

GUIDANCE FICHE
INTERVENTION LOGIC
VERSION 1 – 06/05/2013

Regulation	Articles
Common Provisions Regulation	Recital 61 Article 9 – Thematic objectives Article 14 – Content of the Partnership Agreement Article 24 – Content of programmes Article 48 – <i>Ex ante</i> evaluation Article 49 – Evaluation during the programming period Article 87 – Content, adoption and amendment of operational programmes under the Investment for growth and jobs goal
ERDF Regulation	Article 5 – Investment priorities
Cohesion Fund Regulation	Article 3 – Investment priorities
ESF Regulation	Article 3 – Investment priorities
ETC Regulation	Article 6 – Investment priorities Article 7 – Content, adoption and amendment of cooperation programmes

This document is provisional, without prejudice to the on-going Trilogues between the Council and the European Parliament. Elements on which there is a disagreement between the Council and the European Parliament or have not been accepted by the Commission are set out or referred to in square brackets.

1. INTRODUCTION

Contributing to objectives of the Europe 2020 strategy through cohesion policy requires a result-oriented intervention logic. This guidance aims to set out what is an intervention logic and how to apply this concept when elaborating operational programmes. The purpose of this fiche is to provide desk-officers at this early stage of the negotiations with guidance on how to address questions on intervention logic from Member States, in relation to the preparation of their Partnership Agreement and operational programmes.

2. ELABORATION, TESTING AND ADJUSTMENT OF THE INTERVENTION LOGIC

2.1. The elaboration of the intervention logic in programmes

The intervention logic outlined in the operational programmes for each priority axis should be driven by the specific objectives established based on the analysis of development needs and by the expected results.

However, for intervention logic to be effective, it needs to create logical links between all of the following elements:

1) The analysis of development needs and the strategy set out in the operational programmes, including:

- development needs or challenges identified (including both sectoral and territorial development needs);
- the strategic approach to maximise impact and effectiveness - identification of the funding priorities;
- the selection of thematic objectives and investment priorities to be supported.

Relevant provisions

Article 24 (1) CPR

1. Each programme shall set out a strategy for the programme's contribution to the Union strategy for smart, sustainable and inclusive growth consistent **with the provisions set out in this Regulation, the Fund – specific rules,** and **with the content of the** Partnership **Agreement.**

Article 87 (2) CPR

An operational programme **shall contribute to the Union strategy for smart, sustainable and inclusive growth and to the achievement of economic, social and territorial cohesion and** shall set out:

- (a) a justification of the choice of thematic objectives, corresponding investment priorities **and financial allocations** having regard to the Partnership **Agreement, based on** an identification **of regional and, where appropriate, national** needs **including the needs** to address the challenges identified in **relevant** country-specific recommendations **adopted in accordance with** Article 121(2) and the **relevant** Council recommendations **adopted in accordance with** Article 148(4) of the Treaty **on the Functioning of the European Union taking into account the *ex ante* evaluation.**

Article 87 (3) CPR

The Operational Programme shall describe, taking into account its content and objectives, the **integrated approach to territorial development**, having regard to the Partnership Agreement, and **showing how it contributes to the accomplishment of the programme objectives and expected results**, specifying, where appropriate, the following: [...]

2) The set-up and description of the priority axis, including:

- the definition of specific objectives appropriate in the context of the Member State or region;
- specifying the (direction of) change sought i.e. the results;
- deciding how to measure these results – identification of result indicators and setting of targets for these indicators;
- the specification of types of actions to be undertaken to achieve these results;
- deciding how to measure the outputs of actions– identification of output indicators and targets for these indicators.

Relevant provisions

Article 87 (2) (b) CPR

2. An operational programme shall contribute to the Union strategy for smart, sustainable and inclusive growth and to the achievement of economic, social and territorial cohesion and shall set out:

[...]

(b) for each priority axis **other than technical assistance**:

(i) the investment priorities and corresponding specific objectives;

(ii) **in order to strengthen the result-orientation of the programming, the expected results for the specific objectives, and the corresponding** result indicators, with a baseline value and a target value, **where appropriate quantified**, in accordance with the Fund-specific rules;

(iii) a description of **the type and examples of** actions to be supported **under each investment priority and their expected contribution to the specific objectives referred to in point (i)** including **the guiding principles for the selection of operations and where appropriate**, the identification of main target groups, specific territories targeted and types of beneficiaries and the planned use of financial instruments **and major projects**;

(iv) the output indicators, **including the quantified target value, which are expected to contribute to the results, in accordance with Fund-specific rules, for each investment priority**;

[...]

