if the projects carried out respond to firms' needs and if technology transfer works effectively; (3) to assess the relative position of the labs in comparison with international competitors; (4) to verify if the network of labs is facilitating the education/training of young (industrial) researchers who can strengthen university-industry cooperation.</p> <p>The main findings of the analysis in relation to the objectives are the following: (1) There are constraints in operational autonomy and sustainability (e.g. lack of critical mass and synergies across platforms, weak interaction with business and prevalence of academic behaviour, constraints in hiring, conflict among teaching and research, weak TT promotion); hence the need for focusing on fewer platforms and introducing legal solutions to make labs more autonomous from university. (2) Labs with consolidated experience perform well, while others operating in sector where the region is weak did not improve sufficiently; overall, cooperation with firms need to be much closer. (3) At platform level the labs cover most key research areas and technologies, however individually they are unable to compete with the exception of few cases (e.g. Bologna University in agro-food); coverage of the regional business demand is satisfactory but mismatch with the world scenarios main priorities and trends. (4) Positive results in relation to education and training: 550 new applied researchers have been hired but problems with renewing their contracts mostly due to scarce autonomy of labs and national university policy constraints.</p>	
<p>Appraisal: It is one of the few attempts made to assess a type of intervention which was relatively frequent in the current programming period. Among the existing analyses, it is the only one that focuses directly on the technological level of the activities and output of the financed laboratories and therefore deals with competitiveness and sustainability of public research centres which are central policy issues, often disregarded. The analysis is based on a benchmarking with EU best performers in similar scientific and technological fields which allows to assess the outcomes of the interventions objectively and to provide solid recommendations for the future of the policy. As part of the technology assessment, a set of technological scenarios were developed based on an original taxonomy of key research areas and key technologies. The taxonomy was applied to the analysis of 5,500+ FP7 projects and reflects the endeavours and research trends of the most active European actors. These tools can be used in other regions for priority setting in the context of Smart Specialisation Strategies and, more in general, for M&amp;E of RTDI initiatives.</p>	
CHECK LIST	
Score each item listed below from 0 to 2 as follows: 0: No; 1: Yes, but not fully; 2: Yes	
Report	
Are the objectives, methods and findings of the evaluation clearly set out?	2
Are the findings and recommendations clearly supported by the analysis?	2
Are the methods used suitable given the objectives of the valuation and have they been well applied?	2

Are the quantitative and qualitative data used reliable and suitable for the purpose of the evaluation?	2
Are the potential effects of other factors (e.g. the economic situation) on the outcome fully taken into account?	1
Is a serious attempt made to distinguish the effects of the intervention from these other factors?	1

## Annex 2 - Tables

See Excel Tables 1-4:

Excel Table 1 – Regional disparities and trends

Excel Table 2 – Macro-economic developments

Excel Table 3 - Financial allocation by main policy area

Excel Table 3cbc - Financial allocation by main policy area – cross border cooperation

Excel Table 4 - Commitments by main policy area (by end-2012)

Excel Table 4cbc - Commitments by main policy area (by end-2012) – cross border cooperation

### Annex Table A - Broad policy areas and correspondence with fields of intervention (FOI)

Policy area		Code	Priority themes
1. Enterprise environment	RTDI and linked activities	01	R&TD activities in research centres
		02	R&TD infrastructure and centres of competence in a specific technology
		05	Advanced support services for firms and groups of firms
		07	Investment in firms directly linked to research and innovation (...)
		74	Developing human potential in the field of research and innovation, in particular through post-graduate studies ...
	Innovation support for SMEs	03	Technology transfer and improvement of cooperation networks ...
		04	Assistance to R&TD, particularly in SMEs (including access to R&TD services in research centres)
		06	Assistance to SMEs for the promotion of environmentally-friendly products and production processes (...)
		09	Other measures to stimulate research and innovation and entrepreneurship in SMEs
		14	Services and applications for SMEs (e-commerce, education and training, networking, etc.)
		15	Other measures for improving access to and efficient use of ICT by SMEs
	ICT and related services	11	Information and communication technologies (...)
		12	Information and communication technologies (TEN-ICT)
		13	Services and applications for citizens (e-health, e-government, e-learning, e-inclusion, etc.)
	Other investment in firms	08	Other investment in firms
2. Human resources	Education and training	62	Development of life-long learning systems and strategies in firms; training and services for employees ...

Policy area		Code	Priority themes	
		63	Design and dissemination of innovative and more productive ways of organising work	
		64	Development of special services for employment, training and support in connection with restructuring of sectors ...	
		72	Design, introduction and implementing of reforms in education and training systems ...	
		73	Measures to increase participation in education and training throughout the life-cycle ...	
		Labour market policies	65	Modernisation and strengthening labour market institutions
			66	Implementing active and preventive measures on the labour market
			67	Measures encouraging active ageing and prolonging working lives
			68	Support for self-employment and business start-up
			69	Measures to improve access to employment and increase sustainable participation and progress of women ...
			70	Specific action to increase migrants' participation in employment ...
	71	Pathways to integration and re-entry into employment for disadvantaged people ...		
	80	Promoting the partnerships, pacts and initiatives through the networking of relevant stakeholders		
3. Transport	Rail	16	Railways	
		17	Railways (TEN-T)	
		18	Mobile rail assets	
		19	Mobile rail assets (TEN-T)	
	Road	20	Motorways	
		21	Motorways (TEN-T)	
		22	National roads	
		23	Regional/local roads	
	Other transport	24	Cycle tracks	
		25	Urban transport	
		26	Multimodal transport	
		27	Multimodal transport (TEN-T)	
		28	Intelligent transport systems	
		29	Airports	
30		Ports		
31		Inland waterways (regional and local)		
	32	Inland waterways (TEN-T)		
4. Environment and energy	Energy infrastructure	33	Electricity	
		34	Electricity (TEN-E)	
		35	Natural gas	
		36	Natural gas (TEN-E)	
		37	Petroleum products	
		38	Petroleum products (TEN-E)	
		39	Renewable energy: wind	
		40	Renewable energy: solar	
		41	Renewable energy: biomass	
		42	Renewable energy: hydroelectric, geothermal and other	
		43	Energy efficiency, co-generation, energy management	
	Environment and risk prevention	44	Management of household and industrial waste	

