

UNIVERSITÀ DEGLI STUDI DI PADOVA

DEPARTMENT OF POLITICAL SCIENCE, LAW AND INTERNATIONAL
STUDIES

Master's degree in European and Global Studies



EFFECTS OF ADMINISTRATIVE CAPACITY BUILDING EFFORTS ON
MEMBER STATES' MANAGEMENT AND IMPLEMENTATION OF ESI FUNDS.

A COMPARATIVE ANALYSIS OF TECHNICAL ASSISTANCE IN ITALY AND
POLAND IN THE 2021-2027 PROGRAMMING PERIOD.

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A.Y. 2023/2024

Acknowledgements

I would like to express my sincere gratitude to the people that supported me during the completion of this thesis.

First, I extend my gratitude to my thesis supervisor, Professor Laura Polverari. I thank her for the interesting lessons through which I have developed a particular interest for Cohesion Policy. I thank her for inspiring me for this research through her excellent work on administrative capacity, for her valuable guidance and for the time dedicated to me.

Additionally, I would like to thank the employees of the Polish Ministry of Development Funds and Regional Policies for their support for the Polish side of the research.

I also thank all the interviewees for their availability, their time and for sharing their insights. Their inputs were of crucial importance for the research.

Lastly, I thank my friends and family for their support and encouragement during these years.

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LIST OF ABBREVIATIONS

ARP	Administrative Reinforcement Plans
CPR	Common Provision Regulation
EC	European Commission
EP	European Parliament
EU	European Union
ESIF	European Structural Investment Funds
GDP	Gross Domestic Product
MA	Managing Authority
MLG	Multi-level Governance
MS	Member State
NOP	National Operational Programme
NOP Gov	Governance and Institutional Capacity
OP	Operational Programme
PA	Public Administration
TA	Technical Assistance
TO	Thematic Objective
TEU	Treaty of the EU
TFEU	Treaty on the functioning of the EU

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ABSTRACT

Cohesion Policy is one of the key policies of the European Union and the Union's main investment policy, representing one third of the budget. The achievement of the policy's goals requires the involvement of a diversity of actors, across different levels of government, such as national and regional authorities but also non-governmental and civil society organisations. As such, the policy's multilevel governance and partnership-based approach require expertise from every entity involved. On the side of public institutions, a key pre-requisite is that of administrative capacity. Against the policy's complex governance arrangements, decision-making processes and operational procedures, administrative capacity has been identified as a key determinant for the policy's effectiveness. Against this backdrop, this thesis investigates the effects deriving from the administrative capacity building activities financed by the European Union under the European Structural and Investment (ESI) funds, with a particular focus on the national programmes funded by Technical Assistance in the two main beneficiary countries, Italy and Poland. An analysis of the differences between the 2014-2020 and 2021-2027 programming periods is carried out to appraise if the challenges highlighted in the *ex-post* evaluation of the 2014-2020 period have been incorporated in the design of the 2021-2027 programmes and to what effect. A comparative analysis is presented to see how the two States implement their Technical Assistance programmes in the two different administrative contexts. Administrative capacity will be analysed through the proxy of the absorption rate of ESI funds, in order to see if a change of performance has incurred between the periods under investigation and if the change can be linked to administrative capacity building.

ABSTRACT IN ITALIAN

La Politica di Coesione è una delle principali politiche di investimento dell'Unione europea, essa rappresenta, infatti, un terzo del bilancio. Il raggiungimento degli obiettivi preposti dalla Politica di Coesione richiede il coinvolgimento di attori su diversi livelli di governo come autorità nazionali e regionali ma anche organizzazioni non governative e organizzazioni della società civile. Dunque la Politica di Coesione è caratterizzata da una governance multilivello e da accordi di partenariato che richiedono capacità tecniche da parte delle entità coinvolte. La capacità amministrativa riveste, invero, un ruolo fondamentale nelle pubbliche amministrazioni. Constatate quindi le complesse procedure decisionali e operative, la capacità amministrativa rappresenta un fattore determinante per un'efficiente implementazione della Politica di Coesione. In questo contesto, la suddetta tesi esamina gli effetti derivanti dalle attività di capacity building finanziate dall'Unione europea tramite i fondi strutturali e di investimento, ponendo una particolare attenzione ai piani nazionali di Assistenza Tecnica nei due maggiori beneficiari della Politica di Coesione, Polonia e Italia. Viene condotta un'analisi delle differenze tra il periodo di programmazione 2014-2020 e 2021-2027 per verificare se le sfide identificate nella valutazione *ex-post* del primo periodo di programmazione siano state incorporate nella programmazione 2021-2027 evidenziandone gli effetti. Inoltre, un'analisi comparativa è presentata per enfatizzare come i due Stati implementino il programma e il piano nazionale di Assistenza Tecnica nei due diversi contesti amministrativi. La capacità amministrativa verrà analizzata attraverso il proxy relativo all'assorbimento dei Fondi Strutturali e di Investimento, per constatare se si sia verificato o meno un cambiamento di performance nei due Stati e se questo possa essere ricondotto alle attività di capacity building.

INTRODUCTION

Since 1989 the European Union (EU), through its Cohesion Policy, has invested 1,040 billion euros from the structural and investment funds for the harmonious development of its territory and to reduce the gap between the more advanced and the less developed regions (those with a GDP per capita lower than 75 % of the EU average), while placing also a major effort into areas geographically disadvantaged as outermost regions and depopulated areas. Notwithstanding this policy, a number of regions have been falling into development traps, and struggled to enhance their economic development and recover from crises, therefore only a partial catching up has occurred (European Commission, 2024). Indeed, regional development is not a straightforward process and identified patterns of development cannot be applied homogenously across countries expecting the same results everywhere. In addition, numerous factors within Member States (MSs) influence the policy's absorption paths in the various countries and regions of the EU, leading to different performances.

Therefore, after the allocation of funding at the beginning of the programming period through the Partnership Agreements, MSs have to demonstrate their ability to adapt to the specificities of EU funds, thus requiring a specific set of administrative capacities within the public administrations (PAs) managing and implementing Cohesion Policy. As such, administrative capacity is crucial for funding allocation, absorption of funds, quality of spending, efficiency of public administration and economic performance (Bachtler & Mendez, 2020).

The objective of the research is to investigate the effects of administrative capacity building policies funded by the ESI Fund's Technical Assistance on the administrative capacity of Cohesion Policy's two main beneficiary countries: Poland and Italy. The two States present similarities in terms of funds allocation and governance modes but are characterised by different administrative contexts and reform paths, and by remarkable differences in their ESI Funds absorption performance.

The investigation of the effective design of administrative capacity building policies will be conducted through an assessment of the differences in the two countries' approaches over the 2014-2020 and 2021-2027 programming periods, to assess if the design of the administrative capacity building strategy was driven by a thorough analysis of bottlenecks

manifested in Technical Assistance programmes in the 2014-2020 programming period. Secondly, through a comparative analysis of the 2021-2027 Technical Assistance programmes of the two the selected MSs as comparisons of policy interventions can lead to learning processes regarding successful approaches in administrative capacity building.

This dissertation is structured as follows. The first chapter provides an overview of the processes characterising policy-making and policy implementation within the EU namely Multi-level governance and Europeanisation, with a specific focus on EU Cohesion Policy. The governance mode of Cohesion Policy, characterised by shared management between the European Commission (EC) and Member State authorities, requires specific capabilities for effective management and implementation of the policy. Therefore, the chapter explores the different definitions of administrative capacity provided by the academic literature on EU Cohesion Policy and identifies a comprehensive definition and the elements characterising administrative capacity for Cohesion Policy.

The second chapter describes the relationship between administrative capacity and absorption. The chapter highlights that absorption performances are influenced by other exogenous factors that are intertwined with each other causing a complex system of causal dynamics and feedback loops. The chapter further illustrates the case selection, the research question and the research hypotheses formulated after a review of the literature on administrative and absorption capacity. Lastly, the chapter describes the methodology implemented in the research.

The third chapter focuses on the challenges linked to administrative capacity building and provides an overview of policy instruments and recommendations drawn from the literature. The chapter builds on the evidence that off-the-shelf models prove to be ineffective thus the recommendations provided should be merged to the on-the-ground needs highlighted by evaluation conducted within PAs at the national, regional and local levels. Furthermore, the chapter describes in detail the capacity building tools provided by the European Commission particularly analysing the Technical Assistance financed under the structural and investment funds.

The fourth chapter proposes an analysis of administrative capacity building measures implemented in Italy through the National Plan Technical Assistance capacity for Cohesion. A presentation of Technical Assistance in 2014-2020 and 2021-2027 is

provided to appraise the differences in the country's approach towards administrative capacity building in the two programming periods. The National Plan Technical Assistance Capacity for Cohesion in the present programming period requires particular attention as it represents a pilot for administrative capacity building through a so called financing not linked to costs (art. 37 of the Common Provision Regulation 2021/2060). As will be explained in detail in the fourth chapter, financing not linked to costs is a novelty introduced in the 2021-2027 programming period aiming to ensure more result orientation for administrative capacity building, indeed with this method EU payments are disbursed after the achievement of results and conditions.

The fifth chapter presents the strategy for administrative capacity building for Cohesion Policy adopted in Poland in the last two programming periods. The chapter acknowledges the European Parliament's positive assessment of the multi-layered system of Cohesion Policy implementation reinforced by the 3 pillars of Technical Assistance.

The sixth chapter concludes the thesis with a comparative analysis of the two case studies to emphasise successful practices and possible improvements for the Italian National Plan Technical Assistance Capacity for Cohesion and the Polish National Programme Technical Assistance for European Funds, implemented in the 2021-2027 programming period.

The last chapter is followed by the conclusions. The concluding chapter assesses the results of the empirical work presented in previous chapters, and formulates conclusions with regards to the research hypotheses presented earlier in the dissertation.

I. LITERATURE REVIEW: MULTI-LEVEL GOVERNANCE, EUROPEANISATION, COHESION POLICY MANAGEMENT AND IMPLEMENTATION.

I. I. The EU as Multi-level governance and the process of Europeanisation.

The European Union as we know it today is the result of the steps traced in the past. Historical theories of European integration have been developed by political scientists and scholars coming from international relations studies to try to explain the process and outcomes of integration in Europe (Kuhlmann & Wollmann, 2019). Thus, integration theories are theoretical frameworks to study reality by explaining what has already happened and trying to anticipate possible future scenarios. Since the beginning of the integration process, many theories have been developed to explain the creation of this *sui generis* entity, subsequently, they have been ameliorated and updated following the course of European integration. The two classical theories of European integration are Neofunctionalism and Intergovernmentalism. Without a doubt, these approaches have been crucial in the understanding of the first decades of integration, being characterised by “functional spill overs” firstly and “intergovernmental bargaining” secondly (*ibidem*). Nevertheless, according to Miller and Page “the success of a particular model is tied to its ability to capture the behaviour of the real world” in present times (2007, p.42). The complexity of the EU decision-making processes and the actors involved in them make it difficult to classify the EU either as a classic international organisation or as a domestic political system. Differently, according to the “governance approach” it can be described as a multi-level system of governance. Indeed, EU policies are the result of decision-making processes influenced by supranational entities as the EU institutions but also by sub-national interests and actors representing different territorial levels (Carney, 2012).

The governance approach is a cluster of theories sharing the common assumptions of, in the first place, rejection of State-centrism in EU multi-level policy-making, secondly, the capacity of the EU to deepen deliberation and, lastly, the need to develop a new vocabulary to describe the main characteristics of EU governance (Pollack, 2021). Differently from government, the concept of governance is not solely linked to the State; instead this word defines a framework to analyse the settings in which State and non-state actors engage through formal and informal networks at different territorial levels (Börzel,

2018). It acknowledges vertical and horizontal interactions that can broaden, thus not limit or jeopardise, political responsibility if respectful of basic principles of public governance such as openness, accountability and effectiveness (Chrabaszcz & Zawicki, 2016).

According to Piattoni (2010) Multi-level governance (MLG) must be ontologically studied under three analytical levels: political mobilisation, the policy-making arrangements and the State structures characterising the polity. Looking at political mobilisation in the EU, specifically after the 1988 landmark reform of Cohesion Policy, Member States (MSs) were starting to lose their gatekeeping functions in the Brussels arena that started to be influenced by non-national state authorities and non-governmental organisations. Secondly, policy-making in the EU can be structured according to different policy modes, for instance, the classical Community method, the regulatory mode, the distributional mode, policy coordination or intensive trans-governmentalism (Wallace & Reh, 2021). Lastly, the previously described processes, through an incremental accumulation of the transformations occurring in political mobilisation and policy-making led to an actual transformation of the States *per se*. In particular, differences can be underscored in the redefinition of the dichotomies, on the one hand, between centre and periphery and, on the other, between domestic and international matters.

The first delineation of the concept of MLG can be found in the work of Gary Marks on the implementation of EU structural funds (Marks, 1993) and Liesbet Hooghe's work that was focused on Cohesion Policy and the mobilisation of sub-national actors (Hooghe, 1995, 1996). Indeed, in 1988 one of the main reforms of Cohesion Policy bound MSs to involve sub-national authorities in the design of the plans to be implemented on the ground. Importantly, the reform of Cohesion Policy indirectly led to the creation of regions even in States where they did not exist before. Moreover, the role of regions has further been recognised by the establishment of the European Committee of the Regions even if at the beginning only with advisory competences on regional matters (Schakel, 2020).

Regions hold an important role as policy implementers, indeed the principle of subsidiarity codified in art. 5(3) of the Treaty of the European Union (TEU) foresees the sharing of powers between several levels of authority. The involvement of the regional

level in the management of Cohesion Policy, through operational programmes is a paradigmatic example of MLG. Importantly, meso-level governments have increasingly gained space in the policy-making processes, for example as aggregators of policy interests but also as important levels from which to develop place-based approaches (Piattoni & Polverari, 2016).

The concept of MLG has evolved over time, emphasising the need to strengthen collaboration and a place-based approach, as many policy issues cannot be tackled by a single governmental level but require a multiplicity of interconnections, thus redefining the context of decision-making. At the European level, EU institutions, for instance the European Commission through its White Papers, have stressed the importance of multilevel governance and partnership to achieve EU's objectives (Potluka & Liddle, 2014).

Conceptually the governance approach has been criticised for its inability to predict further developments of EU integration and the lack of explanation of causality (Stephenson, 2013). Nevertheless, it never had this ambition, the governance approach tries to find a new vocabulary to describe the situation as it is (Kuhlmann & Wollmann, 2019). However, it must be highlighted that MLG increases complexity in policy-making given that it is a multiple-hands approach requiring cooperation and coordination among the different levels, capacity for efficient delivery and accountability (European Committee on democracy and governance, 2023).

The Europeanisation process has been complementary to the development of the EU as a MLG and has provided another lens to analyse multi-level dynamics taking place. One of the most agreed-upon definitions of Europeanisation is the one formulated by Radaelli (2003, p. 30) that defined it as a series of “Processes of (a) construction (b) diffusion and (c) institutionalization of formal and informal rules, procedures, policy paradigms, styles, ‘ways of doing things’ and shared beliefs and norms which are first defined and consolidated in the making of EU decisions and then incorporated in the logic of domestic discourse, identities, political structures and public policies”. This definition encompasses both hard institutional changes, deriving from the direct applicability of EU regulations, for example, but it also makes reference to the cognitive dimension of the learning mechanisms enhanced by Europeanisation (Jaansoo, 2015) and the effects other soft

measures such as benchmarking and the sharing of best practices that may produce changes within MSs (Wach, 2016). For instance, strategic planning and evaluation have been strengthened or even introduced in the MSs as part of Cohesion Policy implementation thus contributing to spreading a new institutional culture (Bachtler et al. 2014).

Indeed, the term Europeanisation does not have to be seen as a synonym of European Integration, instead, it highlights how EU institutions and policies can influence PAs and policy-making processes within Member States but also *vice versa* (Stephenson, 2013).

Different approaches have been developed to explain the Europeanisation process (Kuhlmann & Wollmann, 2019). Firstly, the “Top-down” approach focuses on which changes have been introduced in Member States and national PAs to respond to the needs linked to the national coordination of EU policies, and which adjustments had to be made to guarantee efficient implementation of EU legislation (Dobric' Jambrovic' & Maresic', 2020). The “Top-down” approach was further influenced by Wayne Sandoholtz (1996) who analysed how the EU influences MSs, underlying also the possibility to enforce coercive mechanisms thanks to the creation of autonomous institutions that may initiate procedures against MSs in case of noncompliance with EU law, paradigmatically the European Court of Justice (Wach, 2016).

According to Buller and Gamble (2002) Europeanisation transforms voluntary or involuntary and directly or indirectly aspects of domestic policies. Furthermore, Knill and Lehmkuhl (1999) have identified different “mechanisms of Europeanisation” stemming from: “positive integration” characterised by the delineation of rules or criteria by the Institutions that have to be followed by the MSs, to “negative integration” which entails the elimination of any obstacle to the implementation of EU policies (Bandov & Herceg Kolman, 2018). However, it must be underlined that this approach perceives MSs as passive recipients of EU policies and ignores the interactions among different national actors and stakeholders with the supranational level.

The second strand of Europeanisation researched how the changes induced by the Europeanisation process have impacted the performance of the national administrations (Falkner et al. 2005). Lastly, the circular Europeanisation approach or cross-loading approach (Howell, 2005) underlines the complexity characterising the EU as a MLG and

thus acknowledges the impact of national actors and domestic policy preferences on the formulation of EU policies, indeed Europeanisation is seen as a simultaneous process of “uploading” and “downloading” (Wach, 2016). This two-way process presents actors the opportunity to national and regional to shape EU-level arrangements according to their interests, proposing favourable regulatory styles that they would be keener to implement at the national level (Hang, 2011).

Bachtler, Mendez and Oraže (2014) have also distinguished between different mechanisms of adaptation of the national context to the European one principally based either on rationalist mechanisms of adaptation based on power and interests or sociological ones driven by learning.

Additionally, when looking at the effects produced by the process of Europeanisation, Dobrić Jambrović and Maresić highlighted different types of changes that may take place in the MSs in particular in the political processes. In particular, they underscored a functional aspect affecting public policies and a structural dimension involving changes in the political structures and polity (2020). However, the degree of Europeanisation impact may vary across MSs, also according to the level of adaptational pressures present in each context. In fact, the degree of EU impact in functional terms has been analysed under the hypothesis of the “goodness of fit” (Risse et al. 2001). Adaptational pressures vary depending on the institutional settings, rules and practices of the territory. A high degree of “misfit” between European institutions and the compatibility of national institutions may lead to a high adaptational pressure that however is influenced by many mediating factors that may hinder or deepen the process of Europeanisation: multiple veto points, political and organisational cultures and the presence of a learning culture (Graziano & Vink, 2013, p. 41).

Chronologically, the first studies on Europeanisation have mainly focused on how MSs have been impacted by the EU membership considering that they shaped the European integration process, ceding powers to the established supranational institutions through the Treaties (Papadimitriou & Phinnemore, 2004). However, after the 2004 enlargement, the literature has analysed how national reforms in EU candidate countries have been shaped by the Copenhagen criteria (Surubaru, 2017). Those countries had to change their political systems and adapt their PAs for acceding the EU and for incorporating the *Aquis*

Communautaire, thus being highly shaped by the process of Europeanisation through a model of external incentives based on conditionality (Jaansoo, 2015).

Recently, during the Covid-19 pandemic, a new Europeanisation process has been underscored. Particularly “coordinative Europeanisation” has been defined as a bottom-up process that sees MSs highly involved in the policy-making process from the early stages of the policy cycle also through informal meetings (Ladi & Wolff, 2021, p.4). Coordinative Europeanisation has governed the decision-making process of the RFF as a fast policy process was necessary given the health situation (Polverari, 2024). The EU also had to demonstrate its ability to respond quickly and efficiently to unexpected circumstances (*ibidem*). This process has been characterised by “discursive coordination” and persuasion of ideas, this allowed to reach important decisions in a limited time-frame (Ladi & Wolff, 2021).

I. II. The management of Cohesion Policy, a clear example of Multi-level Governance.

I. II. I. Cohesion Policy rationale and historical evolution.

Cohesion Policy is the largest territorial development policy in the world aimed at reducing disparities among regions. Since 1989 the EU has invested 1040 billion euros for harmonious development via the European Structural and Investment funds (ESIF) (New Cohesion Policy, 2024). In particular, economic and social cohesion is expected to be achieved through the reduction of the gap between more and less advanced regions, where the less developed regions are those with a GDP per capita lower than 75 % of the EU average, as well as through the support provided to geographically disadvantaged areas as outermost regions and depopulated areas.

Presenting a redistributive aim, the policy is an expression of the principle of solidarity expressed in Article 3 of the TEU and its legal basis can be found in Article 174 of the Treaty of the Functioning of the European Union (TFEU) which states that “in order to promote its overall harmonious development, the Union shall develop and pursue its actions leading to the strengthening of its economic, social and territorial cohesion. In

particular, the Union shall aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions.”

The European territory is very diverse in terms of territorial characteristics, GDP, employment rates, people at risk of poverty and social exclusion. In particular, in the EU economic development has tended to develop in central and urban areas as capital cities foster a phenomenon of polarisation (European Commission, 2024). Regional development is not a straightforward process and identified patterns of development cannot be applied homogeneously across countries expecting the same results everywhere. In Europe, a growing number of regions have been falling into development traps struggling to enhance economic development and recovering from crises. Other challenges can be linked to the ageing of the population and the difficulty to retain human potential in the territory (European Commission, 2024). European cohesion acquires paramount importance because EU laws are implemented in MSs, if too significant differences in terms of development are present among regions it might be difficult to achieve EU goals and objectives.

The policy has been “institutionalised” and “constitutionalised” over the European integration process (Gloazzo, 2019). Since the establishment of the European Economic Community, the harmonious development of MSs and their regions has become a goal. Indeed, this can be underscored in the preamble of the Treaty of Rome of 1957 as one of the identified aims of the newly established Community was “reducing the differences existing between the various regions and the backwardness of the less favoured regions.” However, it was not until the mid-seventies that the first concrete actions to reach this objective were implemented. In fact, the Treaty did not foresee the creation of an European Cohesion Policy as regarded as too ambitious and divisive (Bachtler & Mendez, 2020). In particular, MSs were unwilling to cede competences in this policy area for several reasons. Firstly, regional policies were not developed in all MSs at the national level thus it was too ambitious to develop a strategy at the supranational level. Additionally, MSs believed that interregional trade would have smoothed out regional disparities and backwardness. Moreover, the Fifties were characterised by a strong trust in the capacity of the World Bank to revive underdeveloped contexts (Manzella & Mendez, 2009).

Nevertheless, the European Investment Bank was established in 1957 and in the same year also the European Social Fund was adopted. The fund was dedicated to the support of workers' mobility and their requalification in most rural areas and was later followed in 1962 by the European Agricultural Guidance and Guarantee Fund. The European institutions, especially the European Parliament (EP) and the EC strongly agreed upon the need to create a common European Regional Policy, and the EC in 1968 created the Directorate-General for Regional Policy.

Major international events such as the 1973 oil crisis and the accession of the UK, Ireland and Denmark to the EEC provided a window of opportunity to introduce to the European agenda the formulation of a fund supporting regional industries and infrastructures. Moreover, the UK upon accession became a net contributor of the Community's budget and required economic benefits to be visible in order to persuade sceptical British public opinion (Brunazzo, 2016).

The European Regional Development Fund was established in March 1975, however with little budget and a limited European added value as it was controlled by MSs in accordance with their regional policies (European Commission). Further developments have been incentivised by the accession of southern European countries as Spain, Greece and Portugal. The new MS presented many areas lagging behind, with a GDP per capita lower than 75 % of the Community average, thus new fears were spreading concerning the efficient functioning of the Single Market (Piattoni & Polverari, 2019).

But also, the Single European Act in 1986 listed economic and social cohesion as goals. Article 130a of the Single European Act stated: "In order to promote its overall harmonious development, the Community shall develop and pursue its actions leading to the strengthening of its economic and social cohesion. In particular, the Community shall aim at reducing disparities between the levels of development of the various regions and the backwardness of the least-favoured regions, including rural areas". The 1988 marked the recognition of Cohesion Policy as a core European policy being from that moment ruled by several principles: the principle of concentration that requires narrowing down the support to specific policy objectives, the programming principle foresees an holistic vision specified through multiannual strategies, the partnership principle requires cooperation with subnational governments and stakeholders especially with what

concerns programme's design and implementation, the principle of additionality states the EU added value of the policy as it has to be complementary to domestic resources (Bachtler & Mendez, 2020). Finally, in 1988 the reform doubled the financial resources augmenting the credibility of the policy.

The Maastricht Treaty signed in 1992 confirmed the centrality of Cohesion Policy by foreseeing the creation of the Cohesion Fund dedicated to MSs whose national income per inhabitant was less than 90 percent of the EU budget. Furthermore, this reform strengthened the EC's role in Cohesion Policy conferring to her the right to propose solutions to strengthen EU's economic and social cohesion (Brunazzo, 2016). All the successive reforms added new policy tools and principles to the governance and management of Cohesion Policy, considering the situation and the priorities of the different programming periods (Surubaru, 2017). For instance, the revision adopted in prevision of the Eastern enlargement were designed considering that the list of net recipients would have grown to the detriment of net contributors.

The 1999 reform foresaw the establishment of a Managing authority (MA) for every programme and introduced the n+2 rule, that required the spending of the committed funding within the two following years after the end of the programming period otherwise the funding would have been lost (Baun & Marek, 2014). This was particularly important to ensure a control on the financial management of ESIF by MSs, in fact increases to Cohesion Policy budget augmented also the possibility of funds' dispersion (Arnautoglou, 2022). However, the concentration on spending efficiency has proven to be counterproductive especially during the 2000-2006 period. There was an excessive focus on financial absorption at detriment of quality of investment thus further reforms tried to reverse this drawback and strengthening the effectiveness of investment (Piattoni & Polverari, 2019). This was particularly important when a growing literature on the effects of Cohesion Policy started to address the inefficiency of the policy in terms of GDP growth. Some of the identified challenges can be linked to organisational and governance aspects of the policy that make it a complex policy to monitor and audit. Moreover, institutions have often been more focused on the respect of the process than on the results to be achieved.

