Enhancing Cohesion Policy's Impact for Jobs, Skills, and Competitiveness

Perspectives and best practices for data system integration in the EU

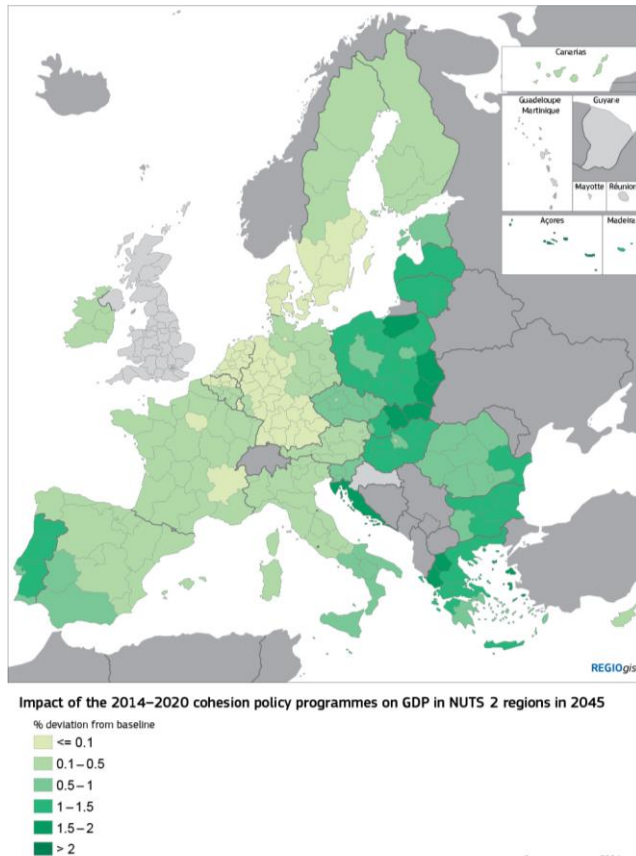European Commission

WORLD BANK GROUP

Introduction

Tillmann Heidelk – European Commission – DG REGIO

Cohesion Policy

- Broad: promote innovations, accelerate the green and digital transition, boost competitiveness in lagging regions, among many areas of intervention

- Big: 1/3 EU budget + MS contributions + private contributions

- Highly evaluated

  - EU / national / regional level

  - Public administrations (European Commission, managing authorities); academia
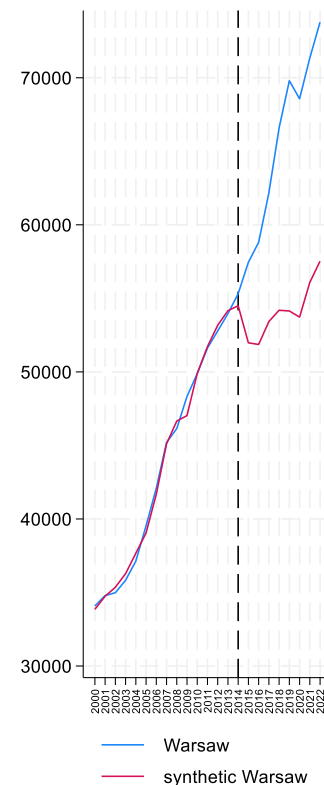
Examples: Impact of cohesion policy during the 2014–2020 programming period
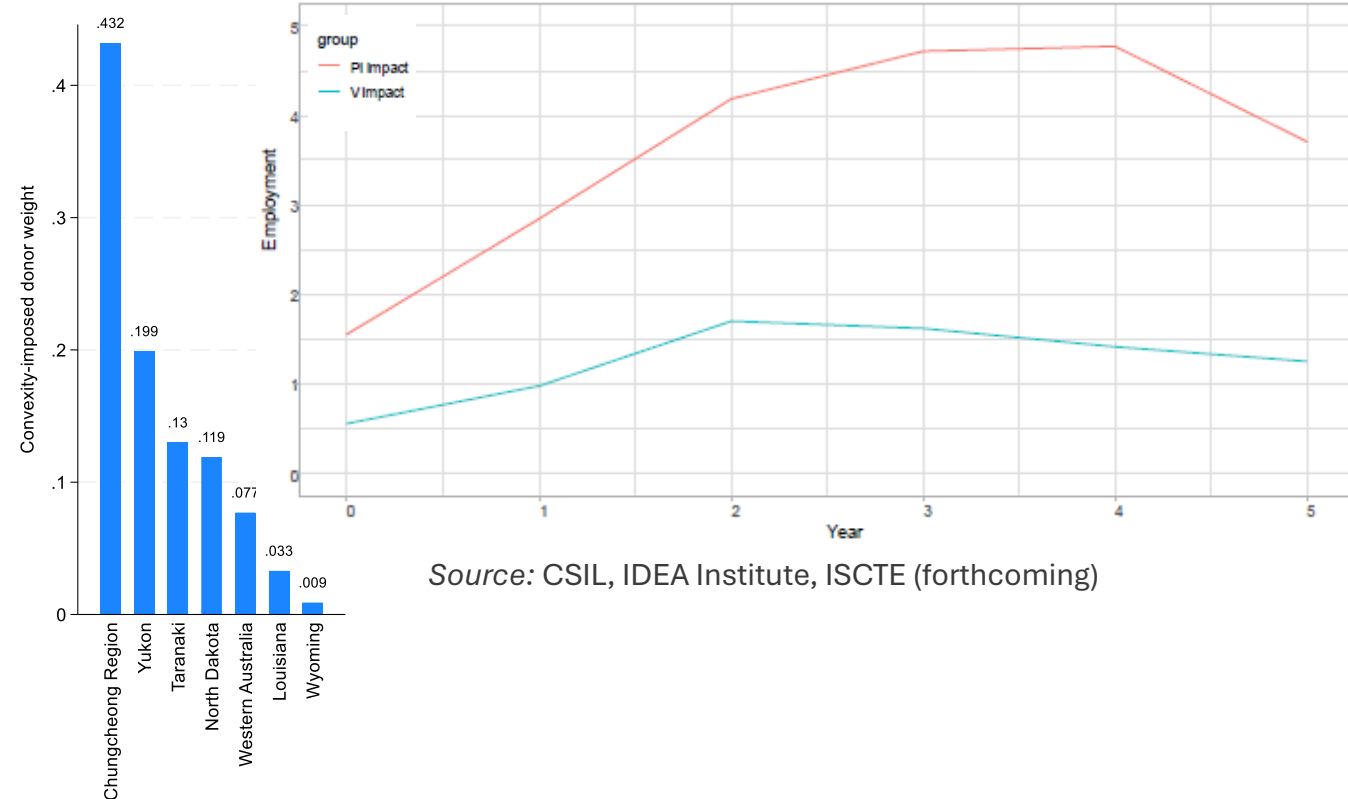
RHOMOLO:
GDP in NUTS 2 regions in 2045

