

UNIVERSITÀ DEGLI STUDI DI PADOVA

DEPARTMENT OF POLITICAL SCIENCE, LAW
AND INTERNATIONAL STUDIES

**Master's degree in
European and Global Studies**



**EX-ANTE VS ENABLING CONDITIONS:
AN IMPROVEMENT OF CONDITIONALITY
IN 2021-2027 COHESION POLICY?**

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A.Y. 2023/2024

“Our challenge is to explain empirical complexity without losing analytical clarity.”

(Mörth in Featherstone & Radaelli, 2003)

ABSTRACT

This dissertation develops around the topic of conditionality and particularly analyses the enabling conditions that have been introduced in the 2021-2027 EU Cohesion Policy, comparing them with the ex-ante conditionalities which were applied in the 2014-2020 programming period. Given what has been evidenced by the literature on conditionality, three factors, namely criticality, credibility and ownership, have been identified as distinguishing elements between ex-ante conditionalities and enabling conditions and possibly being determinant in an improved compliance by Member States in the current programming period. Indeed, the 2021-2027 programming period appears to have experienced an easier and faster compliance with EU-imposed conditions, therefore the aim of this research project is to test whether this improved compliance has been driven by the three above-mentioned criteria comparing the past ex-ante conditionalities from the current enabling ones.

Research hypotheses were elaborated and, in order to test them, the Italian case has been taken into consideration and, following a principal-agent approach, document analyses and semi-structured interviews have been conducted with European and Italian regional officers.

The research conducted points to the following conclusions: if criticality and credibility appear to have had an influence on the enforcement of conditionality, the same cannot be said about ownership. If indeed, ownership interpreted as openness towards the changes suggested by the European level, does not appear to have had an influence on the satisfaction of conditionality, ownership-involvement and ownership-responsibility have emerged as alternative mechanism for explaining the better fulfilment of 2021-2027 enabling conditions when compared with 2014-2020 ex-ante conditionalities.

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LIST OF ABBREVIATIONS

CEE	Central and Eastern European
Commission	European Commission
CSR(s)	Country Specific Recommendation(s)
EMU	European Monetary Union
EU	European Union
ERDF	European Regional Development Fund
ESF+	European Social Fund Plus
ESIF	European Structural and Investment Funds
GATT	General Agreement on Tariffs and Trade
H	Hypothesis
IBRD	International Bank for Reconstruction and Development
II	International Institutions
IMF	International Monetary Fund
JTF	Just Transition Fund
MA(s)	Managing Authorities
MLG	Multi-Level Governance
MS(s)	Member State(s)
NATO	North Atlantic Treaty Organisation
NGEU	Next Generation EU
NRRP(s)	National Recovery and Resilience Plan(s)
OP(s)	Operational Programme(s)
PA(s)	Partnership Agreement(s)

PNRR	Piano Nazionale di Ripresa e Resilienza
RRF	Recovery and Resilience Facility
RQ	Research Question
S3	Smart Specialisation Strategy
TEAC(s)	Thematic Ex-Ante Conditionalities
TFEU	Treaty on the Functioning of the European Union
UN	United Nations
UNCRPD	UN Convention on the Rights of Persons with Disabilities
WTO	World Trade Organisation

INTRODUCTION

The dissertation develops around the topic of conditionality, namely the kind of conditionality applied by the European Union (EU) in its spending policies, in particular in its Cohesion Policy. Conditionality is a tool that has been used for long such that its creation seems to date back to the nineteenth century, even if it started to have a widespread use after its implementation by the International Monetary Fund (IMF) and the World Bank in the 1950s. Since then, conditionality has been adopted by several supranational organizations, among them the European Union, in order to influence the internal policies of the concerned countries (International Monetary Fund, n.d.).

Even if widely used, however, conditionality has not always been evaluated as positive or effective, and there seem to be some factors which need to be taken into consideration in order to ensure its better functioning, among them criticality, ownership, credibility, harmonization, transparency and predictability (World Bank, 2005). Some of these factors have been, therefore, considered in this thesis to test whether their implementation, which following the literature would ensure a higher level of respect of conditionality by the interested states, has determined the expected results in the context of the European Union. The European Union has used conditionality widely, first in the enlargement procedures, conditioning membership upon the adoption of certain reforms, then expanding its use towards the spending policies, therefore conditioning EU funding in specific sectors to the adoption of particular measures. This has been done specifically in Cohesion Policy, which is the EU's policy aimed at increasing regional development and strengthening cohesion: in EU Cohesion Policy since the 2014-2020 programming period, conditionality, in the form of ex-ante conditionalities, has been used in order to ensure an effective spending. In that programming period, however, conditionality carried with it several problems and low levels of enactment, mainly by some Member States (MSs) such as Italy, Spain or Romania (European Court of Auditors, 2017). Therefore, in the following programming period, i.e. in the current one, changes have been made as the aim was to maintain conditionality, however without the limitations that it carried with it in the past. Thus, enabling conditions were introduced substituting ex-ante conditionalities and being characterized by the presence of some of the factors evidenced above, which are deemed by the literature as necessary for ensuring better compliance by the concerned countries with the imposed conditions. Namely there seems to be now more

criticality, as conditions have been made clearer and simpler, and more credibility, as the European Commission (Commission henceforth) seems to exert a higher level of control on the respect of enabling conditions, differently from the previous programming period where the sanctioning role of the Commission seemed weak. Additionally, in this programming period, a third factor, specifically in the case of Italy, seems to have been present, namely ownership. Indeed, in Italy, the adoption of the Next Generation EU (NGEU) and of the National Recovery and Resilience Plan (NRRP) has led to the creation of an overall climate of support towards reforms and investments, in general, and reforms and investments suggested by the European level, in particular, that has increased the level of ownership of the country and, possibly, its level of compliance with enabling conditions following a higher awareness of the suggested changes coming from the European level.

Giving these considerations and adopting a deductive approach, therefore, the following research question (RQ) has been elaborated and, consequently, three main research hypotheses (H) have been defined:

RQ: “Which factors determine a better enforcement of conditionality?”

H1: Higher levels of criticality lead to better enforcement of conditionality.

H2: Higher levels of credibility lead to better enforcement of conditionality.

H3: Higher levels of ownership lead to better enforcement of conditionality.

On the basis of the research question and of the research hypotheses, the case of Italy has been examined to test the hypotheses and, following an interpretative framework of social research, two qualitative techniques have been adopted to collect data, namely document analysis and semi-structured interviews. The sample, as for the interviews, has been defined in a purposive way and European and Italian regional officers operating in the field of Cohesion Policy have been selected, also through snowballing. After the collection of data, thematic analysis has been conducted through inductive and deductive coding in order to test the above-mentioned hypotheses. Document analysis and deductive and inductive coding applied on the transcribed interviews have been implemented in order to grasp insightful information on the hypothesised relationships.

Following this short introduction, the dissertation will develop departing, in the first chapter, from a literature review on the tool of conditionality, which reports the main studies that have been conducted in relation to various supranational organizations implementing conditionality and reflects about the effectiveness of conditionality. The second chapter, to follow, introduces and explains the analytical framework of the whole research, i.e. the principal-agent approach, and describes the methodology and the techniques that have been implemented in order to answer the research question and test the research hypotheses. The third chapter delves into the analysis of the data collected through the examination of documents and the realisation of semi-structured interviews and finally, before the conclusions, the fourth chapter describes the results deriving from the analysis of data and the test of hypotheses and presents and evaluation of the strengths and weaknesses of the research.

1. THE TOOL OF CONDITIONALITY: A LITERATURE REVIEW

Conditionality is a mechanism that has been used since the nineteenth century, however it became preponderant with its implementation by the Bretton Woods institutions, i.e. the IMF and the World Bank, in the second half of the twentieth century (Shah, 2017). In the following literature review, the tool of conditionality and, especially, its use by supranational institutions¹ will be analysed. A particular focus will be then placed on how conditionality has been implemented within the context of the European Cohesion Policy and what is the current state of things as for the 2021-2027 programming period.

1.1. CONDITIONALITY AS A TOOL FOR SUPRANATIONAL INSTITUTIONS

1.1.1. The development and evolution of conditionality

The principle of conditionality is probably as old as politics itself: it implies that the relations between two parties are diachronically defined by their relative power to influence the decisions of one another, such that the stronger party in a transaction is always in a better position to influence the weaker one and results able to apply conditionality (Papakostas, 2012).

The principle of conditionality as a policy concept, however, was mainly developed by the IMF which aimed at ensuring that its financial assets were used successfully, efficiently and sustainably and that the recipient countries developed the conditions to repay the given loans. Today conditionality is used as an instrument of international trade and development policy and it is included in almost every international trade agreement, e.g. requiring the respect of human rights or environmental requirements. In general, it links the granting of certain benefits, especially financial aid, with the implementation of specific policies and reforms or the fulfilment of certain conditions (Becker, 2024).

Conditionality can be either defined as an incentive instrument in the relationship between two actors, in which one actor aims to change the behaviour of the other by setting up conditions for the relationship and by manipulating its cost–benefit calculation by using (positive and negative) material incentives (Guillaumont et al., 2023), or it can be

¹ Supranational institutions are international organizations whereby nation states transcend national boundaries in order to pursue common aims.

described as the practice of giving financial assistance contingent on the implementation of specific policies (Dreher, 2009). Similarly, it was defined by Abusara (2009) as the exercise of policy instruments by one party to secure compliance and shape the actions of another party. When conditionality involves governments of one or more countries on one side and international organizations/supranational institutions on the other, it can be defined as a mutual arrangement by which a government takes, or promises to take, certain policy actions in support of which an international institution will provide amounts of assistance, usually financial or technical.

Although conditionality is generally associated with the IMF, in the nineteenth and early twentieth centuries there were already other private and quasi-public organizations, such as the London-based Corporation of Foreign Bondholders, which invested in state, government or municipal bonds and which practised a weak form of conditionality. For example, in Paraguay in 1876 the above-mentioned corporation encouraged the establishment of a central bank. After the First World War this corporation was substituted by the League of Nations, that tried to fulfil a similar function through the Economic and Financial Organization. Subsequently the IMF and the World Bank came in, with the IMF in reality not practicing conditionality until the 1950s. It is, indeed, from that moment that IMF's conditionality substituted the conditionality of the previous century and that conditionality mainly started to be applied to poor and medium-income countries. Conditionality also became part of a series of a G7-led plans for relieving the debt of Heavily Indebted Poor Countries since the 1990s. In the meantime, its application started to expand from the economic towards the political sphere such that the European Bank for Reconstruction and Development, founded at the end of the Cold War, explicitly stated that any provided lending would have required respect for rule of law, human rights and democratic institutions (Babb & Carruthers, 2008). Conditionality, then, extended even further being implemented by the European Union (see below), the World Trade Organization (WTO), the North Atlantic Treaty Organization (NATO) and the Council of Europe. "To become a member of the WTO, (...), governments must commit to following a host of WTO rules, including not only rules on trade liberalization, but also rules protecting intellectual property and the rights of foreign investors (...)." (Babb & Carruthers, 2008, p. 25). As for NATO, the conditionality applied to membership request is in a middle ground between the European Union's one and the one implemented by the

Council of Europe (see below). NATO has indeed imposed a series of pre-conditions for applicant countries, e.g. effective civilian control of the military, but at the same time has promoted dialogue to build a broader domestic political consensus in order to favour change. The Council of Europe, differently, has had the smallest and softest kind of conditionality, that was an accession, not ex-ante, conditionality, that even if in many cases was automatically satisfied (the requesting countries already respected the Council's norms), in some occasions was not respected (Checkel, 2000). Even when conditionality was applied this was soft and not ex-ante: for example, Russia and Ukraine were guaranteed membership with their promise that before a certain future date they would have taken some specific actions: in reality, then, these actions were never enacted. Additionally, in the Council of Europe there is the conviction that once a state is inside the organization, peer pressure and learning can be used to socialize them.

“In sum, the Council has begun to craft a compliance program consistent with the critiques offered of standard IMF-type conditionality. On the one hand and much more so than in the early 1990s, it recognizes there is a role for political conditionality, with its attendant elements of pressure and coercion. On the other, it emphasizes strategies consistent with the policy-dialogue approach for promoting compliance. The CE thus views national agents as both strategic actors and as social beings capable of learning and value change.” (Checkel, 2000).

Conditionality therefore has evolved with time and today is used increasingly in the international arena. However it represents both advantages and drawbacks.

Conditionality can be imposed by multilateral organizations, bilateral aid organizations or private lenders. The different types of conditionality distinguish themselves on the basis of several dimensions. Conditionality can be positive, meaning that a reward is paid out if the condition is reached, or negative/punitive, when the reward is withheld or sanctions are imposed in case of non-compliance. There can be ex-ante conditionalities, that must be met before the reward is provided or the sanction applied, or ex-post conditionalities, where rewards or sanctions are applied after the recipient has decided to change or stick to the initial situation (Becker, 2024). Another distinction is between instrument-based conditionality, when disbursement is based on the adoption of specific public policy measures, and result-based conditionality, where the payment is conditional

upon the achievement of certain results (Guillaumont et al., 2023). Conditionality can differ on the basis of the content of conditions, the most common ones being the financial terms of the loan, such as interest rate and repayment schedule; however also macroeconomic conditionalities, requiring managing economic variables, or structural conditionalities, requiring reforms of the judicial system or the governance, exist (Babb & Carruthers, 2008). Indeed, despite being originally developed within the economic sphere, over time conditionality has expanded towards including political conditions, for example the respect for human rights, democracy and the rule of law. The conditions on substantive aspects of government operations, as introduced before, can be: macroeconomic conditions, structural (public sector) reforms conditions, governance and institutional reform conditions (e.g. role of parliament or judiciary), fiduciary/financial accountability (in fund spending) conditions, results-based and access conditions for ensuring more autonomy in project design to managers (Shah, 2017).

Policy conditionality can, then, be viewed as comprising “hard core” and “pro forma” elements: hard core conditionality concerns policy changes stipulated as prerequisite to the approval of or continued access to a grant or loan, or to subsequent assistance. The expectation is that the government would not otherwise undertake the required changes: conditionality is, therefore, characterized by the use of financial leverage to promote donor objectives. Pro forma conditionality is, differently, mutually agreed or it is made up of formalistic provisions which both parties find it convenient to write into a programme: pro forma elements of conditionality spelling out the detailed content of the programme are fundamental as they support the position of reformers in government, define and timetable actions and make agreements acceptable to each negotiation team’s superior authorities (Killick, 1997).

The literature distinguishes several objectives of conditionality: restraint, i.e. preventing policy reversal after agreed reforms; bribery, in order to induce governments to pursue policies they would not have chosen without the offer of aid; signalling, consisting in providing a signal to the investment market of the type of government receiving borrowing; paternalism, in order to restrict the way in which funding is spent; harmonization, ensuring integrity of donor-assisted operations rather than creating parallel systems; monitoring, limiting moral hazard on the part of the receiver that otherwise would spend money in not-suitable ways; sustainability, to sustain programmes

over political cycles (Dreher, 2009; White & Morrissey, 1997; Guillaumont et al., 2023; Shah, 2017).

Following Checkel (2000) and Abusara (2009) conditionality, applied in the context of the relationship between an International Institution (II) and a loan-requesting country, has at least three aspects or "modalities." A first is represented by the so-called *pre-conditions*. These are policy actions agreed upon during negotiations between an II and a national government that must be undertaken before the former approves a credit arrangement (in the case of the IMF) or formally grants membership (in the case, e.g., of the EU or NATO). Next come *trigger actions*, which are often referred to as performance criteria or legal requirements. To continue the example, it is compliance with these that trigger a government's access to another credit tranche (in the case of IMF); for an II like the EU, such actions might be a legal requirement for adoption of certain portions of the *acquis* before membership negotiations can proceed to the next stage. Finally, there are *policy provisions* that are additional commitments contained in the overall agreement, but which are neither pre-conditions nor trigger criteria: these are the least binding.

In the case of conditionality imposed on funds that are provided to the requesting country, the conditions are basically aimed at improving efficiency by reducing the distortions caused by political incentives, i.e. they are needed due to the political costs of reallocating funds. The donor has influence over the political costs of conditions it imposes through the types of conditions introduced and through its influence over the public perceptions of those conditions. The political cost of complying with a donor's condition depends on the level of flexibility that administrators are given: the higher the flexibility, the more likely it is that administrators can reduce the political cost of compliance; at the same time, however, this flexibility may also lead to smaller efficiency gains if administrators can use flexibility to avoid compliance. Differently, highly detailed and inflexible conditions are more easily monitored and likely to generate the highest efficiency gains but are the most costly to comply with. Donor lenders must therefore assess the potential efficiency gains of compliance with potential political gains of non-compliance (Shah, 2017).

Indeed, highly discussed in the literature is the effectiveness of conditionality, that will be further detailed below. In general, it has been seen that the satisfaction of conditionality

depends both on the recipient governments' willingness to implement the conditions and their ability to do so. "Tied transfers have frequently been attacked because they prevent the recipients from maximizing their utility, are of uncertain value within any framework of redistribution and cause large administrative costs (...)" (Dreher, 2009, p. 242).

1.1.2. The IMF and the World Bank as international "conditional" lenders

As introduced above, conditionality existed even before the two World Wars, but it started to become a distinctive feature of supranational organizations right after the Second World War. Indeed, after the Bretton Woods Conference of July 1944, in which a "new economic order" was defined by the representatives of 44 countries, the IMF, the International Bank for Reconstruction and Development (IBRD) and the General Agreement on Tariffs and Trade (GATT, subsequently transformed into the World Trade Organisation, WTO) were created. Following the Bretton Woods Conference, however, also the World Bank was instituted in 1946, leading to the formation, together with the IMF, of the so-called Bretton Woods Institutions. In this brief section the Bretton Woods Institutions will be analysed in relation to conditionality as they have been and still are the most important actors, within the international sphere, to implement (development assistance) conditionality and from which major lessons on this tool have been drawn. The discussion concerning the IBRD and the GATT will be set aside as outside the scope of this dissertation.

The IMF was created within the context of the Bretton Woods Conference in order to promote international monetary cooperation and macroeconomic and financial stability and to facilitate the expansion of international trade. To pursue its objectives the IMF carries out three main functions: the monitoring one, through bilateral and multilateral surveillance; the supporting one, providing policy advice and assistance; and the financing one. The financing function has become the prevalent task of the IMF, such that it has transformed itself, over time, from a crisis manager, that was created for re-organising economic cooperation after the Second World War, to a development financier. The financing function of the IMF consists upon the provision of short- and medium-term loans to help countries that are experiencing balance of payment problems and difficulties in meeting international payment obligations (International Monetary Fund, n.d.).

“Even in the IMF context, the debate over conditionality has a long history. It began during the Bretton Woods Conference and it was, essentially, a debate between creditors and debtors. Keynes, who represented a deficit Country (the UK), was in favour of an automatic system to offset balance of payments deficits. On the other side, White, in representation of a surplus Country (the USA), was against an automatic or semi-automatic system for financing balance of payments deficits and supported some sort of policy scrutiny before granting assistance. The outcome of the Bretton Woods conference on the topic is well-known: art. V of the Article Agreement was the result of a compromise between the American and the British proposals with an unclear formulation.” (Di Dario, 2017, p. 120).

Conditionality was, therefore, attached to IMF loans through an evolutive interpretation of art. V.: only after the reform of IMF a legal basis for conditionality was provided.

The aim of the IMF in imposing conditionality is that of seeking a balance between the resources loaned and the degree of economic policy correction, i.e. between external financing and internal stabilization. In the IMF, loans are funded mainly by quota contributions by Member States and are characterised by high levels of conditionality. The IMF generally requires the recipient country to meet ex-ante conditionalities before approving financing to ensure that the conditions for the success of the IMF programme are conducive to successful implementation.

“These conditions may, for example, take the form of the abandonment of a price control system, subsidies to a sector (e.g. agriculture) or the alignment of the budget with the fiscal framework. The IMF also usually requires the country to meet measurable conditions related to macroeconomic aggregates (e.g. a ceiling on government borrowing, a minimum level of international reserves, etc.).” (Guillaumont et al., 2023, p. 14).

However, conditionalities can also be imposed as targets to be met for the IMF programme to continue in the form of result-based conditionality.

The precise conditions imposed by the IMF have always been considered controversial as covering policy areas that were not always linked to the IMF’s core competencies. Criticism has indeed developed, and still exist today, relating to the excessive burden and

the politically sensitive nature of the imposed conditions. In the 1990s, following requests of streamlining conditionality, the IMF tried to change the ways in which conditionality was designed and implemented: the conditions started to be “macro-critical”, i.e. they should be deemed important for reaching the goals of the programmes and tailored to the needs of each country in order to increase the ownership of reforms. Additionally, better clarity and parsimony were introduced as principles and a need to reduce conditionality in the most politically controversial areas was recognised, including fiscal policy (taxation and state expenditure decisions) and the role of the state in the economy (liberalisation, privatisation and public enterprise restructuring). In reality, following the recognition of these needs, the number of conditions not only remained high, but rather increased, and conditions in politically sensitive areas continued to be imposed, particularly those affecting taxation and spending policies (Griffiths & Todoulos, 2014).

One important change, however, was experienced in the 2000s, after the recognition of the fact that conditionalities could not be effective if the specific context in which they were applied was not taken into consideration. This led not only to enhance policy dialogues with the stakeholders of the involved country, but also led to the adoption of the principle of flexibility in order to enhance effectiveness and ownership. Finally, in 2007, the Independent Evaluation Office of the IMF found out, again, that the number of conditions attached to each loan was too high and undermined compliance. As a result, a streamlining of the use of conditionality was implemented, mainly after the increased demand for assistance after the 2008 crisis, meaning that imposed conditions were reduced in number and had more clear and targeted criteria. Today:

“Reality shows that this approach is now promising, although the difficulty in implementation remains significant. (...) It may be tempting for a donor to require the recipient to adopt policy measures in an increasing number of areas, although this may pose a problem of consistency with donors’ stated objective of promoting aid effectiveness through greater ownership. This expansion may also reflect a shift away from the original idea of conditionality, which is to seek to impose reforms that are supposed to be structurally beneficial to recipient countries (but not necessarily popular) and to promote greater donor aid effectiveness. The shift from the original concept of conditionality to a broader form that more easily includes donor interests changes the objective somewhat. Some of these new

forms of conditionality are further away from the original form than others, such as aid given to a country on the condition that it controls emigration flows to the donor. The literature seems clear on the ineffectiveness of such conditionality.”(Guillaumont et al., 2023, p. 34).

Many studies have been conducted concerning compliance with conditionality providing evidence that the level or percentage of compliance is low: about half of the programmes of the IMF went off-track because of non-compliance with conditionality. In the same way, evidence is limited as for its contribution to the success of implemented programmes (Dreher, 2009).

Given the IMF experience, therefore, some basic principles have been evidenced by the literature as being fundamental for the implementation of conditionality, even if still today the success of the implementation of this tool is discussed: *streamlining*, i.e. the reduction of conditions, *flexibility*, i.e. the space for interventions allowed at home, *specificity*, i.e. attention towards each country’s needs, and *ownership*, i.e. support towards reforms.

As introduced above, the other relevant II making widespread use of conditionality today is the World Bank. The World Bank was created in 1946 in order to promote long-term economic development and poverty reduction, providing technical and financial support to help countries in the implementation of reforms or projects aimed at their reconstruction and overall progress. World Bank assistance is generally long-term and it is funded by member countries’ contributions and by issuing bonds (International Monetary Fund, n.d.). Prior to the 1980s World Bank lending was focused on physical and social infrastructure projects with conditionality imposed on procurement, implementation, monitoring and auditing. With time, however, the requirement of assistance on the part of countries diminished and the World Bank moved from adjustment lending to programmatic lending to have a sharper focus on governance and institutional reforms (Shah, 2017).

In the World Bank, conditionality aimed, at the beginning, at addressing short-term macro-economic imbalances and economic distortions. However, over time it became clear that interventions could not work if reforms were not sustained by the countries that conditionality targeted. Also the Bank’s understanding of conditionality has changed with time: “(...) from the early emphasis on actions for macroeconomic adjustment and

growth, to more recent attention to the different design aspects of conditionality, including those associated with initiatives to enhance country ownership of programs and streamline conditionality and with Bank-Fund collaboration.” (World Bank, 2005). Indeed, over time, the World Bank retired prescriptive passages on specific policy areas such as privatization or financial or public sector reform because it had recognized that generalized prescriptions often fail, and policy interventions need to be country- and time-specific. In the same way, the increased number of conditionalities that have been imposed by the World Bank has raised concerns of overloading. This has led to the definition, in 2005, of good practice principles that have been then guiding the design of conditionality in the subsequent years and that are considered fundamental still today by the World Bank’s specialists:

1. ownership: reforms (prescribed by the imposed conditions) cannot be implemented without the country’s willingness to implement them; ownership can be undermined when conditions are perceived as imposed;
2. harmonization: agreeing up-front with the government and other financial partners on a coordinated accountability framework;
3. customization: accounting for the country’s circumstances when designing imposed conditions;
4. criticality: avoiding the policy matrix overload; conditionalities should limit only to few critical conditions and triggers that are truly essential for the achievement of the programme’s result;
5. predictability and transparency: providing a regular review cycle aligned with the country’s processes and providing available documents (World Bank, 2005).

These principles not only have been fundamental for the elaboration of further conditionality terms in subsequent development-assistance programmes agreed by the World Bank, but have also inspired other supranational organizations implementing the conditionality tool, e.g. the IMF and the European Union.

Overall, the conditionality implemented by the World Bank and the IMF has evolved ranging from macroeconomic to structural conditionality and from economic towards political conditionality. Since the 1990s, reforms of the conditionality tool have been promoted in order to ensure better compliance by the receiver countries. However, so far, the kind of conditionality practised by the IMF and the World Bank bears with it two main

problems: the first relates to effectiveness, which is still doubtful as in many cases the reforms required are painful and politically costly; the second concerns legitimacy and stems from the two legitimation dilemmas that both the IMF and the World Bank suffer, one procedural and one technocratic. The procedural dilemma derives from the fact that, in both institutions, decisions are taken with majority voting, with the problem being that, according to their funding Agreements, the wealthiest countries have the higher number of votes. The technocratic dilemma stems from the fact that in many cases the IMF has claimed to have legitimacy as its decisions are taken on the basis of scientific evidence, even if the IMF has not been frequently a purveyor of good policy advice, such that many have seen the routinization of conditionality. To these problems, the IMF and the World Bank have reacted with reforms, in particular trying to increase transparency and ownership together with consultation, but still today many doubts remain on the legitimacy of the imposed conditions and their real effectiveness (Babb & Carruthers, 2008).

1.1.3. The European Union and the implementation of conditionality

The European Union (EU) adopted the principle of conditionality as a governance tool in different forms and areas of application, such as in external trade, development policy or enlargement policy. The conditionality principle provides additional possibilities to consolidate, mainly preventively, the compliance of Member States with EU legislation and objectives. European conditionality is flexible and comprises a comprehensive and continuous monitoring and control therefore it can be used as an option for harder enforcement of a soft obligation. Today conditionality is an element of almost all European spending policies and has led to the creation of a “permanent conditionality culture” inside the EU, even if initially this tool was applied mainly in the EU’s external relations (Becker, 2024).

The European Union adopted conditionality after, in reality, having been created with the help of aid conditionality, i.e. through the Marshall Plan, as this was provided under explicit political and economic conditions aimed at containing the spread of communism and ensuring US hegemony.

The first kind of conditionality implemented by the EU, that is also generally depicted as the most successful one, is enlargement or accession conditionality, which has been applied since the enlargements of the 1980s. This comprised economic and political conditions and led to transformations of the economic, social, political and legal systems of the involved states. During accession negotiations, it linked the opening or provisional closure of different negotiation chapters with specific conditionalities. It was not objectively measurable and very complex. Within this context the Schengen conditionality (that is, in order to have access to the EU you need to be part to the Schengen Agreement) was, and still is, a particular form of accession conditionality, which additionally required and requires the introduction of a special and long-term monitoring.

If at the beginning, during the first enlargement, accession conditionality was not exercised (countries beyond the United Kingdom, Ireland and Denmark were not interested in the EU or they were not democratic, therefore could not be eligible for accession), the conditionality tool started to be implemented in the second and third enlargements that involved Greece, Spain and Portugal and included democratic, but also administrative and economic conditions to be fulfilled in order to accede. The 1989 events, following the fall of the Soviet Union, led to new demands for accession and the imposition of conditions on Austria, Finland and Sweden. However, the most important (and most successful) imposition of conditionality concerning enlargement has been the one involving the Central, Eastern and Southern European states, which were characterized not by underdevelopment, rather by mis-development and mis-functioning, that led the EU to impose the greatest amount of conditions ever seen for accession. If, however, enlargement conditionality proved successful for Central and Eastern European (CEE) countries, it did not have the same results in Southern Europe, where still today countries are grappling with reaching the conditions necessary for joining the EU (Knezović, 2009).

Schimmelfennig and Sedelmeier (2004) described the EU accession process and related conditionalities as a case of an “external incentives” model of governance, where governance rules were transferred from the EU to non-member states, in contrast to rules created autonomously these countries’ political system. In CEE countries, before the imposition of the so-called Copenhagen Criteria, the EU tried to prepare candidate

countries to the fulfilment of conditionality through the Europe Agreements² and the PHARE programme, that provided assistance. Similar programmes have been developed in Southern Europe, mainly in the Western Balkans, such as the 1997 Regional Approach or the 1999 Stabilisation and Association Process³, but they have not been so successful as the ones implemented in CEE countries (Anastasakis & Bechev, 2003). Within this context, the Copenhagen Criteria⁴, defined at the Copenhagen European Council of 1993, became the *conditio sine qua non* to any progress in the accession processes for these countries. In this context, therefore, the perspective of fully-fledged membership, together with material and non-material assistance, highly contributed to the fulfilment of the conditions. To the Copenhagen criteria, then, conditionalities related to the presence of sufficient administrative capacity for fully applying the *acquis communautaire* were added up in the Madrid European Council of 1995.

Overall, as anticipated above, enlargement conditionality was exercised in different ways: access to negotiations and further stages in the accession process, benchmarking and monitoring, provision of legislative and institutional templates, aid and technical assistance, and advice and twinning (Papakostas, 2012). The kind of conditionalities that were imposed here had an enormous scope as their fulfilment required a total transformation of the economic, legal and institutional system of the candidate countries. Additionally, the *acquis* requirements were interpreted in a strict sense, without opt-outs. This use of conditionalities was indeed strongly effective mainly because it was dominated by accession advancement rewards (the sole EU financial assistance would not have been, indeed, a sufficient recompense). The impact of EU conditionality in CEE countries has therefore been significant in the post-communist transition process as it has stimulated reforms related to democratisation and marketisation; however, it created

² The Europe Agreements included five criteria: introduction of the rule of law, respect for human rights, presence of a multi-party system, of free and fair elections and of a market economy (Berkowitz et al., 2017).