2.1.1. Stage 1: Identification of development needs

The starting point of programming is the identification of development needs or challenges to be addressed.

All programmes under cohesion policy should contribute to the Union strategy for smart, sustainable and inclusive growth and to the achievement of economic, social and territorial cohesion. However, the intervention logic also has to be tailored to the specific national and regional context, addressing regional and national needs. Therefore the main challenge of this stage of programming is to identify national and regional development needs, which should be addressed in order to attain or significantly contribute to Europe 2020 objectives. Many of such challenges are identified through country-specific Council recommendations on annual basis.

Examples of development needs:

- **ESF:** the early-school leaving rate in a Member State is too high, contributing to a set of labour market, social and competitiveness issues, and a country-specific recommendation invites the MS to tackle this problem.
- **ERDF/CF:** the road network is saturated in a European region.

The development needs are then translated into funding priorities – broad areas where Union intervention is essential for the Member State or region in order to tackle relevant development needs and to attain the respective Europe 2020 objectives. The assessment of the Commission of the main funding priorities in the Member State is included in the Commission services position paper which should be taken into account in the development of the Partnership Agreement and programmes.

Where the MS considers that it will not use ESI assistance to address some of the major development needs identified, it is nevertheless expected to indicate in the context of the informal dialogue and negotiations, and where appropriate, in the Partnership Agreement, where this is because national or regional intervention or policy will deal with these development needs¹.

2.1.2. Stage 2: Selection of thematic objective and investment priorities

Thematic objectives and investment priorities set out broad objectives for the ESI Funds that are aligned with the Europe 2020 strategy and ensure that all support provided through the ESI Funds contributes to the objectives of the Europe 2020 strategy.

Once the Member State has identified relevant development needs and funding priorities, it should select appropriate thematic objectives and investment priorities out of the full thematic menu established in Article 9 of the CPR (for thematic objectives) and in the Fund -specific rules (for investment priorities). This selection and resulting allocation of funds must be consistent with thematic concentration requirements (which are applied at the level of the

¹ In more developed and transition regions the financial allocation is limited compared to the national funds available, thus in general support from the ESI Funds should be focused on a few development needs and it is logical that most other development needs are addressed by national means.

thematic objective for the ERDF and mainly at the level of the investment priorities of an operational programme for the ESF²). By doing this the Member State links its programmes clearly to the Europe 2020 strategy enabling the assessment of the contribution of the ESI Funds (in all Member States) to objectives of this strategy agreed at the EU level.

The structure of operational programmes can vary. As a general rule a priority axis shall concern one Fund and one category of region. It shall also, as a general rule, correspond to one thematic objective and comprise one or more investment priorities of that thematic objective (Article 87(1) CPR)³.

Member States may however opt for a different priority structure. They may do so in order to increase impact and effectiveness in a thematically coherent integrated approach (Art. 87(1)(a), (b),(c),(d) of the CPR). If Member States opt to make use of the options set out in Art. 87(1)(a) to ((d) they need to demonstrate how the specific structure of the priority axis indeed increases impact and effectiveness (see the guidance fiche “Building Priority Axes”).

2.1.3 Stage 3: The establishment of specific objectives

Once the Member State has selected investment priorities it wishes the Funds to support, it will need to define at least one specific objective per investment priority to target the latter appropriately in the specific national or regional context. Therefore, unlike investment priorities, which are established at EU level, specific objectives are defined by each Member State or region. They constitute the translation of broad EU objectives into the national or regional context, taking into account the specific circumstances and development needs of each Member State or region.

Specific objectives are defined in article 2 of the CPR as "the result to which an investment priority or Union priority shall contribute in a specific national or regional context through actions or measures undertaken within a priority". Specific objectives thus reflect the change, including the direction of the change, which the Member State seeks to achieve with EU support. This change should be as specific as possible, so that intervention to be supported can contribute to the change and this impact can be evaluated. It is therefore advisable for the ERDF/CF not to choose “increasing the productivity in region x” (which will depend on a too wide range of factors) but rather “increasing the productivity of sector y in region x”. For the ESF, a specific objective such as "increasing participation in the labour market" would be too general. It should identify the target groups and rather read as "promote the integration of low skilled inactive or unemployed people into the labour market".