Impact of the 2014–2020 cohesion policy programmes on GDP in NUTS 2 regions in 2045

% deviation from baseline
- <= 0.1
- 0.1 – 0.5
- 0.5 – 1
- 1 – 1.5
- 1.5 – 2
- > 2

Source: Casas et al. (2025)

Synthetic control:
GDP p.c. (here: Warsaw)

— Warsaw
— synthetic Warsaw

Source: Spruk (forthcoming)

Difference in differences:
Impact on Employment (Portugal)

Source: CSIL, IDEA Institute, ISCTE (forthcoming)

Data are (the) key

- Still limited evidence from modelling + econometrics / 'local' data

- Quantitative answers to:
  - What is happening on the ground? How is implementation going? Where? When? Why?
  - What is impact? Where? What works? Why?
  - ➔ Policy making!

- Data are (the) key!

- But: EU level mainly aggregate / regional data

- Lack of automatic 'creation' of comprehensive micro data

DG REGIO – DIME project

- Promote innovative / enhanced cohesion policy data ecosystems

- Connect cohesion policy data with complementary data (MS + regional)
    - Monitoring: Increase the efficiency
    - Evaluation: More detailed / comprehensive / faster data

- Cohesion policy data transmission and management (EU + MS + regional)
    - How are data in being managed
    - Opportunities for automation and data connections, e.g. transmission of data
    - How can we improve the data system(s)

- More granular data; lower transmission cost; higher speed + data reliability

Survey Results and Emerging Lessons

Wei Lu – Data Scientist – DIME

Goal: More Actionable Data with Less Administrative Burden

Most time-consuming M&E task for
program authorities[1]:
- o Preparing and transmitting data to the European Commission

One of the most burdensome tasks for
beneficiaries[1]:
- o Collecting monitoring data

Automate manual tasks to create space for:
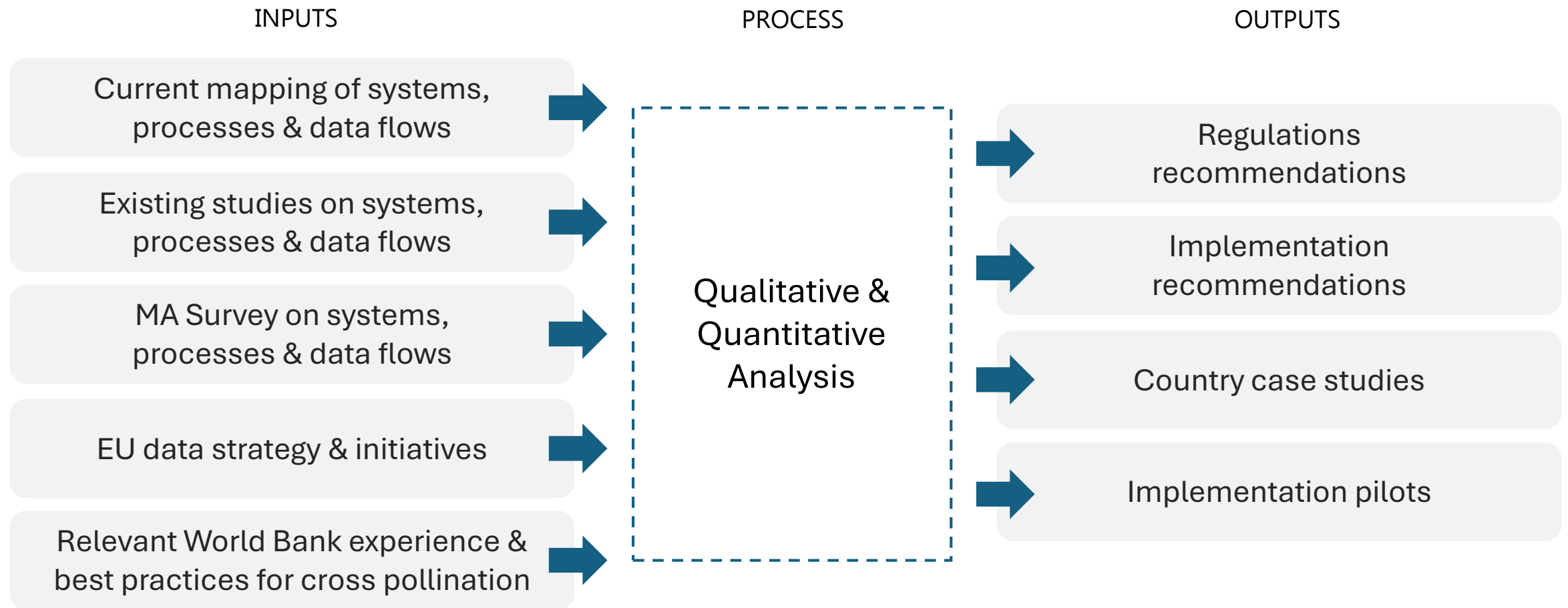
- Rigorous impact evaluation