Policy area		Code	Priority themes
		45	Management and distribution of water (drink water)
		46	Water treatment (waste water)
		47	Air quality
		48	Integrated prevention and pollution control
		49	Mitigation and adaption to climate change
		50	Rehabilitation of industrial sites and contaminated land
		51	Promotion of biodiversity and nature protection (including Natura 2000)
		52	Promotion of clean urban transport
		53	Risk prevention (...)
		54	Other measures to preserve the environment and prevent risks
5. Territorial development	Social Infrastructure	10	Telephone infrastructure (including broadband networks)
		75	Education infrastructure
		76	Health infrastructure
		77	Childcare infrastructure
		78	Housing infrastructure
		79	Other social infrastructure
	Tourism and culture	55	Promotion of natural assets
		56	Protection and development of natural heritage
		57	Other assistance to improve tourist services
		58	Protection and preservation of the cultural heritage
		59	Development of cultural infrastructure
		60	Other assistance to improve cultural services
	Planning and rehabilitation	61	Integrated projects for urban and rural regeneration
	Other	82	Compensation of any additional costs due to accessibility deficit and territorial fragmentation
		83	Specific action addressed to compensate additional costs due to size market factors
	6. Technical assistance		84
81			Mechanisms for improving good policy and programme design, monitoring and evaluation ...
85			Preparation, implementation, monitoring and inspection
86			Evaluation and studies; information and communication

**Annex Table B- Implementation of ERDF OPs by policy areas (based on financial data by axis - 31 August 2013)**

Obj.	Policy area	%	%
		committed	disbursed
CONV	<b>Total</b>	<b>90.6</b>	<b>36.0</b>
	Human resources	103.9	49.6
	Technical Assistance	72.7	41.6
	Enterprise support and RTDI	88.2	40.3
	Environment and energy	76.1	39.2
	Transport and mobility	128.6	34.2
	Territorial development	69.7	29.3
COMP	<b>Total</b>	<b>81.6</b>	<b>51.5</b>
	Enterprise support and RTDI	89.8	59.5
	Human resources	85.2	54.9
	Environment and energy	77.6	50.7
	Technical Assistance	73.9	49.7
	Transport and mobility	101.2	41.5
	Territorial development	64.0	39.3
TOT.	<b>CONV + COMP</b>	<b>88.6</b>	<b>39.5</b>

Source: own elaboration on DPS data.



**Annex Table C - Total resources (ERDF and national funds) for TA services allocated to public agencies and in-house bodies in 2007-2013\***

Implementing body	EUR million allocated
INVITALIA	59.1
PROMUOVITALIA	21.4
Azienda di promozione territoriale Basilicata	16.3
Agenzia Sviluppo Lazio s.p.a.	15.4
Lazio Service s.p.a.	8.1
Liguria Ricerche	5.0
IPI	4.3
Lombardia Informatica s.p.a.	3.8
INVALSI	3.7
FI.L.S.E. s.p.a.	3.1
ERVET	2.8
FILAS s.p.a.	2.7
Sviluppo Italia Molise s.p.a.	2.0
Struttura speciale controllo di gestione	1.8
Studiare Sviluppo s.r.l.	1.8
Finlombarda	1.1
Sviluppo Italia Sicilia s.p.a.	0.6
Agenzia per la diffusione delle tecnologie per l'innovazione	0.6
FORMEZ	0.6
Arred s.p.a.	0.6
Lait - Lazio innovazione tecnologica s.p.a.	0.5
Infrastrutture Lombarde s.p.a.	0.5
INNOVAPUGLIA	0.5
CESTEC	0.4
ANCI	0.3
Società energetica lucana	0.3
CRRRI	0.2
IRPET	0.1
Other in-house	11.2
Total	168.8

Source: Open Coesione database (extracted 12 November 2013).

(\* This is an underestimate of the real figure due to the fact that the available data do not allow to identify in all cases the implementing body. In relation to a significant number of projects, there is correspondence between programming authority and implementing body.

**Annex Table D - Evaluations carried out in Italy since the 2012 report**

Title	Area(*)	Obj.(*)	Method(*)	Main Findings	Reference or link
CONVERGENCE					
Rapporto di Valutazione Intermedia (PON Reti e Mobilità, 2012)	4	2	4	Important delays in the implementation of the investments. It is necessary to: improve the relationships with the stakeholders, reinforce the anticipatory and the decision making capacity of the MA, improve the monitoring and steering of the interventions, reprogramme the OP.	<a href="http://ponreti.mit.gov.it/index.php/documentazione/valutazione">http://ponreti.mit.gov.it/index.php/documentazione/valutazione</a>
Gli effetti degli incentivi all'innovazione sulla capacità innovativa e sulla crescita delle imprese (PON Ricerca e Competitività, 2013)	1	3	1	The aim is to evaluate the incentives' long term impacts on the innovation capacity of the enterprises of 2000-2006 interventions. Subsidies for R&D and innovation had positive influence on the expenditure for innovation of firms, but limited impacts on the performance of firms, especially on the large enterprises. Positive effects also of the integrated subsidies (grants for innovation and industrialization). Financial procedures of the MA are too time consuming.	<a href="http://www.ponrec.it/media/193928/rapporto_finale_di_valutazione_esercizio_n_3_def.pdf">http://www.ponrec.it/media/193928/rapporto_finale_di_valutazione_esercizio_n_3_def.pdf</a>
Impatto delle azioni di valorizzazione del capitale umano sulla capacità di innovazione delle imprese (PON Ricerca e Competitività, 2013)	1	3	3, 4	The evaluation was focused on 2000-2006 interventions. Results highlight the strategic weakness of enterprises in the use of innovation and training and the general upgrading of the R&D interventions targeting enterprises of the convergence regions. Training was more effective when integrated and coherent with industrial investments.	<a href="http://www.ponrec.it/media/193842/rapporto_finale_capitale_umano.pdf">http://www.ponrec.it/media/193842/rapporto_finale_capitale_umano.pdf</a>
Le Strutture di Interfaccia tra organismi scientifico-tecnologici e imprese per la promozione dell'innovazione e il rafforzamento competitivo dell'economia nelle Regioni della Convergenza" (PON Ricerca e Competitività, 2013)	1	3	3, 4	The evaluation mapped the intermediate centres of the convergence regions and examined their capacity in matching supply and demand for innovation. The main activity of the centres is to pool public and private actors to participate in public tenders; very rarely they offer direct services. The performance of these centres is limited and only 17% of the structures provides a support to commercialise innovation.	<a href="http://www.ponrec.it/media/193972/servizi_di_valutazione_strutture_di_interfaccia_-_rapporto_finale_v3.0_09-05-2013_finale.pdf">http://www.ponrec.it/media/193972/servizi_di_valutazione_strutture_di_interfaccia_-_rapporto_finale_v3.0_09-05-2013_finale.pdf</a>
I reati ambientali: controllo e contrasto (PON "Sicurezza per lo Sviluppo - Obiettivo Convergenza", 2012)	7	2	4	The evaluation analysed the contribution of the OP to improve the control and the repression of environmental crimes (illegal waste disposal, illegal constructions, arson, crimes against wildlife), which are very often connected to organised crime. The implementation and the integration of new monitoring systems and database with information on the state of the territories allowed a better control of the environment. The secure access to information by many actors (police, local administrations, environmental authorities, etc.) favored the prevention and repression of crimes. At the same time the low capability of local administrations in implementing these projects and the slow response of the entire system to the monitoring of information are still bottlenecks.	(sent by the MA)

