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## **Impacts of EU Grant-Assisted Projects on Institutional Capacity Building and Regional Development in Turkey: The Case of NUTS-2 Region TR82<sup>1</sup>**

### **Introduction**

The European Union (EU) offered financial support to candidate and potential candidate countries within the ‘Pre-Accession Financial Assistance’, which served as a bridge to the preparation for structural funding, such as the PHARE program, ISPA (Instrument for Structural Policies for Pre-Accession) and SAPARD (Special Accession Program for Agricultural and Rural Development) during 2000–2006 (Bailey and Probris 2004, p. 84; Knezevic 2011, p. 4; Totozani 2016, p. 171). Created to facilitate medium to long-term changes in society and economy, these aids encourage regional co-operation while at the same time enable sustainable development and poverty reduction (Kepi 2017, p. 1). On the other hand, Turkey was not included in aid programs such as PHARE, ISPA and SAPARD provided to other candidate countries. The reason behind this was given as the budgets for these aid programs having already been finalized. During the same period, Turkey kept receiving aid under the Mediterranean Development Aid Program (MEDA II) between the years 2000–2006 (Karataş 2010, pp. 69–75).

Later during 2007–2013, the EU brought aid programs offered to candidate and potential candidate countries together under a single title of Instrument for Pre-Accession Assistance (IPA) (Gjani and Duka 2017, p. 252). The IPA program comprises five components: transition assistance and institutional structuring, regional and cross-border cooperation, regional development, human resources, and rural development. The first two components were aimed at all countries that will benefit from IPA, while the other three components only at candidate

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countries (Knezevic 2011, p. 9; Maletic et al. 2011, p. 278; Zivco et al. 2017, p. 470). Especially considering its economic and political aspects, regional and cross-border cooperation claimed a rather important place among these components (Popescu and Munteanu 2012, p. 128).

As for the period of 2014–2020, it was decided to provide financial support to candidate and potential candidate countries within the scope of the Instrument for Pre-accession Assistance (IPA II). The IPA II came into force on March 16, 2014 and was effective retroactively from January 1, 2014. The most important reform in the IPA II is its strategic focus. Country Strategy Documents set a specific strategic plan for each beneficiary over a 7-year period. The strategic focus makes the integration possible for the beneficiaries' own reforms and development agendas and thus ensure a strong sense of ownership. The Multi-Country Strategy Paper will focus on regional co-operation or regional cooperation priorities. The IPA II aims at reforms within the framework of predefined sectors. These sectors cover areas closely linked to the expansion strategy, such as democracy and governance, law or growth and competitive supremacy. This sector-oriented approach promotes structural reform that will bring EU standards and will enable sectors to change and reach EU standards. The IPA II also provides more systematic use of industry budget support. Besides, it gives more weight to performance measurement (Maletic and Kandzija 2017, pp. 247–248; European Commission 2020).

The pre-accession financial assistance tool (IPA II) can be summarized under the following three categories:

- 1) creating five policy areas to guide financial aid based on the five existing components,
- 2) adoption of new approaches enabling beneficiaries to access the management,
- 3) enabling a more general sector approach with the increasing use of sectoral budget support (Koeth 2014).

Candidate and potential candidate countries to the EU can benefit from pre-accession financial assistance tools through projects. The aim of this study is to explore the impact of the EU grant-assisted projects under the responsibility of the CFCU<sup>2</sup> on institutional capacity building and regional development. NUTS-2 region TR82 (Çankırı, Kastamonu and Sinop) was selected as the research area and a questionnaire was conducted with 50% of the institutions/organizations that implemented EU projects in the region. The institutions and organizations to be surveyed were selected by the purposive sampling method. The relationship between the legal status, city and status of project management experience of the institutions/organizations that implemented EU grant-assisted projects in region TR82 is analyzed using chi-square ( $\chi^2$ ) test and the discussion of the obtained results and suggestions for future studies is presented.

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## 1. Turkey – EU Relations

The starting point for Turkey to benefit from EU financial aid dates back to the 1963 Ankara Agreement (Avrupa Birliği Başkanlığı 2020a). Turkey received support based on four financial protocols, one complementary protocol, a private cooperation fund, and an administrative cooperation fund during the following periods between 1964–1986. These supports summing up to 1,005 million € in forms of loans and grants during the time period from Ankara Agreement to the Customs Union Agreement (1964–1996) intended to ensure social and economic development (Yeğen 2009, p. 66; Kösecik and Akbaş 2009, p. 45). It was decided to provide financial support to third party countries in order to reduce the negative impacts of the gap between the EU countries and other candidate and potential candidate countries resulting from the Customs Union (Yeğen 2009, pp. 70–71). In consequence of Greece’s vetoes, Turkey was unable to find an effectively usable financial resource among these aids (Atak 2009, p. 149). Financial resources offered to Turkey under the title of Renewed Mediterranean Policy (RMP) within this period were maintained under the Euro-Mediterranean Partnership Program (MEDA I) from 1996 to 1999 with the Customs Union Agreement. During the candidacy period, Turkey received aid within the “European Strategy for Turkey and Earthquake Aid”. Additionally, it benefited from various aids in form of loans under EUROMED II, TERRA, Special Action Mandate, Pre-Accession Facility and the Mediterranean Partnership Facility. At the Helsinki Summit held in 1999, Turkey’s candidacy for full membership in the EU was accepted (Gençkol 2003, pp. 178–180; Karataş 2010, pp. 69–75).

The EU financed the projects of candidate and potential candidate countries under the name “Instrument for Pre-accession Assistance (IPA)” for the period of 2007–2013. Comprised of five components, the IPA has taken the concepts of environment, transportation, regional competition, development of human resources and rural development, which are implemented with the same criteria as structural funds, within the scope of pre-accession financial support program. For the period of 2014–2020, financial aids are offered to candidate and potential candidate countries under IPA II, and Turkey is a beneficiary of this program (Kepi 2017, p. 8; European Commission 2020). As for the 2021–2027 period, Turkey will continue to receive financial support through Instrument for Pre-accession Assistance IPA III projects (Avrupa Birliği Başkanlığı 2020b).

Table 1 shows the increase in the amount of support Turkey received from the Instrument for Pre-accession Assistance. The total amount of aid, which was € 497.2 million in 2007, reached € 903.0 million in 2013. Taking a closer look at the components, the highest value for the year 2007 is the “Transition Assistance and Institutional Structuring”, while in 2013 it is the “Regional Development” component. This change between components is an indication of change in policies prioritized overtime in Turkey, which is going through the EU harmonization process. As the EU has particularly directed its financial aids to address the

**Table 1**  
**EU financial aid for Turkey during the IPA period (million €)**

Components	2007	2008	2009	2010	2011	2012	2013	Total
Transition assistance and institutional structuring	256.7	256.1	239.6	217.8	231.3	227.5	238.5	1,667.5
Regional and cross-border Cooperation	2.1	2.9	3.0	3.1	5.1	2.2	2.2	20.6
Regional development	167.5	173.8	182.7	238.1	293.4	356.1	366.9	1,778.4
Human resources	50.2	52.9	55.6	63.4	77.6	83.2	91.2	474.1
Rural development	20.7	53.0	85.5	131.3	172.5	187.4	204.2	854.6
Total	497.2	538.7	566.4	653.7	779.9	856.3	903.0	4,795.2

Source: Avrupa Birliği Başkanlığı (2020b).

