

Evaluation of RDP contribution to employment and GDP growth in Austrian rural regions.

FRANZ SINABELL

INDEPENDENT RURAL DEVELOPMENT EVALUATOR

WIFO AUSTRIAN INSTITUTE OF ECONOMIC RESEARCH

MIT UNTERSTÜTZUNG VON BUND, LÄNDERN UND EUROPÄISCHER UNION

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LE 14-20
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Outline

- Background
- Approach used to answer the CEQ 29
 - Data
 - Method
- Short summary of the main findings
- Limitations
- Recommendations for the RDP ex post evaluation in 2023

Background

General approach for impact evaluation:

- All measures and all expenditure are analysed simultaneously
- Two complementary methodological approaches:
 - econometric analysis of data at the level of municipalities
 - quantitative analyses using a farm-forestry sector model and a regional equilibrium model of Austria both at NUTS 3 level

Background – allocation of funds (plan)

Goal	EAFRD	EMFF	ERDF	ESF	ESI-funds	share in %
(1) RD	71	-	210	-	282	6%
(2) ICT	26			-	26	1%
(3) SME	650	4	166	-	820	17%
(4) low CO ₂	105	1	112	-	218	4%
(5) Climate adaption	1.233			-	1.233	25%
(6) Environment / efficiency	1.242	2	4	-	1.250	25%
(7) transport / networks	-	-	-	-	-	0%
(8) EMPL	25		10	67	102	2%
(9) POV	410	-	11	137	559	11%
(10) LLL	57	-	-	211	268	5%
(11) GOV	-	-	-	-	-	0%
technical assistance	114		20	26	160	3%
Sum	3.937	7	536	442	4.922	100%

Source: ESI Fund Report 2019 Table 3; ÖROK 2019; in Mio Euro 2014 - 2020

Background: allocation of funds by 2018

	Plan	Approvals		Payments	
Funds	EU-funds in Mio. €	EU-funds in Mio. €	implementation in % of plan	EU-funds in Mio. €	Implementation in % of plan
EAFRD	3,937	2,598	66%	2,137	54%
EMFF	7	5	71%	2	35%
ERDF	536	300	56%	87	16%
ESF	442	266	60%	115	26%
ESI-funds total	4,922	3,170	64%	2,341	48%

Source: ESI Fund Report 2019 Table 6; ÖROK 2019

Background: Regional and rural development in Austria

		2000/2016	2007/2016	2014/2016
Gross regional product	Type	Ø annual change in %		
predominantly urban	PU	+ 3.1	+ 2.5	+ 3.5
Intermediate	IN	+ 3.2	+ 2.3	+ 3.2
predominantly rural	PR	+ 3.5	+ 2.8	+ 3.5
Austria		+ 3.2	+ 2.6	+ 3.4
Gross regional product per capita				
predominantly urban	PU	+ 2.0	+ 1.4	+ 1.7
Intermediate	IN	+ 2.6	+ 1.7	+ 2.0
predominantly rural	PR	+ 3.4	+ 2.7	+ 2.9
Austria		+ 2.7	+ 2.0	+ 2.3

Source: Statistik Austria. 2019; Bock-Schappelwein and Sinabell. 2019

Approaches used to answer CEQ 29

Judgment Criteria	Indicator	Methods	Data
effect of programme on employment rate in regions	employed persons (age 15-64 and 20-64) as share of the total population in municipalities	econometric panel data analysis with and without fixed-effects	labour force survey at municipality level until 2016
effect on farm employment in regions	AWU in farm and forestry sector per NUTS-3	partial equilibrium model (PASMA)	EAA at NUTS-3 programme statistics
effect on regional employment in regions	jobs in NUTS-3	general equilibrium regional economy model (ASCANIO)	RA at NUTS-3 programme statistics

