

Main MS comments on the output indicators for Pillar I and the Commission reaction

No	Indicator	MS Comments	Commission reaction
1	Nr of farmers/hectares under basic payment	Changes in the indicators will be primarily driven by structural change and the influence of agricultural policy will be rather limited. No detailed assessment can be made as precise definition of indicators is currently missing (DE)	This is an output indicator showing simply the activities supported by the intervention and not the direct or indirect effects of intervention that are themselves the subject of result or impact indicators.
2	"No of farmers / hectares subject to crop diversification, permanent grassland, EFA, organic farming"	No detailed assessment can be made as precise definition of indicators is currently missing (DE)	
3	No of farmers/hectares under young farmers scheme	Changes in the indicators will be primarily driven by structural change and the influence of agricultural policy will be rather limited (DE)	This is an output indicator showing simply the activities supported by the intervention and not the direct or indirect effects of intervention that are themselves the subject of result or impact indicators.
		No detailed assessment can be made as precise definition of indicators is currently missing (DE)	
4	No of farmers/ hectares under small farmers scheme	Changes in the indicators will be primarily driven by structural change and the influence of agricultural policy will be rather limited (DE)	This is an output indicator showing simply the activities supported by the intervention and not the direct or indirect effects of intervention that are themselves the subject of result or impact indicators.
		No detailed assessment can be made as precise definition of indicators is currently missing (DE).	
5	nr of hectares/animals by sector under coupled	Changes in the indicators will be primarily driven by structural change and the influence of agricultural	This is an output indicator showing simply the activities supported by the intervention and not the direct or indirect

	support scheme	policy will be rather limited (DE).	effects of intervention that are themselves the subject of result or impact indicators
		No detailed assessment can be made as precise definition of indicators is currently missing (DE).	
		It should be supplemented by output (€) since specification in hectares may be of limited information due to huge differences in ha-output relating to specific crops or animal categories (DE).	This is an output indicator expressed in the units in which support is given (per ha or per no of animals). The level of support is also indirectly provided (can be easily calculated) since for each output indicator we also have the corresponding level of expenditure.
6	Nr of hectares under support scheme	No detailed assessment can be made as precise definition of indicators is currently missing (DE).	
		Can only be interpreted in conjunction with the respective pillar II payments. The supported area is primarily dependent on the delimitation of the area (fix over time). What this indicator could measure is the loss of UAA. Information on the land use in these areas or level of support in relation to non-LFA areas would be more informative (DE).	This is an output indicator showing simply what is supported by the intervention. Pillar I indicators should be read together with Pillar II indicators relating to similar activities. The level of support is also indirectly provided (can be easily calculated) since for each output indicator we also have the corresponding level of expenditure.
12	Exceptional measures and crisis reserve	No detailed assessment can be made as precise definition of indicators is currently missing (DE).	We acknowledge that this is the case, since no indicator can be defined for exceptional measures not yet identified.
13	Value of production marketed by producer organizations	Interpretability problematic as alternative forms of organisations and marketing structures are ignored and obligation to tender within producer organizations missed (DE).	
18	Number of hectares of	It seems not necessary to envisage three indicators	These output indicators intend to cover the most important

	restructured vineyards	(17-18-19) for the wine sector. Maybe information about the "number of hectares" or the "n. of firms" under wine sector schemes (IT).	elements of the policy for the wine sector.
20	Cross compliance 1. The number of hectares of agricultural land subject to cross compliance. 2. % of CAP payments subject to cross compliance.	<p>The proposed indicator has little practical value: Differences will be caused between MS due to their budget allocation in pillar II or the extent the benefit from certain market intervention and between years by the use of the designated intervention mechanisms.</p> <p>More meaningful are the control statistics and the area or extent affected by certain CC-standards (e.g. GAEC 7) and the change of the agricultural land use in these designated areas. (Data source: IACS) (DE)</p>	<p>This output indicator shows the extent to which CAP support is linked to policies in the field of environment, public health, animal and plant health and animal welfare. As such this indicator is fully reliable.</p> <p>The control statistics could potentially complement these data.</p> <p>As regards areas concerned by certain CC standards, it is difficult to distinguish between the various GAEC standards or SMRs. The area concerned by CC as a whole is more relevant . It means that this area is subject to various management rules linked to CAP payments.</p>
		<p>Sub-indicator 1 should be better specified in order to avoid double counting of the same hectare under two different payment schemes (e.g. Basic payments + young farmers).</p> <p>Sub-indicator 2 is not clear how the % of payments subject to CC should be calculated, in particular with reference to RD measures where CC is the baseline and do not receive any specific compensation (IT).</p>	<p>The area concerned by CC will be the area managed by farmers claiming for direct payments and the area concerned by beneficiaries receiving rural development measures concerned by CC. The data source is the IACS, based on annual declarations by farmers. It will be necessary to ensure that there is no double counting.</p> <p>The sub indicator 2 is calculated by the Commission on the basis of the annual expenditure for the payments concerned by CC.</p>
21	Number of new PDO, PGI and TSG registrations	The focus on EU quality schemes is too narrow and does not necessarily reflect differences in the consumers' perception. Instead of the number of organisations their market share would be much more informative (DE).	Data on new registrations are collected by DG AGRI and therefore available at any moment. Thus, a yearly monitoring of the number of new registrations is possible. This is a good <u>output</u> indicator for the EU quality policy.
22	Organic farming: number	The link between organic farming and Pillar I is at	Organic farming is not only an issue of Pillar II support, it is a