**Table 2**  
**Indicative allocations for policy areas and sector in Turkey in 2014–2020 (million €)**

Policy areas and sectors	2014	2015	2016	2017	2018–2020 Total	2014–2020 Total
A. Preparatory reforms for membership in the union	355.1	196.6	240.3	137.2	652.2	1,581.4
– Democracy and governance	540.2				416.3	956.5
– Rule of law and fundamental rights	388.9				236.0	624.9
B. Socio-economic and regional development	155.8	265.8	247.0	261.4	595.3	1,525.3
– Environment and climate action	297.1				347.5	644.6
– Transportation	386.0				56.8	442.8
– Energy	59.0				34.4	93.5
– Competitiveness and innovation	187.8				156.6	344.4
C. Employment, social policies, education, promoting gender equality, and the development of human resources	37.4	62.9	65.9	68.9	199.9	435.0
– Education, employment and social policies	235.1				199.9	435.0
D. Agriculture and rural development	72.0	100.9	77.0	158.1	504.2	912.2
– Agriculture and rural development	408.0				504.2	912.2
Total	620.4	626.4	630.8	636.4	1,940.0	4,453.9

Source: Avrupa Birliği Başkanlığı (2020b).

elimination of the regional differences, the importance of regional development efforts in Turkey has also increased over the years.

Five components present in the first period (2007–2013) of the Instrument for Pre-accession Assistance (IPA) were preserved and five policy areas were created to canalize the aids. Accordingly, following the introduction of the IPA II program, the projects implemented in Turkey for the 2014–2020 period now receive support under IPA II (T.C. İçişleri Bakanlığı 2020). Table 2 provides the indicative allocations (million €) per policy areas and sectors during the 2014–2020 period. Between 2014 and 2020, Turkey had an allocation of €4,453.9 million; a large part of this amount was attributable to funds of policy areas concerning preparatory reforms for membership in the union, and the socio-economic and regional development.

## 2. Materials and Methods

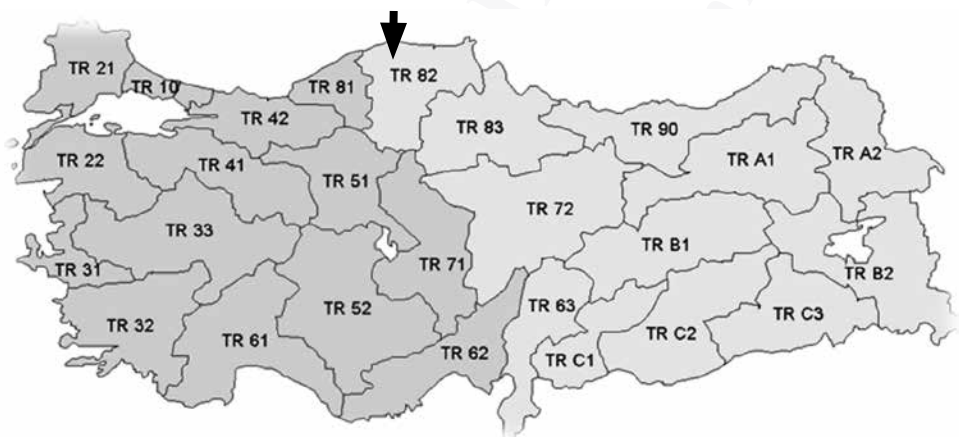
With the agreement on the Single European Act signed at the 1986 Luxembourg Summit, the harmony between countries and regions gained importance. Thus, the economic and social cohesion became a part of the principles of market integration, expansion, freedom and competition on which the union has been based on since its inception. While the position of regional policy has been determined in union policies, its share in the budget has increased. The signing of the Single European Act was followed by the Structural Fund Reform aimed at balanced and harmonious development of the community. Upon completion of regulations in all countries, the EU regional policy has employed the NUTS regional classification for the allocation of structural funds since the 1988 reform (Bachtler and Michie 1993, Martin 1999, Bailey and Probris 2002, Bilen 2006). In the 1996 Maastricht Agreement, the principle of subsidiarity was emphasized and the need for decentralization regarding the plans proposed for regional scale was proposed (Goldsmith and Klausen 1997, p. 5). NUTS classification has three different levels within administrative boundaries, including NUTS-1, NUTS-2 and NUTS-3. With these classifications, Eurostat stated that regional plans should be made according to NUTS-2 regions (Brakman et al. 2006, pp. 1–2; Yüceyılmaz 2007, pp. 25–26). There are three NUTS levels created in Turkey with the Classification of Statistical Regional Units (IBBS); NUTS-1 comprises 12, NUTS-2 – 26, and NUTS-3 81 statistical regions (Kayalak and Kiper 2006).

In this study, set out to explore the contribution of projects implemented through the CFCU to institutional capacity building and regional development in Turkey, the data were obtained through the survey method. The research area was selected as the NUTS-2 region TR82 (Kastamonu, Çankırı and Sinop) among the NUTS-2 regions defined in Turkey by Eurostat. According to 2012 TUIK statistics, TR82 region includes three cities of Turkey with the oldest population proportionally (KUZKA 2016a). In the socio-economic development in-

dex (SEGE-2011), cities in the region are ranked as follows: Kastamonu – 47<sup>th</sup>, Sinop – 51<sup>st</sup> and Çankırı – 54<sup>th</sup> (Kalkınma Bakanlığı 2013). According to 2010 data, gross value added (GVA) per capita in the region stands out as TRY 9,930 below the Turkey average and is ranked in 17<sup>th</sup> position among the 26 NUTS-2 regions. GVA per capita distribution by sector within the region is 22.6% for agriculture, which is above the Turkey average (9.5%), 20.4% for industry and 57.1% for service. Distribution of employment by sector is: 47.7% agriculture, 36.6% services and 15.7% industry (KUZKA 2016b).

**Figure 1**

**The nomenclature of territorial units for statistics: NUTS-2 regions of Turkey**



Source: İKG (2020).

Both primary and secondary data sources were used in the study. The primary data have been obtained from the survey conducted in institutions and organizations implementing EU projects through CFCU in the NUTS-2 region TR82. Secondary data was obtained from reports published by the Directorate of EU Affairs, the Ministry of Development, the CFCU and the European Commission Delegation to Turkey, and the results of the previous scientific research on the subject. According to CFCU data, 3687 EU grant-assisted projects were implemented in Turkey summing up to a total grant amount of € 451,517,466 and € 381,158,371 of this amount is EU grant contribution. The data for the region TR82 shows 122 (Kastamonu – 62, Çankırı – 30 and Sinop – 30) EU grant-assisted projects with a grant amount of € 17,527,877 (CFCU 2020). Due to the time constraint and cost, it was difficult to conduct surveys with all the institutions and organizations in the region and thus only 50% of the target population was included in the research, based on the selection by the purposive sampling method.

The purposive sampling method is referred to under a variety of names in the literature. Other names include deliberate, judgmental, selective, arbitrary

and subjective sampling (Atılgan et al. 2006). Purposive sampling is a type of non-probability sampling technique used for data collection (Godambe 1982). The method allows an in-depth investigation of situations thought to have rich information value (Patton 1997). It helps select the sample in survey studies. A sample is created by selecting a segment that is considered most appropriate by researchers to solve the research problem from the main audience. Thus, it provides a systematic way to collect the necessary information for the study (Tongco 2007, İldeniz and Demiryürek 2015).

