

S1. Executive summary

S1.1. English executive summary

S1.1.1. Introduction

The Rural Development Regulation (RDR) consolidates previous legislation into a 'menu' of measures offering support for rural development under the following Chapters:

Chapter I:	Investments on farm
Chapter II:	Young farmers
Chapter III:	Training
Chapter IV:	Early retirement
Chapter V:	Less Favoured Areas
Chapter VI:	Agri-environment
Chapter VII:	Investments in processing and marketing
Chapter VIII:	Forestry
Chapter IX:	Adaptation and development of rural areas (Article 33)

Rural development is funded through EAGGF Guarantee and Guidance with the former operating across the EU with respect to early retirement, Less Favoured Areas, agri-environmental and forestry measures and outside Objective 1 regions with respect to the other measures listed above. EAGGF Guidance is the funding mechanism within Objective 1 regions, with the exceptions noted above.

The current programming period runs from 2000 to 2006 and the programmes were evaluated at the mid-term point across the EU in 2003. The Directorate-General for Agriculture requested a meta-evaluation, or synthesis, of the mid-term evaluations of EAGFF Guarantee measures, i.e. across the EU for the early retirement, Less Favoured Areas, agri-environmental and forestry measures and outside Objective 1 regions for the remaining measures. The time period of this evaluation is 2000 to 2003 and the evaluation covers the EU-15. This contract was carried out by Agra CEAS Consulting Ltd. at the Centre for European Agricultural Studies, Imperial College at Wye and in Brussels between January and October 2005.

S1.1.2. Evaluation methodology and constraints

This meta-evaluation was carried out by means of desk research and analysis based on the mid-term evaluation (MTE) reports submitted to the Commission for each Rural Development Programme, supplemented by secondary data. A selection of programmes and measures were chosen in conjunction with the Steering Group to be followed up through interviews with implementing authorities and other key stakeholders in each Member State in order to gather further information where that contained in the mid-term evaluation reports was deemed to be insufficient. Finally, a meeting of the core evaluation team assessed the overall objectives of the RDR. A number of methodological problems and constraints are discussed fully in Chapter 2, but it should be noted that the mid-term evaluation reports on which this evaluation is primarily based often contained limited information as a result of the short period over which the measures had been in operation under this programming period at the mid-term point.

The answers to the measure-specific evaluation questions are embedded in the following structure. First the measure objectives and intervention logic are set out explaining how the measure is supposed to work. This is followed by a synthesis of evidence from the MTE reports and secondary data. This evidence is used to consider how the measures worked in practice. The conclusions and recommendations build on this structure to consider why the measures did or did not work and to offer recommendations to improve their operation.

S1.1.3. Main evaluation findings

The main evaluation findings are presented below as set out in the contract. Within these sections the conclusions address the Common and Further Evaluation Questions set out in the contract.

Key questions regarding overall objectives of Rural Development

The Agenda 2000 reform consolidated the previous nine legislative texts on rural development into a single regulation on support for rural development. Although in terms of presentation it appears a more coherent package, the RDR does not therefore offer a 'new' menu of measures. The fact that the menu remains to a degree an agglomeration of previously available and separately implemented measures can reduce overall efficiency in terms of delivering outcomes and meeting objectives at the programme level, not least because there are examples where the objectives, or at least the impacts, of individual measures are in conflict with one another. That said, it is recognised that the choice of measures to offer in individual programmes is the responsibility of implementing authorities and it is incumbent upon them to ensure that the measures selected are appropriate to their rural development needs.

The potential for a lack of coherence between individual measures at the programme level is clearly acknowledged by the Commission and the new Regulation for the 2007-2013 programming period takes a more strategic approach to rural development through the definition of three core objectives which will be addressed by three main axes, together with a LEADER axis. This will transform rural development policy from a measure-led to an objective-led system and as a consequence it is likely to improve programme efficiency and internal coherence with respect to the overall policy objectives targeted within each programme.

Recommendation

- Implementing authorities should ensure that the measures that they decide to implement form a coherent package at the programming level.