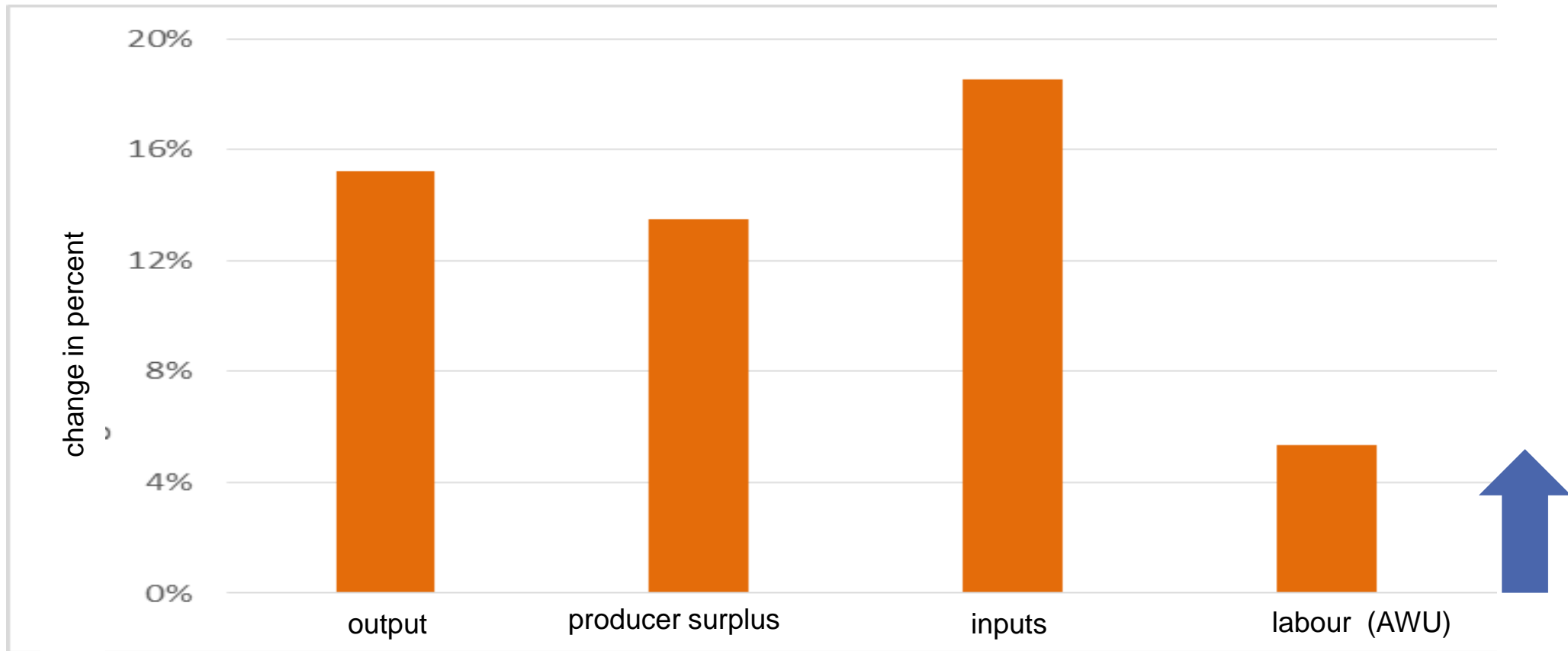
Short summary of the main findings econometric analysis: employment rate

Period 2014-2016	Growth of employment rate (age 20-64)		
	Total	Women	Men
Total	0	0	0
Compensatory payments	0	0	0
Environment	0	0	0
R&E and human capital	0	0	0
Investment and rural development	0	0	0

Short summary of the main findings econometric analysis: employment (!)

Period 2011-2016	Growth of employment (age 20-64)		
	total	women	men
Total	+	0	+
Compensatory payments	+	+	+
Environment	0	0	+
R&E and human capital	+	0	+
Investment and rural development	0	0	-