The applied survey form uses a 5-point Likert scale for questions that try to determine the contribution of projects to regional development and institutional capacity building. The results are interpreted firstly in light of the frequency and percentage ratios of answers to survey questions. Secondly, the relationship between the contribution of EU grant-assisted projects to regional development, institutional capacity building and the legal status, status of project management experience of the institutions and organizations is tested using chi-square ( $\chi^2$ ) test of independence and the relationships are interpreted. The associated expressions are interpreted by showing them with the help of statements.

The chi-square distribution results when  $v$  independent variables with standard normal distributions and mean 0, variance 1 are squared and summed. It is one of the methods used to determine whether the difference between certain values is to be considered random or not (Oktay 1990). In other words, chi-square test aims to establish whether there is a statistically significant difference between the expected frequencies (EF) and the observed frequencies (OF). The formula for the chi-square analysis is given below (Gujarati 1995, Mirer 1995):

$$\chi^2 = \sum_{i=1}^k \frac{(O_i - E_i)^2}{E_i}$$

where:

$\chi^2$  denotes chi-square value,

$O_i$  denotes the observed frequency value,

$E_i$  is the expected frequency value.

In the chi-square test results presented in the study  $\chi^2$  denotes chi-square value,  $p$  – probability value,  $d$  – the degree of freedom, CC is the contingency coefficient. When more than 20% of the cells expected count less than 5, continuity correction is used.

$H_0$ : There is no relationship between the contribution to regional development and institutional capacity building and the cities/legal status/project experiences.

$H_1$ : There is a relationship between contribution to regional development and institutional capacity building and the cities/legal status/project experiences.

If  $\chi_{\text{test}}^2 < \chi_{\text{table}}^2$   $H_0$  cannot be rejected.

If  $\chi_{\text{test}}^2 > \chi_{\text{table}}^2$   $H_0$  is rejected and  $H_1$  is accepted.

**Table 3**  
**Projects and covered programs implemented within the TR82 region**

Program name	No. of projects implemented within the TR82 region				No. of projects in the sample within the TR82 region			
	Çankırı	Kastamonu	Sinop	Total	Çankırı	Kastamonu	Sinop	Total
Information Bridges	0	1	0	1	0	1	0	1
İşkur_2002	1	3	1	5	1	1	1	3
SKE (Samsun Kastamonu Erzurum)	18	47	18	83	9	23	11	43
Promotion of Life Long Learning	1	1	0	2	1	1	0	2
STK_2005	0	0	1	1	0	0	1	1
Promoting Registered Employment	1	1	0	2	1	1	0	2
Civil Society Dialog-II- Micro Grant	0	2	1	3	0	1	0	1
Promoting Women’s Employment Grant	3	0	0	3	3	0	0	3
Increasing School Enrollment Rates Especially for Girls	1	1	2	4	1	1	1	3
Empowering Civil Participation at the Local Level	1	0	0	1	0	0	0	0
Grant Scheme for Civil Society Dialog II – Fisheries and Agriculture	0	0	2	2	0	0	1	1
Promoting Youth Employment	0	3	0	3	0	2	0	2
Strengthening Civil Society – 2006	1	0	0	1	0	0	0	0
Civil Society Dialog	0	0	1	1	0	0	0	0
Cross-Border Cooperation Program in the Black Sea Basin (2007–2013)	0	1	2	3	0	0	0	0
Grant Scheme for the Improved Integration of Disabled Persons into Society	0	1	1	2	0	0	0	0
Democratic Citizenship and Human Right Education Grant Scheme	2	0	0	2	0	0	0	0
Grant Scheme for Civil Society Dialog between EU and Turkey IV – Regional Policy and Coordination of Structural Instrument	0	1	0	0	0	0	0	0
Grant Scheme for Prevention of Corruption and Promotion of Ethics	0	0	1	0	0	0	0	0
Grassroots NGOs Grant Scheme	1	0	0	0	0	0	0	0
<b>Total</b>	<b>30</b>	<b>62</b>	<b>30</b>	<b>121</b>	<b>16</b>	<b>31</b>	<b>15</b>	<b>62</b>

Source: compiled by the author based on CFCU 2020 data.



Chi-square test in the study was run using Statistical Package for the Social Sciences (SPSS) program. When interpreting SPSS results, hypotheses can be tested either only by looking at the  $p$  values or by comparing value of the  $\chi^2$  calculated by the test and  $\chi^2$  table values obtained by looking at the degree of freedom and significance levels. In other words, if the calculated  $p$  value is less than 10%, 5% and 1% significance levels, it can be easily concluded that  $H_0$  will be rejected at that level of significance and  $H_1$  will be accepted.

The results were interpreted at 10%, 5% and 1% significance levels (\*, \*\*, \*\*\* respectively). The results showing a significant relationship are presented in the tables. The chi-square values presented in the tables show the  $\chi^2$  values at  $p$  levels in which they are significant.

In Table 3, the projects and programs included in the sampling and the projects implemented in the TR82 region are presented. During the selection of institutions and organizations to be surveyed, the characteristics of institutions and organizations, the structure of their cities, the number of projects and the types of project programs in their city are taken into account. Besides these, the study draws on the financial and technical reports, which were presented by institutions and organizations to the CFCU after the completion of projects.

Detailed information concerning the institutions and organizations, which carried out EU grant-assisted projects received through the CFCU in the region TR82 (Kastamonu, Çankırı, Sinop cities) as well as the under which program the supports were given for the projects can be obtained from the author on request.<sup>3</sup>

### **3. Research Findings**

#### **3.1. Information about the institutions/organizations implementing EU grant-assisted projects through the CFCU and their projects in the region TR82**

SMEs account for 17.74%, municipalities 12.91%, special provincial administrations 9.68% and universities 8.06% of the institutions and organizations surveyed. It is apparent that many SMEs in the region TR82 are benefiting from EU grant-assisted projects for capacity growth and institutional development. SMEs are followed by local government and university projects. Moreover, chambers of agriculture, commerce and industry, associations, government institutions (MNE) and other institutions/organizations of legal status in the region are also implementing EU grant-assisted projects through the CFCU (Table 4). While these results show the diversity of institutions/organizations implementing EU grant-assisted projects in Turkey, they also prove that the projects are applied in many sectors.

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<sup>3</sup> Due to the limited space in this issue of the journal, some of the tables delivered by the author have been dropped (Editors).

**Table 4**  
**Legal status of the institutions/organizations implementing a project**

Legal status	Frequency (f)	%
Municipality	8	12.91
Social Assistance and Solidarity Foundation	3	4.84
University	5	8.06
Chamber of Agriculture	3	4.84
Association	5	8.06
Other NGOs	2	3.23
Special Provincial Administration	6	9.68
SME	11	17.74
Cooperative Unions	4	6.45
Villages Service Union	4	6.45
Research Institute	2	3.23
Union of Manufacturers/Growers	1	1.61
Chamber of Commerce and Industry	5	8.06
Official Institution (Education MEB)	3	4.84
Total	62	100.00

Source: own calculation.