The 2014-2020 programming period presented many novelties in the structure of Cohesion Policy in the light of the evaluations of the previous programming period that highlighted low absorption rates and lacking administrative capacity. The focus was moved to the promotion of a result-orientation approach qualified by *ex-ante* conditionalities and an increased importance attributed to monitoring, reporting and evaluation (McMaster et al. 2019). However, the policy has been contested for not giving enough attention to the different capabilities of the regions (European Commission, 2024). As a case in point, the “Smart specialisation” approach, that aims to exploit the full potential of regions, has failed to produce the expected results (Di Cataldo & Monastiriotis, 2018). Specifically, in this approach, regions need to act as policy entrepreneurs and identify development drivers, this was possible and efficiently implemented in already highly industrialised regions and not in the ones with a lower GDP, contributing to widening the gap (Polverari et al. 2024).

As highlighted, an evolution of Cohesion Policy to changing priorities and diverse needs of MSs can be underscored. Furthermore, over time, the policy has expanded its remit and started to become instrumental to the support of other strategies for instance the Europe 2020 strategy or the European Green Deal (Piattoni & Polverari, 2019). The progressive expansion of objectives beyond regional catching-up has increased the possibility of the presence of trade-offs between the Treaty objective of regional development and thematic objectives of the specific Programmes (*ibidem*). In the 2021-2027 programming period minimum amounts of the funding have to be deployed towards innovation, green transition, youth employment, for the abolition of child poverty and for the support of most deprived persons. Specifically, the objectives have been reduced to five: a more competitive and smarter Europe; a greener, low carbon transitioning towards a net zero carbon economy and resilient Europe; a more connected Europe, a more social and inclusive Europe; a Europe closer to citizens (European Commission, 2024). The specificities introduced in the Common Provision Regulation 2021/1060 (CPR) establishing the regulatory framework for the 2021/2027 programming period will be discussed in the next chapters of the present work. To continue, it is important to understand the governance mode of Cohesion Policy in order to identify the possible difficulties of the policy in attaining the expected results.

I. II. II The key role of Public Administrations in managing Cohesion Policy.

Cohesion policy can be defined as a “meta-governance tool for horizontal policy coordination and integration [that] involves all levels of government, from the EU to local, alongside stakeholders from the private and third sectors in multi-level governance partnerships” (Bachtler et al. 2013). MLG within Cohesion Policy is particularly relevant not only during the design of National and Regional operational programmes but also for the implementation of the policy through projects. The funds financing the policy in the 2021-2027 programming period are the European Regional Development fund (ERDF), the European Social Fund (ESF), the Cohesion Fund (CF) and the Just Transition Fund (JTF). Cohesion Policy is programmed within the EU budget every seven years, through the form of programming periods (Gloazzo, 2019). It is carried out through shared management between the EC and national or regional authorities of MSs or within NUTS-2 regions belonging to different States to enhance transnational and interregional cooperation (Leonardi & Nanetti, 2011).

The Policy’s budget and legislative framework are jointly decided by the European Parliament and European Council based on the proposal presented by the European Commission; at the end of the legislative process, the Common Provision Regulation is adopted. The latter contains provisions regulating the funds constituting Cohesion Policy and regulations for each specific fund are adopted simultaneously. The total amount devolved to each country varies according to the GDP level of the country thus also the co-financing rate varies. Subsequently, Partnership Agreements are designed by the MS, relevant regional authorities and stakeholders; within the Partnership Agreements the MS specifies the arrangements for investing the funds, the list of National and Regional Programmes that are going to be carried out and which bodies are going to manage the funds (Arnaoutoglou, 2022). Indeed, the European Code of Conduct adopted in 2014, reinforced the importance of the partnership principle that entails that each MS must develop partnerships that involve local and regional authorities as well as universities, economic stakeholders and social partners in the design and implementation of Operational Programmes (OPs) (Zeitlin, et al, 2023).

OPs are detailed plans in which MSs specify the exact allocation of funds to the selected priorities. National Operational Programmes can be managed by national Ministries and departments while Regional OPs by specific departments within regional administrations. It is EC's role to approve the latter and to accept all the changes submitted from the MSs to the Partnership agreement and OPs. MSs decide the governance arrangements for the implementation of OPs (Casula, 2022). Indeed, the way the policy is managed across territorial levels varies across MSs depending on their level of decentralisation, indeed, three modes of Cohesion Policy management have been identified, encompassing: a centralised model, a decentralised model and a shared one (Bachtler et al. 2006). Decentralised States feature self-governing regional authorities with a high level of authority, as Spain or federal States as Germany and as far as Cohesion Policy is concerned, they take responsibility for its implementation (Gorzalak et al. 2017). The decentralisation of tasks from the central level is directly connected to the subsidiarity principle and it might take the form of administrative delegation, fiscal or political delegation. A well-coordinated inter-institutional performance is of paramount importance as the devolution of competencies to the local level contrasts the centripetal forces that tend to focus all the competences at the national level, in this way local levels are empowered, and this has benefits in terms of place-based strategies. Furthermore, it has been demonstrated that citizens rely more on and have more trust in local institutions (European Commission, 2017). Also, Leonardi and Nanetti distinguished different types of stakeholders' involvement according to different political regimes (2011). For instance, in Federal States an "equal status" partnership is established, indeed the principle is embedded in the institutional structure. On the other hand, in Regionalised States the partnership is described as "consultative" as the national and regional level have their own competencies but work synergistically. Instead in Centralised States a more "top down" approach is reiterated and lastly "differentiated partnerships" can be underscored in Asymmetrical States presenting aspects of consultative partnerships in some territories and top-down approaches in others that aim to achieve the objectives of the single Programme they are part of, always in line with the European priorities.

Every State decides upon the creation of intermediary bodies in charge of the management of the Programmes, in particular: MAs, Certifying Authorities, Audit authorities and each programme must establish a Monitoring Committee in charge of the revision of the sound

management and implementation of the programme (European Commission, 2024). In most countries, the management of EU funds is carried out by PAs but in some countries, as Germany or Romania, they are assigned to technical bodies with NGOs status (European Commission, 2016). This choice has to be made taking in consideration administrative structures and the level of autonomy of a regional or local PA. Moreover, the size of the budget within a programme influences this choice as smaller programmes management is more likely to be assigned to regional authorities (*ibidem*).

In fact, Managing Authorities (MA) are responsible for the management of the programme and its implementation. The structure and tasks of these authorities have changed and evolved together with the changes of the policy (European Commission, 2024). They establish public procurement processes for selecting the beneficiary projects of the Programmes through calls for projects (Arnaoutoglou, 2022). They check the consistency of the activities with the formulated EU requirements but also with national rules and procedures. They must not only ensure and control the adoption of the Partnership principle but also the accuracy and legality of the payment transactions. Additionally, they have an important role *in itinere* evaluation and *ex post* evaluation at the end of the programming periods (Piattoni & Polverari, 2019). The MA constitute a link with the EC as they report five times a year the progress of programme's implementation (Schout, 2024). MA may decide to delegate some of their functions to Intermediate bodies as regional or local authorities and other public or private entities.

Certifying authorities verify and submit interim payment applications to the EC and maintain the computerised accounting records. On the other hand, Audit authorities are independent bodies that approve the legality of spending. As stated in the 2021-2027 Common provision regulation, the audit opinions should ensure the legality and regularity of the declared expenditures, the effective functioning of the management and controls systems and the accuracy of the accounts. Moreover, they also check the legality of the procedures carried out by the Managing authority. They are themselves scrutinised by the EC and the European Court of Auditors (OECD, 2020).

All the aforementioned bodies are responsible for the timely absorption of the funding, for the legality and straightforwardness of the procedures and for the achievement of the intended results thanks to the selection of the right projects in which they decide to invest

(Mendez & Bachtler, 2022). Hence, the delivery of Cohesion Policy objectives is tightly linked to the bureaucratic performance of MS's PAs. For this, organisational structures are crucial to avoid implementation gaps, and these structures have to be stable so as not to lead to a loss of knowledge acquired through time (Casula, 2022). Therefore, administrative capacity is crucial both at the central and regional or local levels to ensure an effective and efficient delivery of EU funds and implementation of EU policies (Ferry, 2021).

I. III. Administrative capacity: a literature review.

In the previous paragraph administrative capacity of MSs' PAs has been identified as a crucial determinant for the implementation of EU policies. In order to proceed, there is a clear need to provide a precise definition of administrative capacity and to unpack the different elements composing it.

Indeed, in the past, the concept of administrative capacity has been often looked at through the lenses of institutional capacity or good governance (Polverari, 2020). For instance, aspects external to public administration as political stability or levels of corruption have been detected as components characterising administrative capacity when they might only have an impact on it. For instance, Savoia and Sen (2015) frame administrative capacity alongside other State's capacities as the fiscal one or the military one, using indicators as Rule of Law and government effectiveness to measure it. Lodge and Wegrich englobe within administrative capacity also States' regulatory capacities and policy-makers' analytical capacities (Lodge & Wegrich, 2014). Also, the toolbox for public administration practitioners, formulated by DG EMPL, while wanting to test the quality of Pas in MSs erroneously framed administrative capacity as good governance (European Commission, 2017).

On the other hand, also too narrow categorisations have been developed focusing only on micro-level aspects, neglecting interdependencies, evolutionary paths or path dependency these definitions might be misleading too (Olejniczak, et al. 2015). Hence the need to

identify a definition of administrative capacity that clearly states what are its internal components.

Administrative capacity has been reconducted to the specific abilities, organisational structures and competences of PAs. As a case in point, Nelissen (2002, p.12) defines administrative capacity as “the degree to which the new types of governance are successful in handling societal and administrative problems for which they have been created” and identifying different types of administrative capacity that can be short or long term, formal or informal, planned or spontaneous, either local or regional or national. Other early definitions are the ones provided by Polidano and Bowman and Kaernev as cited by Piattoni and Polverari in their 2022 article. Polidano defines administrative capacity as “the ability of the permanent machinery of government to implement policies, deliver services and provide policy advice to decision-makers” (Polidano, 2000, p.85). Instead, Bowman and Kearney frame administrative capacity as “the ability to respond effectively to change, make decisions efficiently, effectively, and responsively; and manage conflict” (1988, p. 346). In their article, Goyal, Tan and Saguin (2018, p.8) operationalised administrative capacity at two levels: the “macro-level” that entails the capacity possessed by policy actors in national and meso-level governments that have “the capacity to identify, formulate and implement policy decisions and ensuring the uniformity of implementations”. Differently, the “meso-level” is composed by organizational departments within ministries or local PAs that manage and implement programs or policies. In the interpretation provided by El-Taliawi and Van Der Wal (2019) administrative capacity refers to “the ability of the government to manage its human and physical resources to deliver on its objectives” therefore no specific characteristic pertaining to civil servants is mentioned. At the international level, the World Bank and the Organisation for Economic Cooperation and development define administrative capacity as Institutions’ ability “to perform functions, solve problems and achieve objectives” (Bachtler et al. 2024).

The difficulty to define the concept can be reconducted to the fact that it is used to describe processes on different territorial scales that vary also within MSs as highlighted by the research conducted on Campania and Apulia regions by Terracciano and Graziano (2016). It has also been suggested to distinguish between capacities needed in capitals or big urban areas and the ones pivotal in smaller and rural areas as the different specificities

of the places may require different administrative capacities (Martin, 2010). Moreover, within the EU, different administrative traditions coexist, for instance the continental European Napoleonic Model and the Central Eastern and South Eastern Napoleonic models have different administrative histories, those have certainly had an impact on the structures and the processes carried out by PAs (Piattoni & Polverari, 2022).

I. III. I. Administrative capacity for Cohesion Policy.

One of the first definitions of administrative capacity in the European context is the one proposed by The Netherlands Economic Institute (NEI) that was formulated in light of the enlargement process in 2004 with reference to New MSs ability to manage ESIF. In the report administrative capacity is identified as “the ability and skill of central and local authorities to prepare suitable plans, programmes and projects in due time, to decide on programmes and projects, to arrange the co-ordination among principal partners, to cope with the administrative and reporting requirements, and to finance and supervise implementation properly, avoiding irregularities as far as possible” (Netherlands Economic Institute, 2002, p. 4). A set of benchmarks and indicators for measuring administrative capacity were developed looking at some of the main Cohesion Policy net beneficiaries, in particular Ireland, Spain, Germany and Portugal. The needed cornerstones for the effective management of EU funds were reconducted into three aspects: structures within PAs, human resources and systems and tools necessary for monitoring and evaluation. For each phase of the management and implementation of EU funds process, the authors developed a set of indicators to assess the performance of PAs. Nevertheless, it must be argued that this presents some drawbacks, first of all, because the process is seen as a linear one while, in reality, it presents many feedback loops and synergies among actors and some phases take place simultaneously (Smeriglio, et al., 2015). Another critique brought up to this study is that it equated administrative capacity to absorption capacity, dividing it into macroeconomic absorption capacity, administrative absorption capacity and financial absorption capacity (*ibidem*). As will be demonstrated in the following chapters, administrative capacity presents different dimensions, and thus it must not be reduced only to absorption capacity.

Bachtler et al. have added to the already identified internal components of administrative capacity also other two components: the openness of the system to new knowledge and a strong leadership characterised by goal setting and motivation (Bachtler et al. 2024). They have also identified the external aspects that influence the ability of PAs to achieve the already set goals. In particular, the regulatory quality of the State, whether governance is centralised or not and the political influence on PAs but also path dependency in administrative procedures and traditions (*ibidem*).

For what concerns Cohesion Policy, different competences are required in order to efficiently and effectively implement ESI funds. Particularly, “operational competencies” necessary to perform the tasks conferred to PAs in the programmes, “professional competencies” and “management competencies” are the ones that have been identified in the EU competency framework elaborated by DG REGIO (EY, 2017). In this framework, structures are identified as one of the most important elements of administrative capacity, since the clarity of the division of tasks but also the quality of cooperation and coordination greatly affect the performance of PAs. Additionally, the structures have an impact on the overall tasks and competencies needed in the specific PA, since, for example, an employee in a small organisation, may cover more roles contrary to the employees in bigger PAs as they tend to be more specialised. Nevertheless, proficiency levels also depend on the experience within the structure and the learning culture developed (EY, 2017).

Moreover, different capabilities are required throughout the policy cycle (Polverari, 2020). The design phase must necessarily be anticipated by an analysis of the needs and opportunities within the territory, this requires analytical capacities and knowledge of *ex ante* evaluation approaches. The financial management of the programme requires competences relating to public procurement, simplified cost options and financial rules specific to the single programme as the co-financing rates. Additionally, monitoring activities must be carried out across the whole seven-year programming period, this entails the ability to establish a well-designed monitoring system based on relevant indicators.

Evaluation is a particularly important step that requires specific competences lacking in some PAs. Evaluations are conducted by the EC and MSs that can decide to carry it out

“in-house” or outsource it to external companies. However, it must be noticed that external evaluators might lack contextual knowledge and might even smoothen their findings to please the clients (Pellegrin et al. 2020). In either case, public servants must possess technical competences and must know how to develop an evaluation proposal, setting clear and relevant research questions.

The EC provides methodological guidance with written documents but also by organising conferences and networking activities. As foreseen by the Common Provision Regulation of the current programming period MSs must conduct a mid-term evaluation by the end of 2024 and finalise by June 2029 an evaluation for each of their programmes (New Cohesion Policy, 2024). Evaluation should be a learning tool, however most of the time this knowledge fails to be incorporated within the policy-making process. This may be due to inadequate requirements, in terms of timing for example, limited resources but might also be related to a low evaluation culture that increases the perception of evaluation activities as bureaucratic requirements (Pellegrin et al. 2020). At times, the preferred source of information on what works in the Programme is direct contact with beneficiaries, nevertheless, this may lead to an “availability heuristic” when the overall management and implementation of the programme are deducted by personal experiences (Olejniczak et al. 2017). The last phase of Cohesion Policy cycle can be identified in the communication activities carried out to inform citizens, beneficiaries and stakeholders on the results achieved by the projects or programme.

All this considered, it is better to talk about administrative capacities using the plural form (Polverari, 2020). In light of the above, administrative capacity is crucial for funding allocation, absorption of funds, quality of spending, efficiency of public administration and economic performance (Bachtler & Mendez, 2020).

II. ABSORPTION AS A PROXY OF ADMINISTRATIVE CAPACITY: ANALYTICAL FRAMEWORK AND METHODOLOGY.

II. I. Administrative capacities across the EU, are performance indicators needed?

In the last two decades, the desire to develop comparative indicators that are able to capture the similarities and differences within European PAs has been at the centre of public administration studies. International organisations as the World Bank¹ and the OECD² have developed several sets of indicators, however both attempts presented drawbacks, indeed measurement of public administration performance was made difficult by imprecise definitions that lead to approximate indicators (Heichlinger et al. 2018).

The European Commission, in the publication “Measuring Public Administration: A feasibility study for better comparative indicators in the EU” (2018), suggested to conduct an analysis of PAs performance focusing on sub-themes as it eases assessment and comparison. Furthermore, citizens’ perception of PA services are certainly important. However, they can tell little about the functioning of the latter and how to improve the processes at stake. Instead, it might prove to be useful to analyse employees’ perspectives even if they might not be entirely objective on the topic being investigated as they are part of it. The assessment of PAs performance is necessary to map administrative capacity at the local and national level and to develop strategic and targeted improvement plans.

II. II. ESIF absorption rates in the EU: a proxy of administrative capacity.

The capacity to absorb funding is the *condicio sine qua non* to achieve the economic and social cohesion foreseen as goals from Cohesion Policy (Moreno, 2020). Indeed, in order to implement Cohesion Policy MSs have to demonstrate their ability to adapt to the

¹ The World Bank Governance Indicators were developed in 1996 and today cover 200 Countries. One of the identified drawbacks of this set is the broadness of the definition of governance chosen leading to difficult comparison.

² OECD’s Government at a Glance report, a biennial publication, presents indicators focusing on public administration tasks as budgeting, procurement, digitalization however most of the data comes from self-reporting made by country representatives consequently the national administration might lack of a heuristic and impartial overview of the public sector.

specificities of EU funds, thus requiring a specific set of administrative capacities within PAs (Marin, 2019). Indeed, as previously emphasised, MSs in the management and implementation of Cohesion Policy need to maximise the funds' implementation rates while minimising irregularities, but they also need to spend these funds strategically (European Commission, 2017). This paragraph will focus on States' and regions' abilities not only to disburse funding but also to spend it efficiently, analysing the proxy of absorption rates of ESIF and explaining how it is linked to the administrative capacity of the PAs managing EU funding.

Absorption capacity for Cohesion Policy has been defined as “the extent to which a Ms is able to fully spend in an effective and efficient way the allocated financial resources from the Structural Funds” (Boot et al. 2001). Nevertheless, it must be noticed that the absorption rate of expenditure is able to identify only to a certain extent the efficiency and effectiveness of the allocation of funding. The proposed definition may be too ambitious as investments in not very innovative projects may be efficient but not effective. Another definition of absorption capacity is the one proposed by Zaman and Georgescu (2009), who describe it as “the ability to co-finance the programs and projects supported by the EU, to plan and guarantee these national contributions in multi-annual budgets, and to collect contributions from the partners involved in various programs and projects”.

Wostner identified four sub-categories of absorption capacity with respect to Cohesion Policy (Wostner, 2008, p.7). Firstly, “real absorption capacity” refers to the ability of policy-makers and administrators to understand the real needs of the addressed area and assess whether factors of production can be obtained to achieve the intended goals. Secondly “financial absorption capacity” highlights the importance of identifying investments also from the private and public sectors as projects will be co-financed by the EU. Subsequently, “programme and project absorption capacity” identifies the competencies held by civil servants that have been conferred the task of managing the OP and selecting the projects. Linked to the latter is the last component, namely “administrative absorption capacity” pertaining to the ability of the PA to carry out public procurement actions, evaluation and monitoring within the policy cycle.

One of the latest contributions on absorption capacity is the one made by Ciffolilli and Pompili who, in an extensive study on absorption rates of Cohesion Policy funds requested by the REGI Committee, define absorption rates “as the percentages of EU funding that have been paid by the EC to MSs’ Operational Programmes” (Ciffolilli et al. 2024, p. 13). All this considered, the absorption capacity of PAs is linked to the quality of execution of the whole policy cycle from calls for project planning to project selection and monitoring (Cunico et al. 2023).

It must be highlighted that the “absorption gap” may result from the sum of two components, public administration’s absorption capacity but also beneficiaries’ responsiveness to project calls and their design and implementation capabilities (Cunico et al. 2023). Indeed Kersan-Skabic and Tijanic distinguish between supply of funding and demand for funding as factors that affect the overall absorption performance of MSs, indeed sub optimal absorption can derive also from beneficiaries’ lack of interest in the specific area to which the funding is allocated (Kersan-Skabic & Tijanic, 2017).

Absorption performance can be measured relying on different indicators; for instance, contraction of allocated funding, intermediate or final payments transferred from the EU to MSs as a result of a correct fulfilment of Cohesion Policy commitments, through the form of reimbursements made by the EC (Arnaoutoglou, 2022). Indeed, it is important to distinguish between the allocation, commitment and disbursement of funds (Achim & Borlea, 2015). The indicator that allows for the evaluation of PAs performance in terms of project selection and public procurement is the one that captures the *ratio* of committed funds in relation to the planned ones. The *ratio* of disbursement to planned funds is linked to the implementation of projects. Lastly, the *ratio* of spent funds versus the initially committed funding represents the overall absorption rate through the whole project pipeline and it may be reflective of problems either on the demand or supply side leading to eventual absorption gaps.

Cunico, Aivazidou and Mollona (2021) emphasised the limits of using absorption rates of expenditure to monitor the success of a Cohesion Policy programme. The main explanation is related to the complexity characterising the process of structural funds’ expenditure and implementation and the fact that the absorption rate measures only the inputs utilisation at the end of the programming period neglecting the multi-

dimensionality of this process. The authors developed a new set of indicators that might be useful to complement the analysis carried out using exclusively the absorption rate of expenditures at the end of the programming period. The first one is the “funds demand” looking at the MA’s calls for projects that remain unanswered thus looking at the “demand side” of absorption rates. Receiving more project proposals than the possible amount, according to the funding at disposal, is the optimal scenario in which MAs can choose the best-designed proposals that pursue the objectives of the programme. However, it must also be considered that an unanswered call from beneficiaries may result also from a bad call design. The second interesting indicator is the “time performance” indicator monitoring the time needed by MAs to perform the procedures, for instance, evaluating project applications, and comparing it with the reference average time included in the guidelines present in the OP.

Another factor that requires attention is the speed at which the funding is absorbed. Data show that the absorption of Cohesion Policy funds starts slowly at the beginning of the programming period and then it accelerates towards the end of the latter (European Commission, 2024). Within the legal framework of the Common Provision Regulation two answers to this trend can be found as they are strictly linked to the legal architecture of the Policy.

The automatic decommitment rule foresees that the portion of budgetary commitment that remains unused or in case the payment applications are not sent to the EC by the end of the third year (for the 2014-2020 programming period) or the second year (for the 2007-2013 and 2021-2027 programming periods) following the end of the programming period, the funds will be lost (European Commission , 2024). The rationale of this rule is to encourage MSs financial discipline in the implementation of their OPs. The existence of this rule has therefore a coercive potential over the spending of ESIF and the absorption rate of the funding. Indeed, not utilising funds may also lead to a reduction of resources allocated in the following programming period (Santos et al. 2024). The optimal spending of ESIF would be a uniform one during the programming period, as too concentrated spending in a short time period may produce worse economic outcomes in terms of GDP growth (Dicharry, 2023). Also, cost-effectiveness of selected projects is limited when choices are made under time constraints, as resources might be destined to non-innovative projects just not to lose funding (Lewandowski, 2023). Indeed, the acceleration of

absorption towards the end of the programming period and in the following 2 or 3 years is linked to MSs need of not losing funding (Molica, 2021).

On the other hand, the slow start at the beginning of the programming period can also be attributed to the overlap between programming periods produced by programme closure rules that make the closure of the former programming period and the design phase of the new one coincide causing an administrative burden for PAs (Carriòn, 2020). Indeed, in the first three years of the 2021-2027 programming period, public service had to cope with the closing procedures of the 2014-2020 Programming period while following all the procedures and requirements of the new one (Dicharry, 2023).

For what concerns the he beneficial effects of the N+2 and N+3 decommitment rules, these are not unanimous as from one side they allow for more flexibility in project implementation however on the other side a longer time frame dedicated to implementation may also reduce urgency (Ciffolilli et al. 2024). Indeed, urgency is a crucial aspect underlined in the interview conducted to the Italian Department for Cohesion Policies and for the South (Int. 5). The interviewee reported that Italian PAs tend to focus on the closest deadline, thus having more time for implementation with the N+2 and N+3 might simply lead to a prioritisation of other PAs goals.

Importantly, high level expenditure must also not become an end *per se* to the detriment of the quality of the investments selected. The European Court of Auditors has emphasised the importance of goal attainment within Cohesion Policy spending stating that:

“Absorption should not be an end in itself, but rather a means of investing in actions to help achieve national and EU policy objectives. Cohesion policy funding is significant and should bring important benefits to EU citizens. In order to do so, it is particularly important that funding is spent in a way that represents value for money” (European Court of Auditors, 2018, p. 16)

From what has been stated, theoretically, the more the MAs are efficient in performing their tasks then the less time will be needed to monitor and assess the completed projects, certify the project’s expenditures, and reimburse the beneficiaries, this allows the completion of more projects pipelines thus raising the absorption rate. In this sense, a

perfect causal relation between an increase in administrative capacity and an increase in absorption rate should manifest. Nevertheless, many factors, both endogenous and exogenous to PAs, can affect this rate thus producing different outcomes in MSs.