Examples of specific objectives:

- **ESF:** Reducing early school leaving in disadvantaged schools;
- **ERDF/CF:** Improving the accessibility of region x in a sustainable manner.

In order for the intervention logic to be effective, it needs to be ensured that the specific objectives are also reflected in the stage of implementation. In particular, the project selection process (and criteria for project selection to be approved by the Monitoring Committee)

² The minimum of 20% earmarking of the ESF to social inclusion applies at Member State level.

³ See the guidance fiche “Building Priority Axes”.

should ensure that the contribution of operations towards specific objectives is assessed and taken into account in the selection of operations.

2.1.4. Stage 4: Definition of result indicators

Result indicators are linked to specific objectives. Clear result indicators facilitate understanding of the problem and will facilitate a later assessment of whether or not specific objectives have been attained.

Examples of result indicators:

- **ESF**: in the case of life-long learning: 'number of low skilled workers gaining a qualification'.
- **ERDF/CF**: in the case of transport: 'travel time' or 'traffic fatalities in region x'.

For further information about result indicators see the **relevant (ERDF/CF or ESF) guidance papers on monitoring and evaluation**. While the ESI Funds are governed by the same Common Provisions Regulation, some differences remain due to the different nature of the support.

2.1.5. Stage 5: Types of actions to be supported

An effective policy intervention will require reflection on the most appropriate interventions to achieve the desired results. In many cases the results sought can be attained in different ways and more than one course of action can be chosen.

The choice or combination of the most effective actions also requires an analysis of problems which underpin the reference situation i.e. an understanding of the causes of the situation at the start of the programme that the Member State or region wishes to improve.

The programme designers must reflect on which factors they plan to affect and which types of actions they should therefore undertake to achieve the intended results. Possible external factors which could influence the intended results should be identified.

Examples of actions to be supported:

- **ESF**: to reduce the number of young people not in employment, education or training (NEETs), a wide range of interventions are possible: supporting self-employment and entrepreneurship for young people; introducing a 'youth guarantee' by establishing schemes to offer further education; training programmes, specialised employment counselling services, etc.
- **ERDF/CF**: to improve road safety, many interventions can be considered: investment in the railway system to move some traffic from roads to railways; improvement of public (road based) transport; incentives for better behaviour of drivers or simple improvement of road marking.

In the context of the operational programmes under cohesion policy, the description of this element is limited to a description of types and examples of actions (Article 87 (2) (b) (iii) as well as a description of the guiding principles for project selection.

The Member States are not required to set out a detailed list of all actions supported. However, programmes are required to set out the expected contribution of the types of actions supported to the specific objectives, thus programmes are required to set out explicitly the logical link between actions and the achievement of specific objectives.

It is recalled that addressing certain development needs requires an integrated approach i.e. a coordinated implementation of actions of different types or falling into different sectors to attain the specific objectives. This is highly relevant where Member State address development needs specific to a given territory (including actions for sustainable urban development), but should be taken into consideration in all cases.

2.1.6. Stage 6: Definition of output indicators

The actions undertaken under programmes lead to outputs. **Outputs** are the direct products of supported operations, which in turn contribute to results.

Output indicators are measured in physical (or monetary) units.

In the context of the intervention logic of the programmes under cohesion policy output indicators should be logically linked to and reflect the types of actions planned. The outputs should also contribute towards the achievement of results and the targets set for the output indicators should be consistent with the financial allocation envisaged.

For further guidance on output indicators, consult the guidance papers on monitoring and evaluation.

2.2. Testing and adjustment of the intervention logic

An important consistency test of the intervention logic is the **ex-ante evaluation**. The ex-ante evaluators will assess the contribution to the Union strategy for smart, sustainable and inclusive growth (Art. 48(3)(a)CPR). They will assess, *inter alia*:

- "the consistency of the selected thematic objectives, the priorities and corresponding programme objectives" (art. 48(3)(d) CPR) ;
- "how the expected outputs will contribute to results" (Article 48(3)(f)CPR);
- "the rationale for the form of support proposed" (Article 48(3)(h) CPR),
- "the types of actions⁴ to be supported under each investment priority" (Article 87(2)(b)(iii)).

