



EUROPEAN UNION

Co-financed by the European Regional Development Fund

Inspire Policy Making with Territorial Evidence



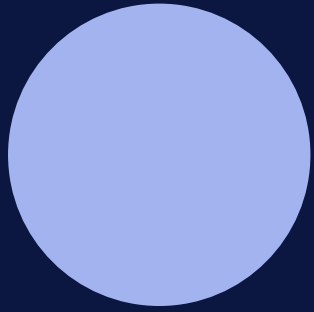
# Measuring the Performance and Isolating the Net-Impact of INTERREG

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# Content

- INTERREG just any other ESI fund component?
- Be it as it may – political programme/ policy performance measurement
  - The setting – the policy cycle
  - The components – the intervention logic
- The consequence – performance has several pitfalls
  - The net-impact as one of them



# **INTERREG – just another component of ESI funds?**

# Strategic Programming Framework 2014+

OPERATIONAL PROGRAMME		
EU 2020 headline targets, <i>GDP, employment rate</i>	Result indicators	Output indicators
Thematic objectives	Specific objectives corresponding to investment	Actions



THE PARTNERSHIP AGREEMENT	
National Reform Programme, national and regional needs	Disparities and development needs



THE COMMON STRATEGIC FRAMEWORK		
Objectives and targets of EU 2020	Key territorial challenges	Key actions

# Challenges of CBC programmes

- Common barriers between neighbouring regions hindering cooperation
  - Administrative barriers
  - Socioeconomic differences
  - Linguistic barriers
  - Geographic barriers
- Border areas in total are home to 37,5% of the EU population
- CBC programmes receive comparably little funding (~5% of the ERDF and ~2% of all ESI-funds)
- CBC programmes usually have a low number of beneficiaries due to small financial sizes

# Some basic statistics ...

Adopted ERDF-funded programmes, by end of January 2014:

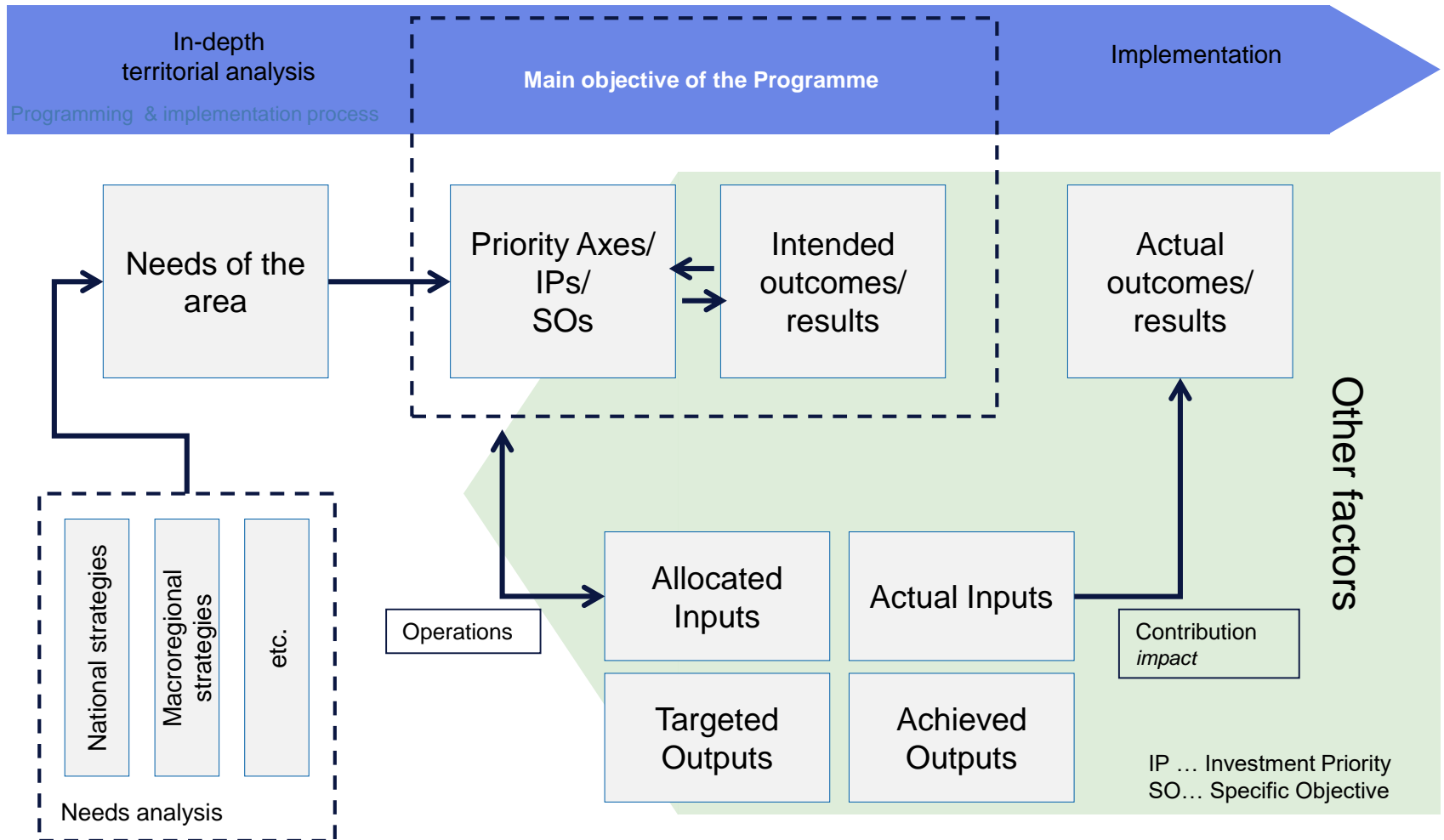
152 programmes

- Average number of priority axes: 7 [min.: 1, max.: 16]
- Average number of investment priorities used: 13 [min.: 0, max.: 40]
- Average number of corresponding specific objectives: 19 [min.: 1, max.: 72]
- Average number of result indicators: 24 [min.: 2, max.: 123]
- Average number of output indicators: 38 [min.: 5, max.: 163]

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## Political programme/ Policy Performance Measurement

# All starts with the intervention logic





# Common principles – lets get started

- “The starting point in designing any public intervention is to identify a problem to be addressed” (“Monitoring and Evaluation of European Cohesion Policy– European Regional Development Fund and Cohesion Fund - Concepts and Recommendations”, Guidance document, European Commission Directorate –General Regional Policy)
- “Theory of Change” produce a narrative of how the change envisaged will take effect → establish contribution to results in the programme area
- The “need-driven” approach as overarching principle of CSF funds – with “**need**” being defined as observable significant difference between the status quo and a situation as it should be (need is then the gap in results) – see Kaufman – World Bank



- ✓ Danger of „Chimney thinking“
- ✓ Danger of not to “fit” the problem identified to the potential of the intervention

*This isn't working at all... I should warn others not to put their cart before the horse.*