Title	Area(*)	Obj.(*)	Method(*)	Main Findings	Reference or link
Il Progetto Locride (PON "Sicurezza per lo Sviluppo - Obiettivo Convergenza", 2013)	7	1	4	The evaluation analyses one of the most important local interventions and partnerships to diffuse the culture of the rule of law and contrast organised crime. The partnership with the local actors, and especially the local diocese, favoured the implementation and sustainability of the local projects of the OP.	(sent by the MA)
Valutazione ex-post 2000-2006 in materia di politiche e strumenti per la Ricerca e l'Innovazione (OP Puglia)	1	3	3, 4	The awareness of the relevance of innovation is increasing among enterprises; many SMEs are reinforcing innovation both in advanced and traditional sectors. The 2000-2006 OP had a significant impact on R&D investments and the additionality amounts to about 50% of the total investments. Employment effects were limited. The analysis of the regional public Agency for innovation showed the abandonment of the initial mission (promoting innovation) and the increasing role in the management of the regional interventions.	<a href="http://www.regione.puglia.it/index.php?page=prg&amp;opz=display&amp;id=872">http://www.regione.puglia.it/index.php?page=prg&amp;opz=display&amp;id=872</a>
Valutazione ex-post 2000-2006 in materia di Ciclo Integrato dei rifiuti Puglia	7	3	3, 4	The evaluation is about the quality and the impacts of the urban waste management promoted in the 2000-2006 programme. The effects in terms of waste separation has been limited, the municipality has not always adopted transparent procurement procedures and the "intelligent" ecologic islands were a failure; however, the regional strategy (financing only house collection and composting plants) was considered effective.	<a href="http://www.regione.puglia.it/web/packages/progetti/nvvip/PUV/ValutazioneCIRPuglia_RapportoFinale_Parte_1di2.pdf">http://www.regione.puglia.it/web/packages/progetti/nvvip/PUV/ValutazioneCIRPuglia_RapportoFinale_Parte_1di2.pdf</a>
Valutazione ex-post 2000-2006: "Indagine valutativa su uno strumento di policy: i PIT (OP Puglia)	7	3	4	The evaluation analysed the Integrated Territorial Plans of the 2000-2006 programme in order to assess: their governance and effectiveness, and their comparison with other similar experiences. The governance was effective and favoured participation, but it was also time consuming and permitted the start-up of the projects only after 2006. Findings underline a good performance of the ITPs implementation (absorption and outputs), but a limited capacity of integrating different interventions within the same IPT and in the territory with other interventions. The service Centres promoted by the TIPs demonstrated a scarce managerial capacity and impact on the territory. Similarly, web portals absorbed resources disproportionate to the effectiveness. In summary, the experience of TIPs in Puglia was diversified and proposed important lessons for the construction of territorial policy.	<a href="http://www.regione.puglia.it/web/packages/progetti/nvvip/PUV/Rapporto_finale_30_giugno_2011_rev_DIC_2011.pdf">http://www.regione.puglia.it/web/packages/progetti/nvvip/PUV/Rapporto_finale_30_giugno_2011_rev_DIC_2011.pdf</a>
COMPETITIVENESS					
Secondo Rapporto di Valutazione (OP Abruzzo, 2012)	9	2	3, 4	This report focused on the financial, procedural and physical progress of the programme. The OP has overcome the most problematic obstacles and was in line with the financial targets. Expenditure on axis 3 could not be certified because the regional Agency directly received resources without an in-house status. These resources should be rapidly reprogrammed.	<a href="http://www.regione.abruzzo.it/xeuropa/index.asp?modello=porDocumentazione&amp;servizio=xList&amp;stileDiv=monoLeft&amp;template=porFesrIntIndex&amp;b=progfesr7">http://www.regione.abruzzo.it/xeuropa/index.asp?modello=porDocumentazione&amp;servizio=xList&amp;stileDiv=monoLeft&amp;template=porFesrIntIndex&amp;b=progfesr7</a>

