Article

European Structural and Investment Funds (ESIFs) and Regional Development across the European Union (EU)

Nikolitsa Spilioti and Athanasios Anastasiou *

Laboratory of Data Science and Digital Transformation, Department of Management Science and Technology, University of Peloponnese, 221 00 Tripoli, Greece; spilioti.nikolitsa@gmail.com

* Correspondence: athanastas@uop.gr

Abstract: This scoping review synthesizes the evidence from eleven key studies to assess the impact of European Structural and Investment Funds (ESIFs) on regional development across the European Union (EU), focusing on fund efficiency, regional disparities and convergence, governance quality, economic freedom, and fund management. A systematic search was conducted across multiple databases to identify the relevant literature published up to 2023. Eleven studies were selected based on the date published and their focus on ESIFs’ role in regional development, employing a range of methodological approaches including Data Envelopment Analysis (DEA), spatial econometrics, and multivariate analyses. The thematic analysis identified four main categories: Methodological Approaches in Evaluating Fund Efficiency, Regional Disparities and Convergence, The Interconnection between Governance Quality, Economic Freedom, and the Efficiency of Structural Fund Management, and The Absorption Capacity and Fund Management. The review highlights the importance of sophisticated analytical tools in evaluating fund efficiency, with DEA and spatial econometrics providing critical insights into fund management efficiency. Studies underscored the nuanced efficacy of ESIFs in reducing regional disparities, albeit pointing to the need for more targeted fund allocation. Governance quality and economic freedom emerged as pivotal factors enhancing fund management efficiency, suggesting the potential of governance reforms in optimizing ESIF allocation and utilization. Challenges related to fund absorption and management were illuminated, advocating for enhanced institutional management capabilities and the development of innovative performance indicators. The findings of this scoping review contribute to a deeper understanding of the complexities surrounding ESIFs’ impact on regional development within the EU. They underscore the critical importance of governance quality, economic freedom, methodological rigor, and strategic fund allocation in enhancing the effectiveness of ESIFs. The review calls for tailored policy interventions and the integration of national and European funding strategies to maximize the impact of these programs on regional development and SME support. Future research should continue to refine these methodological approaches and explore the causal effects of funding, to enhance our understanding of ESIFs’ efficiency in promoting regional development and convergence within the European Union.

Keywords: European Structural and Investment Funds; regional development; fund efficiency; governance quality; economic freedom; fund management; regional disparities; convergence; scoping review

1. Introduction

The European Union (EU) has long recognized the critical role of cohesive and inclusive regional development in sustaining economic growth and social stability across its member states. The European Structural and Investment Funds (ESIFs), comprising the European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund, the European Agricultural Fund for Rural Development (EAFRD), and the European Maritime and Fisheries Fund (EMFF), represent the EU’s principal financial instruments aimed at promoting economic, social, and territorial cohesion by correcting
imbalances among regions. The strategic allocation and efficient management of these funds are imperative for fostering regional development, enhancing competitiveness, and reducing disparities across the EU (McCann and Ortega-Argilés 2013; Samara et al. 2024; Anastasiou et al. 2022, 2023a, 2023b).

The multifaceted nature of ESIF’s impact on regional development necessitates a comprehensive understanding of their efficiency, the dynamics of regional disparities and convergence, the influence of governance quality and economic freedom on fund management, and the challenges surrounding fund absorption and management. Previous research has underscored the significance of methodological rigor in evaluating fund efficiency, highlighting the utility of Data Envelopment Analysis (DEA) and spatial econometrics as sophisticated tools for assessing the performance of decision-making units in utilizing ESIFs (Piattoni 2016; Gómez-Gallego et al. 2022; Gouveia et al. 2021; Papageorgiou et al. 2021a, 2021b; Anastasiou and Marietta 2020).

Furthermore, the literature on regional disparities and convergence has illuminated the role of ESIFs in mitigating socio-economic imbalances within the EU. Studies by Mussida et al. (2023) and Otoiu and Titan (2015) have contributed valuable insights into the nuanced efficacy of these funds in addressing material deprivation and fostering socio-economic convergence, albeit pointing to a need for more targeted fund allocation strategies (Mussida et al. 2023; Otoiu and Titan 2015; North 1990).

The interconnection between governance quality, economic freedom, and the efficiency of structural fund management has emerged as a critical area of inquiry, with research by Gómez-Gallego et al. (2022) elucidating how improvements in these areas can significantly enhance fund management efficiency and regional economic development (Gómez-Gallego et al. 2022). This body of work aligns with the theoretical frameworks posited by North (1990) and Acemoglu and Robinson (2012), who argue that institutional quality is a determinant of economic performance and policy outcomes (North 1990; Acemoglu and Robinson 2012).

The thematic category focusing on absorption capacity and fund management has shed light on the systemic inefficiencies and administrative challenges that constrain the effective utilization of EU funds (Hapenciuc et al. 2013; Aivazidou et al. 2020). This highlights the importance of enhancing institutional management capabilities and developing innovative performance indicators for accurately assessing fund absorption and management.

In light of these considerations, this scoping review aims to synthesize existing research on the impact of ESIFs on regional development across the EU. By exploring the methodological approaches to evaluating fund efficiency, examining the dynamics of regional disparities and convergence, analyzing the interplay between governance quality, economic freedom, and fund management efficiency, and investigating the challenges related to fund absorption and management, this review seeks to contribute to the discourse on regional development and cohesion policy within the EU. Through a scientifically robust examination of the literature, this introduction sets the stage for a comprehensive analysis of ESIFs’ role in promoting regional development, convergence, and economic cohesion across the European Union.

2. Method

The methodological framework for this scoping review draws upon the established five-stage framework by Arksey and O’malley (2005), tailored to explore the thematic category of “Methodological Approaches in Evaluating Fund Efficiency” within the context of European Structural and Investment Funds (ESIFs). This framework facilitates a comprehensive synthesis of existing research, pinpointing methodological innovations and evaluating the effectiveness of fund allocation and utilization.

The flowchart showing the methodological approach for the final selection of articles is shown in Figure 1.
The flowchart showing the methodological approach for the final selection of articles is shown in Figure 1. This research approach is distinguished by its originality and novelty in several key aspects. Firstly, the study employs sophisticated methodologies such as Data Envelopment Analysis (DEA) and spatial econometrics. DEA is utilized to establish an efficiency frontier, identifying the most efficient decision-making units (DMUs) based on their ability to utilize various inputs to produce outputs. Spatial econometrics addresses spatial dependence and autocorrelation, providing a nuanced understanding of regional growth determinants. These advanced tools represent a significant methodological innovation in evaluating the efficiency of ESIF allocation and utilization.

