

Evaluation findings Ongoing Evaluation IGJ/ERDF 2014-20 Austria

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1. Overview of the evaluation work

A total of eight evaluations were conducted in the framework of the ongoing evaluation of the OP IGJ/ERDF 2014-2020 Austria by external contractors. The ongoing evaluation consists of eight individual evaluations covering the five priority axes and three cross-sectional aspects (governance, horizontal principles¹, and communication activities). The evaluation activities commenced in early 2018 and are expected to conclude by the end of 2024 with the evaluation of REACT-EU funding.

The evaluations were implemented using a theory-based evaluation approach with a tailored mix of qualitative and quantitative tools (e.g. counterfactual approaches, interviews, case studies, etc.). They were also structured as participatory processes to foster systemic learning among programme stakeholders. All evaluations directly related to a priority axis² and the evaluation of the horizontal principles, were accompanied closely by monitoring groups, consisting of programme stakeholders directly involved in implementation and management activities. Over the course of three meetings, their function was to provide input and feedback to the methodological approach and data sources (meeting 1), discuss the theory-of-change of the evaluated measures (meeting 2), as well as validate and discuss results and recommendations (meeting 3) produced by the evaluators. This approach proved effective in fostering learning and exchange among programme actors and increasing the relevance of the evaluation results.

Factors affecting the implementation of the evaluations relate to the quality and reliability of data, primarily the quality of the monitoring data and the low relevance of the result indicators when capturing programme impacts. As learning from the process, additional quality assurance processes are foreseen in the 2021-2027 period to improve the robustness of the monitoring data. Further, the general logic of result indicators was revised in the 2021-2027 programme with an increased use of direct result indicators.

2. Findings by priority axis in relation to result & output indicators

The **evaluation of the governance system** [8] assessed aspects affecting overall programme implementation and delivery. The shift from multiple regional OPs to one OP in combination with the federal structure of Austria contributed to simplification on the one hand and resulted in a relatively complex programme with features interventions and implementation processes specific to the federal states on the other hand. While overall functional in delivering relevant results, this complex programme architecture contributed to delays in programme implementation and, in the beginning of the programme period, to lagging absorption rates. A main factor was the relatively late agreement between federal states and the federal government on the implementation of a joint OP. Changes and simplification procedures (such as restrictions in cost eligibility and minimum project sizes) introduced in preparation of the 2014-2020 period successfully reduced the administrative complexity of the OP. These changes also resulted in more selective funding approaches in comparison to national programmes.

¹ The horizontal principles refer to the horizontal inclusion of the promotion of equality between women and men and non-discrimination (Article 7) and sustainable development (Article 8) across the programme cycle, as outlined in the Common Provision Regulation (Regulation(EU) No 1303/2013)

² Please note that these “thematic” evaluations refer to items 3, 5, 6, and 7 as specified in the Annex.

The **evaluation of the horizontal principles** [2] showed significant differences in the extent they were incorporated across the priority axes. Sustainable development was well anchored in the OP and the majority of projects, e.g. through an explicit focus on the reduction of CO₂ emissions or on various sustainability themes. However, equal opportunities and non-discrimination were not as broadly anchored in comparison: The evaluation showed the need for additional awareness raising related to these issues in order to encourage an increased consideration in project development and implementation. The potential to integrate these aspects also highly depends on the type of project. A core tool employed by the MA to increase the awareness of (potential) beneficiaries on these issues was a self-assessment questionnaire as part of the application process. Recommendations on this questionnaire produced by the evaluator were taken on-board by the MA, with the 2021-2027 OP featuring a more integrated and systematic approach to anchoring the horizontal principles into project implementation. First changes were also already implemented in the 2014-2020 questionnaire.

The **communication activities** [4] were implemented in accordance with the overarching requirements and effective. According to the evaluation results, cooperation between individual programme stakeholders in terms of implementing communication activities was effective and well-structured. A particularly effective tool was the use of personal consultations between intermediary bodies of the programme and potential beneficiaries. The evaluation recommended an increased use of online communication, in general, and social media tools, in particular. This is well-reflected in the 2021-2027 period, which sees a substantially stronger focus on (online) communication and outreach. Many recommendations were also already implemented in the 2014-2020 programming period, e.g. more diverse online representation and environmentally more sustainable communication approaches.