Title	Area(*)	Obj.(*)	Method(*)	Main Findings	Reference or link
Approfondimento tematico sui Poli di Innovazione e il Sostegno alla R&S nel secondo rapporto annuale (OP Abruzzo, 2012)	1	2	4	This thematic analysis focused on Innovation poles and the support to R&D. The experience of poles was still in a start-up phase and only the automotive centres had implemented some significant projects. Abruzzo is one of the Italian region most committed to promoting the poles and the strategy is assessed as positive. The involvement of the actors (large enterprises, SMEs, universities and other centres) is differentiated among poles and is complete only in the automotive pole; the privileged mechanism of funding the poles favoured aggregation.	<a href="http://www.regione.abruzzo.it/xeuropa/index.asp?modello=porDocumentazione&amp;servizio=xList&amp;stileDiv=monoLeft&amp;template=porFesrIntIndex&amp;b=progfesr7">http://www.regione.abruzzo.it/xeuropa/index.asp?modello=porDocumentazione&amp;servizio=xList&amp;stileDiv=monoLeft&amp;template=porFesrIntIndex&amp;b=progfesr7</a>
Approfondimento tematico sugli effetti del POR sulla Programmazione Regionale Unitaria, del secondo rapporto di valutazione (OP Abruzzo, 2012)	9	2	4	The evaluation compared the EU programme with the regional programme funded by national resources. The cuts and the delays in the national resources made a comparison very difficult and showed regional interventions still to be launched. However, the overall strategy was assessed as effective and coherent also with the new socio-economic context imposed by the crisis.	<a href="http://www.regione.abruzzo.it/xeuropa/index.asp?modello=porDocumentazione&amp;servizio=xList&amp;stileDiv=monoLeft&amp;template=porFesrIntIndex&amp;b=progfesr7">http://www.regione.abruzzo.it/xeuropa/index.asp?modello=porDocumentazione&amp;servizio=xList&amp;stileDiv=monoLeft&amp;template=porFesrIntIndex&amp;b=progfesr7</a>
Approfondimento tematico relativo al contesto socio-economico abruzzese con riferimento alla programmazione 2014-2020 (OP Abruzzo, 2012)	9	2	3, 4	The report analysed the main socio-economic issues related to the new programming period (2014-2020) and indicated a continuity between the current strategies and the new challenges.	<a href="http://www.regione.abruzzo.it/xeuropa/index.asp?modello=porDocumentazione&amp;servizio=xList&amp;stileDiv=monoLeft&amp;template=porFesrIntIndex&amp;b=progfesr7">http://www.regione.abruzzo.it/xeuropa/index.asp?modello=porDocumentazione&amp;servizio=xList&amp;stileDiv=monoLeft&amp;template=porFesrIntIndex&amp;b=progfesr7</a>
Approfondimento Tematico Governance del POR FESR 2007-2013, anche con riferimento al 2014-2020" (OP Abruzzo, 2012)	9	2	4	The report analysed the governance of the ERDF OP in order to investigate the necessary improvements in the next programming period (2014-2020). The results suggested a reorganisation in the use of human resources and their valorisation, the reinforcement of the coordination inside and outside the region. Also an improvement of the administrative capacity and the monitoring system is necessary, as well as the reduction of the administrative burden for the beneficiaries.	<a href="http://www.regione.abruzzo.it/xeuropa/index.asp?modello=porDocumentazione&amp;servizio=xList&amp;stileDiv=monoLeft&amp;template=porFesrIntIndex&amp;b=progfesr7">http://www.regione.abruzzo.it/xeuropa/index.asp?modello=porDocumentazione&amp;servizio=xList&amp;stileDiv=monoLeft&amp;template=porFesrIntIndex&amp;b=progfesr7</a>
Approfondimento tematico sul Covenant of Mayor quarto rapporto annuale (OP Abruzzo, 2012)	9	2	4	The evaluation analysed the experience of the covenant of majors that was proposed in Abruzzo to support the awareness raising on energy issues. The Region preferred to distribute resources for energy according to the population weight of the individual municipality and all the municipalities were beneficiaries of the OP. These resources were the only available for restructuring public buildings according to energy standards. The Covenant of Majors favoured the participation of the municipalities in these interventions and allowed to include the energy issue in the political agenda of the municipalities. Main critical state was the shortcoming of adequate quantity and quality of human resources to follow the energy policy in many municipalities.	<a href="http://www.regione.abruzzo.it/xeuropa/index.asp?modello=porDocumentazione&amp;servizio=xList&amp;stileDiv=monoLeft&amp;template=porFesrIntIndex&amp;b=progfesr7">http://www.regione.abruzzo.it/xeuropa/index.asp?modello=porDocumentazione&amp;servizio=xList&amp;stileDiv=monoLeft&amp;template=porFesrIntIndex&amp;b=progfesr7</a>

Title	Area(*)	Obj.(*)	Method(*)	Main Findings	Reference or link
Technology Assessment della Rete Alta Tecnologia dell'Emilia Romagna (OP Emilia-Romagna, 2013)	1	3	3, 4	The evaluation assessed the functioning of the new regional innovation poles with European benchmarking and in-depth analysis. On the whole, the results of the attempt at rationalizing the offer of research and promoting the functioning of laboratories are becoming tangible. Many actors support this change and the new configuration of the net, since it is considered an opportunity to collaborate with other enterprises in a well-framed system. Some laboratories have reached concrete results, in particular in the strongest sectors, i.e. advanced mechanics. Poles have to be financially autonomous from public resources, reinforce the network with regional enterprises and promote aggregation with other centres to reach a critical mass. The analysis also provided a taxonomy of technologies and an assessment of the current EU research in these technologies, which is a fundamental compass to orient regional innovation policy	n.a.
Lo sviluppo innovativo delle imprese - primo rapporto: innovazione organizzativa e ICT (OP Emilia-Romagna, 2013)	2	3	3, 4	The report assessed some measures for supporting ICT innovation launched in 2008 (413 projects and 572 beneficiaries, public contribution for more than 22 Meuro). The evaluation made a simple comparison between treated and not treated enterprises throughout the results of a survey. Funded enterprises showed a slightly greater innovation activity in comparison to the not funded enterprises. The organizational innovation was often introduced as part of the investment and was an objective of the policy. The collaboration with poles and university was favoured in the award system, but only some enterprises triggered these collaborations. Investments in ICT were favoured but not compulsory in order to receive subsidies which were not particularly significant.	<a href="http://fesr.regione.emilia-romagna.it/allegati/valutazione-1/innovazione-innovativo-delle-imprese">http://fesr.regione.emilia-romagna.it/allegati/valutazione-1/innovazione-innovativo-delle-imprese</a>
Valutazione intermedia (OP Friuli Venezia Giulia, 2012)	9	2	3, 4	This on going evaluation aims at verifying the programme effectiveness in the light of the changed circumstances due to the current economic and financial crisis. Findings confirmed the validity of the strategy and its coherence with Europe 2020. The programme is delayed and achievements are still poor. A reorganisation of the Region to improve the governance of the OP was suggested.	<a href="http://www.regione.fvg.it/rafv/export/sites/default/RAFVG/fondi-europei-fvg-internazionale/por-fesr/FOGLIA114/allegati/Valutazione_intermedia.pdf">http://www.regione.fvg.it/rafv/export/sites/default/RAFVG/fondi-europei-fvg-internazionale/por-fesr/FOGLIA114/allegati/Valutazione_intermedia.pdf</a>
Valutazione tematica "L'incentivazione ed il supporto alle attività di R&S delle PMI" (OP Friuli Venezia Giulia, 2012)	2	3	3, 4	The evaluation aimed at analysing how much the regional interventions contributed to support local R&D and the local productive system. There was no regional strategic plan for RTDI and it may have favoured the coordination between different regional and EU funded policies. However, the Region was rationalising the different policy instruments and crowding out effects between them were avoided. In general, it was acknowledged that EU intervention generated a significant added value for regional innovation policy. At the time of the evaluation, interventions were not very advanced, expenditure was relatively low and the administrative implementation encountered some difficulties. Consequently an improvement of the governance of the RTDI policy was advocated.	<a href="http://www.regione.fvg.it/rafv/export/sites/default/RAFVG/fondi-europei-fvg-internazionale/por-fesr/FOGLIA114/allegati/valutazione_tematica_1.pdf">http://www.regione.fvg.it/rafv/export/sites/default/RAFVG/fondi-europei-fvg-internazionale/por-fesr/FOGLIA114/allegati/valutazione_tematica_1.pdf</a>