Several measures under the RDR can be expected to have an indirect impact beyond the agricultural sector in terms of, for example, employment, in addition to the support targeted explicitly on the wider rural population under Chapter IX: Adaptation and development of rural areas (Article 33). The impact of this targeted support is likely to increase over time as Article 33 suffered from late implementation in many cases. Whilst the Structural Funds provide a mechanism to increase cohesion generally across the EU, Article 33 provides for support targeted specifically on rural areas and is therefore a useful addition to this overall policy framework.

There is a high degree of complementarity between rural development policy and the Structural Funds at the conceptual level in terms of their contribution to EU cohesion and this generally results in coherence at the operational level through co-operation between the relevant implementing authorities.

It is recognised by some implementing authorities, and by the Commission itself, that synergy between rural development measures and the Structural Funds needs further encouragement, although this is likely to apply more outside Objective 1 designations where the rural development measures are not programmed within Operational Programmes involving the other Structural Funds. That said, the overall approach to implementing rural development measures and the Structural Funds is considered to be appropriate and as long as regions/Member States continue to be encouraged to implement these policies with synergy in mind, as they currently are, then the approach is satisfactory.

Individual measures

Measure-specific concluding comments and recommendations are presented below. These address the Common and Further Evaluation Questions set out in the contract.

Chapter I: Investments on farm

The objectives of this measure are to reduce production costs; improve and redeploy production; increase quality; preserve and improve the natural environment; hygiene conditions and animal welfare standards; and, promote the diversification of farm activities.

There is strong evidence that supported investments contribute positively in terms of reducing production costs through the more efficient use of labour. Only a small proportion of investments appear to have been made with the specific objective of improving quality, although this is often an indirect impact ensuring that supported investments have indeed improved quality. Reductions in production costs and improvements in quality, whether a direct impact or not, have resulted in positive impacts on income and this measure is therefore meeting this implied objective.

Assisted investments have not resulted in any significant movement away from production in surplus sectors. Whilst some movements away were noted in some regions, in others supported investments were used to increase production in these areas. This is not necessarily a problem as the definition of surplus sector as set out in the indicator is at the Community level and takes no account of local circumstances or product differentiation within a sector. Given the fact that the importance of direct marketing often increases amongst beneficiaries it is clear that these sectors are not actually in surplus at the local level.

The impact of assisted investments on employment is positive, despite the more efficient use of labour. The impact is generally in relation to securing employment rather than its creation. Improvements in working conditions were specified as a direct investment aim in some Member States (for example, Denmark, Austria and France) and reductions in workload and hard physical work have been realised in the majority of Member States. As intended by the measure, animal welfare has also been improved in a number of Member States including for example, Austria, Denmark, the UK and France. Whilst the supported investments of a number of holdings in several Member States were found to have had a positive environmental impact (for example, Italy, Sweden and the UK), the extent of this impact is unknown. However, the requirement to comply with minimum environmental standards has ensured that investments were at least environmentally neutral and as such these standards can be considered successful in terms of protecting the environment.

The issue of deadweight was little addressed in the MTE reports, most likely because the nature of many of the specified indicators does not explicitly request a consideration of this. It is also important to bear in mind that investments sometimes require a time period in excess of that available to the mid-term point in which to demonstrate expected impacts. The impact of the supported investments, and as a result the impact of the measure, may therefore be underestimated at the mid-term point.

Chapter II: Young farmers

Although not stated explicitly in the RDR, the implicit objective of this measure, based on Article 8 of Regulation 1257/99, is to facilitate farm transfer thus reducing the average age of those in the sector.

The extent to which support covers the costs of setting-up is very much dependent on local and individual circumstances, however, clearly support does offset these costs to a variable extent. Evidence from a range of Member States (for example, Sweden, France, Germany and Austria) suggests that some young farmers would have set up without support. That said, more limited evidence from Italy and from some French beneficiaries suggests that there has been some impact in terms of earlier farm transfer. The evidence is therefore too ambiguous to allow a definitive conclusion on the extent to which this measure contributes to the earlier transfer of farms. The extent to which this measure was used in conjunction with Chapter IV: Early retirement is small (with only four Member States implementing both measures outside Objective 1 regions) with little evidence of synergy between the two measures.