Short summary of the main findings partial equilibrium primary sector

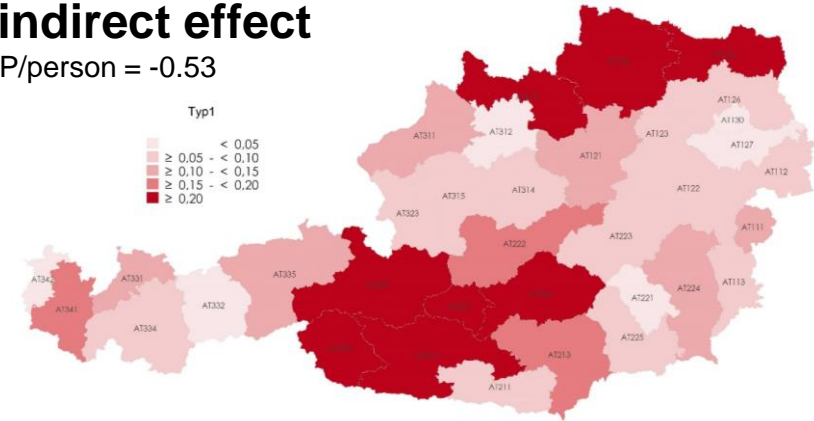


Short summary of the main findings regional growth

Payments relative to GDP
correlation with GDP/person = -0.61

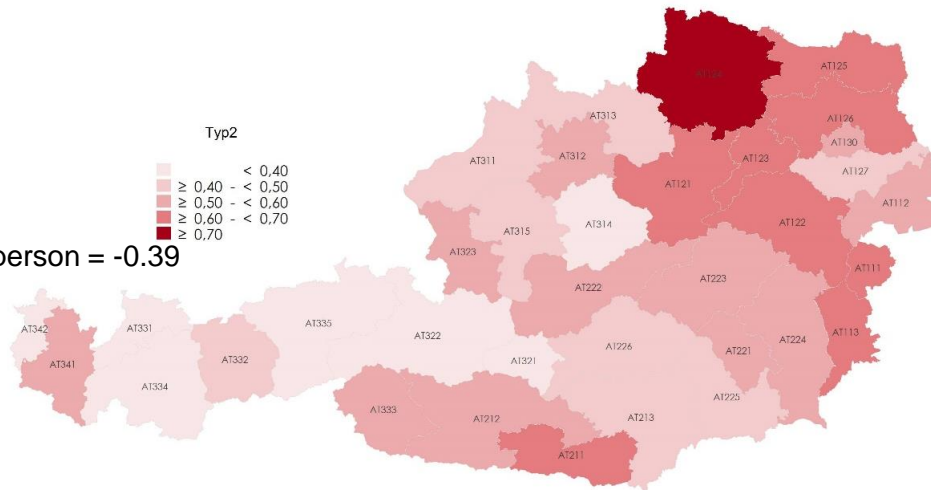


Direct and indirect effect
correlation with GDP/person = -0.53



Total effect

Correlation with GDP/person = -0.39



		GDP/capita	Type 1	Type 2
		Euro	Euro per inhabitant	
Predominantly rural	PR	34.052	55	147
Intermediate	IN	45.274	22	224
Predominantly urban	PU	45.351	19	211
AUSTRIA	AT	40.744	34	189

Main limitations of the approach

- Complementary approaches are helpful for understanding effectiveness. However, quantitative approaches do not show whole picture
- Special models for agriculture are giving additional insights. However linking it to regional model is not frictionless – better approach would be a fully integrated model
- Regional model shows that non-rural regions benefit eventually significantly. However, the findings need to be confirmed empirically
- Insights from empirical approaches are handicapped by long time lag
- Measuring causal effects is a difficult goal to achieve – programme needs to be designed in specific manners
- Indicators such as share of employment are not very well suited (because dominated by structure and almost no variance over time)

Recommendations for the RDP ex post evaluation in 2023

- Use complementary approaches – in particular to provide expertise for ongoing programmes under strategic plans
- Make explicit how ongoing programme can be improved base on findings of the old programme
- Identify methodological enhancements for the programme in place
- Make a critical assessment of the findings of mid-term evaluation and suggest small number of indicators with high value
- Do what needs to be done but broaden the scope of analytical tools and indicators that are measured

Thank you

Franz Sinabell

Independent Rural
Development evaluator

WIFO Austrian Institute of
Economic Research

franz.sinabell@wifo.ac.at

Further information:

<https://www.wifo.ac.at/pubid/61913>

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HOW TO DEMONSTRATE RDP ACHIEVEMENTS AND
IMPACTS: LESSONS LEARNED FROM THE EVALUATIONS
REPORTED IN THE AIRS SUBMITTED IN 2019. 11-12
DECEMBER 2019. SEVILLA (SPAIN)