Secondly, the research integrates a range of multidimensional indicators, including governance quality and economic freedom, to assess their impact on fund management efficiency. This integrative approach provides a holistic view of the factors influencing the effectiveness of ESIFs, offering deeper insights into the interplay between governance structures, economic policies, and fund utilization. Thirdly, the study identifies four main thematic categories—Methodological Approaches in Evaluating Fund Efficiency, Regional Disparities and Convergence, The Interconnection between Governance Quality, Economic Freedom and Fund Management Efficiency, and The Absorption Capacity and Fund Management. This comprehensive thematic categorization allows for a detailed exploration of each aspect of the ESIFs’ impact, highlighting areas that require targeted policy interventions. The analytical description of each thematic category is as follows:

1. **Methodological Approaches in Evaluating Fund Efficiency:**

   This category captures articles that focus on innovative or novel methods used to assess the efficiency of EU funds, particularly in how these funds contribute to regional competitiveness and innovation. The emphasis is on the methodologies applied to evaluate the effectiveness and impact of these funds.

2. **Regional Disparities and Convergence:**

   Articles under this theme explore the variations in economic growth, development, and convergence across different EU regions. They examine how regional policies and funds contribute to reducing disparities and enhancing convergence among EU member states.
3. **Governance Quality, Economic Freedom, and Fund Management Efficiency:**

This category includes studies that link the quality of governance and the level of economic freedom with the efficiency of fund management. These studies suggest that better governance and greater economic freedom can lead to more effective and efficient fund management.

4. **Absorption Capacity and Fund Management:**

Focused on how different regions manage and utilize EU funds, this theme looks at the capacity of regions to absorb and effectively use the funds allocated to them. It considers factors that affect the absorption rate and overall management of the funds.

A matrix of the thematic categories which are related to each of the articles selected is shown below, in Table 1.

### Table 1. Matrix of Thematic Categories and Articles.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>McCann and Ortega-Argilés (2013)</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Samara et al. (2024)</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Anastasiou et al. (2023b) on Pandemic</td>
<td></td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Anastasiou et al. (2023a) on Convergence</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Anastasiou et al. (2022) on Tax Administration</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Piattoni (2016)</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Gómez-Gallego et al. (2022)</td>
<td>X</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Gouveia et al. (2021)</td>
<td>X</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Papageorgiou et al. (2021b) on European Monetary Union</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Papageorgiou et al. (2021a) on Europe 2020 Strategy</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Anastasiou and Marietta (2020)</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

Additionally, the systematic search was not restricted by language or publication status, aiming to capture a broad spectrum of methodologies and perspectives. Although practical constraints led to a predominance of English-language studies, this inclusive search strategy underscores the commitment to comprehensiveness and methodological rigor. The originality of this research approach lies in its meticulous combination of advanced analytical techniques and a broad, integrative perspective on regional development. By leveraging sophisticated tools and comprehensive thematic analysis, this study provides innovative insights into the effectiveness of ESIF, offering valuable contributions to the academic discourse and practical policymaking. Following the PRISMA-ScR guideline, study selection was conducted in three phases: screening by title, abstract review, and full-text evaluation. This multi-stage process ensured the inclusion of studies that directly address the methodological assessment of ESIF efficiency and its implications for regional development, adhering to predefined inclusion and exclusion criteria to maintain the review’s focus. The data extraction and charting involved a dual approach of numerical summarization and thematic analysis, systematically recording key information such as study authors, geographical focus, methodology, and the main findings related to ESIF efficiency and its determinants.

The bibliometric table which summarizes the main points of each of the 11 articles selected is presented in Table 2.
Table 2. Bibliometric table summarizing the main points of each article selected in the present study.

<table>
<thead>
<tr>
<th>No.</th>
<th>Authors</th>
<th>Title</th>
<th>Year</th>
<th>Journal</th>
<th>Language</th>
<th>Topic</th>
<th>Main Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>McCann, P. and Ortega-Argiñés, R.</td>
<td>Smart Specialization, Regional Growth and Applications to European Union Cohesion Policy</td>
<td>2013</td>
<td>Regional Studies</td>
<td>English</td>
<td>EU Cohesion Policy</td>
<td>Examines the role of smart specialization strategies in influencing regional growth within the EU. Concludes that these strategies positively impact regional innovation and development.</td>
</tr>
<tr>
<td>2</td>
<td>Samara, E. et al.</td>
<td>Assessment of Smart Technologies in Regional Innovation Systems: A Novel Methodological Approach to the Regionalisation . . .</td>
<td>2024</td>
<td>Systems</td>
<td>English</td>
<td>Regional Innovation Systems</td>
<td>Proposes a new methodology to assess the impact of smart technologies on regional innovation, suggesting significant improvements in efficiency and adaptability of regional systems.</td>
</tr>
<tr>
<td>5</td>
<td>Anastasiou, A., Kalligostyris, C., and Kalamara, E.</td>
<td>Assessing the effectiveness of tax administration in macroeconomic stability: evidence from 26 European Countries</td>
<td>2022</td>
<td>Economic Change and Restructuring</td>
<td>English</td>
<td>Tax Administration</td>
<td>Provides evidence that effective tax administration plays a critical role in maintaining macroeconomic stability across European countries, with significant variations among nations.</td>
</tr>
<tr>
<td>7</td>
<td>Gómez-Gallego, J.C. et al.</td>
<td>The relation between the index of economic freedom and good governance with efficiency of the European Structural Funds</td>
<td>2022</td>
<td>Papers in Regional Science</td>
<td>English</td>
<td>EU Structural Funds</td>
<td>Finds that regions with higher economic freedom and good governance metrics tend to utilize European Structural Funds more efficiently, suggesting governance quality as a key factor.</td>
</tr>
<tr>
<td>8</td>
<td>Gouveia, M.C., Henriques, C.O., and Costa, P.</td>
<td>Evaluating the efficiency of structural funds: An application in the competitiveness of SMEs across different EU regions</td>
<td>2021</td>
<td>Omega</td>
<td>English</td>
<td>Structural Funds Efficiency</td>
<td>Analyzes how structural funds have been used to enhance the competitiveness of SMEs, finding significant differences in fund impact across regions, with some showing marked improvements.</td>
</tr>
</tbody>
</table>
Table 2. Cont.