- Adaptive implementation & delivery
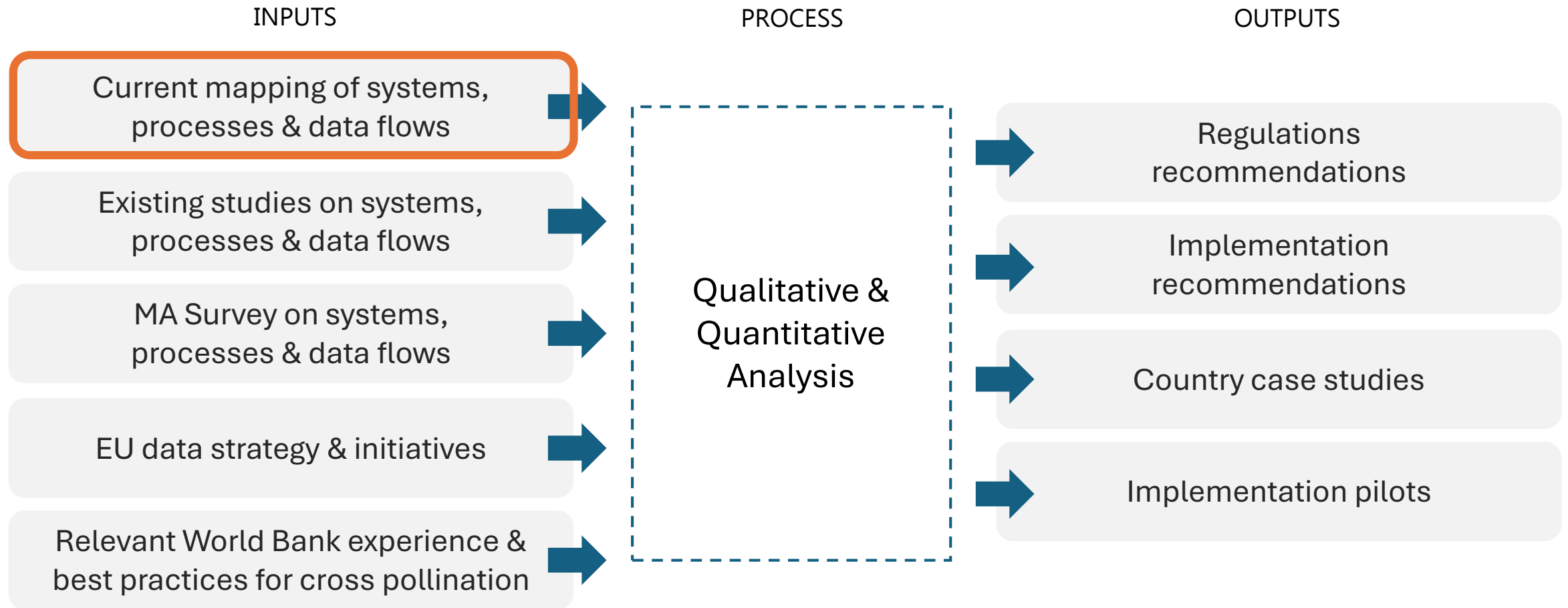
- AI-driven innovations

How do we get there?

1. Assessment of administrative costs and administrative burden in the management of the common provisions regulation funds 2021-2027

Collaborative Process:
From Evidence to Recommendations and Action

INPUTS

PROCESS

OUTPUTS

Current mapping of systems, processes & data flows

Existing studies on systems, processes & data flows

MA Survey on systems, processes & data flows

EU data strategy & initiatives

Relevant World Bank experience & best practices for cross pollination

Qualitative & Quantitative Analysis

Regulations recommendations

Implementation recommendations

Country case studies

Implementation pilots

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The Baseline: Main Systems for Data Collection and for Data Exchange between MAs and EC

E-COHESION & MANAGEMENT INFORMATION SYSTEM (MIS)

Operation Management: Financial and M&E Data Collection

- Used by Beneficiaries and Program Authorities

- Can be integrated in one system or split between multiple systems

SYSTEM FOR FUND MANAGEMENT (SFC)

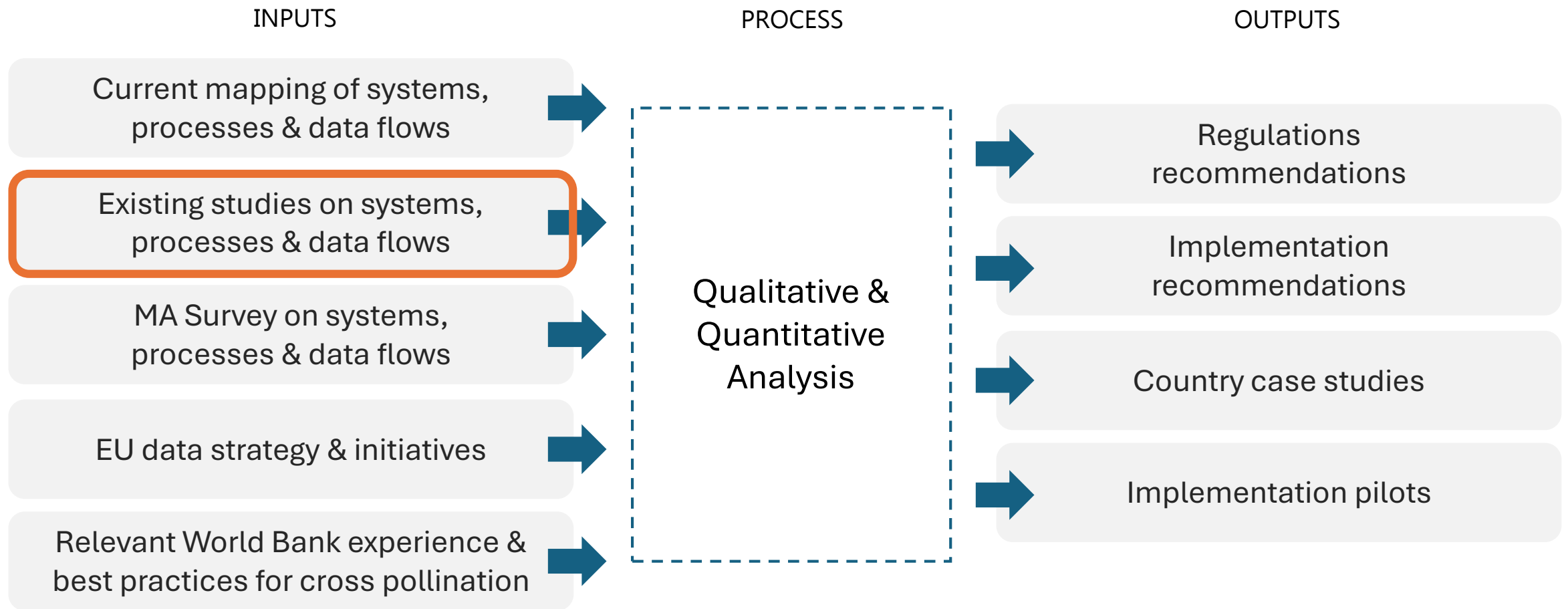Program Management: Financial and M&E Data Reporting