Table 1: Evaluation findings per IP

Priority axis	IP (Measure)	Findings of evaluation and comments	Related output indicators	Related result indicators	Actions taken	Identifier(s) of evaluation
PA1	IP1a (M01, M02)	<ul style="list-style-type: none"> Tailored funding approaches per federal state enable good targeting of needs and improve relevance of measures (M01, M02). Effective support in providing a mid-term and long-term framework to improve R&D capacities, filling a gap left by national strategies (M01, M02). ERDF support increases likelihood of obtaining HORIZON 2020/COSME support in the future. 	<p>CO24 – Number of new researchers in supported entities</p> <p>O1 – Number of projects in R&D infrastructure/capacity building</p>	Positive contribution made with funding to employed researchers via support to research actors (R11/1a – Number of researchers).	<ul style="list-style-type: none"> Continuation of overall implementation framework with region-specific measures in 2021-2027. 	[3]
	IP1b (M03, M04, M05, M06)	<ul style="list-style-type: none"> Employment gains among beneficiaries, increases in productive capacity (M03, M05). Advisory services contributed to strengthening inclusion of new actors in R&D systems (M04). Support was able to effectively reach and include enterprises into R&D&I frameworks (M06). Project selection criteria limited access to funding for newcomers. Support increases likelihood of HORIZON 2020/COSME support in the future. 	<p>CO08 – Employment increases in supported enterprises</p> <p>CO24 – Number of new researchers in supported entities</p> <p>CO26 – Number of enterprises cooperating with research institutions</p>	ERDF supported innovative investments with advisory services and investment support (R14/1b – Number of innovative enterprises).	<ul style="list-style-type: none"> Amendment of project selection criteria to increase participation from newcomers in 2021-2027 programme. Increased emphasis on supporting knowledge transfer and less emphasis on investment support in 2021-2027 programme. R&D investment support for enterprises was discontinued in 2021-2027. 	[3]
PA2	IP3a (M07, M08)	<ul style="list-style-type: none"> Positive contributions to start-up culture (M07, M08) OP contributed to stabilisation of start-up survival rate (M07, M08) 	O4 – Number of regional support providers	Funding stabilised start-up rate in regions with support. (R16/3a – Start-up rate).	<ul style="list-style-type: none"> Increased simplification and harmonisation are foreseen in 2021-2027 to improve accessibility of measures. 	[6]
	IP3d (M09, M10)	<ul style="list-style-type: none"> Contribution to regional value added, technology via SME investment support (M09). Significant employment gains among supported SMEs (M09). 	CO02 – Number of enterprises receiving grants	Funding promoted employment among SMEs (R18/3d – Number of growing SMEs – employment).	<ul style="list-style-type: none"> See PA2, IP3a. 	[6]

Priority axis	IP (Measure)	Findings of evaluation and comments	Related output indicators	Related result indicators	Actions taken	Identifier(s) of evaluation
		<ul style="list-style-type: none"> SME advisory services led to improved internationalisation, start-up culture (M10). 	CO08 – Employment increases in supported enterprises			
PA3	IP4b (M11, M12)	<ul style="list-style-type: none"> Significant CO₂ reductions are expected via implemented ERDF support in the field of energy efficiency (M11). Investment support increased beneficiary resilience in light of energy price fluctuations (M11). Energy efficiency investments have positive impacts on production capacities of beneficiaries (M11). Advisory services provide a significant contribution to improving awareness on energy efficiency among enterprises (M12). 	CO02 – Number of enterprises receiving grants CO34 – Estimated annual decrease of GHG	Funding promoted energy efficiency in production processes (RI9/4b – energy intensity of production).	<ul style="list-style-type: none"> Increases in available funding for energy efficiency investment support in 2021-2027. 	[5]
	IP4e (M13, M14)	<ul style="list-style-type: none"> Local and regional sustainable mobility and energy efficiency strategies supported via the ERDF may support changes in regional mobility behaviour and provides a basis for further decarbonisation (M13). Smart city initiative (M14): Funded pilot projects contribute to increasing energy and resource efficiency in Styria. 	O2 – Number of consulted organisations (energy efficiency) O3 – Number of consulted organisations (mobility) CO34 – Estimated annual decrease of GHG	ERDF support led to a significant population coverage via mobility strategies (RI12/4e – Population covered by mobility concepts). Smart city funding promoted emissions-saving in mobility and led to minor emission savings compared to overall growth (RI13/4e – CO ₂ equivalents per capita (Styria))	<ul style="list-style-type: none"> Simplification of administrative procedures (e.g. SCOs and FNLTC) foreseen to increase uptake in 2021-2027 period. 	[5]
	IP4f (M15)	<ul style="list-style-type: none"> Effective R&D support to further decarbonisation among supported enterprises and organisations. Tailored implementation in the federal states with high relevance. 	CO01 – Number of enterprises receiving support CO24 – Number of new researchers in supported entities	Positive contribution made with funding to employed researchers via support to research actors in environmental field (RI14/4f – Employees in R&D in the field of environmental protection)	<ul style="list-style-type: none"> Simplification of administrative procedures (e.g. SCOs and FNLTC) foreseen to increase uptake in 2021-2027 period. 	[5] [3]

