

# General conception of the NSRF strategic monitoring process

## 1. Introduction: strategic monitoring in the context of the NSRF

The management and strategic monitoring of the interventions supported by the Community funds of the EU Cohesion Policy constitute one of the NSRF's five guiding principles,<sup>1</sup> aimed at ensuring the efficient and effective pursuit of the strategic outcomes and guidelines defined in this programming instrument.

Community regulation places particular emphasis on strategic monitoring, underlining, on the one hand, the need for each Member State to include in its annual report on the implementation of the National Reform Plan a section dedicated to the contribution of the OPs to that implementation. On the other, it foresees the drafting, by each Member State, of strategic reports in 2009 and 2012 on the contribution of interventions co-financed by the structural funds to the Cohesion Policy objectives set out in the Treaty on European Union, to the Community's strategic priorities on cohesion matters and to the achievement of the objectives of promoting competitiveness and job creation, as foreseen in the revised Lisbon Strategy.

The NSRF governance model, in its place, identifies two types of monitoring: operational and financial, on the one hand, and strategic, on the other. Different bodies are allocated the powers for one or the other type of monitoring: the Financial Institute for Regional Development and the Institute of Financial Management of the European Social Fund with the responsibility for operational and financial monitoring of the application, respectively, of the ERDF and Cohesion Fund and of the ESF; and the NSRF Observatory with the responsibility for strategic monitoring.

The central role that monitoring plays in this programming cycle justifies the effort to clarify the concepts used and, within this framework, the objectives that guide the function of monitoring in its various aspects.

Operational and financial monitoring constitutes a regular and constant function based on the systematic gathering, analysis and reporting of information (essentially quantitative) that provides policy decision-makers, management authorities and other actors involved in implementing the NSRF with indications on the implementation process and on the progress achieved at the level of specific, financial, operational and management objectives that were pre-defined and generally expressed in indicators with quantified goals. That is, its core objective is to analyse the way in which the physical and financial programming and the commitments on OP management, monitoring, control and information matters are being pursued. In this context, of particular importance is the monitoring of the whole process of financial resource allocation, realization of material achievements and the production of direct results from the co-financed interventions.

Strategic monitoring, on the other hand, has the ultimate objective of analysing to what extent NSRF intervention is meeting the priorities previously defined, bearing in mind its guiding principles and producing the desired effects and, in that sense, identifying the contribution of the NSRF to altering the economic, social and territorial conditions in Portugal in line with the strategy defined for 2007-2013. Thus, strategic monitoring must supply the policy decision-makers, the operational management bodies of the NSRF and the European Commission with qualitative evaluations and indications regarding the eventual needs to reorient interventions, as well as provide the other agents involved in policy and operational management, social partners and society in general, with adequate information on the achievement of the strategic objectives of the NSRF and the OPs.

Although the strategic monitoring of the implementation of structural funds over the last two decades has not been totally absent, the regulatory and political importance allocated to it in the present programming cycle is, to a large extent, new. This in itself justifies greater reflection of the motives underlying strategic monitoring of the NSRF, as well as the effort to explain in greater detail the procedures foreseen in the context of the strategic monitoring to be undertaken by the NSRF Observatory.

The present document represents a contribution to that effort, benefiting from the experience already gained from the work of the NSRF Observatory during its first year and, in particular, from the application of the first steps of the methodology described below (e.g., the drafting of recommendations to the Ministry responsible for the cohesion funds in Portugal, or the drafting of the Observatory's contribution to the 2009 NSRF Overall Report).

---

<sup>1</sup> The other guiding principles are: concentration, selectivity, economic feasibility and financial sustainability, and territorial cohesion and enhancement.

## 2. The reasons for strategic monitoring

Public development policies tend to be the result of the intersection between (i) identifying the ultimate objectives to be promoted, (ii) diagnosing the initial economic, social and environmental context, (iii) the institutional structures and human resources available to implement the policies and (iv) existing knowledge on the behaviour (and relative power) of the main actors responsible for managing and using the resources made available by public policies.

While the intersection between these various elements of information contributes to conceiving policies whose outcomes are adapted to the specific realities to which they will be applied, it is not possible at the outset to ensure that the objectives that justified the policy will in the end be met.

There are various elements that can lead to a discrepancy between a policy's initial intentions and its implementation: significant changes in the economic, social and environmental context may occur, making the instruments initially conceived unsuited to the pursuit of the priorities identified, or even leading to a revision of the priorities; the priority objectives may be interpreted differently by the various levels of governance responsible for implementing the policies; the motives, more or less explicit, of the various relevant actors (beneficiaries, programme managers, politicians, assessors, etc.) and the existing organizational practices may be unaligned or face difficulties of implementation with regard to policy priorities, among others.

