

Evaluation in 2014-2020: Challenges and Opportunities
First annual conference of the National Coordination
Authority's Evaluation Unit



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Ex-post evaluation and forecast of the benefits to the EU-15 countries resulting from the implementation of the Cohesion Policy in the Visegrad Group countries

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Prague, 21th October 2015

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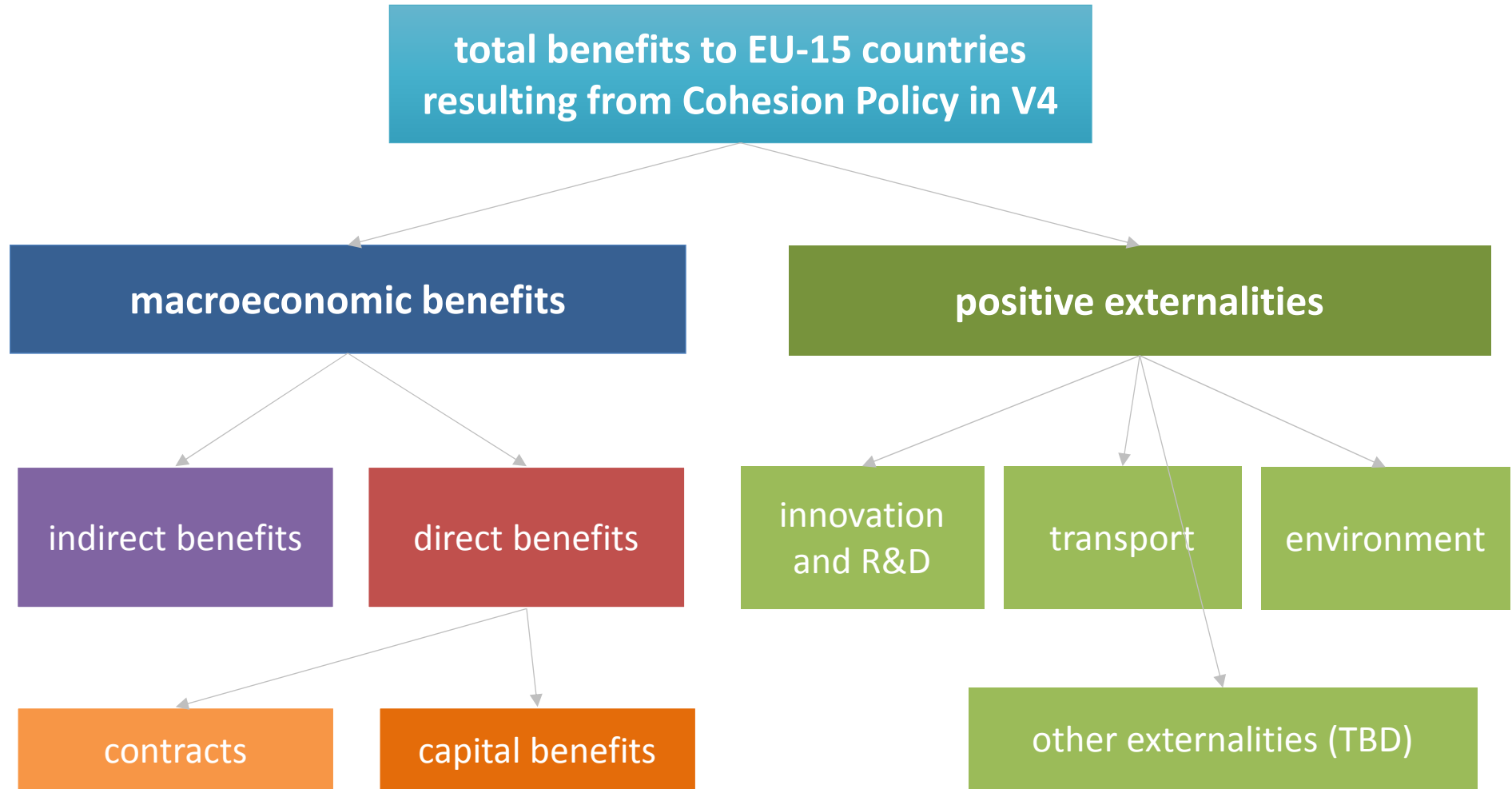
Background

...[The Union] shall promote economic, social and territorial cohesion. (Article 3 of the Treaty on European Union)