Priority axis	IP (Measure)	Findings of evaluation and comments	Related output indicators	Related result indicators	Actions taken	Identifier(s) of evaluation
PA4	IP1a (M16)	<ul style="list-style-type: none"> See PA1, IP1a, specifically M01. 	<p>O6 – Number of supported R&D facilities, including shared facilities</p> <p>CO24 – Number of new researchers in supported entities</p>	Positive contribution made with funding to employed researchers via support to research actors in Vienna (R11/1a – Number of researchers – Vienna).	<ul style="list-style-type: none"> See PA1, IP1a 	[3]
	IP1b (M17)	<ul style="list-style-type: none"> See PA1, IP1b, specifically M04. 	CO01 – Number of enterprises receiving support	ERDF supported innovative investments with advisory services and investment support (R14/1b – Number of innovative enterprises – Vienna).	<ul style="list-style-type: none"> See PA1, IP1b 	[3]
	IP4e (M18)	<ul style="list-style-type: none"> Supported projects contribute to reducing urban mobility CO₂ emissions in Upper Austria and Vienna. Funded cycling and pedestrian infrastructure support the transition to de-motorised urban transport. 	<p>CO34 – Estimated annual decrease of GHG (Vienna)</p> <p>O10 – Number of sustainable urban mobility projects (Upper Austria)</p>	<p>ERDF projects promoted CO₂ reductions in Vienna, with contributions compensated by external developments (R116/4e – R117/4e – CO₂ equivalents per capita (Vienna)).</p> <p>ERDF projects promoted emissions-saving in mobility and led to minor emission savings compared to overall growth in Upper Austria (R117/4e – CO₂ equivalents per capita in mobility sector (Upper Austria)).</p>	–	[5]
	IP6e (M19)	<ul style="list-style-type: none"> ERDF support strengthens rural-urban coordination. Strengthening of cooperation between regional stakeholders and generation of new impulses for urban development. 	<p>O11 – Number of projects (functional urban-rural development)</p> <p>CO37 – Population living in areas with integrated urban development strategies</p>	ERDF projects have supported a stabilisation of growth in land-use in Upper Austria (R118/6e – annual increase in settlement surface area).	<ul style="list-style-type: none"> Stronger degree of thematic guidance in 2021-2027 to increase overall coherence of measures. Simplification of administrative procedures foreseen to reduce burden on beneficiaries (e.g. SCOs) 	[7]

Evaluation findings

Priority axis	IP (Measure)	Findings of evaluation and comments	Related output indicators	Related result indicators	Actions taken	Identifier(s) of evaluation
	IP9b (M20)	<ul style="list-style-type: none"> Successful implementation of sustainable urban development projects in Vienna via ERDF support. Strengthening of cooperation between regional stakeholders and generation of new impulses for urban development. 	<p>O11 – Number of projects (in disadvantaged areas)</p> <p>CO37 – Population living in areas with integrated urban development strategies</p>	ERDF support in sustainable urban development led to significant increases in inhabitants benefiting from measures in Vienna (RI19/9b – People benefiting from measures (Vienna))	<ul style="list-style-type: none"> Stronger degree of thematic guidance in 2021-2027 to increase overall coherence of measures. Simplification of administrative procedures foreseen to reduce burden on beneficiaries (e.g. SCOs) 	[7]
PA5	IP8b (M21)	<ul style="list-style-type: none"> Successful generation of impulses to regional cooperation via the support of integrated development strategies and urban-rural cooperation projects. Moderate contributions to regional employment via ERDF support. 	<p>O11 – Number of projects (functional urban-rural development)</p> <p>O13 – Population living in areas with integrated development strategies</p> <p>O19 – Employment gains tied to endogenous measures</p>	Impulses set to promote urban-rural cooperation, with first developments in terms of overall effectiveness (RI21/8b – Increasing the effectiveness of urban-rural cooperation).	–	[7]
	IP9d (M22)	<ul style="list-style-type: none"> Bottom-up approach of CLLD/LEADER enables flexible targeting of regional needs and fosters innovative project approaches. CLLD approach fostered innovative approaches and themes for project implementation. 	<p>O13 – Population living in areas with integrated development strategies</p> <p>O19 – Employment gains tied to endogenous measures</p> <p>O14 – Number of projects (CLLD Tyrol)</p>	Significant increase of actors in participation in CLLD/LEADER (RI22/9d – Participation of actors in local development strategies)	–	[7]