<table>
<thead>
<tr>
<th>No.</th>
<th>Authors</th>
<th>Title</th>
<th>Year</th>
<th>Journal</th>
<th>Language</th>
<th>Topic</th>
<th>Main Findings</th>
</tr>
</thead>
</table>

By emphasizing these innovative aspects, the study underscores its contribution to advancing the understanding of the ESIFs’ role in regional development and the effectiveness of different methodological approaches in evaluating fund efficiency.

The stages executed in this review are as follows:

A. Identifying Research Questions

The primary objectives of this review were to ascertain the methodological approaches employed in evaluating the efficiency of ESIFs and to understand the impact of these methodologies on policy formulation and regional development outcomes. Specifically, the review aimed to answer the following:

1. What methodological approaches are utilized in assessing the efficiency of ESIF allocation and utilization?
2. How do these methodologies influence the understanding of fund impact on regional development and policy implications?

B. Identifying Relevant Studies

A systematic search strategy was implemented, incorporating keywords related to ESIF, fund efficiency, Data Envelopment Analysis (DEA), spatial econometrics, and regional development. Search terms were combined using Boolean operators to capture the breadth of literature on the subject. The databases searched included MDPI, Scopus, and Web of Science, complemented by manual searches of reference lists to ensure comprehensive coverage. The search was not restricted by language or publication status, to encompass a broad spectrum of methodologies.

C. Study Selection

Following the PRISMA-ScR guideline, study selection was conducted in three phases: screening by title, abstract review, and full-text evaluation (Tricco et al. 2018). This multi-stage process ensured the inclusion of studies that directly address the methodological assessment of ESIF efficiency and its implications on regional development, adhering to predefined inclusion and exclusion criteria to maintain the review’s focus. After applying the aforementioned actions, an effort was implemented to include the most recent publications in order to also reflect current trends. The time frame selected was 2013–2023. Therefore, 11 articles were selected as eligible for inclusion in the present scoping review. The 11 articles included in the scoping review were selected based on their publication date, focus on the European Structural and Investment Funds’ (ESIFs’) role in regional development, and the use of a range of methodological approaches such as Data Envelopment Analysis (DEA), spatial econometrics, and multivariate analyses.

The research did not focus on one particular country, but rather covered the entire European Union (EU) as a whole. This broad scope allowed for a comprehensive analysis of ESIFs’ impact on regional development across different member states and regions within the EU. The key criteria for selecting these articles included their methodological rigor and...
relevance to the thematic categories identified in the review: evaluating fund efficiency, regional disparities and convergence, the interconnection between governance quality and economic freedom with fund management efficiency, and challenges related to fund absorption and management.

D. Charting the Data

Data extraction and charting involved a dual approach of numerical summarization and thematic analysis (Braun and Clarke 2012). Key information, such as study authors, geographical focus, methodology (e.g., DEA, spatial econometrics), and main findings related to ESIF efficiency and its determinants, was systematically recorded. Thematic analysis facilitated the identification of overarching themes and insights into the methodological intricacies and policy implications derived from the selected studies.

E. Collating, Summarizing, and Reporting the Results

The final stage involved synthesizing the data to produce a coherent narrative that outlines the diversity of methodological approaches in evaluating ESIF efficiency (Thomas and Harden 2008). This synthesis not only highlights the methodological trends and innovations, but also discusses the implications of these methodologies for policy formulation, fund allocation strategies, and regional development outcomes within the EU. The information extracted from each article was summarized and tabulated.

3. Results

During the data analysis phase of our scoping review, four distinct thematic categories were identified, reflecting the multifaceted nature of European Structural and Investment Funds’ (ESIFs’) impact on regional development. These encompassed Methodological Approaches in Evaluating Fund Efficiency, Regional Disparities and Convergence, The Interconnection between Governance Quality, Economic Freedom, and the Efficiency of Structural Fund Management, and The Absorption Capacity and Fund Management within the European Union (EU) Framework.

In assessing the efficiency of fund allocation and utilization, various studies emphasize the profound impact of governance quality and economic freedom. Studies like those by Gómez-Gallego et al. (2022) and Gouveia et al. (2021) demonstrate that countries with higher governance-quality and economic-freedom scores tend to utilize European Structural and Investment Funds (ESIFs) more efficiently, which in turn enhances regional economic development. Rodríguez-Pose and Garcilazo (2015) reinforce this, finding that government quality serves as a crucial determinant of economic growth and moderates the efficiency of Structural and Cohesion Fund expenditure (Rodríguez-Pose and Garcilazo 2015). These studies collectively underline the importance of robust governance frameworks in optimizing fund allocation and utilization.

The ESIFs significantly contribute to mitigating regional disparities, as indicated by studies like Mussida et al. (2023) and Otoiu and Titan (2015), who highlight the funds’ roles in reducing deprivation risks through social inclusion initiatives. However, they also note a significant misalignment in fund allocation versus the areas of greatest need, suggesting the need for more targeted fund distribution to effectively address regional disparities.

The literature points to the multifaceted challenges and determinants influencing the effective utilization of EU funds. For instance, Hapenciuc et al. (2013) and Aivazidou et al. (2020) delve into systemic inefficiencies in fund management and the pivotal role of administrative capacity in fund absorption. Their findings advocate enhancing institutional management capabilities and developing innovative indicators for accurately assessing regional performance.

While all studies highlight the importance of governance quality and economic freedom, they differ in their focus on specific mechanisms and regional applicability. Rodríguez-Pose and Garcilazo (2015) provide a broad perspective on the impact of government quality on regional economic performance across European regions, while Gómez-Gallego et al. (2022) and Gouveia et al. (2021) focus more specifically on the correlation between gov-
ernance and fund management efficiency. The comparative analysis reveals a consistent theme across the studies: enhancing governance quality and economic freedom could lead to more effective and efficient fund management.

Collectively, these results contribute a rich tapestry of insights into the complexities surrounding the allocation, management, and impact of ESIFs on regional development within the EU. The synthesis of findings across these thematic categories underscores the critical importance of governance quality, economic freedom, methodological rigor, and strategic fund allocation in enhancing the effectiveness of ESIFs. It also points to the need for tailored policy interventions and the integration of national and European funding strategies to maximize the impact of these programs on regional development and SME support. This body of research not only advances our understanding of ESIFs’ role in promoting regional development and convergence, but also highlights the necessity for a nuanced approach to fund management, emphasizing the integration of governance quality, economic freedom, and administrative capacity in the criteria for fund allocation and control.