Title	Area(*)	Obj.(*)	Method(*)	Main Findings	Reference or link
Rapporto di Valutazione Intermedia (OP Liguria, 2012)	9	2	4	The performance of the OP was positive but the propensity to reduce investments due to the prolonged crisis caused concern in the interventions for enterprises. The management system was positively assessed, and critical remarks focused on the output indicators. In a thematic analysis on enterprises support around 500 entrepreneurs were interviewed. They affirmed that the supported investments had had positive effects on employment and business growth; for 25% of the interviewed people the incentive was fundamental in the investment decision. An analysis of equal opportunities showed limited effects of the OP on female employment and required more specific monitoring indicators.	n.a.
Rapporto di Valutazione del POR FESR Competitività 2007-2013 (OP Lombardia, 2013)	9	2	4	The evaluation provided a general assessment of the OP advancement and then focused on R&D and energy interventions: both these interventions recorded positive effects. Interventions on transport were correctly oriented to reducing road transport and favoured river navigation. An in-depth investigation of financial engineering (three different funds were provided by the OP) positively assessed the following: the choice of involving large enterprises in order to maximize the effects of the funds, the flexibility and the corrections made during implementation, the possibility for SMEs to use a voucher to define a business plan, the discrete investments in innovation. The evaluation negatively assessed the following: the scarce involvement of small enterprises in the equity fund and the limited multiplicative effect (at that moment 1/5 of the potential multiplier) because of the crisis. The evaluation advocated: a better integration between Cofidi and Jeremie, a simplification of the Jeremie procedures, more effective monitoring, a better integration between financial engineering and banks, and a less limited selection system to reduce the high number of rejected demands.	n.a.
Valutazione del principio di pari opportunità nell'ambito del POR Marche 2007-2013 (OP Marche, 2012)	10	1	4	The evaluation's objective is to verify the coherence of ROP with the EU primary objectives in the field of equal opportunities in order to enhance quality, efficiency and coherence. The principal results showed that the programming has been substantially aligned with the EU objectives with reference to equal opportunities. Some critical aspects have emerged in selection procedures. The promotion of equal opportunities is a transversal objective and the MA decided to use selection criteria which keep in mind the potential impact of projects on equal opportunities.	<a href="http://www.europa.marche.it/Portals/0/Documenti/FESR/archivio/Rapporto%20finale%20Pari%20Opportunit%C3%A0%C2%A0.pdf">http://www.europa.marche.it/Portals/0/Documenti/FESR/archivio/Rapporto%20finale%20Pari%20Opportunit%C3%A0%C2%A0.pdf</a>
Le politiche energetiche a favore delle imprese (OP Molise, 2013)	6	2	4	The evaluation analysed the investments made by regional enterprises in renewable energies and energy preservation and the impact of the public financial instruments. The study aimed at providing useful information in order to improve the 2014-2020 planning. Findings underlined that Molise is a virtuous region in term of renewable energy. The public support was inefficient (1,144 days occurred from the publication of the Call to the first payment). The results of a survey indicated a positive impact of the subsidies in terms of additional energy production and added value, but the deadweight seems significant.	<a href="http://europa.molisedati.it/web/ue.nsf/0/8A6723F79F75DB25C12574B80030FE84/\$file/Domanda_valutativa_sulle_politiche_energetiche_Rapporto_intermedio%5B1%5D.pdf">http://europa.molisedati.it/web/ue.nsf/0/8A6723F79F75DB25C12574B80030FE84/\$file/Domanda_valutativa_sulle_politiche_energetiche_Rapporto_intermedio%5B1%5D.pdf</a>
Rapporto di valutazione 2012 (OP Bolzano, 2012)	9	2	3, 4	Results showed a positive progress of the ROP either in terms of commitments or expenditures. With respect to RDTI, the ERDF contribution is quite limited and only few enterprises used the funds. This is due to two main reasons: the very small dimension on average of the local SMEs and the very complex and bureaucratic regulation of the European funds.	<a href="http://www.provincia.bz.it/europa/download/Rapp_FESR_BZ_luglio_2012.pdf">http://www.provincia.bz.it/europa/download/Rapp_FESR_BZ_luglio_2012.pdf</a>

Title	Area(*)	Obj.(*)	Method(*)	Main Findings	Reference or link
Rapporto di valutazione 2013 (OP Bolzano, 2013)	9	2	3, 4	The evaluation confirms the findings reported in the previous studies (no significant problem in the OP management, relatively large dimension of the projects equal to EUR 780,000 on average, difficulties in activating RTDI interventions because of the small size of the local firms). The thematic analysis on FEIs indicated: in the province the access to credit is not a big issue for SMEs, existing FEIs are sufficient. Using FEIs with ERDF was too onerous in administrative terms. The thematic analysis on Smart specialization highlighted that the Province had already activated a Innovation strategy and it should integrate this strategy in the new Smart specialization in order to better identify the comparative advantage of the local productions. In this view multi-funds interventions may be also very important.	<a href="http://www.provincia.bz.it/europa/download/Valutazione_maggio_2013.pdf">http://www.provincia.bz.it/europa/download/Valutazione_maggio_2013.pdf</a>
Rapporto tematico sull'integrazione del principio delle Pari Opportunità nel POR (OP Piemonte, 2012)	10	1	4	The evaluation underlined that only a generic mainstreaming is not sufficient and more attention should be devoted to equal opportunity in the selection criteria, monitoring and governance of the OP.	<a href="http://www.regione.piemonte.it/industria/por/dwd/RapTemaPariOp.pdf">http://www.regione.piemonte.it/industria/por/dwd/RapTemaPariOp.pdf</a>
Valutazione tematica sui "Poli di innovazione" (OP Piemonte, 2013)	1	2	4	The evaluation recorded a positive role of the poles in diffusing and facilitating knowledge, as well as in providing specialized services for R&D. When the evaluation was carried out, the poles involved almost 1,750 organisations, funded 355 projects and 193 services, promoted projects worth EUR 200,000 on average and actively involved many university departments. The poles supported SMEs in accessing public subsidies and developing collaborations one each other; in this way the poles have also contributed to generate positive externalities across the territories. The assessment of the services delivered by the Poles is uncertain but considered positive by the authors.	<a href="http://www.regione.piemonte.it/industria/por/dwd/RapTemaPoliInn.pdf">http://www.regione.piemonte.it/industria/por/dwd/RapTemaPoliInn.pdf</a>
Servizio di valutazione relativo al POR FESR 2007-2013 (OP Piemonte, 2012)	9	2	3, 4	The policy strategy and the concentration of resources (mainly on RTDI and Energy) are correct. The financial progress was satisfactory and in line with the national and EU targets. The analysis suggested a new set of indicators which should allow to monitor the main variables influenced by the programme in order to increase the effectiveness of the interventions; positive results were highlighted in terms of additional employment and reduction of CO2.	<a href="http://www.regione.piemonte.it/industria/por/dwd/Val_Rav_annuali.pdf">http://www.regione.piemonte.it/industria/por/dwd/Val_Rav_annuali.pdf</a>
Rassegna dei metodi per la Valutazione degli effetti delle attività di R&S (OP Toscana, 2013)	1	3	4	The report examined the main approaches to the evaluation of RTDI interventions. The main findings of the analysis are: case studies are adequate for the evaluation of a limited number of interventions (such as the innovation poles); the surveys are fundamental to assess the behavioural additionality; quasi-experimental approaches are needed for evaluating the additionality in input and output. In general, a mixed approach may be more effective.	<a href="http://www.issirfa.cnr.it/download/Rapporto%20valutazione%20so-stegno%20pubblico%20a%20Pmi%20-%20Resco.pdf">http://www.issirfa.cnr.it/download/Rapporto%20valutazione%20so-stegno%20pubblico%20a%20Pmi%20-%20Resco.pdf</a>
Gli effetti delle garanzie pubbliche al credito: due misure a confronto (OP Toscana, 2013)	1	3	1	The results indicate positive effects of public guarantees on the SMEs' access to credit ("liquidity guarantee" measure), lower risks of bankruptcy and a higher investment growth ("investment guarantee" measure). Guarantees for investments are more effective for small and new enterprises, while guarantees for liquidity resulted more effective for "mature" enterprises. In general, additional effects in general are less than proportional to the guarantee.	<a href="http://www.irpet.it/storage/pubblicazioneallegato/413_Gli%20effetti%20delle%20garanzie_Mariani_Pirani_Mealli.pdf">http://www.irpet.it/storage/pubblicazioneallegato/413_Gli%20effetti%20delle%20garanzie_Mariani_Pirani_Mealli.pdf</a>