- Usage is mandatory

- Receives financial reporting 5x/year

- Receives performance (M&E) indicators 2x/year

- Receives payment applications up to 6x/year from MAs

ARACHNE

Beneficiary Risk Scoring and Fraud Prevention

- Usage is voluntary, will be mandatory in the next programming cycle

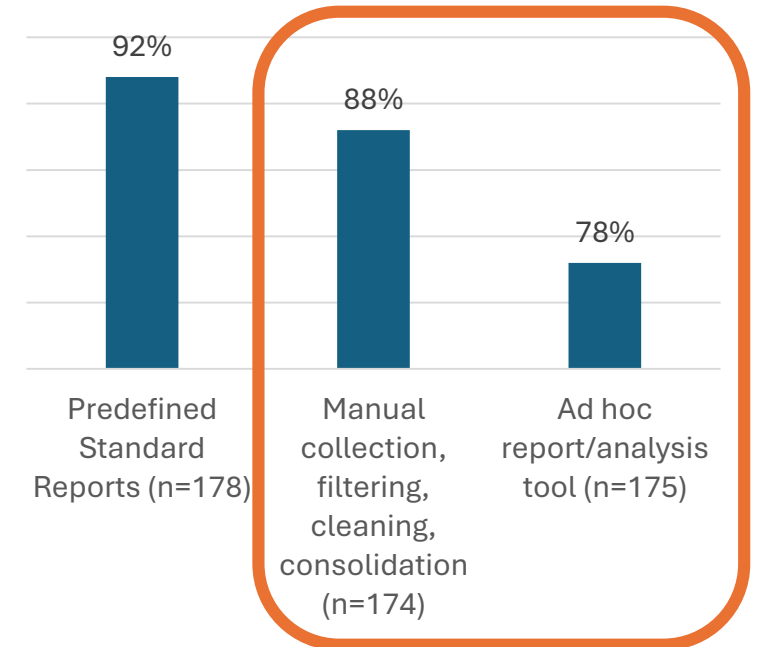- Received operation- and beneficiary-level data from MAs

Starting Point: A Recognized Need for More Efficient Data Processes...

At the beginning of this programming period...

17 Member States plan/wish to incorporate more **automation** in their e-cohesion systems

19 Member States plan/wish for more **interoperability** with national e-registers/databases

TN survey on e-Cohesion 2021-2027 Key Outcomes

WHAT PROCEDURES WERE IN PLACE TO REPORT MONITORING DATA TO THE EC?

- Predefined Standard Reports (n=178): 92%
- Manual collection, filtering, cleaning, consolidation (n=174): 88%
- Ad hoc report/analysis tool (n=175): 78%

Adapted from: CSIL/Prognos/PPMI (2022)

... That is Largely Unmet.

The System for Fund Management (SFC) has featured a technical interface for automated data transmission since SFC2007, but uptake has been limited.

SFC2007
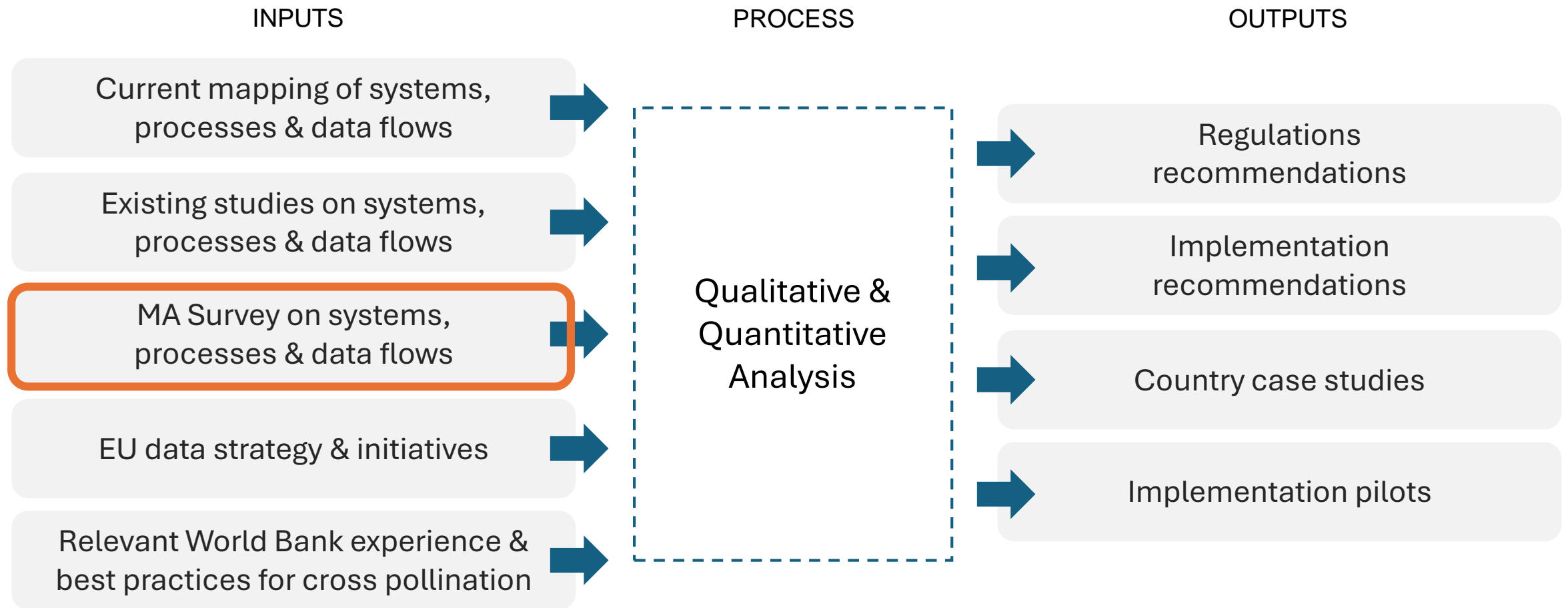
9 Member States
(CY,CZ,DE,ES,GR,IT,NL,PT,SK)