In particular, the Community shall aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions or islands, including rural areas. (Article 158 of the Treaty establishing the European Community)

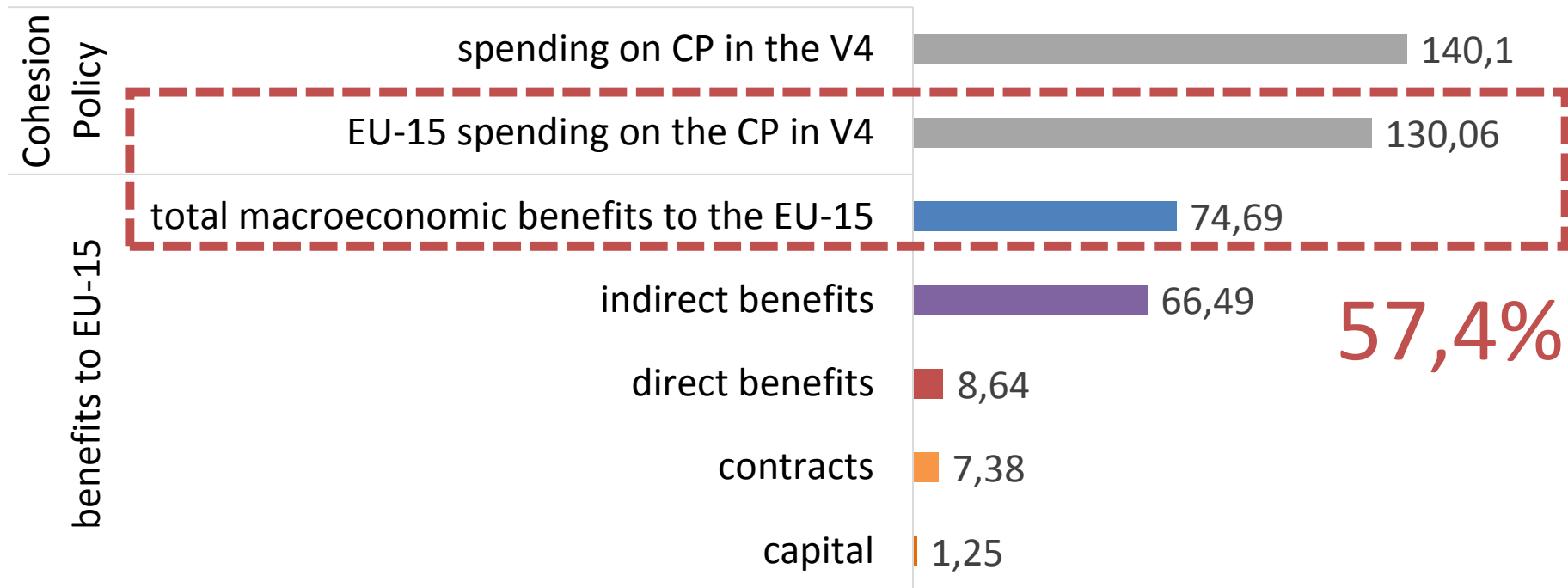
The resources of Cohesion Policy have always been **concentrated in less-developed regions and countries**, especially after the enlargement in 2004. However, **this intervention brings substantial benefits to well-developed countries as well**, which is the central topic of this study.

What kind of benefits?



What do we already know?