Title	Area(*)	Obj.(*)	Method(*)	Main Findings	Reference or link
Il sistema di gestione e controllo del POR FESR 2007-2013 (OP Toscana, 2013)	8	1	4	Overall the managing system is adequate to ensure a correct implementation of the OP. the monitoring system presented some critical elements at the beginning of the period, but it has been reinforced and now it is able to provide the expected data in time. Critical aspects were found in the organization of a relevant intermediate body (its information system was not fully operational, human resources were insufficient, guidance and information to beneficiaries were inadequate). At the moment of the evaluation (May 2013) several of these problems were dealt with and in part fixed. Interviewed actors also agreed that the managing system of 2007-2013 was simplified and improved in comparison to the previous period. For the future, the design of the management system can be maintained and only some improvements in intermediate bodies are needed.	n.a
Primo Rapporto di Valutazione di sorveglianza (OP Toscana, 2013)	9	3	3, 4	The first report of the intermediate evaluation assessed the progress of the OP on the basis of existing evaluations and studies. The progress of the OP was satisfactory and has produced the creation of 1,640 jobs and the reduction of emissions (more than 14 thousand tons of CO2 per year). The crisis has exacerbated the socio-economic problems and in response to the crisis the reprogramming shifted resources to RTDI (Axis 1) and enterprise support. In the past these interventions showed a sufficient effectiveness. Measures to support entrepreneurship and credit guarantees had positive effects in terms of financial stability of businesses and in terms of greater investment growth. Overall, the OP is producing the expected results and is contributing to face the crisis, but its influence on the regional economy is relatively small.	n.a
Gli effetti dei programmi di aiuti rimborsabili sulla crescita e la sopravvivenza delle PMI. (OP Toscana, 2012)	1	3	1	The evaluation examined the 2000-2006 aid schemes for the handicraft and industry sectors. The effects on the handicraft enterprises were positive on employment and turn-over in the short term, but decreasing in the long term. Results are more significant in the case of small and weak enterprises in terms of turn-over; they are limited in all cases in terms of employment. In industry, results findings were similar. In both industry and handicraft the subsidies reduced the probability of bankruptcy.	<a href="http://www.regione.toscana.it/documents/10180/70495/Effetti_programmi_aiuti+PMI_rapporto+finale_sintes.pdf/4ce044cb-7a20-41f1-ad28-3edb209985c9">http://www.regione.toscana.it/documents/10180/70495/Effetti_programmi_aiuti+PMI_rapporto+finale_sintes.pdf/4ce044cb-7a20-41f1-ad28-3edb209985c9</a>
Politiche di partecipazione al capitale di rischio delle imprese innovative. (OP Toscana, 2012)	1	3	4	The evaluation concerned the equity fund for venture capital managed by Toscana Innovazione. The evaluation presented the main difficulties in the managing of the fund. The results were positive because the fund allowed to mitigate the financial constraints and favoured an internal reorganization of the funded enterprises. The economic crisis did not allow to reach the initial targets.	<a href="http://www.regione.toscana.it/documents/10180/70495/Partecipazione_capitale+Fonod+Toscana+Innovazione+rapporto+finale+2012.pdf/87b43f8a-b51d-4061-a4d2-d920ae092bab">http://www.regione.toscana.it/documents/10180/70495/Partecipazione_capitale+Fonod+Toscana+Innovazione+rapporto+finale+2012.pdf/87b43f8a-b51d-4061-a4d2-d920ae092bab</a>