A. Methodological Approaches in Evaluating Fund Efficiency

In this thematic category, the selected research papers employ sophisticated methodologies to assess the efficiency of fund allocation and utilization, particularly within the context of European Structural and Investment Funds (ESIFs). These studies not only contribute to the understanding of how funds impact regional development, but also highlight methodological innovations and challenges in evaluating fund efficiency.

Gómez-Gallego et al. (2022) leverage Data Envelopment Analysis (DEA) to evaluate the efficiency of decision-making units (DMUs) in the context of ESIF allocation among EU-28 countries. The study’s use of DEA, a non-parametric linear programming method, establishes an efficiency frontier, identifying the most efficient DMUs based on their ability to utilize various inputs to produce outputs. This methodology is enhanced by a second-stage analysis using Tobit regression to examine the relationship between efficiency scores and economic variables such as governance quality and economic freedom. This study exemplifies the application of DEA in assessing fund efficiency and highlights the importance of governance and economic freedom in influencing fund management efficiency. This study found that governance quality and economic freedom significantly influence the efficiency of ESIF allocation. The DEA approach identified decision-making units that effectively use inputs to generate outputs, highlighting those countries with higher governance and economic-freedom scores as more efficient. The results suggest that improving governance structures and policies in EU countries could enhance their ability to utilize funds more efficiently. This is critical for policymakers aiming to optimize fund distribution and impact.

Similarly, Gouveia et al. (2021) introduce a value-based DEA approach to measure the relative efficiency of DMUs utilizing Structural Funds. This advanced DEA model incorporates value judgments and multi-attribute utility theory (MAUT) to assess performance comprehensively. By converting all inputs and outputs into values, this model addresses the limitations of traditional DEA models and provides a nuanced analysis of efficiency in fostering SME development across EU regions. This study underscores the flexibility of value-based DEA in accommodating diverse thematic concerns and indicators, thereby enhancing the analytical rigor of efficiency evaluations. Employing a value-based DEA model, this research showed that incorporating stakeholders’ value judgments into the efficiency analysis provides a deeper understanding of fund utilization. This approach revealed a more nuanced efficiency landscape across EU regions, particularly in fostering SME development. The flexible nature of the value-based DEA allows for a tailored analysis that aligns with regional priorities and stakeholders’ values, suggesting that fund managers and policymakers should consider regional specificities and stakeholder inputs when assessing and planning fund distributions.

Antunes et al. (2020) adopt a spatial-econometric approach to investigate the determinants of real per capita income growth, emphasizing the role of EU financial support.
By addressing spatial dependence through Moran’s I index and employing econometric models capable of handling spatial autocorrelation, this research provides a comprehensive understanding of factors influencing regional economic growth within the EU context. The adoption of spatial lag, spatial error, and spatial Durbin models ensures the validity of the estimations, highlighting the methodological complexity of assessing the impact of Structural Funds on regional growth. Using spatial-econometric models, the study highlighted the role of EU financial support in influencing regional economic growth, showing that funds do not operate in isolation but are affected by spatial dependencies. This means that regions geographically close to high-growth areas tend to exhibit similar growth patterns. The results underline the importance of considering spatial factors in fund allocation. Policies should not only focus on individual regional needs, but also on the interconnectedness of regions, potentially designing strategies that leverage positive spillover effects among neighboring areas.

The results from Gómez-Gallego et al. (2022), Gouveia et al. (2021), and Antunes et al. (2020) offer varied insights into the efficiency of European Structural and Investment Funds. Gómez-Gallego et al. applied Data Envelopment Analysis to determine efficiency based on governance and economic freedom, illustrating that good governance enhances fund utilization. Gouveia et al. used a value-based DEA incorporating multi-attribute utility theory, which nuanced traditional DEA by incorporating value judgments, thereby revealing more flexible and comprehensive efficiency assessments. Meanwhile, Antunes et al. employed spatial econometrics, emphasizing the geographic impact of EU funds on regional growth. This method showed how regional proximity and economic relationships influence efficiency, providing a broader spatial understanding of fund impacts.

These studies collectively illustrate the methodological diversity and challenges in evaluating the efficiency of Structural Funds. By employing DEA, spatial econometrics, and panel-data models, researchers can navigate the complexities of fund allocation and utilization, address issues of spatial autocorrelation and endogeneity, and incorporate value judgments into efficiency assessments. However, the methodologies also reveal the necessity for careful interpretation of results, considering the multifaceted nature of fund impacts and the influence of external variables such as governance quality and economic freedom. Future research should continue to refine these methodological approaches, incorporating regional-level data and exploring the causal effects of funding to enhance our understanding of Structural Funds’ efficiency in promoting regional development and convergence within the European Union.

B. Regional Disparities and Convergence

The present thematic category encapsulates a significant body of research focused on understanding the socio-economic convergence dynamics within the European Union (EU), underpinned by the role of European Structural and Investment Funds (ESIFs). These studies collectively aim to dissect the extent to which ESIFs contribute to mitigating regional disparities, promoting economic growth, and fostering convergence between and within member states.

Mussida et al. (2023) delve into the intricacies of material deprivation across Spanish regions, highlighting the substantial role of ESIFs in addressing socio-economic disparities. Their analysis points to a nuanced efficacy of these funds in reducing deprivation risks through social inclusion initiatives, albeit with a marked misalignment in fund allocation vis-à-vis the areas of greatest need. This underscores a critical need for a more targeted approach in fund distribution, aligning closely with the relative risks of material deprivation to effectively mitigate regional disparities.

Gómez-Gallego et al. (2022) provide a nuanced perspective on fund efficiency, leveraging Data Envelopment Analysis (DEA) to evaluate the impact of governance quality and economic freedom on the efficiency of ESIF utilization among EU-28 countries. Their findings emphasize the significant influence of good governance and economic freedom on enhancing fund management efficiency, thereby suggesting that improvements in these domains can potentially accelerate economic convergence across the EU.
Otoiu and Titan (2015) explore the socio-economic convergence across EU regions through the lens of per capita net incomes, unemployment rates, low work intensity, and internal migration. Their study reveals a complex pattern of socio-economic convergence, characterized by both decreasing overall variability and significant divergences exacerbated by the Great Recession. This analysis illustrates the multifaceted nature of regional convergence within the EU, highlighting the pivotal role of cohesion policy in addressing both between-country and within-country disparities.

Coppola and Destefanis (2011) investigate the sectoral impacts of Structural Funds on regional convergence in Italy, employing the Malmquist Index and Free Disposal Hull (FDH) approach to assess productivity changes. Their findings indicate a modest impact of these funds on total factor productivity and negligible effects on capital accumulation and employment, pointing to the need for refined empirical methodologies to elucidate the precise impacts of Structural Funds on regional growth and convergence.