II. II. I. Absorption drivers and obstacles.

As mentioned multiple times in this work, Cohesion Policy has been criticised for its non-homogeneous outcome delivery within the territories of the EU. Indeed, several regions face difficulties in spending the resources allocated to them and present poor absorption rates (Cunico et al. 2021). This section explores the factors that tend to hinder or accelerate absorption of ESIF within MSs thus explaining the possible causes of different absorption performances in the EU despite administrative capacity.

Firstly, it is important to highlight the importance of a steady adoption of Cohesion Policy's legal framework at the EU level in order to start the programming process within the first year of the programming period. In fact, delays in the adoption of the Multiannual financial framework have repercussions on the preparation of Partnership Agreements and OPs at the national and regional levels (Ciffolilli et al. 2024). For the 2021-2027, the approval from the two co-legislators was given in June 2021 (Common Provision Regulation 2021/160). Nevertheless, the context of adoption is not negligible as the policy process of Next Generation EU and the Recovery and Resilience facility, measures to support MSs in tackling COVID-19, was taking place simultaneously. In the two previous programming periods 2007-2013 and 2014-2020, it took respectively 24 and 26 months to adopt the Common Provision Regulation while for the 2021-27 one over 37 months were needed (Molica & Metrangolo, 2021). Also Cohesion Policy Partnership Agreements were approved more than one year and half from the beginning of the new financial period, significantly later than the previous programming period. This was both the result of exogenous factors as the Pandemic and Ukraine war but also endogenous factors to national PAs as they were struggling to manage simultaneously the assigned large amounts of EU resources (Polverari, 2024).

Designation procedures are another aspect that has to be taken into account when looking at the delays at the start of the programming process, in particular, first the design of the Partnership Agreements the designation and the approval of OP's MA (OECD, 2020).

The European Court of Auditors has identified an ideal time frame leading to the adoption of OPs, this includes the proposal of the legislative framework by the Commission two and a half years before the start of the programming period that then has to be approved and adopted by the Co-legislators within the following 18 months. Lastly, MSs should present Partnership agreements and OP within the first year after the adoption of the legal framework (European Court of Auditors , 2018).

Nevertheless, it must be highlighted that delays in the adoption of Cohesion Policy's legal framework impact MSs in the same manner as they all start the design and implementation process simultaneously. However, thereafter other factors within the MSs influence their absorption paths, leading to different performances.

Moreover, European institutions have been criticised for their suboptimal performance in providing practical guidance on technical requirements of the Common Provision Regulation, such as on financial management and procurement. Indeed, this has also led to the negative consequence of MSs introducing stricter control measures than the ones originally foreseen, causing administrative burden and transaction costs for MAs and, at times, this was also exacerbated in case of changes in the Regulation and strategies (Ciffolilli, et al. 2024). On the other side, the potential effects of the simplification measures within funding models was limited by the hesitancy demonstrated by MSs and their uncertainties to apply new schemes in Cohesion Policy, thus highlighting PAs' low adaptability (Ciffolilli et al. 2024). MSs "defensiveness" to new financial instruments has been underlined also by interviewee number 7 from its perspective coming from DG REGIO within the EC. The first practice has been named "active gold-plating" while the second "negative gold-plating" (Böhme, 2017, p. 16). Negative gold-plating refers to the failure of national and regional PAs to apply simplification methods; both practices result into increased administrative costs and burden (ibidem).

Exogenous factors from PAs performance are the territorial economic preconditions to funds' absorption (Lewandowski, 2023). For instance, Kersan-Škabić and Tijanić have emphasised that labour force characteristics such as educational levels and unemployment

rates and the framework for infrastructure developments are determinants affecting regional absorption of ESIF (Kersan-Škabić & Tijanić, 2017).

The institutional context equally matters. Indeed, absorption obstacles can be linked to a lack of political interest or support for EU-financed policies (Surubaru, 2017). On the other hand, political clientelism might enhance absorption through unjust public procurement contracts of benefit distribution to political supporters however to the detriment of open competition and equality (*ibidem*). Moreover, low political efficiency and stability can affect the definition of priorities and the issuing of calls (Cunico et al. 2023).

The relevance of the governance model regarding the decentralisation or centralisation of ESIF management within MSs has not been unanimously agreed upon in the literature (Ciffolilli et al. 2024).

As a case in point Santos, Conte and Molica (2024) found out that territories with decentralised governance models present a lower value in terms of absorption speed, this is associated with a lower share of highly educated or employed population thus affecting project development. Differently, Mihailescu (2012) pointed out that decentralisation allows for a better degree of competence sharing and local responsibility. Furthermore, local levels are closer to the communities' needs and this might affect the capacity of MAs to design calls for projects in line with the demand for funding. Additionally, Kersan-Škabić and Tijanić (2017) affirmed that centralisation decreases efficiency and broadens inequity and corruption. Casula (2022) presented a third vision, stating that the potential implementation gaps, consequentially contributing to absorption gaps at the local level, can be compensated by the presence of a central coordination authority.

Within the literature, low funds absorption has been associated to lacking administrative capacities within PAs especially highlighting underperformances associated with problems within the already identified internal aspects of administrative capacity namely, human resources, structures within PAs and systems and tools (Kersan-Škabić & Tijanić, 2017; OECD, 2020). Indeed, insufficient or not sufficiently competent public servants affect the whole policy implementation cycle. A commonly implemented solution to this lack of competences within PAs is the proposal of training for PA's employees. However, sometimes training developers may fall short to identify the difference between capacity

building and adaptation or upskilling and reskilling providing “one-size fits all” training for administrative capacity building within the PA that is not aligned with the actual needs of the employees (Ciffolilli, et al. 2024). Polverari et al. (2020) carried out a quantitative research analysing all the EU 28 TA programmes in the 2014-2020 programming period. The research highlighted that funding allocated to training was relatively lower compared to the one destined to other categories of TA under the heading human resources as for instance financing of salaries.

Some MSs also face problems of high staff turnovers as employees, who acquire skills and knowledge, thanks to training provided within the PA, are attracted by the higher salaries proposed within the private sector as emphasised by the interviews conducted (Int. 2, Int. 3, Int. 7). High staff turnovers increase the time needed to complete the different steps required by Cohesion Policy’s implementation due to limited experience of the newly hired personnel and this is also exacerbated in cases in which MAs present low learning abilities (Cunico et al. 2023). Furthermore, multi-layered institutional structures are inefficient and can lead to task duplication, uncertainty and uneven workflows thus undermining PA’s performance causing delays (Ciffolilli et al. 2024). Lastly, insufficient digitalisation of procedures may produce obstacles in monitoring and reporting of projects.

It is also of paramount importance to analyse which may be the possible obstacles to the demand side of absorption. Cunico, Aivazidou and Mollona (2023) looked at the transformation of potential beneficiaries into actual beneficiaries. The process is made up of consequent steps. First, potential beneficiaries have to be aware of and interested in the call. Then, they should decide about the cost efficiency of applying to the call considering particularly the application costs, the co-financing costs and possible refunding delays. Lastly, before applying they should calibrate the risk of applying and potentially go through the implementation phase. It should also be noted that beneficiaries need capacities in terms of project design providing also evidence supporting their project but also in terms of partnership building according to the requirements presented within the call and Programme. Moreover, beneficiaries may also face capacity gaps in following project’s implementation requirements as procurement rules and certification of eligible expenditures (Ciffolilli et al. 2024).

Overall, the increase in the number of selected and completed projects may produce two important learning loops, within local and national MAs but also within beneficiaries, who accumulate capacity for coping with Programme's bureaucratic requirements. MAs should become faster in processing all the process management and implementation phases acquiring also experience on how to draft better call for projects with less top-down priorities but aiming at priorities detected on the ground through the partnership with beneficiaries. More community-oriented calls may also make the number of participants to calls rise. However, these positive learning loops may be interrupted by changes in regulations and procedures at the EU level as MAs and beneficiaries will have to start the learning process again (Cunico et al. 2023).

In light of the above, the overall absorption rate is characterised by causal dynamics and feedback loops produced by the interaction of the EU level, the demand side of absorption and the supply one. The figure below (Fig.1) presents a summary of the discussed interactions.

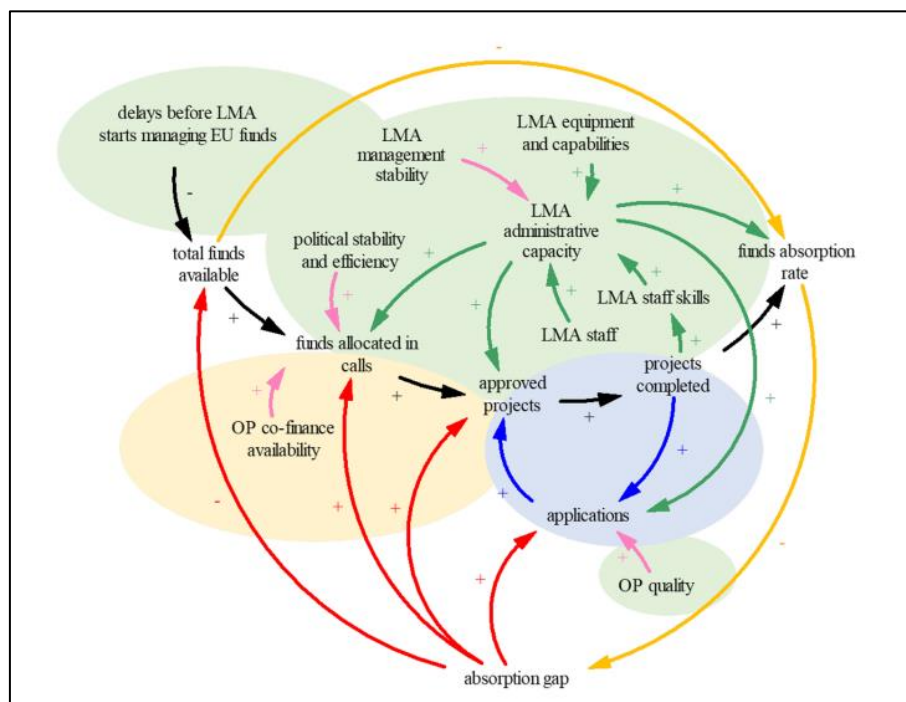


Figure 1: System map of Cohesion Policy implementation, retrieved from: Cunico, G., Aivazidou, E., Mollona, E., (2024) Investigating Supply and Demand in European Cohesion Policy: Micro-foundations of Macro-Behaviours, Journal of the Knowledge Economy, volume 15, issue 1, p. 9.

Additionally, it must be underlined that absorption rates may result also from mitigating practices administratively implemented by the MAs aiming at partially correcting

absorption performance. This is the case of regional co-financing reductions, retrospective project use, reprogramming, project phasing or overbooking.

A controlled reduction of local or national contributions increases proportionally the percentage of financing with EU funds. However, this may lower the sense of ownership of national and regional authorities (Mendez & Bachtler, 2022). In the case of retrospective use of projects, projects are already accepted and initiated through financing coming from national funding and then are transferred within the Cohesion Policy framework, in most cases the projects are already at a later stage of implementation thus being closer to reimbursement of funding, increasing the absorption rate of ESIF. Nevertheless, this presents many drawbacks, firstly the principle of additionality guiding Cohesion Policy is not fully respected as national resources were already available to finance the project, which may increase the risk of deadweight for Cohesion Policy. Moreover, there is a risk that the transferred projects may not be fully in line with the objectives of the OP. Retrospective projects often substitute expenditures that have been considered ineligible (European Court of Auditors , 2018).

Reprogramming allows reallocating resources within OPs to align them to changing circumstances increasing flexibility. Short-term solutions are preferred at the detriment of a longer-term vision, calling into question the validity of the already carried out *ex ante* evaluations within the programming process. Reprogramming permits the transfer of funds between OPs and between priorities, changes within the co-financing rates and in the relation between public and private parts of the national financial contribution. MSs tend to transfer funding to priority axes in which there is a greater demand for funding and consequently an easier implementation that brings better absorption outcomes (European Court of Auditors , 2018).

Project phasing allows for the division of projects into two stages taking place over two programming periods and funds are progressively disbursed following the achievement of outputs (Ciffolilli et al. 2024). Nevertheless, this might prove to be more burdensome for PAs managing the project as a consequence of the increased project length, and increased material and administrative costs associated with the implementation of the project. Lastly, overbooking consists of an initial higher selection of projects than the

planned amount, usually 110%, in case of failure of some projects during the implementation phase or the declaration of eligibility of expenditures (Santos et al. 2023).

To conclude, the EC has often stressed the importance of goal-driven implementation of Cohesion Policy within the requirements of the legal framework:

“If too much weight is placed on rapid spending without proper attention to systems and safeguards, there is the risk of inefficiencies and errors; without a coherent and well-considered strategy for using the funds, the socio-economic benefits will be limited and unsustainable. Equally, an over-emphasis on controls and compliance mechanisms can hold back implementation and endanger impact; this is often the greatest threat facing inexperienced institutions. Finally, strategic objectives cannot be fully achieved if Member States fail to disburse funds, focus too much on financial progress, or have to recoup erroneous or fraudulent payments. A balance must be struck, but ultimately these goals should be mutually reinforcing.” (European Commission, 2017, p. 190)

II. II. II. ESIF Absorption rates in the EU in the 2014-2020 programming period.

The presented exogenous and endogenous factors affecting absorption performance can be reconnected to the overall performance of MSs in the 2014-2020 programming period and in the first years of the 2021-2027 one. Within the Cohesion Open Data platform, it is possible to get an overview of MSs financial absorption performance over the 2014-2020 and 2021-2027 programming periods by looking at daily updated data (Cohesion Open Data Platform). The platform seeks to promote transparency on the use of EU funding within MSs and allows for comparisons thanks to the division between planned and implemented finances and the EU payments made to MSs according to the agreed targets.

Indeed, National and Regional authorities report financial data to the EC regarding the total budget of the Programme (planned allocations), secondly, the project pipeline entailing the financial resources allocated to the projects that have been selected (decided) and lastly the expenditure reported by the selected projects (spent). For the 2014-2020 programming period, the rule N+3 applied therefore the financial closure of the

programmes was foreseen for the end of 2023 and the deadline for the MSs to submit their final expenditure declaration was even extended to mid-2024.

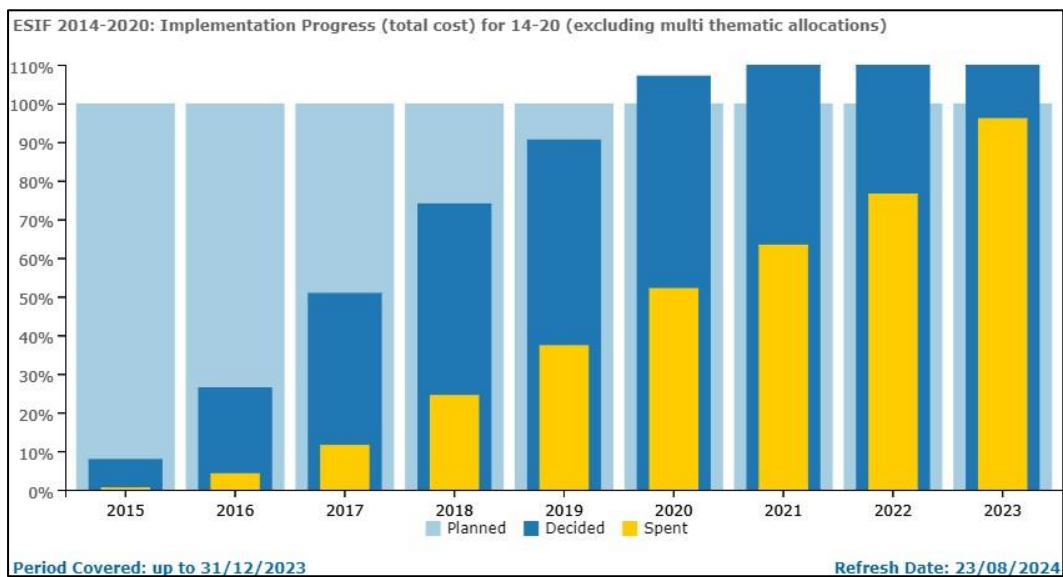


Figure 2: ESIF 2014-2020 Implementation Progress, Cohesion Open Data Platform, 23/08/2024.

As abovementioned, the graph shows a very slow EU trend in the absorption of ESIF during the first years of the programming period with an absorption rate of 50% at the end of 2020. The first three years of this programming period coincided with the Covid-19 pandemic; as the graph shows this did not negatively affect the programmes' absorption rates and according to Ciffolilli and Pompili (2024) this was mainly due to the flexibilities and support introduced in those years through the Coronavirus Investment Initiative and the Coronavirus Response Investment Plus.

Rather, as highlighted during the interviews (int. 4, int. 5, int. 7) the Recovery and Resilience facility has challenged the administrations in the starting phase of the 2021-2027 programming period (Fig.3). The temporary instrument entered into force in February 2021, financing MSs reforms and investments within national Recovery and Resilience plans that should be implemented by the end of 2026. Moreover, in 2022 ESI funds were supplemented by the Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU) adding 11 billion euros to the planned resources to increase the capacity to recover from the crisis in a green and resilient economy (European Commission, 2024). It must be highlighted that absorption is also linked to inflation, since Cohesion Policy financing is based on actual costs, like the European Court of Auditors

has underlined “as the increased costs will be borne partly by the EU budget, this will likely result in a higher absorption rate.” (European Court of Auditors , 2023, p. 42).

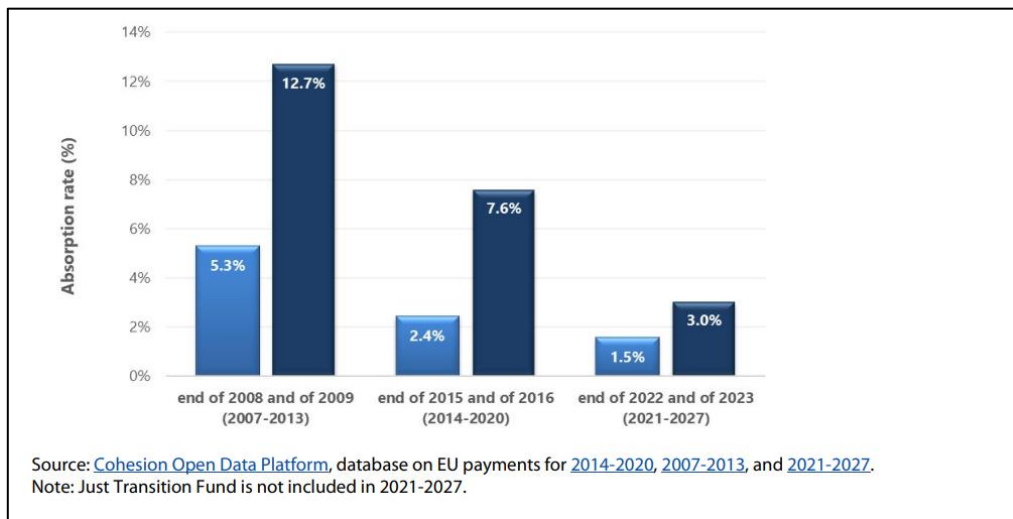


Figure 3: Differences between EU absorption rates in the second and third year of programming during 2021-2027, 2014-2020, and 2007-2013, in Ciffolilli, A., & Pompili, M. (2024). *Research for REGI Committee- Absorption rates of Cohesion Policy funds. European Parliament, Policy Department for Structural and Cohesion Policies, p. 28.*

II. III. Research design: research question, research hypothesis, cases selection.

From the literature review on administrative and absorption capacity, through a deductive approach, a causal relationship can be inferred between the independent variable of administrative capacity and the dependent variable of ESIF absorption. Indeed, as has been discussed, administrative capacity is a key factor for Cohesion Policy management and implementation and a determinant of the absorption performance of MSs, although not the only one (Kersan-Škabić & Tijanić, 2017; OECD, 2020).

For the present research, the absorption rates are defined as the percentages of EU funding that have been paid by the EC to MSs’ Operational Programmes at the end of the programming period (Ciffolilli et al. 2024) that therefore represent the *ratio* of spent funds versus the initially committed funding. This ratio is particularly important because

represents the absorption gap that may be reconducted to a lacking administrative capacity within MAs.

In order to explore the above-mentioned relationship, the objective of the research will be to investigate the effects of well-designed administrative capacity building policies, particularly those funded by the Technical Assistance, on the administrative capacity of MSs authorities. Indeed, investing in administrative capacity building, adaptation and coordination proves to be crucial to enable an evolution of public servants' capacities in line with the evolutions of the policy (Polverari, 2023).

To this aim, looking at absorption rate at the end of the 2014-2020 programming period and the midterm absorption of the 2021-2027 programmes, within the selected countries of analysis, the study seeks to answer the following overarching research questions:

RQ1: Do administrative capacity-building policies, implemented through Technical Assistance, have an impact on the overall absorption rate of ESIF in the selected countries?

The dissertation is based on the following hypothesis, which has been developed based on the evidence presented in the literature reviewed:

H1: when effective actions for administrative capacity building are undertaken aiming at improving all the internal components of administrative capacity, this will have a positive impact on the absorption rate of ESIF, promoting an evidence-based and holistic approach.

This hypothesis derives from the strand of literature that identifies within structures in PAs, human resources, systems and tools necessary for monitoring and evaluation the needed components of administrative capacity for the management and implementation of ESIF (Netherlands Economic Institute, 2002; Olejniczack et al. 2015; Polverari et al. 2020).

Secondly, departing from the importance of capacity also from the beneficiaries' side in responding to calls for projects and project's pipeline requirements (Kersan-Skabic & Tijanac, 2017; Polverari et al. 2020; Cunico et al. 2023) and as the demand side of absorption is an understudied component of the overall absorption rates within MSs:

H2: there is an expectation of a positive impact on the absorption rate of ESIF when Technical Assistance targets both the supply and demand side of absorption capacity.

Moreover, following the definition of administrative capacity proposed by The Netherlands Economic Institute (NEI) that has identified administrative capacity as “the ability and skill of central and local authorities to prepare suitable plans, programmes and projects in due time, to decide on programmes and projects, to arrange the co-ordination among principal partners, to cope with the administrative and reporting requirements, and to finance and supervise implementation properly, avoiding irregularities as far as possible” this work will focus on all the phases leading to the allocation and disbursement of ESIF from the capacity to design a call for projects to evaluation capacity, therefore covering all the policy cycle (Netherlands Economic Institute, 2002, p. 4).

Given the difficulty in measuring and assessing administrative capacity across Member States, comparative analyses have often been carried out among neighbouring countries as in the case of southern European countries (Santos et al. 2024) or among countries that present the same path as in the cases of Central and Eastern European countries (Surubaru, 2017; Kersan-Škabić & Tijanić, 2017; Mihailescu, 2012). An exception to this, is the study carried out by Polverari et al. (2020) in which all 28 TA programmes implemented in the 2014-2020 programming period were compared based on categories of TA expenditure.

Instead in this work, the focus is on the two main beneficiaries of Cohesion Policy, which represent the greatest allocation of ESIF funding in the EU, namely Poland and Italy, providing a most similar cases analysis. The most similar case selection proceeds through the identification of the key variables of interest that should be similar in the selected cases and the definition of variables that vary significantly across the defined cases, the difference therefore is reconducted to the dependent variable (Nielsen, 2016). In social research and in the case of country selection it is not easy to find cases that are similar for everything except for the dependent variable, therefore it is more common to conceive a most-similar research analysis in a broader sense (Carsten, 2020).

Being a redistributive policy, Cohesion Policy funding is destined to lagging regions in order to reduce regional disparities (Fig.4). In the image, less developed regions with a GDP per inhabitant that is less than 75% of the EU average are marked in dark orange, transition regions with a GDP per inhabitant in between 75% and 100% of the EU average are marked in light orange while more developed regions in yellow presenting a GDP per capita above 100% of the EU average. Indeed, notwithstanding the large allocation of EU funding in both States, the two present differences in terms of management and implementation of ESIF and in terms of financial absorption. The two MSs have had different administrative pathways and traditions that clearly have influenced how PAs within the countries and how they are organised today.

