



Brussels,

Indicators for Monitoring and Evaluation of the CAP post 2013

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1. INTRODUCTION

Article 110 of the Horizontal Regulation proposes the establishment of a common monitoring and evaluation system with a view to measuring the performance of the Common Agricultural Policy. The same article foresees the establishment of the related set of indicators.

During the Joint ENRD Coordination Committee and Evaluation Expert Committee workshops held on 14-15 March 2012, DG AGRI presented and discussed with stakeholders a first draft of the indicators related to Rural Development, including impact indicators for the CAP as a whole. While the overall framework as such was largely accepted, several questions and concerns were expressed regarding some of the proposed indicators, and some alternative proposals were made.

The indicator list has now been revised, aiming to reconcile the views expressed by the stakeholders, with the need to ensure effective monitoring and evaluation of CAP achievements.

2. INDICATOR FRAMEWORK FOR THE CAP POST 2013

2.1. Concepts

In the context of the intervention logic¹ of the CAP, indicators allow to state in a clear and standardized form the initial situation and development at each level of the hierarchy of policy objectives and also make it possible to evaluate the context in which these developments take place.

The following types of indicators can be distinguished:

¹ The intervention logic describes the links between individual actions/measures and the overall objectives of the intervention. An explanation and graphical representation of the intervention logic for the CAP as a whole and for the first and second pillar can be found in annex to this document.

- Context indicators provide information on relevant aspects of the general contextual trends that are likely to have an influence on the performance of the policy, e.g. GDP per capita, rate of unemployment.
- Output indicators measure activities directly realised within policy interventions as the first step towards realising the immediate aim of the intervention. They are measured in physical or monetary units e.g. number of farmers supported by young farmer scheme, number of farm holdings supported by investment measure, number of Ha supported with the basic payment.
- Result indicators measure the direct and immediate effects of the intervention providing information on changes in, for example, the behaviour, capacity or performance of direct beneficiaries. They are measured in physical or monetary terms e.g. share of direct payments in farm income, percentage of UAA under management contracts preserving soil.
- Impact indicators refer to the benefits of the intervention beyond the immediate effects on its direct beneficiaries and evaluations are normally used to identify their net effects (i.e. subtracting effects that cannot be attributed to the intervention and taking into account indirect effects), e.g. total factor productivity in agriculture, rural employment rate compared to rest of economy. Impact indicators are common for Pillar I and Pillar II

For rural development, two indicator sub-sets, drawn from the main indicator hierarchy described above, are also used:

- To establish ex-ante quantified targets at RDP level, a quantifiable target indicator is required for each focus area. These indicators should be linked as directly as possible to RDP interventions, minimising the effect of external factors. They should be indicators which can be simply and regularly monitored, minimising the data requirements for beneficiaries and administrations, as the values of these indicators will be monitored regularly throughout the life-time of each RDP. Wherever possible established indicators and methods should be used. For the most part, target indicators will be at *result* level, with the exception of Priority 1, which is horizontal and whose results are captured through the outcomes of other priorities. For the focus areas under this priority, the target indicators will be established at output level.
- Milestones express the intended progress towards each rural development priority and will be set for 2016 and 2018.². The intention is to define common performance indicators, based on the output indicators, to establish the milestones for each priority. The Managing Authorities will have to propose appropriate values for each of the relevant milestones, in relation to the measures, actions and resources programmed for each priority. As an example, indicators such as "commitments as % of planned expenditure", and "ratio of % planned outputs achieved to % of planned expenditure spent" could be used for each of the priorities.

2.2. Results of the 14-15 March workshops

On 14-15 March, the draft list of indicators for measuring progress, efficiency and effectiveness of rural development actions/measures in relation to their objectives was discussed.

In the meeting, Member States and other stakeholders expressed the following concerns³:

- Need to clarify definitions
- Burden of data collection/calculation of information
- Need to take into account the available data sources/existing indicators
- Feasibility and relevance of indicators
- High number of indicators

The indicator list has now been updated from the perspective of consistency, data availability, simplicity and suitability for monitoring and evaluation purposes. An overall principle for the screening was that the indicators proposed should, to the extent possible, be derived from the information already collected by the Commission services or transmitted by Member States, *thus relying on existing data definitions and data streams*.

As a result of the screening, a number of indicators have been identified that could be dropped, either because they are redundant, or because the data collection would be very difficult.

However, it should be clear that the total number of indicators is determined by the policy structure and evaluation needs for the first and second pillar of the CAP post 2013. Determining in advance a maximum number for the indicators could imply accepting that the performance of certain instruments/measures could only be assessed incompletely, approximately or even not at all.

2.3. Result of the screening exercise

2.3.1. Impact indicators:

Annex I presents the revised list of the impact indicators. Overall, 18 indicators are proposed. These concern the following CAP general objectives:

- viable food production: 7 indicators
- sustainable management of natural resources/climate change: 8 indicators
- balanced territorial development: 3 indicators

Most of the data needed for these indicators are currently already collected through established channels at Member State or EU level. This implies that the current definitions can be maintained. Data collection/use is now mostly foreseen at Member State/EU level, for reasons of simplification and minimising administrative burden.

³ A detailed overview of the result of the workshop can be found in the "newsletter 14th and 15th of March" (http://ec.europa.eu/agriculture/cap-post-2013/monitoring-evaluation/workshop-03-2012/outcome_en.pdf)

However, Member States preferring to use information at a more detailed geographical level (e.g. regions) are encouraged to do so.

Only two indicators would still require data collection at RDP level:

- HNV farmland
- Rural employment rate

For the remaining impact indicators, it should be noted that since these are measured at the level of Member State or the EU, it will be more complex to assess the impact of regional Rural Development programmes. Therefore further work is required to determine how links will be made between the direct results recorded for the RDP (through result/target indicators) and the values for the impact indicators at national level.

2.3.2. *Result indicators PILLAR I:*

Annex II provides for information⁴ the list of the proposed result indicators for the first pillar. The indicators for the first pillar have not yet been discussed with the Member States. However, since they are largely relying on existing administrative and statistical information, the data definitions and data collection mechanisms are already well established. Evidently, adaptations will be needed to take into account the changes to the direct payments.

Currently, 25 result indicators, linked to the 8 specific objectives for the first pillar are foreseen. However, it is likely that this number will be further reduced. It should be noted however that results of innovation cannot be directly measured.

2.3.3. *Result indicators PILLAR II:*

Annex III presents the revised list of result indicators for the second pillar. Overall, 16 indicators are proposed to measure the results of the 18 focus areas. Compared to the 14/15 March meeting, 7 indicators have been deleted. These are indicated in grey in the table. One new indicator (replacing 3 deleted) has been added and several have been modified/further clarified. Indicators that have undergone important changes are marked in green in the annexed table. Most of the changes proposed imply easier data collection.

It should be noted however that similarly to the first pillar, results related to priority 1 (fostering knowledge transfer and innovation in agriculture, forestry and rural areas) cannot be directly measured and output indicators will be used as target indicators for this priority.

⁴ Pillar I result and output indicators will be discussed at another meeting.