³ The 1997 Regional Approach aimed at the development of regional cooperation with South-Eastern European countries recognising that each country has different needs and progresses at its own rate; the 1999 Stabilisation and Accession Process aimed at developing economic and political relations with the concerned Eastern, mainly Balkan, countries, providing aid for democratisation and possibilities of political dialogue.

⁴ These were: stability of institutions guaranteeing democracy, the rule of law, human rights, protection of minorities; the presence of a functioning market economy and the capacity to cope with competitive pressures and market forces within the Union; the ability to take on the obligations of membership, including adherence to the aims of the political, economic and monetary union.

problems of differentiation that increased competition rather than regional cooperation in the area, and legitimation problems, as the conditions imposed were exclusively determined by the EU and its MS, without accounting for local priorities. Other critics have related to the fact that EU enlargement conditionality has favoured non-majoritarian institutions, depoliticised civil society and over-supported the neo-liberal agenda (Anastasakis & Bechev, 2003).

What happened in CEE countries, as anticipated above, has been, however, completely different from what happened in South Eastern Europe, where Bulgaria and Romania, that finally accessed the EU in 2007, were provided with financial assistance (amounting to ca. 2% of their GDP), Roadmaps for Accession and Regular Reports in order to facilitate accession. In the rest of South Eastern Europe, however, the strategy did not work due to three main reasons (Knezović, 2009): differentiation did not generate the expected positive climate of competition among candidate countries and the reform process was not supported by the elites and by the population.

This first type of conditionality applied by the EU has been described here clearly as it has been very important and a determinant for future decisions concerning the implementation of conditionality as a whole in the EU arena.

The second type of conditionality exercised by the EU, and one that could resemble the one implemented by the World Bank and the IMF, is that applied to development assistance interventions favouring third countries. This is the first kind of conditionality that the EU ever implemented and it is mostly represented by the human rights conditionality inserted in the ACP-EEC Convention (Lomé Convention, 1991)⁵ to ensure that trade and aid are consistent with the EU's founding values. Conditionalities in the development policy of the EU have been applied in three ways: political conditionalities applied in external aid and EU agreements with third countries (e.g. regarding human rights); political conditionalities applied in EU budget support programmes (relating to the macroeconomic framework); and conditionalities related to individual aid programmes. Mainly when negative conditionalities were involved there have been

(Viță, 2017)⁵ This Convention, which was reviewed in many occasions between 1975 and 2000, defined an aid and trade agreement between the EU and African, Caribbean and Pacific countries. Not only it provided the possibility of development assistance on the part of the EU, but also provided preferential access to the European soil to some African, Caribbean and Pacific commodities.

difficulties, while the general effectiveness of external aid conditionality is more debated as for sure several countries have experienced development, but it is not clear whether this development was prompted by conditionality or not (Berkowitz et al., 2017).

The third kind of conditionality exercised by the EU relates to the one applied, first, in the Optimal Currency Area and, then, in the European and Monetary Union. As for the Optimal Currency Area, conditions were imposed for its creation in the 1970s: they were aimed at reducing the exposure of members of the currency union to asymmetric shocks and at facilitating the adjustment to asymmetric shocks if they hit the area, implying similar inflation rates, degree of economic openness and wage flexibility of the participating countries. Following the European Single Act, differently, the Economic and Monetary Union started to be pursued: in order to develop, there should have been liberalisation of capital movements, central banks' co-operation and transfer of powers to the European Central Bank together with the introduction of the single currency. Within this context, the so called Maastricht criteria, relating to inflation rate, nominal long-term interest rates, budget deficits, were introduced in order to admit countries within the European Monetary Union (EMU) (Berkowitz et al., 2017). These constituted a specific form of ex-ante accession conditionality but were also linked to sanctions in cases in which excessive deficits were experienced and the Stability and Growth Pact was not respected. Here once the Eurozone is accessed, still today, the positive ex-ante conditionality becomes a permanent and lasting punitive one (Becker, 2024). This kind of conditionality was applied since the creation of EMU, but then became a fundamental trait mainly after the 2008 crisis. First and foremost in EMU macroeconomic convergence is based on market conditionality, i.e. the ability of a Member State (MS) to respect conditions imposed by market forces. This is evident in the multilateral surveillance procedure where if economic policies of a MS are not consistent with guidelines on economic policies, the Council of the EU could make its recommendations public and influence financial markets, which will make pressure upon the MS. This is precisely an implicit conditionality.

During and after the Euro Area crisis of 2008, the application of conditionality derived from the same discussion between debtor and creditor Member States that developed also in other international organizations (see above as for the IMF) because creditors were simply not willing to grant financial assistance without collaterals. There was,

additionally, evidence that the Stability and Growth Pact was not sufficiently observed. Conditionality was, therefore, inserted in the macroeconomic adjustment programmes: if it was first introduced in the European Financial Stability Facility and the European Financial Stabilisation Mechanism in 2011, which however were temporary tools, conditionality became a fundamental trait of the European Stability Mechanism that, as a permanent tool, substituted the previous ones in order to ensure the financial stability of the Euro Area. Also the fiscal and macroeconomic surveillance were reformed after the crisis: the Stability and Growth Pact was revised, the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union was established and the Macroeconomic Imbalance Procedure was introduced to tackle imbalances between Euro Area MS. Within this context, still today, once mutual assistance is granted, the Council of the EU should lay down necessary conditions to be respected in order to preserve the functioning of the internal market since balance of payments crises can disrupt intra-EU trade and capital flows. Additionally, under request of a MS or the European Commission, the Council of the EU shall decide on the economic policy conditions attached to the assistance.

“Secondly, the abrogation of a derogation necessary for the introduction of the euro in a Member State is based on conditionality. The Council decides whether a Member State fulfils the conditions on the basis of the four nominal criteria, namely price stability, government budgetary sustainability, observance of normal fluctuation margins in the ESM and long-term interest rates durability. Thirdly, the ECB’s monetary policy has been characterized in the last few years by an increasing role of conditionality.” (Di Dario, 2017, p. 122).

To these, added up the Six-Pack (2011) and the Two Pack (2013) reforms of the Stability and Growth Pact, the introduction of the European Semester (2010) and the Fiscal Compact (2012) in order to impose higher policy conditionality on MSs’ fiscal and macroeconomic policies and for ensuring greater coordination. This kind of conditionality, however, has not proved successful as the enlargement one, because the restrictive fiscal policies imposed as conditions for accessing assistance neither reduced macroeconomic imbalances nor resolved the Euro Area stagnation: austerity was not counterbalanced by an internal revaluation by means of an increase of prices and wages in core MSs.

The fourth type of conditionality, is the one applied to the field of migration, therefore it is more recent (Viță, 2017): the Global Approach to Migration and Mobility (2011) states that the better migrants-sending countries delivered under their migration compacts, the more diplomatic, technical and financial support they received. This kind of conditionality aims to reduce irregular and illegal migration building dialogues and collaboration between the EU and migrants-sending countries, which are in this way requested to respect some rules and conditions in sending migrants if they want to receive assistance through funded projects.

The fifth kind of conditionality, that is the one relevant for the discussion that will follow in the chapters 2., 3. and 4., is the one linked to European spending policies and European funds: it links the disbursement of EU funds with specific conditions in order to influence the behaviour or to enforce some specific policies in the MSs. The introduction of this kind of conditionality derives from many reasons, among them the principle of subsidiarity and the consequent lack, on the part of the EU, of the administrative capacity to implement completely its budget such that about 75% of it is channelled at the national level and managed by national authorities under the supervision of the Commission.

This kind of conditionality combines different levels of policy-making and has involved political goals that go beyond the original funding aims. This is a conditionality attached to EU financial benefits with the goal of advancing broader EU policy objectives at the MS level. It, therefore, aims to alter Member States' or individual conduct in exchange for EU spending resources, subject to funds withdrawal in case of failure to comply. This relates to the conditionality applied to Cohesion Policy funds, that will be explained in detail in the next sections. However this kind of conditionality also applies to other EU funds: the European Agricultural Fund for Rural Development, linked to environmental conditions; the European Maritime and Fisheries Fund that has negative conditionalities addressed both to Member States and private entities; the Home Affairs Funds, attached to the Schengen *acquis* conditionality, respect for human rights and respect of EU law conditionalities (Viță, 2017). As for the effectiveness of such conditionalities evidence is still mixed and research still needs to develop (Viță, 2017).

In the 2021-2027 programming period, a new rule of law conditionality was created, following Poland's and Hungary's latest distancing from democratic and rule of law

principles and entails the possibility for the Commission to suspend European funding if rule of law principles are not respected, namely: the separation of powers; the rule of law; the presence of an accountable, democratic and pluralistic legislation; the presence of an independent judiciary and of legal certainty.

Lastly, the European Recovery and Resilience Facility (RRF), i.e. the instrument introduced in 2020 to help Member States to tackle the Covid-19 crisis, introduced macroeconomic conditionality and a direct link to European economic and social policy objectives. The National Recovery and Resilience Plans (NRRPs) submitted by the Member States in order to obtain grants and loans had to be in line with the targets of the European Semester and implement the applicable Country Specific Recommendations (CSRs). They also had to take into account the EU's energy and climate policy objectives. Additionally, also a rule of law conditionality was included. If these conditions were not respected, the Commission may propose an interruption of funding (Becker, 2024).

In the European context, therefore, conditionality has developed, lately, into an instrument of permanent or long-term use and has cross-policy leverage. This governance by conditionality strengthens the cooperation between the EU and its MSs especially where the EU has subsidiary competences (Becker, 2024).

1.2. EUROPEAN COHESION POLICY AND ITS CONDITIONALITIES

1.2.1. The European Union's Cohesion Policy

Cohesion Policy is the main multiannual investment policy of the EU (Berkowitz et al., 2017). It absorbs about one third of the EU budget and it has become one of the most politically salient policies of the European Union (Piattoni & Polverari, 2019). It aims at spurring economic growth and convergence, meaning that it provides funding in order to allow to speed up the growth path of lagging-behind territories to make their income-per-capita level closer to that of more advanced and richer territories.

Cohesion Policy, even if already mentioned in the Treaty of Rome (1957), has been introduced following the creation of a single market through the Single European Act (1986) and following the adoption of the Delors Package (1987); however, already in the 1970s the European Regional Development Fund, that today is Cohesion Policy's main

funding instrument, had been introduced in order to counterbalance the United Kingdom's contribution to the EU budget and its absence of benefits, due to the addressing of the budget's main resources to the Common Agricultural Policy⁶. Since then, the Cohesion Policy has evolved with the increase not only of the share of the EU budget that it received, but also of its scope of application. The resources of Cohesion Policy are generally divided into multiple funds. In the current programming period, 2021-2027, these funds are: the European Regional Development Fund (ERDF), aimed at the development of all EU regions and cities; the Cohesion Fund, investing in environment and transport at the national level (in some countries only); the European Social Fund Plus (ESF+), aimed at supporting jobs and creating a fair and socially inclusive society; and the Just Transition Fund (JTF), aimed at supporting the regions most affected by the transition towards climate neutrality. Cohesion Policy is organised into programming periods that correspond to the Multiannual Financial Framework⁷ from which Cohesion Policy receives funding.

As introduced before Cohesion Policy accounts for a major share of EU's budget and of public investment in many less-developed countries: it is the most direct expression of financial solidarity as funding is highly concentrated on the least developed EU countries and regions in the form of investment strategies and projects aimed at fostering sustainable growth and improving citizens' lives (Bachtler & Mendez, 2020). Cohesion Policy is characterised by a series of principles that have become its distinctive traits, among these the concentration of resources, of efforts and of spending, programming, meaning that Cohesion Policy funds programmes develop on a multi-annual basis, the partnership principle, aimed at involving authorities at the European, national, regional and local level, and the principle of additionality, referring to the fact that EU's funding does not have to substitute national funding for less developed regions.

Cohesion Policy is, then, characterised by shared management according to which, first, the budget for the policy and the rules for its use are decided by the European Council on

⁶ The United Kingdom, indeed, did not have a developed agricultural sector, but suffered of high levels of regional inequality.

⁷ The Multiannual Financial Framework is an expression of EU's political priorities, but at the same time a budgetary planning tool: it, indeed, sets out the various ceilings of expenditure that can be spent on various policy areas in order to ensure that EU's spending remains predictable and stays within pre-set limits.

the basis of a proposal by the Commission leading to the Common Provision Regulation (CPR), after the approval of the Multiannual Financial Framework. Therefore, as for the agreement on Cohesion Policy, the Commission has the power of initiative and sets out proposals for reform covering all budgetary headings and making legislative proposals for the implementation of Cohesion Policy's instruments in the form of draft regulations. The negotiation and adoption of draft regulations are the responsibility of the Council of the EU, which has a strong role, and the European Parliament, that, in this case, operates through the consent procedure (Bachtler & Mendez, 2020). The final decision on Cohesion Policy, however, is taken at the unanimity by the European Council. Subsequently, each Member State produces a Partnership Agreement (PA) proposing the country's strategy and a list of programmes. This PA is, then, negotiated by the Commission with the national authorities together with the various Programmes (in the past Operational Programmes, OP), i.e. more concrete documents delineating the actions that will be put into place, that will be then implemented by the MSs and their regions under the coordination of Managing Authorities (MAs). After having committed the funds, the Commission pays the certified expenditure presented by MSs and regional authorities, at the same time monitoring each Programme. This complex procedure summarizes the subsidiarity principle, that is considered fundamental mainly by regions today, as it allow their active participation in the policy (Wallace et al., 2020).

Over time, as has been mentioned, Cohesion Policy has become the most important policy within EU's budget receiving a third of it, because it has been understood, as in the past it was evidenced by Delors, that a single market alone cannot correct inequalities. As for the effectiveness of Cohesion Policy in providing help to less developed regions, the evidence is mixed, with different studies (Arbia et al., 2010; Basile, 2009) revealing not only the importance of spatial externalities and spatial dependency⁸, but also the importance of institutional and administrative capacity in absorbing the funds.

Cohesion Policy is governed by a common regulatory framework with wide-ranging obligations and conditions on how to allocate and manage funding. "The increasing use

⁸ Meaning that the development and growth of a region strongly depends on the position of that regions and, consequently, on the level of development and growth of the neighbouring territories. Therefore, for example, Lombardia in Italy being located among other developed regions with developed levels of infrastructure will have more advantages than an isolated region, such as Sardegna, that has no direct links with other developed regions because it is an island and is "detached" from the continent.

of conditionality is justified in terms of changing member state behaviour to conform to agreed EU objectives and policies. However, the effectiveness of conditionality is questionable, and its increasing use raises fundamental questions (...).” (Bachtler & Mendez, 2020, p. 121). Indeed, budgetary decision-making in the EU has always been politically contentious because of its redistributive function as decisions on how much each Member State pays and receives are associated with the policies on which the money is spent. For the Common Agricultural Policy and Cohesion Policy funding is largely pre-allocated and since 1999 the Commission has been pressed by MSs to become more transparent about its funding allocation model. MSs have been able to estimate how much they should receive under specific proposals for policy reform and their negotiating positions are directed to securing the best possible net balance. This, of course, limits the scope for taking policy decisions that are in the best interests of the EU as a whole and is a cause of inertia in changing the structure of budget. Therefore, it has been discussed how to separate the redistributive aspects of the budget (how much MSs pay and receive) from the allocative ones (how much funding is spent on different policies) through the establishment of own resources. This overall context has justified a wide implementation of conditionality in the EU, in general, and in Cohesion Policy, in particular as the MSs which more largely contribute to the budget, do not want it to be spent in not-useful ways: conditionality has therefore proved helpful in controlling the way in which EU funds are used.

Conditionalities have been, therefore, used in the European context to set pre-conditions, manage administrative processes or stipulate outcomes as part of the provision of funding, involving sanctions or rewards to encourage compliance. The institutionalisation of conditionality can be, indeed, explained by two factors: the need to improve policy performance drawing on lessons from implementation experiences, evaluations and international practices; the external spill-over effects relating to EU’s economic governance and negotiations on the EU’s budget, in particular following the economic and financial crisis (Bachtler & Mendez, 2020). One problem, however, relates to the relationship between conditionality and performance as changes in performance are rarely related to conditionality: conditionalities are problematic to implement due to conflicts over objectives and ownership and can have negative consequences in terms of legitimacy

and fairness. It depends on whether they are designed in collaboration with affected actors and whether the operations of actors are predictable and transparent.

From the point of view of European integration theories, when assessing conditionality, how it has been inserted since the inception of Cohesion Policy and how it has been reinforced lately, two insights are raised.

“First, EU budgetary and Cohesion policy-making has taken an intergovernmental turn as a consequence of the increased politicisation of the EU budget in the postcrisis era and the alignment between Cohesion Policy and economic governance (...). Theories of integration stressing the role of supranational actors in decision-making remain relevant but incomplete. On the one hand, the Commission continues to be a powerful actor by virtue of its power of initiative and agenda-setting role, and the European Parliament has acquired greater formal co-legislative power because of Lisbon Treaty, but remains the junior partner over budgetary matters. On the other hand, intergovernmental dynamics and negotiations surrounding the EU budget and wider EU objectives - led by the most powerful member states - are increasingly determining the policy content and implementation of Cohesion Policy, and the role of the European Council has acquired greater significance.” (Bachtler & Mendez, 2020, p. 130).

In this context, therefore, when both intergovernmental and supranational theories do not provide useful in order to describe what is happening within this context, neo-institutionalist theories, in particular the rational-choice institutionalism through the principal-agent approach seems to be helpful in understanding the above-described dynamics.

“The case of cohesion policy is a classic example of a problem facing all multilevel governance systems: how to ensure that policy outcomes are achieved in line with the original objectives when there are asymmetries in the information, capacity and resources of actors at different levels, and potentially differences in priorities and values (...).” (Bachtler & Ferry, 2015, p. 1259).

Much of the research concerning principal-agent relations in EU policy-making has focussed on how the Commission has sought to circumvent the control of MSs upon

certain kinds of policies. But Cohesion Policy is different, as it is formulated and implemented through a hierarchy of principal-agent relationships ranging from the Council of the EU down to subnational bodies. Mainly in the implementation phase the Commission acts as a principal with MSs as agents and the Commission in need to ensure that MSs, once having their budget, fulfil Cohesion Policy's goals. However, the imposed conditionalities have left scope for agency drift and have led to the definition of the EU as a weak principal (Bachtler & Ferry, 2015).

The first kind of conditionality within Cohesion Policy was introduced in 1992, being applied only to the Cohesion Fund: macro-economic conditionality entailed a potential suspension of payments if macro-economic conditions were not fulfilled, i.e. if the deficit ceiling of 3% of national Gross Domestic Product was exceeded for more than one year. The application of this conditionality was widened to all shared management funds in the 2014-2020 programming period, with the procedure being more automatic and extending its scope beyond the Excessive Deficit Procedure, including also the Macroeconomic Imbalance Procedure and covering countries under an economic adjustment programme. In reality, the provisions of macroeconomic conditionality have been difficult to apply and in many cases were not respected due to the discretion of the Council and the weakened credibility and legitimacy of the Stability and Growth Pact. In the 2000-2006 period, indeed, sanctions were not applied, in the subsequent period only Hungary went under a procedure for more or less one year; and in the 2014-2020 period there has been a tough discussion concerning the introduction of this type of conditionality. After the proposal of suspension of funding for Spain and Portugal, the decision was abandoned and a similar discussion was developed for the current programming period (Berkowitz et al., 2017).

Beyond macroeconomic conditionality, the problem of control became more relevant since 1999 when the Commission left more implementation responsibility to MSs: this has led to the introduction of two new quantitative conditionalities, i.e. the decommitment rule and performance reserve. These were introduced in the 2000-2006 programming period and were maintained subsequently while in 2007 a qualitative conditionality in the form of earmarking expenditure was introduced. The decommitment rule was also known as the n+2 rule and was introduced to speed up the implementation of programmes in 1999 even if some flexibility was adopted for MSs with certain difficult conditions. Even

if analyses revealed its effectiveness in improving the implementation pace of programmes, it had problems of rigidity and reduced the quality of expenditure due to the need to increase and faster spending. The performance reserve was introduced in 1999 to ensure better programme management and leading to additional allocation of 10-20% of funding for the best performing programmes: it was mandatory in the 2000-2006 and 2014-2020 programming periods, while it was voluntary in the middle one. The operationalization of the performance reserve involved each MS selecting indicators for performance assessment (a programme was considered to have fulfilled the assessment criteria if it met 75% of its targets). The regulations gave discretion to MSs to implement the performance reserve according to their own institutional and policy priorities and even if flexibility was present, the Commission saw that this conditionality constituted an incentive for good management practice. The earmarking conditionality was, finally, applied in the 2007-2013 period and entailed MSs being obliged to dedicate a large proportion of their allocations to supporting EU's Lisbon Agenda objectives of increased competitiveness and job creation. This seemed to be successful as the required percentages were even overcome (Bachtler & Ferry, 2015). Subsequently, in the 2014-2020 programming period, also structural reform conditionality was introduced and it referred to structural reforms that are promoted by the EU through its annual economic and fiscal policy coordination cycle, i.e. the European Semester, which issues Country Specific Recommendations (CSRs). This was first proposed in the Fifth Cohesion Report (2009) which referred to the need to provide incentives for reforms in areas linked to Cohesion Policy, e.g. education or research. This was then discussed in the EU's conditionality task force in 2011 on the basis of a Commission's discussion paper which proposed making CSRs on structural reform mandatory, with enforcement through Cohesion Policy funds' suspension for non-compliance. Positive incentives were also proposed in the form of rewards for fulfilling recommendations, e.g. higher EU co-financing rates and flexibility in spending. MSs in the task force, however, rejected the introduction of this conditionality because of concerns over breaching of the principle of subsidiarity with respect to Member States' competences over structural reform, the lack of alignment between the scope and timing of the European Semester and Cohesion Policy and other negative consequences such as administrative burdens. Therefore in the 2013 reform alternative mechanisms were introduced: a requirement for MSs to address

relevant CSRs in the programming of PAs and programmes was introduced together with the duty of the Commission to request revisions of PAs and programmes to support the implementation of new CSRs and to propose suspensions of payments to the Council if the MS fails to take effective action in response. Additionally in 2017 a Structural Reform Service Programme was created providing positive financial incentives funded by Cohesion Policy funds and providing technical assistance for the implementation of structural reforms (Bachtler & Mendez, 2020).

The last kind of conditionality that was applied to Cohesion Policy, beyond the ones with which this dissertation is specifically concerned, is the rule of law conditionality, introduced in the current programming period, in relation to EU budgetary procedures and policies, entailing the imposition of financial sanctions in the form of a suspension, reduction or restriction of EU funding if rule of law is not respected. Being a new kind of conditionality, studies and considerations thereupon are however still developing. (Bachtler & Mendez, 2020).

Within this context it is therefore possible to frame the introduction, in the 2014-2020 programming period, of ex-ante conditionalities that have brought to debated discussions and still bear uncertainty as for their effectiveness and that have led to the current adoption of enabling conditions for the 2021-2027 programming period.

1.2.2. Ex-ante conditionality in the 2014-2020 programming period: a failure?

Given the experiences set out above concerning the implementation of conditionality both within and outside the scope of Cohesion Policy, it has been decided, as stated in the 2013 Common Provision Regulation No. 1303/2013 to insert in the Cohesion Policy's framework ex-ante conditionalities in order to increase the capacity of MSs to spend European Structural and Investment Funds (ESIF). The support for the introduction of conditionalities had been expressed also by Barca (2009) in his report that has been fundamental for the reform of Cohesion Policy and the introduction of a place-based approach. Indeed, Barca (2009) maintained that conditional grants are justified in order to address market or government failures where economic institutions are weak because they are contrary to the self-interest of the local elite or because they have not developed due to path dependency.

According to art. 15 of the Common Provision Regulation of 2013:

“Member States should concentrate support to ensure a significant contribution to the achievement of Union objectives in line with their specific national and regional development needs. Ex ante conditionalities, as well as a concise and exhaustive set of objective criteria for their assessment, should be defined to ensure that the necessary prerequisites for the effective and efficient use of Union support are in place. To this end, an ex ante conditionality should apply to a priority of a given programme only when it has a direct and genuine link to, and a direct impact on, the effective and efficient achievement of a specific objective for an investment priority or a Union priority, given that not every specific objective is necessarily linked to an ex ante conditionality laid down in the Fund-specific rules. (...) The fulfilment of the applicable ex ante conditionalities should be assessed by the Member State in the framework of its preparation of the programmes and, where appropriate, the Partnership Agreement. The Commission should assess the consistency and adequacy of the information provided by the Member State. In cases where there is a failure to fulfil an applicable ex ante conditionality within the deadline laid down, the Commission should have the power to suspend interim payments to the relevant priorities of the programme under precisely defined conditions.” (REGULATION (EU) No 1303/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL, 2013, art. 15)

Ex-ante conditionalities that were introduced in the 2014-2020 programming period were ex-ante, negative conditionalities inserted in order to address problems in regulatory, strategic and administrative capacity. They provided, in this way, new linkages between Cohesion Policy, the new European economic governance and Member States' economic policies and institutions, providing receiving countries with incentives to implement structural changes and policy reforms (Berkowitz et al., 2017). Ex-ante conditionalities have been an innovative tool to create the necessary conditions for effective spending and provided a consistent framework for assessing Member States' readiness to implement EU funds (European Court of Auditors, 2021). According to the Commission, they should be aimed at removing sector specific barriers in order to create an investment-friendly environment, at supporting the implementation of CSRs, at accelerating the implementation of the *acquis communautaire*, at stimulating the prioritisation of ESIF and

at enhancing capacity building and coordination amongst MSs' authorities (Núñez Ferrer et al., 2018).

Ex-ante conditionalities were divided into 7 general ex-ante conditionalities and 29 thematic ex-ante conditionalities related to the 11 Thematic Objectives upon which Cohesion Policy funding concentrated for the 2014-2020 programming period⁹. The general conditionalities related to: anti-discrimination, gender equality, disability, public procurement, state aid, Environmental Impact Assessment and Strategic Environment Assessment, statistical systems and result indicators. Thematic ex-ante conditionalities are summarized in the Table 1.1.

1.1.	Research and Innovation
1.2.	Research and Innovation Infrastructure
2.1.	Digital growth
2.2.	Next Generation Network Infrastructure
3.1.	Promotion of entrepreneurship
4.1.	Promotion of cost-effective improvements of energy efficiency and cost-effective investment in energy efficiency when constructing or renovating buildings
4.2.	Promotion of high-efficiency co-generation of heat and power
4.3.	Promotion of production and distribution of renewable energy sources
5.1.	Risk prevention and risk management

⁹ The 11 thematic priorities for the 2014-2020 programming period were: 1. Strengthening research, technological development and innovation; 2. Enhancing access to, and use and quality of, information and communication technologies; 3. Enhancing the competitiveness of Small and Medium Enterprises; 4. Supporting the shift towards a low-carbon economy; 5. Promoting climate change adaptation, risk prevention and management; 6. Preserving and protecting the environment and promoting resource efficiency; 7. Promoting sustainable transport and improving network infrastructures; 8. Promoting sustainable and quality employment and supporting labour mobility; 9. Promoting social inclusion, combating poverty and any discrimination; 10. Investing in education, training and lifelong learning; 11. Improving the efficiency of public administration.

6.1.	Water sector
6.2.	Waste sector
7.1.	Transport
7.2.	Railway
7.3.	Other modes of transport, including inland-waterways and maritime transport, ports, multimodal links and airport infrastructure
7.4.	Development of smart energy distribution, storage and transmission systems
8.1.	Active labour market policies in the light of the Employment guidelines
8.2.	Self-employment, entrepreneurship and business creation: the existence of a strategic policy framework for inclusive start-up
8.3.	Modernisation and strengthening of labour market institutions in the light of the Employment Guidelines
8.4.	Active and healthy ageing
8.5.	Adaptation of workers, enterprises and entrepreneurs to change
8.6.	The existence of a strategic policy framework for promoting youth employment including through the implementation of the Youth Guarantee
9.1.	The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the active inclusion of people excluded from the labour market in the light of the Employment guidelines

9.2.	The presence of a national Roma inclusion strategic policy framework
9.3.	Health
10.1.	Early school leaving
10.2.	Higher education
10.3.	Lifelong Learning
10.4.	The existence of a national or regional strategic policy framework for increasing the quality and efficiency of VET systems within the limits of Article 165 Treaty on the Functioning of the EU (TFEU)
11.	The existence of a strategic policy framework for reinforcing the MSs' administrative efficiency including public administration reform.

Table 1.1.: Ex-ante thematic conditionalities. Source: European Court of Auditors (2017).

Starting in 2014, the MSs, when preparing their PAs and OPs, had to assess whether they fulfilled ex-ante conditionalities, when applicable to the specific objectives pursued within the identified investment priorities, with this assessment being based on some criteria and then validated by the Commission. These criteria were broad and left room for interpretation and often did not refer to specific quantifiable targets (European Court of Auditors, 2017). An applicable ex ante conditionality meant a concrete and precisely pre-defined critical factor which is a prerequisite for, a genuine line, and a direct impact on the effective and efficient achievement of a specific objective for an investment or a Union priority. When adopting an OP the Commission may have suspended all or part of interim payments to the relevant investment priorities of the OP pending the completion of these actions. Therefore, before that OP could be adopted, MSs had to prove that they had fulfilled them or propose action plans explaining how they would have fulfilled them by 31st December 2016. MSs had to report on the completion of these action plans in their annual implementation reports, to be submitted by 30th June 2017, or in progress reports due in August 2017. However, there were inconsistencies in the way the Commission

assessed and validated progress made by MSs in completing ex-ante conditionalities' action plans (see fig. 1.1.) (European Court of Auditors, 2017).

Ex-ante conditionalities gave an incentive to MSs to implement structural changes and



Figure 2.1: The process of fulfilment of ex-ante conditionalities. Source: European Court of Auditors (2017, p. 16).

policy reforms but were also aimed at improving the targeting of public investments through better and more strategic policy frameworks, prioritisation of projects and ensuring complementarity with other sources of funding. They also aimed at improving the institutional and administrative capacity of public institutions and at stimulating co-ordination within public administrations and with relevant stakeholders. The introduction of ex-ante conditionalities has improved the investment environment in the EU and the targeting of funding. It has also accelerated the transposition and implementation of EU legislation and helped to speed up reforms improving, at the same time, institutional capacity (European Commission, 2024).