SFC2014

6 Member States
(CZ, DE, ES, FR, EL, IT)

SFC2021

5 Member States
(CZ, DE, IE, LU, SE)

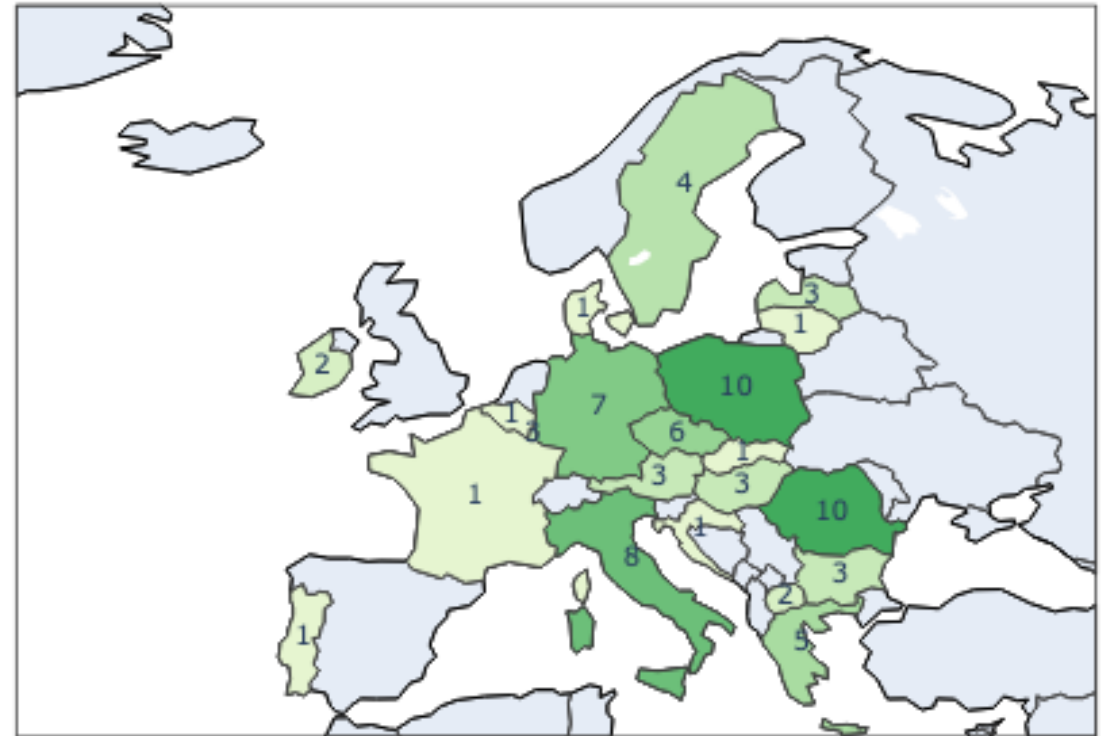**Why? And what can we do to increase automation uptake?**

MA Survey: Uncovering the Reality and Challenges for Program Authorities.

INPUTS

- Current mapping of systems, processes & data flows
- Existing studies on systems, processes & data flows
- MA Survey on systems, processes & data flows
- EU data strategy & initiatives
- Relevant World Bank experience & best practices for cross pollination

PROCESS

Qualitative & Quantitative Analysis

OUTPUTS

- Regulations recommendations
- Implementation recommendations
- Country case studies
- Implementation pilots

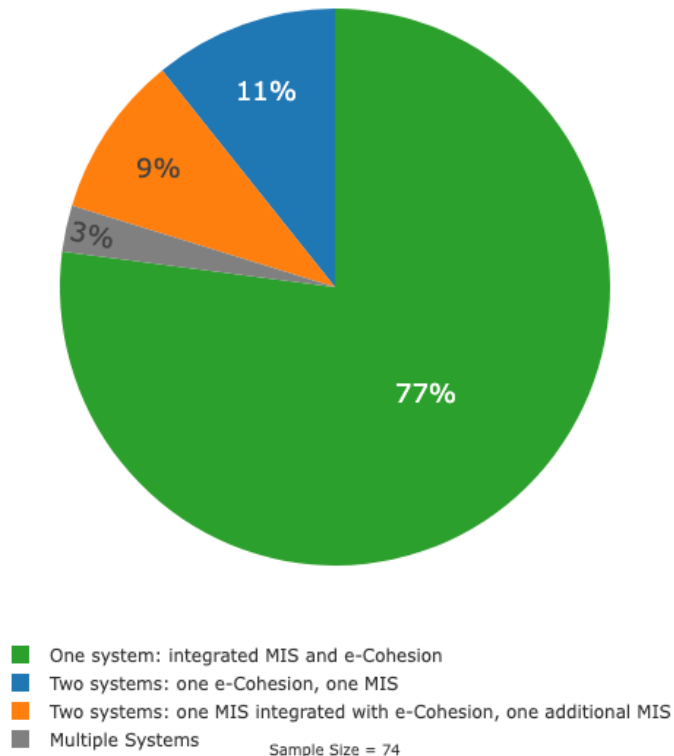# Who We Heard From:
Survey Participants and Representation