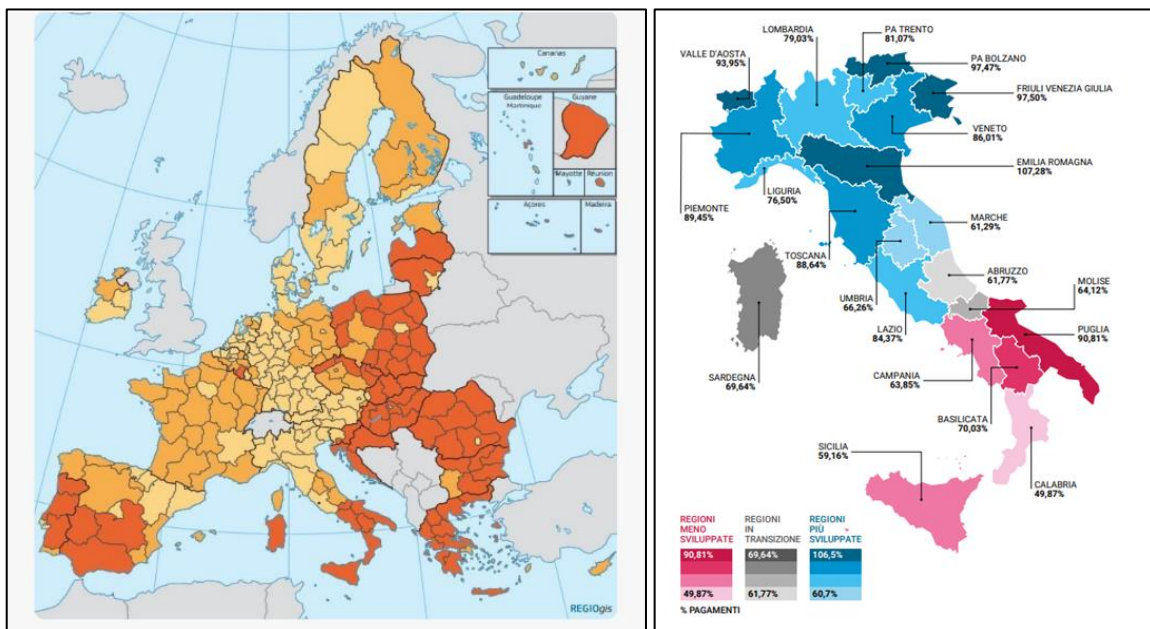


Figure 4: ESIF allocation across regions. Retrieved from: <https://www.eib.org/en/projects/topics/regional-development/index>. (on the left)

Figure 5: Payments rates over programmed resources in 2014-2020 over Italian regions. Source: Bollettino IGRUE, Monitoraggio situazione 30/04/2023. (on the right)

Poland and Italy are the two largest beneficiaries of Cohesion Policy because of the large presence of less developed regions within the countries. In the case of Poland only the Capital Region Mazowieckie is considered a more developed region with a GDP per capita above 100% of EU average. Then there are 14 less developed regions (voivodeships) and 2 transition regions; the disparity between centre-periphery is a

derivate of the communist past (Smékalová & Kucera, 2022). The disparities between Eastern and Western parts of the country are also linked to the low productivity of the agricultural areas and the presence of only small and medium-sized towns in the Eastern part (Ferry, 2013). Therefore, the total budget allocation for Poland for the 2021-2027 is 88.3 billion Euros. Differently, Italy presents a dual development linked to GDP averages within the country. In fact, the 11 more developed regions are located in the Northern part, the transition regions in the Centre and the 7 less developed regions are in the Southern part of the country. Cohesion Policy allocation for Italy in the 2021-2027 programming period amounts to 69.5 billion Euros. Compared to Italy, Poland does not present differences in absorption rates in less developed regions as the ones on the Eastern side, namely the Podlaskie, Świętokrzyskie, Lubelskie and Podkarpackie Voivodeships. (Lewandowski, 2023). Instead In Italy, an absorption gap is present between the performance of Northern regions and Southern ones (Fig.5) (Aiello & Pupo, 2012); Coppola et al.2022). Furthermore, in analysing the absorption performance of MSs during the 2014-2020 programming period, it has been highlighted that some of the “older” MSs as Spain, Italy and France are below the EU average while relatively “new” MSs as Poland, Slovenia, Czechia, Estonia are way above the EU average with absorption rates close to 100% of the planned funding, in contrast with the fearful thoughts about New MSs incapacity to spend EU funding at the time of their accession (Fig. 6) (Appendix 1) (Surubaru, 2017; Bachtler et al. 2014).

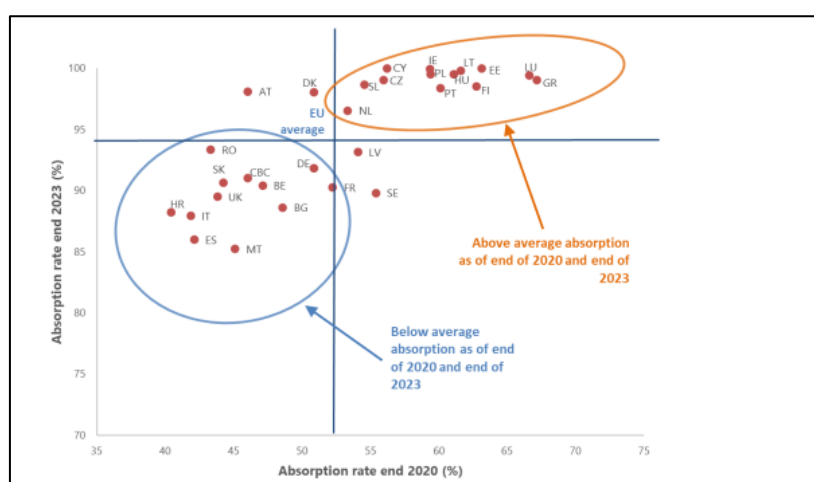


Figure 6: Combined absorption rates of European countries as of the end of 2020 and the end of 2023, in Ciffolilli, A., & Pompili, M. (2024). Research for REGI Committee- Absorption rates of Cohesion Policy funds. European Parliament, Policy department for Structural and Cohesion Policies, p. 21.

In both countries, the governance mode of Cohesion Policy management is decentralised. In Poland, the regionalisation process started with the 1998 reform and the institution of the 16 elected regional governments (Lackowska-Madurowicz & Swianiewicz, 2013). However, at the beginning regional institutions were granted limited functions and financial resources. Moreover, in the 2004-2006 programming period, after Poland's accession to the EU, Ministries at the central level were the competent MAs for OPs in Poland. Only in the 2007-2013 perspective, regional bodies were delegated competencies for self-government with the 2010 reform KSRR (Krajowa Strategia Rozwoju Regionalnego) aiming at dismantling the highly centralised governance mode and improving effectiveness at the regional and local levels (Ferry, 2013). In Italy, the devolution of Cohesion Policy was implemented during the 1990s when Italy experienced a wave of reforms aiming at transferring national competencies to levels closer to citizens in line with the principle of subsidiarity (Catalano et al. 2015).

Finally, both States have been exhorted to improve administrative capacity within their PAs both with formal documents and declarations from the European Commissioner for Cohesion and Reforms, Elisa Ferreira. As a case in point, Italy's and Poland's Country Report analysis carried out within the 2020 European semester pointed out that:

“An integrated strategy to strengthen administrative capacity is needed. The government and stakeholders identified the weak administrative capacity, especially at local level, as one of the main challenges for the PA, especially when dealing with investment, implementing public procurement rules and absorbing EU funds” (Country Report Italy 2020, Accompanying the document: 2020 European Semester under Regulation (EU) No 1176/2011)

“Developing the administrative capacity of local governments is key for efficiently and effectively delivering public investment. Local governments manage around half of the total public investment expenditure in Poland. (...) Considering the current labour market situation and an expected decrease in EU cohesion funds for Poland over the next years, developing and preserving the relevant administrative capacity of local governments is vital for the effective and efficient implementation of public investment projects.” (Country Report Poland

2020, Accompanying the document: 2020 European Semester under Regulation (EU) No 1176/2011)

In light of what has been stated, Italy and Poland have been chosen as case studies within a most similar cases design. The States present similarities in terms of funds allocation, and governance modes, but differences in absorption performance that represents the dependent variable investigated in this study.

II. IV. Methodology.

To test the hypotheses and determine an answer to the research question, the analysis was based on the following steps. Given the difficulty of measuring administrative capacity, it was advisable to choose a proxy, that is a variable substituting the original variable of interest when the latter cannot be measured directly (Dictionary of Statistics). In this case administrative capacity was proxied through absorption capacity. Therefore, the effects of administrative capacity building policies were analysed by looking at the financial absorption of ESIF in the selected MSs.

Analysing MSs financial execution of Structural funds allows comparisons relating to administrative capacities across MSs as all PAs are subject to the same rules, criteria and timelines specified within the Common Provision Regulation (Polverari, 2020). Moreover, as highlighted in the previous paragraphs, the management and implementation of Cohesion Policy requires a scheme of capabilities according to the phase of the policy cycle and the bodies involved. Therefore, low levels of absorption might be causally linked to administrative failures. However, as noted, a high absorption rate does not equate to tangible achievements in terms of territorial, social and economic cohesion, main objectives of Cohesion Policy (Lutringer, 2022). The absorption versus effectiveness divide is definitely an important aspect to acknowledge, nevertheless it will not be examined in the final analysis presented in this dissertation.

First, an extensive literature review on administrative capacity and absorption capacity was carried out in order to assess whether it was possible to trace a causal link between the independent and dependent variables. The data concerning Italy and Poland's

absorption rates were extrapolated from the Cohesion Open Data Platform, an online platform curated by the EC that provides data on the use of EU budget funds for the 2014-2020 and 2021-2027 programming periods. Further, national platforms were also utilised in order to obtain country-specific information. Indeed, an advantage of the research is the possibility to analyse documents in original languages as within both countries some reports and analyses were not uploaded simultaneously in the original language and in English.

Second, the investigation of the effective design of administrative capacity building policies was conducted both through an assessment of the differences in the two countries' approaches over the 2014-2020 and 2021-2027 periods in order to understand if the design of the latter was driven by a thorough *ex post* policy evaluation and *ex ante* evaluation. But also, through a comparative approach between Technical Assistance in the 2021-2027 programming period in the selected MSs as comparison of policy interventions can lead to learning process based on the exchange of best practices.

Then, data and primary documents were triangulated with the information collected through the interviews (Yin, 2003). In particular, qualitative interviews aim at understanding the underlying dynamics related to a concerned topic and context as those cannot be fully understood solely based on document analysis.

Subjects for interviews were chosen according to their characteristics and, to ensure comparability, specular figures from the selected MSs were chosen. The target of the interviews were public servants working in Italian and Polish PAs at the central level, covering the role of MAs of the Technical Assistance programmes and civil servants focusing on administrative capacity building activities within the two States. For the Italian perspective, I interviewed two public servants working in the department for "Cohesion Policies and the South" of the Presidency of the Italian Council of Ministers. Both the interviewees work in offices dedicated to administrative capacity building. For Poland, I interviewed two employees of the Ministry of development funds and regional policies directly managing the OP Technical Assistance. With the aim of gaining a *super partes* perspective, I also conducted an interview with a member of DG REGIO of the EC to acquire his perspective on possible ways to improve administrative capacity in both MSs. Moreover, I decided to deepen the research on administrative capacity building

policies by interviewing different representatives of academic expert in the field, aiming at analysing all the capacities needed within the phases of the Cohesion Policy cycle from effective design to evaluation. The anonymised list of interviewees, accompanied with their role description and information about the date and mean by which the interview has been conducted, can be found in Annex I.

Semi structured qualitative interviews were chosen as structured interviews would have not allowed for the flexibility required from the topic. Given the different expertise of the interviewees, the standard checklist of questions was integrated and modified to match the objectives of the interview. Indeed, when approaching some interviewees by email, they answered positively to the request for an interview although they were asking to narrow the research topic to the extent of what they considered their contribution to the topic could have been. The standard questions checklist can be found in Annex II at the end of the thesis, the set was generated on the basis of an extensive literature review and data gathering, indeed the majority of questions are open-ended and allow for critical thinking. The freedom in the outline definition of the interview is provided by the specificities of semi-structured interviews in which the order of the various topics and the wording of the question are left to the discretion of the interviewer (Corbetta, 2003).

All the respondents were firstly addressed by email and the interviews were carried out from June to September 2024. Overall, fast replies and collaboration from all interviewees were demonstrated since the first email exchange. Indeed, some interviewees have been selected through the “snowballing” sampling technique that involves the inclusion of subjects by referrals from other subjects (Corbetta, 2003).

The relatively long period (four months) in which the interviews could take place allowed for flexibility in selecting the date and time of the interview according to the interviewees’ schedules. Moreover, at first, a short online interview was requested, twenty or thirty minutes, then if agreed on the day of the interview the original timeframe was prolonged. The interviews began with an overall presentation of the research topic and research objectives. Then primary and secondary questions were posed, and discussion followed, particularly secondary questions were intended to elicit a more detailed explanation of an information mentioned by the interviewee. Interviews were concluded with greetings and a reminder to sign the General Data Protection Form. From some interviewees’ side there

was also the manifestation of interest about the final results of the research showing their interest in reading the thesis.

All the interviews were conducted online, which presented some disadvantages in terms of technical problems of connection that arose but that have been dealt with very quickly from both sides. Moreover, all the interviews were recorded according to the consensus of the interviewees. This allowed the interviewer to focus only on the interviewing process without having to take notes during the interview. The interviews were carried out following research ethical standards, in observance of the General Data Protection Regulation and all the names of the participants were anonymised, which is particularly important in cases in which Public Officials are interviewed. Interviewees agreed to sign a privacy policy form, reported in Annex III at the end of the dissertation. An impartial approach was maintained during the interviewing process.

III. THE DESIGN OF ADMINISTRATIVE CAPACITY BUILDING POLICIES

III. I. The challenges of administrative capacity building: policy instruments and policy mixes.

Administrative capacity building can be defined as the activity of “developing skills, experience, technical, management and strategic capacity within an organisation” (OECD, 2020). At times, learning-by doing processes don’t prove to be able to increase the needed knowledge within PAs. Therefore, to ensure that the capacities necessary to effectively manage and implement Cohesion Policy are present, a targeted capacity building strategy should be developed.

An interesting demarcation is the one proposed by ISMERI Europa (2022), who distinguish between actions of empowerment and actions of capacity building. The former foresee the introduction of knowledge sharing and networking among official; however, they do not strictly bind PAs in their implementation. On the other hand, capacity building requires actual engagement on the side of personnel to achieve an organisational change.

Following the indications of the World Bank, administrative capacity building should respond to three questions: “What?” therefore focusing on those organisational aspects that should be strengthened, “Who?” looking at the competencies gaps of the personnel and “How?” assessing different options for procedural improvement (Smeriglio et al. 2015). Administrative capacity building policies should further differentiate between a focus on individuals and entities, the latter is particularly complex as comprise the organisation’s structure, the resources and the processes within it (European Commission, 2014).

Within the analytical framework for administrative capacity building developed by the OECD four dimensions to be considered in developing administrative capacity building strategies are identified. To these four a fifth one was also added in a subsequent publication and it is the one focusing of the Administrative Capacity of beneficiaries and stakeholders (OECD, 2021). The first addressee of administrative capacity building should be the staff working within PAs and directly managing Cohesion Policy. Secondly, the organisational framework should be addressed, this comprises also systems and tools

within the organisation. Then the OECD identifies the dimension of strategic planning and coordination that looks at all the competences required by the Cohesion Policy project pipeline. Indeed, capacity building policies should target the entirety of the Cohesion Policy process, according to the identified needs; they should develop strategic competences to design quality calls for projects, operational competences in order to be able to cope with the technical requirements and regulations, analytical skills and reflexive skills (Ferry, 2021). Cross-sectoral skills are also important for the effective accomplishment of the policy, these are negotiation skills, teamwork, participatory designs and techniques (Domorenok et al. 2021). The fourth aspect identified by the OECD are the framework conditions entailing rules on transparent financial management or consistent regulatory and legislative systems that have an impact on the internal procedures within PAs.

Human resources management must focus on the mix of skills and competences required to employees working in MAs. As emphasised, the nature of Cohesion Policy, as being based on shared management and multilevel governance, requires civil servants to be able to follow the provisions set within the Common Provision Regulation and the Operational programmes; on the other side, they also should overcome a silo mentality replacing it with a cross-sectoral one, increasing cooperation both horizontally and vertically with different bodies and partners (Polverari, 2023). Human resources management within MAs should address the recruitment of new personnel but should also focus on how to make the already employed civil servants develop the right expertise for the management and implementation of ESIF (OECD, 2021).

Recruitment of new personnel is advisable when the competency gaps cannot be filled quickly enough with training. Staff recruiting varies across MSs with some PAs hiring specialists with specific knowledge linked to Cohesion Policy as in the case of German Länders while in others staff recruited has a generalist academic background in economics or law (Ferry, 2021). Similarly, outsourcing should also be perceived as a temporary option to provide external expertise to support competency gaps until internal competencies are not sufficiently developed through experience but also training.

Different kinds of training methods should be chosen according to the selected target of proficiency to be achieved; indeed it has been emphasised that higher levels of proficiency

derive from interactive methods of training (EY, 2017). Employees within a PA with more consolidated experience in implementing regional policy may require short-term support focused on administrative capacity coordination and adaptation instead the ones lacking experience should be supported with broader and long-term assistance in order to change or develop an administrative culture related to Cohesion Policy implementation (Ferry, 2021).

Training should be seen as an added value and not as a burden, however at times training is not seen as a priority due to workload pressures (OECD, 2020). Training should certainly consider employees' requests and not focus solely on short-term needs but rather having a strategic and long-term approach. A targeted human resources development strategy may include courses offered locally by public or private entities as the national coordination authority, for example, but also more agile forms of learning as job-shadowing or mentorship and coaching or also the participation in learning networks established at the EU level can prove to be useful (EY, 2017).

Sharing good practices and peer learning should be seen as complementary actions to administrative capacity building. Indeed, the potential of the former should not be over-estimated as good practices are context-specific and in order to be applied to another context they should be adapted to the context and needs of the PA in question (Polverari, 2020). Institutional learning and memory are of pivotal importance to efficiently carry out the phases required by ESIF management; however, these can be jeopardised by high levels of staff turnover, therefore attention should also be placed on staff retention and competitive compensation (Ciffolilli et al. 2024). Indeed, salaries are often higher in the private sector thus more competitive remuneration might prove to be a solution in retaining highly qualified staff within PAs (Ferry, 2021).

Additionally, organisational structures have to be enhanced in order to allow for a better management and implementation system. Therefore, administrative capacity building policies should focus on reorganising complex organisational structures but also on simplifying or filling gaps in legislation concerning public procurement rules or state aids or maintaining coherence among legislation at the national and local levels. MAs are organised differently from country to country but in all cases they must be organised so as to avoid duplication or fragmentation of tasks and responsibilities while guaranteeing

effective intra-departments and inter-departmental communication (OECD, 2020). For this it is of pivotal importance to identify with precision the targeted actors and territorial levels to be addressed by the policy, indeed policymakers should be aware of the internal differences within PAs thus making it impossible to provide a one-size-fits-all approach (Polverari, 2023). As a case in point, place-based strategies, based on an accurate evaluation of the functioning of the organisation, prove to be the most effective in understanding the differences in capacity gaps thus providing tailored solutions (Ferry, 2021).

Moreover, capacity building should respond to the need to generate a cultural shift within PAs and develop a learning culture, thus creating a self-sustaining structure able to face changes in regulatory requirements and being able to cope with unforeseen challenges (Domorenok, 2021). Intentionality to change and to learn by public servants is key to the process as top-down reforms tend not to produce the intended outcomes; a “sustainable reform” ensures that the positive changes are internalised and embedded (European Commission, 2017). Therefore, a holistic approach should be developed aimed at tackling the bottlenecks identified within the public administration at the local level.

This is supported by the theories of “change management” developed by Burke and Litwin emphasising the causal relationship between administrative change and the results visible on the ground (Burke & Litwin, 1992). These authors stated that it is of paramount importance to consider the relationship between internal organisational factors such as administrative cultures and structure and external factors. Additionally, they stressed the need to integrate different organisational factors as change cannot be produced only by changing one component.

In the light of above, administrative capacity building policies should be based on a mix of the aforementioned instruments according to the needs present within the context and policy area to be addressed. Strategies should not only be flexible and respond to the identified challenges but should also support the entire ecosystem of Cohesion Policy project pipeline (Polverari, 2023). Reforms and administrative capacity building policies should be well coordinated at the national and EU level that proposes many tools for administrative strengthening.

III. I. II. Public Administrations heterogeneity in the European Union.

As stated before, administrative capacity building policies and efforts prove to be more effective if resulting from a place-based approach. Nevertheless, the efficiency and effectiveness of public administrations are measured based on different definitions of what is intended as “good administration” indeed every MSs within its legal order has its own definition. Definitions can be recollected in countries Constitutions, those have been highly influenced by the history and administrative traditions of the MSs (OM OFFENTLIG SEKTOR , 2023). Therefore, providing comparisons of administrative capacity *per se* within countries might prove to be challenging, even more so providing one single type of administrative capacity building approach. This paragraph provides an overview of the different European administrative contexts in which policies are inscribed highlighting those factors that might influence the development of administrative capacity building policies.

Given the multidimensionality characterising PAs, their classification relies upon analytical typologies to frame and understand reality. Indeed, PAs differ for their administrative traditions, countries’ institutional structure and allocation of competences, but also for the relation between the government and the civil service and more broadly for the role of the State.

Particularly, by analysing institutional and historical dimensions but also the legal traditions, it is possible to distinguish among at least four administrative traditions that produced different administrative cultures in Europe (Kuhlmann & Wollmann, 2019). This is particularly important because the values produced and socialised through time, that are nowadays embedded in the administrative traditions, influence the work of public servants setting different types of standards across Europe (Carelli & Peters, 2024). Administrative traditions have been defined by Peters as “historically based set of values, structures, and relationships with other institutions that define the nature of appropriate public administration” (2021, p.23). Each administrative system presents its own characteristics however grouping administrative traditions within models assures better comparability and allows also to highlight differences among countries that may present themselves as similar (*ibidem*).

The Continental European Napoleonic model is based on legal tradition tracing back to the Roman law and French law as outcome of the legacies of the monarchies of the XIX century in countries as France, Italy, Spain, Greece and Portugal. Being built on the principle of legality, this model presumes a detailed codification of norms to be enforced. The bureaucracy is powerful and centralised, with a strong separation between the private and public sector. However, within this categorisation it is possible to underline a sub-category being composed by Southern-European countries that present features clientelism and politicisation of public administrations (Kuhlmann & Wollmann, 2019). States belonging to this category tend to present an “administrative-centred” tradition as law is the tool provided to conduct an efficient administration (OM OFFENTLIG SEKTOR, 2023). Moreover, within this category it is possible to underscore differences in terms of subsidiarity as it comprises centralised countries as Greece and Portugal but also countries as Italy and Spain that devolve competences to local level PAs (Polverari et al. 2024).

The continental European federal model shares with the previous one the roots in Roman law however it presents a stronger role of the subnational and decentralised levels providing for a better distribution of competences and ensuring subsidiarity. Also, within this model it is possible to underscore some differences relating to the role of civil service, being superordinate to the societal substratum and directly responding to the State in Germany and Austria while being considered as servant of the people in Switzerland.

Within Nordic administrations not only it is possible to underline a high degree of autonomy assigned to local authorities but also a focus on citizens’ rights and access to PAs (Kuhlmann & Wollmann, 2019). Additionally, open recruiting and career system of the public service are a distinctive feature of this model.

The Anglo-Saxon model presents a different juridical tradition based on Common law, it is considered as an “individual-centred” tradition as administrative law is adopted to set boundaries between the government and the polity and to protect citizen’s rights (OM OFFENTLIG SEKTOR, 2023).

Lastly, Eastern and Southern Eastern European model groups countries with a common communist past however it must be noticed that they present different pre-communist

histories. Most of the States present a centralised structure with local authorities acting as decentralised offices of the central government (Polverari et al. 2024).

These ideal types also differentiate themselves from each other for their human resources systems and the selection of their civil service. For instance, Germany, France and Portugal present “career-based systems” characterised by a clear difference between private and public sector employment and a strong relevance given to career development (Kuhlmann & Wollmann, 2019). Differently “position-based” systems present predominantly in Nordic countries allow for greater mobility within sectors of employment, nevertheless, also hybrid forms of personnel selection and human resources management are present among European countries thus it is not possible to draw a neat demarcation (Halasková, 2015). The form of personnel selection is particularly relevant as administrative capacity building presumes recruitment as a way of increasing capacity within the organisation.

Some administrative systems do not fit within a single administrative tradition model instead present a combination of elements belonging to the four administrative traditions presented. This is the case of The Netherlands or of Belgium that combine characteristics of the continental European federal model and the Napoleonic one (Peters, 2021). Moreover, notwithstanding the consolidation of these administrative traditions through time they also need to be dynamic in order to adjust to nowadays challenges in a *motus* of change within continuity. Peters has further highlighted a convergence pressure among these traditions deriving from the need to apply EU policies that set often standards for their application, thus leaning towards uniformity (2021).

A thorough explanation of the different meaning attributed to administrative cultures and administrative styles has to be made in order to understand their interconnection with administrative traditions while also assuring conceptual clarity.

Administrative cultures are the set of “shared beliefs and practices held by the community of public administrators” (MacCarthaigh & Saarniit, 2019). Those beliefs are connected to how problems are framed and influence the way potential solutions to problems, that may arise, are shaped. Administrative cultures result from the organisation’s internal culture but also from the interaction with wider political and social cultures in the specific context. The most commonly used approach to study administrative cultures is the neo-

institutionalist one in its variants of historical, sociological and rational neo-institutionalism (ibidem). The three approaches share the assumption that institutional norms and values follow the evolutionary path of the organisation that adapts following the internal and external pressures applied to it.

Conceptually different is the analysis of the administrative styles that rather focuses on the processes of carrying out tasks within an organisation analysing the behavioural patterns. As defined by Knill et al. administrative styles are characterised by the standard operating procedures and routines that have become a standardised behaviour (2016). The behavioural orientations and coping strategies can consolidate into real problem-solving behaviours, this is possible through repetition and “routinisation” (Knill, et al. 2018). Behavioural patterns can be analysed at the macro level looking at the political administrative systems but also at the meso and micro levels within PAs (Casula & Malandrino, 2023). Moreover, as deeply rooted within the organisation they greatly contribute to the outcome of internal reforms thus must be taken into account when designing PA reform policies (Howlett, 2002).

Moreover, from what was discussed above it is clear that the definition of effectiveness in administration performance is to be based on the administrative tradition, culture and styles within the given country.

At the EU level the Public Administration assessment framework developed by the EC consists of five pillars from which we can derive which factors affect good administration within the EU. Particularly, within it figure the capacity to plan, coordinate and develop policies, civil service and human resources management, accountability, service delivery and public financial management (European Commission , 2020). Interestingly in a survey conducted on the European Public Administration Network, when States were asked to define principles associated with good administration, alongside legality, equality, proportionality, Rule of Law the introduced among the ones cited also good service that however was defined with a different set of values in different countries. As a case in point, it was associated with celerity but also client-centredness and user orientation, reasonable long procedures and cost-efficiency (OM OFFENTLIG SEKTOR, 2023).

Despite the mentioned differences, MSs share a set of values characterising the European Administrative Space. Citing the Communication of the 25th October 2023 on enhancing the European Administrative Space: “Subsidiarity, coordination, accountability, openness of public administration, integrity, and oversight of administrative processes” are guiding principles for European PAs that strive to be digital-ready, evidence-informed and inclusive. Therefore, these are the objectives that should guide administrative capacity building within MSs. Moreover, the communication on the European administrative Space presents a set of pillars and 25 actions to improve the capacity and the quality of public administrations at national, regional and local levels.