Some 16,795 farmers received support under the young farmers measure in 2001, although this had declined to 10,857 by 2003. However, the number of assisted transferees who would have set up without support is not known. Agra CEAS (2003a), addressing the impact of this measure over the previous programming period, found no relationship between expenditure under this measure and the number of farmers under 45 years old.

Whilst the scheme clearly has an impact in terms of maintaining employment in that a transferor is replaced by a transferee for no net employment loss, the extent to which young farmers would have set up in the absence of the scheme is unknown and as a result it is not possible to attribute causality to the scheme itself, although it is likely to be one factor amongst many influencing the decision to enter farming.

Recommendation

Whilst a range of evidence concerning the impact of this measure is presented in this report, it is inconclusive in terms of the impact of support on setting up decisions and on the extent to which support covers the costs of setting up at the EU level. Consideration could be given to the idea that a comprehensive and consistent survey of supported farmers could be undertaken at the EU level to investigate these issues further.

Chapter III: Training

Training within the RDR is designed essentially to facilitate access to the other available measures and to 'contribute to the improvement of the occupational skill and competence' of those employed in the agricultural and forestry sectors. The evidence suggests that there is a good match between training needs and assisted training courses offered and that training needs have been properly considered in the vast majority of cases. There is also evidence to suggest that the training offered has had a positive impact in terms of employment conditions, usually through higher pay. To the extent that evidence is available, it also appears that trainees use their training to make positive improvements on the holdings on which they are employed.

In conclusion, this measure is considered to be relevant and to work well with other measures under the RDR.

Chapter IV: Early retirement

The objectives of this measure are to provide an income for transferors, encourage their replacement by farmers able to improve economic viability and to reassign land to non-agricultural uses where it is not economically viable.

The measure design is such that inevitably farms will be transferred to younger owners, although there is only limited evidence supporting the idea that substantial transfers might occur earlier than would be the case in the absence of the measure with doubts raised in particular in France, Germany and Spain. Whilst there is clear evidence that this measure is used in conjunction with Chapter II: Young farmers where both measures are available (in four Member States), it is not possible to come to a conclusion in terms of whether or not using these measures together brings forward farm transfer due to a lack of evidence. It is, however, clear that farm size generally increases as a result of this measure, although this is not in itself sufficient to guarantee an improvement in economic viability (as foreseen in the intervention logic). There is conflicting evidence on the extent to which the support offered is appropriate. For example, in Portugal the amounts offered are considered satisfactory in 2 regions and unsatisfactory in 3 regions. In Spain, 50% of surveyed

beneficiaries were satisfied with the amounts offered whilst the other 50% were not, although it should be noted that a degree of moral hazard might be expected amongst the second group.

Chapter V: Less Favoured Areas

The objectives of this measure are to ensure continued agricultural land use and contribute to the maintenance of viable rural communities, the countryside and sustainable farming, although this is actually delivered through a form of income support.

The extent to which compensation payments contribute to the aim of offsetting the economic implications of natural handicaps varies considerably and there are wide disparities in the degree of compensation provided (and its relative importance in terms of the proportion of farm income provided) depending on region/Member State and the type (severity) of LFA. Although agricultural land use has generally continued in LFAs, the extent to which the causality for this can be assigned to LFA policy is not clear, mainly due to the absence of either a geographic or temporal comparator group, although it is likely to be a contributing factor, particularly in those areas where support makes up a higher proportion of income, up to 90% for example in mountainous regions of Spain.

To the extent that LFA policy has contributed to continuing land use and to the extent that the agricultural sector plays a role in the maintenance of rural communities, then it also underpins rural communities. The extent to which this is the case varies regionally with, for example, 49% of the labour force in small scale enterprises employed on farm in Finnish LFAs whereas rural viability in Irish LFAs is driven by inward migration rather than the agricultural sector. Again, the weight of the compensatory payments within total income at the local level will be an important driver in this impact.

Finally, it is highly likely from a logical point of view that there are examples where either under or over-payments occur as the extent of the handicap and its impact on costs varies considerably. Indeed there is evidence to suggest, for example, under-compensation in the north of Sweden and over-compensation in some parts of Spain. However, it is acknowledged that there is a trade-off between reducing instances of under or over-compensation and increasing administrative complexity and cost and an acceptable balance has to be struck.