Arrived To The Sea.com

**Instead of: ACTIONS – OBJECTIVE – NEEDS**

**Rather: NEEDS - OBJECTIVE – CONDITIONS TO ACHIEVE THE OBJECTIVE - ACTIONS**

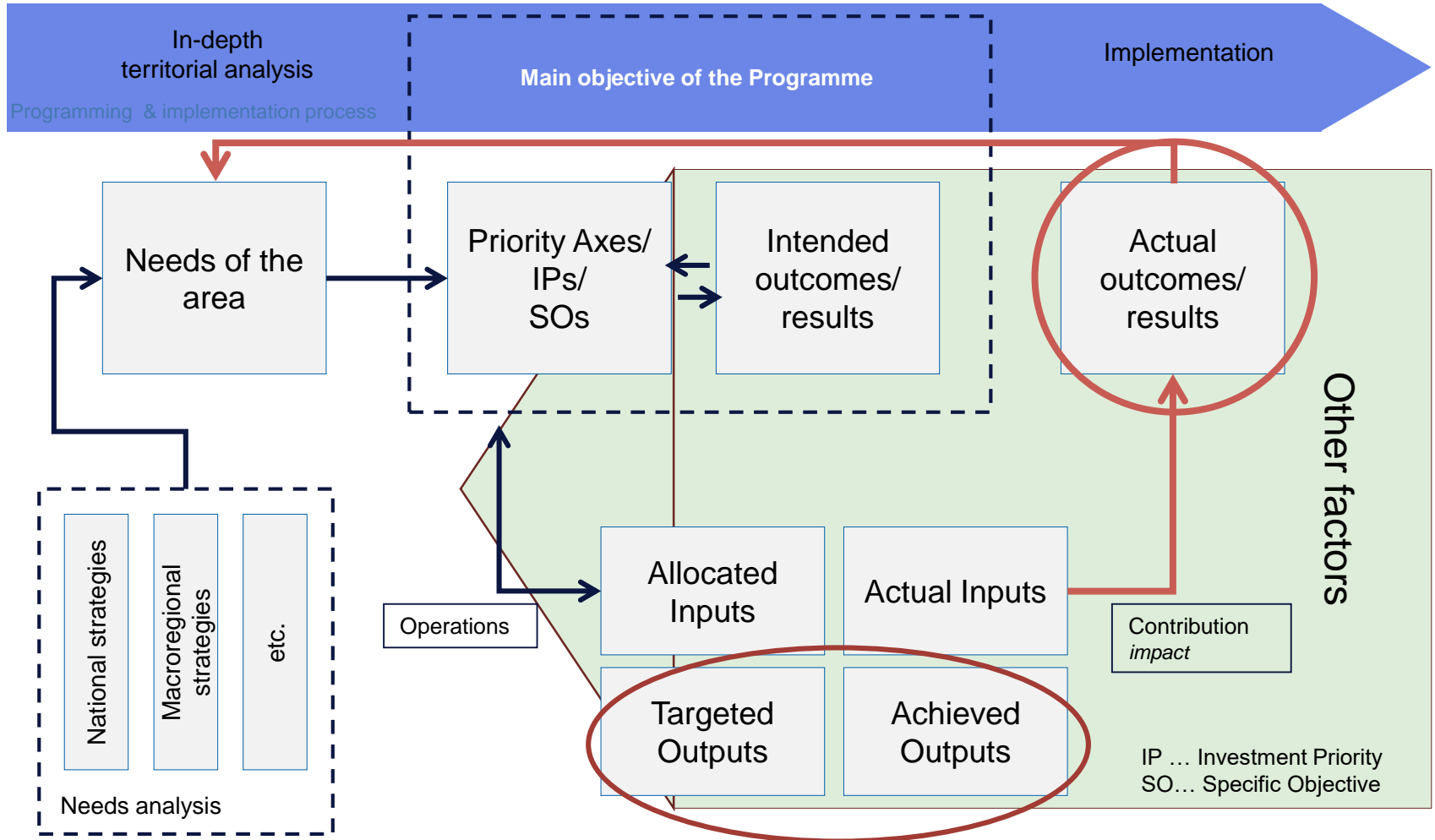
# Goal setting – a crucial element

- Fitting them in the overall policy goal universe (EU 2020, SDG)
- Adjusting them to the programme (budget) and territorial specifics (e.g. borders, topographic conditions)
- Adding specific goals to the canon if necessary and relevant for the specific policy (e.g. CBC)
- Indicators as „words“ to describe the way to achieve these goals

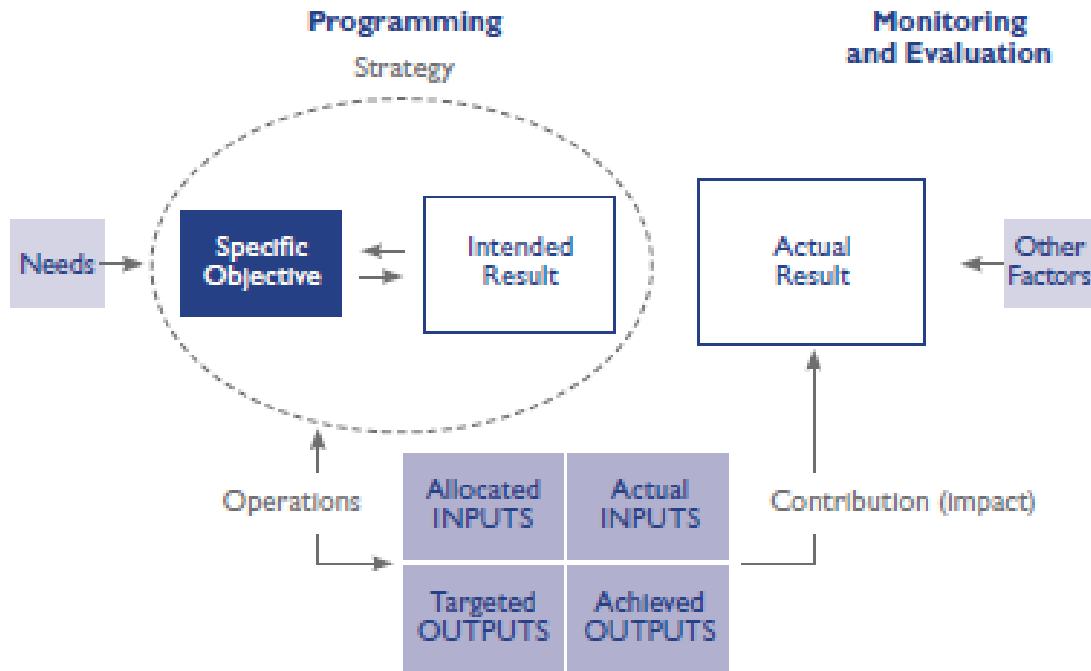
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# Performance has several pitfalls