Around 75% of all the applicable ex-ante conditionalities and 58% of the thematic ones were fulfilled at the time when the OP were adopted. At the OP's adoption stage, one third of thematic ex-ante conditionalities remained unfulfilled (only Austria and Denmark fulfilled them completely). MSs adopted three different types of action plans: nation-wide action plans (one action plan for each ex-ante conditionality for all OPs), programme specific action plans and mixed action plans combining the two approaches, with the highest number of plans related to the conditionality on statistical systems and result indicators and Smart Specialisation Strategy (S3). Of the various action plans that were adopted, the 98% was reported completed by the end of August 2017 (European Court of Auditors, 2021). Indeed, there was limited progress in completing the action plans for

unfulfilled ex-ante conditionalities by the end of 2016, but progress gained momentum towards the reporting deadlines: in February 2017 half of the more 700 action plans were not reported as completed, but the situation reversed by mid-September 2017.

“(…) as of February 2017, 380 of these 761 action plans (50 %) had not been reported as completed by the end of 2016. The examination of the completion of action plans by 31 December 2016 (…) and progress reports by 30 June and 31 August 2017 respectively showed that 703 action plans had been completed; an increase from 50 % to 92 %.”(European Court of Auditors, 2017, p. 22).

General ex-ante conditionalities had higher difficulties in implementation mainly in relation to state aid related conditions.

“Among the thematic ex ante conditionalities, those related to environmental and transport infrastructure (water and railways in particular) as well as to smart specialisation, health strategy, active ageing and early school leaving proved to be the most difficult to fulfil. The best ratings in terms of fulfilment were achieved for the conditionalities related to self-employment, co-generation of heat and power, and renewables (…)”. (Berkowitz et al., 2017, p. 16).

According to the Commission, conditionalities have improved the investment environment in the EU, supported structural changes, accelerated the transposition of EU legislation, better targeted support from EU funds, improved institutional capacity. However, in their fulfilment, there have been problems related to:

1. complexity: the fulfilment of the conditionalities often required additional workload and costs, particularly in those MSs with a large number of investment priorities and thematic objectives in relation to the allocated EU funds; the number and focus of the different conditions have increased the density and watered down the link between the budget and the overall policy recommendations;
2. scope: ex-ante conditionalities were too many;
3. durability: there was a one-off exercise without monitoring, i.e. once a MS fulfilled the condition in the OP, there was not monitoring over the whole programming period;

4. possibility to implement programmes before ex-ante conditionalities' fulfilment: this was due mainly to low levels of control exercised by the Commission (Berkowitz et al., 2017).

However, even if ex-ante conditionalities seemed to have had positive effects contributing to improving the framework within which the EU budget operates and triggering institutional, regulatory and administrative changes, serious problems were experienced. It is not clear how much ex-ante conditionalities have been effective in improving the ESIF implementation mainly due to the lack of clarity and consistency in Member States' self-assessments: criteria for assessing compliance with conditionalities were too generic without reference to quantifiable targets. As introduced above, then, ex-ante conditionalities were a one-off exercise, without clear mechanisms or tools to monitor implementation subsequent to the fulfilment of conditionalities, therefore it has been not sure whether their respect has been maintained or not (European Court of Auditors, 2017).

Additionally, MAs reported lack of administrative and institutional capacity and insufficient involvement of stakeholders. Finally, the suspension of payment decision by the Commission resulted a difficult one and it has never been taken, leaving scope for action to MSs and demonstrating the low levels of control in the hands of the Commission. The non-fulfilment of conditionalities was not sufficient for suspending payments. In the same way, failure to complete an action plan was not sufficient to trigger a suspension. If a sanctioning process was launched for Spain and Italy as they were missing the fulfilment of some action plans, at the end the procedure was lifted and was never implemented in its entirety in reality.

“In late 2017, and following the analysis of the progress made by Member States in fulfilling the ex-ante conditionalities, the Commission sent pre-suspension letters for five action plans on five different OPs (in Spain, Italy, and Romania). (...) In April 2018 and February 2019, the Commission decided to suspend payments to two of these five OPs (Spain and Italy). The suspension for the Spanish OP was lifted in March 2019, whereas payments to the Italian OP remained suspended.” (European Court of Auditors, 2021, p. 19).

In the same way, another mechanism happened: when MSs were aware that ex-ante conditionalities were not fulfilled, they self-suspended the request of funding.

In general, therefore, if ex-ante conditionalities have been an innovative tool that was implemented by the Commission in order to increment the spending capacity of the receiving MSs in the 2014-2020 programming period, difficulties have been present mainly related to the complexity of the imposed conditions and the ample room for manoeuvre at the disposal of MSs deriving from the absence of a clear and uniform interpretation mechanism of the conditions and the weak control mechanisms implemented by the Commission.

1.2.3. Lesson learnt? The 2021-2027 programming period

In the 2021-2027 programming period, enabling conditions have been introduced in order to substitute the ex-ante conditionalities that were provided by the Common Provision Regulation laid down for the 2014-2020 programming period (REGULATION (EU) 2021/1060 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL, 2021, art. 15). Enabling conditions build on the lessons learnt with the ex-ante conditionalities from the 2014-2020 period to ensure that the necessary conditions for the effective and efficient use of the ESIF are in place. Also in this case the division is between 4 horizontal (general) and 16 thematic enabling conditions, these last ones related to the five Priorities laid down by the Common Provision Regulation for the current programming period¹⁰. The horizontal conditions apply to all programmes, while thematic enabling conditions, linked to specific Priorities, are automatically applicable where the Priority is selected for support in Programmes¹¹. Therefore, the MS or the concerned region in the elaboration of the Programme is required to fulfil only the enabling conditions that are related to the Priorities that are aimed at through the implemented actions: this is clear when reading throughout a Programme.

The horizontal enabling conditions refer to: effective monitoring mechanisms of the public procurement market; tools and capacity for effective application of State aid rules; effective application and implementation of the Charter of Fundamental Rights;

¹⁰ The five Priorities for the 2021-2027 Cohesion Policy are: 1. a smarter Europe; 2. a greener, low-carbon Europe; 3. a more connected Europe; 4. a more social Europe; 5. a Europe closer to citizens (Group of High-Level Specialists on the Future of Cohesion Policy, 2023).

¹¹ Programmes are the cuogent deg pemination of the Ops of the past programming period.

implementation and application of the United Nations Convention on the rights of persons with disabilities (UNCRPD) in accordance with Council Decision 2010/48/EC.

The thematic enabling conditions are summarized in the Table 1.2.

1.1.	Good governance of national or regional S3.
1.2.	Adoption of a national or regional broadband plan.
2.1.	Strategic policy framework to support energy efficiency renovation of residential and non-residential buildings.
2.2.	Governance of the energy sector.
2.3.	Effective promotion of the use of renewable energy across sectors and across the Union.
2.4.	Effective disaster risk management framework.
2.5.	Updated planning for required investments in water and wastewater sectors.
2.6.	Updated planning for waste management.
2.7.	Prioritised action framework for the necessary conservation measures involving Union cofinancing.
3.1.	Comprehensive transport planning at the appropriate level.
4.1.	Strategic policy framework for active labour market policies.
4.2.	National strategic framework for gender equality.
4.3.	Strategic policy framework for the education and training system at all levels.

4.4.	National strategic policy framework for social inclusion and poverty reduction.
4.5.	National Roma inclusion strategic policy framework.
4.6.	Strategic policy framework for health and long-term care.

Table 1.2.: Thematic enabling conditions. Source: European Court of Auditors (2017).

Overall, therefore, there are 20 enabling conditions, compared to the 36 ex-ante conditionalities: they are fewer and benefit from simplified procedure for reporting on their fulfilment. There is a limited, concise and exhaustive set of objective criteria for their assessment. These conditions are linked to policy and strategic frameworks (to ensure that strategic documents at national and regional level are in line with standards commonly agreed by MSs at EU level) and regulatory frameworks (to ensure that implementation of operations complies with the EU acquis). In this case the Common Provision Regulation specifically sets their fulfilment as a prerequisite for the disbursement of the funds:

“ (...) if enabling conditions are not fulfilled at the time of submission of a payment application to the Commission for the specific objective concerned, the related expenditure will not be reimbursed from the Union budget until the Commission assesses those enabling conditions as fulfilled. Enabling conditions have to remain fulfilled during the whole programming period.” (European Commission, 2024, p. 276).

Therefore, if an enabling condition is not met, the MS may declare expenditure, but the Commission will not reimburse it until the condition is fulfilled, “Eliminating the assessment of whether the condition applies and the requirement to have pre-agreed plans to fulfil the condition led to less administrative burden and more transparency.” (Group of High-Level Specialists on the Future of Cohesion Policy, 2023, p. 5). Differently from the previous period, hence, Member States are required to apply enabling conditions throughout the whole 2021-2027 programming period otherwise the Commission can suspend payments of funds. Indeed, in this case there will be not a one-off assessment, rather a mid-term revision will be carried out in order to evaluate the MS’s progress or,

rather, the respect for already fulfilled enabling conditions. Thus, for sure enabling conditions have brought with them some novelties that, in part, have been able to address the drawbacks experienced with the implementation of the 2014-2020 ex-ante conditionalities. In the current programming period, indeed, minimum conditions are applied consistently for all MSs throughout the entire period of programming and implementation; then, the number of conditions is reduced and streamlined leading to a simpler and better environment for fulfilment and, finally, sanctions are applied in a targeted and simple way (European Commission, n.d.-b). Additionally, a great novelty has been constituted by the fact that monitoring over the respect of enabling conditions has been introduced for the whole programming period such that in the 2021-2027 Cohesion Policy there is not a one-off control as in the past, rather a constant overseeing which increases the Member States' commitment on the fulfilment of conditionalities. However, problems still remain: firstly, a standardised approach is still present therefore specific features of national and regional institutional and legal frameworks are not taken into account and, secondly, administrative procedures may be lengthy and disproportionate contributing to delays in starting and running the programmes (Group of High-Level Specialists on the Future of Cohesion Policy, 2023).

Overall, studies have not been conducted yet in order to assess the fulfilment of enabling conditions, not least because 2024 lies in the core of the implementation period and because implementation is lagging given that MSs give to the spending of funds coming from the Recovery and Resilience Facility (RRF). The Ninth Cohesion Report (European Commission, 2024) provides some information, but limited to horizontal enabling conditions: all MSs have fulfilled those relating to public procurement, state aid and the UNCRPD and only one MS has not fulfilled the condition on the Charter of Fundamental Rights. As for thematic conditions, two thirds were fulfilled at the time of adoption of programmes and 90% were fulfilled as of March 2024.

Analysis of conditions' satisfaction is therefore essential today in front of the need to collect evidence about the performance of these new kinds of conditionalities and the capability of their traits to led to their better fulfilment. Lessons need, indeed, to be drawn as for the post-2027 Cohesion Policy reform, which still seems distant from the discussions currently held within the Directorate General for Regional and Urban Policy of the Commission.

1.3. ENABLING CONDITIONS IN THE 2021-2027 PROGRAMMING PERIOD: A NEEDED ANALYSIS

Enabling conditions have been introduced in the 2021-2027 programming period to maintain the framework according to which some conditions needed to be fulfilled in order to ensure an effective implementation of European Structural and Investment Funds. Enabling conditions replaced ex-ante conditionalities provided by the Common Provision Regulation of 2013 that experienced some problems.

In particular, as it has been also evidenced by the literature concerning conditionality in reference to other supranational organizations, ex-ante conditionalities had some drawbacks that prevented their complete respect and effectiveness. The high level of complexity, their ample scope, the low level of ownership on the part of MSs and the weak control mechanisms implemented by the Commission, including the one-off monitoring process, induced many MSs to overlook the importance of their fulfilment (European Court of Auditors, 2017). Some lessons, however, seem to have been drawn such that enabling conditions have carried with them novelties related to the streamlining of conditionality and enhanced monitoring mechanisms throughout the whole programming period through a mid-term review.

The elements that have been evidenced above and that describe the differences between ex-ante conditionalities and enabling conditions are factors that, for long, the literature has evidenced as improving the implementation and effectiveness of conditionality. Dreher (2009) highlighted that conditionality does not work completely if ownership is absent. Additionally, following Dreher (2009) and Bird (2001), implementation of conditionality might be more likely the less stringent are the conditions: there is a sort of conditionality Laffer curve where too weak conditions cannot work, but at the same time too many conditions imply excessive efforts and won't be observed. Similar factors have been found out by the World Bank (2005), according to which, for conditionality to work ownership, harmonization, customization, criticality, transparency and predictability need to be present (see above). Following, then, Abusara (2009) not only clear conditions seem to have a better implementation, but also "(...)the stronger the identification of the target government with the EU international community, (...) and the stronger the self-identification of the target country's society as "European" and "Western", the more likely

conditionality will be effective (...)” (p.56). Also Bachtler and Ferry (2015) evidenced some factors related to the implementation of conditionality, i.e. ownership, customization, credibility (that is the control and enforcement mechanisms), criticality, predictability and transparency.

Namely, criticality and credibility can be clearly identified reading throughout the 2021 CPR (REGULATION (EU) 2021/1060 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL, 2021), but have been also evidenced in the Ninth Cohesion Report (European Commission, 2024) and by Becker (2024).

Following therefore what has been evidenced by the literature and giving that some of the factors that have been highlighted as determining a better enforcement of conditionality correspond to the differences existing between ex-ante conditionalities and enabling conditions, the aim of this dissertation will be to test whether three main factors, namely criticality, credibility and ownership effectively have brought to better fulfilment of conditions or not. This also fills a gap that is present today in the literature as no study has been conducted in order to evaluate the implementation of enabling conditions and in order to gain insights for future development yet. However, tackling this topic and carrying out this task, is considered urgent as 2024 lies in the middle of the implementation of 2021-2027 Cohesion Policy funds and new perspectives must be drawn for the post-2027 reform. It is recognised that implementation still needs to be carried out as for now, however conducting such analysis can be useful for understanding how to better tackle and manage the conditionality tool in the future.

This chapter presented an overview of the literature on conditionality and of the experiences concerning conditionalities throughout the world and specifically in the European Union’s context. Lessons learnt and consequent choices have been explained, even if further consequences and future developments are still unknown. For this reason, in the following chapters, a qualitative analysis of data collected through document analysis and semi-structured interviews is conducted in order to test whether factors evidenced by the literature, namely criticality, credibility and ownership have led to better fulfilment of enabling conditions if compared with ex-ante conditionalities.

2. ANALYSING 2021-2027 ENABLING CONDITIONS: ANALYTICAL FRAMEWORK AND METHODOLOGY

In the following chapter, the analytical framework, namely the principal-agent approach that has been introduced above, will be presented together with the research design, comprising the research question, the research hypotheses and the methodology that will be implemented.

2.1. THE PRINCIPAL-AGENT FRAMEWORK AS AN APPROACH TO STUDY CONDITIONAL LENDING

If in the past international organizations were framed from the point of view of neoclassical theory of firms with assumptions of rational, utility-maximising behaviour and a concern for efficiency, with a focus upon the individual, since the late 1990s new approaches were developed (Moe, 1984). With Coase (1937) and Simon (1947), indeed, organizations finished to be treated as black boxes and the concept of authority and hierarchy (Coase, 1937) and structured relationship (Simon, 1937) started to be applied to organizations, in general, and firms, in particular. This constituted a novelty as attention was shifted from profit maximization to managerial and other aspects of organization.

The principal-agent model was initially developed to investigate more general questions of incomplete information and risk sharing and it has become a major analytical tool in the general literature on information economics thanks to Ross (1973). It was then applied to central issues of organizational theory starting from Jensen (1983). In a principal-agent relationship, one party, the principal, enters in a contractual agreement with another, the agent, in the expectation that the agent will subsequently choose actions that produce outcomes desirable by the principal. Examples of these kinds of relationships are employee-employer, lawyer-client, doctor-patient, international organization-member state relations (Moe, 1984). The principal-agent model has enhanced the understanding of hierarchical relationships and represents an advance beyond the usual sociological methods of organizational analysis. A principal may decide to delegate an action to the agent because it¹² does not have specialized knowledge or legal certification. The

¹² In this dissertation the pronoun “it” will be implemented, even if not grammatically correct as it should only refer to animals and things, as discrimination is purportedly avoided.

principal's decision problem is whether the agent, once hired, will choose to pursue the principal's best interests or to do so efficiently. The agent, indeed, has its own interests and is induced to pursue the principal's objectives only if the incentive structure prevents self-interest pursuing: the problem is that not only there is imperfect information, but this information is also skewed in favour of the agent, yielding adverse selection and moral hazard problems. The incentive structure therefore has to present monitoring systems and mechanisms to induce the agent to reveal the most information it can and to respect the principal's requests (Moe, 1984). For this reason, the principal must create a contractual framework that, in mitigating the informational asymmetries and structuring rewards, prompts the agent to behave as the principal would wonder.

As this approach can be applied to firms, it can be then used also to understand the ongoing exercise of authority by non-majoritarian bodies. These, indeed, are governmental entities that possess and exercise some grant of specialised public authority but they are neither elected by the people nor directly managed by elected officials. What was discovered in the field of economics through this approach was indeed applied in political science, specifically in the field of policy-making, where since the 1980s institutionalist theories developed evidencing the importance of the study of institutions in a context where theories such as pluralism, Marxism or realism, had seen them as absent or "epiphenomenal" (Wallace et al., 2020). Among the various neo-institutionalisms that evolved¹³, within the rational-choice institutionalism, American students developed principal-agents models according to which legislators deliberately and systematically delegated powers to bureaucracies to minimize the transaction costs associated with policy-making.

This approach was, indeed, developed in order to account for delegation, framing the matter in two ways when applied to non-majoritarian institutions. On the one hand there could be the political officials acting as principal officials who use their authority to establish non-majoritarian institutions through a public act of delegation, while agents are those who govern by exercising delegated powers. The common rationales for delegation

¹³ Rational-choice institutionalism, where institutions are claimed to be used by the most powerful actors to pursue their goals; sociological institutionalism, concerning the role of ideas, interpretations and discourse within institutions and in politics in general; historical institutionalism, evidencing the importance of choices made before and the presence of path-dependency.

from legislators to agencies and from nation states to international organizations here are: resolve commitment problems, overcome information asymmetries in technical areas of governance, enhance the efficiency of rulemaking and avoid taking blame for unpopular policies. In this context, principals can realise the benefits of delegation only by granting discretion to the agent, but when the agent generates outcomes different from the policies preferred by the principal an agency loss realises. In this case therefore agents have a zone of discretion constituted by the sum of delegated powers (policy discretion) and the sum of control instruments available to the principals (constrain) (Thatcer & Stone Sweet, 2002). Rather, on the other hand principals can be non-majoritarian institutions that delegate to the national contexts some functions as they do not have the administrative capabilities to carry them out in each concerned country. In this case the framework for delegation has to be defined by the non-majoritarian institution, that has to create systems of incentives and mechanisms of control in order to have agents (in this case the single countries) pursuing the institution's interest. The problem, here, is how principals can define rewards in the interest of agents to further principal's objectives.

In this context the key variables are the extent of the government aversion to the policy measures and the rewards attached to implementing them. The first element, i.e. the government's aversion, constitutes the participation constraint: this will be strongly influenced by the degree of tension between donor and government objectives. It relates to the ownership of the programme: indeed, implementation is a function of ownership because when donor objectives dominate, government's aversions are liable to be strong. Aversion, differently, is reduced when the government can use the aid to justify otherwise unwanted measures internally. As for the second element, i.e. the rewards attached to the implementation of requested policies, incentives go beyond the amount of finance that the donor can offer, including also other catalytic effects. Here a very relevant factor is constituted by the credibility of threats of punishment to non-compliance (Killick, 1997).

This principal-agent framework that has been just described proves, therefore, useful in order to analyse and explain the principle of conditionality (Wallace et al., 2020). Supranational institutions, and, in this particular case, the EU, delegate to the countries the funds' implementation, within the context of Cohesion Policy mainly as a consequence of the adoption of the subsidiarity, shared management and Multi-Level Governance (MLG) principles. However, this bears with it some risks as the principal-

agent problem realises: the principal has the need to delegate, but the agent using moral hazard and asymmetrical information can use the delegation in order to pursue its aims.

The presence of conflicts of interest, asymmetric information and potential moral hazard requires oversight, incentives or punitive mechanisms to ensure that the agent acts in the principal's best interest. Even if several studies have been elaborated upon this relationship, the interconnectedness of contemporary public policy administration means that actions under a given policy heading are likely to involve multiple principals and multiple agencies performing several tasks. This makes it more difficult to exercise control. Given that delegation of administrative authority by a principal carries with it risks, the contractual relationship is usually subject to conditionalities in the form of prerequisites or commitments related to policy implementation or performance (Bachtler & Mendez, 2020).

Conditionality, indeed, creates unequal relationships where the principal elaborates conditions and the agent is charged with meeting them. However, while in some cases conditionality is considered key for incentivizing better performance, in others it is deemed ineffective. Conditionalities can then imply problems of implementation concerning goals-conflict and lack of ownership or have negative consequences for the perceived legitimacy and fairness of policies. Following a principal-agent framework the selection of conditionalities can, for these reasons, be problematic: who can legitimately know the best? (Bachtler & Mendez, 2020). When applying international conditionality, actors use the mechanism of reinforcement to change the behaviour of the recipients, if these fail to comply with the conditions, either applying sanctions, giving extra prizes if conditionality is respected or simply not giving the promised reward (Abusara, 2009).

In particular, the EU uses either technical and economic assistance or institutional ties as rewards. Specifically, in the case of EU conditionality compliance will depend, first, on the government's costs of fulfilling EU conditions: a state or region adopts EU rules if the benefits of the EU rewards exceed the domestic adoption costs. Secondly the rules need to be determinant, clear, have a form: the clearer the conditions, the more credible and informative they become. At the same time, however, vagueness can have advantages as with vague conditions there can be broader domestic bargaining space and the EU can have more room for manoeuvre, being able to justify its concrete decisions without

undermining the credibility of its policy and avoiding criticisms for applying double standards. “Lastly, the stronger the identification of the target government with the EU international community, (...) and the stronger the self-identification of the target country’s society as “European” and “Western”, the more likely conditionality will be effective (...)” (Abusara, 2009).

EU Cohesion Policy has been generally studied through the Multi-Level Governance (MLG) framework according to which decision-making competences in the EU are not monopolized by actors at any single level rather they are divided among actors in different levels and this approach clearly explains the involvement of different actors in EU decision-making. However, the MLG framework assumes that the implementing national policy network controls the policy: it can be so, but the MLG/policy network model does not explain why. The model indeed leaves open the question of who controls EU policy and it dangerously focuses on national implementation process. Since the goals of Cohesion Policy are defined at the EU level, a focus on national policy makes sense only if it has already been established that there is room for influence at this level, i.e. if there are weak control mechanisms. But the MLG framework is not able to argue about this. The principal-agent perspective, differently, puts the control question centre stage: the principal-agent relationship exists when the principal delegates to the agent some tasks giving rise to the principal’s problem of loyalty and trust (Bachtler & Ferry, 2015).

In order to solve such problems, the principal-agent literature has focused on four control mechanisms in a principal-agent relationship: the choice of the agent, the design of the contract by the principal setting correct incentives, the monitoring by the principal and the application of sanctions by the principal. Analysing Cohesion Policy through the principal-agent perspective entails looking at a chain of principal-agent relationships ranging from the Commission to local authorities in the individual MSs (Blom-Hansen, 2005). The first crucial step, following the literature and the mechanisms identified therein, is the choice of the agent:

“The problem is that the principal can only attract potential agents whose opportunity costs are lower than the offered remuneration, while he would prefer to select from agents whose opportunity costs are higher. This is the problem of adverse selection. It is compounded by the fact that potential agents have an

incentive to misrepresent their true abilities and interests.” (Blom-Hansen, 2005, p. 630).

In the case of the EU, however, there is not the option of choosing the agents, i.e. the MSs and the regions. In this context, therefore, the EU is presented with a considerable problem of potential agency drift as the MSs are not always incentivised to follow EU’s interests and instructions. Hence the EU can take advantage of the second type of mechanism, i.e. defining the contract in order to limit the risk of moral hazard (the agent has its own interests and is induced to pursue the principal’s objectives only to the extent that the incentive structure imposed in the contract renders such behaviour advantageous). Generally an incentive can be profit sharing, however this is almost never applicable. In the public sector legal incentives can alternatively be used for example in the case of a mandate that within Cohesion Policy is constituted by Cohesion Policy’s goals that are of three types: policy content, economic limit (i.e. the additionality principle) and policy methods (i.e. the provision of innovative projects). This kind of legal incentives however is weak as it is contained in non-binding rules that are difficult to control in practice. The classical control mechanism is the economic incentive, i.e. changing the relative price of different courses of action, in this case through the provision of grants. Before the introduction of ex-ante conditionalities, however, these incentives were weak as, according to the programming principle, the EU did not have so much power in the projects that were funded (Bachtler & Ferry, 2015). The third kind of incentives are the administrative ones: these can entail prescribing procedures and decision-making processes to be followed. In this case this is represented in Cohesion Policy by the partnership principle, that however does not act as a control mechanism because MSs are not required to change this principle. These constitute different kinds of ex-ante control mechanisms. However there are also ex-post control mechanisms constituted by the oversight ex-post of the activities by the agent e.g. auditing or evaluations. In the case of Cohesion Policy there are a lot of ex-post control evaluations by national monitoring committees and independent experts. However monitoring is not always sufficient, therefore another form of ex-post control mechanism has been introduced, being constituted by sanctions in case of agency drift. In the event of criminal agency drift, indeed, the Commission that has the possibility to intervene without obstacles, while in the case of non-criminal agency drift it is more difficult to apply sanctions, rather here

compliance could be better pursued by setting different incentives. Within this overall context of contract incentives/control through contract provision, therefore, the EU seems impotent.

“As agents, the member states are likely to be more mindful of national concerns than of any goals set at the EU level. Once the structural fund grants start flowing in, the temptation to renege on the EU goals may become irresistible. This problem of potential agency drift is not mitigated by any incentives to loyal implementation in the contract between the EU and the member states. Legal, economic, and administrative incentives to stay loyal are, at best, weak. Once implementation starts, the EU is in a surprisingly good position to monitor the member states. But, owing to the multiple principal problem, the EU faces severe difficulties in utilizing this oversight information to sanction non-compliance as long as it is not outright illegal.”(Blom-Hansen, 2005, p. 637).

When evaluated through the lens of the principal-agent framework, EU control mechanisms are weak. The implementation contract does not provide real incentives for MSs to stay loyal to the EU and even if monitoring of implementation seems effective, implementation deficits are difficult to sanction. MSs, regional authorities or MAs, in some cases, have strong power in the implementation process: this approach therefore confirms the validity of suggestion of concentrating upon the national framework provided by the MLG framework, however, additionally and differently from the MLG approach, the principal-agent explication also provides a reason for doing it. However this does not have to be generalized, as different responsibilities, powers and mechanisms characterise different MSs.

Framing the research, the collection of data and their analysis through such approach will, therefore, allow to understand not only how the mechanisms of conditionality work in the particular context of the European Union and of Cohesion Policy, but will also enable to highlight important factors that determine the successful or unsuccessful satisfaction of conditionality. If conditionality, indeed, is an important tool that is implemented by supranational organizations, among them the EU, in order to limit the agents' (i.e. the involved countries) scope of action, its implementation bears with it some risks that need to be recognised in advance in order to avoid unexpected results. How it is possible to

understand from the mechanism of delegation within the principal-agent approach, conditionality can work if enforcement and control mechanisms are in place and, therefore, if the principal, in this case the supranational organization, i.e. the EU, has the will and the ability to exert such control. If there is a lack of will on the part of the organization or on the part of the single institution that is concerned, such as the Commission in this precise case, to enforce the control mechanisms, the conditionality tool cannot work and therefore moral hazard will be prevalent on the part of the agents, as it has happened in some cases in the 2014-2020 programming period. The same realises if the concerned organization or institution does not have sufficient capacities or tools in order to enforce such control mechanisms, that is not the case in the context of the European Union. This element of control/monitoring mechanisms will be taken into consideration in the second research hypothesis that will be explained below: indeed, it is hypothesised that higher levels of incentives/monitoring/control, represented by the need to fulfil conditionalities before the request of reimbursement and the need to maintained the fulfilment of conditionalities throughout the whole programming period, leads to better fulfilment of conditionality itself.

On the other hand, however, it is also important to recognise the active role that the agent must have in the principal-agent relationship: if the agent does not have the will nor the capacity to carry out the task that the principal has requested, the power of conditionality defaults. In the same way, if the country that is receiving the grant from the supranational organization is not willing to satisfy the requested conditions, both at the European but also at the global level when the IMF or the World Bank are concerned, conditionality will not work. Thanks to the principal-agent approach, therefore, it is possible to understand the importance of some specific factors, that will be further evidenced in the remaining part of this section, in determining the effectiveness of conditionality.

Among them, first and foremost the ownership on the part of the country: without the openness of the country towards change, without support from the elite or from the population itself, conditions cannot be satisfied automatically because the supranational organization itself does not have any kind of administrative power to enforce them at the national level. This aspect, indeed, will be considered in one of the hypotheses that will be presented below as, according to me, one of the factors that allowed higher level of implementation of conditionality within the Cohesion Policy framework in the 2021-2027

programming period has been a higher level of ownership, precisely in the case of Italy. This higher level of ownership has derived from the overall environment that has been incentivised by the RRF and its implementation through NRRPs, the so-called PNRR¹⁴ in the Italian context. Indeed, thanks to the positive environment created by the provision of grants and loans, of which Italy, among other things, was the major receiver, the support for suggestions and conditions coming from the European level was incentivised.

The second element that the principal-agent approach highlights in the context of conditionality and, precisely, with reference to the active role of the agent (i.e. the receiving country in this case) refers to simplicity, i.e. what is called more technically as criticality (World Bank, 2005). The presence of clear rules that state conditions and that are limited in number provides a better environment for the implementation of conditionality. This, indeed, incentivises more the receiving country that results more able to re-balance the costs against the benefits and is thus prompted towards implementation. Differently, in cases in which conditionality is characterized a high number of conditions not only the agent, i.e. the receiving country, can see more costs than benefits in implementing difficult changes, but it would also be possible that the country does not have the sufficient administrative and/or institutional capacities to implement what is requested. And this was reported in different cases in the context of 2014-2020 implementation of Cohesion Policy's ex-ante conditionality.