- **Survey period**: April 23 – May 16, 2025
- Responses from **79 MAs** across **21 Member States + North Macedonia**
- Represent approximatively **225 programs** supported by **15 billion** in EU funds (e.g. ERDF, ESF+, CF)
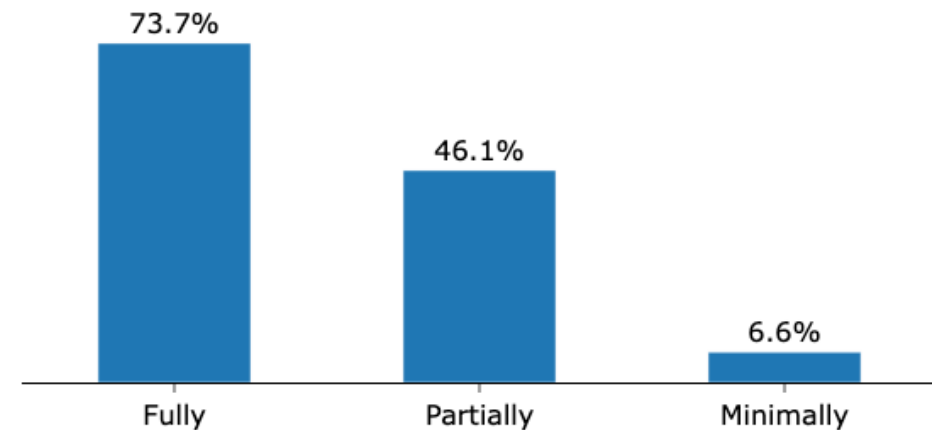- Responses include both **national and regional**-level MAs

Most MAs Operate Within an Integrated System Landscape That Meets Their Needs
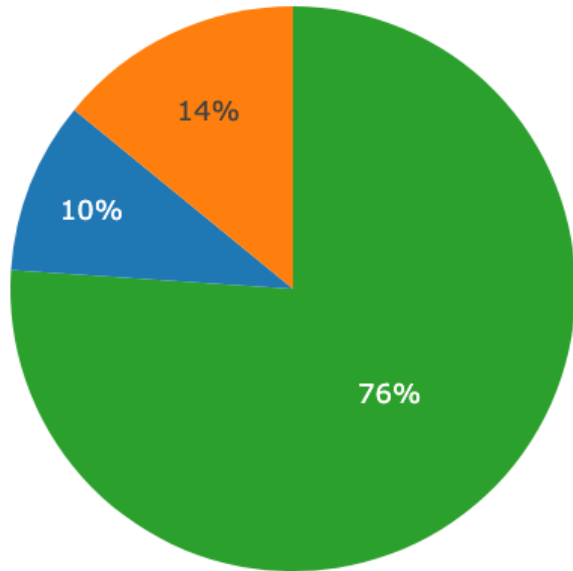

System Integration Level

- 77%
- 11%
- 9%
- 3%

Legend:
- One system: integrated MIS and e-Cohesion
- Two systems: one e-Cohesion, one MIS
- Two systems: one MIS integrated with e-Cohesion, one additional MIS
- Multiple Systems

Sample Size = 74

Perceived Extent to Which Systems Meet Needs

- Fully: 73.7%
- Partially: 46.1%
- Minimally: 6.6%

Sample size = 67 systems. Consolidated overview of MIS and e-Cohesion systems. Respondents can use multiple systems.