# All continues with the intervention logic – closing the attribution gap



# What is a result?



Monitoring and evaluation of European Cohesion Policy – ERDF and Cohesion Fund – concepts and recommendations, November 2011

*DG REGIO guidance states: “needs feed into the identification of the intended result as a measure of the specific objective, which is defined as the specific dimension of well-being and progress for people that motivates policy action (i.e. what is intended to be changed, with the contribution of the intervention).”*

INPUT – OUTPUT – RESULT with impact “NET” result  
(excluding change that would have occurred anyway)

# Indicators in the intervention logic and TIA

In the **intervention logic context** this means:

- The indicators have to establish a cause-effect chain from the need identified in the territory over the policy intervention (Input) to the direct consequence of policy (Output) through the immediate effects with reference to the direct addressees (Direct Result) to the indirect effects of the policy intervention on the objectives (as reflecting the needs) (Results).

In the **territorial context** that means:

- The indicators have to establish the territorial effects of policy in the programming area (results) depicting the range of objectives (explicit & implicit) of the programme

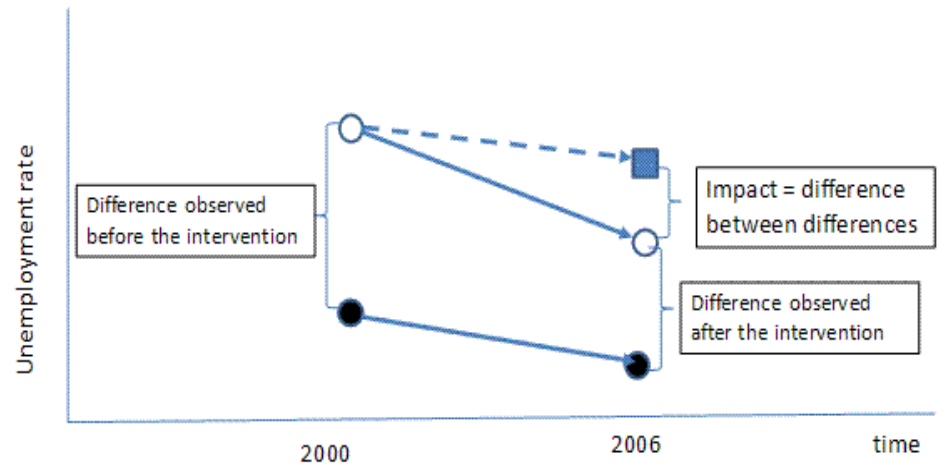


## Quality of these indicators – some provocative statements

- Territorial cooperation dimension of ETC indicators means the following: result indicators should be able to capture the effects of ETC programmes which undertake interventions that can be achieved specifically through territorial cooperation.
- Result indicators need to be coherent with the intervention targets, i.e. there needs to be close alignment between the objectives of the intervention and what the indicator measures.
- Result indicators need to be relevant: the indicator has to capture the result of the intervention, as opposed to the output.
- Result indicators need to capture the net effect of the programme actions on the defined targets, and the result needs to be free from, and unbiased with respect to, other on-going actions and processes.
- Selected result indicators should be measured in an objective way, consistent over time, comparable, and easily obtainable.
- Result indicators should also be measured at the appropriate and set spatial and temporal dimensions