The various economic, social, environmental, institutional, political, organizational and inter-personal processes involved are characterized by high levels of uncertainty. Consequently, however careful the designing of policies may be, it is not possible to predict and avoid all the possible sources of discrepancy between objectives and policy implementation at the outset. The attempt to anticipate all possible scenarios often leads to excessive complexity and rigidity in the programming.

The awareness of the existence of discrepancies between the initial objectives of public policies and the results of their implementation, above all in the medium and long term, as well as the explanation for their occurrence, often arise as a result of ex-post evaluation exercises, via which the resources, materialization, results and impacts of public policies are analyzed in detail, being assessed in the light of the outcomes initially defined and changes to the context. This type of exercise is a fundamental instrument in the discussion on the suitability and legitimacy of past policies, hopefully contributing to the improvement of public action in future programmes.

By definition, ex-post evaluation of public policies does not permit the corrections deemed desirable in the designing and/or implementation of policies to be introduced in time to minimize the discrepancies between objectives and results. Nevertheless, insofar as the factors that determine the occurrence of discrepancies are (potentially) observable during the period of programme implementation, it would be desirable to use this information to minimize the discrepancies mentioned.

Traditionally, the response to this problem is conducted through the realization of ongoing evaluations. This type of evaluation differs from ex-post evaluation precisely in that its aim is to produce results that can be used to improve public policies during their implementation phase. Its analytical focus is trained less on the impacts (which it is assumed are not yet observable) and more on the processes – namely their efficiency and potential contribution to pursuing the policy objectives – in light of changes to the context. In the context of the NSRF, ongoing evaluations<sup>2</sup> are conducted by bodies outside the NSRF governance structures (though as a rule commissioned by these) and is done so at specific intervals in accordance with a pre-defined plan and involving formal processes for launching evaluations.

While constituting important inputs for reflecting on the suitability of Structural Fund-supported interventions, ongoing evaluations do not exhaust the potential of strategic monitoring, as it is understood here. By assuring greater distance between the evaluating bodies and their objects of evaluation (which enhances process objectivity), the design for the ongoing evaluation processes may be insufficient to ensure the timely mobilization of the information and reflections necessary for conducting interventions properly at any moment.

---

<sup>2</sup> Essentially corresponds to the "evaluation conducted during the programming period" foreseen in the NSRF Overall Evaluation Plan.

Besides the ongoing evaluation results, therefore, the strategic monitoring promoted by the NSRF Observatory exploits various other information sources (including operational and financial information and context change analysis) in a constant process based on the technical work undertaken by the NSRF (in particular the Observatory) and on the linking between the main intervening parties in the aim of contributing at all times to reflection on the suitability of the NSRF's implementation for the strategic objectives announced.

To sum up, the strategic monitoring of the NSRF, aimed at producing analyses, alerts and recommendations essentially for those responsible for policy guidance and the operationalisation of the NSRF and the Operational Programmes, has the following characteristics:

- Continuous interlinking between operational and financial monitoring, context monitoring and the results of the evaluation exercises, taking the strategic objectives set out in the NSRF as the benchmark;
- Direct involvement of the main relevant actors, conducting the monitoring process in harmony with the need for information of those responsible for policy guidance and the management of interventions; and
- Great flexibility in defining the scope and purposes of analysis, without neglecting the necessary focus, aimed at providing a faster response to those responsible for policies and their implementation.

These aspects will be discussed in greater detail in the following points.

### 3. Desirable characteristics of strategic monitoring

The quality of the strategic monitoring process – which is reflected in the relevance and effectiveness of the alerts and recommendations produced – depends on a number of aspects, which include:

- (i) Clarity as regards the strategic objectives of the public policies in question;
- (ii) The theoretical and conceptual thoroughness with which the actors and processes involved in achieving these objectives are analyzed, bearing in mind the information available;
- (iii) Understanding of the potential contribution of public policies – in particular those which are supported by the NSRF – to achieving these objectives (considering, namely, the information, powers, resources and motives of the main actors involved);
- (iv) The up-to-date and thorough analysis of the context in which the public policies are developed and its evolution, identifying circumstantial constraints on and opportunities for policy implementation;
- (v) Extensive knowledge of the interventions taking place in the context of the NSRF, as well as their degree of implementation, which is indissociably tied to the existence of robust and interlinked information systems;
- (vi) Analysis of the processes involved in implementing policies and their alignment with the objectives defined;
- (vii) Analysis of the effects of the interventions on the behaviour of economic agents and other actors involved; and, finally,
- (viii) Evaluation of the potential contribution of the interventions to achieving the strategic objectives (bearing in mind the implementation process and the behaviour of the beneficiaries).

In sum, the strategic monitoring of the NSRF requires the interlinking of knowledge accumulated from past and current experience of managing, monitoring and evaluating the structural funds.