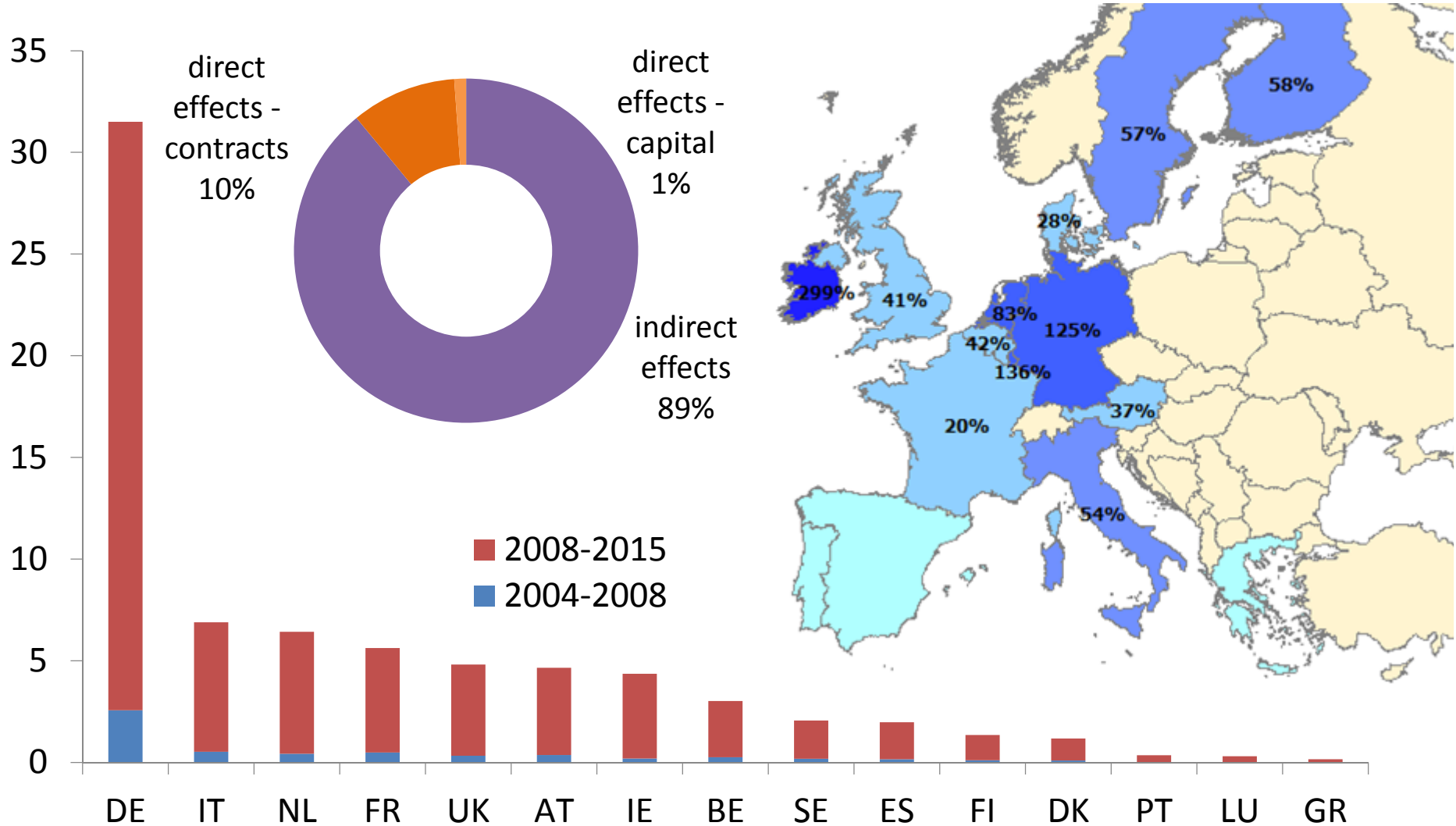
main results of 2011 evaluation – billions of 2005 euros