In conclusion, it is clear that the measure has a role to play in compensating for the economic impacts of natural handicaps and hence contributes to achieving its objectives to ensure continued agricultural land use and to contribute to the

maintenance of viable rural communities. However, some criticisms of LFA policy have been made by many authors for many years (see for example Agra CEAS, 2003a) and those relating to the essentially political, rather than handicap-driven designation of LFAs still remain (see for example, Ahner, 2004).

Recommendation

- There is a case for better targeting of the measure by reclassifying LFAs so as to ensure that payments are aligned more closely with natural and other handicaps, thus reducing the risk of possible over- or under compensation.

Chapter VI: Agri-environment

The objectives of measures under this Chapter are to promote ways of using agricultural land which are compatible with the protection and improvement of the environment, the landscape and its features, natural resources, the soil and genetic diversity; an environmentally-favourable extensification of farming and management of low-intensity pasture systems; the conservation of high nature-value farmed environments which are under threat; the upkeep of the landscape and historical features on agricultural land; and, the use of environmental planning in farming practice.

Environmental protection is a long-term issue and it is therefore unlikely that impacts relating specifically to the 2000 to 2003 period (with which this evaluation is concerned) will be in evidence at this point in the implementation process. Whilst it will be possible to obtain a better idea of impact in the 2000-2006 programming period at the *ex-post* stage, even then it may not necessarily be possible to attribute impacts exclusively to this programming period.

It is possible to conclude that where **soil erosion** is considered to be a problem, measures are in place to combat this and these are widely taken up (for example, Portugal and Italy). Evidence of the extent to which some agri-environmental measures are suitable to address soil erosion issues is, however, mixed with some studies, for example CRER (2002), noting that organic farming resulted in some negative impacts through the increased use of mechanical tillage techniques. There is also evidence that measures designed to reduce chemical contamination of soil are widely taken up.

There is evidence from some regions/Member States to suggest that measures to combat **water pollution** are adequately targeted where most needed (for example, Germany), although there are also instances where there is a lack of targeting (Emilia Romagna in Italy, for example). However, there is widespread evidence that

large areas are under agreements restricting the use of agricultural inputs. Barriers to transport mechanisms, such as buffer strips, are used to impede the flow of contaminants to water resources although it is not possible to assess the impact that these have. Additionally there is evidence from some Member States, including Ireland, suggesting that application rates have decreased as a result of the measures and this should also reduce the likelihood of water pollution.

A large area of land is under agreement to restrict the use of agricultural inputs, although this does not necessarily mean that large impacts on **biodiversity** will result as this will depend on other factors such as the extent of induced change in farming system. That said, assuming that measures have been suitably designed, it is likely that a positive impact has resulted. There is evidence that beneficial layouts of crops have been maintained or introduced with assistance and that vegetation/crop residues have been maintained at critical periods. Finally, large areas of high nature value land are under agreement and are hence protected.

There is evidence from some Member States to indicate that **endangered animal breeds** have been protected where this has been identified as an issue, and in the short-term at least the impact is therefore positive (see for example, Finland where 8,549 animals from protected breeds were raised through to Luxembourg where just 116 Ardenne draught horses were raised with support). There is, however, less evidence to indicate that endangered plant varieties have been protected.

The impact of agri-environment schemes on the **landscape** in terms of coherence, differentiation and cultural identity is hard to assess mainly because these terms are somewhat subjective and have been interpreted in different ways. For example, in some MTE reports all land under agreement is considered to contribute to these aims whilst in others only land under agreement with direct landscape objectives is considered, in which case the impact is considered to be less significant. That said, there is evidence of positive impacts on coherence, differentiation and cultural identity from a large number of regions/Member States including for example, Germany with regard to coherence, Scotland (UK) and France with regard to differentiation and Finland and Wales (UK) with regard to cultural identity.