# The „net-impact“ issue with INTERREG

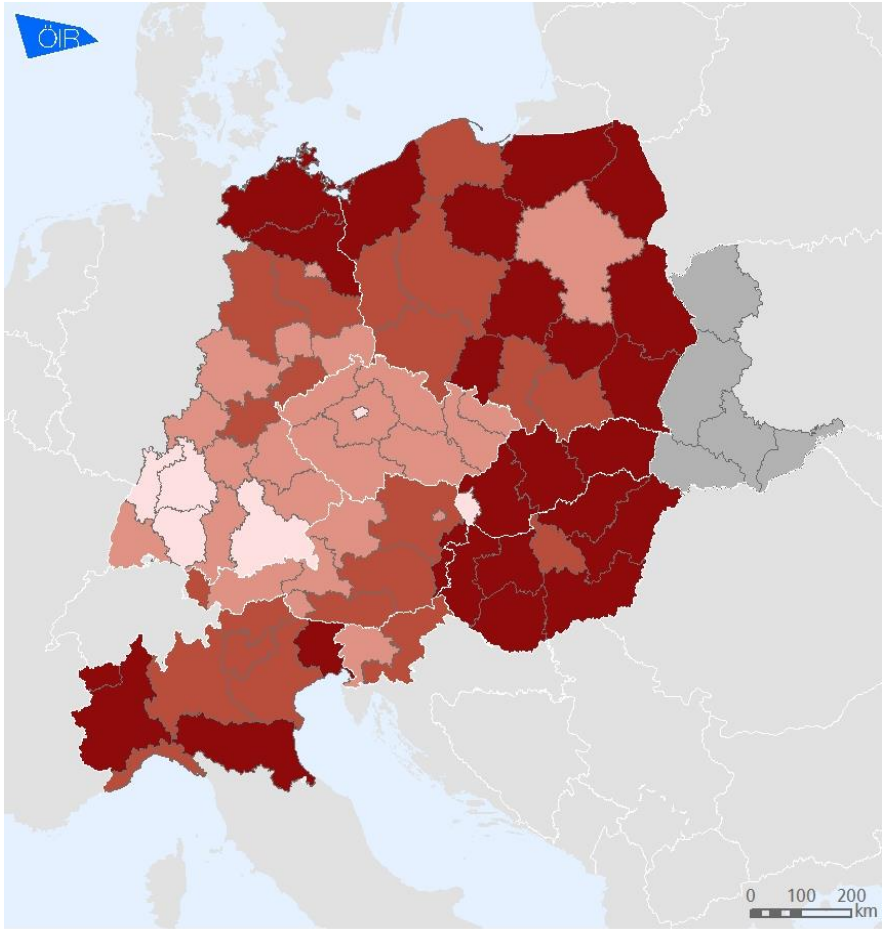
- DiD – as basis



- Question what to compare with what?
- Randomized Sampling (the gold standard)
- Matching approaches (PSM, pipeline etc.) – the statistical way to minimize the selection bias
- Pragmatic matching on case by case basis
- Funding framework approach

# Some suggestions for indicators

- Quantitative Indicators (depicting territorial conditions with a quantitative denominator)
- Qualitative Indicators
- Synthetic Indicators (adding up a sub-set of indicators – weighting of components – „attractiveness of regions“)
- Compound Indicators (aggregating different sub-sets of indicators by computation – „sensitivity“, „vulnerability“ etc.)



# Example: Compound Indicator ex-ante “sensitivity”

**Combined sensitivity towards potential effects in the selected thematic objectives**



# Idea – Regular production of qualitative (and quantitative) data

## Regional Cross border Scoreboard

- Quality of cross- border institutions
- Cross border awareness of citizens, companies
- Cross border movements
  - Labour market, housing, education, shopping, tourism, joint innovation projects, cultural exchange, etc.

# Quality of cooperation

Inspired by  
Les Metcalfe

## Cooperation scale

### Independent operation

- Information cross border
- **Consultation cross-border**
  - Avoiding divergences/search for agreements
  - Setting limits to individual operations
  - **Joined priorities/objectives**
    - Joined action programme
    - Joined projects/common financing
    - **Joined institutions/organisation**