Regional diversity in Cohesion Policy experiences: a quali-quantitative analysis of the institutional settings and implementation schemes in nine European regions

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Keywords: Cohesion Policy, regional development, institutional quality, place-based policy, focus group

JEL: R11, R58

Contribution

Cohesion Policy has been widely studied in terms of its economic impact and its capacity to boost economic growth in less developed regions. Far less explored, on the other hand, are the issues related to the degrees of variation in Cohesion Policy implementation schemes and the pros and cons of different governance practices. Europe’s regions are very diverse in terms of institutional history, cultural identities as well as administrative and governance functions. Principles such as place-based approach and multilevel governance emerged as a solution to this heterogeneity of contexts and targets and contributed to shape the arrangements of Cohesion Policy. These concepts have been extensively discussed among academics and EU practitioners, yet the empirical work on the institutional settings of Cohesion Policy is scarce. This study takes advantage from a larger research project on the perceptions of Cohesion Policy by European citizens1 to investigate on inter-regional variations in the experiences of Cohesion Policy, by means of an extensive quali-quantitative analysis of Cohesion Policy implementation schemes in 9 case-study European regions. This work will allow to shed light on the interactions between regional diversity, the framework of Cohesion Policy and its actual implementation experiences, and to provide new insights on the logical organization of practitioners' understandings of Cohesion Policy and its implementation.

Theoretical framework

Regions have always been an important entity in the EU policy, and also their role in enhancing economic progress has been central. In light of the expansion of the endogenous growth theories, recent years have seen a territorial turn in the European discourse concerning regional development and cohesion. Such a perspective conceives regions as territorial units whose development depends on the capacity to fully mobilize their specific assets in a coordinated and integrated way.

Not only the outcomes, but also the way Cohesion Policy is planned and delivered is deeply affected by the territory’s specific socio-economic, cultural and institutional traits. The strategic 2008 Green Paper on Territorial Cohesion introduced a new regional paradigm whereby territorial cohesion hinges on «improving the governance of Cohesion Policy, making it more flexible, more capable of adapting to the

1 PERCEIVE "Perception and Evaluation of Regional and Cohesion policies by Europeans and Identification with the Values of Europe" has received funding from the European Union’s Horizon202 Research and Innovation Programme under grant agreement n. 693529.
most appropriate territorial scale, more responsive to local preferences and needs and better coordinated with other policies, at all levels in conformity with the principle of subsidiarity».

Firstly introduced in the European Union with the Maastricht Treaty in 1992 with the aim of bringing political decisions as close as possible to the citizens (Faludi 2013), the principle of subsidiarity has laid the basis of the multilevel governance system of EU’s regional policy, which in a high impact document on territorial cohesion, the Barca Report (2009), is described as «a system by which the responsibility for policy design and implementation is distributed between different levels of government and special-purpose local institutions and tasks are allocated according to the subsidiarity criterion». Multi-level governance, with its "territorially overarching policy networks" (Marks 1993, 403), is believed to favor cooperation between multiple territorial levels, to adjust to the heterogeneity of preferences among citizens and to facilitate policy innovation and experimentation (Marks and Hooghe 2004). However, though intended to differ from other more dirigist form of policy-making, multilevel governance is claimed to generate problems with respect to democracy because of the lack of accountability brought by difficult information, dilution of responsibility and its technocratic dominance that tends to marginalize the role of popularly elected politicians (Olsson 2003; Papadopoulos 2007).

The implementation settings of Cohesion Policy will be studied by means of a framework proposed by Davoudi et al. (2008), according to which territorial governance actions can be analyzed and evaluated by examining four dimensions: i) vertical coordination (which is linked to the declination of the principle of subsidiarity and the cooperation between different tiers of government), ii) horizontal coordination (which refers to the degree of cooperation among local authorities), iii) the participation and involvement of civil society and organized interests, and iv) territorialized actions. The first three dimensions correspond to specific aspects of the multi-level governance, whereas the last one refers to the extent to which implemented actions are tailored to the specificities of the targeted territory, ie the territorial capital, which in this context stands for the physical, social and cognitive endowments of a region. The rationale behind this is the so-called place-based approach, whereby accounting for the geographical context, in terms of its social, cultural and institutional characteristics and involving local groups is the best way to tackle problems of underutilization of resources and overcome social exclusion (Barca et al. 2012).

