



The RSA Research Network on EU COHESION POLICY

RSA workshop on the EU Cohesion Policy: Focus on The Territorial Dimension

05-06 NOVEMBER 2015

Venue: CONFERENCE ROOM OF THE INSTITUTE OF GEOGRAPHY AND SPATIAL PLANNING. (IGOT) - UNIVERSITY OF LISBON CAMPUS - RUA BRANCA EDMÉE MARQUES. 1600-276 LISBOA.

ASSESSING THE EFFECTIVENESS OF PORTUGUESE RETAIL MODERNIZATION PUBLIC PROGRAMMES

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Abstract

Retail has long been characterized by modernization in terms of techniques, formats and locations. Some changes that took place around the middle of the twentieth century in Western Europe began to challenge the traditional retail structure in the majority of Western European cities. Among these changes one may enhance the appearance and dissemination of shopping centers and other formats such as hypermarkets and their location in peripheral areas.

In Portugal most of these changes began to be felt in the 1980's. Soon, small retail began to lost market share. However recognizing their importance to the vitality and viability of town centres but also due to pressure from small retail representatives, Portuguese government developed SIMC, a public programme oriented to support retail modernization. Nevertheless it was recognized the limitations of an intervention only limited to retail outlets. Thus, in the beginning of the 1990's a new programme was developed. Named PROCOM, this programme was implemented by the government, providing funds not only to retail modernization but also to the physical intervention of town centres and promotional activities. These funds came from the community support framework 1994-99. With the mandatory participation of city councils and chambers of commerce, 139 projects were developed in 125 municipalities and 8.114 establishments were financially supported. In total 634 millions of Euros were invested, with more than 327 millions of Euros from non-refundable public incentive. Despite these numbers an evaluation of the impacts that these projects produced in the territory was never a priority to the government, city councils and chambers of commerce.

Based on a research towards a PhD an evaluation of Procom projects was made. Using projects implemented in the old historic centres of Lisbon and Braga as case studies we analyzed the impacts they produced in the territory. We concluded that both projects had several shortcomings in terms of the effectiveness of retail modernization and town centre revitalization.

In this presentation we will present the data obtained from 71 in-depth interviews performed on retailers and city council and chambers of commerce technicians and discuss the effectiveness of both projects and the counterfactual of the developed interventions. With this presentation we intend to return to previous programming cycle (1994-1999) and shed some light on the process of implementation of Procom projects. Thus, we aim to contribute to the debate of territorial impacts assessment at local level.

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