The mobilization of existing knowledge on the use of structural funds is one of the greatest challenges of strategic monitoring. This knowledge is codified in countless evaluations of policies done in the past – many of which contain teachings that it is worth not forgetting – but is also scattered among many individual and institutional actors who directly intervene in the management and use of structural funds. In that sense, it is fundamental that the strategic monitoring of the NSRF go beyond the analysis of quantitative indicators, whether these refer to operational or financial management or the socioeconomic and environmental context, to also incorporate documental analysis (namely that relating to the evaluation studies and regulatory documents on applying the NSRF) and direct and indirect, formal and informal contacts with the main actors.

In fact, notwithstanding their use as a source of information for diagnostic purposes and their capacity to summarize (particularly important for communication purposes), quantitative indicators provide only limited knowledge of the concrete

operation of the financed projects. Monitoring based only on quantitative indicators therefore tends to overvalue levels of execution and the physical realization of projects, without considering their quality or potential contribution to realizing the NSRF's strategic objectives.

However, it should be borne in mind that the requirement associated with the monitoring process aimed at here – which involves mobilizing various types of information obtained from diverse sources – must not jeopardise the objective of producing timely recommendations that allow public policies to be improved during their implementation phase. As stated above, the success of strategic monitoring is gauged less by the sophistication and coverage of the analyses produced than by the (temporal) opportunity for strategic reflection that it allows. In that sense, the selectivity of the themes covered and the pragmatism of the methods of analysis adopted are – alongside the mentioned linking between definition of strategic priorities, results of completed evaluations, operational and financial monitoring and context monitoring – core principles of the strategic monitoring process.

#### 4. The strategic monitoring process

Strategic monitoring ought to begin by systematically ordering the main factors determining the five strategic priorities of the NSRF,<sup>3</sup> as well as the most significant constraints affecting their realization. The NSRF document provides valuable details for this ordering and the work in this area should focus on filling any gaps and updating the diagnosis on the main constraints in light of the evolving socioeconomic, institutional and environmental context. This systematic ordering allows identification of: the main areas that will be subject to strategic monitoring (see following section), the main problems facing Portugal in each of these areas (with reference to actors and processes) and the main relationships between the problems identified and the strategic priorities of the NSRF.

At a second stage, the different NSRF intervention typologies that (potentially) contribute to overcoming the areas of constraints referred to should be identified and the impacts expected in terms of the processes and behaviour of the relevant actors explained, bearing in mind the achievement of the desired results.

The strategic monitoring process should then move on to the information gathering stage. Firstly, it is necessary to identify the specific actors/projects that should be the focus of analysis. Secondly, the type of information sought should be defined – which implies prior identification of the issues that need to be clarified.

It is worth remembering here that public policies are always conceived based on a set of assumptions relating to the information, responsibilities, resources and motives of the beneficiaries. An important part of strategic monitoring consists precisely in helping to list these assumptions and continuously testing their suitability – which, typically, implies using qualitative research methods.

Strategic monitoring should also help to understand to what extent the eventual occurrence of discrepancies may be associated with the implementation phase of interventions. Aspects such as calls for tender, reference terms and project evaluation and selection criteria and practices should be given major importance here.

The intersection between operational, financial and context indicators, qualitative and documental information collected specifically for the purposes of strategic monitoring and the past and present results of evaluations undertaken by interventions financed by Community funds constitutes the basis for reflection on the suitability of the programmes underway with regard to the strategic objectives of the NSRF, as well as the relevance of these objectives in light of changes to the context and the experience resulting from the implementation of programmes in the current programming cycle.