With 41.94%, the public service constitutes the highest percentage of the institutions and organizations dealing with more than one activity field. It is followed by the local government with 29.03% and agricultural production and livestock activities with 20.97% (Table 5). When sampling the institutions and organizations, we included samples from each field of activity in order to maintain the generality and reliability of the information obtained about the results of EU grant-assisted projects.

The majority of the projects implemented by institutions and organizations have more than one theme. The themes of “vocational training courses” and “increasing employment” constitute the highest percentage – 30.65%, followed by “women’s participation in the business world” – 22.58%, “improving quality in education” and “contributing to the regional economy” – 14.52% both (Table 6). It can be concluded that the aim of the majority of projects is to increase employment through vocational training or to provide the in-service training of those employed, especially by increasing the employment rates of women and training them with vocational training courses. Besides these, implemented projects include main themes such as “development of regional tourism” (14.52%), “increasing agricultural production” (12.90%) and “capacity increase in SMEs” (9.68%). It can be concluded that most EU grant-assisted projects in the region serve regional development and institutional capacity development.

**Table 5**  
**Field of activity of the institutions/organizations implementing projects**

Field of activity	<i>f</i>	%
Education (higher education)	5	8.06
Education (public education)	4	6.45
Education (evening art schools)	2	3.23
Education (handcrafts)	2	3.23
Local governments (Municipalities, Special Provincial Administrations, Villages Services Associations)	18	29.03
Health care services	1	1.61
Social services	4	6.45
Disabled/handicapped services	2	3.23
Other social services	4	6.45
Public services (Municipality, Special Provincial Administration, Villages Services Association, SYDV, Chamber of Commerce and Industry)	26	41.94
Tourism and accommodation	4	6.45
Agricultural production and livestock	13	20.97
Food processing (flour, halva, salt etc.)	2	3.23
Forest products cultivation	4	6.45
Forest products processing industry	1	1.61
Restaurant, bakery, coffee house	1	1.61
Rural infrastructure and drinking water	4	6.45
Research activities	1	1.61
Construction	4	6.45
Manufacturing industry	5	8.06
Wholesale trade	4	6.45
Retail trade	3	4.84
Transportation and communications	1	1.61
Textile (intermediate product)	1	1.61
Sports	1	1.61
Organized youth activities	1	1.61
Dairy products	1	1.61
Product exchange	1	1.61
Service sector (motor vehicle maintenance/repair)	1	1.61
Chemical products /laboratory analysis	1	1.61

Source: own calculation.

**Table 6**  
**Main themes of projects**

Main theme	<i>f</i>	%
Infrastructure (drinking water)	3	4.84
Infrastructure (sewerage)	3	4.84
Infrastructure (creek reclamation)	2	3.23
Infrastructure (road construction)	3	4.84
Infrastructure (landscaping)	2	1.61
Cooperative development	1	1.61
Increasing agricultural production	8	12.90
Livestock development	5	8.06
Developing water products	1	1.61
Developing forestry	1	1.61
Culture and arts activities	5	8.06
Strengthening NGOs	2	3.23
Environmental protection	2	3.23
Development of regional tourism	9	14.52
Vocational training courses	19	30.65
Education of disabled people	2	3.23
Improving international cooperation	4	6.45
Women's participation in the business world	14	22.58
Improving quality in education	9	14.52
Increasing the schooling rate	3	4.84
Development of local government	2	3.23
Increasing employment	19	30.65
Capacity increase in SMEs	6	9.68
Contribution to the regional economy	9	14.52
Reducing violence against women	2	3.23
Protection of the family	1	1.61
Inter-institutional cooperation	7	11.29
Promoting sports	2	3.23
Developing regional products	1	1.61
Providing shelter for disabled people	1	1.61
Improving bee-keeping	2	3.23
Making/presenting regional food	1	1.61
Increasing youth employment	1	1.61
Developing almost lost local businesses	1	1.61
Keeping historical and cultural values alive	1	1.61
Machinery manufacturing/acquisition	2	3.23
Gaining an international share in youth studies	1	1.61
Infrastructure (agricultural)	1	1.61
Solving problems in the transition of disabled people from school to work	1	1.61
Increase in production capacity	1	1.61
Reducing informal employment	1	1.61
Improving the hygiene and quality of dairy products	1	1.61
Providing R&D laboratory for the chemical sector	3	4.84

Source: own calculation.

Among the institutions and organizations surveyed 61.29% had a partner in their projects, while the rest (38.71%) did not have any partner (Table 7). While institutions and organizations implementing projects that are comprehensive and have a high number of activities felt the need for a partner; project owners who aim to increase production and sales capacity, such as SMEs, did not need a partner. In accordance with rules, some of the local government projects did not include a partner.

Among the institutions and organizations implementing EU grant-assisted projects through the CFCU, 86.84% stated that they received full support from their partners, while 13.16% stated that they did receive partial support. There are no institutions and organizations that stated they could not get support from their partners. These percentages indicate that project partners were selected correctly in the projects implemented and that the expected support was received.

The institutions and organizations implementing projects have received the help of their partners on the issues such as providing educator support (60.53%) and organizing project activities (50.00%) (Table 8). Projects with the main

**Table 7**  
**Projects status for partnership and receiving support from partners**

Having a partner in EU grant-assisted projects			Status of support from partners*		
	<i>f</i>	<i>%</i>		<i>f</i>	<i>%</i>
Have partner(s)	38	61.29	Full support received	33	86.84
Without a partner	24	38.71	Partial support received	5	13.16
Total	62	100.00	Total	38	100.00

\* 38 institutions and organizations with project partners are taken into account.

Source: own calculation.

**Table 8**  
**Subjects of assistance received from partners in EU grant-assisted projects**

Subjects of assistance	<i>f</i>	<i>%</i>
Paying the contributions	6	15.79
Providing educator support	23	60.53
Administrative staff support	11	28.95
Providing a project office	10	26.32
Organizing project activities	19	50.00
Provisioning vehicles	4	10.52
Provisioning material support	4	10.52
Experience sharing	2	5.26

Source: own calculation.

themes of vocational training, women education and participation in the business world, and education of the disabled often required a partner, thus were also able to provide necessary educators. Other assistance from partners can be listed as administrative staff support (28.95%), providing a project office (26.32%), paying contributions (15.79%), provisioning vehicles (10.52%), provisioning material support (10.52%), and experience sharing (5.26%).

### 3.2. Impact of EU grant-assisted projects on employment, production and gross sales

40.32% of the institutions and organizations surveyed stated that the projects created employment growth (with a total of 227 people employed with the projects). In 59.68% of institutions and organizations, there was no employment increase (Table 9). Employment growth is based on the need for staff within the project team and the need for new employment in institutions and organizations that grew and expanded with the project.

Table 9

#### Impact of EU grant-assisted projects on employment in institutions/organizations

Has there been any growth in employment in your institution/organization during the implementation phase of your project?				
	<i>f</i>	<i>%</i>	Yes ⇒	How many? (persons)
Employment growth is created	25	40.32		227
No employment growth is created	37	59.68		
Total	62	100.00		
Has there been any growth in employment in your institution/organization after the project is completed?				
	<i>f</i>	<i>%</i>	Yes ⇒	How many? (persons)
Employment growth is created	22	35.48		410
No employment growth is created	40	64.52		
Total	62	100.00		

Source: own calculation.