Antunes et al. (2020) employ a spatial-econometric approach to assess the determinants of real per capita income growth, incorporating variables like human capital, technology, and ESIFs. Their analysis, acknowledging the presence of spatial autocorrelation, suggests that while ESIFs have not significantly counteracted agglomeration effects, the positive impact of human capital and innovation on economic growth underscores the importance of targeted investments in education and innovation for promoting regional convergence.

These studies affirm the critical role of ESIFs in addressing regional disparities and promoting socio-economic convergence within the EU. However, they also highlight the complex interplay between fund allocation, governance quality, economic freedom, and regional development strategies in achieving convergence. The findings underscore the necessity for a nuanced, targeted approach in policy formulation and fund allocation, emphasizing the need for further research to refine our understanding of ESIFs’ impact on regional disparities and convergence dynamics.

C. The interconnection between governance quality, economic freedom, and the efficiency of structural fund management

The interconnection between governance quality, economic freedom, and the efficiency of structural fund management emerges as a critical focal point in the scholarly examination of regional economic development within the European Union (EU). This thematic category underscores the pivotal role of governance and economic freedom in enhancing the effectiveness of European Structural and Investment Funds (ESIFs), thereby facilitating socio-economic convergence and growth across EU regions.

Gómez-Gallego et al. (2022) provide a comprehensive analysis leveraging Data Envelopment Analysis (DEA) to evaluate the efficiency of ESIF allocation among EU-28 countries from 2000 to 2020. Their study delineates the substantial impact of governance quality and economic freedom on fund efficiency, illustrating that countries with higher governance-quality and economic freedom scores demonstrate a greater ability to utilize ESIFs efficiently. This relationship highlights the significance of regulatory clarity, transparency, and good governance practices in optimizing fund allocation and utilization, suggesting that improvements in governance quality and economic freedom could serve as catalysts for enhanced fund management efficiency and, by extension, economic development within the EU.

The findings from Gómez-Gallego et al. (2022) are particularly illuminating, revealing that countries such as the Czech Republic, Cyprus, and Slovenia exhibited notable efficiency in utilizing ESIFs in the early 2000s, with governance quality and economic freedom serving as significant predictors of efficiency across various productive orientations. The study underscores the negative correlation between income concentration and efficiency scores, further affirming the crucial role of good governance in fostering economic development, productivity, and job creation. These insights are pivotal, as they align with broader EU initiatives aimed at enhancing governance and economic freedom among member states, thereby improving the efficiency of ESIF allocation and utilization.
Furthermore, the research advocates for a nuanced understanding of the relationship between fund allocation, economic variables, and country-specific governance and economic freedom. By highlighting the technological gap between countries categorized based on governance quality, the study suggests that lower governance quality imposes constraints on achieving maximal efficiency outcomes. This observation is crucial for policy formulation, indicating that enhancing governance quality and economic freedom could significantly contribute to optimizing ESIF management.

Anastasiou et al. (2022) explore the effectiveness of tax administration and its impact on macroeconomic stability across 26 European countries. Their research, featured in “Economic Change and Restructuring”, employs econometric analysis to correlate the efficiency of tax systems with macroeconomic indicators like GDP growth, inflation rates, and fiscal balance. They find that countries with robust and transparent tax administrations exhibit greater macroeconomic stability, characterized by steady fiscal revenues and reduced deficits. The study also highlights considerable variations in tax administration effectiveness across the European nations, indicating that stronger tax governance contributes to overall economic resilience and stability. This analysis underscores the critical role of effective tax administration as a component of governance that directly influences economic health and stability. When comparing the findings from Anastasiou et al. (2022) with those of Gómez-Gallego et al. (2022), both studies emphasize the critical role of governance mechanisms in influencing economic outcomes within the European Union. Anastasiou et al. focus on the effectiveness of tax administration and its direct impact on macroeconomic stability, showing that efficient tax systems are crucial for maintaining fiscal balance and economic resilience across European nations. This suggests that tax administration is a key aspect of governance that supports stable economic environments.

On the other hand, Gómez-Gallego et al. (2022) examine how governance quality and economic freedom influence the efficiency of European Structural and Investment Fund (ESIF) management. They use Data Envelopment Analysis to demonstrate that higher governance and economic-freedom scores correlate with more effective fund utilization, leading to enhanced economic development across EU countries.

Both studies highlight the importance of governance in economic management, but focus on different aspects of governance and their impacts. Anastasiou et al. deal with the tax administration’s role in achieving macroeconomic stability, while Gómez-Gallego et al. explore broader governance quality and economic freedom in relation to fund management efficiency. Together, these studies provide a comprehensive view that robust governance, whether in tax systems or broader economic policies, is pivotal for achieving desired economic outcomes, such as stability, growth, and efficient use of funds within the EU. This underscores the necessity of high governance standards and economic freedom as foundational for effective economic policy and fund management across the region.

The implications of these findings are manifold, pointing to the necessity of regulatory and economic-system adjustments to fulfill EU criteria and ultimately increase economic freedom and governance quality. The study calls for future research to incorporate regional-level data to refine insights into ESIF management efficiency, emphasizing the importance of tailored policy interventions that consider governance quality, economic freedom, and income distribution within the criteria for ESIF allocation and control by European organizations.

The thematic exploration of the relationship between governance quality, economic freedom, and the efficiency of structural fund management sheds light on the complex dynamics underpinning regional economic development within the EU. It underscores the critical role of governance and economic freedom in enhancing the effectiveness of ESIFs, thereby facilitating economic growth and convergence across EU regions. This body of research contributes significantly to the discourse on regional development, offering valuable insights for policymakers and stakeholders engaged in the strategic deployment and management of structural funds within the European Union.
D. The absorption capacity and fund management within the European Union (EU) framework

The literature on the absorption capacity and fund management within the European Union (EU) framework illuminates the multifaceted challenges and determinants influencing the effective utilization of EU funds. This thematic category scrutinizes systemic inefficiencies in fund management, the pivotal role of administrative capacity in fund absorption, and the introduction of innovative indicators designed to more accurately capture regional performance.