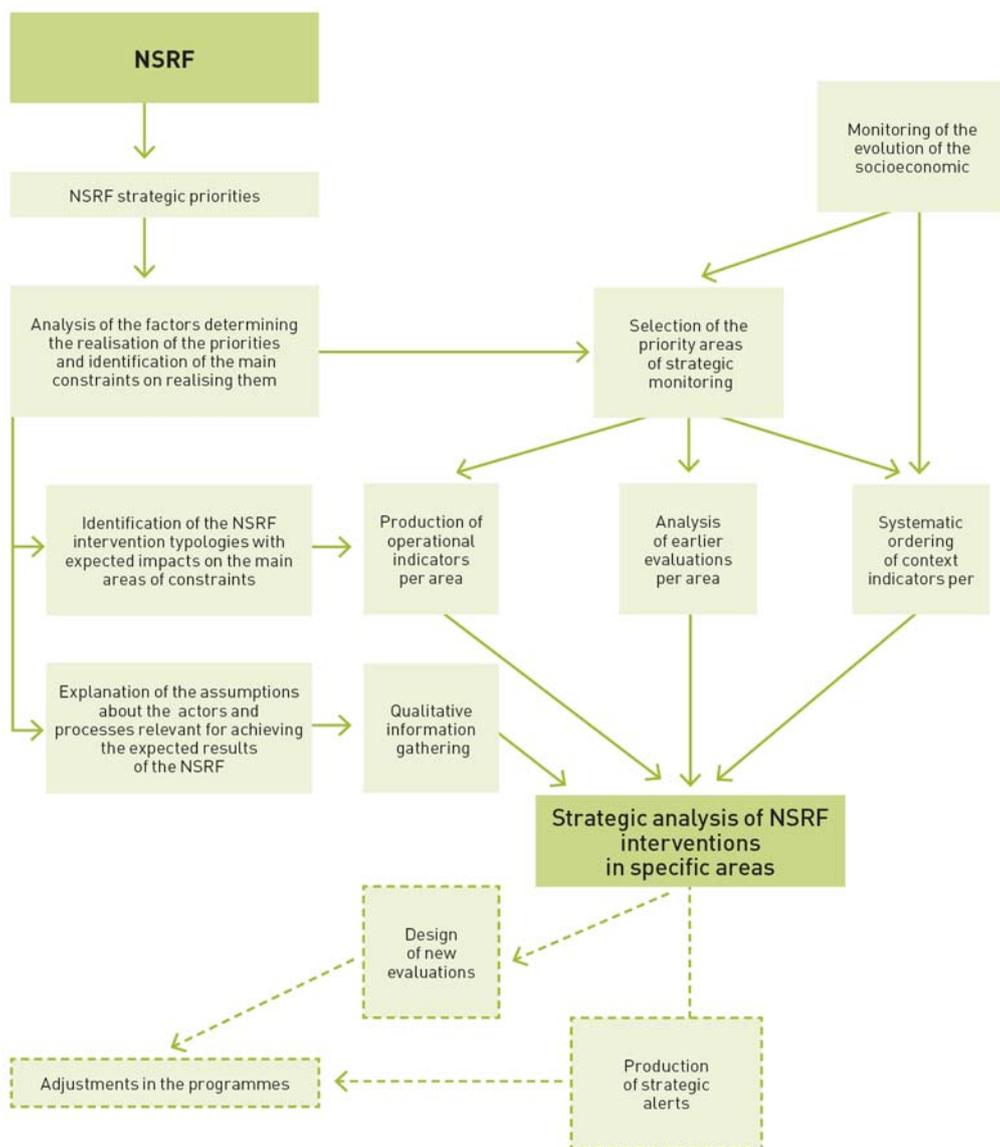
The main result of this reflection consists of the drafting of analyses and recommendations for inclusion in the strategic monitoring reports compiled by the NSRF Observatory and specific strategic alerts aimed essentially at those responsible for

---

<sup>3</sup> These are: "To promote the qualification of the Portuguese population", "To promote sustained growth", "To guarantee social cohesion", "To ensuring the qualification of the territory and the cities" and "To raise the efficiency of governance".

policy guidance and management of the programmes, aimed at any eventual needs for adjustments in their application. The second important result consists of the identification of issues that should merit special attention in thematic studies or future evaluation exercises, which may lead, inclusively, to programme-level adjustments (and not merely in the details of their implementation). The process described here is laid out systematically in the following chart and discussed in greater detail in the following sections.

Fig. 1 – Chart describing the strategic monitoring process



## 5. Identification of the priority areas of strategic monitoring

The strategic monitoring process described above assumes the identification of thematic areas on which the gathering, systematic ordering and analysis of information will focus and which will be the basis for producing strategic alerts on the specific areas of NSRF intervention. Bearing in mind that the core objective of strategic monitoring is to help adjust the implementation of the NSRF to its strategic priorities, definition of the monitoring areas should take these priorities into special consideration. In particular, as suggested above, the identifying of strategic monitoring areas should be based on the analysis of the main factors determining the NSRF's five strategic priorities, as well as the most significant constraints affecting their realization.

A problem that arises in this context is that of knowing how to identify the thematic areas that will be subject to strategic monitoring.

In reality, there is no single way of listing the relevant areas: their identification necessarily assumes an interpretation of the economic, social and environmental dynamics inherent to realizing the NSRF's strategic priorities, which have a partially subjective nature. A way of getting around this element of subjectivity would be to use the systematic ordering of NSRF interventions in terms of priority axes or regulations/typologies as a yardstick.<sup>4</sup>

However, this option has two fundamental disadvantages: first, it would complicate an analysis centred on the realization of the strategic priorities, since the systematic ordering mentioned is guided by criteria that have more to do with the organizational structure of governance than with the strategic impacts of the interventions; second, it would run the risk of moving the focus of attention away from the achievement of the strategic priorities towards the performance of programmes, axes and/or typologies (according to a logic that is essentially operational in nature).