Title	Area(*)	Obj.(*)	Method(*)	Main Findings	Reference or link
Valutazione dell' Asse II (environmental sustainability) del POR 2007-2013 (OP Toscana, 2012)	5	2	4	The evaluation examined the environmental interventions (requalification of deprived sites, small infrastructures, air monitoring, territorial requalification and preventions of seismic and industrial risks). The analysis highlighted the importance of the selection criteria and the coherence of the interventions with the existing territorial plans. The selection has also considered the integration with other interventions, the environmental sustainability and the timing of the interventions. Even if projects were not concluded, case studies underlined potential effects on the environment, the well-being and also the economic system.	<a href="http://www.regione.toscana.it/documents/10180/70495/Valutazione+PORCREO+asse+II+Sostenibilita+ambientale.pdf/e8ffe6df-14f7-4c26-b980-457302734425">http://www.regione.toscana.it/documents/10180/70495/Valutazione+PORCREO+asse+II+Sostenibilita+ambientale.pdf/e8ffe6df-14f7-4c26-b980-457302734425</a>
La valutazione degli aiuti alle imprese della Regione Umbria per le attività di R&S (OP Umbria, 2012)	1	3	1	The evaluation concerned the regional financial incentives aimed at R&D activities during the 2004-2009 period. Beneficiaries enterprises had a production structure where R&D process and innovation inputs were higher than in the not beneficiaries ones. By mean of a survey, the analysis showed a positive and statistically significant effect in product innovation, logistic systems as well as in intellectual property right protection. The share of aided enterprises that carried out product innovation was over 20% higher than among non beneficiaries; the share of firms filing patents was over 30% higher. The results did not highlight any additional effect on the enterprises performance. In the SMEs sub-sample, the analysis confirmed the overall results. Case studies provided indications on behavioural additionality (for instance, anticipation of strategic investment into innovation; counselling for the most appropriate solution; reduction of innovative investment risk; increase of investment's innovative level) and weaknesses (no systemic interaction between universities, technology centres and the local industry, low capacity to establish partnerships in innovation processes).	<a href="http://www.statistica.regione.umbria.it/media-center/FE/articoli/la-valutazione-degli-aiuti-alle-imprese-della-regi.html">http://www.statistica.regione.umbria.it/media-center/FE/articoli/la-valutazione-degli-aiuti-alle-imprese-della-regi.html</a>
Quarto Rapporto di valutazione politiche regionali di sviluppo (OP Valle d'Aosta, 2012)	9	3	4	The report evaluates the whole regional strategy and not only the ERDF OP. The evaluation suggested to reinforce the sustainability of the funded projects, promote integrated projects, improve coordination between different regional departments, simplify control and managerial procedures. In addition, the evaluators proposed to establish fixed date for standardised call for tenders for enterprises and recurrent meetings with the local authorities and social partners.	<a href="http://www.regione.vda.it/europa/nuova_programmazione_2007_2013/valutazione/rapporti_di_valutazione_i.asp">http://www.regione.vda.it/europa/nuova_programmazione_2007_2013/valutazione/rapporti_di_valutazione_i.asp</a>
Rapporto di valutazione del POR FESR (OP Valle d'Aosta, 2013)	9	2	4	A survey among the enterprises which benefitted from the Axis 1 measures pointed out limited but positive effects on employment and on the market share. There was a leverage effect on private investments. In Axis 2, devoted to energy policy, procedural delays and internal stability pacts negatively affected the participation of municipalities and local bodies. Axis 3 was supporting ICT and optical fiber, it did not encounter significant problems but achievements were still not evident.	<a href="http://www.regione.vda.it/europa/por_competitivita_regionale/valutazione_i.asp">http://www.regione.vda.it/europa/por_competitivita_regionale/valutazione_i.asp</a>
Rapporto annuale di valutazione (OP Veneto, 2012)	9	2	3, 4	The evaluation highlighted a weak performances of the initiatives. Many actions were still not been implemented and many projects suffered from delays (only 10% of the interventions have been concluded); the financial performance was also weak. This depended largely on the performance of FEIs which represented about 40% of the programme's commitments. Overall the ROP had supported 3,022 regional enterprises so far.	<a href="http://www.regione.veneto.it/NR/rdonlyres/8B324AD1-A04C-43B9-A3B5-73DA058F1D8F/0/PrimoRapportodivalutazione_PORVeneto2012_5v.pdf">http://www.regione.veneto.it/NR/rdonlyres/8B324AD1-A04C-43B9-A3B5-73DA058F1D8F/0/PrimoRapportodivalutazione_PORVeneto2012_5v.pdf</a>

Title	Area(*)	Obj.(*)	Method(*)	Main Findings	Reference or link
Rapporto annuale di valutazione (OP Veneto, 2013)	9	2	3, 4	Performance of the OP was significantly improved but additional efforts were possible to ensure the achievement of the financial and operational targets. FEI were the most successful interventions, even if equity funds encountered problems and remained less attractive for SMEs. In addition, guarantee funds supported by the OP were integrated with counter-guarantees provided by national instruments and produced positive synergies. The focus on the interventions for female entrepreneurship demonstrated positive results in terms of employment and leverage effects, but they were mainly oriented to reinforce existing firms rather than to create new firms.	<a href="http://www.regione.veneto.it/web/programmi-comunitari/valutazione">http://www.regione.veneto.it/web/programmi-comunitari/valutazione</a>
TERRITORIAL COOPERATION					
Rapporto di valutazione strategica-2011 (OP Italia-Svizzera, 2012)	9	2	4	The evaluation of the OP strategy highlighted a general coherence with the Europe 2020 strategy and the possibility of improving the coherence with the environmental European objectives. Overall the cooperation between Italy and Switzerland was considered positive, even if some implementation aspects could be improved.	<a href="http://www.interreg-italiasvizzera.it/valutazione">http://www.interreg-italiasvizzera.it/valutazione</a>
Rapporto di valutazione operativa-2011 (OP Italia-Svizzera, 2012)	9	2	4	The implementation did not encounter considerable problems. Cooperation seemed improved and the partnership enlarged in the projects of the second phase; at the same time an increasing difficulty in identifying possible partners was highlighted. Communication activities were considered crucial to support the research of partners.	<a href="http://www.interreg-italiasvizzera.it/valutazione">http://www.interreg-italiasvizzera.it/valutazione</a>
Rapporto di valutazione operativa-2012 (OP Italia-Svizzera, 2013)	9	2	4	The evaluation highlighted a good performance of the OP and examined several implementation aspects (selection criteria, monitoring, communication, partnerships, etc.). Monitoring had margins of improvement. Partnerships involved a large number of Italian public bodies and a significant number of private actors but Swiss partners are often difficult to identify and are inadequate. The evaluation underlined also a decreasing interest of Swiss authorities in the territorial cooperation due to unsatisfactory results and implementation problems.	<a href="http://www.interreg-italiasvizzera.it/valutazione">http://www.interreg-italiasvizzera.it/valutazione</a>
OTHER EVALUATIONS					
The causal effect of credit guarantees for SMEs: Evidence from Italy (Bank of Italy, 2013)	2	3	1	The results show that the policy was effective to the extent that it resulted in an improved financial condition for the beneficiary firms. While the total amount of bank debt was unaffected, firms showed a significant increase in the long-term component. Furthermore, targeted firms benefited from a substantial decrease in interest rates. On the other hand, there is some evidence that the probability of default increases as a consequence of the treatment, although the effect is only marginally significant. There are, instead, no effects on the real outcomes.	<a href="http://www.bancaditalia.it/">http://www.bancaditalia.it/</a>
Evaluating the efficacy of European regional funds for R&D (Bank of Italy, 2013)	1	3	1	The paper provides some empirical evidence of the impact of two policy measures designed to support innovation in small and medium firms in an Italian region, both financed using the European Structural Funds but managed at regional level. The first measure was a concessional loan to promote the investment in innovative plants, machinery and equipment, while the second was a grant to stimulate research activity by firms. The programmes were effective in stimulating investments in both tangibles and intangibles, but the benefits were short-lived. The impact was stronger for the smallest firms and, in the case of the second measure, for firms with a low credit rating.	<a href="http://www.bancaditalia.it/">http://www.bancaditalia.it/</a>