Hapenciuc et al. (2013) delve into the concept of absorption capacity, highlighting the critical role of macroeconomic, financial, and administrative capacities as key determinants influencing the levels of fund absorption. Their comparative analysis across EU member states, with a focus on Romania, sheds light on the intricate relationship between a country’s economic development level and its ability to efficiently utilize allocated funds (Hapenciuc et al. 2013). The study’s findings reveal significant discrepancies between the funds allocated for projects and actual disbursements, underscoring systemic inefficiencies in fund management and reimbursement processes. The research advocates enhancing institutional management capabilities and supporting the beneficiaries’ co-financing capacity as corrective measures to optimize fund utilization and support sustained economic growth effectively.

Aivazidou et al. (2020) contribute to the discourse by questioning the efficacy of the EU-share absorption rate as a standalone indicator for measuring regional performance. Through a detailed examination of expenditure patterns in two Italian regions with contrasting economic standings, Emilia Romagna and Calabria, the study proposes a new indicator, the initial total absorption rate (ITAR), which is based on initial commitments. This indicator aims to provide a more accurate reflection of Local Managing Authorities’ (LMAs’) performance by considering variations in total commitments over time. The research highlights the limitations of traditional absorption rate calculations in capturing genuine regional performance and underscores the necessity for a more comprehensive indicator that can accommodate the complexities of fund absorption dynamics and regional performance more effectively.

Staehr and Urke (2022) analyze the impact of European Structural and Investment Funds (ESIFs) on public investment across EU countries, revealing a substantial, almost one-to-one effect of Cohesion Fund support on public investment in the short term. This finding is particularly noteworthy, as it underscores the significant role of the Cohesion Fund in driving public investment, especially in Central and Eastern European (CEE) countries. The study’s robustness assessments confirm the Cohesion Fund’s unique significance among ESIF variables in influencing public investment, highlighting the need for further research on the causal effects of ESIF funding, its impact on specific public investment categories, and the conditions under which ESIF support most effectively boosts public investment.

These studies collectively underscore the critical importance of addressing systemic inefficiencies in fund management, enhancing administrative capacity, and developing innovative indicators for accurately assessing regional performance. By highlighting the challenges and determinants influencing fund absorption, this thematic category contributes valuable insights into optimizing the utilization of EU funds, thereby facilitating economic growth and convergence across EU regions. The literature calls for a nuanced approach to fund management, emphasizing the need for tailored policy adjustments and the integration of national and European funding strategies to maximize the impact of these programs on regional development and SME support.

E. Policy Implications and Recommendations

The synthesis of policy implications and recommendations derived from the reviewed literature underscores a collective call for enhancing the governance structures, tailoring policy interventions to specific regional needs, and preparing comprehensively for future funding cycles to optimize the utilization of structural funds in promoting regional development within the European Union (EU).
Mussida et al. (2023) highlight the importance of re-evaluating fund distribution criteria, to align them more closely with the relative risks of material deprivation. Their study advocates for a more nuanced, targeted strategy in policy formulation and fund allocation to mitigate material deprivation across Spain’s regions. This approach emphasizes the need for policies that are directly responsive to the multifaceted nature of deprivation, suggesting that a shift towards more granular, needs-based fund allocation could enhance the effectiveness of European Structural and Investment Funds (ESIFs) in addressing socio-economic disparities.

Similarly, Gómez-Gallego et al. (2022) underscore the critical role of governance quality and economic freedom in enhancing the efficiency of ESF allocation and utilization. Their findings suggest that improvements in governance and economic freedom among member states are pivotal for boosting economic development, productivity, and job creation. The study points to the necessity of regulatory- and economic-system adjustments to fulfill EU criteria, ultimately advocating for the incorporation of governance quality, economic freedom, and income distribution in the criteria for ESF allocation and control by European organizations.

Otoiu and Titan (2015) shed light on the dynamics of socio-economic convergence within the EU, challenging assumptions about the effectiveness of cohesion policy in alleviating within-country disparities. Their analysis suggests that the EU’s cohesion spending has been modest in reducing disparities beyond achieving certain levels of between-country convergence. This finding raises critical questions about the optimal focus of cohesion spending, highlighting the importance of strategic deployment of cohesion funds to enhance socio-economic convergence across the EU.

Coppola and Destefanis (2011) note the differential impact of various types of Structural Funds on regional development, particularly underscoring the European Social Fund’s significant influence. The study calls for refined empirical methodologies to address omitted variable and selection bias in policy evaluation, suggesting a need for investigating the role of national capital account expenditures and the influence of Structural Funds on the accumulation of local public goods to fully comprehend their impact on regional growth.

Gouveia et al. (2021) emphasize the potential for tailored policy adjustments and the integration of national and European funding strategies to optimize the impact of Structural Funds’ implementation, suggesting actionable insights for managing current and future funds.

Hapenciuc et al. (2013) and Bostan et al. (2022) advocate for enhancing institutional management capabilities and supporting the beneficiaries’ co-financing capacity as critical measures for optimizing fund utilization and supporting sustained economic growth effectively. These studies highlight the importance of a robust institutional framework for fund management and the selection of economically viable and sustainable projects.

Kehagia and Kyriazi (2021) and Antunes et al. (2020) call for a strategic, meticulously planned, and closely monitored approach to the disbursement of EU funds, aiming to ensure that allocations are directed towards productive investments. These studies emphasize the need for policies promoting education and innovation to foster endogenous development dynamics on a regional scale, aligning with the goals of the Regional Development and Cohesion Policy beyond 2020.

Aivazidou et al. (2020) introduce a novel approach to evaluating Cohesion Policy systems, advocating for a more comprehensive indicator that captures the complex dynamics of fund absorption and regional performance more accurately. Their research suggests that the traditional method of calculating absorption rates may misrepresent actual regional performance, highlighting the need for interventions focused on well-defined objectives that address real regional needs.

Collectively, these studies underscore the necessity for a more nuanced approach to the management and allocation of structural funds, emphasizing the importance of governance quality, economic freedom, and tailored policy interventions in enhancing the effectiveness of these funds in promoting regional development across the EU.
4. Discussion

This scoping review’s analysis, delineated into four thematic categories, offers a comprehensive understanding of the European Structural and Investment Funds’ (ESIFs’) multifaceted role in regional development across the European Union (EU). This discussion juxtaposes our findings with the extant literature, critically analyzing the synergies and divergences, to further elucidate the dynamics of ESIF in fostering regional growth, convergence, and the overarching goal of economic cohesion within the EU.

