



**SPECIAL SESSION PROPOSAL**  
**Counterfactual methods for regional policy evaluation**  
**Lisbon, Portugal, 25-28 August 2015**

The financial straits thickly faced by (national and) regional governments, jointly with the massive worsening of living and working conditions, claim increasing attention to a proper allocation of regional government resources. In particular, the European Commission increasingly demands that the Member States investigate the net effect (impact) of their programmes using counterfactual methods. Such requests come from the realization, still rare but slowly gaining ground, that this method is the most credible way to establish causality between an observed outcome and the intervention that is presumed to have generated that outcome. Counterfactual analysis is rarely applied to structural funds, while it is the standard in other contexts: for example, Germany's labour market programmes are routinely evaluated by counterfactual analysis. Since public resources become scarcer and scarcer and the point of view of taxpayers comes to the fore, the relevance of counterfactual analysis might increase further. At the same time, it must be acknowledged openly that counterfactual methods suffer from many limitations, both in their applicability and in the credibility of the results they generate. For example, many issues need further clarification, specially in quasi-experimental settings, concerning the identification of proper comparison groups, the reorganization of administrative databases into micro-data suited for impact evaluation, the correction of selection bias due to the unobservable.

Following the very good achievement of the last year session, which covered a full conference day, we invite again researchers who have already experimented counterfactual approaches to regional policies evaluation to discuss about their experience, enhancing the debate upon counterfactual impact evaluation and its implications, particularly concerning control group selection, corrections for selection bias, data analysis, and alternative methodologies. Both methodological and empirical papers upon local development policies, human capital and labour market interventions, social inclusion programmes are welcome.

**ORGANIZERS:**

**Elena Ragazzi , Lisa Sella – CNR-IRCrES (ex CNR-Ceris), Moncalieri, Italy**