III. II. EU level instruments for administrative capacity building in the 2021-2027 programming period.

In the last decades both the EC and the MSs have stressed the importance of administrative capacity for the effective management and implementation of Cohesion Policy, proposing many capacity-building policies to assist national and sub-national bodies (European Commission, 2024). Indeed, the EU is interested in the impact that policies have on the ground and an efficient public administration is essential to ensure the attainment of European objectives, in fact as art. 298 of the TFEU specifies, “in carrying out their missions, the institutions, bodies, offices, and agencies of the Union shall have the support of an open, efficient and independent European administration.” Moreover, the European Charter of Fundamental Rights further specifies the importance of good administration in Europe legislating from the perspective of citizens’ rights (art.41 EU Charter of Fundamental Rights).

Nevertheless, the EU does not have exclusive competence on the matter, instead, administrative cooperation is one of the policy areas in which the EU can only intervene to “support, coordinate or complement the action of its Member States” according to art. 6 of the TFEU. For instance, particularly important has been the SIGMA project carried out in collaboration with the OECD focused on the identification and dissemination of principles of good administration such as reliability, predictability, openness and transparency, accountability (SIGMA-OECD, 2017). While the project has expanded

over time addressing all MSs, it was first born in 1999 as a guide for candidate countries aiming to set standards on PA on which the new MSs had to conform (Gerencsér, 2023). In the same way even before accession, in the 1990s, Central and Eastern European countries were provided support through the programme PHARE which provided crucial EU support in institutional and administrative capacity building (Smeriglio et al. 2015).

It has also been argued that in the last twenty years, the EC has developed an approach to support public administration reform and over these years a “twofold paradigmatic shift” occurred (Ongaro, 2024). This process has changed the EU’s role in the field from a logic of conditionality, as in the cited case of support for Central and Eastern European countries, to a logic based on on-the-ground support and enabling frameworks (*ibidem*).

The EU is committed to assist MSs in their administrative capacity building strategies by supporting them through the identification of priority needs to be addressed, the development of measures and their implementation through interventions and activities (Gal et al. 2023). Particularly, nowadays it is possible to highlight EC’s policy entrepreneurship that proves to be crucial to enhance paradigmatic change at MSs level. For instance, through European semester country specific recommendations the EC performs as a policy broker highlighting the issues within the country that should enter into the institutional agenda. Indeed, the country reports under the European Semester help MSs in identifying the challenges present in their administration. With regards to Cohesion Policy specifically, in 2019 in particular, Annex D of the European Semester identified which challenges MSs had to tackle for a better implementation of Cohesion Policy in the 2021-2027 programming period, thus contributing to priority framing (European Commission, 2021). As results from an overview of the aforementioned country reports, in most MSs administrative capacity had to be strengthened on the side of national and regional MAs but also of beneficiaries and social partners’ one (European Commission, 2024).

European institutions and particularly the EC enable and provide MSs several instruments to achieve paradigmatic change in Cohesion Policy management and implementation. Firstly, the EC provides MSs tools for evidence-based policy making for instance with publications such as “the quality of public administration toolbox” (2017), the EC offers also different international and national examples on how to improve public

administration, setting standards of best practices. Additionally, the EC, being aware of the necessity of tackling on-the-ground needs and the impossibility of applying best practices in different contexts, provides MSs with a competency framework and a self-assessment tool to diagnose the capacity of staff and public administrations and to address the identified potential competency gaps. In fact, this framework comprises a set of excel documents identifying the competencies needed to manage or implement the ERDF and Cohesion fund by distinguishing between the competencies needed in the MAs, joint secretariats, national coordinating bodies, or certifying authorities (European Commission, 2024).

Moreover, DG REGIO proposes Cohesion Policy knowledge-specific training events for national and regional authorities. These trainings cover themes that have been identified as the most difficult to grasp on the side of regional and national implementing bodies, as state aid, public procurement, prevention of fraud and corruption (European Commission DG REGIO, 2024). Indeed, the EC understands the importance of addressing the institutional level and policymakers to increase institutional attention to systemic issues in PAs. It has therefore established a High-level expert group entitled to address and provide expertise on the common challenges faced by PAs through the organisation of thematic events and technical seminars.

On the other hand, DG REFORM manages the Technical support instrument (TSI) providing on request tailor-made expertise to support national authorities in developing and implementing reforms, thus this support is not strictly linked to the implementation of ESIF (European Commission, 2024). It is a useful instrument to provide expertise on how to conduct reforms, indeed the support is provided through the whole reform cycle from the identification of priorities to the evaluation of outputs and outcomes (European Commission, 2021).

Peer learning schemes are also encouraged to exchange knowledge and good practices; in fact, the EC proposes networks such as TAIEX-REGIO Peer2Peer and REGIO Peer2Peer Communities (European Commission, 2024). The first is designed to help MSs organise short-term exchanges, in the form of single meetings or series of events, with people working in implementing bodies in other countries. On the other hand, REGIO Peer2Peer Communities enable long-term dialogue and engagement. An evaluation of the

strategies carried out by DG REGIO in 2019 has highlighted that differences in participation rates exist and some countries are definitely more involved than others, highlighting also that participation is not inscribed into a strategic approach but rather results from contingent needs (PPMI Group, 2021) Moreover, even if there were positive outcomes at the individual level with an amelioration of skills and capacities it was more difficult to install change at the institutional level given a multitude of external factors as, for instance, rigid administrative structures or lacking cooperation within the Cohesion Policy governance structure cooperation (*ibidem*).

Looking at the CPR it is possible to underscore the more strategic focus posed on administrative capacity building and simplification in 2021-2027, firstly by analysing Technical Assistance.

III. II. I. Technical Assistance

Technical Assistance can be defined as “the support and capacity-building activities necessary for the implementation of a programme or an action, in particular preparatory, management, monitoring, evaluation, audit and control activities” (Azevedo & Haase, 2016, p. 5). Technical Assistance (TA) is of paramount importance in supporting an effective implementation of ESIF within MSs as it aims at reducing and solving the identified implementation bottlenecks through capacity building actions as reinforcing the human resources necessary to manage the funds through trainings, hiring consultants for studies, improving monitoring and evaluation activities (European Parliament , 2017). The use of TA in supporting ESIF implementation has evolved and expanded through the programming periods, starting from a focus on the developments of new IT systems and the strengthening of monitoring and evaluation capacities in the 1990s to the awareness of the need to support the entire project implementation pipeline in the last programming periods (Polverari et al. 2020).

The Common Provision Regulation 2021-2027 reduced the number of thematic objectives from 11 to 5, therefore compared to the 2014-2020 programming period, there will no longer be thematic objective 11 to develop institutional capacity building. Indeed, in the 2014-2020 programming period ESIF supported fund-specific missions together

with investment priorities known as thematic objectives, in particular objective number 11 enabled the introduction of investments in the structures, human capital and systems and tools of the public sector aiming to achieve more efficient organisational processes and modern management, while also improving the skills of civil servants (Eur-Lex, 2018). Differently from TA, institutional capacity building under Thematic Objective 11 had a wider and long-term goal and had not to be directly linked to the support of authorities directly implementing ESIF (European Commission , 2014).

In the 2021-2027 programming period investments for administrative capacity can be delivered under each policy objective, allowing for greater flexibility (Bachtler et al., 2019). The division between TA at the initiative of the Commission or at the initiative of the MSs remains in the current programming period.

TA at the initiative of the Commission is regulated by art. 35 of the Common Provision Regulation 2021/1060, stating: “At the initiative of the Commission, the Funds may support preparatory, monitoring, control, audit, evaluation, communication including corporate communication on the political priorities of the Union, visibility and all administrative and technical assistance actions necessary for the implementation of this Regulation and, where appropriate, with third countries”. Examples of measures comprise administrative capacity building for the effective implementation of ESIF through the dissemination of information, good practices, communication activities, and promotion of cooperation as the ones explained in the previous paragraph.

The aim of TA at the initiative of MSs is stated in art. 36 of the Common Provision regulation 2021/1060 (CPR), particularly “funds may support actions, which may concern previous and subsequent programming periods, necessary for the effective administration and use of those Funds, including for the capacity building of the partners referred to in Article 8(1), as well as to provide financing for carrying out, inter alia, functions such as preparation, training, management, monitoring, evaluation, visibility and communication”.

Two typologies of Technical Assistance can be distinguished: standard TA and TA through financing not linked to costs. Every MS must indicate in the partnership agreement the form of EU contribution for TA, valid for the entire programming period.

Standard TA focuses specifically on guaranteeing the effective implementation of operational programmes. It operates on a reimbursement basis and two reimbursement options are foreseen, flat rates or real costs (according to the rules concerning forms of Union contributions to programmes, art.51 of the CPR). MSs must choose between the two. If flat rate is chosen, TA does not take the form of a separate priority axis or programme (European Commission, 2021). Differently, real cost TA must be included in a separate priority or programme for TA and art. 36 (4) b of the CPR identifies the percentages establishing the specific amounts of funds that can be allocated to TA for each fund. TA can fund interventions concerning not only the programming period but also previous or subsequent programming periods. This is particularly important in developing a long-term perspective for administrative capacity building.

The financing-not-linked-to-costs, on the other hand, foresees a payment by results logic. The TA with financing not linked to costs is regulated by art. 37 of the CPR and it is a complementary form of TA. This is a novelty introduced by the 2021-2027 CPR to enable a more holistic and simpler approach for administrative capacity building measures. This form of TA allows for the implementation of specific capacity building measures to reinforce the capacity not only of PAs and MAs managing Cohesion Policy but also to strengthen the capacity of beneficiaries and relevant partners involved in the functioning of the policy. Moreover, there is not a specific ceiling to administrative capacity building actions.

The rationale of this type of TA is a stronger performance orientation, in fact payments from the EC are based on the achievement of results and conditions, not to actual costs incurred. This approach in principle should be less burdensome for the MAs, as the EC does not check every individual expenditure but instead, audits are focused on the attainment of the desired results (European Commission, 2021). TA content and objectives relating to financing not linked to costs are decided by the MSs and the EC who set the timeline for the achievement of results, indicators and measurement units, the reimbursement schedule, the methods to apply when an adjustment in amounts is needed and how audit will be conducted (*ibidem*). This scheme can take the form of a separate operational programme approved simultaneously to other operational programmes or adopted at a later stage with an amendment.

Financing not lined to costs should provide several advantages, primarily reduced administrative costs and burdens as the verification system follows a result-orientation approach and a calculation method is not required (Santin, 2022). In general, simplified cost options are an innovative way of reimbursing funds, as instead of reimbursing real costs the sum derives from the predefined methods based on outputs and results. This kind of approach allows MSs to develop a more precise scheme for effective policy development and implementation (*ibidem*).

The Italian National Plan Capacity for Cohesion is the first example a national plan utilising TA with financing not linked to costs. Therefore, chapter 4 and 6 will provide evidence about the simplification potential of this method, explaining also the difficulties encountered by Italy when developing the National Plan Capacity for Cohesion.

MSs need to choose the right mix of actions under the identified options of TA in line with their needs. In 2017, when reflecting on future perspectives for Cohesion Policy after 2020, the European Parliament stressed the necessity of a “strategic, transparent and coordinated” approach for TA as some MSs failed to target local and regional authorities which would have required targeted interventions (European Parliament , 2017). Additionally, it was stressed that greater attention should have been given to the identified demand side of absorption, the beneficiaries and stakeholders’ one whose capacities are crucial to implementing Cohesion Policy through on-the-ground projects (Kersan-Skabic & Tijanac, 2017; Cunico et al. 2023).

An effective administrative capacity building strategy should be supported by national authorities that should be committed to reorganise the institutional and governance framework where bottlenecks are underscored (Polverari et al. 2020). Therefore, strategic TA interventions should consider different operational levels; on the procedural side coordination and complementarity among actions should be ensured while targeting human resources, systems and tools and organisational structures as it proves to be fundamental in producing positive spill-overs.

TA is implemented in complex environments that may be characterised by feedback loops, path dependency and policy layering, therefore reflexivity should be supported by *in itinere* evaluations and monitoring capable of increasing flexibility and targeting while also producing outputs for learning and increasing transparency and accountability; this

is possible only if a long-term perspective and commitment are put in place (Polverari et al. 2020).

III. II. II. The Roadmaps for administrative capacity building.

Intending to mainstream the need to develop holistic strategies for strengthening administrative capacities for MSs, the EC has provided a practical toolkit to develop roadmaps for administrative capacity building. This option is introduced by consideration number 33 of the CPR stating that “it should also be possible for actions and deliverables as well as corresponding Union payments to be agreed in a roadmap and lead to payments for results on the ground”. At the end of the report on the use of TA for administrative capacity building in the 2014-2020 programming period, the authors produced several recommendations for a more strategic use of TA for the following programming period (Polverari et al. 2020). The first recommendation regarded the development of administrative capacity building roadmaps to ensure a more holistic approach to capacity building strategy including a wider range of activities compared to 2014-2020 (*ibidem*).

A roadmap is a strategic and programmatic document that foresees a set of actions for building administrative capacity within the PAs, aiming at specifying which actions will be undertaken in the light of standard TA or those foreseen under TA not lined to costs. The toolkit provided guides MSs in structuring and prioritising concrete actions to implement and measure their progress over time (OECD, 2021). The identification of “financeable indicators” proves to be crucial as indicators should be able to measure the degree of achievement of results (European Commission, 2021).

A strategy guided by a specific strategic rationale, based on a clear understanding of on-the-ground needs (situation as it is), and the selection of instruments capable of achieving the identified objectives (situation as will be) is likely to be more effective in achieving paradigmatic change in administrative capacity building (Polverari et al. 2020). Roadmaps prove to be effective in looking at the overall synergy present among instruments, importantly the right allocation of “hard” and “soft” investments is a crucial

aspect characterising the intervention logic of the roadmaps (European Commission, 2020).

Thus developing a roadmap for administrative capacity building is highly recommended. Nevertheless, being it a voluntary initiative, only 13 MSs have declared their interest in developing a roadmap, among which also Italy. However, at the time of writing no outputs have been recorded as yet (Gal et al. 2023). A study on roadmaps for administrative capacity building will be published in April 2025 it will then be possible to understand which countries have designed the roadmaps and how they are implementing them. It should also show how the development of roadmaps can contribute to a more strategic approach to administrative capacity building for Cohesion Policy management and implementation.

IV. ADMINISTRATIVE CAPACITY BUILDING THROUGH TECHNICAL ASSISTANCE IN ITALY.

IV. I. Structure and challenges of the Italian Public Administration.

An efficient and effective management and implementation of Cohesion Policy has proved to be a challenge for Italian PAs in all programming periods. Particularly slow absorption and spending led to a frequent risk of decommitment of funds for public administrations that had to accelerate the spending in the last years of the programming period also frequently recurring to the use of retrospective projects (Leonardi, 2014).

The reasons for spending delays can be attributed to several factors, including the subsequent attempts of public administration reforms as the administrative structure governing Cohesion Policy in Italy has been modified through the various programming periods. As previously stated, Italy presents a decentralised management system, with a multilevel structure built among national, regional, and local bodies. Starting from 2013 it was evident that, more coordination was needed among different levels of intervention, and regional administrations were beginning to demand more guidance and expertise from the national level (Minister for European Affairs, the South and Cohesion Policy , 2023). Also, the recommendation 217/2013 issued by the Council of the European Union emphasised that: “public administration efficiency in terms of the regulatory and procedural framework, quality of governance and administrative capacity, continue to suffer from weaknesses that affect the implementation of reforms and the business environment”.

To respond to these challenges, the Territorial Cohesion Agency was established with Law Decree 101/2013 and it was tasked to supervise the overall management and implementation of the Programmes through monitoring and evaluation. The Agency could also set standards and issue guidelines by assisting central and regional administrations.

Administrative strengthening was conceived as “reforming”. The reform approach required the adoption of legislative reforms with long adoption processes thus failing address the stringent needs of the PA and to improve Cohesion Policy performance (ISMERI EUROPA, 2022). Generally, reforms introduced through legislation are strictly

linked to the intentionality to implement them within PA and the desire to change. Indeed, as emphasised by the EC, this approach led to two scenarios in Italy: some PAs implemented the reforms and the linked instruments without, however, following them in their everyday practices, and on the other hand, the remaining ones did not even implement them (Cepiku, 2019).

Additionally, the frequent administrative reforms were linked to governmental changes. As a case in point Mochi Sismondi and Piersanti (2016) have emphasised that from 1990 to 2015, 18 governments were established with 15 consequent Ministers who proposed 15 different reforms for the improvement of the public administration. The frequency of government changes has contributed to slowing down the process of reform adding new layers to the existing policy and undermining the overall initial vision of the reform (Tödtling-Schönhofer, et al., 2014). Additionally, political interference, manifested through spoil systems consisting of a political selection of top-level bureaucrats, may have hindered administrative continuity and a holistic reform strategy (Polverari, 2020).

Among the reasons for lagging administrative performance concerning the management and implementation of ESIF, Mochi Sismondi and Piersanti (2016) identify an output-oriented vision at the detriment of the quality of results, scarce support instruments, a misalignment between reform policies and economic management but also the lack of cooperation among the different administrative structures at the regional and local levels.

PAs do not possess the right capacities to effectively carry out the programming phase and the evaluative one; indeed the two are intertwined as *ex post* and *ex ante* evaluations are crucial for a design suited to needs. Lack of competencies can also result from a shortage of skilled personnel (Agrello, 2019). Not only 50% of personnel is employed in PA offices at the central level but, in addition, in the last decade the Italian public administration has lost 7% of its staff. This can be linked to austerity policies affecting new hiring aiming at limiting public expenditure for personnel after the 2008 financial crisis (*Comitato scientifico per la valutazione dell'impatto delle riforme in materia di capitale umano pubblico*, 2022). This is particularly important if we consider the size of the Italian PA compared to other European ones. The Italian public service is less numerous than the one in Spain, France and Germany. Moreover, due to a lack of staff turnover, the average age of public servants in Italy is 50,74 years (*ibidem*). Therefore, it

seems that the Italian PA would require a new inflow of skilled human resources that would provide technological competencies, innovation, language skills and the intentionality to learn (Polverari, 2020).

IV. I. II. The 2014-2020 National Operational Programme Governance and Institutional Capacity.

In 2012 the European Commission (ARES 2012/1326063) highlighted the need to strengthen the capacity of all the organisations involved in Cohesion Policy's management and implementation in Italy. It recommended to focus not only on audit and MAs but also on the offices responsible for the formulation and implementation of co-financed projects. Italy in response, on the one hand, designed the National Operational Programme Governance and Institutional Capacity (EC Decision 1343, 23 February 2015) that invested 800 million euros for administrative and institutional capacity building and the modernisation of the Italian PA; on the other, the signature of the partnership agreement was bound to the adoption of a strategy for administrative reinforcement at the local level, that took the name of Administrative Reinforcement Plans.

An overview of the NOP Governance and Institutional Capacity (NOP Gov) implemented in the 2014-2020 programming period enables us to understand the differences and novelties introduced in the 2021-2027 one.

The NOP Gov was inscribed and contributed to the Europe 2020 strategy for smart, sustainable and inclusive growth strictly linked to the achievement of territorial, economic and social cohesion. Indeed, modernising PA and increasing the capacity of its employees was, and still is, crucial to ensure the growth of the country also in light of the difficult recovery from the 2008 economic crisis. The two pillars of the programme, identifiable as the policy goals, were to modernise the national administrative system (first pillar) and to implement a more efficient multilevel structure within the programmes (second pillar). Therefore, the programme through a division consisting of pillars (goals), axes (objectives), and specific objectives (reforms) responded to these challenges through

the investment in two thematic objectives (TOs) proposed by the CPR 1303/2013. Particularly, TO 2 “enhancing access to, and use and quality of information and communication technologies” and TO 11 “enhancing the capability of public authorities and efficient public administration” synergistically applied. In fact, an increase of administrative capacity was also linked to the amelioration of systems and tools therefore an investment in technology within PA would have guaranteed a more rapid and effective information exchange but also faster procedures. Indeed, e-government and e-procurement services improve the quality of services and their transparency also to the benefit of citizens (Territorial Cohesion Agency, 2017). The overall priorities of the programme were to increase the quality of human resources, the quality of the administrative organisation, the development of performance management systems, to increase the level of digitalisation, to introduce measures to support the reform of the judicial system, ameliorate the relation with stakeholders and implementing better management and coordination of the multilevel governance present within the country (NOP Gov, 2015).

Subsequent reprogramming, revisions and changes (2016, 2018, 2020, 2021, 2022) have impacted the NOP’s structure, especially the unexpected COVID pandemic and the CRII and CRII plus interventions have allowed MSs to reallocate the amount of funding foreseen for each OP to deal with the economic and social challenges in times of crisis (ISMERI EUROPA, 2022). One of the main changes introduced thanks to the CRI interventions was the 100% financing with EU funds of the payment claims in 2020 and 2021. Moreover, thanks to the REACT EU instrument, within the framework of the Next Generation EU, other funds inflows were added to the financial allocation of the NOP (*ibidem*).

The Italian managing authority emphasised during the interview (Int. 4) that, apart from the exogenous and unexpected situation, obstacles to achieving a paradigmatic change in administrative performance amelioration could be attributed to a lack of administrative capacity. The lack of administrative capacity manifested particularly with “a lack of programming capacity, a non-negligible impact of judicial proceedings concerning public tenders, the absence of qualified personnel for the implementation of Cohesion policies” (author’s translation, int. 4). This was also confirmed by the *ex post* evaluation of the NOP Gov conducted by ISMERI Europa (2020), human resources presented a scarce

level of competencies, especially in technical matters, and the turnover of more qualified personnel led to a loss of important human resources and the existing gaps failed to be covered as limited hiring was foreseen. The second aspect identified was the rigid administrative organisational context in which the reforms had to be implemented, the administrations' structure differed among regions and it was difficult to implement off-the-shelf standardised reforms especially with regards to digital innovation (*ibidem*).

IV. I. III. A place-based approach: the Administrative Reinforcement Plans.

The strengthening of multilevel governance within Italian PAs and capacity building for a better implementation of Cohesion Policy presented a bottom-up and evidence-based approach for the 2014-2020.

Within the partnership agreement for the 2014-2020 programming period signed on the 29th of October 2014 it was decided to design and implement the “*Piani di Rafforzamento Amministrativo*”, translatable as Administrative Reinforcement Plans (ARPs). Within the programming period taken into consideration, 29 such ARPs were implemented, 21 at the regional level and 8 within ministries at the central level.

The ARPs were particularly relevant because they were programmatic documents that targeted specifically the improvement of administrative capacity for Cohesion Policy. They focused on the entire policy implementation ecosystem, tackling all the challenges that could have arisen in the implementation of the Operational Programme, project selection, public procurement, identification of eligible expenditure, programme closure and evaluation. Simplification measures were suggested to reduce the administrative burden that obstacles the performance of both public administrations and beneficiaries.

Particularly important was the Multilevel structure envisioned by the policy. At the national level standard requirements were set in terms of overall goals and, at the regional level the objectives and the targets to be reached were identified. Therefore, this structure was particularly relevant because of the emphasis placed on ownership and accountability of regional administrations. Ownership is linked to the awareness developed by the administration at the local level that the change responds to their needs thus it is useful

for them to collaborate in the achievement of change (ISMERI EUROPA, 2022). Accountability was required from the central committee “*Comitato di Indirizzo per i Piani di Rafforzamento Amministrativo*”, the Secretary General of the presidency of the Council of ministers and a technical secretariat were appointed to support the implementation of the ARPs by guiding the partners involved, both institutional and private ones (Centurelli, 2017).

The approach has been specifically designed to be bottom-up and place-based. The regional ARPs were designed directly by the regions, which had to identify the needs present within the context, by analysing the drawbacks and limitations in the implementation of funding within the 2007-2013 programming period, and had to define priorities and targets of their action plans. Each intervention in the plan was required to be measurable, to explain who was responsible for carrying it out and accompanied by a precise time frame for implementation and a scheduled completion date (European Commission DG REGIO, 2018).

Moreover, each administration was required to monitor and evaluate the implementation of the ARPs and communicating the identified improvements or challenges to the central level in order to apply any corrective measures needed to ensure the plans’ effectiveness, efficiency and timely implementation. The ARPs were intended to have a duration of two years. However, after the completion of the first phase they have been extended with ARPs phase II in 2017 for the following two years. Given the perceived success, the second phase ARPs were foreseen in 2018 for a duration of two further years. Within this second phase, interventions were preliminarily decided by the Territorial Cohesion Agency at the national level on the basis of self-assessment questionnaires regarding the first phase of the ARPs administered to the regional MAs. The identified objectives of the second phase were linked to administrative capacity concerning timely and efficient spending. Indeed, the high number and fragmentation of interventions in the first phase had led to a reduction of targets in this second phase limited to “vital few”. This reduced the sense of ownership since the beginning. Additionally, the selected targets were not measurable and quantifiable as they were very broad. As a case in point, two targets among others required to increase the responsibility and the competencies of staff, and to ameliorate the instruments for project control in order to better monitor beneficiaries’ performance (ARP 18/06/2018). ISMERI Europa also stressed that the self-evaluations

frequently reported some of the same problems evidenced in the first phase of the ARPs, without stating, however, why the measures implemented did not work (ISMERI EUROPA, 2020).

It must be emphasised that the European Commission identified in the ARPs a best practice to increase efficiency and speed up the distribution of funding while helping beneficiaries through a tailor-made approach (European Commission DG REGIO, 2018). The positive effects can be related to the multilevel structure of the policy thanks to which the region was responsible for the assessment of the problems affecting the administration, thus focusing on specific targets. This is particularly relevant as former public administration reforms implemented in Italy did not take into account the real processes taking place on the ground but were rather top-down (Polverari, 2020). On the contrary, place-based reforms are more likely to produce sustainable change that is able to survive over time, being embedded in the organisations' practices. In this case, the commitment came from the political level as the ARP created an institutionalised opportunity for reflection of PAs needs and awareness raising on actual administrative capacity building reform required by the different contexts (Polverari, et al. 2020).