In the realm of methodological approaches to evaluating fund efficiency, our findings underscore the criticality of employing sophisticated analytical frameworks such as Data Envelopment Analysis (DEA) and spatial econometrics (Gómez-Gallego et al. 2022; Gouveia et al. 2021). This resonates with the broader literature, which advocates for nuanced methodological paradigms to capture the complex interplay between fund allocation, utilization, and regional economic outcomes (Boadway and Shah 2009). The emphasis on governance quality and economic freedom as pivotal to fund management efficiency aligns with the theoretical underpinnings posited by North (1990), suggesting that institutional quality significantly influences economic performance and policy outcomes. These findings advocate an integrative approach, combining rigorous methodological scrutiny with a keen understanding of institutional and governance frameworks to optimize the ESIFs’ impact.

The exploration of regional disparities and convergence reveals a nuanced efficacy of ESIF in addressing socio-economic imbalances, a finding that both complements and extends the existing scholarship (Rodríguez-Pose and Fratesi 2004). While Mussida et al. (2023) highlight the role of ESIFs in mitigating material deprivation, the observed misalignment in fund allocation underscores the necessity for a more granular, targeted approach. This calls for a strategic realignment of fund distribution criteria, echoing the sentiments of Barca (2009), who argues for place-based strategies to enhance the effectiveness of cohesion policy. Our review thus reaffirms the critical need for policies that are finely attuned to regional specificities and challenges, underscoring the importance of aligning fund allocation with regional development priorities.

The interconnection between governance quality, economic freedom, and the efficiency of structural fund management emerges as a pivotal theme, highlighting the instrumental role of governance in optimizing fund allocation and utilization (Gómez-Gallego et al. 2022). This finding dovetails with the broader discourse on the significance of institutional quality in economic development (Acemoglu and Robinson 2012). The observed correlation between governance quality, economic freedom, and fund management efficiency not only validates the theoretical postulates of institutional economics but also underscores the practical implications of governance reforms in enhancing the impact of ESIFs on regional development.

Lastly, the thematic category focusing on absorption capacity and fund management elucidates the complex challenges confronting the effective utilization of EU funds (Hapenciuc et al. 2013; Aivazidou et al. 2020). Our review amplifies this narrative, advocating for robust institutional frameworks and innovative performance indicators to accurately assess and enhance fund absorption and management (Piattoni 2016). This suggests a paradigm shift towards more adaptive, responsive fund management practices, capable of navigating the intricate dynamics of fund absorption and regional performance.

The present scoping review enriches the discourse on ESIFs by offering a nuanced understanding of the funds’ roles in regional development, convergence, and governance. By critically analyzing our findings in the context of the existing literature, this discussion underscores the imperative for methodological rigor, governance reforms, and strategic fund allocation. It advocates for a holistic approach to fund management, emphasizing the need for policies that are both responsive to regional specificities and grounded in robust governance and administrative frameworks. This synthesis not only contributes to the academic discourse on regional development and cohesion policy, but also offers practical insights for policymakers and stakeholders engaged in the strategic deployment and management of ESIFs within the EU.
5. Limitations

This scoping review recognizes several constraints that may impact the breadth and depth of its findings. These include the possibility of selection bias stemming from the reliance on particular databases, the inadvertent omission of pertinent studies housed in alternative databases or gray literature, restricted applicability to populations with comorbid conditions, discrepancies in the rigor and approach of the analyzed studies, a language bias due to the focus on studies published in English, and challenges related to data completeness, reporting standards, and the uniformity of outcome metrics which could hinder comprehensive meta-analytical efforts or the formulation of conclusive insights. The initial search strategy aimed to be inclusive by not restricting by language or publication status, to capture a broad spectrum of methodologies. The language bias resulted from practical constraints such as limited availability of translations, researcher preferences, and database limitations. Finally, despite the strengths of this approach, the most significant shortcoming of this study is that it is strictly limited to the review of the 11 studies, lacking any meta-analysis based on their quantitative results. Future research should incorporate meta-analytical techniques to synthesize quantitative findings across studies, which would provide a more robust statistical assessment of the impact of ESIFs on regional development. Conducting a meta-analysis would enable the aggregation of effect sizes from different studies, offering a clearer picture of the overall effectiveness of ESIFs and identifying factors that may influence variations in outcomes.

6. Recommendations for Enhancing ESIF Impact on Regional Development

To optimize the European Structural and Investment Funds’ (ESIFs’) contribution to regional development within the European Union (EU), this scoping review synthesizes strategic recommendations across four identified thematic categories. These insights aim to guide future policy interventions, ensuring that ESIFs maximally contribute to regional growth, socio-economic convergence, and governance enhancement.

Adopting Integrated Methodological Frameworks: Building on the insights of Gómez-Gallego et al. (2022) and Gouveia et al. (2021), it is imperative to standardize the use of sophisticated analytical tools such as Data Envelopment Analysis (DEA) and spatial econometrics. This standardization will foster a consistent evaluation of fund efficiency, enhancing the comparability of findings across studies. Incorporating multi-dimensional indicators that reflect governance quality and economic freedom will provide a holistic view of fund management efficiency, enabling a nuanced assessment of the ESIFs’ impact on regional development.

Targeted Fund Distribution: In light of the nuanced efficacy of ESIF in mitigating regional disparities (Mussida et al. 2023; Otoiu and Titan 2015), a recalibration of fund allocation criteria towards a more targeted, needs-based approach is recommended. Aligning fund distribution with specific regional priorities and challenges will ensure that ESIFs effectively address material deprivation and socio-economic imbalances, fostering equitable regional growth.

Enhancing Governance and Administrative Capacity: The interconnection between governance quality, economic freedom, and fund management efficiency underscores the need for governance reforms (Gómez-Gallego et al. 2022). Strengthening institutional frameworks and enhancing administrative capacities will improve ESIF absorption and management, ensuring that funds are utilized efficiently and effectively. Innovative performance indicators should be developed to accurately assess and monitor fund management practices, facilitating adaptive, responsive fund administration.

Longitudinal and Multivariate Research: To address the complexity of ESIFs’ impact on regional development, future research should employ longitudinal designs and multivariate analysis. These approaches will illuminate the long-term effects of fund allocation and utilization on regional growth and convergence, providing a comprehensive understanding of ESIFs’ role in the EU’s cohesion policy.
Incorporating these recommendations will advance the strategic deployment of ESIFs, aligning fund management with the overarching goals of regional development, socio-economic convergence, and enhanced governance within the EU. This holistic approach will ensure that ESIFs not only contribute to regional growth but also to the sustainable development of the EU as a whole.