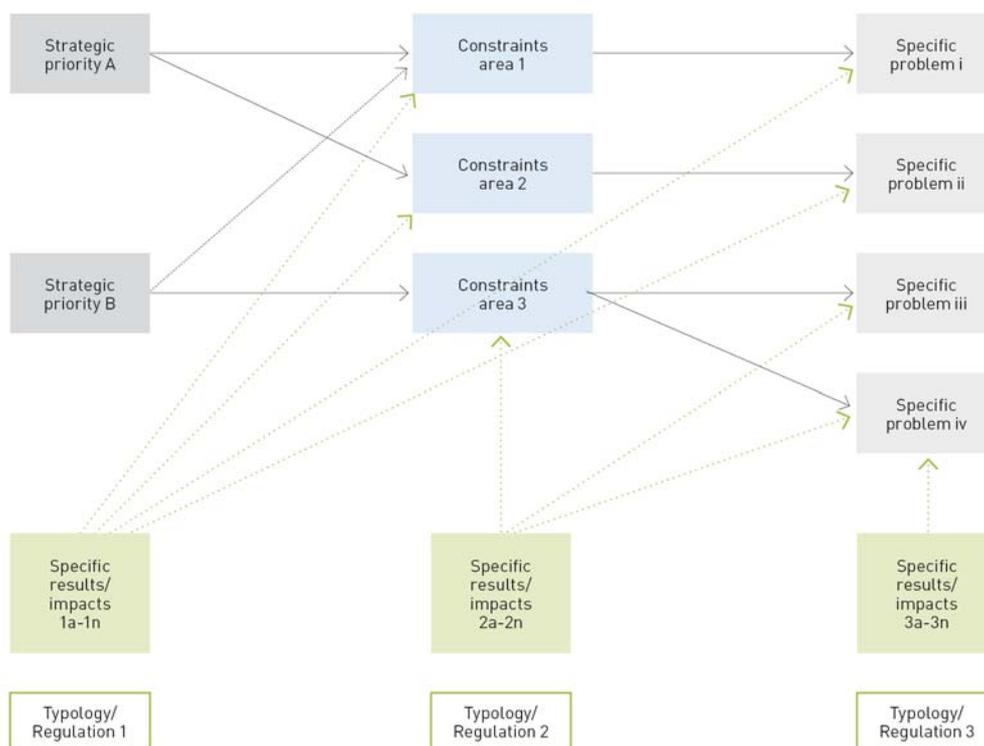
The chart on the following page helps to understand this idea better. The evolution of a given specific problem or an area of constraints on the realization of the NSRF's objectives may be jointly influenced by various intervention typologies (in some cases, framed by different regulations and even priority axes). Thus, an analysis centred on certain typologies or groups of them (regulations, axes, programmes) will not allow the overall contribution of the NSRF to the realization of certain objectives to be gauged. If this in fact corresponds with the outcome of the strategic monitoring, it will have to focus on certain specific objectives and consider the potential contribution of different typologies to its realization.<sup>5</sup> Thus the importance of the prior identification, as mentioned in the preceding section, of the causal relationships between the different intervention typologies and the decisive factors for the achievement of the strategic objectives of the NSRF.

---

<sup>4</sup> Typologies tend to correspond to the most disperse level of implementation of the NSRF in thematic terms, allowing groups of interventions with common goals to be identified. However, this tends to vary according to Operational Programme. For example, in the HPOP, each typology is subject to its own regulation, while in the CFOP it is possible to find typologies with significantly different objectives under the same regulation. In the TEOP, each regulation tends to include a very high number of typologies, even though their objectives are very similar. For the purposes of analysis, therefore, it may make sense to consider typologies in the two former cases and regulations in the case of the TEOP. The term "typologies" shall henceforward be used in that sense.

<sup>5</sup> This does not invalidate giving special attention to specific typologies, either for their importance in resolving the problems in question, or for their budgetary significance.

Fig. 2 – Relationship between the NSRF's strategic priorities, constraints, specific problems, intervention instruments and respective results/potential impacts



This chart assumes that strategic monitoring focuses on the thematic areas that constitute specific problems or areas of constraints for achieving the economic, social and environmental objectives announced by the NSRF. The emphasis given to the constraints has the benefit of focusing attention on those areas in which the impacts of the NSRF may be most significant, insofar as they allow structural deficits hindering necessary progress in areas considered more relevant to be resolved. Two aspects stemming from this option should however be taken into account.

First, the updating of the country's economic, social and environmental diagnosis may lead to the allocation of greater relevance to issues that were relatively secondary during preparation of the NSRF (e.g., job retention or access to credit by companies to increase liquidity).

