7. Conclusions and recommendations at programme level

7.1 Relevance of the policy objectives

7.1.1 Conclusions [ref: Section 5.1]

C1. Evidence presented in Section 5.1 suggests that the capacity for measures to adapt to the diversity of situations, throughout the EU and at the local level, is essential for the success of the rural development policy. Clear definitions of objectives and adaptable eligibility and selection criteria are essential to ensure both good local adaptation and successful overall programme level implementation.

C2. The most relevant measures, according to both desk and fieldwork, appear to be: Training; Less Favoured Areas and areas with environmental restrictions; Improving the processing and marketing of agricultural products; Forestry measures; Agri-environment measures as a first group, followed by Renovation and development of villages; Diversifying agricultural activities and activities close to agriculture to provide multiple activities or alternative sources of income; and Investment in farms. Altogether accounting for almost 75% of total budgeted expenditure, these measures have contributed to meeting the needs of the agriculture and forestry sectors and rural areas.

C3. The better integration of wider rural development (i.e. beyond the agricultural sector) and environmental challenges into the second pillar of the CAP were major strategic goals of the 2000-2006 rural development policy. As such they were met quite successfully through the high relevance of the LFA, AEM, Renovation and development of villages and Diversification of activities schemes, accounting for some 52% of the total public rural development budget.

C4. In the New Member States, transitional measures contributed considerably to meeting the needs of agriculture in the very difficult and pivotal accession period. The most relevant to these needs has been the measure to Support semi-subsistence farms undergoing restructuring.

C5. The relevance of the policy objectives is significantly improved when measures are implemented in a complementary manner. Positive examples are found within all categories of measures, such as accompanying measures: e.g. positive correlation noted in Ireland and Austria between the LFA and AEM schemes, and also between non-accompanying measures, especially the Adaptation measures (Ch. IX); e.g. positive synergy reported in Germany (Thüringen) between the Renovation and development of villages and protection and conservation of the rural heritage, Reparcelling and Developing and improving infrastructure connected with the development of agriculture.

C6. At the overall policy level, the objectives reflected identified needs namely: to change and access markets; reverse the trends of economic and social decline and depopulation of the countryside; remove inequalities and promote equal opportunities; improve environmental conditions and protect/preserve the environment and ensure the viability of farming. In the new Member States, policy objectives addressed the need to restructure the farming sector and reduce dependency on semi-subsistence farming, as well as to meet EU standards and diversify the rural economy and improve the rural infrastructure.

7.1.2 Recommendations

R1. Keep the most relevant measures in the RDP menu, while improving their value with regard to coherence, complementarity and efficiency, particularly through improved complementarity with other measures and improved targeting. [ref: Conclusion C2, C4 & C5]
R2. Improve the actual relevance of some important, popular measures with high potential relevance, in particular: improve the eligibility criteria and targeting of Investments in farms; couple start-up assistance for young farmers with early retirement; reconsider the need for afforestation of agricultural land in the specific situation of each region. [ref: Conclusions C2 & overall appreciation]

R3. Consider improving the relevance of policy objectives for measures which are included in only a few programmes or are not widely taken up by beneficiaries, by identifying the reasons for this, and either abandon, improve or merge them. In particular, this could be applicable to: Financial engineering; Use of farm advisory services connected with meeting standards; Farmers' voluntary participation in food quality schemes; Producer group activities related to food quality, which are all potentially relevant to competitiveness and food security challenges; and Management of integrated rural development strategies by local partners, which is potentially relevant to helping rural stakeholders unlock the potential for development of their rural areas. [ref: Conclusions C2]

R4. Identify the optimum decentralised level for programme design, management, implementation, monitoring and evaluation, according to country and region specific conditions and improve the bottom up approach in order to enhance the capacity of programmes and measures to address the diversity of needs across the EU, through better adaptation capacity and targeting (see also, further recommendation in relation to Complementarity). [Overall appreciation]

7.2 Coherence

7.2.1 Conclusions [ref: Section 5.2]

C7. Evidence shows that the most coherent measures within the competitiveness policy-objective are Investments in farms and improving the processing and marketing of agricultural products. These measures contribute to the achievement of this objective, especially when potential synergies with other RDP measures are exploited.

C8. Also, evidence shows that measures that scored rather low in terms of coherence with economic policy-objectives, could be expected to improve if a higher level of synergy is attained with other RDP measures.

C9. As far as coherence with environmental rural development policy objectives is concerned, evidence shows that Agri-environment payments and Other Forestry measures have a considerable effect. Again, synergy between these two measures and other RDP actions further enhances their coherence.

C10. The most coherent measures in relation to social and economic rural development policy objectives seem to be LFA, Renovation and development of villages and Protection and conservation of the rural heritage. The same “rule” about the effect of synergistic influence also applies here.

C11. There is evidence of complementarity and synergy between several measures and, more importantly, that complementarity generates impacts which are greater than those generated by each measure alone. Complementarity can be achieved either by the joint activation of two measures or by “synergy chains” specific to groups of measures.

C12. In general, it seems that in most EU Member States the coherence of the menu of measures with the priority objectives, at the programme level, was satisfactory.
C13. Also, despite some problems associated with insufficient adaptation in some Member States, the level of detail provided in the legal framework facilitated the potential of RDP measures to contribute to the economic, social and environmental objectives of rural development policy.