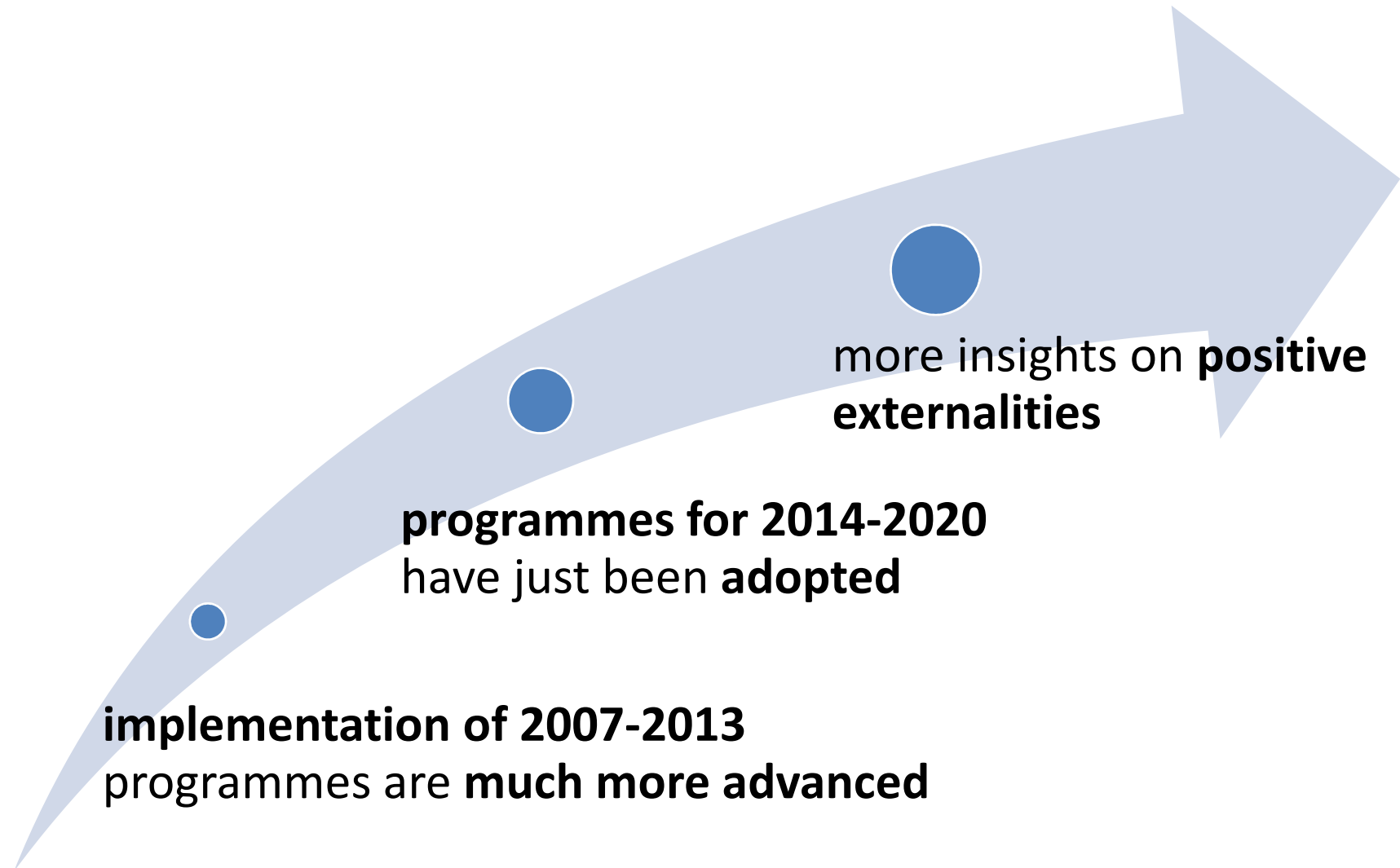
Positive externalities related to innovation and R&D, transport and environment protection were identified, but it turned out impossible to estimate their magnitude.

What do we already know?

main results of 2011 evaluation – how benefits are distributed



So, why do we actually need an update?



Macroeconomic effects – general approach

Using data on CP's intervention structure and **macroeconomic modelling** (separate models for all V4) countries we simulate the impact of CP on national accounts in Czech Republic, Hungary, Poland and Slovakia.