Second, not all of the priority areas of NSRF intervention have an immediate relationship with the main constraints on realizing the strategic priorities. At times, they reflect policy options relating to the standard of development of the country, in the sense of preventing future constraints or enhancing opportunities.

In sum, the identification of themes that will be subject to strategic monitoring must be based on the prior mapping of causal relationships that relate the NSRF intervention typologies to different public policy objectives, focusing strategic monitoring on the analysis of the potential contributions of various typologies to the achievement of priority objectives in certain areas.

The table below relates a list of the main constraints to which the public policies co-financed by the NSRF seek to respond to the outcomes of the most relevant public interventions (the strategic objectives) as they have been – explicitly or implicitly - announced in the NSRF and the OPs.

The monitoring areas thus defined correspond to the systematically ordered themes used in the strategic monitoring process conducted by the NSRF Observatory.

Table 1 – Strategic monitoring areas of the NSRF

| Area of strategic monitoring                                       | Constraints on national development   | Strategic objectives announced in the NSRF  |
|--|---|---|
| Qualifications of the young population                             | Unsatisfactory performance of the initial youth qualification system                                      | <ul style="list-style-type: none"> <li>• Raise initial qualification levels</li> <li>• Reduce school drop-out rates</li> <li>• Improve skills development</li> <li>• Adjust supply to fit the demand for qualifications</li> </ul>  |
| Qualifications of the working population                           | Low qualification levels of the working population  | <ul style="list-style-type: none"> <li>• Raise qualifications of the active population</li> <li>• Adjust supply to fit the demand for qualifications in the active population</li> </ul>  |
| Pattern of specialization of the Portuguese economy                | Pattern of specialization unsuited to sustained growth  | <ul style="list-style-type: none"> <li>• Increase the share in employment and production of activities that generate greater value added and with better prospects of sustained growth</li> </ul>   |
| Value creation by firms  | Low value creation within firms   | <ul style="list-style-type: none"> <li>• Raise production efficiency and product quality (perceived value)</li> <li>• Improve the positioning of exporting companies in their respective value chains</li> </ul>  |
| Links between actors in the production and innovation systems      | Insufficient links between actors in the production and innovation systems                                | <ul style="list-style-type: none"> <li>• Improve cooperation between companies and other institutions in the productive, technological and commercial areas in the aim of obtaining efficiency gains, accumulating skills and sharing risks</li> <li>• Enhance the economic and social value of the results of scientific research</li> </ul>   |
| Labour market  | Poor performance of the labour market   | <ul style="list-style-type: none"> <li>• Maintain high labour market participation levels</li> <li>• Reduce unemployment</li> <li>• Improve company and employee adaptability to the economic cycle and structural change</li> </ul>  |
| Social inclusion   | Persistence of dynamics of social exclusion   | <ul style="list-style-type: none"> <li>• Improve access for all to constitutional rights, freedoms and guarantees</li> <li>• Cut the levels of all types of social discrimination</li> <li>• Raise the levels of civic participation for excluded groups or groups at risk of exclusion</li> </ul>  |
| Gender equality  | Persistence of dynamics of gender inequality  | <ul style="list-style-type: none"> <li>• Reduce levels of opportunity inequality between men and women</li> <li>• Cut the levels of gender-based social discrimination</li> </ul>   |
| Inter- and intra-regional connectivity                             | Deficits in inter- and intra-regional connectivity  | <ul style="list-style-type: none"> <li>• Improve the geographic mobility of people in all of national territory</li> <li>• Reduce freight transport costs in national territory</li> </ul>  |
| International connectivity and the country's geo-economic position | Geographically peripheral position in the context of the international economy                            | <ul style="list-style-type: none"> <li>• Cut freight transport costs between national territory and the chief producer and consumer markets</li> <li>• Improve conditions for passengers travelling between Portugal and abroad</li> <li>• Ensure Portugal's inclusion in the main international ICT infrastructure networks</li> </ul>   |
| Energy   | Energy dependence and inefficiency  | <ul style="list-style-type: none"> <li>• Reduce the country's vulnerability to outside energy supplies</li> <li>• Increase energy efficiency</li> </ul>   |
| Environment  | Persistence of environmental weaknesses   | <ul style="list-style-type: none"> <li>• Reduce pollutant emissions and waste production</li> <li>• Raise water supply and basic sanitation levels and quality</li> <li>• Raise waste treatment and reuse levels and quality</li> <li>• Preserve and enhance natural resources and biodiversity</li> <li>• Cut vulnerability to natural risks</li> <li>• Cut the negative environmental impacts on public health</li> </ul> |
| Enhancement of endogenous resources and territorial development    | Insufficient enhancement of resources and persistent development asymmetries in the different territories | <ul style="list-style-type: none"> <li>• Enhance the endogenous resources of the different territories</li> <li>• Boost the economic attractiveness of the different territories</li> <li>• Raise territorial equity in access to facilities and community services</li> <li>• Improve functional interlinking between territories</li> </ul>   |
| Institutional cooperation and territorial governance               | Weaknesses in institutional cooperation and territorial governance  | <ul style="list-style-type: none"> <li>• Improve planning, management and spatial organization</li> <li>• Improve consistency and linking between bodies at the various levels of state intervention in the territory</li> </ul>  |
| Working of the public administration and major community services  | Inefficiencies in the working of the public administration and major community services                   | <ul style="list-style-type: none"> <li>• Improve the efficiency of the public administration and the quality of the services provided</li> <li>• Raise the efficiency and quality of the major community services</li> </ul>  |