Employment growth was achieved after the completion of the project in 35.48% of institutions and organizations; the number of people employed is 410. In 64.52% of institutions and organizations, there was no increase in post-project employment (Table 9). The percentage of institutions and organizations that had employment growth during the project implementation phase and the number of institutions and organizations that had employment growth after the completion of the project vary proportionally. Growth in employment after the projects were implemented and completed shows the success of the projects.

The lack of employment growth in institutions and organizations after the completion of the project may not give any clue as to the whether the project contributes to general employment. For instance, in the case of an institution aimed at vocational education, where there is no increase in employment, the people who received education in that institution may have been employed in other institutions and organizations. The information obtained from the interviews with institutions and organizations also supports this view.

**Table 10**

**Status of EU grant-assisted projects to create an increase in production/gross sales of the institutions/organizations**

Has production increased in your institution and organization as a result of the project?			Has there been any gross sales increase in your institution and organization as a result of the project?		
	<i>f</i>	<i>%</i>		<i>f</i>	<i>%</i>
Yes	22	35.48	Yes	22	35.48
No	14	22.58	No	14	22.58
Our project is not intended for production growth	26	41.94	Our project is not intended for sales growth	26	41.94
Total	62	100.00	Total	62	100.00

Source: own calculation.

In 41.94% of the institutions and organizations surveyed it was stated that the project was not aimed at production growth. 35.48% of institutions and organizations stated that the implemented projects contributed to production growth, while 22.58% responded ‘no’. According to the findings, 61.11% of the projects aiming at production increase have successfully realized this aim, while there was no increase in production for 38.89% (Table 10).

In response to the question “Has there been any gross sales increase in your institution and organization as a result of the project?”, 35.48% of institutions and organizations answered ‘yes’ and 22.58% ‘no’ while 41.94% answered “our project is not intended for sales increase” (Table 10). While it seems as a good result that more than half of the institutions and organizations with projects aiming at production/gross sales growth have achieved growth in production/gross sales, the failure of approximately 40% to achieve production/gross sales increases may give the impression of being behind their objectives.

**3.3. Impact of EU grant-assisted projects on regional and social development**

In response to the proposition: “The project has increased regional competition”, institutions and organizations answered: 16.13% strongly agree, 30.65% agree, 20.97% disagree and 1.61% strongly disagree. 30.65% of institutions and organ-

izations stated they have no firm judgment on whether their projects increased regional competition or not (Table 11). Such a result should be considered as natural. Because when looking at the main themes of the projects implemented by the institutions and organizations, the highest percentages were “vocational training courses”, “increasing employment”, “women’s participation in the business world” and “improving quality in education”; and these were followed by “contributing to the regional economy” (Table 6). From this point of view, it can be concluded that the institutions and organizations aiming to contribute to the regional economy have reached their goals.

More than 2/3 of the institutions and organizations surveyed agreed with the proposition that the project has helped solve regional problems. The ratio of those who did not agree were quite low (4.84% disagree and 1.61% strongly disagree). Just over 1/5 of the subjects answered as indecisive. If this ratio is examined, it can be concluded that the majority of other projects implemented by the institutions and organizations contribute to the resolution of regional problems, except for a small percentage of 6.45%. It is observed that institutions and organizations that implement EU grant-assisted projects through the CFCU have carried out projects to solve problems in the region on the issues such as unemployment, lack of education or infrastructure problems and have successfully completed them.

In response to the proposition: “The project has provided new employment opportunities to the people of the region”, 69.35% of institutions and organizations answered in positively (strongly agree: 29.03%, agree: 40.32%), while 22.58% disagreed and 6,45% were indecisive (Table 11). In light of the information that institutions and organizations have previously provided and the fact that 35.48% of the implemented projects achieved employment growth within their own body after the project was completed, it can be postulated that another 33.87% had employment growth in other institutions and organizations. Furthermore, it can be concluded that most institutions and organizations aiming to increase employment achieved this goal considering that some projects are not intended to increase employment.

In response to the proposition: “The project contributed to the development of social life in the city where you live”, institutions and organizations answered: 22.58% strongly agree, 43.55% agree, 12.90% disagree, 3.23% strongly disagree, and 17.74% were indecisive. A certain part of the EU grant-assisted projects has aimed to conserve historical and cultural values in the research area, to carry out infrastructure works, creek reclamation, landscaping and education. Thus, the projects provided the opportunity to socialize people. Furthermore, there have been efforts to develop social life through the arrangement and rehabilitation of places in the region, where people can spend time together. As a result, it can be concluded that the EU grant-assisted projects have contributed to social life in the region where they were implemented.

In response to the proposition: “With the project, idle capacity was claimed and the products/fields/materials etc. used more efficiently”, 67.74% of the insti-



**Table 11**  
**Impact of EU grant-assisted projects on regional development**

Regional development impacts	Strongly agree		Agree		Indecisive		Disagree		Strongly disagree		Total	
	f	%	f	%	f	%	f	%	f	%	f	%
The project has increased regional competition	10	16.13	19	30.65	19	30.65	13	20.96	1	1.61	62	100.00
The project helped solve regional problems	15	24.19	29	46.77	14	22.58	3	4.84	1	1.61	62	100.00
The project provided new employment opportunities to the people of the region	18	29.03	25	40.32	5	8.06	10	16.13	4	6.45	62	100.00
The project contributed to the development of social life in the city where you live	14	22.58	27	43.55	11	17.74	8	12.90	2	3.23	62	100.00
With the project, idle capacity was claimed and the products/ fields/materials etc. used more efficiently	13	20.97	29	46.77	10	16.13	9	14.52	1	1.61	62	100.00
With the project, new ideas and thoughts were implemented in the region	18	29.03	32	51.61	7	11.29	4	6.45	1	1.61	62	100.00
Cooperation with institutions/organizations abroad has increased with the project	9	14.52	16	25.81	13	20.97	16	25.81	8	12.90	62	100.00
Within the scope of the project, human capital was developed by training some of the people residing in the region in certain subjects	17	27.42	19	30.65	8	12.90	16	25.81	2	3.23	62	100.00
We have contributed to a production/initiative/service the development of which could not be achieved in the region	14	22.58	26	41.94	8	12.90	9	14.52	5	8.06	62	100.00

Source: own calculation.

tutions and organizations answered positively (20.97% strongly agree, 46.67% agree) while a small percentage answered negatively (14.52% disagree, 1.61% strongly disagree); the ratio of respondents answering indecisive was 16.13%. In line with these results, it is reasonable to state that EU grant-assisted projects play an important role in activating production factors with idle capacity.

In response to the proposition: “With the project, new ideas and thoughts have been implemented in the region”, the institutions and organizations answered: 29.03% strongly agree, 51.61% agree, 6.45% disagree, 1.61% strongly disagree, and 11.29% were indecisive. These ratios show that EU grant-assisted projects play an important role in implementing new ideas and thoughts in the region.

In response to the proposition: “Cooperation with institutions/organizations abroad has increased with the project”, the institutions and organizations answered: 14.52% strongly agree, 25.81% agree, 25.81% disagree, 12.90% strongly disagree, and 20.97% were indecisive. The reason for the international cooperation having a lower ratio (40.33%) can be explained by the fact that there was no requirement of having a project partner from foreign countries in the previous project calls in the TR82 region.

