# Academic: 'Clear evidence that cohesion policy has a significant impact'

In United Kingdom just 10% of the population are aware of the cohesion policy projects in their area. [European Week of Regions and Cities / Flickr]

**The EU's cohesion policy, which aims at closing the development gap between rich and poor regions, has succeeded in boosting local growth although many people aren't aware of it, professor John Bachtler said in an interview with EurActiv Greece.**

*John Bachtler is a professor of European Policy Studies and Director of the European Policies Research Center at the University of Strathclyde in Glasgow. He is also director of the Cohesify project.*

*He spoke with EurActiv Greece's Nikos Lampropoulos.*

**Do you think that cohesion policy has managed to close the gap among the European regions and bring citizens closer over the past decades?**

There is very clear evidence that cohesion policy has a significant impact. If you look at the evidence of the assessment of the period 2000-2006 and the recently published data of the period 2007-2013, you can see a substantial impact on investments and employment.

**However, the perception of citizens regarding cohesion policy is hard to measure, as we do not have a particularly sophisticated way to do that. The starting point is to ask: Do people know what cohesion policy is?**

The Eurobarometer surveys show huge disparities across the EU regarding people's awareness. On the one hand, you have countries like the United Kingdom where 10% of the population are aware of the cohesion policy projects in their area. On the other hand, in countries like Poland and the Baltic states, the awareness rate is extremely high.

To have a review of cohesion policy performance, people need to be aware of it. How they assess the performance is something we really wanted to study as part of our cohesify project.

**Many argue that cohesion policy is about expensive investments, made very slowly and with a huge bureaucracy. What is your view on that?**

Cohesion is about major complex projects, but problems with some major projects are only part of the story. Although they grab the headlines, most of the money has gone into projects that improve local infrastructure, encourage local investments and environmental improvements. Moreover, there is much evidence of effectiveness.

However, the point is that EU cohesion policy is the most evaluated European policy at the European or national level. It is so extensively evaluated because there is so much evidence from academic and policy research that there is a disproportional focus on what cohesion policy is achieving. While in other areas of the EU budget there are question marks on the results.

**The European Commission is shifting its interest from the grants of the structural funds to the loans and guarantees of the financial instruments. Do you think that the cohesion policy can still exist under this framework?**

Financial instruments have an important role to play. In principle, they have many advantages as well as potential leverage effects regarding the involvement of the private sector. They have potential legacy effects; you have got revolving funding countries such as Germany, which demonstrates their potential. I mean, in Germany they are still using money that was originally provided through the Marshall Plan, and they have been using them very wisely. It has been a very successful scheme.

Having said that, the EU is proceeding very fast towards using financial instruments in all different sectors and the evidence of their effectiveness in relation to grants remains to be seen. Some months ago, the European Court of Auditors published a highly critical report on the use of financial instruments.

The ex-post evaluation from DG REGIO also included some challenging issues for cohesion policy and the European Commission. It is crucial that the use of financial instruments is in line with the evidence. So far, some evidence suggests that financial instruments are not necessarily the best option, they need to be used as part of the armoury, as part of the toolbox – but I would be careful as far as using them as the main tool at this stage is concerned.

**There is also concern from the poorest regions, especially for those projects that are not considered bankable. How will these projects be funded?**

One of the biggest problems is that you have to combine private sector commercial objectives and public policy objectives, but from a public policy point of view you do not necessarily get the optimal outcome.

As we get more experienced -the evidence may show that- we become more effective and more efficient. However, we do not have such evidence at the moment. Which is why I think that grants will play a more major role for some time to come.

By **Nikos Lampropoulos** | **EurActiv.gr**

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