Two points need to be stressed concerning the list of areas presented in the table above. On the one hand, the choice of areas reflects the analysis conducted by the NSRF Observatory at the current moment of the strategic monitoring process on the main constraints affecting the realization of the strategic priorities stated in the NSRF. As we saw above, this analysis is not blind to the interpretation of the most pressing problems facing the country at a given moment, nor the policy priority allocated to the different problems by those ultimately responsible for implementing the NSRF. As the socioeconomic and environmental situation evolves, policy priorities change and reflection on the country's structural problems also develops and deepens, it is possible that the list of areas presented above will be altered.

On the other hand, it should be borne in mind that the list presented does not include all of the relevant constraints on the country's development, but only those which the NSRF is directly aimed at. In the diagnosis on the country's situation, the NSRF makes reference to a series of highly important areas which, for their essentially regulatory or administrative nature or for policy reasons, are not the subject of interventions co-financed by the structural funds (or are so only in a very marginal or indirect way). Included among these constraints are, for example: demographic weaknesses, the risks of macroeconomic instability, high levels of wage inequality, the less than satisfactory working of the product markets and inefficiencies in the working of the justice system. These constraints will therefore not be subject to strategic monitoring by the Observatory. Nevertheless, it should be remembered that the achievement of the NSRF's strategic objectives also depends on improvements in those areas.

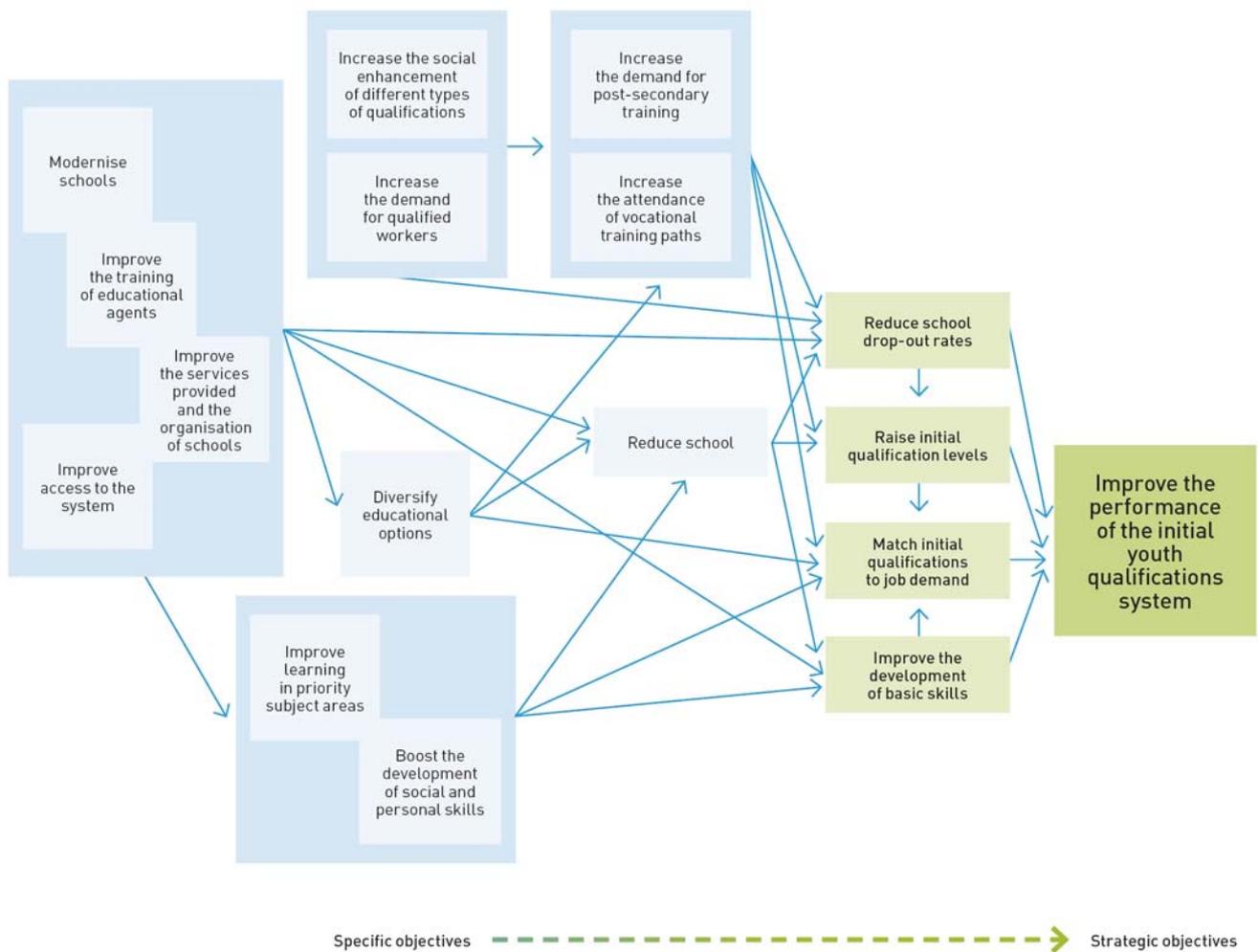
In addition, besides the perspective based on development constraints, strategic monitoring must also consider another aspect of observation and reporting, which, while associated with the conditions of implementation of the operations, acquires a strategic dimension: the overall model of governance of the NSRF and the OPs, understood as its architecture (proceedings, framework of responsibilities and duties, institutional relations), and the specific way in which it works.