Studying Cohesion Policy's conditionalities through a principal-agent framework offers, therefore overall, advantages. It fits efforts to study dyadic hierarchical relations in building European governance based on the principles of delegation, agency and control; it offers a micro-delegation perspective that is more suitable for studying day-to-day policy-making unlike the intergovernmentalism/neofunctionalism that looks only at the dilemma of prevalence of EU or Member States, while with this approach the roles of principal and agent are subject to role-switching.

The principal-agent framework will be hence helpful in framing both the collection of data and their analysis as it is able to evidence the hierarchical relationships that realise in the context of conditionality and provides useful in evidencing how the various factors,

¹⁴ Piano Nazionale di Ripresa e Resilienza.

underlying the concerned principal-agent relationship, play a role in determining the effectiveness of the conditionality tool.

2.2. WHEN DOES CONDITIONALITY WORK? RESEARCH DESIGN

In order to explore the above-mentioned topic concerning the enforcement and implementation of conditionality and the factors that determine a better satisfaction of conditions, the interpretative paradigm of social research will be adopted. Indeed, qualitative techniques will be implemented as the specificity and singularity of the objects of study is recognised and the researcher is believed to enter in a relationship with what is studied (Corbetta, 2003).

The objective of the research will be therefore to discover whether the presence of specific factors, namely criticality, credibility and ownership, as explained better in the next section, leads to better fulfilment of conditionality. From the research objective derives the research topic, i.e. the conditionality tool and the factors that determine its implementation, and the research question. Hence, the question that will guide the research will be:

RQ: Which factors determine a better enforcement of conditionality?

In order to answer this research question and therefore to pursue the above-stated research objective, after the undertaking of a literature review, according to a deductive approach¹⁵ three research hypotheses will be outlined in the following section referring to the three factors that, based on the literature reviewed, could be determinant in the enforcement of conditionality. In order to test such hypotheses the case of Italy has been taken into consideration and qualitative techniques, namely the analysis of documents and semi-structured interviews, have been implemented. After the collection of data, qualitative analysis has been conducted in order to grasp information and validate or not the below-outlined research hypotheses. The results will be finally presented and will provide confirmation or refusal of the hypotheses.

¹⁵ The deductive approach to social research implies the departure from the theory, i.e. a general idea, followed by the derivation of hypotheses and the consequent observation of the reality in order to confirm or not the elaborated hypotheses. It will be further explained in the next section.

As stated above, the research question derives from what has been evidenced by the literature on conditionality (Bachtler & Ferry, 2015; Dreher, 2009; World Bank, 2005), but still has not been tested within the context of 2021-2027 Cohesion Policy. It is indeed thought that this kind of analysis is not only needed today, but also urgent as lessons for the post-2027 reform of Cohesion Policy must be drawn. Debates are indeed ongoing, as the High Level Group on the Future of Cohesion Policy demonstrated, working also on the matter between the end of 2023 and the beginning of 2024 (Group of High-Level Specialists on the Future of Cohesion Policy, 2023). I am aware of the fact that what has been found for Italy could not be applicable for other contexts and therefore further research considering other cases should be carried out. I am also aware of the possible drawbacks of conducting such a study in 2024, when the programming period is still running and therefore Programmes are not totally implemented yet. However, as already stated above, this topic needs to be urgently addressed in this moment in order to draw lessons for the future design of Cohesion Policy once that the current programming period will be over, therefore such research is considered suitable.

2.3. FACTORS DETERMINING THE IMPLEMENTATION OF CONDITIONALITIES: RESEARCH HYPOTHESES

Following the interpretative paradigm of social research, the deductive approach has been applied in order to derive, from the theory, suitable and testable hypotheses. The deductive approach departs from a general idea or a set of principles delineated by a theory in order to define hypotheses that can be, subsequently, tested (Nishishiba, Masami, Matthew & Kraner, 2014). If, indeed, a theory is a set of connected propositions, located at a high level of abstraction, derived from empirical patterns and from which empirical forecasts can be obtained, an hypothesis is a proposition that implies a relationship between two or more concepts, which is located on a lower level of abstraction and generality and which enables the theory to be transformed into terms that can be tested empirically (Corbetta, 2003). On the basis of these considerations and on the basis of what has been evidenced by the above-mentioned literature, three hypotheses have been elaborated in order to answer the research question. Following that the main question guiding this research is:

RQ: “Which factors determine a better enforcement of conditionality?”, the following hypotheses have been determined:

H1: Higher levels of criticality lead to better enforcement of conditionality.

H2: Higher levels of credibility lead to better enforcement of conditionality.

H3: Higher levels of ownership lead to better enforcement of conditionality.

These hypotheses, indeed, derive from the empirical evidence and the analyses that have been conducted not only in the context of the European Union, but also and mainly in relation to other supranational institutions. Dreher (2009), Bird (2001) and the World Bank (2005) highlighted that conditionality works better when high levels of ownership and more critical conditions are present. Rather, conditionality does not work completely if ownership is absent. Following, then, Bachtler & Ferry (2015) and the World Bank (2005) also higher credibility on the part of who imposes conditions (in this case the Commission) contributes to the better, easier and faster enforcement of conditionality. As for the second part of the hypotheses, i.e. “better enforcement of conditionality”, it refers to the fact that conditions are satisfied completely, or almost completely and in a faster and easier way.

As it is widely recognised in social research, however, even if hypotheses are useful to test a theory applying it to the empirical reality, they still have some level of abstraction given by the fact that the concepts, of which they are composed, are not directly observable in the real world. A concept refers to the semantic content of linguistic signs and mental images. The solution to this problem is operationalization, that implies the application of the concept on the referred object giving rise to properties assuming different states. The definition of properties allows consequently the application of operationalisation procedures such as classification, ordering, measuring and counting that will lead to the identification of variables and indicators directly visible in the reality (Corbetta, 2003; Nishishiba, Masami, Matthew & Kraner, 2014). This process has been exactly done also in the development of this dissertation: while the operationalisation of the dependent variable is explained in the remaining part of this section, the operationalisation of the independent variables is presented in the section 3.1.

A concept that needs to be operationalised in the research hypothesis determined above is the one concerning the better enforcement of conditionality. This constitutes the dependent variable that, giving the different levels of the independent variables, should vary. This relates to the fact that all or most of the conditionalities, in this case the enabling conditions, provided by the 2021-2027 Common Provision Regulation, are fulfilled, of course when involved in the concerned PA and Programme. The better enforcement, however, does not only refer to the fulfilment per se, rather also to an easier and faster way of fulfilment, that not only can be deduced from the various documents that have been analysed, but that has also been confirmed by several interviews (see section 3.2.).

In order to test the elaborated hypotheses the case of Italy has been taken into consideration and has been analysed through the below outlined methodology.

2.4. METHODOLOGY

In the following section, the case selected for testing the elaborated hypotheses together with the implemented qualitative techniques will be presented in order to conclude the definition of the analytical framework of the research.

2.4.1. Italy and the difficult implementation of conditionalities: cases selection

Even if testing the above-mentioned hypotheses upon all MSs would be useful and informative at best, the undertaking of such a research is outside the scope of this dissertation mainly due to time limits. For this reason, it has been decided to limit the analysis to the case of Italy.

Italy is one of the most important countries receiving ESIF, after the MSs located in Central and Eastern Europe, due to the low level of development mainly of its Central and Southern regions and the presence of development-trapped regions such as Piemonte¹⁶ or Friuli Venezia Giulia (Storper et al., 2022). At the same time Italy is one of the MSs that, together with Spain, had the highest problems in implementing ex-ante conditionalities in the 2014-2020 programming period. It was, indeed, the country with

¹⁶ In the dissertation, the Italian name of regions and provinces will be used.

the highest number of action plans, i.e. the plans that had to be adopted before the 31st December 2016 in the case in which the involved conditionalities could not be fulfilled, and was the latest one to complete them. The majority of Action Plans, i.e. 160, were completed by mid-September 2017. Figure 2.1. clearly shows the outstanding position of Italy if confronted with the other MSs, even if this was just a picture of 2017 (European Court of Auditors, 2017).

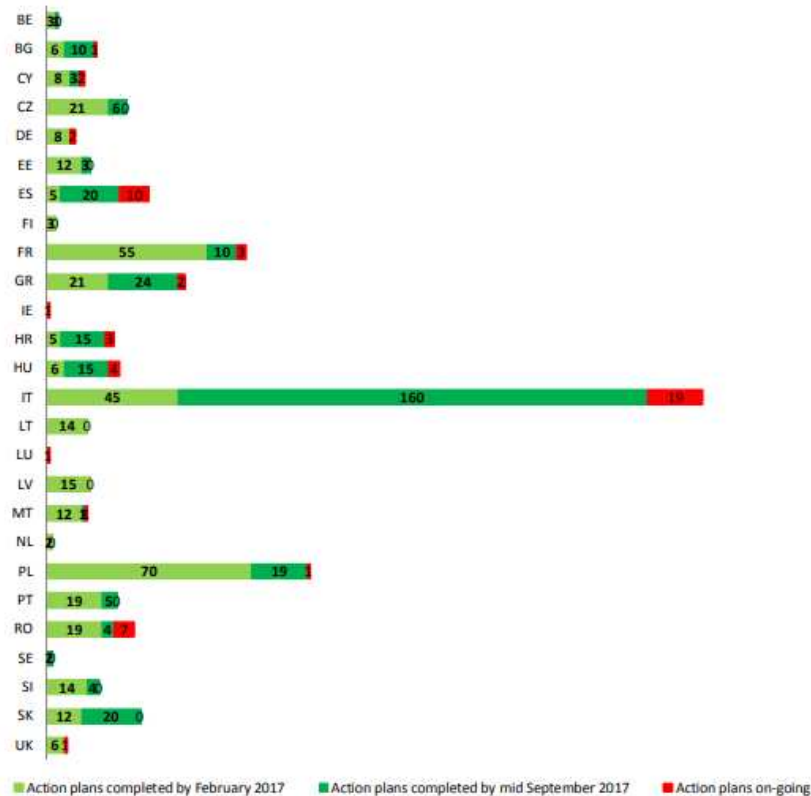


Figure 3.1: Implementation of Action Plans as of 2017. Source: European Court of Auditors (2017).

Together with this, Italy was one of the countries to which pre-suspension letters had been sent by the Commission in late 2017 in relation to its OP not fulfilling ex-ante conditionalities. Additionally in April 2018 and February 2019 it was one Italian OP, together with a Spanish one, that had the payments suspended, even if then the payments for the Spanish OP were released (European Court of Auditors, 2021).

Therefore, as Italy has not proven successful in implementing the 2014-2020 ex-ante conditionalities, testing the research hypotheses on this case appears interesting as the latest data report a high level of fulfilment of enabling conditions by the Italian PA and Programmes in the 2021-2027 programming period: as for now, indeed, only the S3

condition in one national Programme (Metro Plus) and the conditions related to waste, water and transport management seem to have problems, but only in a limited number of regions (see section 3.2.).

The other factor that has driven my interest towards Italy has been the fact that it has been the major requesting countries, among MSs, of loans and grants deriving from the Recovery and Resilience Facility¹⁷: as a consequence, it has been involved in a striking process of reform. From this derives, therefore, not only the creation of an environment supporting reforms and investments suggested by the “European level” but has also led to the adoption of actions that are indirectly related to Cohesion Policy and its conditions, building, according to me, a higher level of ownership both at the national and regional levels in this programming period if compared with the previous one. This makes Italy relevant for the third research hypothesis, referring to the relationship between ownership and conditionality enforcement.

Even if it is true that the implementation of RRF’s funds, that is due before the end of 2026, has slowed down the implementation of Programmes within Cohesion Policy (European Commission, 2024), not only the RRF has provided a basis for reforms and investments that have increased the national and regional awareness on what “comes down” from Brussels, but it has also led to changes and administrative innovations that could have been relevant in increasing national and regional capabilities to fulfil enabling conditions. This has been also confirmed by some of the regional officers that have been interviewed (see Section 3.3.).

Italy is therefore considered suitable for testing the above-mentioned hypotheses as it constitutes maybe the most significant MS experiencing changes in the satisfaction of imposed conditions from a programming period to the subsequent one.

¹⁷ Italy indeed is programmed to receive €122.6 billion loans and €71.8 billion grants.

2.4.2. Definition of the sample

In order to test the hypotheses on the selected case, data have been collected through an analysis of documents and databases and through the conduction of semi-structured interviews.

As for the analysis of documents, the Italian PA and all national and regional Programmes for the 2021-2027 programming period together with regional documents on the matter have been considered and studied.

As for the semi-structured interviews, purposive (judgement) sampling has been adopted. In this case, therefore, sampling units have not been not chosen in a random manner, but on the basis of their characteristics. This kind of sampling is generally used on small samples, as this is the case, in order to avoid chance fluctuations that might distance the sample from the characteristics of the population (Corbetta, 2003). In this dissertation, therefore, relevant officials in the Italian and the European context have been interviewed also applying, if needed, the snowballing technique¹⁸ in order to reach whoever has particular knowledge on the researched matters. The sample has therefore included subjects that have had a role in the process of design, implementation and enforcement of enabling conditions since 2021(see Appendix III).

I am fully aware of the drawbacks concerning the implementation of a purposive sampling and of snowballing as they impede generalization: however, these are thought to be the best suitable ways in order to select the needed sample, as only individuals with precise characteristics, i.e. knowledge on enabling conditions, were needed. At the same time, I acknowledge the fact that the purposive sampling does not allow to control for possible biases: indeed, those who did not reply or were not available to conduct the interview could have particular characteristics in the investigated phenomena. However, this problem has been rather overcome as the final sample covers both European

¹⁸ The snowballing technique consists in identifying subjects, that will be included in the sample, by referrals from other previously interviewed subjects (Corbetta, 2003; Nishishiba, Masami, Matthew & Kraner, 2014).

Commission's officers and Italian officers from regions from both a more and less developed regions of Italy¹⁹.

All the possible interviewees have been reached out via e-mail. The e-mail I sent, either in English or in Italian, briefly explained the purpose of this research and the respect of the privacy principles following the General Data Protection Regulation and explained the reasons why I was specifically contacting them, asking them the availability for a 20-30 minutes interview on the matter. While in the European context all the contacted European officers replied and, eventually, redirected me to whoever they thought suitable, in the Italian context only few among those contacted officers replied. In many cases, mainly in the European context, but sometimes also in the Italian one, I was redirected to the interested person, which I did not contact previously and this allowed me to refine better the sample to those who really had a knowledge on the concerned topics and had actively participated in the drafting, implementation or evaluation of enabling conditions.

In the end, the sample entailed four European officers working on Cohesion Policy and, specifically, on enabling conditions, and three Italian regional officers, two coming from what are defined in the current programming period "More developed regions" and two from "Less developed regions". It would have been useful to have interviewed also officers coming from "Transition regions", however obtaining interviews at the Italian level has been a very hard task to carry out due to the low level of reply. In Italy, in particular, several officers from the "Dipartimento per le Politiche di Coesione e per il Sud" (Department for Cohesion Policies and for the South) within the Presidency of the Council of Ministers were contacted but never replied, even after a second out-reach after some weeks. Relevant regional officers, working in the field of EU Cohesion Policy, have been contacted for all the twenty Italian regions, but actually only three replied. This data is particularly important and surprising: it has been easier to reach out and speak with the "deemed" far-away Brussels' officers, than with local national and regional authorities,

¹⁹ The terms "more developed" and "less developed" are directly drawn from the Common Provision Regulation, that provides a classification of European NUTS-2 regions on the basis of their per-capita GDP, which is confronted with the EU average per-capita GDP: while less developed regions have a per capita GDP which is less than 75% of the EU average one, the transition regions have a per-capita GDP ranging between 75% and 100% of the EU average one; finally, the more developed regions are the ones having a per-capita GDP that is more than 100% of the EU average one.

demonstrating a possible bias on the part of Italian officers towards research, which seems to be more valued in Brussels than in the whole Italian territory.

Notwithstanding this matter, however, the sample has been considered adequate to conduct the research and test the hypotheses as it has provided me the possibility to touch upon several themes and topics from different point of views. If, indeed, speaking with European officers I had the point of view of the Commission, which has design and monitoring functions and has a view from “above” on what happens in the MSs and in the regions, interviewing, at the same time, the regions has provided me with the vision from “below” of what is being perceived and how things are interpreted when coming from the European level. Within the Italian context, then, I have considered valuable the possibility have spoken with with both a more developed and less developed regions, characterized by different levels of development, different levels of received funds and different levels of satisfaction of conditions.

As the interviewees have been guaranteed anonymity, their identity has been coded, therefore, finally, the sample of the research resulted formed as reported in the Annex III.

2.4.3. A qualitative framework: definition of techniques

In order to collect data to answer the research question and test the research hypotheses, the interpretative framework of social research has been adopted and, consequently, qualitative techniques have been used for the collection of data.

The interpretative framework of social research has been specifically chosen in order to fulfil the need of an orientation towards individuality. Indeed, differently from the positivist or post-positive framework, the interpretative one distinguishes the social sciences from the natural sciences, following Weber (1922), not on the basis of their object of study nor on the basis of their goal, rather their distinction is in their orientation towards individuality. Social sciences, indeed, aim at “Verstehen”, that is, they aim at understanding, rationally comprehending the motivations underlying the behaviours: it is not intuition rather interpretation of the purpose of the action and of the intentional element in human behaviour (Corbetta, 2003). In this way, within this framework, the researcher puts itself in the actor’s place in order to understand what prompted the actor’s

behaviour. Within this context, therefore, the regularities, that are pursued by the researcher in order to interpret social reality, are not laws as in the positivist paradigm, rather they are casual connections: it is, indeed, impossible to establish the factors determining a social phenomenon, so the researcher can only trace the conditions which shape that social action or event (Corbetta, 2003).

Within the interpretative perspective, therefore, there is non-dualism and non-objectivity as there is an empathetic interaction between the researcher and the object of study. From this derives the choice of qualitative methods for conducting data collection and analysis. Qualitative techniques fundamentally distinguish from the quantitative ones as here the researcher does not aim at manipulating the environment, rather it adopts a naturalistic approach such that the object of the research is studied in its natural setting without manipulation, stimulation, interference or disturbance. In this case, indeed, there is proximity and contact between the researcher and the subject and an empathetic identification between the two, such that the researcher tries to see social reality through the eyes of subject studied (Corbetta, 2003). In this way, the subject is not passive as in quantitative research, rather has an active role. Qualitative techniques, then, imply the collection of soft, rich and deep (not standardized) data on not statistically representative samples, as this is the case. Indeed, qualitative research methods are valuable in providing rich descriptions of complex phenomena and of unique events. They shed light on the experiences and on the interpretation of events by actors with differing stakes and roles, providing explanations (Sofaer, 1999). The fact that through qualitative techniques the questions remain, at least partially, open-ended allows new issues to enter into the discussion, as it will be clearly shown below.

This research, however, distinguishes a little bit from the perfect qualitative technique, as it adopts a deductive approach and departs from the literature in order to test some hypotheses. This is possible, for sure, in a qualitative approach, but takes distance from the pure qualitative framework that would require an inductive approach together with an auxiliary role of the literature, which, differently, in this dissertations results fundamental in defining hypotheses. However, qualitative methods and techniques are deemed the best tool in order to investigate the topic of conditionality, as this social phenomenon, if it can be called like this, develops following interpretations and principal-agent/power relationships which cannot be synthetized and explained through quantitative techniques,

at least in this dissertation. Indeed, the relationship that has been between the researcher and the investigated subject through the implementation of qualitative methods has provided useful as it has allowed to understand interpretations, meanings and the reasons why the actors have acted in a particular way. Additionally, as introduced before, it has allowed not to restrict the research (or the conversation in the case of interviews) to some pre-defined topics and matters which have been decided by the sole researcher, rather it has led to the discovery of new themes and topics. Indeed, even if the researcher has thoroughly studied the investigated matters, in some cases can oversee some factors which are evident only thanks to the direct and real experience of the subjects which are studied.

On the basis of such considerations, therefore, among the various techniques falling under the qualitative methods of social research, such as participatory observation, structured, semi-structured and unstructured interviews or document analysis, two have been specifically chosen for testing the above-mentioned hypotheses. Namely document analysis and semi-structured interviews have been implemented.

A document is any material that provides information on a given social phenomenon and which exists independently of the researcher's action: documents are produced by individuals or institutions for purposes others than social research, but can be used by the researcher for cognitive purposes (Corbetta, 2003). These characteristics of documents offer two advantages: the provided information is "non-reactive" as it is not subject to possible distortion due to the interaction between the researcher and the subject, as there could be in an interview; documents can be used to study past experiences, as it is happening in this research. Documents, however, bear also disadvantages, as the researcher cannot "ask for further questions" beyond what is covered therein (Corbetta, 2003). Document analysis has been conducted upon the Italian PA and the national and regional Programmes that have been developed in the Italian context starting from 2021. Additionally reports coming from the single Italian regions have been studied in depth in order to understand the regions' implementation of conditionality. Other data in relation to conditionality coming from the database OpenCoesione have been then collected.

The other technique that has been implemented in the context of this research, in order to test the hypothesised relationships, is the semi-structured interview. As introduced above,

a purposive sample has been created and semi-structured interviews have been conducted in order to collect more information on the process of implementation of enabling conditions in the current programming period. If, indeed, documents usually result useful in providing a high amount of data, also regarding the past, they do not always help the researcher to understand completely the dynamics behind the relationships between variables. In this way, therefore, interviews prove useful in giving a clue about what happened in the Italian context and whether the identified factors constituting the independent variables have really determined a better enforcement of conditionality.

The qualitative interview differs from a conversation in that it is elicited and guided by the interviewer, interviewees are selected on the basis of a data-gathering plan, it has cognitive objectives and it is based on a flexible, non-standardized pattern of questioning (Corbetta, 2003). The qualitative interview aims at understanding the underlying dynamics related to a concerned topic and context. Qualitative interviews can be of three different types: they can be structured, when questions have the same wording and are posed in the same sequence for all the interviewees; semi-structured, that will be explained below; unstructured, where the interviewer raises the concerned topic but does not raise questions, therefore not controlling their form nor their content. For the present research, semi-structured interviews have been chosen as considered the most suitable tool in order to collect the needed information. In the semi-structured interview, the interviewer refers to an “outline” of the topics to be covered: the order in which the topics are dealt with and the wording of the questions are left to the interviewer’s discretion. In this case there is ample freedom both on the part of the interviewer and of the interviewee because while ensuring that all the relevant themes are dealt with, new issues and themes that come up during the interview can be scrutinised. The semi-structured interview, therefore, proves useful as it is able to ensure the researcher the covering of the research topics, at the same time providing space for new cues and matters to be dealt with if relevant.

In semi-structured interviews, following also what has been said, in general, above concerning qualitative research methods, a specific relationship is created between the interviewer and the interviewee as an empathetic interaction develops. This is what happened also in my case, where an active involvement of the studied subject was pursued, however trying to avoid too much confidence. In this way, therefore, interest and

empathy were demonstrated such that attentive listening and explanations, if requested, were provided, but criticism, surprise, approval or disapproval expressions were avoided. Each interview developed, more or less, in the following way: after short greetings and a review of privacy matters, an overall presentation of the research was provided in order to introduce the topic to the interviewees; then, the various questions were posed and a discussion followed also touching topics outside the questions themselves; finally, the interview was closed with thanks and greetings. Each phase is more clearly explained in the remainder of this section.

After the first contact with the interviewee via e-mail and after time and place were agreed, in most cases a sample of questions was requested by the same interviewees in order to better prepare on the covered topics. The interviews developed either in presence, such as in the case of one European officer in Brussels and one in a more developed region in Italy, or online via Skype or Teams. Just one interview developed in a different manner: in the case of the ROLR2, indeed, an oral interview did not take place as they did availability of time, rather a written one was conducted. In particular, a written conversation via e-mail was carried out and I finally provided them the questions that they answered, however in a sort of conversation with me. This would be better named self-answered questionnaire, however in the remaining of this dissertation I will call it interview as it was more a written conversation, than a self-fulfilled questionnaire. For sure conducting interviews in presence provided the advantage of having a direct physical contact with the interviewed person, therefore this allowed not only the conduction of the interviews without the technical problems that emerged during the online ones, but also allowed me to better see how the respondent behaved on the basis of the referred question. Before each interview I studied the subjects' backgrounds in order to be better prepared on their past experiences.

Each interview was recorded and subsequently transcribed in order to have a better comprehension of what was discussed. For this reason, privacy guarantees were provided at the beginning of each interview to the interviewed subjects. In particular, it has been guaranteed that the interview was conducted in compliance with the Code of Ethics of the University of Padova and with the General Data Provision Regulation 2016/679, such that the information that were collected would have not used for commercial purposes and the recordings would have been accessed only by myself. Additionally, if I would

have had to do some citations from what was said by the interviewed people, I would have provided guarantee of anonymity through the use of coding (see the Table 2.1. above).

During the interviews, after ensuring the subjects anonymity, I provided them with explanations, putting them at ease and trying to keep their interest alive. As the kinds of interviews that have been conducted were semi-structured, I provided open-ended questions and interviewees were left free to answer them in the way they considered suitable. If this was useful as it made us touch upon issues which either I did not know or I did not consider, sometimes it left the interviewees too much freedom and such that they tend to go out of track and I had to re-take the guide of the interview as what they were saying was not related to the concerned topic. At the same time, however, I tried to avoid any kind of behaviour which could influence the respondent. I refrained from expressing approval or disapproval, I responded with non-committal words and ensured the respondent's cooperation, that however never missed. In general, interviewees have been really available and interested in the topic as, it is known, this is a very hot-topic in which not only different political views but also differing technical considerations exist. Many interviewees expressed me not only considerations about the current state of things, but also their worries or perspectives about the future and their evaluations about the past. Therefore, I was pleased to conduct such interviews as I met extremely prepared professionals which provided me with cues and tips on things that I could not grasp from documents. Many also demonstrated interested in knowing the final results of the research.

The questions which were chosen for the interviews were either in English or Italian, depending on the officer with which I had to deal with. Their formulation therefore partially changes in order to adapt to the grammatical rules of each language. Translation of questions from Italian to English and the translation of Italian interviews to English was conducted by myself. The questions were open-ended therefore they were formulated in such a way to leave the interviewee free to answer in the preferred manner. Open-ended questions were chosen as they offer the advantage of freedom of expression and of spontaneity, also allowing other topics to be touched upon, as it happened in this case. The questions, which are reported below, were adapted to the specific officer I was

interviewing and therefore to the information that could be provided on the basis of the past experience and knowledge.

The questions which drove semi-structured interviews are reported in Annex IV (in some cases questions overlap as they were used with different interviewees in order to touch upon different aspects).

The questions were adapted to the characteristics of the interviewees: as these were all experienced professionals, technical language was used. The questions were not too long, but neither too short, however in most cases the interviewees were provided with the questions some days before the interview in order to get prepared and collect the needed information. Ambiguous or vague definitions were avoided and even when particular concepts were inserted, such as in the case of ownership, their brief explanation was provided. Syntactically complex questions were avoided such that to facilitate the interviewees in their comprehension of the questions and concrete examples were provided in order to ensure a better understanding of what was requested. Social desirability, mainly on the part of less developed regions' officers which are experiencing the most difficulties, seem to have been avoided as they openly spoke about their problems, concerns and referred also to some complaints. Finally, as for their ordering, first questions concerning my assumptions, which are explained below, following a literature review were posed, in order to see whether what I perceived was perceived also by the interviewees; subsequently questions concerning my hypotheses were posed. Overall, the questions that I have chosen, seem to have sufficiently covered my doubts and the matters which I aimed to investigate.

The interviews were undertaken between the 8th of May 2024 and the 7th of June 2024.

Once realised, the interviews have been transcribed and analysed together with the data that have been collected from the analysis of documents. It is generally known that qualitative analysis is criticised, rather it was criticised mainly in the past, due to the absence of systematic procedures and of fixed rules that ensure an almost total control of the social environment. For this reason the delineation of a clear methodology is considered needed here in order to demonstrate the soundness of the analysis that has been conducted. This has been done in respect of the three postulates identified by Schutz (1973) in order to ensure a rigorous qualitative work:

- the postulate of logical consistency, such that the researcher must establish the highest degree of clarity of the conceptual framework and methods applied, and these must follow the principles of formal logic;
- the postulate of subjective interpretation: such that the model must be grounded in the subjective meaning that the action had for the “actor.”;
- the postulate of adequacy such that there must be consistency between the researcher's constructs and “typifications” and those found in common-sense experience.

Once that interviews have been carried out and documents have been thoroughly studied, thematic analysis has been applied. In order to ensure rigor and transparency, therefore, the kind of analysis that has been developed is presented. Thematic analysis implies that themes and subthemes are identified within both the text of the interviews and of the documents in order to answer the research question through a reading and re-reading of data (Fereday & Muir-Cochrane, 2006) The themes are defined on the basis of the theoretically motivated ideas presented above.

In order to better identify, analyse and organise these themes, both deductive and inductive coding was used. A good code is one that identifies the richness of the social phenomenon (Fereday & Muir-Cochrane, 2006). In this case, coding involved the creation of a codebook that was initially defined on the basis of the literature and the research question/hypotheses and was then enriched. This is well representative of deductive and inductive coding: deriving from the literature and the hypotheses it has been possible to identify some themes (the codes) that were then searched within the interviews and the documents (deductive coding), but at the same time reading interviews and documents it has been possible to identify new themes and topics that were not considered before (inductive coding). Codes were, of course, revised and sometimes added up to the existing ones when new themes were discovered. This kind of thematic analysis, even if combining a deductive and an inductive way of doing things, proves useful as not only enables the researcher to test hypotheses, but also to discover new issues that maybe deserve attention or will deserve further research in the future, as it has happened this time. The codebook is provided in the Annex V and thoroughly explained in the following chapter.

Following this method, the analysis that was conducted and the way in which it was conducted and its results are presented below.

To conclude, this chapter therefore presented the overall analytical and methodological framework for the research and provided the justifications for the selection of the Italian case and of the related sample. Lastly, the methodology for the collection and analysis of data was illustrated in order to provide rigour also to what has been subsequently found.

3. CRITICALITY, CREDIBILITY AND OWNERSHIP: DATA ANALYSIS

In this chapter a summary of the collection and analysis of data that has been undertaken will be presented. Departing first from the evidence of the already introduced differences between the ex-ante conditionalities of 2014-2020 and the enabling conditions of 2021-2027, the document analysis will be then introduced, being followed by the presentation of the content of the semi-structured interviews and related analysis.

3.1. 2014-2020 / 2021-2027 DIFFERENCES: THE OPERATIONALISATION OF CONCEPTS

In the following section a clarification of the three concepts adopted as independent variables is presented together with examples which simplify the reader the comprehension of the following considerations concerning hypotheses' testing.