More than half of the institutions and organizations surveyed responded positively to the statement: “Within the scope of the project, human capital was developed by means of training some of the people residing in the region in certain subjects” (27.42% strongly agree, 30.65% agree) while 25.81% disagreed, 3.23% strongly disagreed, and 12.90% were indecisive. Project owners, who determined vocational training courses as the main theme, made up 30.65% of the institutions and organizations surveyed. On the other hand project owners, who decided on women’s education as the main theme to ensure women’s participation in the business world, made up 22.58% of the institutions and organizations surveyed. In total, 53.23% of institutions and organizations had the main themes of their projects aimed at increasing human capital. The favorable response ratio of 58.07% is an indication that institutions and organizations aiming to increase human capital have achieved their goals.

As to the statement: “We have contributed to a production/initiative/service the development of which could not be achieved in the region”, responses of the institutions and organizations were as follows: 22.58% strongly agree, 41.94% agree, 14.52% disagree, 8.06% strongly disagree, and 12.90% were indecisive. These ratios show the contribution of more than half of EU grant-assisted projects to the production/enterprises/services that could not be developed in the region, but also highlight the necessity of projects in this respect.

The relationship between the effects listed in Table 11 related to the effects on the regional development and the legal status, city, status of project management experience of the institutions and organizations has been tested using chi-square test. Items showing a relationship as well as the results of the test are shown in Table 12.

There is a meaningful relationship between the statement: “The project provided new employment opportunities to the people of the region” and cit-

**Table 12**  
**Relationship between EU grant-assisted projects contribution to regional development and cities and project experience**

Status	Cities and project experience	Strongly agree	Agree	Indecisive	Disagree	Strongly disagree	Analysis results			
							$\chi^2$	df	p	CC
	Cities									
The project provided new employment opportunities to the people of the region	Çankırı	6	8	0	1	1				
	Kastamonu	12	8	2	6	3				
	Sinop	0	9	3	3	0				
	Total	18	25	5	10	4	15.998	8	0.042**	0.453
	Project experience									
The project helped solve regional problems	No	2	15	0	2	1				
	Yes	13	14	14	1	0				
	Total	15	29	14	3	1	17.879	4	0.001***	0.473
Cooperation with institutions/ organizations abroad has increased with the project	No	2	1	6	9	2				
	Yes	7	15	7	7	6				
	Total	9	16	13	16	8	10.924	4	0.027**	0.387
We have contributed to a production/ initiative/service the development of which could not be achieved in the region	No	8	9	1	2	0				
	Yes	6	17	7	7	5				
	Total	14	26	8	9	5	8.258	4	0.083*	0.343

\*, \*\*, \*\*\* show 10%, 5% and 1% significance levels respectively. CC is contingency coefficient. When more than 20% of the cells have expected count less than 5, continuity correction is used.

Source: own calculation.

ies where institutions and organizations are established at 5% significance level ( $\chi^2 = 15.998$ ;  $p = 0.042$ ;  $CC = 0.453$ ;  $\chi^2_{Table} = 15.51$ ).

There is a meaningful relationship between the statement: “The project helped solve regional problems” and institutions and organizations having project experience at 1% significance level ( $\chi^2 = 17.879$ ,  $p = 0.001$ ,  $CC = 0.473$ ,  $\chi^2_{Table} = 13.28$ ).

There is a meaningful relationship between the statement: “Cooperation with institutions/organizations abroad has increased with the project” and institutions and organizations having project experience at 5% significance level ( $\chi^2 = 10.924$ ,  $p = 0,027$ ,  $CC = 0.387$ ,  $\chi^2_{Table} = 9.49$ ).

There is a meaningful relationship between the statement: “We have contributed to a production/initiative/service the development of which could not be achieved in the region” and status of institutions and organizations having project experience at 10% significance level ( $\chi^2 = 8.258$ ,  $p = 0.083$ ,  $CC = 0.343$ ;  $\chi^2_{Table} = 7.78$ ).

There was no meaningful relationship found between legal status and the items representing the impacts of EU grant-assisted projects on regional development. It can be said that the scope of the projects and project experiences of institutions and organizations have more impact on regional development than the legal status of institutions and organizations that implement those projects.

#### **3.4. Contribution of the EU grant-assisted projects to institutional capacity building**

In response to the proposition: “The project has developed the capabilities of institutions to prepare and implement projects”, the majority of the institutions and organizations surveyed responded positively (37.10% strongly agreed, 58.06% agreed). The ratio of those with opposing views (3.23% disagree, 1.61% strongly disagree) is quite low. There was no institution or organization that was indecisive for this item (Table 13). According to these results, it is safe to say that EU grant-assisted projects have improved the ability of institutions and organizations to prepare and implement projects.

In response to the proposition: “CFCU’s requesting a certain systematic order has increased the ability to be careful in systematic working and official correspondence in the relevant institutions and organizations during project implementations and reporting period”, 72.58% of the institutions and organizations surveyed responded positively. Of the rest, 16.13% disagreed, 3.23% strongly disagreed, and 8.06% were indecisive. Those, who responded negatively, included project owners which are public institutions and organizations that should act without errors due to their activities and legal status, and institutions and organizations that think they have not gained such an experience from the implemented project.

In response to the statement: “The project has provided new employment opportunities in your institution/organization”, the institutions and organiza-

**Table 13**  
**Contributions of EU grant-assisted projects to institutional capacity building**

	Strongly agree		Agree		Indecisive		Disagree		Strongly disagree		Total	
	f	%	f	%	f	%	f	%	f	%	f	%
Contributions to institutional capacity building												
Your ability to prepare and implement projects as an institution has improved	23	37.10	36	58.06	0	0.00	2	3.23	1	1.61	62	100.00
CFCU's requirement of a certain systematic order in documents and correspondence has increased your ability to work systematically and be careful in official correspondence in your institution and organization	12	19.35	33	53.23	5	8.06	10	16.13	2	3.23	62	100.00
The project has provided new employment opportunities in your institution/organization	12	19.35	24	38.71	1	1.61	16	25.81	9	14.52	62	100.00
The experience you have gained has increased your desire to prepare and implement new projects	22	35.48	28	45.16	8	12.91	3	4.84	1	1.61	62	100.00
If the project had failed, your institution/organization would lose prestige	15	24.19	25	40.32	7	11.29	9	14.52	6	9.68	62	100.00
EU projects implemented through the CFCU are an important opportunity for institutions and organizations that could not achieve investment/capacity/quality growth with their own resources.	23	37.10	38	61.29	0	0.00	1	1.61	0	0.00	62	100.00
EU projects carried out through the CFCU develop a joint understanding of collaboration and cooperation between various institutions and organizations (universities, NGOs, local governments) within the region.	21	33.87	35	56.45	2	3.23	4	6.45	0	0.00	62	100.00

Source: own calculation.

tions answered: 19.35% strongly agree, 38.71% agree, 25.81% disagree, 14.52% strongly disagree, and 1.61% were indecisive. Furthermore, 40.32% of the institutions and organizations surveyed stated that the projects created employment growth during the project implementation phase and 35.48% after the project completion. These results indicate employment growth in  $\frac{3}{4}$  (75.80%) of institutions and organizations during or after the project. However, what should be noted here is the fact that EU projects provide employment growth in 58.06% of institutions and organizations as a result. The 17.74% gap was due to layoff of the people with necessary knowledge and experience for the project implementation phase following the completion of the project.