<p>of hectares and number of farmers</p>	<p>best weak, it is therefore better suited as a pillar II indicator. The name of the indicator is misleading as the No of operators includes also processors and importers. The different types of operators should be kept apart. The area should be differentiated by permanent grassland, arable land, and permanent crops to allow a better comparison with national benchmark figures. Market shares of organic agriculture would be better suited as the objective is "meet consumers' expectations." (DE)</p>	<p>general market phenomenon.</p> <p>In the Eurostat database, the different types of operators can be separated (producers, processors, importers, mixed operators, other operators). However, a separation of the area under organic farming by different types of land use is only possible when using data from the Farm Structure Survey, which is only updated every 3-4 years (and which currently is not linked to the annual organic data in the Eurostat database).</p> <p>It is necessary to use this data from the organic farming statistics, since not all organic farmers receive necessarily RD support.</p> <p>This indicator relates only to organic farming, organic farmers can be well distinguished from other organic operators like processors, which are not directly concerned here. As regards statistics on organic market share, see remark on result indicator 9.</p>
	<p>Partial redundancy with O 2 (sub-indicator for organic farming) (DE)</p>	<p>This is correct</p>
	<p>Using the future IACS data on organic farming would give more timely and reliable information than the annual EUROSTAT sample" (DE)</p>	<p>The use of IACS for collecting the relevant information will be explored.</p>
	<p>It is unclear what the relation is between this indicator and the data on beneficiaries under Pillar II. If it is decided to implement the Organic farming measure in the next programming period the number of beneficiaries and the area of farms benefiting from this kind of monitoring support will be under the CAP Pillar II monitoring system (PL)</p>	<p>This indicator measures the extent of organic farming independently of the Pillar 2 measure on organic farming, which may or may not be included in the Rural Development programmes of different Member States. Thus, there may be a significant number of organic operators or hectares under organic farming even without the Pillar 2 measure. For Pillar 1, organic farming is important in the context of the "greening" component of direct payments, where it may qualify for "greening by definition".</p>

		Concerning the number of organizations would be a problem that in Hungary it's typical that a producer could be a processor and importer at the same time. The value of the organic product could be interesting as well (HU)	In the Eurostat database, the number of mixed operators (producers/processors/importers) can be found.
24	Number of farmers/beneficiaries advised by designated advisory bodies	Clarify the concept of "advisory service" that would be covered by monitoring (PL). Indeed, some advisory bodies have several activities, and there are a lot of informal contacts, such as phone calls (BE, EE). Will all advice or only the advice supported under the RDP be included? Also, should a farmer who gets advice more than one time be listed in data only once? (EE)	The definition of advisory service will be left to MSs and we must accept certain heterogeneity. What is important is how much beneficiaries were advised, whatever the mean of advice which may depend on the context. All advice must be counted, not only advice funded under the RD. If a beneficiary receives several advices during the year, he must be counted only once.
		Clear definitions should be given of the level at which the data are to be collected. As regards this level, we consider that the unit for measurement should be a farm, because this is where the measures relating to advisory service are taken (FI)	The relevant level is indeed the farm and the advice may be received by a physical person (family farm) or a legal person in case of other commercial form of farms.
		We consider the designated advisory body as the beneficiary of the contribution, whilst the farmers are considered as the target of the service. Please, clarify what is the unit of measurement to use for this indicator. Anyway, it is suggested using the same indicator as for Pillar II: "No of farmers advised" or "No of advices provided". For the latter a break-down per kind of measure is requested (IT).	This indicator is independent from the one for RD measure for funding advisory services.
		Due to the Horizontal Regulation, there is only a requirement to establish a farm advisory system with certain defined standards. There is no need to establish a monitoring system	This indicator is independent from the one for RD measure for funding advisory services.

		-No detailed assessment can be made as precise definition of indicators is currently missing. If EU co-funded projects will be included only , the indicator will be strongly biased by existing national and regional programmes and structures and can be hardly evaluated neither with respect to the spatial nor temporal dimension. Therefore, we propose to omit this indicator.	
25	Research projects related to agriculture	It seems there is no relation between its value and the intervention carried out under CAP Pillar I (PL) It is proposed to omit this indicator (DE).	We agree to remove this indicator from the list since the intervention will be financed under the research budget.