The rules regarding **codes of Good Farming Practice** are considered to be generally clear, although there are some examples where farmer understanding is not as clear as it might be, for example, in the Netherlands, Portugal and Spain. On balance, however, the rules are transparent and widely understood by farmers. Evidence in relation to whether the agri-environment schemes as **voluntary measures** have added value over the codes of practice as compulsory standards is a little mixed with implementing authorities and some authors (for example, IEEP (2005) and

European Commission (2005)) concluding that they do confer added value over compulsory standards and others (Arkleton Institute (2004) and Shucksmith *et al* (2005)) finding problems. However, as long as schemes are correctly designed and targeted then they are considered by implementing authorities likely to offer added value.

The extent to which the application of agri-environmental measures corresponds to **site-specific requirements** differs both regionally and by Member State, although the balance of evidence suggests that measures are targeted. For example, in France a needs assessment is undertaken at the individual holding level whilst in other regions certain areas are targeted. However, whilst environmental priorities have been defined in some regions/Member States, this is not a universal approach. Whilst **payment rates** generally are well aligned with costs incurred and income foregone, there are examples of payment levels which are considered to be either insufficient (areas of particularly poor soil quality in Austria) or excessive (some mountain regions of Germany where farming practice does not have to be significantly altered following scheme participation). In the former case this has sometimes had an adverse impact on uptake rates at the local level.

Recommendation

- Longer-term scientific monitoring and evaluation, including the establishment of an *ex-ante* baseline, independent of financial programming periods, should be instigated to provide a proper assessment of outcomes in this area.

Chapter VII: Investments in processing and marketing

The objectives of this measure are to guide production in line with foreseeable market trends or encourage the development of new outlets for agricultural products; improve or rationalise marketing channels or processing procedures; improve the presentation and preparation of products or encourage the better use or elimination of by-products or waste; apply new technologies; favour innovative investments; improve and monitor quality and health conditions; and, protect the environment, although investments need only address one of these objectives.

Measures under this Chapter have made a positive difference in terms of competitiveness through improvements to and rationalisation of processing and marketing. However, in France (due to late implementation) and in England (due to a limited scale) the overall impact is considered small. Whilst it is apparent that increases in quality have resulted from assisted actions, the specified indicators used in the mid-term evaluation reports do not request data that can be used to allow an assessment of the extent of this impact. Supported investments have also resulted in

an increased demand for basic agricultural products through capacity increases, although the impact on price is mixed with examples where price increases have been noted, but more where they have not been. Impact on the security of supply relationships cannot be tested due to a lack of baseline data.

While some positive impacts on the environment, health and welfare derive from specific investment objectives, i.e. are direct impacts, most positive impacts are 'collateral', i.e. occur indirectly without having been main investment objectives. The requirement to comply with minimum environmental standards ensures at least environmental neutrality. Finally, there is evidence that assisted actions have resulted in increases in the supply of raw material sourced from organic or other environmentally benign farming systems and this suggests a useful supporting role in relation to measures under Chapter VI: Agri-environment.

The issue of deadweight was little addressed in the MTE reports, most likely because the nature of many of the specified indicators does not explicitly request a consideration of this. However, the little evidence available from further research suggests that there is less deadweight where support is given to smaller enterprises (noted in Sweden and Denmark), although supporting such enterprises may of course run counter to wider restructuring objectives.

Finally, it is also important to bear in mind that investments sometimes require a longer time period than currently available at the mid-term point in which to demonstrate expected impacts. The impacts noted at this time may therefore underestimate the impact in the longer-term which will be more apparent in the *ex-post* evaluation.

Recommendation

- The links with other measures under the RDR, notably those promoting organic production, should be further encouraged in order to promote synergy along the supply chain.

Chapter VIII: Forestry

The objectives of these measures are to provide sustainable forest management and development of forestry; the maintenance and improvement of forest resources; and the extension of woodland area.