Many Systems Support Data Integration, Yet Are Only Partially Used
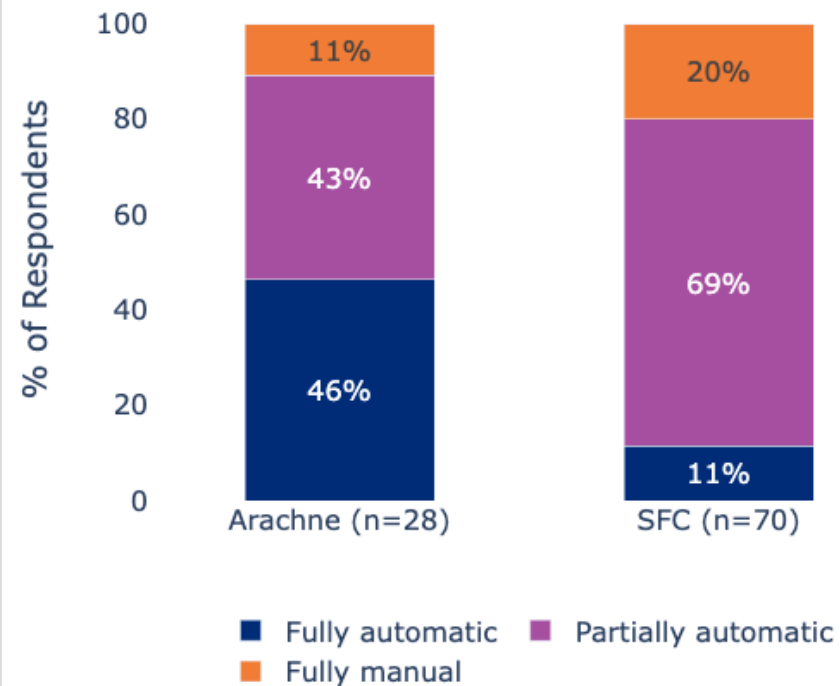
Data Fragmentation and Incompatibility Are Key Barriers - Bridging the Knowledge Gap Could Help
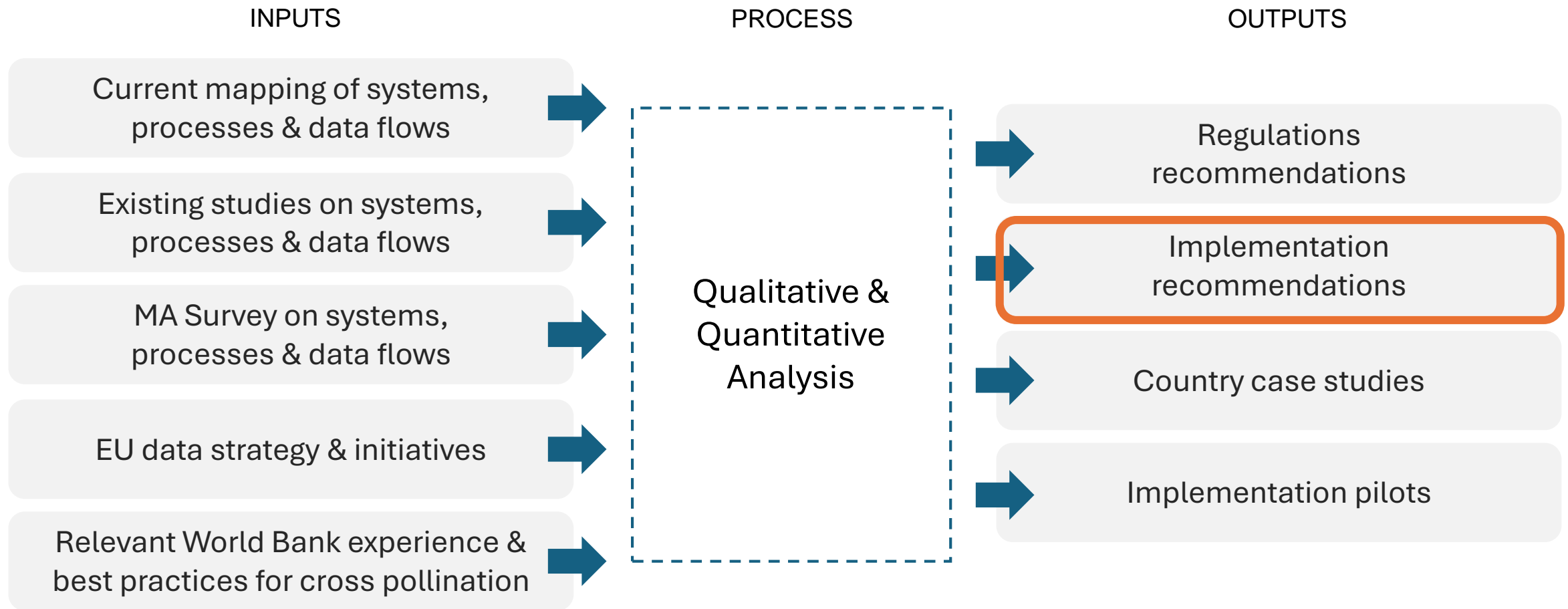
Automated Data Transmission to SFC

Top 5 Challenges

1. Need to integrate multiple data sources (40%)
2. Need for manual data quality checks (34%)
3. Different data formats require conversion (28%)
4. Budgetary restrictions (23%)
5. Complexity of implementation (23%)

Top 5 Resources Needs

1. IT Support/ Technical Assistance (71%)
2. Peer Experience from other MAs (65%)
3. Training on API Usage (65%)
4. Improved API documentation (53%)
5. Budget for staff/contractor (49%)

Bringing Your Insights Forward: Shaping Implementation Recommendations

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Multiple systems, different functions, but overlapping data needs

E-COHESION & MANAGEMENT INFORMATION SYSTEM (MIS)

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- Received operation- and beneficiary-level data from MAs

Reuse of Operation-Level Data Can Streamline Financial and Performance Reporting

Status Quo

Arachne uptake is ~80%[1]. According to the survey, among adopters, 91% uses at least partial automation for data exchange.
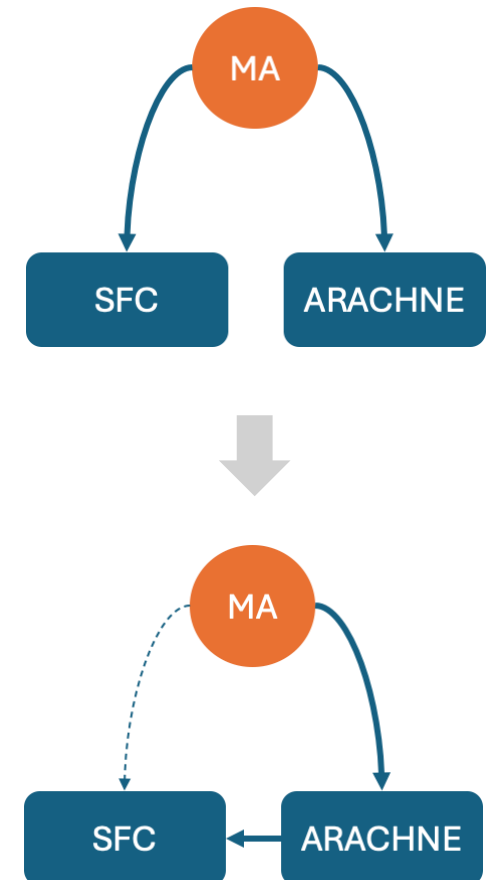
The Ambition

