

# **The quality of Structural Funds: the case phasing in of Sardinia**

## ***ABSTRACT***

This research aims to provide details about procedures by means of South Italy, and Sardinia in particular, has managed, used and valued European funds for local development. The thesis starts analyzing the subject of “Southern question”, that has marked the history of Southern Italy.

Then the focus shifts to the European dimension, dealing with the concept of regional development within the EU.

The survey period runs from the creation of the European Economic Community (with the signing of the Treaty of Rome in 1957), up to current procedures for regions activated by European Union, facing all the innovations introduced by reforms of Structural Funds , with a historical – social survey parameter.

Initially there is talk little about regional development, in contrast with recent years, making room to the issue of territorial governance and to the goals of economic growth and social development. In order to realize new cohesion policy there was need to enable a radical reform of Structural Funds, relating to objectives, procedures and financial resources.

Delors Packages defined guidelines for regional policy in Europe, activating principles that still form the core of structural interventions, summarized as follows: Concentration of aid to the regions lagging behind in development; Organization of specific problems in priorities or objectives; Principle of partnership; Principle of additionality: European funds are meant as additional measures to national support, not a substitute.

Identifying priorities of action, the so-called "objectives", European Union intends to allocate common rules for structural interventions, and guidelines for policy measures for development, European Union members have to comply with for their respective regional plans.

The second chapter analyzes procedures and tools for the development, according to the idea that a proper management of administrative machinery is ensured by an efficient and effective organizational model. Then there is talk about analysis of the relationship between European Union and regionalism. The third chapter finally introduces Sardinia

Region, which in 2006 left Objective 1; this step is not based on the will of European Union, but on objective factors of development.

The level of Sardinia increased to 78% of the EU average GDP, being then above parameters that put 75% as the limit for European financial aid.

The third part of the thesis aims to control processes through Sardinia region, recognized at national level as "best practice" about application of EU funds related to programming cycle 2000 - 2006, channeled above-mentioned financial resources for own local development.

Understanding the process leading Sardinia to its present structure allows to tackle with greater awareness the study of bureaucratic and organizational model at the base of political and economic choices relating to spending of EU funds.

All actions undertaken by Sardinia region are undoubtedly related to its organizational and management model, to decision-making and planning processes, which will be discussed in detail in fourth chapter, retracing steps that have marked the project management and social capital underlying decision-making processes, through official documents, secondary data and bibliographic material.

The research based on official sources of information (reports of Italian Court of Auditors about results of Sardinia region referred to programming cycle 2000/06, reports of the Bank of Italy, documents drawn up by the Ministry of Economic Development, official reports submitted by Sardinia region and by European Commission, etc.) become complete with causes for reflection provided by interviews with stakeholders, playing a strategic organizational role into regional structure.

The interview is based on specific areas of analysis:

- Organizational system of Sardinia region;
- Allocation of functions in programming process of the operational objectives;
- Terms of decision making process;
- Strengths and weaknesses of Sardinian model;
- Social capital and institutional levels heading programming decisions choices;
- Models of relationships among bodies responsible for planning of local development policies;
- Opinions about choices within POR Sardinia 2000-2006;
- Level of participation of different social actors in decision-making;
- The most significant results of regional planning in Structural Funds spending.

Interviews to stakeholders allowed to upgrade the framework emerged from the analysis

of programming documents relating to Sardinia region for the cycle 2000 - 2006; their answers are crucial to draw an overall scenario related to implementation of territorial development programs by Sardinia region, crossing quantitative data from official documents and statistical reports, with information about the inner "quality", related to organizational structure, to skills of operators and institutional representatives ,and to efficiency and effectiveness of decision-making processes.