Title	Area(*)	Obj.(*)	Method(*)	Main Findings	Reference or link
Local development that money can't buy: Italy's Contratti di Programma (Bank of Italy, 2013)	2	3	1	The paper evaluates the effectiveness of a major Italian place-based policy (Contratti di Programma), by means of which the state approves and finances industrial projects proposed by private firms. Using the areas to be exposed to the same policy at a later date as counterfactuals, the study finds little evidence of positive effects. It estimates a limited impact on plant and employment growth rates, which is confined to a small area (a single municipality) and comes at the cost of crowding out the economic growth of the surrounding areas.	<a href="http://www.bancaditalia.it/">http://www.bancaditalia.it/</a>
Female entrepreneurship and government policy: evaluating the impact of subsidies on firms' survival (Bank of Italy, 2013)	2	3	1	This paper assesses the effectiveness of Law 215/1992, an incentive scheme intended to boost female entrepreneurship in Italy. The law entered into force in 1997 and remained valid for a decade. During this period the allocation of subsidies among the regions was inversely proportional to their female labour market participation rates. Subsidized start-ups show higher survival rates than non-subsidized firms for a period of up to five years after their birth. After this period the survival patterns become very similar. This leads to the conclusion that the scheme had no permanent effect on subsidized firms but only produced a "honeymoon effect".	<a href="http://www.bancaditalia.it/">http://www.bancaditalia.it/</a>

Note: (\*) Legend:

**Policy area and scope:** 1. RTDI; 2. Enterprise support and ICT; 3. Human Resources (ERDF only); 4. Transport; 5. Environment; 6. Energy; 7. Territorial development (urban areas, tourism, rural development, cultural heritage, health, public security, local development); 8. Capacity and institution building; 9. Multi-area (e.g. evaluations of programmes, mid-term evaluations); 10. Transversal aspects (e.g. gender or equal opportunities, sustainable development, employment)

**Main objective and focus:** 1. assess the arrangements and procedures for managing or administering programmes; 2. support monitoring, or check the progress made in implementing programmes, such as many mid-term evaluations; 3. assess the outcome or effects of programmes in terms of the results achieved and their contribution to attaining socio-economic policy objectives

**Method used:** 1. Counterfactual; 2. Cost-benefit analysis; 3. Other quantitative; 4. Qualitative; 3.4 Quantitative & qualitative.

**Annex Table E – Planned evaluation reports in the next year**

OPERATIONAL PROGRAMME	EXPECTED EVALUATION REPORT
CONVERGENCE	
PON GAT	Secondo esercizio di valutazione operativa
PON Ambienti per l'Apprendimento	“Progetto di Valutazione e Miglioramento delle “scuole PON”
PON Ambienti per l'Apprendimento	Gestione della programmazione unitaria 2007-2013 (GPU)
PON Ricerca e Competitività	Le peculiarità dei percorsi e delle modalità di industrializzazione dei risultati scientifici nelle Regioni della Convergenza
PON Ricerca e Competitività	Analisi di strumenti e azioni a sostegno dello sviluppo di Smart Cities e Communities
Calabria	Valutazione in itinere delle politiche e dei progetti per il turismo sostenibile della programmazione regionale unitaria 2007/2013.
Calabria	Valutazione ex-post delle politiche per la tutela e valorizzazione del patrimonio culturale nel periodo di programmazione 2000-2006
Puglia	Valutazione ex-post 2000-2006 in materia di Trasporti
Puglia	Valutazione ex-post 2000-2006 in materia di efficacia economico-sociale dei Contratti di Programma
Puglia	Le lezioni dell'esperienza 2000-2006 per orientare l'avvio della programmazione 2007-2013 in Puglia nei settori dei beni e delle attività culturali e del turismo (PIS)
COMPETITIVENESS	
Emilia-Romagna	Valutazione tematica su Energia e sostenibilità ambientale valuterà l'efficacia e l'efficienza della strategia messa in campo
Emilia-Romagna	Gli strumenti di venture capital
Emilia-Romagna	Rapporto sulle connessioni e sinergie sviluppate tra interventi di sistema) e interventi di sostegno alla competitività economica
Friuli Venezia Giulia	Valutazione tematica n°1 “L'incentivazione ed il supporto alle attività di R&S delle PMI” second report
Friuli Venezia Giulia	Aggiornamento della valutazione Intermedia.
Friuli Venezia Giulia	Valutazione tematica n°5 “Le iniziative di promozione dell'efficienza energetica e gli effetti di determinate categorie
Liguria	Rapporto di “Valutazione della congruità del Por Fesr Liguria”
Marche	Valutazione sui fattori esterni alla gestione dei fondi strutturali nel territorio marchigiano
P.A. Trento	Incentivare la ricerca industriale nei settori del risparmio energetico, delle fonti alternative di energia, della tutela dell'ambiente e dei sistemi tecnologici applicati, anche attraverso il Distretto Tecnologico Energia-Ambiente
P.A. Trento	Promuovere la sostenibilità nel campo dell'edilizia e della gestione del territorio
Piemonte	Valutazione tematica relativa agli interventi a favore dell'efficienza energetica e per la produzione di energia da fonti rinnovabili nell'ambito della Politica Regionale Unitaria
Piemonte	Rapporto di valutazione 2012
Piemonte	Valutazione sull'attuazione e sugli effetti degli interventi anti-crisi predisposti nell'ambito della Politica Regionale Unitaria
Toscana	Valutazione dell' Asse III del POR FESR 2007-2013
Toscana	Analisi e valutazione delle politiche per le alleanze strategiche
Toscana	Comparazione politiche industriali regionali per le imprese
Toscana	Secondo rapporto di valutazione di sorveglianza POR FESR CREO 2007-2013
Umbria	L'analisi dei prodotti e dei risultati intermedi e finali delle attività cofinanziate con fondi pubblici
Umbria	la valutazione dell'impatto degli aiuti regionali con il metodo contro-fattuale.
Sardegna	Politiche in materia di valorizzazione turistica del territorio e di sostegno alle imprese operanti in ambito turistico
Sardegna	Effetti delle politiche in materia di efficienza e risparmio energetico e promozione delle fonti rinnovabili
Sardegna	Azioni di sostegno alla creazione e sviluppo di nuove imprese innovative - Progetto INNOVA.RE

OPERATIONAL PROGRAMME	EXPECTED EVALUATION REPORT
Sardegna	Impatti della politica di coesione 2000-2006
CROSS BORDER COOPERATION	
Italia-Malta	Mid-term evaluation Programma di cooperazione transfrontaliera Italia Malta