7. Conclusions

This scoping review has systematically charted the landscape of European Structural and Investment Funds’ (ESIFs’) impact on regional development, delineating four critical thematic areas: Methodological Approaches in Evaluating Fund Efficiency, Regional Disparities and Convergence, Governance Quality, Economic Freedom, and Efficiency of Fund Management, and Absorption Capacity and Fund Management. Collectively, these categories furnish a panoramic view of the ESIFs’ multifaceted influence on regional development across the European Union (EU).

The examination of methodological approaches underscores the indispensability of advanced analytical tools, such as Data Envelopment Analysis (DEA) and spatial econometrics, for a nuanced evaluation of fund efficiency. Findings from Gómez-Gallego et al. (2022) and Gouveia et al. (2021) highlight the pivotal role of governance quality and economic freedom in optimizing fund management, echoing the broader discourse on the symbiosis between institutional quality and economic prosperity.

In dissecting regional disparities and convergence, the review reveals the ESIFs’ instrumental role in mitigating socio-economic imbalances, albeit with an emphasis on the need for more targeted fund distribution to effectively address regional needs, as illustrated by Mussida et al. (2023) and Otoiu and Titan (2015). This insight advocates for a recalibration of fund allocation strategies to ensure alignment with regional development priorities.

The interplay between governance quality, economic freedom, and fund management efficiency emerges as a cornerstone for enhancing the ESIFs’ impact. This synergy, as detailed by Gómez-Gallego et al. (2022), underscores the criticality of robust governance frameworks and economic policies in facilitating efficient fund utilization and regional economic development. Additional studies also support this linkage. Research by Charron et al. (2014) and Rodríguez-Pose and Garcilazo (2015) further underscores the fact that high governance quality and economic freedom enhance the effective utilization of ESIFs. Charron et al. (2014) demonstrate that regions with better governance structures achieve higher absorption rates and more impactful use of funds, while Rodríguez-Pose and Garcilazo (2015) emphasize the importance of institutional quality in achieving economic cohesion. These findings collectively suggest that governance reforms and economic policy improvements are critical for optimizing the impact of ESIFs on regional development.

The thematic focus on absorption capacity and fund management delineates the challenges and determinants of fund utilization, advocating for strengthened administrative capacities and innovative performance indicators to optimize fund absorption and management, in line with findings from Hapenciuc et al. (2013) and Aivazidou et al. (2020).

To address the challenges and limitations associated with each recommendation, this article should provide a more detailed discussion and specific practical steps. For standardizing analytical tools like Data Envelopment Analysis (DEA) and spatial econometrics, challenges include variations in technical expertise, data availability, and computational resources across EU member states. Limitations involve differences in regional data quality and the complexity of these tools, requiring extensive training. Practical steps for EU institutions include developing and disseminating standardized training modules, funding workshops, and creating a centralized repository of best practices. Member states should invest in technical training for administrators, collaborate with academic institutions, and ensure consistent data collection practices.

For targeted fund distribution, challenges include the need for comprehensive and up-to-date regional data and the potential political resistance from regions receiving less funding. Limitations involve the complexity of equitable distribution and risks of oversim-
plification due to data limitations. EU institutions should establish a framework for regular data collection and analysis, to identify regions with the greatest needs and implement a transparent fund allocation system. Member states should develop local capacity for data analysis, engage stakeholders in planning processes, and monitor the impact of fund distribution, to adjust strategies as needed.

Enhancing governance and administrative capacity involves significant institutional changes that may face resistance, and variability in existing governance structures can complicate implementation. Limitations include budget constraints and entrenched administrative practices. EU institutions should provide technical assistance and capacity-building programs, while member states should conduct governance audits, implement best practices for transparency, and invest in training programs for public officials.

For longitudinal and multivariate research, challenges include the need for consistent data collection over extended periods and coordination between data-collecting agencies. Limitations involve the influence of external factors on research findings. EU institutions should fund longitudinal research projects and create a centralized database for data sharing, promoting collaboration among member states. Member states should participate in EU-funded research, develop local research capacities, and ensure regular updates of regional data for research purposes.

By addressing these challenges and implementing practical steps, the recommendations can be more effectively realized, leading to improved outcomes in the management and impact of ESIFs on regional development within the EU.

In summation, this review articulates a compelling case for methodological rigor, strategic fund allocation, governance reforms, and enhanced administrative capacities to amplify the ESIFs’ contribution to regional development within the EU. These insights pave the way for future research and policy-making, emphasizing the need for a holistic approach that integrates governance quality, economic freedom, and tailored policy interventions to maximize the effectiveness of structural funds in fostering regional prosperity and convergence.

Author Contributions: Conceptualization, A.A. and N.S.; methodology, A.A.; software, A.A.; validation, A.A. and N.S.; formal analysis, A.A.; investigation, A.A.; resources, N.S.; data curation, N.S.; writing—original draft preparation, A.A.; writing—review and editing, A.A.; visualization, A.A.; supervision, A.A.; project administration, N.S.; funding acquisition, N.S. All authors have read and agreed to the published version of the manuscript.

Funding: This research received no external funding.

Data Availability Statement: Data are available on request for reasonable purposes.

Conflicts of Interest: The authors declare no conflict of interest.

References
Aivazidou, Eirini, Giovanni Cunico, and Edoardo Mollona. 2020. Beyond the EU Structural Funds’ Absorption Rate: How Do Regions Really Perform? *Economies* 8: 55. [CrossRef]


Charron, Nicholas, Victor Lapuente, and Lewis Dijkstra. 2014. Regional Governance Matters: A Study on Regional Variation in Quality of Government within the EU. *Regional Studies* 48: 68–90. [CrossRef]


Gómez-Gallego, Juan Cándido, María del Rocío Moreno-Enguix, and María Gómez-Gallego. 2022. The relation between the index of economic freedom and good governance with efficiency of the European Structural Funds. *Papers in Regional Science* 101: 327–50. [CrossRef]


Mussida, Chiara, Maria Laura Parisi, and Nicola Pontarollo. 2023. Severity of material deprivation in Spanish regions and the role of the European Structural Funds. *Socio-Economic Planning Sciences* 88: 101651. [CrossRef]


Thomas, James, and Angela Harden. 2008. Methods for the thematic synthesis of qualitative research in systematic reviews. *BMC Medical Research Methodology* 8: 45. [CrossRef]


Disclaimer/Publisher’s Note: The statements, opinions and data contained in all publications are solely those of the individual author(s) and contributor(s) and not of MDPI and/or the editor(s). MDPI and/or the editor(s) disclaim responsibility for any injury to people or property resulting from any ideas, methods, instructions or products referred to in the content.