In response to the statement: “The experience you have gained has increased your desire to prepare and execute new projects”, the majority of the institutions and organizations surveyed responded positively (35.48% strongly agree, 45.16% agree). The ratio of those who responded negatively to this statement is quite low (4.84% disagree, 1.61% strongly disagree). The remaining 12.91% were indecisive. The fact that 80.64% of the institutions and organizations that have implemented an EU grant project expressed increase in their experience and desire to prepare and implement other projects shows that the concept of EU grant projects supported by the CFCU has been internalized by the public in Turkey and the desired results can be achieved when the projects are successfully implemented.

64.51% of the institutions and organizations surveyed stated that “if the projects they implemented failed, their institutions/organizations would lose prestige”, while 11.29% were indecisive, and 24.2% disagreed that they would lose prestige. Institutions and organizations stating that the failure of their projects will not have an impact on their prestige see their institutions and organizations with a high prestige and a solid structure and therefore believe that the negative situation in the implementation of a project cannot undermine the prestige of their institution and organization. 64.51% of institutions and organizations confirmed that there are many advantages for the institutions and organizations that would implement EU grant-assisted projects. They acknowledge that conducting these projects would be a sign of success, because they think that not every institution or organization can do the preparation and implementation of EU grant-assisted projects.

In response to the statement: “EU projects carried out through the CFCU are an important opportunity for institutions and organizations that could not achieve investment/capacity/quality growth with their own resources”, 98.39% of institutions and organizations responded positively (37.10% strongly agreed, 61.29% agreed) while 1.61% answered ‘disagree’. These figures show that EU grant-assisted projects are certainly an important opportunity for institutions and organizations that cannot achieve investment/capacity or quality growth with their own resources.

In response to the statement: “EU projects carried out through the CFCU develop a joint understanding of collaboration and cooperation between vari-

ous institutions and organizations (universities, NGOs, local governments) in the region”, institutions/organizations answered: 33.87% strongly agree, 56.45% agree, 6.45% disagree, and 3.23% were indecisive. A closer look at the ‘indecisive’ and ‘disagree’ cases reveals that these answers were given by the institutions and organizations that generally did not have any partners in the project they implemented. The institutions and organizations that responded ‘agree’ represented project owners who had one or more partners and all the activities during preparation, implementation and carrying out phases realized in collaboration with their partners. These ratios can be considered as an indication that EU grant projects enable the establishment of collaboration and cooperation between institutions and organizations, thereby ensuring that institutions and organizations operating in various fields in the region work together.

The relationship between the items related to the institutional capacity building and the legal status, location (city), status of project and management experience of the institutions and organizations was tested using chi-square test. Items showing a relationship as well as the results of the test are shown in Table 14.

There is a meaningful relationship between “The project provided new employment opportunities in your organization” and the legal status of institutions and organizations that implemented the project at 5% significance level ( $\chi^2 = 15.517, p = 0,050, CC = 0.447, \chi^2_{Table} = 15.51$ ).

A meaningful relationship was found between “Your ability to prepare and implement projects as an institution has improved” and institutions and organizations having project experience previously at 10% significance level ( $\chi^2 = 6.837, p = 0.077, CC = 0.315, \chi^2_{Table} = 6.25$ ).

There is a meaningful relationship between “The experience you have gained has increased your motivation to prepare and execute new projects” and previous project experience at 10% significance level ( $\chi^2 = 8.195, p = 0.085, CC = 0.342, \chi^2_{Table} = 7.78$ ).

While there is a relationship between the legal status and project experience of the institution/organization that implemented the project and the items regarding the impact of EU grant-assisted projects on institutional capacity building, no relationship has been found with the city where this institution/organization was located.

According to the results of the analysis, there is a relationship between three of the items related to the contribution of EU grant-assisted projects to the institutional capacity building and the legal status of institutions and organizations having project experience previously. It can be concluded that EU grant-assisted projects have improved the ability of institutions and organizations, which did not have previous project experience, to prepare, implement and carry out such projects.

It has been observed that the projects implemented can provide new employment in institutions/organizations. In cases where the legal status is of a high-ranking official institution, employment being done by appointment is a limiting factor for the employment growth except the project employee. How-

**Table 14**  
**Relationship between EU grant-assisted projects contribution to institutional capacity building and legal status and project experience**

Status	Strongly agree	Agree	Indecisive	Disagree	Strongly disagree	Analysis results			
						$\chi^2$	df	p	CC
Legal status									
The project provided new employment opportunities in your organization.	Official institution	2	9	0	0	0			
	NGO	7	8	1	13	7			
	SME	3	7	0	3	2			
	Total	12	24	1	16	9	15.517	8	0.050**
Project experience									
Your ability to prepare and implement projects as an institution has improved.	No	4	15	0	0	1			
	Yes	19	21	0	2	0			
	Total	23	36	0	2	1	6.837	3	0.077*
The experience you have gained has increased your motivation to prepare and implement new projects.	No	3	14	2	1	0			
	Yes	19	14	6	2	1			
	Total	22	28	8	3	1	8.195	4	0.085*

\*, \*\*, \*\*\* show 10%, 5% and 1% significance levels respectively. CC – contingency coefficient. When more than 20% of the cells have expected count less than 5, continuity correction is used.

Source: own calculation.



ever, even if these institutions/organizations do not create employment growth in their own bodies, it should not be overlooked that projects implemented by them create employment growth within other institutions/organizations.

#### **4. Conclusions and suggestions**

When the literature on the subject is examined; most of these studies concerning Turkey concentrated on EU financial aid amounts, programs and number of implemented projects. However, there is a lack of studies examining the effects, consequences and shortcomings of the implemented projects. Therefore, this study tried to discover the impacts of EU grant-assisted projects under the responsibility of the CFCU implemented by various institutions and organizations on institutional capacity building and regional development. In this context, NUTS-2 region TR82 has been designated as a research area and a questionnaire has been applied to 50% of the institutions and organizations implementing EU grant-assisted projects obtained through the CFCU within this region.

When the survey results were examined, it was observed that all of the questions, which examine the contribution of EU grant-assisted projects received through the CFCU to regional development and institutional capacity building, 40% or more of the institutions and organizations responded positively choosing ‘agree’ or ‘strongly agree’, which signals the existence of an impact. Additionally, 70% or more of the institutions and organizations responses were ‘agree’ or ‘strongly agree’ for most of the propositions concerned with positive project impacts. This leads to the conclusion that EU grant-assisted projects contribute to institutional (capacity building) and regional development.

Also, it is seen from the percentage values of the responses given by the institutions and organizations that values for the institutional capacity building are greater than the those for regional development. This is an indication that EU grant-assisted projects implemented in the region are more effective as regards their impact on institutional capacity building than regional development.

The chi-square ( $\chi^2$ ) test was used to analyze the relationship between the contribution of EU grant-assisted projects to regional development and the legal status, city (location), and project management experience of the institutions and organizations. It was determined that there is a relationship between the contribution of projects to regional development and the location of institutions/organizations (cities) and their project experience. The results of the analysis suggest that the cities where the projects are carried out have an impact on the contribution to regional development, which includes increasing employment in the region. This further suggests that the employment rates differ among cities within the region. Another phenomenon observed is that project owners with previous project experience have more impact on regional development than those who do not have such experience. There was no link between the legal status of the institution/organization that implemented the project and the items representing

the impact of the project on regional development. That is to say when it comes to the impact on regional development, it is not the legal status of institution or organization which matters much, but rather its project experience.