Italy seems to have internalised this reform approach, understanding its strengths. Indeed, the 2021-2027 national and regional operational programmes were accompanied by a policy that is seen as the continuation of the ARPs experience: *Piani di rigenerazione amministrativa* (PRigA) translatable as Plans for administrative regeneration. This new generation of plans is based on the same *rationale* of place-based problem identification.

Nevertheless, notwithstanding the actions implemented in the programming period 2014-2020, many challenges concerning the administrative capacity of regional and local authorities have not been successfully tackled. Indeed, despite the efforts, Annex D of Italy's country report paper adopted by the EC in 2019 highlighted the country's weak administrative capacity strictly linked to a lagging performance in terms of absorption of ESIF.

Indeed, to avoid the risk of decommitment, Italy in 2023 had to allocate and spend an amount of resources that equalled the ones spent from 2015 to 2022 (Minister for European Affairs, the South and Cohesion Policy , 2023). Indeed, at the end of 2019 the spending rate amounted to only 41% of the allocated resources (Cohesion Open Data

Platform). This late “run” towards the achievement of the spending rate has undermined the achievement of objectives and the implementation of strategic and quality projects (Barca & Bruzzo, 2019).

The delays manifested in the first years of the programming period can be linked to the very slow procedure of designation of MAs for OPs (DG BUDG, European Commission, 2019). Other factors were the high fragmentation of objectives and the high number of OPs, the rigid organisation of the administrative multilevel structure managing Cohesion Policy in the country and an insufficient administrative capacity, especially in Southern administrations (Barca & Bruzzo, 2019). Also, even if the programme closure rules foresaw 3 additional years for programmes implementation,

it has been highlighted by authors as Barca and Bruzzo (2019) that PA tend to focus on the nearest target. This was confirmed by interviewee no. 5 that affirmed that a longer implementation time frame might simply delay the closure moment to the last possible deadline.

MAs were asked to avoid administrative mitigating practices like retrospective project use in this programming period, as recognised as hindering the principle of additionality of Cohesion Policy (Ministry of Economy and finance , 2024). This derived from an effort initiated at the central level, that tried to detach the Italian PAs from those negative practices implemented in previous programming period while striving for more efficiency. Interviewee no. 4 stated that “the current objective is to maintain distinct projects born under national programs and those designed under Cohesion Policy’s framework however maintaining a strong coordination between them and implementation support” (author’s translation).

As previously stated, due to the unforeseen health emergency, spending procedures were eased by the EC from 2020 in order to avoid a complete stop to the implementation of projects. Indeed, flexibility instruments were adopted, such as the 100% financing by the EU funds and additional resources from the REACT EU (Ministry of Economy and finance , 2024). The situation reported on the 30th of April 2024 by the IGRUE (*Ragioneria Generale dello Stato*) demonstrated 81% of payment rates, an objective that would not have been reached without the extraordinary measures implemented (Ministry of Economy and finance , 2024). Public servants managing Cohesion Policy had to face

the double challenge of closing the 2014-2020 programming period, starting the new one while also managing and implementing the strategies foreseen by the NRRP, this constituted a burdensome challenge for the personnel that was not numerically sufficient to carry out efficiently all the tasks (int. 5).

The evaluations conducted during the programming period, as for example the self-assessment evaluations of the ARPS or the independent evaluation of NOP Governance and institutional capacity, produced important recommendations on the actions to be implemented in the following programming period. These are stated in the premises of the new, 2021-2027, National Plan Capacity for Cohesion. In particular, these evaluations recommended to favour “bottom-up policies” and to focus on the needs of local authorities, on instruments to support the design and management phases of Cohesion Policy as it was in these phases that the highest number of gaps could be detected and on beneficiaries’ capacity to avoid delays on their side.

IV. II. The current strategy for administrative capacity building: the Partnership Agreement for the 2021-2027 programming period and the National Plan Technical Assistance Capacity for Cohesion (NP CapCoe).

The new strategy for administrative capacity building stemmed from Annex D of EC’s Country-specific recommendations of 2019. In particular, the EC recommended (Annex D, Italy Country Report 2019):

- continuing with the experience of ARPs committing to a proper implementation of the identified strategy;
- reinforcing the partnership principle by guaranteeing a true involvement of local bodies and economic and social parties;
- increasing the capacity on the side of beneficiaries;
- improving PA’s performance in regards to public procurement, to conduct verifications and implement measures to contrast frauds and conflicts of interest.

The ninth section of the Partnership Agreement (4787 of the 15th of July 2022) particularly focuses on the actions for the strengthening of administrative capacity for

Cohesion Policy in Italy. The overall objective of the strategy is to accelerate the implementation of the investments under ESIF. The strategy aims to address the three internal components of administrative capacity: organisational structures, human resources, systems and tools (Netherlands Economic Institute , 2002) in terms of organisational structures, MAs, Intermediate bodies, coordinating authorities and beneficiaries will be supported to effectively carry out their tasks. Actions are foreseen for strengthening the administrative capacity of employees engaged in all the phases of Cohesion Policy implementation. On the other hand, investments on digitalisation aim at modernising the PA and easing the administrative processes.

The strategy entails two different types of interventions: the National Plan Technical Assistance Capacity for Cohesion (NP CapCoe) and the Plans for Administrative Regeneration (PRigA). These are the continuation of the second phase of Administrative Reinforcement Plans (ARPS). Like their predecessors, the PRigA are designed by all MAs at the national and regional level in line with the bottlenecks identified at the local level in terms of administrative capacity for Cohesion Policy. Indeed, the strategic documents define the intervention areas and the mix of administrative capacity building instruments that are going to be implemented. The actions are funded by standard TA but also through TA with a financing not linked to costs and Technical Assistance within the ERDF and ESF. The instruments are mutually reinforcing as the NP CapCoe aims to “incentivise” the monitoring and the development of administrative capacity building initiatives; it “supports” the interventions under the PRigA and “integrates” the PRigA through its priorities targeted to less developed regions and to all MAs (first Monitoring Committee of the National Plan Capacity for Cohesion, 17th may 2023, p. 45).

The EC approved the National Plan Technical Assistance Capacity for Cohesion (NP CapCoe) on the 12th of January 2023, the plan is co-financed by the ERDF and ESF+ with a budget of 1,267,433.334 euros that comprises the national co-financing (official website CapCoe). An analysis of the structure and the objectives of the National Plan follows.

The overall goal is to strengthen the administrative capacity of territorial PAs to increase the effectiveness and efficiency of Cohesion Policy in the territories, therefore the theory of change inscribed in the strategy strives to propose a customised approach that is able to identify and address the bottlenecks in the specific context.

The NP foresees four priorities and given the different initial context situation, it differentiates between actions strictly targeting the less developed regions and interventions designed for all regional authorities. Learning from the past, the NP CapCoe presents a strong territorial focus as the most significant administrative capacity gaps have been underscored within the local authorities. Indeed, among the 8,000 Italian municipalities, 70% cover cities with less than 5,000 inhabitants, especially in Southern Italy. The analysis of the context highlights a lack of adequately skilled human resources,, and the difficulty in identifying which functions are held by the employees. The long administrative procedures and the scarce management skills within the organisations constitute a limit, on one hand, for the absorption of resources, and on the other, also to beneficiaries' access to ESIF, translating into losses of development opportunities for the territories.

Therefore, the first priority is devoted to the strengthening of management and implementation processes for Cohesion Policy in less developed regions, namely Apulia, Basilicata, Calabria, Campania, Molise, Sardinia, and Sicily. This priority, to which are allocated 929,464.497 euros under the ERDF, amounting to the 46% of the total budget, is the most ambitious as it consists of actions financed by TA through financing not linked to costs but to the achievement of targets according to art.37 of the CPR. This priority will be analysed in detail in the next paragraph. The other three priorities are addressed to all regions and aim to support the governance of Cohesion Policy and its implementation through standard TA ex. art. 36 of the CPR.

One of the most interesting novelties within the second priority is the creation of a School for Cohesion that aims to address the professional formation of new graduates, Cohesion Policy professionals and administrators who are interested in developing their competencies on the matters concerning EU project management and the implementation of ESIF. No official information can be found on the intended structure of the project, however the interviewees no. 4 and no. 5 highlighted the intention of replicating the successful project "SFERA" implemented in the 2000-2006 programming period. The idea is to combine practical experience directly within the PA, through internships, together with a theoretical education. This action is considered to enhance the development of a learning culture within the PA directly focused on Cohesion Policy. On the other hand, action 3.3 should provide the input for organising information events for

beneficiaries including economic and social partners and stakeholders. The aim is to enhance their participation in calls for projects. Furthermore, the NP CapCoe aims to strategically reform the Cohesion Policy governance in Italy to strengthen cooperation and administrative capacity at the central level.

IV. II. I. Priority 1: Technical Assistance through financing not linked to costs.

The aim of the first priority of the NP CapCoe is to achieve intermediate and final targets to achieve an improvement of 20%, compared to 2020, of the absorption and spending capacity of the seven less developed Italian regions. The priority envisages five actions to support the efficient management and implementation of Cohesion Policy during this programming period.

The first action proposes the creation of a Centre of Services managed by the Territorial Cohesion Agency or the support of local MAs through customised special assistance. Secondly, given the recorded absence of qualified personnel on Cohesion Policy requirements, the third action announces the recruitment of 2,200 new employees entirely dedicated to the management and implementation of Cohesion Policy. After 2029 the costs linked to new personnel will be covered by the beneficiary public administration. For this reason, it was important to analyse beforehand the capacity of the PAs to employ new personnel, according to this verification the allocation of the number of resources was decided. The vast majority of new personnel will be employed at the municipal level, as interventions of TA aimed at temporarily assisting the personnel in the past have not proven to be efficient. The newly employed personnel and the former employees are going to be supported by *ad hoc* training. The last two priorities implement support activities aimed at reinforcing the PRigA, for instance through the support of the Technical Secretariat of the PRigA established at the central level and the financial support of specific interventions envisaged by the PRigA.

Lastly, the NP CapCoe foresees the realisation of seven Regional Action Plans, one for each less developed region. The Regional Action Plans are similar to the roadmaps for administrative capacity building proposed by the EC, as they are drafted in the form of programmatic documents. Indeed, the regional MA decides a detailed path for the

development of administrative institutional capacity, with particular reference to all interventions inscribed in the first priority of the NP CapCoe. These plans are jointly defined by the Territorial Cohesion Agency and local MAs, further approved by the EC and the Surveillance Committee of the National Plan between July and October 2023 (Monitoring Committee PN CapCoe 22nd November 2023).

Inter alia, by effect of art. 50 of the Law Decree 24th February 2023, subsequently converted into law, the competencies of the Territorial Cohesion Agency were transferred to the Department for Cohesion Policies of the Presidency of the Council of Ministers, thus resulting in the closure of the Agency. This reform aims to ensure a coherent approach between interventions financed Cohesion Policy, the actions under the NRRP and national cohesion policies (Italian chamber of deputies, 2023).

Returning to the process of adoption of the Regional Action Plans, the regional MAs are asked to identify the major challenges related to the management and implementation of ESIF in the 2021-2027 programming period, identifying also the beneficiaries of the needed interventions under each priority. As a case in point, in relation to the new hiring foreseen by the previously discussed priority, the regional MA had to express an indicative number of personnel needed and which functions the new human resources would cover. Furthermore, they had to identify the preferred training actions to be implemented and how the Regional Action Plans would support the PRigA.

All the actions under the first priority of the NP CapCoe will be reported to the EC through financing not linked to costs art. 37 of the CPR, following the procedure described in the first comma of art. 95 of the CPR:

In order to make use of a Union contribution to the programme based on financing not linked to costs, Member States shall submit a proposal to the Commission in accordance with the templates set out in Annexes V and VI, as part of the programme or of a request for its amendment. The proposal shall contain the following information: (a) identification of the priority concerned and the overall amount covered by the financing not linked to costs; (b) a description of the part of the programme and the type of operations covered by the financing not linked to costs; (c) a description of the conditions to be fulfilled or of the results to be achieved and a timeline; (d) intermediate deliverables triggering reimbursement

by the Commission; (e) measurement units; (f) the schedule for reimbursement by the Commission and related amounts linked to the progress in the fulfilment of conditions or achievement of results; (g) the arrangements for verification of the intermediate deliverables and of the fulfilment of conditions or achievement of results; (h) the methods for adjustment of the amounts, where applicable; (i) the arrangements to ensure the audit trail in accordance with Annex XIII demonstrating the fulfilment of conditions or achievement of results; (j) the envisaged type of reimbursement method used to reimburse the beneficiary or beneficiaries within the priority or parts of a priority of programmes concerned by this Article.

Therefore, the definition of targets has been two-fold. General targets were identified by the national MA of the NP CapCoe within the Department for Cohesion Policies and the South of the Presidency of the Council of Ministers. Thereafter, targets were identified at the regional level by the MAs of the seven less developed regions within their Regional Action Plans.

More in detail, for the development of indicators and targets required by the procedure of TA through financing not linked to costs, the national MA identified macro typologies of eligible operations. Then for each operation, it defined a set of financeable indicators as process milestones, intermediate indicators and final targets (NP CapCoe Monitoring Committee, 22nd November 2023). Indicators are designed to measure the procedural and administrative improvements but also the temporal timeline for these, as the interventions need to respect a precise time frame. Lastly, through the pricing technique, the Managing Authority has determined the amount of money that it will receive following the achievement of the identified intermediate and final results (*ibidem*). Costs will be adjusted through reprogramming in case of changes of objective conditions such as the rise of prices and inflation, social-economic changes or in the case of international crises. Table 1 summarises the indicators developed and stated in the first programming of the NP CapCoe.

Action	Intermediate tangible results	Expected completion date	Financial allocation (Euros)
Territorial services for support	Approval of the 7 Regional Action Plans	30/06/2023	5,781,235.52
	Activation of the national service centre and website	31/12/2023	17,343,706.56
	At least 200,000 working days of services for beneficiaries	31/12/2025	23,124,942.08
	At least 400,000 working days of services for beneficiaries	31/12/2026	23,124,942.08
	At least 540,000 working days of services for beneficiaries	31/12/2027	23,124,942.08
	% growth of the value of the two performance indicators	31/12/2027	23,124,942.08
Hiring	7 Regional Action Plans contain a hiring plan and a public tender for selection	21/07/2023	15,385,203.03
	At least 290 local entities and regions adhere to the ACT convention	31/12/2023	46,155,609.10
	At least 1,800 new employees	31/12/2024	61,540,812.14
	At least 1,800 new employees	30/06/2026	61,540,812.14
	At least 1,800 new employees	30/06/2027	61,540,812.14
	% growth of the value of the two performance indicators	31/12/2027	61,540,812.14
Training	The 7 Regional action plans contain a plan for personnel training	31/12/2023	2,307,780.46
	At least 20% of implemented training services with a minimum of 3,600 days of formation	31/12/2024	4,615,560.91
	At least 80% of implemented formation services with a minimum of 14,400 days of formation	31/12/2025	5,384,821.06
	% growth of the value of the two performance indicators	31/12/2027	3,077,040.61
Technical secretariat PRigA	Set-up of the Technical Secretariat PRigA	30/06/2023	800,974.95
	Implementation of a secretariat service plan and activation of the PRigA portal	31/12/2023	1,601,949.89
	At least 80% of the PRigA Secretariat's service delivery plan is implemented	30/06/2027	1,868,941.54
	% growth of the value of the two performance indicators	31/12/2027	1,067,966.59
Support to PrigA	Identification within the 7 Regional Action Plans of PrigA projects funded by CapCoe	31/12/2023	8,391,928.93
	Completion of 90% of the procurement procedures for the custody of technical and professional services	30/06/2025	16,783,857.86
	Completion of at least 80% of PRigA projects	30/06/2027	19,581,167.50
	% growth of the value of the two performance indicators	31/12/2027	11,189,238.57

Table 1: elaborated by the author from data resulting in appendix 2 of the NP CapCoe 2021-2027

Importantly, it must be highlighted that the payment by results approach embodied by the financing not linked to costs mechanisms proves to be particularly challenging in the case of organisational practices as those related to the broader concept of administrative capacity (Int. 5 – Int. 6). Indeed, the adoption of the NP CapCoe had to go through some initial difficulties in designing and agreeing with the EC the indicators and targets. As a case in point, the target of the improvement by 20% of the Italian spending rate by the end of 2027 might be linked to other external factors and not solely causally linked to the administrative capacity building actions foreseen by the Plan (Polverari, 2023). In fact, this was also emphasised by interviewee no. 6 who observed that in Italy administrative capacity building policies are influenced by a context characterised by “smaller and larger municipalities, territorial disparities, the presence or the lack of motivated policy entrepreneurs, the previous networking activity implemented by the municipality, optimal or suboptimal social conditions, whether or not the policy is implemented in proximity to political elections”.

IV. III. The reprogramming of the National Plan Technical Assistance Capacity for Cohesion.

An implementing decision approved the reprogramming of the NP CapCoe on the 12th of September 2024. The main reason behind the reprogramming of the programme is the need to ensure a better coherence among the priorities identified within the seven Regional Action Plans. The recruitment plan supported by NP CapCoe and implemented through “*Decreto Sud*” (Law No. 162 of 13 November 2023) was built bottom-up, from the aggregation of the expression of interest for new recruitments in Local and Regional Authorities in the South. As previously stated, the seven less developed regions specified their recruitment needs and requirements for the recruitment of staff based on their recruitment capacity also after 2029 when they are going to pay the newly recruited personnel with their own resources (Department for Cohesion Policy and the South, 2024). Therefore the 2,200 new employees will be divided in the following way: 135 new staff hired in Provinces; 70 in metropolitan cities; 71 within the Department for Cohesion Policies; 1,674 in Municipalities and unions of Municipalities and, lastly, 250 in regional

administrations (Department for Cohesion policy and the south, 2024). It is evident that there has been a major effort to install administrative capacity at the local level, this being identified as the context in which the implementation gaps occurs the most (Int. 6).

The second relevant change concerns the technical secretariat for the PRigA, whose operation was extended to all regions as it was moved from action 1.1.4 to action 2.3 of the second priority (NP CapCoe Reprogramming, 12th September 2024). Moreover, given the delays accumulated, the reprogramming led to an adjustment of targets and timetables. For instance, for priority 1.1, “Support to territorial services”, the programme originally foresaw 545,000 working days for the supply of support services while the reprogramming decreased this number to 240,320.

V. ADMINISTRATIVE CAPACITY BUILDING THROUGH TECHNICAL ASSISTANCE IN POLAND.

V. I. The challenges of adapting to ESIF programming and implementation procedures after accession.

The reform of the Polish PA is linked to the accession process to the European Union; indeed, in 1989 Poland was a highly centralised State and regions did not exist. As discussed in the literature review, since 1988 in the EU, Cohesion Policy implementation started to emphasise the importance of multilevel governance and sub-regional actors' involvement. It can therefore be assumed that the desire to access the EU instilled the regionalisation process in Poland too (Opłowska, 2019). The fulfilment of the pre-accession requirements envisaged by the Copenhagen criteria was crucial to facilitate a transition into a market economy, which was considered a necessary environment for the implementation of EU funds through competitive calls for projects (Tiganasu, Incaltarau, & Pescariu, 2018).

The regionalisation process led to the institution of 16 elected governments in 1998; however, until 2007-2013 they maintained limited competencies in Cohesion Policy management (Ferry, 2013). In particular, it was the 2010 reform KSRR National strategy for regional development that dismantled the highly centralised governance mode. The reform enhanced a bottom-up development approach focused on exploiting the endogenous regional potential and increasing the involvement of regional and local authorities in the development of strategies and regional operational programmes (Opłowska, 2019).

Concerns about the absorption capacity of the new MSs were spreading given the major transformations that they have undergone and because it was assumed that the administrative capacity in the newly established PAs would not be sufficient to cope with the requirements of Cohesion Policy implementation (Tiganasu, Incaltarau, & Pescariu, 2018).

Against this backdrop, Bachtler et al. (2014) have assessed the administrative capacity of Central and Eastern European MSs through the six stages of the programme cycle of Cohesion Policy, composed of: programming; project generation, appraisal and selection;

financial management; reporting; monitoring; and evaluation, during the 2004-2006 programming period. Even if the new MSs had to respond to this expectation of administrative failure, the research concludes that, despite the financial difficulties, the EU8 managed to meet the regulatory requirements and spending targets by adopting a highly centralised management approach and simple programme structure based on priorities as transport and telecommunications (Bachtler et al.2014). Apart from the quality of human resources and the administrative structure, a crucial element was “administrative adaptability” intended as the intentionality to introduce changes to the system according to the learned practices. Nevertheless, the 2004-2006 programming period can be considered as an interim period, as the new MSs started to implement their programmes in the middle of the programming period (other MSs had started in 2000). Poland’s financial performance in these first two years had an important impact on the negotiations of the following programming period (Bachtler et al.2014).

The main weaknesses identified in Cohesion Policy implementation in Poland could be attributed to: a lack of coordination between national and EU legislation concerning the policy; insufficiently qualified human resources; a high level of turnover of personnel in the institutions; a lack of coordination among different ministries, and poor knowledge of EU funded opportunities on the side of beneficiaries (Tita et al. 2015).Therefore, the objectives identified at the central level, for the 2007-2013 programming period, were to assist beneficiaries in preparing projects, to create a stable system for efficient and effective management and use of EU funds and to address the bottleneck identified in the previous implementation process (Ministry of Infrastructure and development, 2014).

From the very beginning, support was provided for the development of an effective institutional framework for the design of Cohesion Policy. Regional and local administrations were assisted by a strong national-level institution capable of guaranteeing coordination among sub-national institutions, able to plan and implement policies, namely the Ministry of Infrastructure and Development transformed in 2019 into the Ministry for Development Funds and Regional Policy.

The effort started with a focus on the need of employees injections and surveys to understand how to maintain personnel employed in the organisations. High staff turnovers might increase the time needed to complete the different steps required by Cohesion

Policy's implementation due to the limited experience of the newly hired personnel and this is also exacerbated in cases in which MAs present low learning abilities (Cunico et al. 2023).

In 2007-2013 there was an increase in the number of public servants employed for Cohesion funding, which grew from 5,073 to 12,064 employees, and the finances of Technical Assistance played a key role in financing these new human resources (Ministry of Infrastructure and development , 2013). Public sector volatility was particularly problematic in the first years after Poland's accession to the EU, indeed the main concerns were related to the development of institutional memory and learning culture (Int. 3). On the one hand, less qualified employees were reluctant to work with structural funds because of language difficulties related to communication in English (Int. 1); on the other, more qualified employees were attracted by the higher salaries proposed by the private sector. A partial stabilisation occurred in 2008-2009 as a result of the financial and economic crisis that affected the number of attractive and competitive job offered by the private sector. TA in 2007-2013 foresaw the alignment of payment public sector's salaries to the private one to cope with high staff turnovers (Ministry of Infrastructure and development , 2013). Moreover, Poland strived to raise the qualifications of its public sector employees to make them adapt to the specific requirements of the rules governing the implementation of ESIF. This was implemented through training initiatives that responded to employees' needs as they had been involved in the process of topic selection. Nevertheless, complaints coming from employees emphasized the insufficient attention to the practical side of Cohesion Policy implementation during training (*ibidem*).

Among other aspects, particular relevance has been attributed to administrative capacity for evaluation, the national level has provided tools and guidance opportunities for all the other administrative levels (Tödtling-Schönhofer, et al., 2014). All MSs joining the EU in 2004 due to the external pressure exerted by the EC had adopted evaluation practices; nevertheless, evaluation capacity has evolved faster in Poland than in the other new MSs (Pellegrin, Colnot, & Pedralli, 2020). Indeed int. 3 stressed that "there were supporting directors who came up with the idea of creating national and regional evaluations units and units within each specific programme. This was also supported by the presence of young civil servants who were excited about evaluation". This was likewise confirmed

by interviewee number 1, stating that it could be possible to underline a “high motivation among Polish officers to catch up with the better developed EU countries”.

Moreover, from 2008 to 2014, an Evaluation Academy was established within the University of Warsaw. It trained, initially, the staff of the national evaluation units of the Ministry of Regional Development as well as experts involved in regional units (Kozak, 2016). But also over time, a broad number of people attended the academy, not only coming from evaluation units but also civil servants in general and public policy officials from the regional level involved in the management of structural funds. This not only created an evaluation culture indispensable for quality policy design but it also enhanced networking practices among civil servants and increased the quality of yearly evaluation studies (int.3). Indeed, research conducted at the EU level highlighted the effectiveness of the learning process that was initiated through administrative capacity building in Poland’s PA over the 2004-2006 and 2007-2013 periods (European Parliament Budget Committee, 2018).

It was also understood that an effective implementation of ESIF was conditioned by beneficiaries’ capacity. Beneficiaries’ difficulties were particularly evident in the application of public procurement rules and frequently changing rules. Notwithstanding, the support offered to beneficiaries was too broad and the assistance was not provided at the local level (Considerations TA 2014-2020). The co-financing ability for European projects was supported from the national level, indeed a system of pre-financing from the state budget was implemented in order to support entities with a limited co-financing ability to participate in calls for projects, through interest-free or low-interest pre-financing (Tita et al. 2015). This has proved to be particularly important especially during the financial and economic crisis of 2008 to maintain GDP growth and enhance competitiveness.

Additionally, the overall implementation system was reformed to make it less complex and burdensome due to excessive controls and regulations (Law of National Development Plan, Law regarding the National Capital Fund, Law on the Public Private relationship).

V. II. Continuity among Technical Assistance programmes: the 2014-2020 and 2021-2027 programming periods.

The overall goal of the OP TA 2014-2020 was to guarantee the efficient implementation of Cohesion Policy in the programming period through transversal support to all the processes deriving from Cohesion Policy management and implementation. The 2014-2020 Operational programme TA presented many similarities to the previous one as there were similar priority axes and lines of intervention, in particular, 827,203,959.00 euros were destined to TA (EU and national resources).