3. General conclusions

The IGJ/ERDF 2014-2020 programme is effective in promoting smart, sustainable and inclusive growth in Austria. This is shown by a relatively high degree of (expected) target achievement along most output indicators³ and across most investment priorities. The programme is also relatively efficient in terms of output generation compared to the funding inputs [1]. However, the absorption rate of the programme was initially lower than EU average [5], contributing to delays in target achievement.

The OP **implemented innovation, research and development (R&D&I)** support mainly under priority axis (PA) 1, to a lesser extent under PA3 and PA4⁴: The programme's R&D&I funding targeted structural R&D capacities and infrastructure (IP1a) as well as investments in enterprises and cooperation (IP1b). The funding was effective [3], especially due to the focus on medium to long term, strategically oriented structural development of research and development capacities. In this respect, the regionally differentiated funding (with tailored measures and approaches per federal state) played an important role in strengthening regional R&D capacities. With the majority of R&D&I funding disbursed via federal programmes in Austria, ERDF funding provided the federal states with opportunities to implement tailored approaches targeting specific needs. However, the inclusion of new actors in the measures remained low, with a relatively strong involvement of traditional beneficiaries. Capacity and competence building was supported among beneficiaries of R&D transfer projects via dedicated ERDF support. However, the programme also encountered some difficulties in terms of involving enterprises due to state-aid concerns among intermediary programme bodies. Across PA1, PA3, and PA4, ERDF support accounted for:

- 377 full-time equivalent jobs at R&D institutions (CO24),
- 817 new jobs (in FTE) among supported enterprises (CO08),
- 61 companies were supported by ERDF funding to invest in R&D projects (CO02).

Significant **support to SMEs** was implemented via PA2. Main interventions included start-up support (IP3a) and investment support (IP3d). The investment support contributed to regional productivity and labour markets [6] by increasing and modernising production capacities among beneficiaries. The start-up support positively affected the start-up climate, where implemented, and enhanced the start-up survival rate. Further, the support under PA2 enabled significant employment gains among the supported SMEs, with approximately 3,300 new jobs created. Across PA2 ERDF support accounted for:

- 3,084 new jobs (in FTE) among supported SMEs (CO08),
- 338 companies received investment support (CO01).

Support to reduce **CO₂ emissions and promote energy efficiency** was implemented in PA3 and in PA4. Relevant measures evaluated [5] in the context of this goal include support for energy efficient investments (IP4b) and advice and strategy development support to increase energy efficiency and reduce CO₂ emissions in transport (IP4e). The evaluation of measures attributed a high effectiveness to the funding, which is also reflected in high target achievement among relevant output indicators. Further, a strong reduction of CO₂ emissions is expected: a total of

³ Only output indicator values of finalised projects are reported in this report. The data was extracted from the monitoring system on 31 August 2022.

⁴ R&D&I funding under priority axis 4 targeting the highly developed federal state of Vienna mirrored the funding implemented under priority axis 1. Support under PA3 includes R&D investment support for low-carbon technologies ((IP4f).

approximately 315,000 tonnes of CO₂ equivalents per year, exceeding the foreseen 303,400 tonnes of CO₂ equivalents). Across PA3 and PA4, ERDF funding enabled:

- CO₂ savings of approximately 122,000 tonnes of CO₂ equivalents (CO34),
- Advisory services to consult 3,322 institutions on energy efficiency and mobility (O2&O3),
- Investment support to 321 enterprises to increase energy efficiency (CO01),
- 351,000 people to benefit from supported mobility measures (O10).