While there is a relationship between the legal status and previous project experience of institutions or organizations that implement the EU grant-assisted projects and their contribution to the institutional capacity building, no relationship has been found between the location (city) and the elements concerned with the institutional capacity building. In order to ensure institutional capacity building, institutions and organizations that will implement EU grant-assisted projects should take into account their legal status and project experience when preparing their projects. They should note that their development depends on their legal status shaping the implementation of more active projects based on the fields of activity and project experience.

In this study, EU grant-assisted projects carried out through the CFCU were examined to demonstrate the impact of EU projects on institutional capacity development and regional development. NUTS-2 region TR82 was selected as the sample. Persons, institutions, or organizations interested in the issue can conduct a study in another region to demonstrate the impact and consequences of EU grant-backed projects implemented through the CFCU. This can give new findings and reveal differences and similarities in this respect between various regions.

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## **IMPACT OF EU GRANT-ASSISTED PROJECTS ON INSTITUTIONAL CAPACITY BUILDING AND REGIONAL DEVELOPMENT IN TURKEY: THE CASE OF NUTS-2 REGION TR82**

### **Summary**

Benefiting from European Union financial aid since 1963, Turkey has been receiving financial support as part of the Instrument for Pre-Accession Assistance (IPA II) (2014–2020) available to candidate and potential candidate countries. There were 3 687 EU grant-assisted projects implemented in Turkey under the responsibility of the Central Finance and Contracts Unit (CFCU) until 2016. The total amount of grants for these projects was 452 million € and 381 million € of this amount was EU grant contribution. The aim of this study is to explore the impact of the EU’s financial aid rendered through these projects on the institutional capacity building and regional development. The research area covered by the study is one particular region of the country, namely NUTS-2 region TR82. Primary data was collected through a questionnaire sent to subjects sampled from institutions/organizations, which are located in the region and carried out proj-

ects received through the CFCU before 2016. The chi-square ( $\chi^2$ ) test was used to test the relationship between the legal status, location (city), project management experience of the institutions/organizations surveyed and the effects related to institutional capacity building and regional development. The results of the analyses are presented and interpreted. Together these analyses show that EU grant-assisted projects implemented through the CFCU contribute to institutional capacity building and regional development.

**Keywords:** European Union, funded projects, financial aid, regional development, institutional capacity building, Turkey

**JEL:** O12, O18, O19, P45, R11, Z12

## WPŁYW PROJEKTÓW DOFINSOWANYCH PRZEZ UE NA ROZBUDOWĘ POTENCJAŁU INSTYTUCJONALNEGO I ROZWÓJ REGIONALNY W TURCJI (PRZYPADEK REGIONU TR82 WEDŁUG NUTS-2)

### Streszczenie

Korzystając od 1963 r. z pomocy finansowej Unii Europejskiej, Turcja otrzymała w latach 2014–2020 wsparcie finansowe w ramach programu pomocy przedakcesyjnej (IPAT), przeznaczone dla krajów kandydujących do wejścia do Unii oraz potencjalnych kandydatów. Do 2016 r. zrealizowanych zostało w Turcji 3687 projektów korzystających z dofinansowania UE, uruchamianych za pośrednictwem Centralnego Biura Finansów i Kontraktów Publicznych (CFCU). Ogólna wartość dotacji publicznych przyznanych na te projekty wyniosła 452 mln €, z czego 381 mln € stanowiły dotacje z UE. Celem tego opracowania było zbadanie wpływu pomocy finansowej udzielonej przez UE w ramach tych projektów na rozbudowę potencjału instytucjonalnego i rozwój regionów. Obszarem badanym w tym artykule jest jeden z regionów kraju, a mianowicie region TR82 w nomenklaturze NUTS-2. Dane wyjściowe do tej analizy zostały zebrane poprzez ankietę rozesłaną do instytucji i organizacji mających siedzibę w tym regionie, które realizowały przed 2016 r. projekty administrowane przez CFCU. Dla zbadania zależności między statusem prawnym tych jednostek, ich lokalizacją (miasto) oraz doświadczeniem w realizacji podobnych projektów a efektami uzyskanymi w zakresie wzmocnienia potencjału instytucjonalnego i rozwoju regionu zastosowano test chi-kwadrat ( $\chi^2$ ). Wyniki tych analiz są przedstawione i zinterpretowane w artykule. Przeprowadzone analizy wskazują, że projekty korzystające ze wsparcia UE przyczyniają się rzeczywiście do wzmocnienia potencjału instytucjonalnego oraz rozwoju społeczno-ekonomicznego na poziomie regionu.

**Słowa kluczowe:** Unia Europejska, projekty dotowane (granty), pomoc finansowa, rozwój regionalny, rozbudowa potencjału instytucjonalnego, Turcja

**JEL:** O12, O18, O19, P45, R11, Z12

## **ВЛИЯНИЕ ПРОЕКТОВ, ФИНАНСИРУЕМЫХ ПРИ УЧАСТИИ ЕС, НА РАСШИРЕНИЕ ИНСТИТУЦИОНАЛЬНОГО ПОТЕНЦИАЛА И РЕГИОНАЛЬНОЕ РАЗВИТИЕ В ТУРЦИИ (СЛУЧАЙ РЕГИОНА TR82 В НОМЕНКЛАТУРЕ NUTS-2)**

### **Резюме**

Турция пользуется финансовой поддержкой ЕС с 1963 г. В период 2014–2020 гг. она получила финансовую помощь в рамках программы IPAT, предназначенной для стран, готовящихся к вступлению в ЕС и для потенциальных кандидатов. До 2016 г. с помощью Центрального бюро финансов и публичных контрактов (CFCU) в Турции было реализовано 3687 проектов, софинансируемых ЕС. Общая стоимость публичных дотаций, предназначенных на эти проекты, составила 452 млн евро, из чего 381 млн евро составляли дотации из ЕС. В статье автор анализирует влияние финансовой помощи ЕС в данной области на расширение институционального потенциала и развитие регионов. Территорией, исследуемой в этой статье, является один из регионов страны, а именно регион TR82 в номенклатуре NUTS-2. Исходные данные для этого анализа были собраны посредством анкеты, разосланной институтам и организациям, находящимся в этом регионе, которые до 2016 г. осуществляли проекты, администрируемые CFCU. Для изучения зависимости между юридическим статусом этих единиц, их местом нахождения (город), опытом в реализации такого рода проектов и эффектами, полученными в области укрепления институционального потенциала и развития региона, был применен тест хи-квадрат ( $\chi^2$ ). Результаты этих анализов представлены и интерпретированы в статье. Автор считает, что проекты, пользующиеся поддержкой ЕС, действительно способствуют укреплению институционального потенциала и социально-экономического развития на уровне региона.

**Ключевые слова:** Евросоюз, дотированные проекты (гранты), финансовая помощь, региональное развитие, расширение институционального потенциала, Турция

**JEL:** O12, O18, O19, P45, R11, Z12