3.1.1. Criticality

The first aspect that experienced a difference between the 2014-2020 and 2021-2027 programming periods concerned criticality. Criticality refers to the fact that conditions are limited in number to the necessary ones, avoiding the policy matrix overload, trying to focus few critical conditions and trigger those that are truly essential for the achievement of the programmes' results. This entails not only the fact that the number of conditions is not excessively wide, but also that they are simple, connected to clear fulfilment criteria and that they do not request MSs a burden that is not realistically sustainable.

In the 2014-2020 programming period, indeed, many MSs, among them Italy, have reported difficulties in implementing ex-ante conditionalities deriving from their high number and their high level of complexity. In that programming period, indeed, ex-ante conditionalities amounted to 7, which were general, and 29, which were thematic for a total of 36.

This high number, it must be recognised, derived also from the fact that the Thematic Objectives, to which Cohesion Policy was aimed and to which the thematic ex-ante

conditionalities were attached, were eleven (1. Strengthening research, technological development and innovation; 2. Enhancing access to, and use and quality of information and communication technologies; 3. Enhancing the competitiveness of small and medium-sized enterprises; 4. Supporting the shift towards a low-carbon economy; 5. Promoting climate change adaptation, risk prevention and management; 6. Preserving and protecting the environment and promoting resource efficiency; 7. Promoting sustainable transport and removing bottlenecks in key network infrastructures; 8. Promoting sustainable and quality employment and supporting labour mobility; 9. Promoting social inclusion, combating poverty and any discrimination; 10. Investing in education and training for skills and lifelong learning; 11. Enhancing the capability of public authorities and efficient public administration).

Additionally, both general and thematic ex-ante conditionalities were characterised by high levels of complexity due to the several criteria that were defined for their fulfilment: many thematic ex-ante conditionalities were broken down into different dimensions, each of which required the fulfilment of many related aspects that not only demanded high levels of efforts, but also high levels of administrative and institutional capacity. Many MSs, indeed, reported that the difficulties that they experienced in the fulfilment of ex-ante conditionalities stemmed properly from the fact that they did not have sufficient human resources and sufficient capacities to carry out such task. This complexity can be understood looking at the thematic ex-ante conditionalities on the matter of employment and support to labour mobility, therefore related to the Thematic Objective 8. The related conditionalities were 6 and each of them included long-stated and complex criteria: Thematic ex-ante conditionality (TEAC) 8.1. was aimed at the promotion of active labour market policies and required employment services to present personalised services, comprehensive and transparent information, cooperation with stakeholders; TEAC 8.2. was aimed at the support of self-employment, entrepreneurship and business creation through a strategic policy framework for inclusive start-up that should have involved less burden for business creation and actions linking suitable business development services and financial services; TEAC 8.3. was aimed at the modernisation of labour market institutions together with the creation of a clear strategic policy framework and assessment mainly as for the gender dimension requiring reform of employment services towards personalised services, the provision of comprehensive and transparent

information and the creation of cooperation networks; TEAC 8.4. was aimed at the provision of active and healthy ageing policies requiring the involvement of relevant stakeholders and the adoption of measures in order to promote active ageing; TEAC 8.5. was aimed at the enhancement of workers', enterprises' and entrepreneurs' resilience in front of change requiring the provision of instruments to support social partners and public authorities to develop and monitor proactive approaches towards change; TEAC 8.6. was aimed at the creation of a strategic policy framework for promoting youth employment requiring the collection of evidence thereupon, the identification of the relevant public authority in charge of the matter, the involvement of stakeholders and the provision of supportive measures for access to employment.

In front of the difficulty experienced by MSs and the evidenced complexity, understandable from above, beard by each ex-ante conditionality, in the 2021-2027 programming period the number of conditions was reduced. This was also due to the reduction of the policy objectives, now called Priorities, of Cohesion Policy in the current programming period, which amount to five, instead of eleven (1. A more competitive and smarter Europe; 2. A greener, low carbon transitioning towards a net zero carbon economy; 3. A more connected Europe by enhancing mobility; 4. A more social and inclusive Europe; 5. An Europe closer to citizens by fostering the sustainable and integrated development of all types of territories).

The simplification of the overall objectives of the policy, indeed, has led also to the simplification of the thematic enabling conditions that were therefore introduced and connected to the policy. These new conditions had a high number of criteria too, however these criteria were presented in a clearer way and were more tangible, such that the scope for interpretation was not wide, as in the previous programming period, rather it was limited. To the reduction of thematic enabling conditions, added up the limitation of horizontal enabling conditions amounting to four and presenting, also in this case, clear and limited criteria for their fulfilment. This high level of criticality was purposely searched by the Commission' services when elaborating the new enabling conditions: as it will be better explained below, indeed, the provision of more tangible and "real-world" criteria was one of the three aims of the Directorate General for Regional and Urban Policy.

In the Annex V two tables are provided comparing all the ex-ante conditionalities with all the enabling conditions. Taking up, again, the example of the conditions linked to the job market, provided above, it is possible to understand the differences among programming periods. Differently from the previous programming period, indeed, in the 2021-2027 one there is only one enabling condition referring to the labour market, namely the 4.1. concerning the need of a strategic policy framework for active labour market policies. Following the five criteria attached to this condition, this policy framework is aimed at providing arrangements for conducting job seekers' profiling and assessment, information on job vacancies, arrangements for ensuring cooperation with relevant stakeholders, arrangements for monitoring and evaluating the policies, evidence-based and targeted pathways for youth employment. The criteria, therefore, result more tangible and applicable to the real world.

Also looking at what has been introduced here concerning labour market conditionalities, therefore, it is possible to catch how criticality has increased thanks to a limitation of conditions to be fulfilled and to an increase in their clarity. If, on the one hand, it is true that clarity and specificity are not always beneficial as they do not allow so much flexibility, at the same time they have been deemed fundamental in this precise context, as in the 2014-2020 the wide scope and low level of clarity have led to misinterpretations and misunderstandings that, finally, did not make conditionality work completely.

Criticality, therefore, has increased, but the point remains to test whether the increase of criticality has contributed to a higher enforcement of conditionality.

3.1.2. Credibility

Credibility, as introduced before, refers to the presence of monitoring and control systems that make "credible" the enforcement role of the principal, in this case the Commission. In order to understand how credibility has changed between the previous programming period and the current one, it is sufficient to look at the Common Provision Regulation and, for the 2014-2020 programming period, at the evidence concerning the decisions taken by the Commission.

As for the 2014-2020 programming period, art. 19 of the Common Provision Regulation (REGULATION (EU) No 1303/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL, 2013) stated that, in the case ex-ante conditionalities were not fulfilled at the date of submission of the PA, Action Plans should have been taken. As for ex-ante conditionalities that had to be fulfilled through Action Plans, these would have had to be fulfilled not later than the 31st December 2016 and the MS should have reported on them not later than in the annual implementation report in 2017 or the progress report in 2017. “3. The Commission shall assess the consistency and the adequacy of the information provided by the Member State on the applicability of ex ante conditionalities and on the fulfilment of applicable ex ante conditionalities in the framework of its assessment of the programmes and, where appropriate, of the Partnership Agreement.” (REGULATION (EU) No 1303/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL, 2013, art. 19). The Commission may have decided to suspend all or part of interim payments to the relevant priority of that programme pending the completion of Action Plans and their implementation. The failure to complete actions to fulfil an applicable ex-ante conditionality which had not been fulfilled at the date of submission of the PA or through Action Plans shall have constituted a ground for suspending interim payments by the Commission.

Therefore at the OP’s adoption stage, the Commission could deny requested payments pending completion of the Action Plans where it could demonstrate significant prejudice to the achievement of specific objectives; or it could suspend payments where action plans had not been completed by December 2016. The point is that non-fulfilment of conditionalities was not sufficient for suspending payments and, in the same way, failure to complete an Action Plan was not sufficient to trigger a suspension. Even though one third of the conditionalities were not fulfilled at the time of OPs’ adoption, the Commission did not suspend payments. At the same time, MSs were not obliged to report systematically on the intermediate progress of their action plans until the reporting deadline in 2017, nor to provide information to allow assessment of whether the conditions for suspending payments existed.

During the first three years of the 2014-2020 period, the Commission examined the need to suspend payment in 15 out of the 761 action plans covering eight MSs, but pre-suspension letters could be sent only after MSs had reported by the end of August 2017

on the implementation of action plans. At the end, in late 2017, the Commission sent pre-suspension letters for five action plans on five OPs in Spain, Italy and Romania; and in April 2018 and February 2019, the Commission decided to suspend payments to two of these five OPs (Spain and Italy). The suspension for the Spanish OP was lifted in March 2019, whereas payments to the Italian OP remained suspended (European Court of Auditors, 2021), as anticipated above. Therefore, overall, there was not a very credible sanctioning system that threatened MSs or that was so important for MSs to make them fulfil conditions the fastest they could (European Court of Auditors, 2021).

Another problem concerning the monitoring system in the 2014-2020 programming period, then, related to the fact that the assessment of the fulfilment of ex-ante conditionalities was a one-off exercise that was present only at the beginning of the programming period (even if then its implementation stretched until 2017). This did not allow sufficient monitoring, because even if the conditions were respected at the beginning, then it could be abandoned after funding was received (European Court of Auditors, 2017, 2021).

In the 2014-2020 programming period, therefore, the level of control and monitoring was basically limited, if not really low, such that, following the principal-agent perspective, it allowed wide scope for agency drift. In the 2021-2027 programming period some aspects concerning the monitoring and control system changed. This is immediately clear when reading the Common Provision Regulation of 2021. Art. 15 of the Common Provision Regulation (REGULATION (EU) 2021/1060 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL, 2021), indeed, states that the MS shall assess, when preparing a Programme, whether the enabling conditions linked to the selected specific objectives are fulfilled, while when an enabling condition is not fulfilled it shall inform the Commission as soon as it considers that the enabling condition has been fulfilled. The Commission shall carry out an assessment and inform the MS whether it agrees with the fulfilment of the enabling condition. Payment applications however shall not be reimbursed by the Commission until the Commission has informed the MS of the fulfilment of the enabling condition. Here, therefore, the control mechanisms are reinforced as in all the cases in which an enabling condition connected with the specific Priorities in an OP is not fulfilled at the moment of adoption of the OP, the payment is not reimbursed by the Commission until the enabling condition is fulfilled. Here, therefore,

there is, differently from the previous programming period, a total blockage of funding if enabling conditions are not satisfied.

At the same time also the monitoring system has been enhanced such that Art. 19 of the Common Provision Regulation (REGULATION (EU) 2021/1060 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL, 2021) states that the MS shall ensure that enabling conditions remain fulfilled and respected throughout the programming period and when the Commission considers that an enabling condition is no longer fulfilled it shall inform the MSs setting out its assessment and, if needed, it could suspend payments. Therefore also the monitoring system is reinforced as monitoring is deployed all over the period through a mid-term review, requiring MSs the fulfilment of enabling conditions not only at the beginning of the programming period, but throughout the whole funding period.

This reinforcement of the credibility on the part of the Commission on the basis of the two factors above, however, does not happen in a top-down manner, i.e. only with the Commission exercising control upon MSs, rather it has a bottom-up character, such that MSs are held responsible both for the communication on the initial fulfilment of conditionalities and for the interrupted fulfilment throughout the programming period. This has increased not only the responsibility, but also the awareness of MSs on the matter that has also impacted on the dimension of ownership, as it will be below better explained in the analysis of the content of the interviews.

3.1.3. Ownership

The third factor which has changed and that, from the point of view of the literature (Abusara, 2009; Bachtler & Ferry, 2015; World Bank, 2005) is important in determining the enforcement of conditionality, is ownership. Ownership can be defined as the overall support for reforms on the part of the assisted government. “A realistic assessment of ownership relies on the government’s track record of reform and acknowledges the political economy dimensions that reforms may be owned by some constituencies and opposed by others who stand to lose from them.” (World Bank, 2005, p. 14). Therefore, as introduced before, this goes beyond a uniform government position or a full consensus because it would not be sensible to suppose that all recipient countries are functioning

democracies responding to the interests of the majority of the population and maintaining a stable course of reforms.

According to me, the level of ownership, specifically in the case of Italy, has increased over the two programming periods mainly due, or rather I should say thanks to, the Covid-19 pandemic and the consequent RRF that has been adopted by the European Union.

In 2020, when the Covid-19 pandemic broke out, the EU understood that in front of such crisis it would have been needed something more beyond the Multiannual Financial Framework to build resilience and this would have included the green and digital transitions. Consequently, the Next Generation EU (NGEU) recovery plan was approved in order to invest €806.9 billion and build resilience focussing on the green transition, the digital transformation, the reinforcement of the social infrastructure, the enhancement of advanced education, the support for inclusive growth and innovation and the ensuring of efficient and accessible healthcare services. Of the total amount of NGEU funds, €83.1 billion were used to reinforce existing EU programmes such as the ReactEU, Horizon Europe or the JTF, while the remaining part would have been addressed to the RRF.

The centrepiece of NGEU, indeed, is the RRF, an instrument that offers grants and loans to support reforms and investment in MSs. RRF funds are provided to MSs on the basis of National Recovery and Resilience Plans (NRRPs) which outline the roadmaps to reforms and investments. Under the RRF, as for now, €291 billion in loans and €357 billion in grants have been committed through borrowing since February 2021.

Italy has been particularly central on the matter as it has had the biggest benefit of it, requiring not only the total amount of grants that it would be entitled of (€71.78), but also requiring loans for about €122.6 billion. As the RRF requests, following NRRPs, that such money are spent upon investments made under its six main pillars (green transition, digital transformation, smart sustainable and inclusive growth, social and territorial cohesion, health and economic, social and institutional resilience and policies for the next generation). Notwithstanding the fact that only 29% of milestones and targets have been reached (Italy is still behind in implementation), 181 reforms have been carried out mainly in relation to the green transition and smart, inclusive and sustainable growth.

This, in my view, has created an overall framework of support towards reforms and investments suggested by the European level that Italy has never experienced before and that, consequently, has extended towards conditions asked to be fulfilled as for Cohesion Policy, even if not directly connected with the RRF. This is a peculiar difference that the 2021-2027 programming period is experiencing if compared with the 2014-2020 one: in the previous programming period, such support for reforms and investments was not present, as the priority was given to the development of operational programmes to further regional development. In the current programming period, however, things have changed as the introduction of the RRF has created, in my view, an overall support and awareness towards what “comes down” from the European level and has also increased the needed capabilities in order to fulfil conditions. The RRF, indeed, has also provided incentives for administrative enhancements and reforms and this, that has been confirmed by some regional officers, has helped the fulfilment of conditions themselves. In many cases it has been said, however, that the RRF has driven the attention away from Cohesion Policy funds and their implementation as the RRF has a deadline in 2026 while Cohesion Policy funds can be spent until 2029 (according to the n+3 rule) (Becker, 2024). This could actually be true, however in many cases it is not recognised the potential that these new reforms have taken with them: they have spurred an overall climate of support towards green, digital transitions, social inclusion, support towards employment, smart and inclusive growth that can be beneficial to Cohesion Policy in general, but also for the fulfilment of enabling conditions in particular. It could then be said that one of the motivations according to which enabling conditions have been fulfilled more than in the previous programming period is that many of them were automatically fulfilled by reforms implemented under the RRF: this is not true as they pertain to different areas, different competent offices and different matters. The Italian NRRP spending of funds’ was sided with the implementation of the reforms needed to overcome the historical barriers that have restrained the development of public and private investment in the last decade and structural weaknesses that have slowed down growth (Presidenza del Consiglio dei Ministri, Governo Italiano, n.d). Through the development of reforms and investments, therefore, the Italian governments that have succeeded since 2021 have found themselves involved in an overall climate of reform development in areas that before were not accounted for. This has not only provided new grounds for changings and

reforms that before were not experienced, but has also increased the awareness towards the European level in an unprecedented manner.

Given these considerations, however, it is deemed important to stress that the RRF, in particular, but NGEU, in general, and Cohesion Policy together with its conditionalities are totally different instruments linked to different fundings and implementation mechanisms: if, indeed, the RRF is linked to reforms that must be done if funding is aimed to be received, Cohesion Policy and its enabling conditions do not aim at promoting reforms, rather at creating a suitable environment for then allowing a right spending of ESIF. However, influence can happen and can be present in the day-to-day activity and within the overall national and regional environments receiving stimuli from the European level.

3.2. FROM THE PARTNERSHIP AGREEMENT TO THE PROGRAMMES: DOCUMENT ANALYSIS

In the following section, the way in which documents have been analysed is presented, comprising a thorough study of the Italian Partnership Agreement and all the existing Programmes for the 2021-2027 programming period, together with some documents elaborated by the single Italian regions on the matter.

3.2.1. The Italian Partnership Agreement

The first document that I analysed in order to have an overview of the satisfaction of enabling conditions for the current programming period, is the national PA. A PA is the strategic document where a MS describes the long-term strategy of the use of the funds governed by the Common Provision Regulation. It presents the policy choices of the MS, the objectives that are aimed through the use of the funds, the expected impact, the coordination mechanisms, complementarities and synergies between these funds and a list of the national and regional programmes which will operate in the MS. Usually the Commission negotiates with the concerned county on its content. Once that the PA is submitted and approved by the Commission, as the Italian one was in July 2022

(Presidenza del Consiglio dei Ministri, Governo Italiano, 2022), Programmes are put into place.

Following the Italian PA, after having described its aims together with two intervention programmes, outside enabling conditions, aimed at strengthening administrative capacities (“*Programma nazionale di assistenza tecnica “Capacità per la Coesione” e “Piani di rigenerazione amministrativa”*”), enabling conditions are listed together with the justification of their (missed or not) satisfaction.

As for horizontal enabling conditions:

1. Mechanisms for the control of public procurement: was evaluated as satisfied in July 2020 following the auto-evaluation by the *Autorità Nazionale Anticorruzione* (Anti-Corruption National Authority) and by the Commission in January 2021;
2. State aid rules: evaluated as satisfied in July 2020 by the Agency for territorial Cohesion and by the Commission in January 2021;
3. Application of European Charter of Fundamental Rights: evaluated as satisfied in July 2020, but then discussion have followed as for the guarantee of the respect of the Charter throughout the programming period;
4. Application of the UNCRPD: after having being evaluated as satisfied in July 2020, some discussions followed and overall positive satisfaction has been provided as of May 2021.

As for thematic enabling conditions, while as for the one on the S3 strategy is still pending on the evaluation of the satisfaction of the 7th criteria, the condition on the broadband plan has been deemed satisfied. The conditions 2.1., 2.2., 2.3. and 2.4. were all deemed satisfied at the national and regional level after autoevaluations, but problems still remain as for the conditions 2.5., 2.6., 2.7. and 3.1. which pertain to the regional level and require the adoption of specific regional measures and acts. As for the conditions related to welfare, while the conditions 4.1., 4.2., 4.3. and 4.4. are deemed satisfied, difficulties remain as for the condition on the inclusion of Roma (4.5.).

1.1.	After the evaluation in 2020, the Commission has requested clarifications
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	for all the fulfilment criteria except the number 7.
1.2.	After a request for clarification in 2020, Italy provided in July 2021 another auto-evaluation together with the provision of a new Strategy for ultra-large band such that the condition could be deemed satisfied.
2.1.	The condition was deemed satisfied after the adoption of the <i>Strategia per la riqualificazione energetica del parco immobiliare nazionale</i> (Strategy for energetic upgrading of the national immobiles).
2.2.	Deemed satisfied in July 2020.
2.3.	Deemed satisfied in July 2020.
2.4.	Deemed satisfied in December 2021 after the submission of <i>Piano Nazionale di Adattamento ai Cambiamenti Climatici</i> (National Plan for Adaption to Climate Changes), “ <i>Gestione dei rischi da catastrofi in Italia</i> ” (Management of risks from catastrophies in Italy), “ <i>Linee guida per le strategie regionali di adattamento ai cambiamenti climatici 2020</i> ” (Guidelines for the regional strategies of adaptation to climate changes) and Decision n. 1313/2013 concerning the “ <i>Meccanismo unionale di protezione civile</i> ” (Union mechanism of civil protection).
2.5.	According to the approach followed by Italy, it requires the adoption by all the

	<i>Enti di Governo d'Ambito</i> (governmental bodies operating on the matter) of the <i>Piano D'Ambito</i> (a plan on the sector) that at the moment of the PA approval were not all adopted yet therefore the condition was not satisfied.
2.6.	Deemed not satisfied as there was the need of the update of each Regional Plan of waste management following EU Directive n. 851/2018.
2.7.	The auto-evaluation was sent but the condition can be satisfied only in the moment in which all the regions send their programmes to the Commission.
3.1.	After a positive auto-evaluation on the part of Italy in July 2020, the Commission requested clarifications evidencing the need to satisfy the enabling condition not only at the national, but also at the regional level.
4.1.	Satisfied in July 2021.
4.2.	The Commission has requested a series of clarifications concerning data collection policies, monitoring mechanisms, measures to be adopted for overcoming gender gaps; after some documentation provided by Italy the condition has deemed satisfied in July 2021.
4.3.	Deemed satisfied in July 2020.
4.4.	After clarification requested by the Commission on January 2021 in relation to the challenge of vulnerable groups and

	the need to develop differentiated policy measures, the condition was deemed satisfied in April 2021.
4.5.	The condition was not satisfied yet however the suggestions by the Commission have led to the development of a Strategy for Roma inclusion in May 2022.

Table 3.1.: Satisfaction of enabling conditions by Italy. Source: European Commission (n.d.-a).

As it will be evident also from the analysis of the regional and national Programmes, some enabling conditions apply to the national level such as the horizontal ones or the ones concerning health and long-term care, active labour market policies, restructuring of buildings, energetic governance etc. differently, other conditions apply at the regional level and must be satisfied locally, such as the ones concerning the management of waste, of the water and waste water sector, of biodiversity and of transportation. While there has been an improvement as for the satisfaction of horizontal enabling conditions, which had problems in the previous programming period mainly in relation to public procurement and public aid, problems remain as for the (regional) satisfaction of conditions related to the water, waste and transport sector, while at the at the national level some problems have been present as for the implementation of the enabling condition on Roma inclusion. Notwithstanding this, already from the documents it is possible to see how more tangible criteria, which bear with them higher criticality, have led to more focussed provisions of documents, plans and strategies which have a direct application in the reality and do not leave scope for interpretation. However, still, it is not possible, only through the PA, or subsequently only through the Programmes, to test the above-mentioned hypotheses, as motivations, actions and interpretations are not completely stated therein.

Indeed, when documents are studied and analysed, if these documents do not totally relate to the research question, it is difficult to extract the needed information because, as anticipated above, documents are generally created for purposes that are different from those of the research and therefore, even if providing useful information in a “neutral way” do not always contain what is needed. From the analysis of the PA, and subsequently

of the OPs, useful information has been extracted as for the satisfaction of each enabling condition, being it horizontal or thematic, and insightful considerations have been made mainly in relation to the hypothesis concerning criticality, however, limited information could be collected in relation to the second and third hypotheses. And this is the reason why interviews have been conducted.

However, reading through the PA document, it has still been possible to extract some conclusions as for the hypothesis concerning criticality: it is evident that simplification has happened together with the provision of more tangible and objective criteria that left limited space for interpretation. The point is, whether this higher level of criticality was connected with a higher level of satisfaction. From the document it seems that this higher criticality has led to an easier and faster satisfaction of enabling conditions as all horizontal enabling conditions have been satisfied and only some of the thematic ones still have to be implemented at the regional level. Looking at the document, therefore, the first hypothesis could be confirmed, however, as the analysis I am conducting is not quantitative, rather qualitative, therefore I have no possibility of testing with numeric data whether intervening factors, i.e. intervening variables that are not considered but that are fundamental in the considered relationship, interviews seem to be necessary. Therefore, even if one of the reasons for better satisfaction than the previous programming period could be the higher level of criticality, as it is understandable from the clear satisfaction of detailed criteria, other intervening factors could have been important in the satisfaction process such as past experience, pressures coming from the supranational level or higher capacity of satisfaction derived from reforms made under other funds, such as in the case of the RRF. For this reason documents alone cannot be deemed sufficient for testing the hypotheses and are therefore complemented with interviews both at the European and local levels.

3.2.2. The Programmes and the regional documents

The Programmes are the specific documents elaborated at the national or regional level which contain the national or regional strategies related to specific Priorities and, consequently, related also to specific enabling. In total I analysed 48 Programmes, both at the national and regional level in order to try to test my hypotheses. As anticipated

above in relation to the PA, documents are an important and easily accessible source of information, however, they are elaborated for purposes others than those of the research, therefore, they do not always contain a direct answer to the research question. Indeed, also in the case of Programmes, mainly the first hypothesis related to criticality could be tested through the analysis of such documents, while the other two could not be tested as not directly referred to.

First, national Programmes have been analysed such that, overall, only the enabling conditions 1.1. on the Smart Specialisation Strategy and 2.6. on waste management seemed to have had some difficulties in their satisfaction. The national Programmes were ten, some of them related to the ERDF, some to the ESF+ and one to the JTF. While it is impossible to present here each Programme in detail, some of the national ones, chosen randomly, are presented in order to make the reader understand how the enabling conditions are tackled therein.

The national Programme “*Scuola e competenze*” (School and skills) is funded by ERDF and ESF+. This program aims to cover all the regions and provinces throughout Italy and aims at enhancing the equal access to high-quality and inclusive services in the context of education, enhancing the quality, the inclusivity and the efficacy of education systems, promoting equal access and equal opportunities of completing education, promoting permanent learning at the same time trying also to satisfy the requests of the labor market. As for general enabling conditions it declares as satisfied all the four general enabling conditions. As for the condition 1. on public procurement it states that Italy not only respect the rules concerning public procurement, but also ensures the transmission to the Commission of periodic reports on the matter, guaranteeing high levels of competition, monitoring and analysing data concerning public procurement which are made available to the public according to a principle of transparency, at the same time providing measures to detect suspected actions. As for the condition 2. on state aid, the fulfilment of the enabling condition derives from the fact that Italy has at its disposal a consolidated systems for verifying state aid assistance at the disposal of MAs and new structures have been created in order to support the systems created in the 2014-2020 programming period. As for the condition 3. on the application and enforcement of the EU Charter of Fundamental Rights, the respect of the Charter is ensured by EU and national legislation and by the presence, in the implementation of the OP, of a “Contact Point” (“*Punto di*

contatto”) within the structure of MAs and a Surveillance Committee. To this Surveillance Committee, then, is addressed a periodic evaluation report. As for the condition 4. on the application of the UN Convention on the Rights of the People with disability, the respect and implementation of such is given by the Constitution and by the norms defining the legal protection system of people with disabilities, together with the creation within the Social Policies Ministry of a special organ with the aim of monitoring national policies on the matter and the creation of an Office, within the Presidency of the Council of Ministries, for policies in favor of persons with disabilities together with a national contact center for reporting, requests and proposals. As for the thematic enabling condition, this Programme satisfies just one enabling condition, namely the 4.3. concerning a strategic policy framework for the education and training system at all levels. In this case under the fulfilment of criteria lies the fact that the Education Ministry conducts analysis upon needed competences, promotes the “*Laboratori territoriali per l’Occupabilità*” (“Territorial laboratories for enhancing occupation probability), there are then monitoring systems concerning education paths of Italian students and the presence of an Agency for the evaluation of the University system and the presence of the project TECO (*TEst sulle Competenze*). Additionally, orienting systems and a series of actions have been implemented for equal access and equal opportunity. At the same time, subsidiarity for the regions is guaranteed and quantitative and qualitative monitoring systems have been elaborated, at the same time providing training to teachers and mobility possibilities to students.

The national Programme “*Equità nella salute*” (Health Equity) is covered by the ERDF and the ESF+ and is a national programme applying to the whole Italian territory intervening in four main areas: contrasting healthcare poverty, caring for mental health, place gender at the forefront of care, ensuring higher coverage of oncological screening. As for general enabling conditions, the Programme satisfies the four enabling conditions according to the same considerations made for the above national Programme. Specifically, then, the Programme satisfies the thematic enabling condition 4.6. concerning the creation of a strategic framework for health and long-term care. The first criterion of the condition requiring mapping the needs of health and long term care is satisfied by the fact that Italy has a political strategic framework within which healthcare is organised. The “*Piano nazionale della prevenzione*” (National plan for prevention)

requires regions to elaborate their own “*Piano regionale di prevenzione*” (Regional plan for prevention) which will highlight priority, actions and tools to be implemented. Then, the new *Sistema Informativo Nazionale* (National information system) provides data, rules and methodologies for a uniform evaluation of needs together with the “*Piano nazionale della Cronicità*” (National plan of chronicity). As for the second criterion of the enabling condition concerning the presence of measures for guaranteeing efficient, sustainable and accessible health and long-term care with particular attention to excluded people and people that are difficult to reach, Italy has a coordinated system for guaranteeing uniformity, accessibility and sustainability of healthcare services also to the weak and fragile. Then at the national level the “*Istituto Nazionale per la promozione della salute delle popolazioni migranti e il contrasto delle malattie della Povertà*” (National Institute for the promotion of healthcare of migrants and the contrast to poverty-derived diseases) is operative producing documents with guidelines and good practices. Then Departments for mental health and pathological addiction are present in each Healthcare section. As for the third criterion of the condition concerning measures for promoting care services at the familiar level and throughout the territory with deinstitutionalisation, Italy has a specific system of measures for communitarian and domestic therapies, with a projected increase of therapeutical actions at the domestic level mainly for the weak in order to ensure equity. The services of “*Assistenza Domiciliare Integrata*” (Domestic Integrated Assistance) will be reinforced and proximity structures will be experimented for providing assistance to the more fragile people.