CAP-IDIM monitoring data on assisted plantings, although incomplete, clearly demonstrates that woodland area has increased as a result of assisted actions. A time lag between the granting of support and actual planting makes it likely that the

extent of planting seen at the mid-term stage is an underestimation of what will be the final impact. However, plantings still fell short of targets in most regions/Member States. Impact on the structure and quality of growing stock appears to have been generally positive, at least at the local level. In response to CEQ VIII.1.B on carbon storage between 2000 and 2012 we would note that whilst it is clear that the impact will be positive, the extent of this impact will depend on, amongst other assumptions within the modelling process, the extent of future planting. That said, the evidence from the estimates of this impact obtained through this evaluation range from 4,010 tonnes per year in Scotland to 2.9 million tonnes per year in Spain.

The extent to which assistance in the forestry sector has resulted in cost reductions depends on the rationale for the investment. Where this was economic, costs have generally been reduced, for example through forest road construction in Austria. Some further cost reductions may become apparent by the time of the *ex-post* evaluation as forestry operations are a medium to long-term concern. However, many actions were driven by other, non-economic concerns and whilst positive economic impacts would not be expected *ex-ante* in such cases, there is some evidence that positive economic impacts nonetheless arise (for example, a positive employment impact was noted in Denmark).

Improvements in the attractiveness of forest areas were noted in a number of Member States including Scotland (UK) and Austria. In addition, a positive impact in terms of biodiversity is also noted in, for example, some German Länder. Where planting rationale was to provide a protective function there is an *ex-ante* expectation that such a function will become apparent and there is evidence to suggest that this is the case from, for example, the UK and Germany, although again this assessment is hampered by the requirement for mid-term evaluators to use output rather than outcome indicators which do not provide the data required to fully address this issue.

There is strong evidence that assisted actions have had a positive impact on employment on-farm, although this is generally small-scale and short-term in nature. A positive off-farm employment impact is also apparent (for example, Austria and England, in the latter case arising from local processing of basic forestry products supported under this measure), although the extent to which assistance is the sole causal factor is not investigated. The impact on income appears to be neutral or marginally positive in most regions where this was assessed, at least at this point in the programme.

Recommendations

- Longer-term monitoring and evaluation, independent of financial programming periods, should be established to provide a proper assessment of outcomes in this area.

Chapter IX: Adaptation and development of rural areas

A range of measures are available under this Chapter targeted at both the agricultural and the non-agricultural sectors. These include measures promoting competitiveness in the agricultural sector, protecting the environment and the adaptation and development of rural areas.

It is generally too early in the implementation process, especially given delays in launching measures in a number of regions/Member States, for an impact on income to be reported. There is, however, some early evidence suggesting a positive impact in terms of living conditions and welfare of the rural population.

Employment has been maintained and created on-farm as a result of assisted actions, despite the relatively early point in the programme. There is also a (less substantial) body of evidence from a range of regions/Member States to suggest a positive impact on employment in the non-agricultural sector and where positive impacts have been noted these are often short-term in nature relating to infrastructure projects and village renewal. There is evidence from a number of regions/Member States that agricultural production structures have been improved as a result of assisted actions targeted on this sector. There is also evidence suggesting a positive impact in terms of rural dynamism (measured through the support of, *inter alia*, local action groups), mainly arising from projects explicitly targeting the wider rural community.

It is generally considered too early in the implementation cycle to note an impact on the environment.

In conclusion, although the implementation of this measure has been hampered by delays in many cases, the early evidence suggests that positive impacts in terms of income and employment are already filtering through.

Delivery system

Whilst it is clear that some measures under the RDR have coherent and mutually supportive objectives in terms of the intervention logic (for example, Chapter V: LFAs and Chapter VI: Agri-environment, Chapter II: Young farmers and Chapter IV: Early retirement), this does not necessarily result in synergy which is defined as an impact greater than the sum of the individual impacts. That said, synergy is reported in a

number of cases, for example in France, where Farm Territorial Contracts were used to facilitate synergy between agri-environment and investment measures (although this scheme was stopped in mid-2002). There are also, however, examples in the intervention logic where conflicts might arise between measures, for example between afforestation and LFA measures in that incentives to plant trees might not be needed if LFA compensatory payments did not artificially inflate the returns to agricultural enterprises.

Uptake of the measures within the RDP is high, in many regions/Member States the vast majority of the agricultural sector benefit from at least one measure and targeting is generally considered to be good. The performance of the implementing authority varied with most MTE reports considering it to have been very good whilst a minority reported some problems.