- Change the flow of data to improve efficiency
- Reduce duplication in reporting tasks
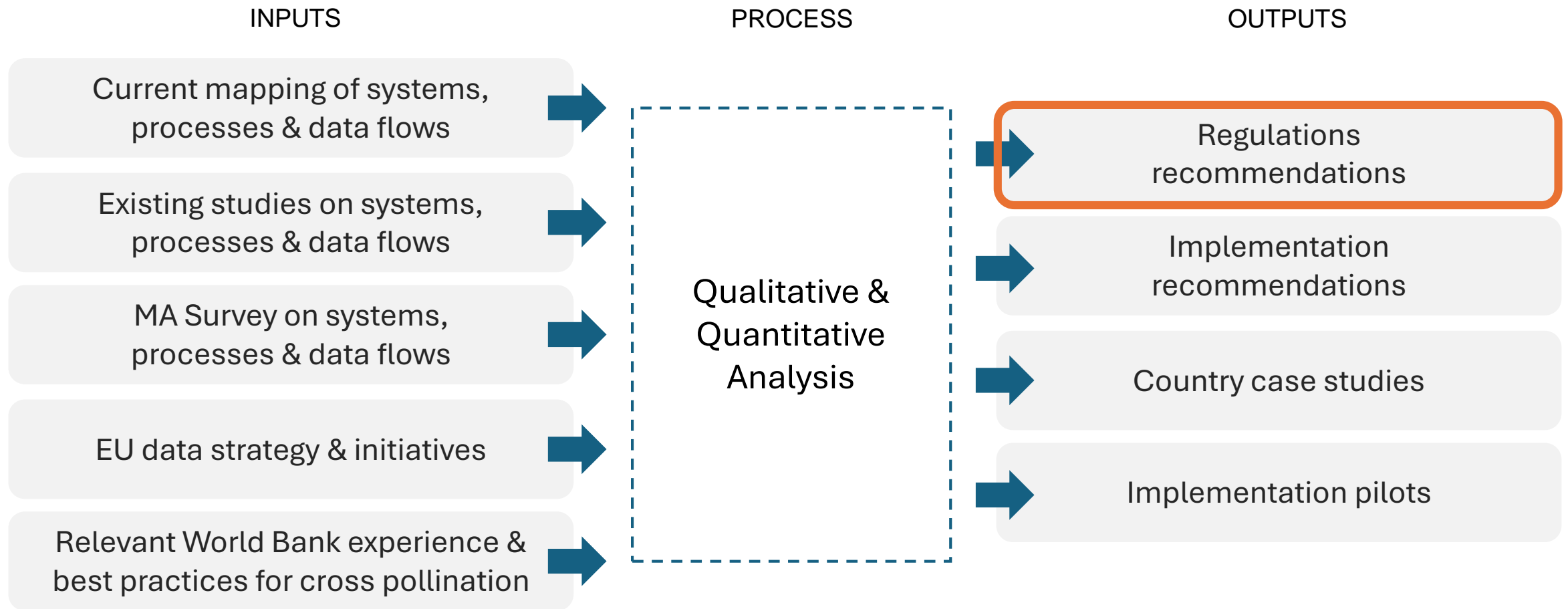- Improve consistency between control and reporting

What's needed

Enriching operation-level records in Arachne with attributes required for SFC reporting, most of which already exist in MA MIS/e-Cohesion systems

1. EC estimates in terms of expenditure amount covered

Unlocking the Potential of Administrative Data for Evaluation Within GDPR Frameworks
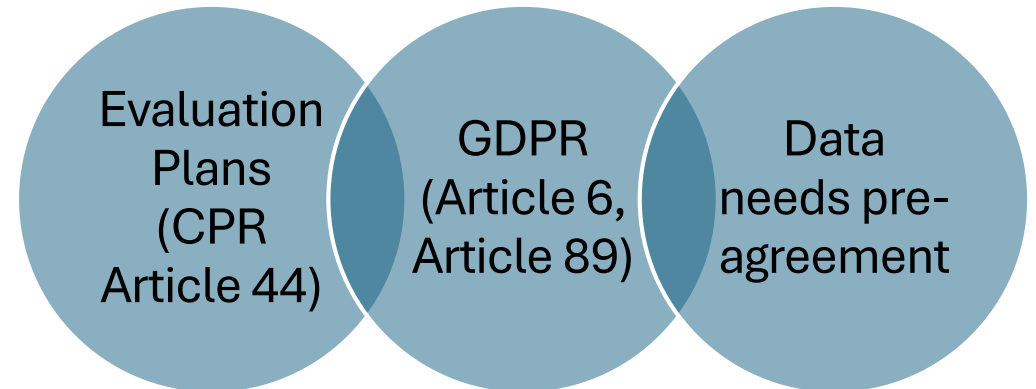
The Challenge

Program authorities face **barriers accessing administrative microdata**

- Leading to manual data collection
- Increasing administrative burden
- Undermining data quality and timeliness

The Potential

Embed administrative data access requirements directly in the **Evaluation Plan**, aligning with GDPR through predefined safeguards.

Strategic Alignment

Evaluation Plans (CPR Article 44)

GDPR (Article 6, Article 89)

Data needs pre-agreement

Key Takeaways

- Existing systems have **untapped potential**
  - Technical capacity for data integration exists but remains **underutilized**

- Several **actionable opportunities** to significantly reduce reporting burden and improve efficiency, data quality, and data integration
  - Align systems, embed admin data requirements in planning, adapt workflows

- Insights from the past and from program authorities are essential for shaping actionable recommendations - for implementation and regulation.

Fireside Chat

Dragana Von Kaphengst - Senior in charge of M&E of the ESF+ Federal Programme in Germany - Ministry of Labour and Social Affairs

Moderator: Tillmann Heidelk – European Commission – DG REGIO

Tell us about your experience!

- How do you work with project-level data and monitoring data?

- Which benefits/opportunities do you see for your Programming Authority in improved data transmission systems?

- Do you have any concerns around data transmission and, if so, how can we address them?

- What do you envision as a successful outcome of the collaboration between DG REGIO and the World Bank?