The Programme “*Metro Plus e città medie sud*” (Metro Plus and Medium Cities in the South), funded under the ERDF and the ESF+, is a national one and falls under the strategies of sustainable urban development within the PA. It aims to tackle environmental issues, especially the contrast to climatic change and the transition towards a circular economy, and to promote actions of urban regeneration and of socio-economic restructuring through social innovation and revitalization of the local entrepreneurial fabric. This Programme applies to the four general horizontal conditions following the considerations made above. As for the thematic enabling conditions, first the Programme applies to the condition 2.1. concerning the presence of a strategic policy framework to support energy efficiency renovation of residential and non-residential buildings. As for the first criterion concerning the adoption of a national strategy for long-term

restructuring of the residential buildings which contains information on targets, costs and mechanisms for promoting investments, Italy has adopted a “*Strategia per la riqualificazione energetica del parco immobiliare nazionale*” (Strategy for the energetic upgrading of the national residential buildings) that establishes targets, costs and mechanisms for favouring investments, e.g. the “*ecobonus*”. As for the second criterion concerning the adoption of measures for enhancing the energetic efficiency, Italy has adopted a series of measures such as fiscal deductions or dedicated national funds for promoting energetic efficiency. The Programme also applies to the enabling condition 2.2. concerning the governance of the energetic sector. As for the first criterion requiring the notification to the Commission of a national integrated plan for energy and climate according to the EU Regulation 2018/1999, Italy has approved in December 2019 the PNIEC 2021-2030 defining orientations for the reduction of climatic impacts, such as decarbonisation. As for the second criterion concerning the need of a description, within such plan, of the financial resources used to promote such actions, the PNIEC 2021-2030 contains such description. The Programme then applies to the enabling condition 2.3. concerning the effective promotion of the use of renewable energy across sectors and across the Union. As for the first criterion concerning the presence of measures which guarantee the conformity with the national binding objective on the matter of renewable energies, the PNIEC 2021-2030 defines all the existing policies and planned measures for reaching the development goals of 2020 and 2030. As for the second criterion concerning the presence of measures which increase the quota of renewable energies within the heating and cooling sectors, the PNIEC 2021-2030 includes measures for increasing annually of 1.3 percentage points the quota of implemented renewable energy sources. The OP then applies to and satisfies the enabling condition 2.4. concerning the presence of an effective disaster risk management framework. As for the first criterion concerning the need for such plan to include a description and evaluation of present risks, Italy has a description of risks within its Self-Evaluation Relation sent to the Commission that has been updated by the Summary Report Italia. As for the second criterion concerning the inclusion in the plan of a description of prevention and preparation measures, Italy in the same Self-Evaluation Relation describes plans and measures adopted for the management of risks. As for the third criterion concerning the need to insert in the plan the information on the financing resources and mechanisms to cover the costs for the functioning of such

measures, Italy satisfies the criteria as each level of government (national, regional and local bodies) has its own resources to invest on the matter. The OP should then also apply to the enabling condition 2.6. concerning the updated planning of waste management, however this condition is not satisfied as not all the regions, which are responsible for waste management, still have not presented their updated waste management plans. The same happens with the enabling conditions 1.1. which is still not satisfied as the regional S3 have not been totally updated yet. The Programme then applies to the enabling condition 2.7. concerning the presence of prioritised action framework for the necessary conservation measures involving Union co-financing, which is satisfied by the fact that all the regions have adopted their action plans. The Programme falls also under the enabling condition 4.4. concerning the presence of a national strategic political framework for social inclusion and poverty reduction and 4.6. on the presence of a strategic policy framework for health and long-term care, which are satisfied following actions implemented by other national Programmes such as the one on Social Inclusion and Poverty.

The Programme, funded under the ERDF, “*Ricerca, Innovazione e competitività per la transizione verde e digitale*” (Research, innovation and competitiveness for the green and digital transition) aims at enhancing the competitive drivers of the Italian productive system, i.e. innovation, digitalisation, ecologic transition and competences particularly in the less developed regions in the Southern part of Italy, also accounting for the CSRs for Italy provided in the 2019 and 2020 and in synergy with the Italian NRRP. It applies therefore only to Sicilia, Sardegna, Molise, Campania, Puglia, Basilicata and Calabria. As for the general enabling conditions, the four enabling conditions apply to this Programme and are fulfilled according to the considerations made above. As for the thematic enabling conditions, the first condition that is concerned is the 1.1. about good governance of national or regional smart specialisation strategy. In this context this enabling condition results only partially satisfied: in general, in the documents it is reported as not satisfied, however this missed satisfaction mainly derives from the inability of Italy to fulfil two out of the seven criteria pertaining to the condition. As for the first criterion concerning the fact that in S3 there should be an updated analysis of the challenges experienced by innovation and digitalisation, this criterion is fulfilled as an updated analysis has been done following the experience of the 2014-2020 programming

period. As for the second criterion concerning the existence of regional or national institutions or bodies responsible for the management of S3, the criteria is still not fulfilled as a “*Sottocomitato Strategia Nazionale di Specializzazione Interlligente*” (National Subcommittee S3) under the Committee with surveillance functions was foreseen for the 2021-2027 programming period, but has not been implemented yet. As for the third criterion concerning surveillance and evaluation for measuring performance, this criterion is fulfilled as the same measures for evaluation used in the previous programming period are used also in the current one. As for the fourth criterion concerning the functioning of cooperation among stakeholders (i.e. the process of entrepreneurial discovery), this is not fulfilled as such “entrepreneurial discovery” will be possible only once that the subcommittee mentioned above will be created. As for the fifth criterion concerning actions needed to enhance national or regional research and innovation systems, this is fulfilled as in the Italian context cooperation among the interested stakeholders (institutional subjects, public and private research subjects, etc.) is ensured in order to guarantee harmonization in the research and innovation investment processes. As for the sixth criterion concerning actions to sustain industrial transition, it is fulfilled as the Italian S3 introduces specific actions on the matters of industry 4.0, digitalisation, green transition and human capital qualification. As for the last criterion concerning measures aimed at reinforcing cooperation with partners outside MSs in specific sectors supported by the S3, this is fulfilled as the Italian Agency for the Territorial Cohesion will continue to support the initiatives done also in the previous programming period promoting dialogue with other subjects at the regional and national levels operating in the field of innovation. The Programme also applies to the enabling condition 2.2. about the energetic sector governance. This enabling condition results fulfilled following the respect of the two related criteria that have been described above for the previous Programme. The same applies for the fulfilment of the enabling condition 2.3. relating to the effective promotion of renewable energy across sectors and across the whole EU.

The national Programme, funded under the ESF+, “*Giovani, donne e lavoro*” (Youth, women and work) develops around three main priorities: facilitating the entrance in the job market for youth, favouring policies for women’s and other vulnerable people’s entrance in the job market and developing new skills for the green and digital transition. The national Programme applies to the four general conditions which are satisfied as

explained above; it then applies to the thematic enabling condition 4.1. concerning active labour market policies, which is satisfied as the Italian rules:

- allow the definition of the profile of the jobseeker once inserted in the register of a “*Centro per l’Impiego*” (Occupational Centre);
- provide services such as the DOL System for giving information on the job opportunities; ensure a cooperation with stakeholders;
- foresee monitoring processes in order to review labour market policies and provide tailored paths for youth occupation through the “*Piano di attuazione Italiano della Garanzia Giovani*” (Italian implementation Plan of the Youth Guarantee) (criteria 1., 2., 3., 4., 5.).

The OP finally applies to the thematic enabling condition 4.2. concerning the need of a strategic national plan on the matter of gender equality, which is satisfied as in 2021 Italy has adopted a “*Strategia nazionale per la parità di genere 2021-2026*” (National Strategy for gender equality 2021-2026) which identifies major challenges on the matter and spells out five main priorities for tackling gender discrimination, i.e. enhancing job opportunities, reducing gender gap in income, ensuring equal opportunities for skills development, promoting equal sharing of assistance activities and supporting equal distribution of power (criteria 1., 2.). A series of indicators has been then identified for ensuring surveillance and evaluation and stakeholders, mainly civil society, have been involved (criteria 3., 4.).

Finally, the national Programme concerning the Just Transition Fund reports as satisfied the four general enabling conditions. This Programme aims at reinforcing and maximising the actions of the regional OPs of Sardegna and Puglia as it applies to the areas of Iglesias and Taranto. It aims at enhancing the adoption of renewable energy sources and at reducing emissions.

These national Programmes have been reported as for their satisfaction of enabling conditions as they make the reader understand easily the level of detail in which in this programming period enabling conditions have been elaborated and satisfied. The same consideration can be elaborated as for the regional Programme, which report the satisfaction at the regional level of the enabling conditions related to the Priorities

involved in the related projects. Namely, therefore, each region and each Programme, which can relate to the ERDF, to the ESF+ or both, reports the satisfaction or missed satisfaction only of the enabling conditions which are involved. This can be understood looking at the Table 3.1. below, which resumes the PA and the national and regional OPs together with their satisfaction of enabling conditions: where a white space is present, indeed, it means that the OP does not mention the condition, therefore the condition must not be satisfied by the regional/central administration.

As for the regional level, looking at the various Programmes, it is possible to discern the higher level of detail and criticality in the criteria and requirements applied to each enabling condition and it can be understood how this simplification and tangibility has helped the satisfaction of certain enabling conditions which had problems before. In general, all the regions except for Calabria, have satisfied the condition 1.1. on the Smart Specialisation Strategy, mainly thanks to the adaptation of the past strategy to the current requirements. The other conditions seem satisfied, however serious problems remain as for three main thematic conditions: the 2.5. on water and waste water management, which is not satisfied by Molise, Calabria, Basilicata, Abruzzo, Campania and Sicilia; the 2.6. on waste management, which is not satisfied by Molise, Basilicata, Calabria, Campania, Emilia-Romagna, Friuli Venezia Giulia, Lazio, Piemonte, Sicilia, Toscana, Umbria and Veneto; the 3.1. on transportation, which is not satisfied by Calabria, Campania and Sicilia.

From the documentation it is only possible to draw information on the satisfied criteria, but no information is provided as for the motivations of satisfaction/non-satisfaction of the conditions by the single regions²⁰. For this reason, interviews are deemed necessary in order to get more in depth on the matter. In general, from the documents concerning Programmes, as it happened with the PA, the hypothesis concerning criticality seems to be confirmed as, even if some conditions are not satisfied, the majority of them have been successfully implemented and the criteria seem to have been easily applied. Indeed, for each enabling condition each criteria was reported with the specification of the methods of satisfaction and the measures that had been put in place in order to ensure satisfaction.

²⁰ Even if it must be considered that in each Programme, if the condition is not satisfied, for each criterion justifications for the lack of fulfilment are provided.

In the same way, even in the case in which the condition was not satisfied, clarifications for each criteria were clearly provided and prospects for future satisfaction were drawn. This is well exemplified taking into consideration Calabria and its regional Programme funded under ERDF: first Calabria satisfies the thematic enabling condition 1.1. concerning the presence of a good governance of the national or regional S3. This is given by the presence of a S3 of the Calabria Region which:

- identifies the challenges as for the diffusion of innovation and digitalisation in nine main areas such as the digital divide and the human capital (criterion 1.);
- identifies the “*Settore Coordinamento e Sorveglianza*” (Surveillance and Coordinating Sector) as the institution with management responsibilities (criterion 2.) and with surveillance functions (criterion 3.);
- creates a procedure for the cooperation with stakeholders and entrepreneurial discovery (criterion 4.);
- establishes actions for enhancing regional research and innovation systems such as the support for the creation of start-ups (criterion 5.);
- establishes actions for supporting industrial transition (criterion 6.);
- entails measures for reinforcing cooperation outside the Member States enhancing internationalisation and stimulating the participation to international networks (criterion 7.).

The OP then refers to the enabling condition 2.5. concerning the updated planning of needed water and wastewater investments, which was not deemed satisfied at the time of approval of the Programme as the “*Piano d’Ambito*” (plan on the sector) of Calabria was not updated. This update however still has not been realised. Indeed the plan does not embrace an evaluation of the implementation of the European directives on the matter (criterion 1.), nor the identification of the needed public investments (criterion 2.), nor an esteem for the needed investment for the renovation of existing wastewater infrastructures (criterion 3.), nor an indication of the possible public financing sources (criterion 4.).

In the same way also the enabling condition 2.6. concerning the updated planning of waste management was not satisfied at the time of approval of the Programme and still is not

satisfied as the “*Piano Regionale di gestione rifiuti per la Calabria*” (Regional Plan for Waste Management of Calabria) has not been updated yet. Indeed this plan does not contain an analysis of the current situation of waste management (criterion 1.), nor an evaluation of the current waste collection systems (criterion 2.), nor an evaluation of the investment deficiencies which justify the need to close the plants (criterion 3.), nor information for the identification of the future plants for waste management (criterion 4.).

The Programme then refers to the enabling condition 2.7. concerning a prioritised action framework for the necessary conservation measures involving Union co-financing which is satisfied as the prioritised action framework has been presented and specified the measures necessary for intervening on the matter. The Programme also applies to the enabling condition 3.1. concerning a comprehensive planning of transportation at an appropriate level. This condition, however, was not satisfied at the time of approval of the Programme and still is not satisfied even if in May 2024 new documentation was provided. Indeed the “*Documento Strategico della Mobilità Ferroviaria di passeggeri e merci*” (Strategic Document for Railway Mobility of passengers and goods) does not satisfy some criteria, namely it does not provide an economic evaluation of investments (criterion 1.), is not completely coherent with the national integrated plan for energy and climate (criterion 2.), does not guarantee the complementarity of investment outside the net TENT (criterion 4.), does not promote multimodal transportation (criterion 6.) and does not embrace measure for the planning of infrastructures (criterion 7.). However, it entails investments in the central net TENT (criterion 3.), it guarantees interoperability of the railway network (criterion 5.), it presents the results of the risk evaluation for road safety (criterion 8.) and it gives information on the financial resources for planned investments (criterion 9.).

From this regional example it is, therefore, possible to understand the level of detail of criteria which has not left space for interpretation and has provided tangible objectives to be reached. This has been confirmed also by several regional documents which have been drawn from the website OpenCoesione and from the websites of the single regions, reporting on the satisfaction of the enabling conditions and on the monitoring processes of Monitoring Committees.

However, no information can be drawn as for intervening factors which could have contributed to the satisfaction of conditions, such as the past experience or the presence of other funds or instruments which have incremented the capacity of regions or of the national administration to satisfy the criteria. For this reason, interviews have been fundamental in further testing the hypotheses and confirm or reject what has been found from the analysis of documents.

An overall presentation of the PA's and the Italian national and regional Programmes' satisfaction of general and thematic enabling conditions is provided by Figures 3.1. and 3.2.

	Effective monitoring mechanisms of the public procurement market	Tools and capacity for effective application of State aid rules	Effective application and implementation of the Charter of Fundamental Rights	Implementation and application of the United Nations Convention on the rights of persons with disabilities (UNCPRD) in accordance with Council Decision 2010/48/EC	I.1. Good governance of national regional specialisation strategy	or I.2. National smart broadband plan	or 2.1. Strategic policy framework to support energy efficiency renovation of residential and non-residential buildings	2.2. Governance of the energy sector	2.3. Effective promotion of the use of renewable energy across sectors and across the Union	2.4. Effective disaster risk management framework
Type of document										
Partnership Agreement (July 2021)	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied
PN FESR FSE+ SCUOLA E COMPETENZE	Satisfied	Satisfied	Satisfied	Satisfied						
PN FESR FSE+ EQUITTA' NELLA SALUTE	Satisfied	Satisfied	Satisfied	Satisfied						
PN FESR FSE+ INCLUSIONE E LOTTA ALLA POVERTA'	Satisfied	Satisfied	Satisfied	Satisfied						
PN FESR FSE+ METRO PLUS E CITTA' MEDIE SUD					NOT satisfied		Satisfied	Satisfied	Satisfied	Satisfied
PN FESR FSE+ CAPACITA' PER LA COESIONE										
PN FESR RICERCA, INNOVAZIONE E COMPETITIVITA' PER LA TRANSIZIONE VERDE E DIGITALE					PARTIALLY			Satisfied	Satisfied	
PN FESR SICUREZZA PER LA LEGALITA'	Satisfied	Satisfied	Satisfied	Satisfied						
PN FESR CULTURA	Satisfied	Satisfied	Satisfied	Satisfied			Satisfied	Satisfied		Satisfied
PR FESR FSE+ MOLISE	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied					Satisfied
PR FESR FSE+ PUGLIA	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied	Satisfied	Satisfied	Satisfied
PR FESR FSE+ CALABRIA	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied	Satisfied	Satisfied	Satisfied
PR FESR FSE+ BASILICATA	Satisfied	Satisfied	Satisfied	Satisfied	NOT satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied
PR FESR ABRUZZO	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied
PR FESR CAMPANIA	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied	Satisfied	Satisfied	Satisfied
PR FESR EMILIA-ROMAGNA	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied	Satisfied	Satisfied	Satisfied
PR FESR FRIULI-VENEZIA GIULIA	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied		Satisfied	Satisfied
PR FESR LAZIO	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied	Satisfied	Satisfied	Satisfied
PR FESR LIGURIA	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied	Satisfied	Satisfied	Satisfied
PR FESR LOMBARDIA	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied	Satisfied	Satisfied	Satisfied
PR FESR MARCHE	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied	Satisfied	Satisfied	Satisfied
PR FESR PA BOLZANO	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied	Satisfied		Satisfied
PR FESR PA TRENTO	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied
PR FESR PIEMONTE	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied	Satisfied	Satisfied	Satisfied
PR FESR SARDEGNA	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied	Satisfied	Satisfied	Satisfied
PR FESR SICILIA	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied	Satisfied	Satisfied	Satisfied
PR FESR TOSCANA	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied	Satisfied	Satisfied	Satisfied
PR FESR UMBRIA	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied	Satisfied	Satisfied	Satisfied
PR FESR VALLE D'AOSTA	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied
PR FESR VENETO	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied	Satisfied	Satisfied	Satisfied
PN FSE+ GIOVANI, DONNE E LAVORO	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ CAMPANIA	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ EMILIA-ROMAGNA	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ FRIULI-VENEZIA GIULIA	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ LAZIO	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ LIGURIA	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ LOMBARDIA	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ PA BOLZANO	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ PA TRENTO	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ PIEMONTE	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ SARDEGNA	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ SICILIA	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ TOSCANA	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ VALLE D'AOSTA	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ VENETO	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ ABRUZZO	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ MARCHE	Satisfied	Satisfied	Satisfied	Satisfied						
PR FSE+ UMBRIA	Satisfied	Satisfied	Satisfied	Satisfied						
PN FONDO TRANSIZIONE GIUSTA	Satisfied	Satisfied	Satisfied	Satisfied						

Figure 4.1: Fulfilment of enabling conditions, Italian PA and Programmes. Source: own elaboration.

Type of document	2.5. Updated planning for required investments in water and wastewater sectors	2.6. Updated planning for waste management	2.7. Prioritised action framework for the necessary conservation measures involving Union co-financing	3.1. Comprehensive transport planning at the appropriate level	4.1. Strategic policy framework for active labour market policies	4.2. National strategic framework for gender equality	4.3. Strategic policy framework for the education and training system at all levels.	4.4. National strategic policy framework for social inclusion and poverty reduction	4.5. National Roma inclusion strategic policy framework	4.6. Strategic policy framework for health and long-term care
Partnership Agreement (July 2021)	PARTIALLY	PARTIALLY	PARTIALLY	PARTIALLY	Satisfied	Satisfied	Satisfied	Satisfied	PARTIALLY	Satisfied
PN FESR FSE+ SCUOLA E COMPETENZE							Satisfied			
PN FESR FSE+ EQUITA' NELLA SALUTE										Satisfied
PN FESR FSE+ INCLUSIONE E LOTTA ALLA POVERTA'								Satisfied	Satisfied	Satisfied
PN FESR FSE+ METRO PLUS E CITTA' MEDIE SUD		NOT satisfied	Satisfied					Satisfied		Satisfied
PN FESR FSE+ CAPACITA' PER LA COESIONE										
PN FESR RICERCA, INNOVAZIONE E COMPETITIVITA' PER LA TRANSIZIONE VERDE E DIGITALE										
PN FESR SICUREZZA PER LA LEGALITA'										
PN FESR CULTURA										
PR FESR FSE+ MOLISE	NOT satisfied	NOT satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FESR FSE+ PUGLIA	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied
PR FESR FSE+ CALABRIA	NOT satisfied	NOT satisfied	Satisfied	NOT satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FESR FSE+ BASILICATA	NOT satisfied	NOT satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FESR ABRUZZO	NOT satisfied	Satisfied	Satisfied							
PR FESR CAMPANIA	NOT satisfied	NOT satisfied	Satisfied	NOT satisfied	Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FESR EMILIA-ROMAGNA		NOT satisfied	Satisfied							
PR FESR FRULLI-VENEZIA GIULIA		NOT satisfied	Satisfied							
PR FESR LAZIO		NOT satisfied	Satisfied							
PR FESR LIGURIA		Satisfied								
PR FESR LOMBARDIA		Satisfied								
PR FESR MARCHE	Satisfied		Satisfied							
PR FESR PA BOLZANO										
PR FESR PA TRENTO										
PR FESR PIEMONTE		NOT satisfied	Satisfied				Satisfied			
PR FESR SARDEGNA	Satisfied	Satisfied	Satisfied		Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FESR SICILIA	NOT satisfied	NOT satisfied	Satisfied	NOT satisfied			Satisfied	Satisfied		Satisfied
PR FESR TOSCANA		NOT satisfied	Satisfied							
PR FESR UMBRIA		NOT satisfied	Satisfied							
PR FESR VALLE D'AOSTA										
PR FESR VENETO		NOT satisfied	Satisfied				Satisfied	Satisfied		
PN FSE+ GIOVANI, DONNE E LAVORO					Satisfied	Satisfied				
PR FSE+ CAMPANIA					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FSE+ EMILIA-ROMAGNA					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FSE+ FRULLI-VENEZIA GIULIA					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FSE+ LAZIO					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FSE+ LIGURIA					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FSE+ LOMBARDIA					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FSE+ PA BOLZANO					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FSE+ PA TRENTO					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FSE+ PIEMONTE					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FSE+ SARDEGNA					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FSE+ SICILIA					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FSE+ TOSCANA					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FSE+ VALLE D'AOSTA					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FSE+ VENETO					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FSE+ ABRUZZO					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FSE+ MARCHE					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PR FSE+ UMBRIA					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied
PN FONDO TRANSIZIONE GIUSTA					Satisfied	Satisfied	Satisfied	Satisfied		Satisfied

Figure 3.2.: Fulfilment of enabling conditions, Italian Programmes. Source: own elaboration.

3.3. FROM THE EUROPEAN TO THE REGIONAL LEVEL: SEMI-STRUCTURED INTERVIEWS

In order to better understand the factors driving the enforcement of conditionality and the satisfaction of conditions, semi-structured interviews were conducted, to go beyond document analysis.

As introduced before, the interviews have been carried out both with European and Italian regional officers, in presence and online. Upon permission by the interviewee, the majority of interviews was recorded and transcribed and, subsequently, deductive and inductive coding have been applied in order to conduct the analysis.

As inductive and deductive coding have been used, after transcription, several themes and topics emerged, even beyond the ones considered initially during the literature review. Additionally, not only there has been a different argumentation and the provision of different point of views between the European officers and the regional ones, as it could be imaginable, but very opposite points have been evidenced also between the more developed Italian region and the less developed ones.

As the codebook in the Appendix III shows, sixteen main themes have been touched upon with different sensitivity and different opinions thereon. Following the elaborated hypotheses and what has been reported in the literature, indeed, topics such as a perceived high or low level of criticality and credibility and the perceived presence of higher ownership in the current programming period together with an evaluation on their relative contribution to the better fulfilment of enabling conditions have been discussed, obviously. However, beyond these themes, other important topics have emerged such as the fact that ownership can be interpreted not only as support and embracement of the investment requirements coming from the European level, but it can be understood also in the sense of involvement of the regional bodies and authorities in the design process of conditionalities or again in the sense of accountability/responsibility creation for regions. In the same way, also the theme of the importance of political relevance of certain kinds of conditionalities, if confronted with others, has emerged as a possible important factor in determining the fulfilment or not of conditions (see below for more explanation). Also the role of governance has been identified as determinant in the fulfilment of conditionalities, together with the positive or negative perception of imposition of conditions. Other factors that have been evidenced as important in the process of satisfaction of enabling conditions has been the tailoring aspect, that is also connected with the different theme of involvement of regions in the elaboration and establishment of conditions in order to understand specific local needs and difficulties. Lastly the complexity of planning and implementation processes has been evidenced as relevant too. This is a general overview of the sixteen main themes that have been identified as tackled during the interviews, through inductive and deductive coding, and they will be all explained in the remaining part of this section and in the chapter concerning results' presentation.

For sure, a topic which has been touched upon during the interviews and where all interviewees reported to have more or less the same opinion, independently from the fact that they were working at the European level or within a more or less developed region was the one concerning criticality. All of the interviewees, indeed, confirmed the fact that criticality was present, i.e. the fact that conditions were streamlined, reduced in number and regional and/or national authorities were provided with more tangible and reality-based criteria. This has been reported, mainly by EO1, EO2 and EO4, as one of the aims of the Commission in developing the new enabling conditions for the 2021-2027 programming period. Enabling conditions, they maintained, eliminated the requirement that directives had to be transposed, rather provided real-world criteria which were made more tangible, objective and meaningful, leaving less space for interpretation. EO4 has reported enabling conditions also being better phrased and more focused as they aimed to affect the effectiveness of investments on the ground.

Also at the regional level the streamlining and, consequently, higher criticality has been perceived with both ROMR1 and ROLR2 reporting the fact that conditions have been diminished in number, have been merged, have been made more intelligible and criteria have been made more easily interpretable and this has really helped and accelerated the satisfaction of conditions themselves. Even if not so far away from this position, however, the stance taken by ROLR1 was a little bit different: even if for sure also it has been perceived there a lower number of imposed conditions, the reasoning about criticality has led to the discussion, with such officer, of the low level of involvement of local authorities that, according to ROLR1, has been present in the current programming period rather than the previous one. This has led, according to the officer, to serious difficulties as if, before, the involvement of regions has led to their total comprehension of imposed conditions, in the current programming period the conditions have been perceived only as imposed, mainly in relation to the general enabling conditions on the respect of the UNCRPD and the Charter of Fundamental Rights of the EU. In general, therefore, even if higher criticality was reported also by ROLR1, the attention, in replying to the question on criticality, was mainly given to the lower level of involvement of the regional authorities at the European level. Totally different, however, has been the position taken by ROMR1, according to which if it was true that a lower involvement of regions in the design of conditionalities has happened, the imposition of conditions has had positive

effects and impacts and has been positively perceived by the region. This is completely different from what has been perceived by ROLR1 and maybe reflects also the different histories, development levels and propensions towards the “European world” on the part of the various regions. For sure this is a matter that should be investigated more in further research, but to which more space cannot be given in the current dissertation.

Overall, therefore, as for the presence of criticality, that has been confirmed, and its contribution to the fulfilment of conditionalities, both European and regional officers have agreed on the fact that more critical conditions have contributed to a better, easier and faster fulfilment of enabling conditions.

As for the second topic, i.e. credibility, that is related to the second hypothesis, some clarifications need to be provided. As it is well explained above, credibility has been linked with the monitoring and control mechanisms on the part of the Commission which realise through the fact that spending cannot be reimbursed, even if the reimbursement is requested, if enabling conditions related to the concerned Programme are not totally fulfilled. To this, adds up the fact that monitoring is increased in this programming period as the fulfilment of conditionalities must be maintained throughout the whole funding frame, i.e. from the moment of satisfaction until the end of funding provision. If, in all the interviews, both at the European and regional levels, it has been recognised that this need of continuous fulfilment and this threat of non-payment have for sure increased the credibility of the Commission and have led to better enforcement of conditionality, credibility should not be interpreted, according to the interviewees, as higher control or monitoring mechanisms, rather as higher incentives provided to MSs and regions for the fulfilment of conditionalities. That is, in the interviews, the terms monitoring and control have been evidenced as erroneous because what is present in reality in the current programming period is an incentive mechanism that, for sure, increases credibility requiring the respect of conditions for providing reimbursement and requiring the fulfilment of conditionality throughout the whole programming period; however this mechanism does not work in a top-down manner such that the Commission controls the MSs and the regions and imposes “sanctions”. Rather, the mechanism, called incentive mechanism properly for this reason, works in a bottom-up way, i.e. in the case of non-fulfilment or interruption of fulfilment as changes have incurred both at the national or regional level, these must be reported by the MS or the region itself. Therefore, it is not

the Commission that controls and monitors, rather it is the MS or the region which has the responsibility to report and has incentives for respecting conditions and rules and criteria attached to them. This, according to EO1, has been the real legislative innovation of the 2021-2027 programming period. Following what has been said by ROMR1: “Managing Authorities and the regions and the autonomous provinces have given more attention, they have interpreted enabling conditions not only as a simple compliance to tick on a list (...) because they (the Commission) held us responsible (...) for sure this has been an expedient for making (regions) reasoning in a more serious and more organized manner as for the realization”. This incentive mechanism, therefore, has provided incentives and has created awareness both at the national and regional level, providing the possibility for the MSs and the regions to have an active role, rather than a passive one.

At the same time, by ROLR2, also higher pressures, that had positive effects on the fulfilment of conditionalities, on the part of the Commission has been perceived.

In general, therefore, the definition of credibility as the provision of an incentive, rather than a monitoring and control mechanism, that has shifted the responsibility from the top to the bottom, i.e. from the Commission, in its responsibility to control, to the MSs and the regions, in their responsibility to report, has not only led to the corroboration and confirmation of the second hypothesis, even if with some modifications, but has also led, during interviews, all the interviewees to speak about the matter of ownership.

As for ownership, that in this dissertation is interpreted as the fact that an overall framework of support for suggested reforms and investments following the implementation of NGEU’s funds in the Italian context, it has been reported as present only by EO1 and ROMR2, but also when reported in these cases it seems to have had no effects on the fulfilment of conditions. Rather, what has been evidenced in all the interviews, except the two mentioned before, has been a higher level of ownership that has also led to better fulfilment and enforcement of conditionality, but this kind of ownership was not the one that was evidenced from the literature and mentioned above, rather it was a kind of responsibility/accountability kind of ownership directly descending from the incentive mechanism/system that has been mentioned in relation to credibility.

The incentive mechanism that has been created in order to enhance the monitoring and the reporting on the fulfilment of conditionalities, indeed, has not only increased the awareness on the part of regions and MSs as for the conditions that needed to be fulfilled and the motivations behind the use of conditionalities, but it has also had effects on the enforcement of conditionality itself as regions and MSs, being more aware, gave more attention to the whole conditionality system and fulfilled conditions in a better, easier and faster way. Ownership, therefore, has been reported and interpreted in a different way than the one provided by the interviewer and derived from the literature on the IMF and the World Bank, and seems, in this connotation, to be peculiar to the European level. The national and regional arenas, indeed, seem to have been valued and made responsible and aware of what they had to implement in a different way than how it has been done in other supranational organizations: in the context of the EU, indeed, a bottom-up approach has been adopted in order to increase accountability, responsibility, awareness and, therefore, ownership on the part of MSs and regions, that are in this way more involved in the process of fulfilment and are provided with more incentives to fulfil conditionalities.