The evaluation [7] of the **sustainable urban development** support under PA4⁵ and **urban-rural cooperation including CLLD** under PA5 attributes a high effectiveness to ERDF in terms of strengthening partnership processes, setting new impulses and strengthened community cooperation. Many ERDF operations led to strengthened networking among rural municipalities and cemented multi-level governance. ERDF supported projects also led to a high degree of visibility of EU funding due active inclusion of local and regional political actors and comprehensive communication activities. Regional pilot projects in both Upper Austria (IP6e) and Tyrol (implemented via CLLD in IP9d) have acted as a catalyst, potentially enabling broader regional implementation. Tailored approaches with a regional focus supported in both axes can serve as examples for other regions or as reference projects for an expanded "roll-out". Furthermore, the impulse function of the territorially-tailored projects was also strengthened by the inclusion of new topics and ideas from the EU level, primarily via the CLLD approach in Tyrol. ERDF support under PA4 and PA5 related to sustainable urban development and urban-rural cooperation led to:

- Approximately 2.34 million people living in areas with integrated development strategies (O13&CO37, aggregated),
- 80 projects in the field of sustainable urban development were supported by the ERDF (O11).

Despite these achievements, implementation and the corresponding achievement of the funding objectives is not consistently advanced across all investment priorities. Systemic aspects of the IGJ/ERDF 2014-2020 governance system affect the overall delivery of the programme [5].

- The regional focus of the programme improves the relevance of the programme, as many measures are devolved (in terms of implementation) to the federal states. However, this also leads to a heterogeneous programme with differences in administrative procedures across measures and federal states. As a learning from the 2014-2020 period, the system actors of the programme are committed to further harmonisation and simplification in the 2021-2027 period while safeguarding this "bottom-up approach" to targeting regional needs.
- This regional approach enables federal states to complement their own strategies with funding from the ERDF, resulting in specific and tailored approaches across the federal states. As such, the programme can be seen as a complementary tool to boost regional and federal strategies. However, this approach also disperses ERDF funding across many measures and, thus, can reduce ability of the OP to generate major contributions along singular objectives, rather contributing broadly to many objectives. This is most evident in the case of SME support [6] and the R&D&I support [3].
- Administrative burden for beneficiaries was noted as a reoccurring issue across all priority axes [3, 5, 6, 7], potentially reducing uptake among beneficiaries. Further simplification is planned for the 2021-2027 period, such as the use of simplified costs options.

⁵ Please note: PA4 includes a wide array of measures (e.g. also R&D&I support via IP1a and IP1b and energy efficiency advisory services via IP4e). Evaluation results related to these investment priorities are discussed in [3] and [5] and presented together in the context of this report with other thematically more aligned investment priorities of, respectively, PA1 and PA3.

Annex: Evaluations undertaken in respect of the OP concerned

Table 2: Overview of undertaken evaluations

Identifier	Brief description of measures/intervention subject of evaluation	Title	Fund(s) concerned by the eval.	TOs	Link to report
1	Synthesis evaluation, summarising the main achievements of the OP and the results of the individual thematic evaluations	Bewertungsbericht gem. Art 114 Dachverordnung [Synthesis report]	ERDF	TO1 TO3 TO4 TO6 TO8 TO9	Hyperlink
2	Evaluation of the incorporation of the horizontal principles in the ERDF financed operations.	Querschnittsthemen [Horizontal principles]	ERDF	–	Hyperlink
3	The evaluation assessed research and development support, investment and start-up support and cooperation funding. It covered the following IPs: IP1a, IP1b, IP4f	Forschung, Technologische Entwicklung und Innovation [Research, technological development and innovation]	ERDF	TO1 TO4	Hyperlink
4	Evaluation of the implemented communication strategy	Kommunikation [Communication]	ERDF	–	Hyperlink
5	Evaluation of energy efficiency and CO ₂ reduction investments and support. It covered the following IPs: IP4b, IP4e	Senkung der CO ₂ -Emissionen in der Wirtschaft [Reduction of CO ₂ emissions across the economy]	ERDF	TO4	Hyperlink
6	Evaluation of SME investment and start-up support. It covered the following IPs: IP3a, IP3d	Klein- und Mittelbetriebe [Small and medium-sized enterprises]	ERDF	TO3	Hyperlink
7	Evaluation of sustainable urban development funding, regional cooperation funding, and CLLD/LEADER. The evaluation includes the following IPs: IP6e, IP8b, IP9b, IP6d	Städtische und territoriale Dimension [Urban and territorial development]	ERDF	TO6 TO8 TO9	Hyperlink
8	Evaluation of the programme implementation; evaluation of the governance system set in place to implement the operational programme	Governance [Governance]	ERDF	–	Hyperlink