Factsheet on Cohesion Policy implementation and performance

Case study: Italy

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| **Basic info** | **Lombardia** | **Italy** | **Unit** |
| Population [2008] | 9470 | 58653 | thous. |
| GDP [2008] | 346.7 | 1632.9 | mln EUR |
| Population [2014] | 9973 | 60783 | thous. |
| GDP [2014] | 348.6 | 1613.9 | mln EUR |
| ***Total allocation*** |  |  |  |
| Allocation ERDF+CF [2000-2006] | 214.5 | 18742.3 | mln EUR |
| Allocation ERDF+CF 2007-2013 | 255.5 | 26671.3 | mln EUR |
| Ratio [period 2007-2013 to 2000-2006] | 1.19 | 1.42 | ratio |
| ***Absorption rates ERDF+CF*** |  |  |  |
| Absorption rate 2000-2006 [final] | 97.7 | 97.7 | per cent |
| Absorption rate 2007-2013 [in 2014] | 75.7 | 55.7 | per cent |

Given the size of Lombardia, its share in the total allocation of ERDF and CF funds for Italy is relatively small and has been decreasing further from 1.1% in the 2000-2006 programming period to 0.96% for the 2007-2013 period. Absorption rates for the latter period differ notably, with Lombardia being 20 pp. ahead of the national average.

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| **Thematic structure** [Reg OP, 2007-13, ERDF+CF] | **Lombardia** | **Italy** |
| ***% of allocation***  |  |  |
| Category A “Innovative environment”: business support, human resources, IT infrastructure and services, research and technology | 59.1% | 36.9% |
| Category B ”Basic infrastructure”: energy, environment and natural resources, transport infrastructure | 30.8% | 37.7% |
| Category C “Quality of life”: social infrastructure, tourism and culture, urban and rural regeneration | 6.9% | 22.3% |
| ***Rate of absorption [in 2014]*** |  |  |
| Category A “Innovative enivironment”: business support, human resources, IT infrastructure and services, research and technology | 78.3% | 64.1% |
| Category B ”Basic infrastructure”: energy, environment and natural resources, transport infrastructure | 76.4% | 52.2% |
| Category C “Quality of life”: social infrastructure, tourism and culture, urban and rural regeneration | 45.0% | 45.9% |

\* % of allocation does not add to 1, because the “technical assistance” is not included in any of the categories.

The pattern of thematic structure of allocation of ERDF and CF funds significantly vary between Lombardia and Italy in general. In case of the former, allocations to Category A are prioritized at the expense of investments falling into Category C, and – to a lesser extent – Category B. The share of funds devoted to quality of life in Lombardia is only one third of the respective value for the whole country (6.9% vs. 22.3%).

The rates of absorption broken down by themes show that Category C is the only one where Lombardia performs at a level comparable to Italy as a whole, showing signs of underspending. With regard to the remaining two clusters, Lombardia notes significantly higher rates of absorption, exceeding the national average by 14 pp. in case of Category A, and 24 pp. in Category B.

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| **Regional OP** [ERDF] | **Lombardia** | **Italy** | **Unit** |
| ***Allocations to Regional OPs*** |  |  |  |
| Allocation 2007-2013 | 223.8 | 17894.2 | mln EUR |
| Allocation 2014-2020 | 485.2 | 16094.7 | mln EUR |
| Ratio [period 2014-2020 to 2007-2013] | 2.17 | 0.90 | ratio |
| ***Reported achievements: period 2007-2013 [as in 2013]*** |  |  |  |
| Jobs created | 129 | 60109 | jobs |
| New and reconstructed roads | 1.6 | 282.34 | km |
| Additional population covered by broadband access | 783135 | 2322198 | persons |
| Research jobs created | 84 | 3625 | jobs |

Distribution of ERDF resources in Italy follows a rather decentralised pattern, where the majority of funds is channeled through regional operational programmes. This pattern is clearly visible in Lombardia, where the Regional OP 2007-2013 funds constituted almost 90% of the total allocation to this region. Interestingly, the allocation for the Regional OP for Lombardia under current programming period more than doubled, as compared to the 2007-2013 period. This change is not reflected at the country level, where the sum of funds channelled through regional OPs decreased by 10%.

The reported number of jobs created as a result of the implementation of the Lombardia’s Regional OP amounted to 129, compared with over 60 thousands for the entire country. This disparity diminishes when it comes to research jobs created (84 vs. 3625). Developing road infrastructure was clearly not a priority in Lombardia, with less than 2 km of roads being reconstructed as a result of the programme implementation. The IT infrastructure seems to play a more important role, with almost 800 thous. persons in Lombardia benefitting from broadband access financed from the regional programme.