The first objective was to provide the necessary human resources to support the implementation of structural funds. Within the Action Plan for human resources involved in the implementation of Cohesion Policy, it was decided that employment should have been increased especially in regional authorities as a result of the decentralisation of fund management and the increasing regional role (Partnership Agreement, 2014-2020 programming period). Training and educational actions were designed to provide expertise and increase the competencies of public servants in those implementation processes that could have been associated with a high risk of irregularities such as green public procurement, state aid, smart specialisation and spatial planning (Partnership Agreement, 2014-2020 programming period). Interviewee number 2 emphasised the importance of creating “in-house” educational offers to enhance learning within the institutions and not only providing the support of external experts to carry out the tasks linked to the management of structural and investment funds.

The second objective focused on the delivery of an efficient and effective system for the implementation of Cohesion Policy. This included the development and implementation of information systems, evaluation capacity, exchange networks and coordination among institutions. In this regard, it is important to stress the complexity of the Cohesion Policy implementation system in Poland in the referred programming period as it included six national OPs and 16 regional ones funded by the ERDF and ESF for a total of 144 involved institutions including 22 MAs, 85 Intermediary Bodies, and seven Implementing Bodies (Walczyk, 2021). The increased share of funding and the shift to multi-funded Regional OPs manifested the shift from a centralised governance system for Cohesion Policy to a decentralised one (Tödting-Schönhofer, et al., 2014). However, it

must be stressed that the central level continues to this day to adopt a coordinating action, as was confirmed by interviewee number 1 (“programmes at the regional level are very independent, but at the central level we issue a number of guidelines so that everybody knows how to tackle the most important issues in the system”).

Moreover, departing from the ex-post evaluations of the 2007-2013 programming period, within TA in 2014-2020, more tailored support has been provided to the administrative capacity building of key beneficiaries with particular attention to the territorial dimension (Partnership Agreement, 2014-2020 programming period). Simplification was introduced through the adoption of common guidelines for the use of TA as to reduce the administrative burden for beneficiaries, common rules were identified on topics such as fair competition and equal treatment of contractors or the involvement of external partners (Partnership Agreement, 2014-2020 programming period). Lastly, objective number 4 strived to increase the promotion of European funds through dissemination and education activities.

The same priorities were maintained in TA for the 2021-2027 programming period however an evolution of the tool can be highlighted through the subsequent programming periods. In the first financial perspective, TA was conceived as an additional measure to ensure compliance with the European regulatory requirements. Then it gradually evolved into a tool designed to support the entire Cohesion Policy pipeline “TA ceased to be a tool to be used only by the so-called "fund administration," and became responsible also for the proper preparation of beneficiaries and partners for the proper use of EF” (Annex I TA 2021-2027, p. 41).

As a case in point, Poland can be assumed as a good example of organisational ambidexterity, in organisation theory refers to the ability of organisations to both learn from the past and maintain their adaptation skills (Hamblin et al. 2024). The new TA 2021-2027 programme draws on best practices identified during the previous financial perspectives and the recommendations proposed by EU institutions.

V. II. I. The National Programme Technical Assistance for European Funds for the 2021-2027 programming period.

Like in the Italian case, the elaboration of the operational programme started with a stocktake of the issues contained in “annex D” of EC’s country-specific recommendations. The EC stressed the importance of supporting the identified best practices at the regional level, strengthening the capacity of beneficiaries, guaranteeing adequate participation of social partners and stakeholders according to the partnership principle, ensuring coordination among programmes covering the same areas, and improving the functionality of public procurement. Not only does the NP TA address the identified recommendations but it builds also on the future perspectives for Cohesion Policy produced by the EP in 2017 (European Parliament , 2017). The EP particularly emphasised that usually “TA does not sufficiently and effectively reach local and regional bodies, which usually have the least administrative capacity” (p. 6) and it should provide a tailored approach to meet the capacity building needs of the organisations, those are not only the ones who implement ESIF but also those institutions which are not directly part of the management system but that have an impact on it.

In the same document, the EP welcomed the multilayered system of Cohesion Policy implementation reinforced by the 3 pillars of TA as it “enables a more result-oriented, coordinated strategic and transparent approach and generates greater added value; asks for stricter control of the results of the activities of private firms providing technical assistance to public administrations, in order to prevent potential conflicts of interests” (point. 17, European Parliament 2017, p. 6).

Notwithstanding the above, before the drafting of the official version of the national Technical Assistance programme, in 2019, a subgroup devoted to the future of Technical Assistance was established comprising members from the monitoring committee. It focused, in particular, on the use of simplified cost options in Technical Assistance and the human resources action plans developed at the regional level (Ministry of Development funds and regional policy , s.d.). In addition, great attention was paid to the perspectives of socio-economic partners, civil society organisations and stakeholders through public consultations that were held in 2021 (*ibidem*).

Poland's Partnership Agreement with the EC was signed on the 30th of June 2022. With regards to the TA OP, Poland chose a system based on real costs foreseeing the adoption of a national Technical Assistance programme and Technical Assistance priorities in the other national and regional programmes (art. 36 CPR). In Poland, the implementation system for Cohesion Policy had proven to function adequately also in the 2014-2020 programming period. Nevertheless, some barriers were identified regarding the limited strategic use of EU funds which limited the development of regions lagging behind. Therefore the NP TA addresses not only the capacity of institutions but also the ones of beneficiaries and potential beneficiaries through communication strategies comprising a budget of 550 million euros financed by the European Regional Development Fund.

V. II. II. The three Pillar structure of the Polish Technical Assistance.

The first priority of the national TA programme aims to guarantee the effectiveness of institutions through improvement actions referred to structures, procedures and human resources within the PAs managing and implementing structural funds and 385 million euros are allocated under the first priority "effective institutions". Great attention was paid to how to keep "employees working for the funds satisfied and motivated in the long run, how to tackle staff turnover and attract people to work for funds management administration" (int.1).

Therefore, the dissemination of modern human resources methods is of pivotal importance to guarantee the continuity of people employed in the institutions. The "Human Resources Management Plan for Public Administration Institutions involved in the implementation of Cohesion Policy for 2021-2027" comprises a tailor-made development path for employees starting from data gathered from the reports on employment conducted on a six months basis in the 2014-2020 programming period. The priority of the plan is to prevent staff turnover and to ensure a smooth transition between the two consequent programming periods, this time not only by proposing requirements for the remuneration system but also by foreseeing other non-wage measures. For instance, as the quality of tools and systems enables employees to work in different environments, adopting flexible working solutions guarantees employees' satisfaction in

the long term. Employees' satisfaction will be verified through surveys and exit interviews with departing people.

Moreover, within the same priority, funding is allocated to ensure an efficient ESIF implementation system through the maintenance and improvement of IT systems, the strengthening of an in-house evaluation culture, training for staff on DNSH (do not significantly harm) requirements or integrity pacts and ensuring strategic management and cooperation among PAs. In fact, training funded by NP TA will try to provide more practical tools to enhance skills through the form of targeted workshops, abandoning the form of general seminars on Cohesion Policy implementation. Also, under this priority, support is provided to the national European Funds Ombudsman whose main tasks pertain to the analysis of impediments or proposals for improvements in national or regional operational programmes and the assessment of the overall management of the programme providing recommendations.

The second priority, "effective beneficiaries" with a budget of 550 million euros, targets particularly beneficiaries in marginalised areas or particularly affected by socio-economic problems. Indeed, TA supports the implementation of expert panels and information points for beneficiaries focused on project preparation and implementation. Moreover, specific training on the most technical requirements, such as the ones proposed to PA's employees, will be administered to local beneficiaries.

The third priority is devoted to the communication concerning the use of EU funds and the results of Cohesion Policy to ensure transparency in spending from the EU budget but also to raise awareness of EU-funded opportunities. 25 million euros from the TA budget are destined to this priority. The priority includes creating a website dedicated to European funds, preparing and distributing promotional materials, and organising events and educational activities in cooperation with partners outside the administration. Positively 84% of Polish women and men notice the impact of European funds on the development of the country and 91% are aware of opportunities deriving from EU funds, therefore the communication strategy for Cohesion Policy aims to support and maintain this level of awareness (Communication strategy for Cohesion Policy 2021-2027). The communication strategy focuses on different sub-groups as youth from 15 to 24 years of age, potential beneficiaries who did not receive funding, potential project participants and

stakeholders reaching them not only through the ministry's websites or social media profiles but also through commercials on media platforms and national information campaigns (Communication strategy for Cohesion Policy 2021-2027).

A preliminary evaluation of the programme is foreseen for the end of 2026 while the final impact assessment is scheduled for the end of 2029.

To conclude, interviewee number 1 highlighted that "Poland considers TA as a flexible tool that should be adapted to changing circumstances. That's why our programme is short and concise, indicating only the most general directions on how the resources should be spent". Although the approach to the use of TA seems to be based on on-the-ground needs, the assessment of the previous programming period and continuity, versatility and adaptability of the programme in case of unforeseen circumstances could be improved through the development of a roadmap for administrative capacity building. Indeed, interviewee number 7 emphasised that "it is important to create a good roadmap, knowing where to allocate the funding and focusing on how to make administrations a bit more adaptable, in order to be ready to whatever will come". However, Poland did not produce a roadmap for administrative capacity building given that it is not a mandatory requirement (int. 1)

VI. COMPARATIVE ANALYSIS.

The first part of the thesis introduced the reason why administrative capacity is crucial at the central, regional or local levels to ensure a proper implementation system for EU policies (Ferry, 2021). This chapter is going to test the identified research hypotheses to subsequently answer the research question on whether administrative capacity-building policies, implemented through Technical Assistance, prove to have an impact on the overall absorption rate of ESIF in the selected countries. The two administrative contexts and national plans for TA have already been described in detail, this section will provide an overview of the actions in a comparative light. As discussed in paragraph II. IV. On methodology, the cross-country comparison and the corroboration of the research hypotheses is made possible by an analysis of programme documents, by a review of data on ESIF absorption rates of the two countries derived from the European Commission's Cohesion Open Data Platform and by the analysis of the interviews undertaken, which were fundamental for further testing the hypotheses.

The first research hypothesis states that:

When effective actions for administrative capacity building are undertaken aiming at improving all the internal components of administrative capacity, this will have a positive impact on the absorption rate of ESIF, promoting an evidence-based and holistic approach.

The empirical evidence gathered through the research confirms that both strategies focus on the three internal components of administrative capacity identified in the literature: organisational structures, human resources, systems and tools (Netherlands Economic Institute, 2002) and both strategies were anchored to Annex D of the country-specific recommendations provided by the EC.

With regards to the human resources engaged in the management and implementation of Cohesion Policy, the two countries show different strategies regarding training and the recruitment of new staff. In Italy, ESIF implementation gaps have for long been attributed to the lack of administrative capacity within local authorities, nevertheless the limited hiring of new staff after the 2008 financial crisis and the lack of staff turnover have resulted in a static situation in which the inefficiency in administrative performance was addressed through external support provided to public administrations. Nevertheless,

outsourcing should have been intended as a temporary option to provide external support to employees until internal competencies would have not been sufficiently developed through experience and training (Ferry, 2021). Italian PAs would have required a new inflow of skilled human resources that would have provided competencies, innovation, language skills and the intentionality to learn (Polverari, 2020). The shortage of personnel entirely dedicated to Cohesion policy implementation was addressed within the NP CapCoe and particularly through the “*Decreto Sud*” (Decree for the South, 19th September 2023, n. 124). This law decree foresees the hiring of 2,200 new employees within southern PAs according to the recruitment capacity of the 7 less developed regions “to install administrative capacity at the local level, identified as a context in which implementation gaps occur” (Int. 6). The newly employed personnel and the former employees are also going to be supported by *ad hoc* training and formation. In fact, before the start of the employment contract, a 3-month training on Cohesion Policy will be administered to future employees (Decree South, art. 19. 6).

Differently, employee injection for Cohesion Policy followed Poland’s accession to the EU especially through TA in the 2014-2020 programming period. Poland struggled particularly with public sector volatility when first having to manage and implement the ESIF programmes, as less qualified employees were reluctant to work with the structural funds because of language difficulties related to the need to work and communicate in English (Int. 1). At the same time, however, more qualified employees were attracted by the higher salaries proposed by the private sector. Since the first identification of the problem, human resource strategies, through the subsequent programming periods, focused on consolidating an institutional memory limiting public sector volatility by raising qualifications and salaries.

Therefore, on the one hand, Poland started the 2007-2013 programming period with a clear identification of drawbacks and challenges affecting the management and implementation of Cohesion Policy at the central and local level and then, during the subsequent programming period, it implemented targeted actions to tackle these drawbacks. On the other, in Italy, the need to improve administrative capacity for Cohesion Policy through a place-based and bottom-up approach entered the national institutional agenda in the 2014-2020 programming period, therefore later compared to Poland.

Since the 2014-2020 programming period, Italy has strived to enhance evidence-based strategies trying to abandon the off-the-shelf capacity building policies that had characterised previous programming periods. Indeed, place-based strategies, based on an accurate evaluation of the functioning of the organisation, prove to be the most effective in understanding the differences in capacity gaps thus providing tailored solutions (Ferry, 2021). In this regard, the NP CapCoe currently being implemented in Italy focuses on identifying PAs' needs, highlighting the relevance of bottom-up policies, drawing lessons from the implementation of the National Plan Capacity for Cohesion in the 2014-2020 programming period and the Administrative Reinforcement Plans. Within the NP CapCoe, the customised approach is reflected in the division of priorities. The first priority is entirely dedicated to less developed regions given the different initial context situation and the identified administrative capacity gaps. The Regional Action Plans allow less developed regions to evaluate their performance and their needs in terms of human resources, organisational structures and tools in order to develop programmatic documents for action for administrative capacity building (Monitoring Committee PN CapCoe 22nd November 2023).

On the other hand, in Poland, the "Human Resources Management Plan for Public Administration Institutions involved in the implementation of Cohesion Policy for 2021-2027" comprises a tailor-made development path for employees elaborated from constantly updated employment data. In this case, the action plan is drafted at the Central level; compared to the Italian case, the Polish Human Resources Management Plan seems to be a more top-down strategy, even though it considers also employees' needs as it is built on employees' surveys conducted regularly at the local level.

In Poland, regional and local administrations are supported by a strong national level institution, the Ministry of Development Policies and Regional Funds, capable of coordinating the work of sub-national institutions (int.1). The functioning of a decentralised system of governance for Cohesion Policy with the presence of a strong coordinating institution supports the hypothesis presented by Casula (2022). The author highlighted how absorption gaps at the local level can be compensated by the presence of a central coordination authority. Similarly, the reform of the governance of Cohesion Policy in Italy, through the suppression of the Territorial Cohesion Agency and the

transfer of its competencies to the Department for Cohesion Policies of the Presidency of the Council of Ministers aims to give to the department a coordinating role.

A holistic approach in administrative capacity building should lead to a cultural shift within the PAs and to the development of a learning culture, thus creating a self-sustaining structure able to face changes in regulatory requirements and being able to cope with unforeseen challenges (Domorenok et al. 2021). Additionally, a strong leadership characterised by goal setting and motivation but also the openness of the system to new knowledge positively influence administrative capacity within a PA (Bachtler et al. 2024). In Poland, a learning process has been initiated through administrative capacity building thanks to the introduction of an in-house training and support and the establishment of an evaluation Academy within the University of Warsaw (Bachtler et al. 2018). This was likewise confirmed by interviewee number 1, who stated that it could be possible to underline a “high motivation among Polish officials to catch up with the better developed EU countries”. This stimulus has been confirmed to be continuing also today. With the same aim of developing a learning culture in Italy, the NP CapCoe foresees the creation of a School for Cohesion for the education and training of new graduates and Cohesion Policy professionals.

The second research hypothesis states that:

There is an expectation of a positive impact on the absorption rate of ESIF when Technical Assistance targets both the supply and the demand side of absorption capacity.

Therefore, capacity building strategies should address both potential beneficiaries and actual beneficiaries. Poland has put a lot of effort into communication strategies for the mainstreaming of EU-funded opportunities to reach new potential beneficiaries. Indeed, the third pillar of the NP TA is entirely dedicated to increasing communication and raising awareness around ESIF. Instead in Italy communication activities are foreseen by the fourth priority of the NP CapCoe but these are destined to local PAs in order to inform them about the initiatives financed under the NP. An analysis carried out by the Eurobarometer in 2023 shows the differences in citizens' awareness and perception of EU regional policy across the EU (figure 7). In Poland 80% of citizens responding to the survey were aware of EU co-financed projects improving the area where they lived while only 54% of interviewed Italians affirmed the same. Awareness of Cohesion Policy

opportunity must be boosted through citizens-oriented communication and administrative support to potential applicants for funding (Dabrowski et al. 2021)

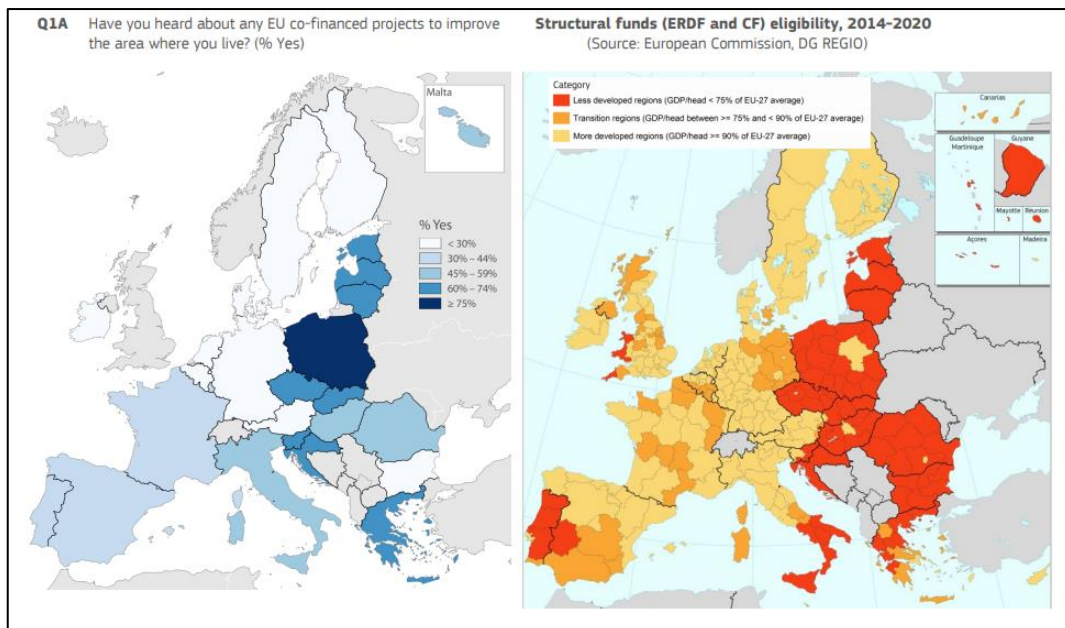


Figure 7: Flash Eurobarometer 531 Citizens' awareness and perception of EU regional policy, 2023, p.16.

Technical Assistance actions are implemented in complex environments in which policy outcomes and impacts are influenced by several factors, therefore flexible and targeted strategies should be based on a long-term perspective capable, at the same time, to react to the contingent needs. As explained, the EC has provided a practical toolkit to develop roadmaps for administrative capacity building to promote more holistic and forward-looking strategies for administrative capacity building in MSs. Since the development of roadmaps is not a mandatory requirement, neither Poland nor Italy developed roadmaps for administrative capacity building despite the inputs provided by the EC.

In order to assess the outcomes of the Italian and Polish TA national programmes, it is important to highlight the different absorption paths concerning the NPs for Technical assistance in the two MSs. Italy presents delays in the implementation of the NP CapCoe and its absorption is below the EU average while Poland's ERDF TA absorption is considerably above the EU average in both 2023 and 2024 (figures 8-9).

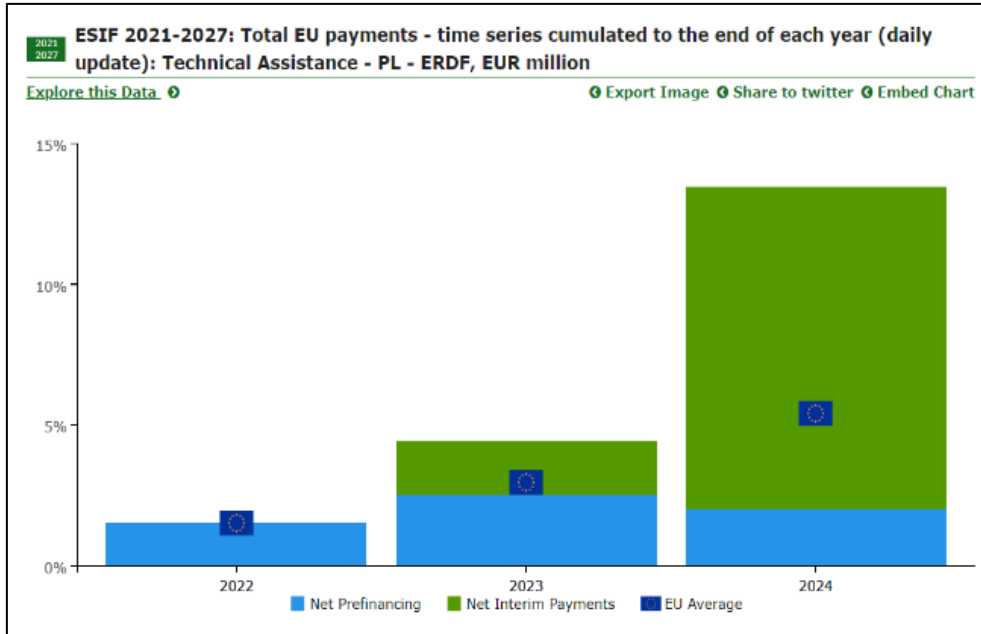


Figure 8: Total EU Payments in 2021-2027 for Technical Assistance in Poland, retrieved from Cohesion Data Open Platform, 16/10/2024.

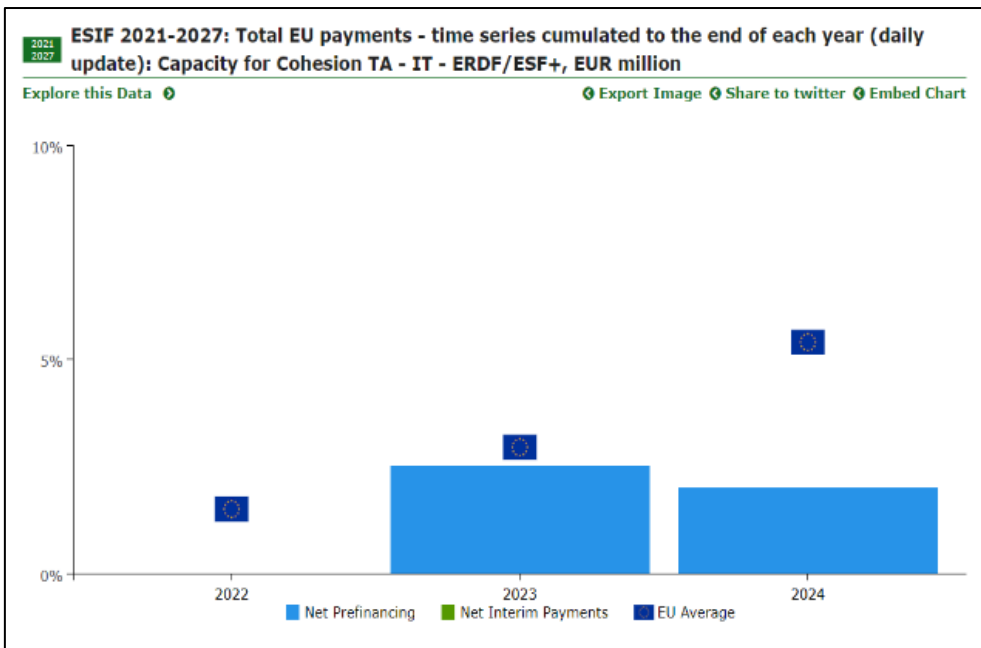


Figure 9: Total EU Payments in 2021-2027 for Capacity for Cohesion TA in Italy, retrieved from Cohesion Data Open Platform, 16/10/2024.

The NP CapCoe was adopted on the 12 of January 2023, as a consequence no net pre-financing or net interim payments are visible in the graph before this date. Moreover, the implementation of the first priority of the NP CapCoe was linked to the reprogramming of the programme according to the priorities identified in the seven Regional Action Plans. The reprogramming was concluded with the implementing decision of the 12th of September 2024.

Interviewees number 5 and 6 stressed the initial difficulties in designing and agreeing with the EC the indicators and targets linked to administrative capacity building through financing not linked to costs. Financing not linked to costs may allow for less bureaucracy and enhances the possibility of achieving challenging results. However, in the field of administrative capacity building the main challenge is linked to the difficulty to measure improvements in administrative capacity and organisational practices. It must be highlighted that the NP CapCoe is a “pilot” National Plan, as it was the first time that both an EU MS and EC were trying to develop milestones and targets to be achieved and linking them to administrative capacity building actions. Indeed, financing not linked to costs was introduced for the first time in the delegated regulation 2019/694 integrating the regulation 1303/2013, the former allowed this form of financing for investments under the ERDF and ESF related to energy efficiency and renewable energy. The identification of targets in that case was more straightforward as the financing was linked to energy savings and the reduction of carbon dioxide and the determination of reimbursable imports was decided by national and regional authorities. Nevertheless, it must be highlighted that in the former programming period this form of financing was not extensively utilised by MSs (European Court of Auditors , 2021).

Moreover, the evidence presented in the Italian case shows that the intended simplification that financing not linked to costs should produce does not start from the programming phase but is rather to be expected in the implementation and reporting ones. In fact, the first phase requires a high level of administrative capacity from the central and local administrations as they should be able to identify meaningful targets based on the identified bottlenecks in the administrative contexts (Polverari, 2023). Being it a relatively new financing method, practical knowledge is lower and this stretches the adoption procedures (Santin, 2022).

A second aspect to be considered is that simplification cannot hinder procedural compliance and regularity that need to be ensured through audit and controls, therefore MSs need to take into account the procedural requirements while setting their intermediate and final targets. Therefore, result orientation concurs with performance accountability (Polverari, 2024).