The literature on Cohesion Policy has pointed to several regional factors of structural and institutional nature able to conditioning the performance of Structural Funds (Crescenzi and Giua, 2016), a major one being quality of institutions. In his Sixth Cohesion Report (2014), the European Commission identifies four main ways through which low standards of governance can affect Cohesion Policy: "In the first place, it can reduce expenditure if programmes fail to invest all the funding available. Secondly, it can lead to a less coherent or appropriate strategy for a country or region. Thirdly, it may lead to lower quality projects being selected for funding or to the best projects not applying for support at all. Fourthly, it may result in a lower leverage effect because the private sector is less willing to co-finance investment". Especially at local level, poor quality of institutions can be detrimental for the performance of Cohesion Policies along with the administrative capacity of the regional authorities, the political bargaining skills of their representative and the possibility of side payments (Hagen and Mohl 2011; Bloom and Petrova 2013). Hence, it is an external factor that needs to be taken into account when comparing Cohesion Policy implementation schemes and institutional settings.
Empirical approach

Ever since its first programming period, 1989-1993, Cohesion Policy has targeted the European regions at NUTS2 territorial level. The empirical approach used in this study pivots on a comparative analysis of Cohesion Policy in 9 case study NUTS2 regions over the programming period 2007-2013, by means of the following qualitative and quantitative tools:

- SWOT analysis of the socio-economic contexts of the case-study regions aimed at highlighting each region's specificities;
- Data collection on the projects financed with Structural Fund in the programming period 2007-2013;
- Focus groups with Cohesion Policy practitioners and experts such as members of the case-studies' Local Managing Authorities (LMAs) and stakeholders and partners of their Operational Programmes.

The case-study selection was conducted with the aim of ensuring a proper geographical coverage and grasping the heterogeneity of the different development, socio-cultural and institutional realities of the European Union as a whole. Moreover, the selection accounted for criteria whose relationship with Cohesion Policy has been proven by literature:

1. The belonging to a Convergence/Competitiveness Objective, depending on the region's GDP per capita;
2. The quality of institutions at the regional level, as proxied by the regional quality of government index (Charron et al. 2014);
3. The urban/rural gap, as represented by the index of rurality provided by the OECD regional typology classification;
4. The year of accession to the European Union;
5. The degree of identification of the citizens with the European Union and appreciation of Cohesion Policy, as measured through the Standard Eurobarometer on European Citizenship and the Flash Eurobarometer on Citizens' awareness and perceptions of EU regional policy.

The regions selected are the following: Sud-Est (Romania), Dolnośląskie and Warmińsko-Mazurskie (Poland), Emilia-Romagna and Calabria (Italy), Essex (United Kingdom), Extremadura (Spain), Burgenland (Austria), Norra Mellansverige (Sweden). In total, the sample includes nine European regions for more than a dozen Operational Programmes analyzed.

The quantitative part of the research is based on data on the Cohesion Policy projects managed in the case-study regions over the programming period 2007-2013. They relate to the nature, the location, the scope, the governance of funded projects as well as the financial information.

A preliminary context analysis of the case-studies has been run with secondary data and documents such as National Frameworks, Operational Programmes, Annual Implementation Reports, by means of a SWOT analysis that highlights the region's specific features. Such analysis will be tested against, and complemented, with qualitative information collected from focus group with practitioners and experts of Cohesion Policy for all the selected regions.
The focus groups will be held with practitioners, experts and stakeholders from the LMAs and from the partners involved in the Operational Programmes of the selected case-study regions and will make use of a semi-structured questionnaire\(^2\) that targets three main issues:

1. the governance of Cohesion Policy;
2. the communication activities of the Operational Programmes and those related to the construction of Cohesion Policy on the public discourse;
3. the perceptions and views by CP practitioners about policy effectiveness.

**Expected results**

The study is expected to shed light on the linkages between regional diversity, the framework of Cohesion Policy and its actual implementation experiences. In particular, by triangulating data on the socio-economic and institutional context of the case-study regions with Cohesion Policy intervention (both quantitative data on EU-funded projects and qualitative data collected through the focus groups) and Cohesion Policy appreciation by citizens (Eurobarometer), we expect to deepen our understanding on how institutional settings and territorial features impact on the practical arrangements and scopes of Cohesion Policy. Regions with more autonomy in more decentralized countries are expected to be linked with Cohesion Policy arrangements that favor the external contributions and the engagement of partners and stakeholders. However, a good vertical and horizontal coordination is a necessary condition for the enforcing of a place-based approach, but it is not sufficient if the policy fails to account for territorial specificities and needs. The combination of qualitative and quantitative data gathered with this study will thus not only allow for theoretical advances in the field of contextualization of Cohesion Policy but also provide useful policy recommendations as regards the optimal institutional settings of Cohesion Policy.

**References**


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\(^2\) The focus group will be held between February and March 2017.


