

COLLEGE OF EUROPE
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ASSESSING THE IMPACT OF REGIONAL LOBBYING ON THE STRUCTURAL FUNDS ALLOCATION

A panel data analysis

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Abstract

The strong mobilization of European subnational authorities in Brussels in the form of permanent representation offices well reflects the importance of the Cohesion Policy as well as its structural funds. Indeed, their allocation is subject to an intense regional lobbying despite the transparent system of eligibility criteria. While a small, but existing literature has tried to capture the power and determinants of this particular case of lobbying, none have assessed the importance of the impact of the financial resources of these offices, mainly via their operational budget, on the allocation of structural funds. This is precisely the objective of this paper which uses a newly built dataset comprising observations for 123 European regions covering the 2009-2014 period. In order to achieve this goal, an overview of the existing research will be carried out first and will be aimed at further understanding the determinants both behind the establishment of regional representation offices and behind the allocation of structural funds. Then an empirical analysis will shed the light on the relationship between the office's resources and the allocation of structural funds. Controlling for a set of regional data, the estimation results suggest that regional lobbying, in the form of its staff size and budget, does not create any significant distortion of the allocation of structural funds.