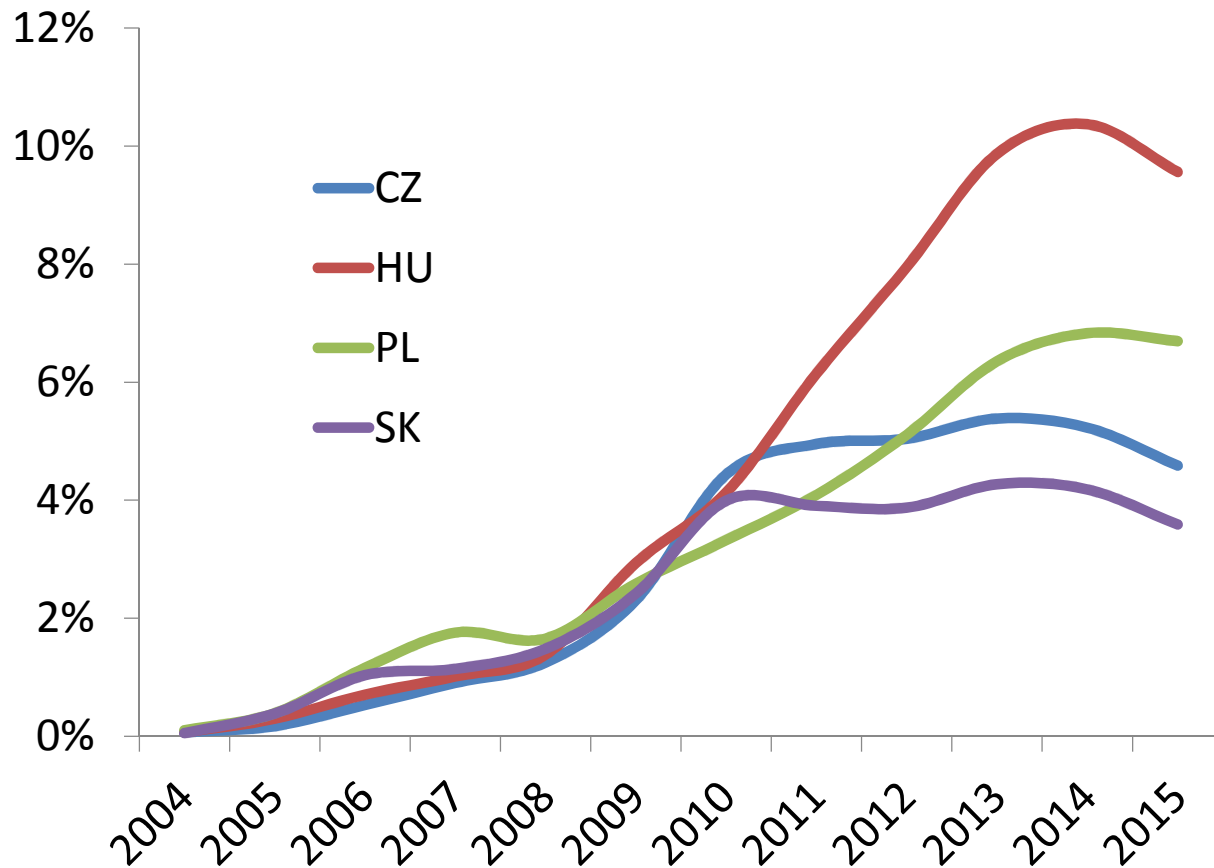
Exports from EU-15 to V4 are increased due to:

- increased demand for **imported final consumption and investment products**;
- increased output of the economy, which stimulates demand for **imported intermediate products**.

Both channels will be analysed with the account for **sectoral structure of each V4 economy (NACE)** and structure of CP intervention. The results of this estimation are finally compared with **macroeconomic indicators**, including the data on trade between EU-15 and V4.

Macroeconomic effects – tools

EU structural funds increase GDP of V4 countries...



... but simultaneously:

- a **portion of additional GDP is spent on imported goods and services;**
- in order to generate this additional GDP **imports of intermediate goods and services are required.**

supply and use tables

input and output tables

Direct effects

CAWI questionnaire of Cohesion Policy beneficiaries in V4.

- **form:** web-based questionnaire prepared in 4 local languages connected to a database of all CP projects
- **target group:** all beneficiaries of CP in V4 (availability of contact data being the only limitation)
- **content:** questions on the structure of project's budget and on contracts with suppliers and other contractors – identification of companies from EU-15
- **analysis of results:** all data will be weighted, so that we can generalize the results to the entire population of projects

Direct effects

What does **'a company from EU-15'** actually mean?

headquarters' location

- a company (headquarters) located in EU-15, as well as its representatives, divisions, branches and distribution centers in V4

ownership

- a company officially located in V4, whose majority capital ownership is from EU-15

Positive externalities

(positive) externalities: ***benefits that affect a party who did not choose to incur that benefit***

In this evaluation: ***benefits that a party receives from a particular public intervention, even though that intervention was not initially addressed to that party.*** In particular – entities from EU-15 who benefit from effects of Cohesion Policy in V4.

externalities are
hard to quantify and
generalize

qualitative approach
(case studies) to
exemplify broader
concepts

more topics covered
than in 2011
evaluation

Positive externalities

EU-15 companies using
transport infrastructure
in V4

EU-15 companies
benefiting from effects
of R&D in V4

students and scientists
from EU-15 taking
advantage of scientific
infrastructure in V4

increased energy
efficiency and lower
emissions in the entire
EU

citizens of EU-15
benefiting from
environmental projects
in V4

other externalities –
TBD

Schedule

date (approximately)	milestones
October/November 2015	final inception report
November/December 2015	gathering of databases
December 2015	questionnaire of beneficiaries – pilot test (x4)
January 2016	questionnaire of beneficiaries (x4)
December-February 2016	macro-modelling macroeconomic analysis
February 2016	analysis of questionnaire results
February-March 2016	case studies
March 2016	draft report
April 2016	final report
later on	additional analyses/updates