⁴ According to the Article 87(2)(b)(iii) CPR, types of actions to be supported under each investment priority should be described, including their expected contribution to the specific objectives. Even though Article 48(3) CPR does not require explicitly the analysis of the proposed types of actions, it is implicitly needed for the examination of: the consistency of the allocation of budgetary resources with the objectives of the programme (48(3)(c)); the relevance and clarity of the proposed programme indicators (48(3)(e)); how the expected outputs will contribute to results (48(3)(f)); whether the quantified target values for indicators are realistic, having regard to the support from the CSF Funds envisaged (48(3)(g)) and the rationale for the form of support proposed (48(3)(h)). Given all this, the Commission has recommended in the Guidance on ex-ante evaluation to analyse also the types of actions, since they constitute an important element of the intervention logic, which cannot be properly assessed without taking them into account.

Where necessary, the Member State or region should be open to the **adaptation of the intervention logic** initially proposed, especially if it is demonstrated through ex-ante evaluation that the premises of the draft programme are not sound e.g. the types of actions planned would not lead to the results sought, or the proposed programme set-up does not increase impact and effectiveness.

An adjustment may also be necessary over the course of the programming period where monitoring or evaluation evidence show that the effect of interventions supported is insufficient.

For the very first time, Member States will have to **assess the impact of each operational programme in the course of the programming period**. This assessment should be carried out at least once during the programming period covering each priority (art. 49 of CPR). This exercise could assess some of the relevant specific objectives. A clear intervention logic, showing how the programme investment priorities seek to achieve their specific objectives will prepare the ground for such impact evaluations.

2.3. Demonstrating the intervention logic by a logical framework

A logical framework is a stylised representation which can clarify the intervention logic under each investment priority and its specific objective(s). It is not required, but has been recommended in the guidance document on ex-ante evaluation. It demonstrates the causal links between the intended results and result indicators and the planned types of actions and outputs/output indicators. It helps to identify which important outputs and results are not captured by common indicators and for which it would be relevant to establish programme-specific indicators.

In case they are developed, logical frameworks can be included in the ex-ante evaluation as an important element of analysis and presented in its final report which will be submitted to the Commission together with the draft operational programme.

Demonstrating the intervention logic by a logical framework

<u>Stage 1: Examples of development needs</u>	<u>Stage 2: Examples of selection of thematic objective and investment priorities</u>	<u>Stage 3: Examples of specific objectives</u>	<u>Stage 4: Examples of result indicators:</u>	<u>Stage 5: Examples of actions to be supported:</u>	<u>Stage 6: output indicators</u>
ESF: the early-school leaving rate in a Member State is too high, contributing to a set of labour market, social and competitiveness issues, and a country-specific recommendation invites the MS to tackle this problem → Funding priority/ broad areas: labour market, social and competitiveness	ESF: TO 10 (“investing in education, skills and life-long learning”) + investment priority under article 3.1. (c) of the ESF Regulation: (i): “reducing early-school leaving” (...).	ESF: Reducing early school leaving in disadvantaged schools	ESF: reduction of school drop-out rates in disadvantaged schools in the age bracket of x-y.	ESF: introduction of counselling systems for students and parents to better tackle the causes of the dropping out of school , etc.	Standard common ESF output indicators + programme-specific output indicators: - Participants in obligatory schooling age - Participants above obligatory schooling age and below 25 years
ERDF/CF: the road network is saturated in a European region →Funding priority/ broad areas: Investment in support of regional mobility	ERDF/CF: TO 7 (“promoting sustainable transport and removing bottlenecks in key network infrastructures”) + investment priority 7 (b): “enhancing regional mobility through connecting secondary and tertiary nodes to TEN-T infrastructure”.	ERDF/CF: Improving the accessibility of region x in a sustainable manner.	ERDF/CF: Reduction in “travel time”	ERDF/CF: investment in the railway system to move some traffic from roads to railways connected with TEN-T infrastructure; improvement of public (road based) transport, etc.	- Total length of reconstructed or upgraded railway line - of which TEN-T - increase of passenger trips using supported urban transport service