## 6. Issues that should guide the strategic analysis of interventions

After the priority areas of analysis have been defined, the strategic monitoring of the interventions supported by the NSRF must be based on a systematic analysis of the outcomes that should guide the public interventions in each area. The first list of these outcomes, referred to here as strategic objectives, was presented in Table 1, together with the list of the country's development constraints that the NSRF-supported interventions are aimed at tackling.

In general, the realization of these strategic objectives depends on various factors and not just public policies. Besides the strategic objectives, therefore, public action must be guided by specific objectives which correspond to results that may be directly influenced by the relevant interventions. Consequently, the following step in the strategic monitoring process consists in identifying the specific objectives to be pursued by public policies, as well as the expected impacts (direct and indirect) of realizing the specific objectives on the strategic objectives. This latter aspect can be illustrated in the form of impact diagrams, like the one, by way of example, shown below (on the area of qualifications of the young population).

Fig. 3 – Example diagram of the impacts between specific objectives and strategic objectives for each monitoring area: the case of initial qualifications



The impact diagram will facilitate the identification of the NSRF intervention typologies that (potentially) contribute to overcoming each of the constraints previously identified. It is notable that not all of the specific objectives of public intervention are necessarily tackled by NSRF-supported interventions. In other words, although for the purposes of strategic monitoring only those areas in which the NSRF contributes to overcoming important constraints are selected, in any of the areas considered it is possible to identify forms of public intervention that are not supported by the structural funds. Therefore, one of the contributions of drafting impact diagrams like that in Fig. 3 is to help in delineating the scope of the NSRF's contribution to resolving important constraints, as well as to understand the complementarity between interventions supported by the NSRF and other forms of public intervention.

Once the outcomes, specific objectives of public interventions, relevant typologies for each area and most significant potential impacts have been identified, the strategic analysis of NSRF-supported interventions should be able to assess, in accordance with the details available, to what extent the expected results are being produced or whether it is possible to foresee these effects in the near future. In that sense, this analysis is guided by a set of issues centred on the following:

- Does the evolution of the socioeconomic, institutional and environmental context lead to a change in the diagnosis conducted in the NSRF on each area and on the respective strategic objectives (thereby altering the relevance and urgency of public intervention)?
- Are the synergies and complementarities between policy instruments being enhanced?
- Do the decisions and procedures associated with the implementation phases of the interventions (e.g., calls to tender, terms of reference, project evaluation and selection criteria and practices, etc.) reflect the outcomes of public action in each area?

- Do the responses of the economic agents and other relevant actors correspond to expectations and are they consistent with the outcomes announced for the interventions?
- Are the interventions being implemented at the speed and according to the priorities for resource allocation and materialization foreseen?
- Are the guiding principles of the NSRF – concentration, selectivity, economic feasibility and financial sustainability, and territorial cohesion and enhancement – being respected?
- What is the relevance of the intervention management models, regulatory framework and administrative procedures to the existence of eventual discrepancies between the results (existing or potential) and the objectives of the interventions (and their guiding principles)?

The responses to these questions constitute the basis for qualitative appraisals and indications or alerts about eventual needs to reorient interventions intended for the NSRF's policy direction and operational management bodies. They also form the basis for producing regular monitoring reports aimed at ensuring the provision of suitable information on the achievement of the strategic objectives of the NSRF and its OPs that are indispensable for public accountability.