Beyond these three factors, in the determination of the fulfilment of conditionalities other elements have been evidenced as relevant, in the respect of conditions, by the various interviewees. For sure the level of political relevance of the matter covered by the condition has been identified as important in determining the fulfilment of the conditions by EO1 and ROLR1, which provided the example of the political relevance of conditions related to waste management in the Southern, so less developed, regions, in Italy. Indeed, the fact that the matter is politically relevant, such in the case of waste management, does not allow fulfilment, independently from other external factors. In the same way, always ROLR1 has evidenced the importance of the governance system that is present at the national or regional level as determinant in the fulfilment of conditionalities: independently from the fact that conditions are more critical or the fact that there is more credibility, the absence of the needed governance framework, for example in the case of transportation in Southern Italy, does not provide possibilities to fulfil conditions. In the same way other factors that refrain the fulfilment of conditionalities are the complexity of the whole legislative system, as reported by ROMR1 and ROLR1, or the perceived low levels of involvement of regions together with the low level of customization and adaptation to national and/or regional needs on the part of the conditions, matter that has

been defined as problematic both by ROLR1 and by EO2. In the same way, mainly by ROLR2, the role of the Italian NRRP and the connected reforms in the provision of advantages and a ground for the satisfaction of conditions has been evidenced: indeed, making further research on the relationship between the reforms implemented through the NRRP and the advantages they provided for the satisfaction of enabling conditions would be relevant today. Finally, the role of the past experience and of learning from the lessons of the past has been evidence by almost all of the interviewees as a fundamental element in determining the current fulfilment of conditionalities, as past strategies and roles that were identified for the 2014-2020 programming period were adapted for the current one. This is a particularly important factor which, even if accounted for during the elaboration of the hypotheses, was not treated in the current dissertation. It would, indeed, deserve further research and further attention.

Beyond providing answers to the questions posed and providing adjustments to my interpretations, each interviewee provided examples of their experiences, focused on some conditions in particular, revealing the importance attached to each condition in a particular context. All the European officers, in particular, mentioned the Smart Specialisation Strategy condition (EO3 and EO4), the one on the public procurement (EO2) and the ones concerning waste, water and transportation management (EO1). At the regional level, rather, ROMR1 and ROLR1 referred to the conditions concerning the respect of the Charter of Fundamental Rights of the EU and the respect of the UNCRPD, while ROLR2 referred mainly to the ones concerning transportation, water and waste management.

Overall, this chapter has gone throughout the operationalisation of independent variables for then shifting towards the explanation of the collection and analysis of data. First the analysis of the Italian PA and of the Italian national and regional Programmes has been presented together with the provision of some examples. Then, the analysis of the interviews, that have been conducted either in presence or online and then transcribed, has been set forth thanks following the implementation of inductive and deductive coding. The use of such qualitative analysis technique has allowed not only testing the hypotheses, but it has also allowed the discovery of different themes that were not accounted for before and that have led to the elaboration of the findings that are presented in the next chapter.

4. WHICH FACTORS HELP CONDITIONALITY? PRESENTATION OF RESULTS AND INTERPRETATION OF FINDINGS

In this chapter the results of the research, deriving from the analysis of documents and of the content of the interviews, will be presented. The above-mentioned hypotheses have been, indeed, tested and the outcomes of such tests, together with relevant additions, will be here reported.

4.1. HIGHER CRITICALITY, BETTER ENFORCEMENT?

In all the interviews, the issue of criticality has been touched upon. As introduced in the chapter of methodology and, specifically, in the section explaining techniques, all interviewees have been specifically addressed with questions concerning first, the presence of criticality, in order to see whether what I gained from the Common Provision Regulation was right, and, then, questions on the effects of such criticality on the enforcement of conditionality.

As mentioned in the previous chapter, indeed, all interviewees not only reported the presence of criticality, in the sense that a lower number of conditions, which are more focused, more tangible and with objective and meaningful criteria, is present, but also such criticality has helped MSs and regions in the enforcement of conditionality. Namely, the presence of “real-world” conditions, that went beyond the simple transposition of directives, but had real impact on the overall environment in which funds were implemented has led to a better, easier and faster satisfaction of enabling conditions. This was already evidenced by the analysis of documents, namely, by the analysis of the Italian PA and of the national and regional Programmes, however, in this case, interviews have been considered fundamental in further corroborating the hypothesised relationship. This has been reported both by the European officers, but also by the regional ones, independently from the fact that they pertained to a more or less developed region, even if in the case of ROLR1 the attention on criticality has been immediately shifted towards a perceived lower involvement of regions in the process of definition of conditions.

Overall, therefore, the first hypothesis “*H1: Higher levels of criticality lead to better enforcement of conditionality.*” can be deemed confirmed. There seems to be, indeed, a

positive relationship between the level of criticality and the better enforcement of conditionality, i.e. the more the conditions are tangible, limited in number, meaningful and interpretable with limits, the more the conditions seem to be satisfied in a lower time-frame, in an easier way and with higher awareness.

4.2. MORE CREDIBILITY FOR MORE ENACTMENT OF CONDITIONS?

The second hypothesis relates to credibility and, in particular, hypothesises the relationship between a higher level of credibility, operationalised as higher control and monitoring on the part of the Commission, and a better enforcement of conditionality.

What has been evidenced by the interviews, on this matter, as documents did not provided information thereon, has been a sort of re-interpretation of the concept of credibility. Indeed, differently from what can be extracted from the Common Provision Regulation, what has been introduced in this programming period has not been a higher control on the part of the Commission, i.e. a stronger top-down monitoring from the European level, rather an incentive mechanism with a bottom-up character. In particular, indeed, in the 2021-2027 programming period, it is true that more pressure is exercised on MSs and regions as for the fulfilment of enabling conditions because if conditions are not respected throughout the whole programming period reimbursement cannot be done on the part of the Commission, even if requested. However this constitutes more an incentive, rather than a control system as the reporting on the fulfilment or on the interruption of the satisfaction of conditions must be done by the national or local authorities themselves. Therefore, there is not a top-down mechanism according to which it is the Commission that controls over each Programme and its related conditions, rather there is a bottom-up system according to which national and/or regional authorities are entrusted with reporting duties which increase their responsibility and accountability.

Therefore, if, on the one hand, it is not true that top-down control mechanisms influence the fulfilment of conditionalities, a re-interpretation of credibility, in the sense of monitoring coming from the local level together with the incentive provided by the reimbursement of funds only if conditions are satisfied, allows a better testing of the second hypothesis.

Indeed, if the second hypothesis “*H2: Higher levels of credibility lead to better enforcement of conditionality.*” is tested through the interpretation of credibility in the sense of control by the Commission, the hypothesis cannot be tested as such credibility, that seemed present from a reading of the Common Provision Regulation, is not real. Differently, however, if the hypothesis is interpreted as suggested by the interviewees, and this is what I will be doing as it is relevant for the research, the hypothesis seems to be confirmed. Indeed, the incentive system, that has been created through the provision of the reimbursement incentive and the responsibility attached to regions and MSs, has led not only to a higher awareness of the conditions and the importance of fulfilling them, but has also helped the implementation of conditions themselves, leading to their better, easier and faster enforcement. This bottom-up incentive mechanism, therefore, has increased the credibility of the Commission providing incentives for the satisfaction of conditionalities. The way in which credibility is working within the European context, therefore, is completely different from the way in which credibility works in other supranational organizations, such as the IMF or the World Bank, where top-down control mechanisms are implemented. This, maybe, reveals a peculiar character of the European system of governance which, operating through a MLG system and a partnership principle, tends to give more responsibility to the local level and tends to trust more MSs and regions. This matter, however, would deserve further research, which should be done also providing comparisons with other supranational organisations.

4.3. DOES OWNERSHIP REALLY MATTER?

The responsibility creation that derives from the incentive system mentioned in the previous section has led almost all the interviewees to connect such accountability creation mechanism to the matter of ownership.

Indeed, ownership, as interpreted in this dissertation in the sense of more awareness and more openness towards reforms and investments coming from the European level following the implementation of the RRF’s funds, has been reported as present only by EO1 and ROLR2 and, if reported as present it does not seem to have had effects on the satisfaction of enabling conditions. The third hypothesis “*H3: Higher levels of ownership lead to better enforcement of conditionality.*” does not seem to be, therefore, confirmed.

However, what has been derived from the various interviews, has been a many-folds interpretation of ownership itself. If, indeed, on the basis of what has been experienced in the context of other supranational organizations, ownership can be interpreted as openness towards changes suggested by the supranational level, in this case the European one, ownership can also have other two meanings. It can be interpreted as awareness and support towards suggested changes/investments on the part of the MS or the region deriving from their involvement in the definition of conditions. This meaning of conditionality has been suggested by ROLR1, however it is out of the scope of this dissertation to treat it. For sure, it is a really important aspect that would deserve further research as it could be important in determining the way in which conditions are enshrined by the receiving country/region, also outside the EU's context. I personally denominated this as ownership-involvement. The third meaning of ownership, that has been suggested by almost all interviewees and that has been mentioned at the beginning of this section, is ownership in the sense of responsibility and accountability creation that leads to more awareness on the importance of conditions and on the importance of their respect. In the current programming period, not only this kind of ownership seems to have been present deriving from the incentive, bottom-up monitoring system that has been created in order to ensure the fulfilment of conditions, but also this kind of ownership seems to have had an effect on the enforcement of conditionalities, making it easier and faster on the part of Italy, as whole, and the single regions, particularly. The bottom-up monitoring system, indeed, has created awareness and has given the national and regional authorities an active role that has prompted attention towards the world of conditionality and this has contributed to their better fulfilment. I personally called this ownership-responsibility. The three kinds of ownership are represented in the Table 4.1.

KIND OF OWNERSHIP	DESCRIPTION
OWNERSHIP	Openness towards reforms/changes/investments suggested by the supranational level.
OWNERSHIP-INVOLVEMENT	Awareness of the importance of suggested changes deriving from the involvement of the country/region in the design of conditions.
OWNERSHIP-RESPONSIBILITY	Awareness of the importance of suggested changes deriving from a bottom-up incentive system which held the countries/regions responsible and increase their accountability.

Table 4.1.: Three meanings of ownership. Source: own elaboration.

Therefore, if the third hypothesis cannot be confirmed as the ownership, as defined in this dissertation, has not led to better enforcement of conditionality, major effects seem to have been present in the satisfaction of conditions if ownership-responsibility is accounted for: a higher level of ownership-responsibility has, indeed, led to a better, easier and faster enforcement of conditionality.

4.4. STRENGTHS AND WEAKNESSES OF THE RESEARCH

This research has been conducted on the basis of what has been evidenced by the literature in relation to the use of conditionality by other supranational organizations, but that appears to be still under-investigated within the context of the EU (studies have developed thereupon in the last years). The research has provided insightful information as for the factors determining the enforcement of conditionality, that will be useful and fundamental in the definition of conditions in post-2027 EU Cohesion Policy. It has, indeed, provided new insights on the matter of ownership, deriving, from the experience of Italy and its regions, three main types of ownership that seem to be present at the European level, in

the current programming period, even if with different importance. It has provided new cues for future research on the matter of conditionality within the EU, which seems to be a peculiar phenomenon where conditionality works a little bit differently than in other supranational organizations.

However, several limitations constitute the basis for justifying further research on the matter. First, the fact that only Italy has been considered and only three, out of twenty, of its regions could be interviewed justifies the need to conduct similar research in other MSs. Second, the fact that qualitative techniques have been used together with a purposive sample could have limited the collection of information and, consequently, studies using inference and quantitative data could maybe provide further details on the hypothesised relationships. Additionally, the fact that during interviews other factors influencing conditionality have been evidenced, such as learning from the past experience, highlights the need to identify other independent variables for further research. Finally, the fact the fact that we are currently still in the middle of the programming period with some enabling conditions which are not fulfilled yet, may have prevented the consideration of other relevant factors which will maybe be relevant once the overall framework is analysed at the end of the 2021-2027 funding period.

Overall, therefore, in this last chapter the interpretation of findings together with the results of the analysis have been presented: the corroboration of the three hypothesis has led to the confirmation of the first one, the confirmation of the second one after the reinterpretation of the independent variable and the rejection of the third one, even if another relationship, with a similar independent variable seems to have been found out. Finally, the consideration of the strengths and weaknesses of such research has been provided in order to lay the ground for further research questions on the matter to be elaborated in the future.

CONCLUSIONS

In the 2021-2027 programming period of EU Cohesion Policy, enabling conditions coming from the EU level have been introduced in order to create a suitable environment for the spending of funds. Enabling conditions introduced in the current programming period, however, are different from the ex-ante conditionalities which were imposed upon MSs and their regions in the 2014-2020 programming period and which were not very successful even if, in the end, they were almost all fulfilled. On the contrary, the situation with enabling conditions today is almost totally reversed, as nearly all the criteria are satisfied and there has seemed to be an easier and faster satisfaction on the part both of the MSs and the regions. This could have been due to a series of new elements and factors which have been introduced between the two programming periods, namely the higher level of criticality, credibility and ownership as conceptualized in the Section 3.1.

In the past, several studies have been undertaken on conditionality. Conditionality has been analysed thoroughly with reference to different IIs making use of it, among them the IMF, the World Bank, the EU or NATO. Among the most relevant and insightful ones, there are the studies conducted on conditionality imposed by the IMF and the World Bank and its satisfaction by the countries concerned. In particular, such studies have found that the presence of some factors, among which criticality, credibility, ownership and transparency, lead to a better satisfaction of imposed conditions. Three of these factors, in particular ownership, criticality and credibility, have been identified as elements effectively distinguishing, within the context of EU Cohesion Policy, enabling conditions from ex-ante conditionalities, particularly in the case of Italy as for what concerns ownership, therefore such three factors have been considered as possible determinants of the better satisfaction that enabling conditions are currently experiencing.

The following RQ and hypotheses have been therefore determined according to a deductive approach:

RQ: Which factors determine a better enforcement of conditionality?

H1: Higher levels of criticality lead to better enforcement of conditionality.

H2: Higher levels of credibility lead to better enforcement of conditionality.

H3: Higher levels of ownership lead to better enforcement of conditionality.

After having identified Italy as a case for developing the research and after having created a purposive sample comprising European and Italian regional officers, document analysis and semi-structured interviews, following an interpretative paradigm, have been conducted and the principal-agent approach has been adopted as a framework of reference both for the data collection and analysis.

If document analysis, conducted on the Italian PA and the Italian national and regional Programmes and on regional documents, has only provided insightful information as for the first hypothesis, semi-structured interviews contributed to the test of all the three hypothesised relationships. After that interviews have been conducted, they have been transcribed and their content has been analysed through deductive and inductive coding, which has led to the identification of sixteen main topics which have been tackled during interviews.

From the research carried out the conclusions of the study in relation to the three hypotheses are as follows: the first hypothesis concerning the contribution of criticality to the fulfilment of conditions has been confirmed as both at the national and regional levels the reported presence of streamlined, less freely interpretable and more tangible conditions has led to an easier and faster satisfaction of conditionality. The second hypothesis could be confirmed too, however only after a reinterpretation of the independent variable, i.e. of criticality. In fact, if from the Common Provision Regulation and the documentation criticality was defined as a high level of control and monitoring by the Commission, after the conduction of interviews it has been re-defined as the presence of a bottom-up system of incentives that holds MSs and regions responsible and increases in them the awareness of conditions together with their accountability. In the second sense, criticality seems, indeed, to have helped the satisfaction of conditions in a better way. Lastly, the third hypothesis has been rejected because the presence itself of ownership, interpreted as the openness of the MSs and regions towards the changes suggested by the European level, not only did not have effects on the satisfaction of conditionality, but was also reported as present only by two interviewees. Rather, however, two further meanings of ownership have emerged from the interviews: ownership-involvement, i.e. the awareness and embracement of conditions on the part of MSs thanks to their involvement in the design of conditionality, and ownership-responsibility, i.e. the embracement of suggested changes and awareness of the

importance of conditionality deriving from a bottom-up incentive mechanism creating responsibility on the part of MSs and regions. Particularly the ownership-responsibility seems to have contributed to a better fulfilment of conditionality therefore requiring a modification of the third hypothesis in order to confirm it.

Overall, a lot of work still has to be done on the matter of conditionality, as the EU seems to have peculiarities that make the European experience in relation to conditionality different from that of other supranational organisations. New kinds of ownership have been identified, highlighting the need to expand the research on the matter, as ownership too seems to work differently in the context of the EU, than in the one of other supranational organizations: indeed, the adoption of the partnership principle and of a MLG system makes the EU a peculiar subject where MSs and regions are trusted in a different way than in other international arenas.

ANNEXES

ANNEX I - List of consulted Italian national and regional Programmes

OpenCoesione. (n.d.-a). *IT - PN Capacità per la coesione AT 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-b). *IT - PN Cultura 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-c). *IT - PN Equità nella Salute 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-d). *IT - PN Giovani, donne e lavoro 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-e). *IT - PN Inclusione e lotta alla povertà 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-f). *IT - PN METRO plus e città medie Sud 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-g). *IT - PN Ricerca, innovazione e competitività per la transizione verde e digitale 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo*

Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-h). *IT - PN Scuola e competenze 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-i). *IT - PN Sicurezza per la legalità 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-j). *IT - PR Abruzzo FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-k). *IT - PR Abruzzo FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-l). *IT - PR Basilicata FESR FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-m). *IT - PR Calabria FESR FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-n). *IT - PR Campania FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-o). *IT - PR Campania FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-p). *IT - PR Emilia-Romagna FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-q). *IT - PR Emilia-Romagna FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-r). *IT - PR Friuli Venezia Giulia FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-s). *IT - PR Friuli-Venezia Giulia FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-t). *IT - PR Lazio FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-u). *IT - PR Lazio FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-v). *IT - PR Liguria FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della*

crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-w). IT - PR Liguria FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-x). IT - PR Lombardia FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-y). IT - PR Lombardia FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-z). IT - PR Marche FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-aa). IT - PR Marche FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-ab). IT - PR Molise FESR FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-ac). IT - PR PA Bolzano FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-ad). *IT - PR PA Bolzano FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-ae). *IT - PR PA Trento FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-af). *IT - PR PA Trento FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-ag). *IT - PR Piemonte FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-ah). *IT - PR Piemonte FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-ai). *IT - PR Puglia FESR FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-aj). *IT - PR Sardegna FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].*

OpenCoesione. (n.d.-ak). *IT - PR Sardegna FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della*

crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-al). IT - PR Sicilia FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-am). IT - PR Sicilia FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-an). IT - PR Toscana FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-ao). IT - PR Toscana FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-ap). IT - PR Umbria FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-aq). IT - PR Umbria FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-ar). IT - PR Valle d'Aosta FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3 [Operational Programme].

OpenCoesione. (n.d.-as). *IT - PR Valle D'Aosta FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3* [Operational Programme].

OpenCoesione. (n.d.-at). *IT - PR Veneto FESR 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3* [Operational Programme].

OpenCoesione. (n.d.-au). *IT - PR Veneto FSE+ 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3* [Operational Programme].

OpenCoesione. (n.d.-av). *IT - Programma Nazionale Just Transition Fund Italia 2021-2027 Programma SFC2021 finanziato a titolo del FESR (obiettivo Investimenti a favore dell'occupazione e della crescita), del FSE+, del Fondo di coesione, del JTF e del FEAMPA - articolo 21, paragrafo 3* [Operational Programme].

ANNEX II - Ex-ante conditionalities (2014-2020) vs Enabling conditions (2021-2027): similar conditionalities are placed near one with another in order to facilitate the confrontation.

General ex-ante conditionalities	Horizontal enabling conditions
<p>1. The existence of administrative capacity for the implementation and application of Union anti-discrimination law and policy in the field of ESI Funds. Arrangements in accordance with the institutional and legal framework of Member States for the involvement of bodies responsible for the promotion of equal treatment of all persons throughout the preparation and implementation of programmes, including the provision of advice on equality in ESI fund-related activities; Arrangements for training for staff of the authorities involved in the management and control of the ESI Funds in the fields of Union anti-discrimination law and policy.</p>	
<p>2. The existence of administrative capacity for the implementation and application of Union gender equality law and policy in the field of ESI Funds. Arrangements in accordance with the institutional and legal framework of Member States for the involvement of bodies responsible for gender equality throughout the preparation and implementation of programmes, including the provision of advice on gender equality in ESI Fund-related activities; Arrangements for training for staff of the authorities involved in the management and control of the ESI Funds in the fields of Union gender equality law and policy as well as on gender mainstreaming.</p>	
<p>3. The existence of administrative capacity for the implementation and application of the United Nations Convention on the rights of persons with disabilities (UNCRPD) in the field of ESI Funds in accordance with Council Decision 2010/48/EC (1). Arrangements in accordance with the institutional and legal framework of Member States for the consultation and involvement of bodies in charge of protection of rights of persons with disabilities or representative organisations of persons with disabilities and other relevant stakeholders throughout the preparation and implementation of programmes; Arrangements for training for staff of the authorities involved in the management and control of the ESI Funds in the fields of applicable Union and national disability law and policy, including accessibility and the practical application of the UNCRPD as reflected in Union and national legislation, as appropriate; Arrangements to ensure monitoring of the implementation of Article 9 of the UNCRPD in relation to the ESI Funds throughout the preparation and the implementation of the programmes.</p>	<p>4. Implementation and application of the United Nations Convention on the rights of persons with disabilities (UNCRPD) in accordance with Council Decision 2010/48/EC. A national framework to ensure implementation of the UNCRPD is in place that includes: 1. Objectives with measurable goals, data collection and monitoring mechanisms. 2. Arrangements to ensure that the accessibility policy, legislation and standards are properly reflected in the preparation and implementation of the programmes. 3. Reporting arrangements to the monitoring committee regarding cases of non-compliance of operations supported by the Funds with the UNCRPD and complaints regarding the UNCRPD submitted in accordance with the arrangements made pursuant to Article 69(7).</p>

<p>4. The existence of arrangements for the effective application of Union public procurement law in the field of the ESI Funds. Arrangements for the effective application of Union public procurement rules through appropriate mechanisms; Arrangements which ensure transparent contract award procedures; Arrangements for training and dissemination of information for staff involved in the implementation of the ESI funds; Arrangements to ensure administrative capacity for implementation and application of Union public procurement rules.</p>	<p>1. Effective monitoring mechanisms of the public procurement market: Monitoring mechanisms are in place that cover all public contracts and their procurement under the Funds in line with Union procurement legislation. That requirement includes: 1. Arrangements to ensure compilation of effective and reliable data on public procurement procedures above the Union thresholds in accordance with reporting obligations under Articles 83 and 84 of Directive 2014/24/EU and Articles 99 and 100 of Directive 2014/25/EU. 2. Arrangements to ensure the data cover at least the following elements: (a) quality and intensity of competition: names of winning bidder, number of initial bidders and contractual value; (b) information on final price after completion and on participation of SMEs as direct bidders, where national systems provide such information. 3. Arrangements to ensure monitoring and analysis of the data by the competent national authorities in accordance with Article 83(2) of Directive 2014/24/EU and Article 99(2) of Directive 2014/25/EU. 4. Arrangements to make the results of the analysis available to the public in accordance with Article 83(3) of Directive 2014/24/EU and Article 99(3) Directive 2014/25/EU. 5. Arrangements to ensure that all information pointing to suspected bid-rigging situations is communicated to the competent national bodies in accordance with Article 83(2) of Directive 2014/24/EU and Article 99(2) of Directive 2014/25/EU.</p>
<p>5. The existence of arrangements for the effective application of Union State aid rules in the field of the ESI Funds. Arrangements for the effective application of Union State aid rules; Arrangements for training and dissemination of information for staff involved in the implementation of the ESI funds; Arrangements to ensure administrative capacity for implementation and application of Union State aid rules.</p>	<p>2. Tools and capacity for effective application of State aid rules. Managing authorities have the tools and capacity to verify compliance with State aid rules: 1. For undertakings in difficulty and undertakings under a recovery requirement. 2. Through access to expert advice and guidance on State aid matters, provided by State aid experts of local or national bodies.</p>
<p>6. The existence of arrangements for the effective application of Union environmental legislation related to EIA and SEA. Arrangements for the effective application of Directive 2011/92/EU of the European Parliament and of the Council ⁽²⁾ (EIA) and of Directive 2001/42/EC of the European Parliament and of the Council ⁽³⁾ (SEA); Arrangements for training and dissemination of information for staff involved in the implementation of the EIA and SEA Directives; Arrangements to ensure sufficient administrative capacity.</p>	

<p>7. The existence of a statistical basis necessary to undertake evaluations to assess the effectiveness and impact of the programmes. The existence of a system of result indicators necessary to select actions, which most effectively contribute to desired results, to monitor progress towards results and to undertake impact evaluation. Arrangements for timely collection and aggregation of statistical data with the following elements are in place: — the identification of sources and mechanisms to ensure statistical validation; — arrangements for publication and public availability of aggregated data. An effective system of result indicators including: — the selection of result indicators for each programme providing information on what motivates the selection of policy actions financed by the programme; — the establishment of targets for these indicators; — the consistency of each indicator with the following requisites: robustness and statistical validation, clarity of normative interpretation, responsiveness to policy, timely collection of data. Procedures in place to ensure that all operations financed by the programme adopt an effective system of indicators.</p>	<p>3. Effective application and implementation of the Charter of Fundamental Rights. Effective mechanisms are in place to ensure compliance with the Charter of Fundamental Rights of the European Union ('the Charter') which include: 1. Arrangements to ensure compliance of the programmes supported by the Funds and their implementation with the relevant provisions of the Charter. 2. Reporting arrangements to the monitoring committee regarding cases of non-compliance of operations supported by the Funds with the Charter and complaints regarding the Charter submitted in accordance with the arrangements made pursuant to Article 69(7).</p>
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Thematic ex-ante conditionalities	Thematic enabling conditions
<p>1.1. Research and innovation. The existence of a national or regional smart specialisation strategy in line with the National Reform Program, to leverage private research and innovation expenditure, which complies with the features of well-performing national or regional R&I systems. A national or regional smart specialisation strategy is in place that: — is based on a SWOT or similar analysis to concentrate resources on a limited set of research and innovation priorities; — outlines measures to stimulate private RTD investment; — contains a monitoring mechanism. A framework outlining available budgetary resources for research and innovation has been adopted.</p>	<p>1.1. Good governance of national or regional smart specialisation strategy. Smart specialisation strategy or strategies shall be supported by: 1. Up-to-date analysis of challenges for innovation diffusion and digitalisation. 2. Existence of competent regional or national institution or body, responsible for the management of the smart specialisation strategy. 3. Monitoring and evaluation tools to measure performance towards the objectives of the strategy. 4. Functioning of stakeholder co-operation ("entrepreneurial discovery process"). 5. Actions necessary to improve national or regional research and innovation systems, where relevant. 6. Where relevant, actions to support industrial transition. 7. Measures for enhancing cooperation with partners outside a given Member State in priority areas supported by the smart specialisation strategy.</p>
<p>1.2. Research and Innovation infrastructure. The existence of a multiannual plan for budgeting and prioritisation of investments. An indicative multi-annual plan for budgeting and prioritisation of investments linked to Union priorities, and, where appropriate, the European Strategy Forum on Research Infrastructures (ESFRI) has been adopted.</p>	
<p>2.1. Digital growth: A strategic policy framework for digital growth to stimulate affordable, good quality and interoperable ICT-enabled private and public services and increase uptake by citizens, including vulnerable groups, businesses and public administrations including cross border initiatives. A strategic policy framework for digital growth, for instance, within the national or regional smart specialisation strategy is in place that contains: — budgeting and prioritisation of actions through a SWOT or similar analysis consistent with the Scoreboard of the Digital Agenda for Europe; — an analysis of balancing support for demand and supply of</p>	

<p>ICT should have been conducted; — indicators to measure progress of interventions in areas such as digital literacy, e-inclusion, e-accessibility, and progress of e-health within the limits of Article 168 TFEU which are aligned, where appropriate, with existing relevant sectoral Union, national or regional strategies; — assessment of needs to reinforce ICT capacity-building.</p>	
<p>2.2. Next Generation Network (NGN) Infrastructure. The existence of national or regional NGN Plans which take account of regional actions in order to reach the Union high-speed Internet access targets, focusing on areas where the market fails to provide an open infrastructure at an affordable cost and of a quality in line with the Union competition and State aid rules, and to provide accessible services to vulnerable groups: A national or regional NGN Plan is in place that contains: — a plan of infrastructure investments based on an economic analysis taking account of existing private and public infrastructures and planned investments; — sustainable investment models that enhance competition and provide access to open, affordable, quality and futureproof infrastructure and services; — measures to stimulate private investment.</p>	<p>1.2. National or regional broadband plan. A national or regional broadband plan is in place which includes: 1. An assessment of the investment gap that needs to be addressed to ensure that all Union citizens have access to very high capacity networks, based on: (a) a recent mapping of existing private and public infrastructure and quality of service using standard broadband mapping indicators; (b) a consultation on planned investments in line with State aid requirements. 2. The justification of planned public intervention on the basis of sustainable investment models that: (a) enhance affordability and access to open, quality and future-proof infrastructure and services; (b) adjust the forms of financial assistance to the identified market failures; (c) allow for a complementary use of different forms of financing from Union, national or regional sources. 3. Measures to support demand and use of very high capacity networks, including actions to facilitate their roll-out, in particular through the effective implementation of the Directive 2014/61/EU of the European Parliament and of the Council. 4. Technical assistance and expert advice mechanisms, such as a Broadband Competence Office, to reinforce the capacity of local stakeholders and advise project promoters. 5. A monitoring mechanism based on standard broadband mapping indicators.</p>
<p>3.1. Specific actions have been carried out to underpin the promotion of entrepreneurship taking into account the Small Business Act (SBA). The specific actions are: — measures have been put in place with the objective of reducing the time and cost involved in setting-up a business taking account of the targets of the SBA; — measures have been put in place with the objective of reducing the time needed to get licenses and permits to take up and perform the specific activity of an enterprise taking account of the targets of the SBA; — a mechanism is in place to monitor the implementation of the measures of the SBA which have been put in place and assess the impact on SMEs.</p>	
<p>4.1. Actions have been carried out to promote cost-effective improvements of energy end use efficiency and cost-effective investment in energy efficiency when constructing or renovating buildings. The actions are: — measures to ensure minimum requirements are in place related to the energy performance of buildings consistent with Article 3, Article 4 and Article 5 of Directive 2010/31/EU of the European Parliament and of the Council (1); — measures necessary to establish a system of certification of the energy performance of buildings consistent with Article 11 of Directive 2010/31/EU; — measures to ensure strategic planning on energy efficiency, consistent with Article 3 of Directive 2012/27/EU of the European Parliament and of the Council (2); — measures consistent with Article 13 of Directive 2006/32/EC of the European Parliament and of the Council (3) on energy end-use efficiency and energy</p>	<p>2.1. Strategic policy framework to support energy efficiency renovation of residential and non-residential buildings. 1. A national long term renovation strategy to support the renovation of the national stock of residential and non-residential buildings is adopted, in line with the requirements of Directive (EU) 2010/31/EU of the European Parliament and of the Council¹¹, which: (a) entails indicative milestones for 2030, 2040 and 2050; (b) provides an indicative outline of financial resources to support the implementation of the strategy; (c) defines effective mechanisms for promoting investments in building renovation. 2. Energy efficiency improvement measures to achieve required energy savings.</p>