There is very little information available on the funding leverage rate, although the evidence that is available suggests that it varies considerably by measure and by region/Member State with, for example, rates of 2.45:1 reported in Baden-Württemberg and a rate of between 7:1 and 8.6:1 in Bayern, depending on the measure.

The evidence in relation to deadweight is mixed and the extent to which deadweight is quantified is variable. In some regions/Member States deadweight is relatively low, whilst in others the suggestion is that it can be high (although where mid-term evaluation reports concluded that deadweight was high it was typically not quantified). However, it should be noted that some efforts to reduce deadweight by adjusting the targeting of measures have been made in some cases, for example in relation to support for investments in processing and marketing in Denmark.

Evaluation system

Setting out evaluation guidelines to be followed in all regional/national mid-term evaluations has been reasonably successful in that generally the reports are consistent and answers to the specified questions are available to some degree. There is a core of CEQs across most Chapters which are always likely to be relevant even where contextual circumstances differ, for example, those relating to the impact of measures on income, employment, etc. where the measure objectives are designed to have such an impact. Beyond this core it appears that other CEQs are less widely relevant across the different regions/Member States, although it is accepted that their inclusion increases consistency across the EU in terms of the coverage of evaluation reports. Further, some MTE reports found some CEQs to be unrelated to the objectives of the measure (for example CEQ V.4.B concerning the

environmental impact of the LFA measure) and the relevance of these is clearly questionable. Other examples where CEQs are less relevant at the mid-term stage are those relating to investment measures and agri-environment and forestry measures where impacts are not necessarily expected in the short-term. However, this is clearly an issue of timing rather than of the relevance of the CEQs themselves. In general it is felt that the CEQs are usually sufficiently relevant to evaluate the quality of the rural development approach.

However, the use of the specified indicators was less widespread due to the lack of data and in some cases the limited relevance of the indicator specified in the regional/national context. That said, the use of alternative indicators and additional national questions was low suggesting that the specified indicators were generally appropriate and the range of questions asked was sufficient to provide a satisfactory evaluation of the RDR. An additional issue here is that where multiple indicators were proposed it was quite common for evaluators to simply use the most straightforward of these.

The efficiency and effectiveness of the evaluation system depends in part on the attitude of the region/Member State. In those regions/Member States where it is felt that evaluation feeds back into better policy design, monitoring systems are better adapted to facilitating evaluation. In general, monitoring systems tend to be more focused on scheme implementation rather than evaluation and this reduces their use in the evaluation context where outcome rather than simply output data are often required. There is an element of path dependency in that monitoring systems reflect the history of the implementation of measures and not the need to carry out evaluation. Improvements to the efficiency and effectiveness of the evaluation system could be made through greater simplicity in construction of indicators, greater flexibility to target evaluations on issues at the regional/Member State level, greater harmonisation and central collection of monitoring data across measures and greater setting of targets against which progress can be assessed.

Recommendations

- A smaller set of core questions relating to more broadly relevant issues such as income and employment, etc. would increase the general relevance of the evaluation system. Greater freedom should be allowed in areas where regional context is more likely to be a factor in terms of relevance.
- There is a need to ensure that indicators are capable of providing answers to evaluation questions. There are currently examples, especially in Chapter VI: Agri-environment, where indicators relate specifically to outputs which are not adequate guides to outcomes.

- Many indicators require an assessment of change over time and in this context greater effort should be made to establish suitable baselines.
- Whilst having central evaluation guidelines is considered to be useful, a greater degree of flexibility in the choice of indicators should be permitted- the point is to answer the evaluation questions, not address the indicators as such. Also, it should be recognised that certain data requirements impose a greater burden on beneficiaries and a greater cost on implementing authorities. Where possible, specified indicators should be simple rather than complex.
- A greater effort should be made to persuade regions/Member States of the use of evaluations in feeding in to better policy design in order to encourage monitoring systems more capable of facilitating evaluation.
- Finally, whilst the RDR has brought together (largely) pre-existing policy measures, monitoring systems have not been brought together in the same way and there is a need for this to occur to facilitate evaluation.