It is definitely too soon to appraise if the financing not linked to costs has more positive effects than standard Technical Assistance on administrative capacity building. However, from this analysis, it can be affirmed that this approach requires a greater effort in administrative terms and “responsibilisation of policy recipients”, which might be particularly challenging in MSs that struggle with the overall management and implementation of ESIF (Polverari, 2024, p.15). Indeed, the decision about which type of TA to be utilised should derive from a reflection made by the MA on which are the results to be achieved (Santin, 2022).

The overall absorption performance of the two MSs in 2014-2020 has already been discussed in Chapter two of the thesis, Italy presented a slow absorption rate until the last phases of the programming period while Poland steadily implemented ESIF reaching an overall higher absorption rate. By analysing the ESIF absorption rate in the current programming period within the two selected countries and comparing it with the 2014-2020 one (Annex 1) no significant differences can be underscored between the first three years of the two programming periods. However, it must be considered that reaching the identified levels of absorption in 2022, 2023 and 2024 might have proved to be more challenging compared to the first years of the 2014-2020 programming period for all EU countries given the unforeseen COVID-19 pandemic as has already been emphasised.

By comparing the two countries' ESIF absorption in the 2021-2027 programming period, it is possible to highlight some differences, at the current state of the programming period 2021-2027. By analysing the total EU payments of ESIF in the two countries for 2022, 2023, 2024 (appendix I), the two countries present a relevantly different performance only for 2024, as Poland is in line with the EU average performance while Italy is not.

The differences between the two countries can be explained considering two important factors.

Firstly, although the first research hypothesis can be deemed confirmed in both cases, it must be highlighted that Poland since 2007 has implemented a more holistic and consolidated strategy for administrative capacity building. The strategy response has been immediate and focused on the identification of bottlenecks in national and local administrative capacity, moreover, it aimed at building institutional memory and a learning culture. Secondly, it has been understood that the TA for administrative capacity building should address all the parties involved in Cohesion Policy management and implementation investing resources and addressing also potential beneficiaries in order to increase participation to calls for proposals. The third pillar of the Polish National Programme Technical Assistance for European Funds for the 2021-2027 programming period achieves this goal. Nevertheless, contextual factors may have also contributed to an overall higher absorption rate in 2024 in Poland.

As a case in point, until the 29th of February 2024, Poland could not implement its NRRP. Indeed, under the Recovery and Resilience facility, financial assistance is subject to Rule of Law conditionality built on the judicial basis of the Rule of Law regulation 2020/2092. Given the serious breaches of the Rule of Law principle in Poland since 2015 leading to a lack of independence of the judiciary branch from the executive one, the disbursement of resources under the RRF has been linked to the satisfactory achievement of targets and milestones Poland and to the reform the judicial system (Moran, 2023). By the end of 2021 the EC proposed the approval of all the NRRPs except for the Polish and Hungarian ones (Moran, 2023). On the 29th of February the EC has concluded its preliminary assessment of Poland's first payment request under the RRF of 6.3 billion euros given the positive evaluation of the achievement of two important milestones related to the independence within the judicial system. Thus, Poland did not face the challenge of having to simultaneously manage funds under the RRF and thus could focus its administration efforts on the closure of the 2014-2020 programming period and the start of the new one.

CONCLUSIONS

This section presents the conclusions from the work that has been carried out. The thesis has started with demonstrating the importance of the MLG and partnership principles within Cohesion Policy. The key role of MAs, Certifying authorities and implementing bodies was emphasised with specific reference to their bureaucratic performance for the timely absorption of the funding, for the legality and straightforwardness of the procedures and for the achievement of the intended results (Mendez & Bachtler, 2022). Drawing from a literature review on administrative capacity, in which a difficulty to unanimously define the concept has been stressed, administrative capacity for Cohesion Policy has been defined theoretically and practically. Subsequently, the competencies required through the policy cycle for Cohesion Policy implementation have been highlighted. Against this backdrop, it was derived that an improvement of administrative capacity within MSs should produce a greater absorption of ESI funds.

The most similar cases design was chosen and Poland's and Italy's national programme and plan for TA were identified as case studies. The two States present similarities in terms of funds allocation and governance modes but they are characterised by different administrative contexts, reform paths, and by remarkable differences in their ESIF absorption performance. In particular, the comparison was carried out between the Italian National Plan Technical Assistance Capacity for Cohesion (NP CapCoe) and the Polish National Programme Technical Assistance for European Funds (NP TA), implemented in the 2021-2027 programming period. The thesis has analysed the effects of administrative capacity building on MSs management and implementation of ESI funds in order to answer the following research question:

Do administrative capacity-building policies, implemented through Technical Assistance, have an impact on the overall absorption rate of ESIF in the selected countries?

The research was conducted through triangulation of sources, through document analysis, data on ESIF absorption derived from the European Commission's Cohesion Data Open Platform and semi-structured interviews. Through the empirical analysis carried out, both research hypotheses were confirmed in the Polish case while only the first hypothesis could be confirmed in the Italian case. Therefore, the research question finds a positive answer only with regards the Polish case.

Theoretically an increase in administrative capacity for Cohesion Policy should lead to an increase of the absorption rate of ESIF. Nevertheless, as discussed, a perfect causal relationship cannot be established between the independent variable of administrative capacity and dependent variable of absorption capacity. Intervening variables may be, for instance, the territorial social and economic preconditions to funds' absorption (Lewandowski, 2023), the lack of political interest or support for EU-financed policies (Surubaru, 2017), or gaps on the demand side of absorption (Cunico et al. 2023). An assessment of further intervening variables in the two analysed cases could not be conducted due to length restrictions.

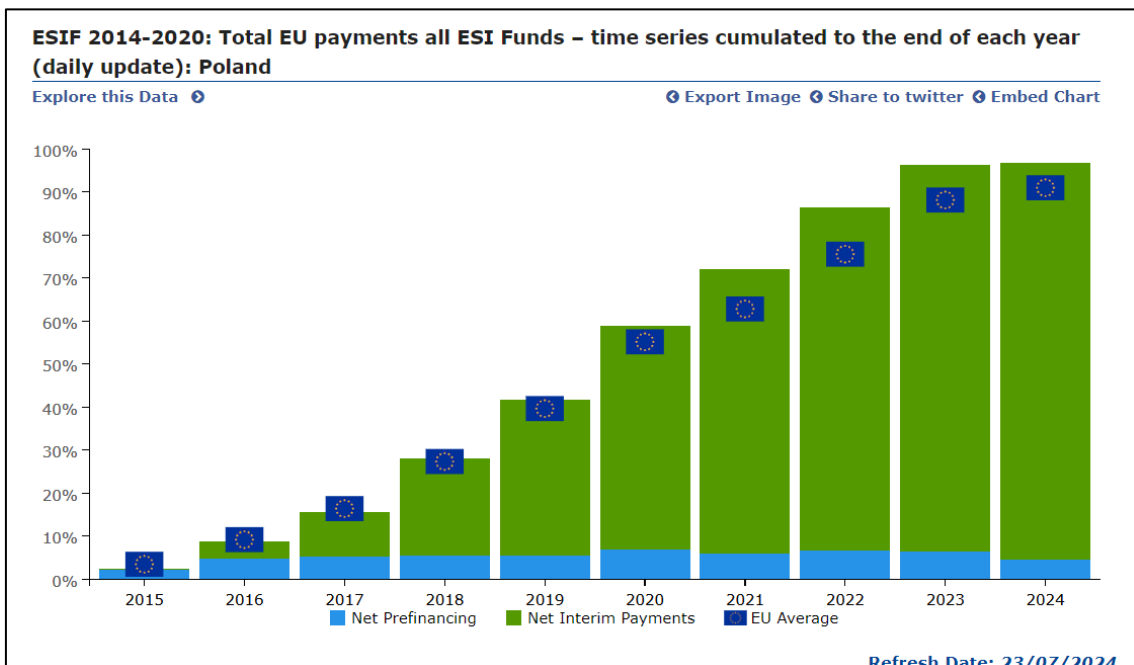
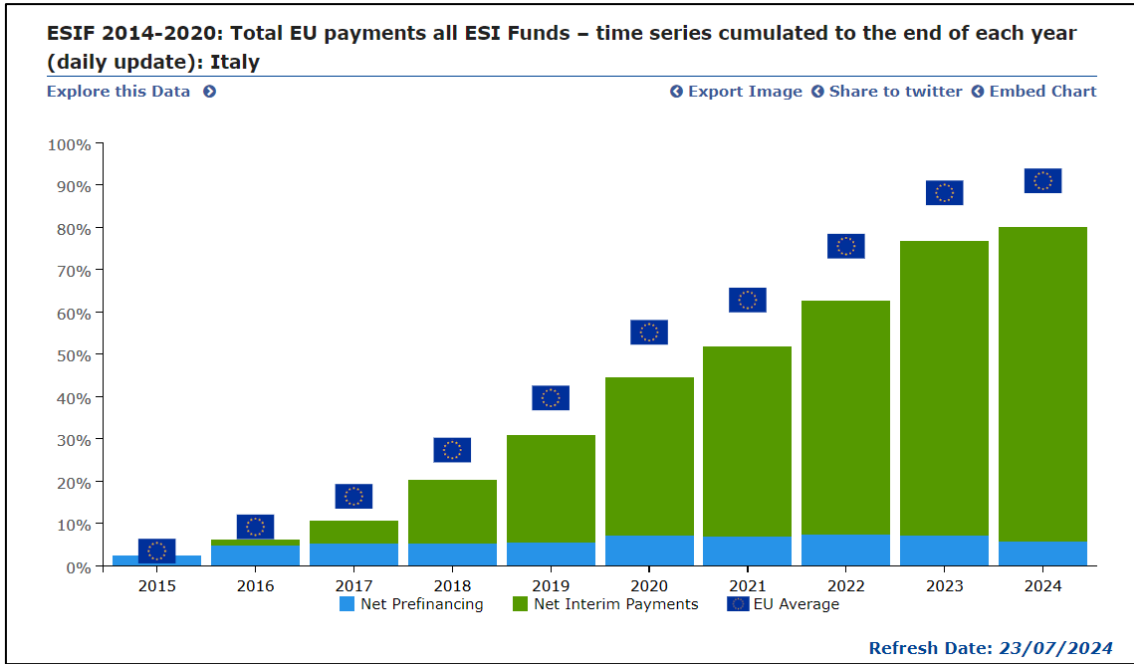
Several limitations of the presented work constitute the basis for justifying additional future research on the matter. Due to geographical and time constraints only three interviews per country were carried out; further research could draw from a more extensive research sample to further corroborate (or indeed invalidate) the research hypotheses. Extending the research to the regional level of analysis to assess beneficiaries' perceptions of the two national TA interventions would also be meaningful.

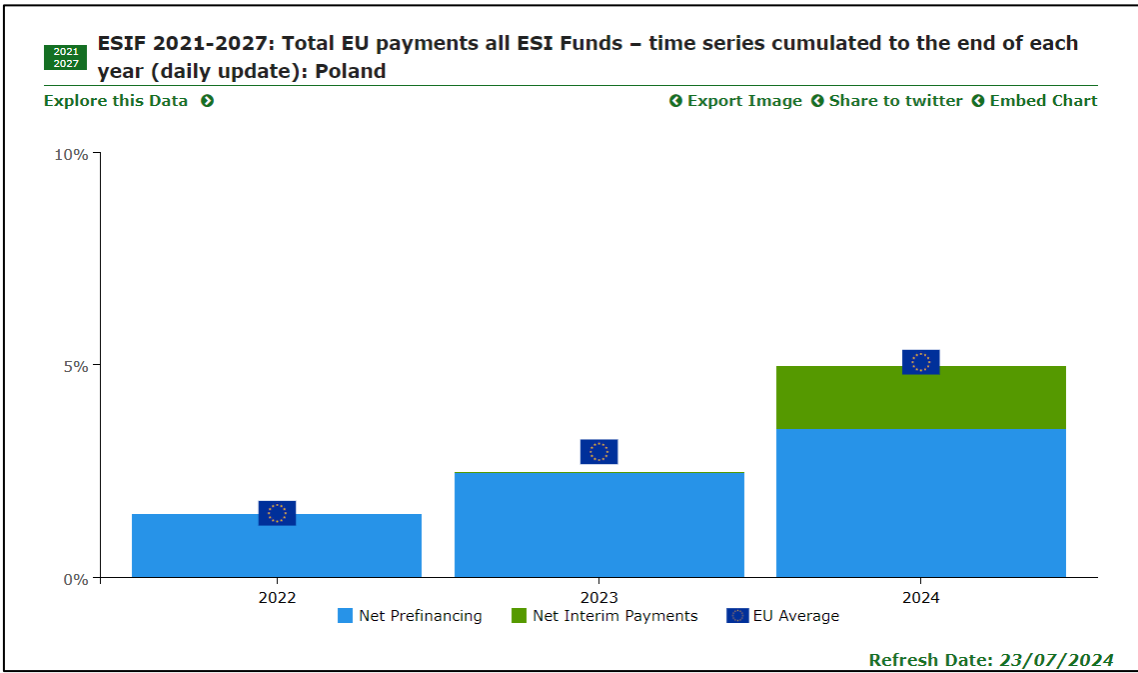
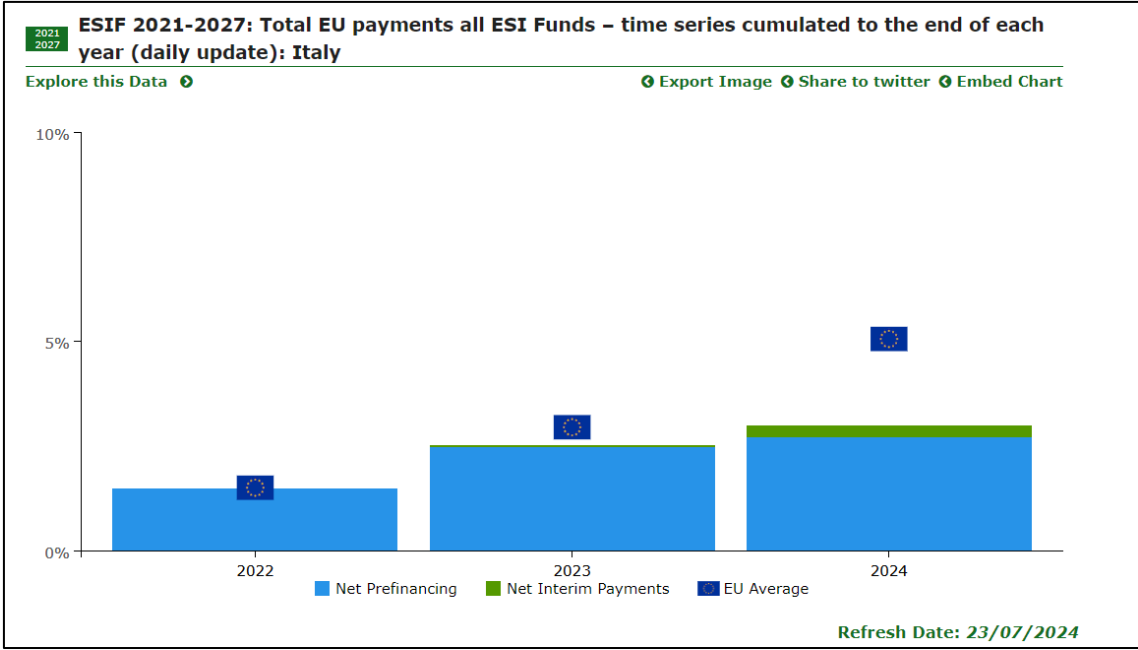
Administrative capacity building is a long-term process (Bachtler et al. 2024). At the time of writing, mid-term of the 2021-2027 programming period, it is not possible to assess the impacts of national TA plans and programmes as administrative capacity building effects might not be visible in the short term. It will be possible to draw further and more accurate conclusions only after the end of the programming period, once the ex-post evaluations through will have provided evidence on the outcomes and impacts of the interventions. The same can be affirmed with respect to the benefits deriving from Technical Assistance through financing not linked to costs.

To conclude, both countries seem to have understood the necessity of investing on an evidence-based and holistic approach to administrative capacity building to ensure an efficient and effective implementation of Cohesion Policy. Yet the way they have operationalised this awareness differs. The resulting outcomes also appear to diverge at this stage of implementation. More future research will be able to further tests this preliminary conclusion.

APPENDIX I

ESIF 2014-2020 and 2021-2027: Total EU payments, time series cumulated at the end of each year in Italy (above) and Poland (below). Net pre-financing, Net interim payments and EU average. Cohesion Open Data Platform. Last accessed on the 23th of July 2024.





ANNEXES

ANNEX I: LIST OF INTERVIEWEES

Codes	Description	Institution	Date	Modality
Int. 1	Office for Technical Assistance programmes	Polish Ministry of development funds and regional policies	15/07/2024	Written answers via mail
Int. 2	External evaluator		06/06/2024	Google meet
Int. 3	External evaluator		22/06/2024	Google meet
Int. 4	Managing Authority of the NP CapCoe 2021-2027	Department for Cohesion Policies of the Italian Presidency of the Council of Ministers	07/08/2024	Zoom
Int. 5	External expert for Technical Assistance		07/08/2024	Zoom
Int. 6	Evaluation unit of the NP CapCoe 2021-2027	Department for Cohesion Policies of the Italian Presidency of the Council of Ministers	01/10/2024	Google meet
Int. 7	Unit for administrative capacity building	Directorate General for Regional and urban policies of the European Commission	31/07/2024	Google meet

ANNEX II: QUESTIONS CHECKLIST

- What were the main challenges concerning the management and implementation of ESIF in the 2014-2020 programming period? Do you think that they have been considered during the design and the adoption of the Technical Assistance for the programming period 2021/2027?
- Do you think that TA 2021/2027 shows continuity with the previous one? What are the main differences?
- Absorption tends to start slowly at the beginning of the programming period, which are the measures foreseen to avoid spending delays and the risk of decommitment of funds?
- According to you, was it difficult to determine specific targets and indicators to measure the improvement of administrative capacity building in your country?
- How do you perceive the coordination with the EU institutions, particularly the European Commission, in terms of administrative capacity building? Secondly, for the 2021/2027 programming period, the European Commission has suggested to Member States to develop Roadmaps for administrative capacity building, are you planning to develop one? If not why?

**POLICY ON PERSONAL DATA PROCESSING****[Art.13 of EU Regulation 2016/679 - General Data Protection regulation]**

This policy is provided pursuant to art. 13 of EU Regulation 2016/679 (General Regulation on Data Protection, "EU Regulation"), in relation to personal data of which the University of Padua (the "University"), in its capacity as Data Controller, acquires during activity of scientific research developed within the project "Effects of administrative capacity building efforts on member states' management and implementation of ESI funds. A comparative analysis of Technical Assistance in Italy and in Poland in the 2021-2027 programming period" of the Department of Political Science, Law and International Studies (SPGI) of the University of Padua.

TITLE: "Effects of administrative capacity building efforts on member states' management and implementation of ESI funds. A comparative analysis of Technical Assistance in Italy and in Poland in the 2021-2027 programming period"

DATA CONTROLLER: *Department of Political Science, Law and International Studies (SPGI) - University of Padua via del Santo n. 28, Padova, +39 049 827 4202 dipartimento.spgi@unipd.it*

SCIENTIFIC COORDINATOR: [Gaia Pellicanò](#)

PRIVACY INFORMATION:

1. *Data protection officer*
2. *Sources and types of data*
3. *Purposes for data processing*
4. *How data is processed*
5. *Legal basis of the processing and type of provision*
6. *Audio and images*
7. *Data recipients*
8. *Data storage*
9. *Rights of the data subject*
10. *Exercising one's rights*
11. *Changes to the policy*

Personal data is processed fairly, lawfully and transparently, as well as in a manner that safeguards the privacy and rights of all data subjects, as per what specified below.

1. Data protection officer

The Data Controller has its own Data-protection officer, who is appointed pursuant to Article 37 of the EU Regulation. The Data-protection officer may be contacted at privacy@unipd.it

2. Sources and types of data

The personal data provided directly by the interested parties can be:

- a) Common data. Personal data, identification and contact data (e-mail, telephone contacts);
- b) Career data. Data on the role played in the institution.

3. Purposes for data processing

Data is processed exclusively for carrying out all the activities related to the institutional, dissemination and public interest activities of the University. In particular, data is processed for the

research purposes connected with the project "Effects of administrative capacity building efforts on member states' management and implementation of ESI funds. A comparative analysis of Technical Assistance in Italy and in Poland in the 2021-2027 programming period".

The following are the specific research objectives:

Analysing administrative capacity building policies, i.e. Technical Assistance in Italy and in Poland.

4. How data is processed

The data is collected through semi-structured interviews with interested parties carried out by interviewers. The University takes appropriate organizational and technical measures to protect the personal data in its possession, through appropriate security measures to ensure the confidentiality and security of personal data, in particular against loss, theft, and unauthorized use, disclosure or modification of personal data.

The Data Controller does not resort to automated decision-making processes relating to the rights of the data subject on the basis of personal data, including profiling, in compliance with the safeguards provided for in art. 22 of the EU Regulation.

The data will be collected through audio recording (or video-recording in case of video-conference).

The processing of data is carried out in such a way as to guarantee maximum security and confidentiality and can be implemented using manual, IT and online tools suitable for storing, managing and transmitting them. The personal data collected are processed by NVIVO, manual coding etc.), an application installed by the university technicians on the institutional and private pc protected by a password and assigned to the project manager and the project staff. The institutional and private pc are accessible only by staff member. The transcribed interviews are shared with interviewers through the university's sharing system based on the Google Drive suite, protected by the passwords of the individual interviewer and staff member.

The data gathered during the interviews will not be disseminated. In the event that the interview or parts of it should prove to be of particular interest, such as to justify its dissemination for the purpose of disseminating the results of the study, it will be published without any identification reference of the interested party, with indication only of the role covered by the interviewed, in order to guarantee anonymity.

5. Legal basis of the processing and type of provision

Legal basis of the processing is the execution of public interest tasks of research, teaching and the so-called "third mission", of the University as defined by law, by the Statute and by internal regulations (pursuant to art. 6, par. 1, lett. f) of EU Regulation).

For special categories of personal data the legal basis of the processing is based on your explicit consent (pursuant to art. 9, par. 2, lett. a) of the EU Regulation).

Since participation in the research is on a voluntary basis you are not formally obliged to provide data. On the other hand, if you wish to participate in the research, the processing of your personal data is indispensable; if you refuse to provide such data, you will not be able to take part in the research.

6. Audio and images

By participating in the project "Effects of administrative capacity building efforts on member states' management and implementation of ESI funds. A comparative analysis of Technical Assistance in Italy and in Poland in the 2021-2027 programming period" the interested parties expressly authorize the University of Padova and the Department of Political Science, Law and International Studies (SPGI) to use the audio (or video in the case of video-interviews) recorded during their own participation in the interviews for the project, on the university computers. By signing the release, the participant grants all rights to use the audio as described above. This transfer is expressly intended free of charge.

7. Data recipients

The data may be communicated, exclusively for the purposes indicated in point 3, to University staff, students involved in the research and to collaborators, including self-employed ones, who provide support for the implementation and management of the activities envisaged by the research project. The collected data are not normally transferred to countries outside the European Union. In any case,

the University ensures compliance with the safety rules for the protection of the privacy of the data subjects.

8. Data storage

Personal data are therefore kept for the entire period necessary to achieve the research purposes indicated in point 3. Personal data may be kept even beyond the period necessary to achieve the purposes for which they were collected or subsequently processed, in compliance to art. 5, § 1 lett. e) of the EU Regulation.

9. Rights of the data subject

The following rights are granted to the data subject:

- a) right to access their personal data (art. 15 of the EU Regulation);
- b) right to amend or complete their data (art. 16 of the EU Regulation);
- c) right of cancellation (right to be forgotten), pursuant to art. 17 of the EU Regulation;
- d) right to limit data processing under the conditions set out in Article 18 of the EU Regulation;
- e) right to data portability, as provided for by art. 20 of the EU Regulation;
- f) right to object to the processing of their data in any moment (art. 21 of the EU Regulation);
- g) right to lodge a complaint with Italian Data Protection Authority (Garante per la protezione dei dati personali).

The interested parties can withdraw consent to the processing of their personal data at any time. Any withdrawal of consent by the interested parties does not invalidate the legal basis for the processing of personal data collected for the research purposes indicated in point 3. In this case, no further personal data of the interested party will be collected, without prejudice to use of any data already collected to determine, without altering them, the results of the research or those that, originally or following processing, are not attributable to an identified or identifiable person.

10. Exercising one's rights

In order to exercise their rights, the data subject may contact the Data Controller by writing to this certified e-mail address amministrazione.centrale@pec.unipd.it or to the following e-mail address: dipartimento.spgi@unipd.it, urp@unipd.it. Alternatively, the data subject may write to: University of Padova, via VIII Febbraio 2, Padova.

The Controller shall respond within one month of the request, although this may be extended by up to three months should the request be particularly complicated.

11. Changes to the policy

Any amendments and additions to this policy are published in the privacy section of the department website at <https://www.spgi.unipd.it/privacy-policy>

DISCLAIMERS

I, the undersigned _____, born in _____ (____),

on ____/____/____, resident in _____ (____), address:

_____ n° _____ ZIP code _____,

e-mail: _____ Tel: _____

as part of the participation in the survey developed in "Effects of administrative capacity building efforts on member states' management and implementation of ESI funds. A comparative analysis of Technical Assistance in Italy and in Poland in the 2021-2027 programming period" of the Department of Political Sciences, Law and International Studies,

I NOTICE

that the use, including the preservation of audio-video recordings takes place:

- a) completely free of charge;
- b) for the purposes and in the manner specified in the attached privacy policy in accordance with art. 13 of the 2016/679 EU Regulation;
- c) respecting the honour, reputation and decorum of the people portrayed;
- d) without the responsibility of the University in case of incorrect use by third parties of the published data;

I NOTICE

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I GIVE MY CONSENT

I DO NOT EXPRESS CONSENT

to the processing of my particular personal data for the purposes and methods specified in the attached privacy policy.

Place and date _____ Signature _____

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