<p>services to ensure the provision to final customers of individual meters in so far as it is technically possible, financially reasonable and proportionate in relation to the potential energy savings.</p>	
<p>4.2. Actions have been carried out to promote high-efficiency co-generation of heat and power. The actions are: Support for co-generation is based on useful heat demand and primary energy savings consistent with Article 7(1) and points (a) and (b) of Article 9(1) of Directive 2004/8/EC, Member States or their competent bodies have evaluated the existing legislative and regulatory framework with regard to authorisation procedures or other procedures in order to: (a) encourage the design of cogeneration units to match economically justifiable demands for useful heat output and avoid production of more heat than useful heat; and (b) reduce the regulatory and nonregulatory barriers to an increase in co-generation.</p>	<p>2.2. Governance of the energy sector. The integrated national energy and climate plan is notified to the Commission, in accordance with Article 3 of Regulation (EU) 2018/1999 and consistent with the long-term greenhouse gas emission reduction objectives under the Paris Agreement, which includes: 1. All elements required by the template set out in Annex I to Regulation (EU) 2018/1999. 2. An outline of envisaged financial resources and mechanisms for measures promoting low-carbon energy.</p>
<p>4.3. Actions have been carried out to promote the production and distribution of renewable energy sources. — Transparent support schemes, priority in grid access or guaranteed access and priority in dispatching, as well as standard rules relating to the bearing and sharing of costs of technical adaptations which have been made public are in place consistent with Article 14(1), Article 16(2) and 16(3) of Directive 2009/28/EC of the European Parliament and of the Council (4). — A Member State has adopted a national renewable energy action plan consistent with Article 4 of Directive 2009/28/EC.</p>	<p>2.3. Effective promotion of the use of renewable energy across sectors and across the Union: Measures are in place which ensure: 1. Compliance with the 2020 binding national renewable energy target and with this share of renewable energy as a baseline up to 2030 or having taken additional measures in case the baseline is not maintained over any one-year period in accordance with the Directive (EU) 2018/2001 and Regulation (EU) 2018/1999. 2. In accordance with the requirements of Directive (EU) 2018/2001 and Regulation (EU) 2018/1999, an increase of the share of renewable energy in the heating and cooling sector in line with Article 23 of Directive (EU) 2018/2001.</p>
<p>5.1. Risk prevention and risk management: the existence of national or regional risk assessments for disaster management, taking into account climate change adaptation. A national or regional risk assessment with the following elements shall be in place: — a description of the process, methodology, methods, and non-sensitive data used for risk assessment as well as of the risk-based criteria for the prioritisation of investment; — a description of single-risk and multi-risk scenarios; — taking into account, where appropriate, national climate change adaptation strategies.</p>	<p>2.4. Effective disaster risk management framework. A national or regional disaster risk management plan, established on the basis of risk assessments, taking due account of the likely impacts of climate change and the existing climate adaptation strategies, is in place and includes: 1. Description of key risks, assessed in accordance with Article 6(1) of Decision No 1313/2013/EU of the European Parliament and of the Council, reflecting the current and evolving risk profile with an indicative 25 to 35 years timespan. The assessment shall build, for climate-related risks, on climate change projections and scenarios. 2. Description of the disaster prevention, preparedness and response measures to address the key risks identified. The measures shall be prioritised in proportion to the risks and their economic impact, capacity gaps², effectiveness and efficiency, taking into account possible alternatives. 3. Information on financing resources and mechanisms available for covering the operation and maintenance costs related to prevention, preparedness and response.</p>
<p>6.1. Water sector. The existence of a) a water pricing policy which provides adequate incentives for users to use water resources efficiently and b) an adequate contribution of the different water uses to the recovery of the costs of water services at a rate determined in the approved river basin management plan for investment supported by the programmes. In sectors supported by the ERDF and the Cohesion Fund, a Member State has ensured a contribution of the different water uses to the</p>	<p>2.5. Updated planning for required investments in water and wastewater sectors. For each or both sectors, a national investment plan is in place and includes: 1. An assessment of the current state of implementation of Council Directive 91/271/EEC¹ and of Council Directive 98/83/EC². 2. The identification and planning of any public investments, including an indicative financial estimation: (a) required to implement the Directive 91/271/EEC, including a prioritisation with</p>

<p>recovery of the costs of water services by sector consistent with the first indent of Article 9(1) of Directive 2000/60/EC having regard, where appropriate, to the social, environmental and economic effects of the recovery as well as the geographic and climatic conditions of the region or regions affected. — The adoption of a river basin management plan for the river basin district consistent with Article 13 of Directive 2000/60/EC.</p>	<p>regard to the size of agglomerations and the environmental impact, with investments broken down for each wastewater agglomeration; (b) required to implement Directive 98/83/EC; (c) required to match the needs stemming from Directive (EU) 2020/2184 , regarding in particular the revised quality parameters set out in Annex I of that Directive. 3. An estimate of investments needed to renew existing wastewater and water supply infrastructure, including networks, based on their age and depreciation plans. 4. An indication of potential sources of public financing, when needed to complement user charges.</p>
<p>6.2. Waste sector. Promoting economically and environmentally sustainable investments in the waste sector particularly through the development of waste management plans consistent with Directive 2008/98/EC, and with the waste hierarchy. An implementation report as requested by Article 11(5) of Directive 2008/98/EC has been submitted to the Commission on progress towards meeting the targets set out in Article 11 of Directive 2008/98/EC. — The existence of one or more waste management plans as required under Article 28 of Directive 2008/98/EC; — The existence of waste prevention programmes, as required under Article 29 of Directive 2008/98/EC; — Necessary measures to achieve the targets on preparation for re-use and recycling by 2020 consistent with Article 11(2) of Directive 2008/98/EC have been adopted.</p>	<p>2.6. Updated planning for waste management. One or more waste management plans as referred to in Article 28 of Directive 2008/98/EC of the European Parliament and of the Council are in place, covering the entire territory of the Member State, and include: 1. An analysis of the current waste management situation in the geographical entity concerned, including the type, quantity and source of waste generated and an evaluation of their future development taking into account the expected impacts of measures set out in the waste prevention programmes developed in accordance with Article 29 of Directive 2008/98/EC. 2. An assessment of existing waste collection schemes, including the material and territorial coverage of separate collection and measures to improve its operation, as well as the need for new collection schemes. 3. An investment gap assessment justifying the need for the closure of existing waste installations and additional or upgraded waste infrastructure, with an information of the sources of revenues available to meet operation and maintenance costs. 4. Information on the location criteria for how future site locations identification will be determined and on the capacity of future waste treatment installations.</p>
<p>7.1. Transport. The existence of a comprehensive plan or plans or framework or frameworks for transport investment in accordance with the Member States' institutional set-up (including public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN-T comprehensive and core networks. The existence of a comprehensive transport plan or plans or framework or frameworks for transport investment which complies with legal requirements for strategic environmental assessment and sets out: — the contribution to the single European Transport Area consistent with Article 10 of Regulation (EU) No 1315/2013 of the European Parliament and of the Council (5), including priorities for investments in: — the core TEN-T network and the comprehensive network where investment from the ERDF and the Cohesion Fund is envisaged; and — secondary connectivity; — a realistic and mature pipeline for projects for which support from the ERDF and the Cohesion Fund is envisaged; — Measures to ensure the capacity of intermediary bodies and beneficiaries to deliver the project pipeline.</p>	<p>3.1. Comprehensive transport planning at the appropriate level. Multimodal mapping of existing and planned infrastructures, except at local level, until 2030 is in place which: 1. Includes economic assessment of the planned investments, underpinned by demand analysis and traffic modelling, which should take into account the anticipated impact of the opening of the rail services markets. 2. Is consistent with the transport related elements of the integrated national energy and climate plan. 3. Includes investments in TEN-T core network corridors, as defined by the CEF Regulation, in line with the respective TEN-T core network corridors work plans. 4. For investments outside the TEN-T core network corridors, including in cross-border sections, ensures complementarity by providing sufficient connectivity of the urban networks, regions and local communities to the core TEN-T and its nodes. 5. Ensures interoperability of the rail network, and, where relevant, reports on the deployment of ERTMS according to Commission Implementing Regulation (EU) 2017/61. 6. Promotes multimodality, identifying needs for multimodal or transshipment freight and passengers terminals. 7. Includes measures relevant for infrastructure planning aiming at promoting alternative fuels, in line with the relevant national policy frameworks. 8. Presents the results of the assessment of road safety risks in line with existing national road safety</p>

	strategies, together with a mapping of the affected roads and sections and providing with a prioritisation of the corresponding investments. 9. Provides information on financing resources corresponding to the planned investments and required to cover operation and maintenance costs of the existing and planned infrastructures.
7.2. Railway. The existence within the comprehensive transport plan or plans or framework or frameworks of a specific section on railway development in accordance with the Member States' institutional set-up (including concerning public transport at regional and local level) which supports infrastructure development and improves connectivity to the TEN-T comprehensive and core networks. The investments cover mobile assets, interoperability and capacity- building. The existence of a section on railway development within the transport plan or plans or framework or frameworks as set out above which complies with legal requirements for strategic environmental assessment (SEA) and sets out a realistic and mature project pipeline (including a timetable and budgetary framework); — Measures to ensure the capacity of intermediary bodies and beneficiaries to deliver the project pipeline.	
7.3. Other modes of transport, including inland-waterways and maritime transport, ports, multimodal links and airport infrastructure: the existence within the comprehensive transport plan or plans or framework or frameworks of a specific section on inland-waterways and maritime transport, ports, multimodal links and airport infrastructure, which contribute to improving connectivity to the TEN-T comprehensive and core networks and to promoting sustainable regional and local mobility. The existence of a section on inland-waterways and maritime transport, ports, multimodal links and airport infrastructure within the transport plan or plans or framework or frameworks which: — complies with legal requirements for strategic environmental assessment; — sets out a realistic and mature project pipeline (including a timetable and budgetary framework); — Measures to ensure the capacity of intermediary bodies and beneficiaries to deliver the project pipeline.	
7.4. Development of smart energy distribution, storage and transmission systems. The existence of comprehensive plans for investments in smart energy infrastructure, and of regulatory measures, which contribute to improving energy efficiency and security of supply: Comprehensive plans describing the national energy infrastructure priorities are in place that are: — in accordance with Article 22 of Directive 2009/72/EC and of Directive 2009/73/EC, where applicable, and consistent with the relevant regional investment plans under Article 12 and with the Union-wide ten-year network development plan in accordance with point (b) of Article 8(3) of Regulation (EC) No 714/2009 of the European Parliament and of the Council (6) and with Regulation (EC) No 715/2009 of the European Parliament and of the Council (7), and — compatible with Article 3(4) of Regulation (EU) No 347/2013 of the	

<p>European Parliament and of the Council (8);. Those plans shall contain: — a realistic and mature project pipeline for projects for which support from the ERDF is envisaged; — measures to achieve the objectives of social and economic cohesion and environmental protection, in line with Article 3(10) of Directive 2009/72/EC and Article 3(7) of Directive 2009/73/EC; — measures to optimise the use of energy and promote energy efficiency, in line with Article 3(11) of Directive 2009/72/EC and Article 3(8) of Directive 2009/73/EC.</p>	
<p>8.1. Active labour market policies are designed and delivered in the light of the Employment guidelines. Employment services have the capacity to, and do, deliver: — personalised services and active and preventive labour market measures at an early stage, which are open to all jobseekers while focusing on people at highest risk of social exclusion, including people from marginalised communities; comprehensive and transparent information on new job vacancies and employment opportunities taking into account the changing needs of the labour market. Employment services have set up formal or informal cooperation arrangements with relevant stakeholders.</p>	<p>4.1 Strategic policy framework for active labour market policies. A strategic policy framework for active labour market policies in the light of the Employment guidelines is in place and includes: 1. Arrangements for conducting jobseekers' profiling and assessment of their needs. 2. Information on job vacancies and employment opportunities, taking into account the needs of the labour market. 3. Arrangements for ensuring that its design, implementation, monitoring and review is conducted in close cooperation with relevant stakeholders. 4. Arrangements for monitoring, evaluation and review of active labour market policies. 5. For youth employment interventions, evidence-based and targeted pathways towards young people not in employment, education or training including outreach measures and based on quality requirements, taking into account criteria for quality apprenticeships and traineeships, including in the context of Youth Guarantee schemes implementation.</p>
	<p>4.2. National strategic framework for gender equality. A national strategic policy framework for gender equality is in place that includes: 1. Evidence-based identification of challenges to gender equality. 2. Measures to address gender gaps in employment, pay, pensions, and to promote work-life balance for women and men, including through improving access to early childhood education and care, with targets, while respecting the role and autonomy of the social partners. 3. Arrangements for monitoring, evaluation and review of the strategic policy framework and data collection methods based on sex-disaggregated data. 4. Arrangements for ensuring that its design, implementation, monitoring and review is conducted in close cooperation with relevant stakeholders, including equality bodies, social partners and civil society organisations.</p>
<p>8.2. Self-employment, entrepreneurship and business creation: the existence of a strategic policy framework for inclusive start-up. A strategic policy framework for inclusive start-up support is in place with the following elements: — measures have been put in place with the objective of reducing the time and cost involved in setting up a business, taking account of the targets of the SBA; — measures have been put in place with the objective of reducing the time needed to get licenses and permits to take up and perform the specific activity of an enterprise, taking account of the targets of the SBA; — actions linking suitable business development services and financial services (access to capital), including</p>	

<p>reaching out to disadvantaged groups, areas, or both, where needed.</p>	
<p>8.3. Labour market institutions are modernised and strengthened in the light of the Employment Guidelines; Reforms of labour market institutions will be preceded by a clear strategic policy framework and ex ante assessment including with regard to the gender dimension. Actions to reform employment services, aiming at providing them with the capacity to deliver: — personalised services and active and preventive labour market measures at an early stage, which are open to all jobseekers while focusing on people at highest risk of social exclusion, including people from marginalised communities; — comprehensive and transparent information on new job vacancies and employment opportunities taking into account the changing needs of the labour market. Reform of employment services will include the creation of formal or informal cooperation networks with relevant stakeholders.</p>	
<p>8.4. Active and healthy ageing: Active ageing policies are designed in the light of the Employment Guidelines: Relevant stakeholders are involved in the design and follow-up of active ageing policies with a view to retaining elderly workers on the labour market and promoting their employment; — A Member State has measures in place to promote active ageing.</p>	
<p>8.5. Adaptation of workers, enterprises and entrepreneurs to change. The existence of policies aimed at favouring anticipation and good management of change and restructuring. Instruments are in place to support social partners and public authorities to develop and monitor proactive approaches towards change and restructuring which include measures: — to promote anticipation of change; — to promote the preparation and management of the restructuring process.</p>	
<p>8.6. The existence of a strategic policy framework for promoting youth employment including through the implementation of the Youth Guarantee. A strategic policy framework for promoting youth employment is in place that: — is based on evidence that measures the results for young people not in employment, education or training and that represents a base to develop targeted policies and monitor developments; — identifies the relevant public authority in charge of managing youth employment measures and coordinating partnerships across all levels and sectors; — involves stakeholders that are relevant for addressing youth unemployment; — allows early intervention and activation; comprises supportive measures for access to employment, enhancing skills, labour mobility and sustainable integration of young people not in employment, education or training into the labour market.</p>	<p>4.3. Strategic policy framework for the education and training system at all level. A national or regional strategic policy framework for the education and training system is in place and includes: 1. Evidence-based systems for skills anticipation and forecasting. 2. Graduate tracking mechanisms and services for quality and effective guidance for learners of all ages. 3. Measures to ensure equal access to, participation in and completion of quality, affordable, relevant, nonsegregated and inclusive education and training, and acquisition of key competences at all levels including higher education. 4. A coordination mechanism covering all levels of education and training, including higher education, and a clear assignment of responsibilities between the relevant national and/or regional bodies. 5. Arrangements for monitoring, evaluation and review of the strategic policy framework. 6. Measures to target low-skilled, low-qualified adults and those with disadvantaged socio-economic backgrounds and upskilling pathways. 7. Measures to support teachers, trainers and academic staff as regards appropriate learning methods, assessment and validation of key competences. 8. Measures to promote mobility of learners and staff and transnational collaboration of</p>

	education and training providers, including through recognition of learning outcomes and qualifications.
9.1. The existence and the implementation of a national strategic policy framework for poverty reduction aiming at the active inclusion of people excluded from the labour market in the light of the Employment guidelines. A national strategic policy framework for poverty reduction, aiming at active inclusion, is in place that: — provides a sufficient evidence base to develop policies for poverty reduction and monitor developments; — contains measures supporting the achievement of the national poverty and social exclusion target (as defined in the National Reform Programme), which includes the promotion of sustainable and quality employment opportunities for people at the highest risk of social exclusion, including people from marginalised communities; — involves relevant stakeholders in combating poverty; — depending on the identified needs, includes measures for the shift from institutional to community based care. Upon request and where justified, relevant stakeholders will be provided with support for submitting project applications and for implementing and managing the selected projects.	4.4. National strategic policy framework for social inclusion and poverty reduction. A national or regional strategic policy or legislative framework for social inclusion and poverty reduction is in place that includes: 1. Evidence-based diagnosis of poverty and social exclusion, including child poverty, in particular as regards equal access to quality services for children in vulnerable situations as well as homelessness, spatial and educational segregation, limited access to essential services and infrastructure, and the specific needs of vulnerable people of all ages. 2. Measures to prevent and combat segregation in all fields, including social protection, inclusive labour markets and access to quality services for vulnerable people, including migrants and refugees. 3. Measures for the shift from institutional to family- and community-based care. 4. Arrangements for ensuring that its design, implementation, monitoring and review is conducted in close cooperation with relevant stakeholders, including social partners and relevant civil society organisations.
9.2. A national Roma inclusion strategic policy framework is in place. A national Roma inclusion strategic policy framework is in place that: — sets achievable national goals for Roma integration to bridge the gap with the general population. These targets should address the four EU Roma integration goals relating to access to education, employment, healthcare and housing; — identifies where relevant those disadvantaged micro-regions or segregated neighbourhoods, where communities are most deprived, using already available socio-economic and territorial indicators (i.e. very low educational level, longterm unemployment, etc); — includes strong monitoring methods to evaluate the impact of Roma integration actions and a review mechanism for the adaptation of the strategy; — is designed, implemented and monitored in close cooperation and continuous dialogue with Roma civil society, regional and local authorities. Upon request and where justified, relevant stakeholders will be provided with support for submitting project applications and for implementing and managing the selected projects.	4.5 National Roma inclusion strategic policy framework. The National Roma inclusion strategic policy framework is in place that includes: 1. Measures to accelerate Roma integration, and prevent and eliminate segregation, taking into account the gender dimension and situation of young Roma, and sets baseline and measurable milestones and targets. 2. Arrangements for monitoring, evaluation and review of the Roma integration measures. 3. Arrangements for the mainstreaming of Roma inclusion at regional and local level. 4. Arrangements for ensuring that its design, implementation, monitoring and review is conducted in a close cooperation with the Roma civil society and all other relevant stakeholders, including at the regional and local levels.
9.3. Health. The existence of a national or regional strategic policy framework for health within the limits of Article 168 TFEU ensuring economic sustainability. A national or regional strategic policy framework for health is in place that contains: — coordinated measures to improve access to health services; — measures to stimulate efficiency in the health sector, through deployment of service delivery models and infrastructure; — a monitoring and review system. A Member State or region has adopted a framework outlining available budgetary resources on an indicative basis and a costeffective concentration of resources on prioritised needs for health care.	4.6. Strategic policy framework for health and long-term care. A national or regional strategic policy framework for health is in place that contains: 1. Mapping of health and long-term care needs, including in terms of medical and care staff, to ensure sustainable and coordinated measures. 2. Measures to ensure the efficiency, sustainability, accessibility and affordability of health and long-term care services, including a specific focus on individuals excluded from the health and long-term care systems, including those who are hardest to reach. 3. Measures to promote community and family-based services through de-institutionalisation, including prevention and primary care, home-care and community-based services.

<p>10.1. Early school leaving. The existence of a strategic policy framework to reduce early school leaving (ESL) within the limits of Article 165 TFEU. A system for collecting and analysing data and information on ESL at relevant levels is in place that: — provides a sufficient evidence base to develop targeted policies and monitors developments. A strategic policy framework on ESL is in place that: — is based on evidence; — covers relevant educational sectors including early childhood development, targets in particular vulnerable groups that are most at risk of ESL including people from marginalised communities, and addresses prevention, intervention and compensation measures; — involves all policy sectors and stakeholders that are relevant to addressing ESL.</p>	
<p>10.2. Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU. A national or regional strategic policy framework for tertiary education is in place with the following elements where necessary, measures to increase participation and attainment that: — increase higher education participation among low income groups and other under-represented groups with special regard to disadvantaged people, including people from marginalised communities; — reduce drop-out rates/ improve completion rates; — encourage innovative content and programme design; — measures to increase employability and entrepreneurship that: encourage the development of "transversal skills", including entrepreneurship in relevant higher education programmes; reduce gender differences in terms of academic and vocational choices.</p>	
<p>10.3. Lifelong learning (LL). The existence of a national and/or regional strategic policy framework for lifelong learning within the limits of Article 165 TFEU. A national or regional strategic policy framework for lifelong learning is in place that contains measures: — to support the developing and linking services for LL, including their implementation and skills upgrading (i.e. validation, guidance, education and training) and providing for the involvement of, and partnership with relevant stakeholders; — for the provision of skills development for various target groups where these are identified as priorities in national or regional strategic policy frameworks (for example young people in vocational training, adults, parents returning to the labour market, low skilled and older workers, migrants and other disadvantaged groups, in particular people with disabilities); — to widen access to LL including through efforts to effectively implement transparency tools (for example the European Qualifications Framework, National Qualifications Framework, European Credit system for Vocational Education and Training, European Quality Assurance in Vocational Education and Training); — to improve the labour market relevance of education and training and to adapt it to the needs of identified target groups (for example young people in vocational training, adults, parents returning to the labour market, low-skilled and older</p>	

<p>workers, migrants and other disadvantaged groups, in particular people with disabilities).</p>	
<p>10.4. The existence of a national or regional strategic policy framework for increasing the quality and efficiency of VET systems within the limits of Article 165 TFEU which includes: — to improve the labour market relevance of VET systems in close cooperation with relevant stakeholders including through mechanisms for skills anticipation, adaptation of curricula and the strengthening of workbased learning provision in its different forms; — to increase the quality and attractiveness of VET including through establishing a national approach for quality assurance for VET (for example in line with the, European Quality Assurance Reference Framework for Vocational Education and Training) and implementing the transparency and recognition tools, for example European Credit system for Vocational Education and Training. (ECVET).</p>	
<p>11. The existence of a strategic policy framework for reinforcing the Member States' administrative efficiency including public administration reform. A strategic policy framework for reinforcing a Member State's public authorities' administrative efficiency and their skills with the following elements are in place and in the process of being implemented: — an analysis and strategic planning of legal, organisational and/or procedural reform actions; — the development of quality management systems; — integrated actions for simplification and rationalisation of administrative procedures;— the development and implementation of human resources strategies and policies covering the main gaps identified in this field; — the development of skills at all levels of the professional hierarchy within public authorities; — the development of procedures and tools for monitoring and evaluation.</p>	
	<p>2.7. Prioritised action framework for the necessary conservation measures involving Union cofinancing. For interventions supporting nature conservation measures in connection with Natura 2000 areas within the scope of Council Directive 92/43/EEC: A priority action framework pursuant to Article 8 of Directive 92/43/EEC is in place and includes all elements required by the template for the priority action framework for 2021-2027 agreed by the Commission and the Member States, including the identification of the priority measures and an estimate of financing needs.</p>

Source: own elaboration.

ANNEX III - List of interviewed officers.

Codes	Description	Institution	Date	Modality
EO1	European Officer	European Commission	08/05/2024	Online
EO2	European Officer	European Commission	15/05/2024	Online
EO3	European Officer	European Commission	21/05/2024	In presence
EO4	European Officer	European Commission	31/05/2024	Online
ROMR1	Regional Officer from a More developed Region	Provincia Autonoma di Trento	29/05/2024	In presence
ROLR1	Regional Officer from a Less developed Region	Regione Puglia	15/05/2024	Online
ROLR2	Regional Officer from a Less developed Region	Regione Campania	31/05/2024	Online

Source: own elaboration.

ANNEX IV - Questions used during interviews.

1. Nell'elaborazione delle condizioni abilitanti in vista della Riforma della Politica di Coesione nel 2021, all'interno della discussione su quali condizioni imporre e come imporre, anche in merito all'esperienza 2014-2020, che ruolo hanno avuto fattori come la necessità da parte della Commissione di esercitare un maggiore controllo/maggiore pressione per il soddisfacimento delle condizionalità e la necessità di semplificazione (dei criteri, delle condizioni, etc.)?
2. A livello italiano, si crede ci sia stato un maggiore livello di "ownership" (quindi supporto) verso le riforme, in generale, provenienti dal "livello europeo" soprattutto a seguito dell'approvazione del NGEU?
3. A livello italiano, si crede che fattori come lo streamlining delle condizionalità, il maggior controllo che la Commissione dovrebbe essere in grado di esercitare e (probabilmente) una maggiore ownership delle riforme a seguito dell'implementazione del PNRR abbia permesso o, meglio, potrà permettere un maggior soddisfacimento delle condizioni abilitanti rispetto al precedente periodo programmatico?
4. Vi è stato, a livello nazionale o anche solo regionale, una percezione di maggiore "controllo" da parte della Commissione per quanto riguarda la necessità di adempiere in fretta alle condizioni abilitanti? E' stata percepita una maggiore pressione rispetto al precedente periodo programmatico?
5. A livello italiano, si crede ci sia stato un maggiore livello di "ownership" (quindi supporto) verso le riforme, in generale, provenienti dal "livello europeo" soprattutto a seguito dell'approvazione del NGEU?
6. La maggiore semplicità delle condizioni imposte e la maggior chiarezza dei relativi criteri hanno aiutato l'adempimento delle condizionalità? Ovvero, l'hanno facilitato?
7. Se alla domanda 1. avete risposto (anche parzialmente) affermativamente, credete che una maggiore pressione per l'adempimento da parte della Commissione abbia migliorato e/o velocizzato il rispetto delle condizioni abilitanti?

8. Se alla domanda 2. avete risposto (anche parzialmente) affermativamente, credete che questo maggior supporto verso le riforme in generale abbia facilitato l'adozione di riforme per adempiere le condizioni abilitanti?
9. In the elaboration of enabling conditions in the context of the 2021 Reform of Cohesion Policy, within the discussion of which conditions to require and how to impose them also following the 2014-2020 experience with ex-ante conditionalities, which role did factors, such as the need on the part of the Commission to exert more control/monitoring and the need to streamline conditionality, play?
10. As for the Italian context, has there been a higher level of “ownership” (i.e. support) towards reform in general lately, mainly after the approval of NGEU and the implementation of the Italian NRRP?
11. As for the Italian context, can factors such as the streamlining of conditionality, the higher level of control that the Commission should be able to exert and the (maybe) higher level of ownership following the implementation of the Italian NRRP, lead to a better implementation of enabling conditions, than in the previous programming period?

ANNEX V - Codebook of themes emerged during interviews coming from deductive and inductive coding.

CODE	DESCRIPTION
CRITICALITY	Perceived high or low criticality in this programming period.
CREDIBILITY	Perceived high or low credibility in this programming period.
OWNERSHIP	Perceived presence of ownership in this programming period in the sense of support for the whole investment environment.
OWNERSHIP-INVOLVEMENT	Perceived ownership in the sense of involvement of the regional/national bodies and therefore involvement in the drafting process.
OWNERSHIP-RESPONSIBILITY	Perceived ownership in the sense of more responsibility perceived by the regional/central bodies in the fulfilment as they have to report the fulfilment or missed fulfilment.
CONTRIBUTION OF CRITICALITY	Criticality has been important in facilitating or not the respect of conditions.
CONTRIBUTION OF CREDIBILITY	Credibility has been important in facilitating or not the respect of conditions.
CONTRIBUTION OF OWNERSHIP	Ownership has been important in facilitating or not the respect of conditions.

POLITICAL RELEVANCE	Role of political relevance in the determination of the respect of the conditions.
ROLE OF THE GOVERNANCE	Importance of the governance in the concerned sector and region in determining the respect of the conditions.
INCENTIVE SYSTEM	Presence and perception of an incentive system rather than a monitoring/control one.
INVOLVEMENT OF REGIONS	Role of the regions in the definition of enabling conditions.
TAILORING	Importance of tailored conditions.
PAST EXPERIENCE/LEARNING	Importance of past experience and lessons learnt.
COMPLEXITY OF PLANNING PROCESSES	Relevance of complexity in the planning processes required by the enabling conditions.
POSITIVE VS NEGATIVE IMPOSITION	Positive or negative perception of imposition of conditions.

Source: own elaboration.

ANNEX VI – Privacy statement

PRIVACY POLICY
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DI PADOVA

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 "EX-ANTE VS ENABLING CONDITIONS: AN IMPROVEMENT OF CONDITIONALITY IN 2021-2027 COHESION POLICY?" of the Department of Political Science, Law and International Studies (SPGI) of the University of Padua.

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.

TITLE: "EX-ANTE VS ENABLING CONDITIONS: AN IMPROVEMENT OF CONDITIONALITY IN 2021-2027 COHESION POLICY?"

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: Alessia Roveroni

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*

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 "To test which factors influence the enforcement of conditionality".

The following are the specific research objectives:

- 1) To test whether higher criticality leads to better enforcement of conditionality.
- 2) To test whether higher credibility leads to better enforcement of conditionality.
- 3) To test whether higher ownership leads to better enforcement of conditionality.

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 manual coding 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 " EX-ANTE VS ENABLING CONDITIONS: AN IMPROVEMENT OF CONDITIONALITY IN 2021-2027 COHESION POLICY?" 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 " EX-ANTE VS ENABLING CONDITIONS: AN IMPROVEMENT OF CONDITIONALITY IN 2021-2027 COHESION POLICY? ", 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>

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