C14. Four effective synergic chains have been identified, each linked to one or more priority objectives: chain 1 (Investments in farms, Start up assistance to young farmers, Improving processing and marketing and LFA) to the competitiveness objective, especially in LFAs; chain 2 (LFA and AEM) to the sustainable development objective chain 3 (Investments in farms, Agri-environment, Improving processing and marketing, Marketing of quality products, Diversifying agricultural activities) to both the competitiveness and sustainable development objectives and chain 4 (Land improvement, Re-parcelling, Marketing quality products, Basic services, Renovation and development of villages, Diversifying agricultural activities) to the social and economic cohesion objective.

7.2.2 Recommendations

R5. Keep the most coherent measures - i.e. Investment in farms, LFA, AEM, Improving the processing and marketing of agricultural products, Other forestry, Renovation and development of villages and protection and conservation of the rural heritage and Diversifying agricultural activities and activities close to agriculture to provide multiple activities or alternative sources of income – while improving their value, through maximising their relevance, complementarity and efficiency. [ref: Conclusions C7-C12]

R6. Pay particular attention to those measures, important in terms of application in programmes and budget, that have demonstrated low or uneven coherence, i.e. Start-up assistance for young farmers, Early retirement and Afforestation of agricultural land. Since these measures were also of low or variable relevance, careful consideration should be given to their future improvement (redesigning, or merging them with other measures) or abandonment. [ref: Conclusion C8]

R7. Promote complementarity as a key-concept for RD policies. In particular, identify possibilities to consolidate the synergic chains identified: such as strengthening links in the legal framework (e.g. bonuses when another measure is implemented); in the implementation process (e.g. prioritise integrated projects combining measures, or groups of different measures); or adding measures to identified chains, in particular those likely to act as catalysts when properly targeted (e.g. training) and creating new chains by developing new links in the legal framework. [ref: Conclusion C14]

7.3 Complementarity between rural development programmes and other support instruments

7.3.1 Conclusions [ref: Section 5.3]

C15. Good examples of complementarity at programme level can be identified, especially from case studies, not only with EU funds, but also with other national, regional and sub-regional instruments and funds, for agriculture, forestry or local development.

C16. Lack of efficient coordination between authorities designing and implementing development interventions in rural areas, seems to be the main reason for low levels of complementarity. Case studies provide positive examples of complementarity resulting from good coordination mechanisms (e.g. in Rhône-Alpes FR, Andalucía ES and Austria).
7.3.2 Recommendations

R8. Chapter IX (adaptation) measures entail an “integrated approach” orientation and demonstrate higher potential complementarity with ERDF and ESF, than many other rural development measures. Due to their importance for integrated rural development, their complementarity with other programmes and Funds should be carefully analysed, taking examples of good practice identified, particularly, in the case studies (Thüringen, DE; Rhône-Alpes, FR; Thessaly, GR; Alentejo, PT). [ref: Overall appreciation]

R9. Improvement in coherence between EU funds, in a manner that promotes complementary development initiatives would increase the success of public intervention in EU rural areas. The sustainable development of rural areas needs to take into account sectors and policies beyond agriculture, forestry and traditionally rural activities amongst which external drivers can play a prominent role (e.g. changes in transport or communication infrastructures, population movements, etc.) as well evidenced by MAPP focus groups. In this respect, the positive lessons learnt from case studies about the programming framework offered by Objective 1 and 2 OPs and SPDs should be reconsidered as a model for cross-funded programmes. [ref: Overall appreciation]

R10. Deficiencies in coordination of development initiatives intervening in rural areas should be addressed by policy makers. The degree of centralisation of policy design and implementation of all Community Funds could be reconsidered in this context. As in the case of Relevance and Coherence, the optimum decentralised level for programme design, management, implementation, monitoring and evaluation, according to countries and regions, should be identified, with particular consideration to the regional level. Also coordination mechanisms should be set up, involving all stakeholders in public fund management, according to the specified context of each region (with possibly delegation from regional to sub-regional levels), to ensure that programmes are managed as close as possible to ground realities, while maintaining the optimum level for synergy between funds. [ref: Conclusion C16]

7.4 Consistency

7.4.1 Conclusions [ref: Section 5.4]

C17. The concentration of the EU RDP budget for 2000-2006 on a small subset of measures was significant, with 11 of the 31 measures accounting for nearly 90% of the total funding; the remaining 20 measures accounted, on average, for 0.50% of the budget each.

C18. The most valuable measures with regard to relevance, coherence and complementarity were also the most important measures in terms of budget, frequency of use in programmes and geographical coverage throughout the EU25.

C19. The following measures were the most important measures used and, at the same time, the ones considered most relevant, coherent and complementary (i.e. scoring highly for all three aspects): Investment in farms; Less Favoured Areas and areas with environmental restrictions; Agriculture and animal welfare (Chapter VI); Other forestry measures; Improving the processing and marketing of agricultural products; Diversifying agricultural activities and activities close to agriculture to provide multiple activities or alternative sources of income (Chapter IX)

C20. However, the measure Renovation and development of villages and protection and conservation of the rural heritage (Chapter IX), valued 4th in combined qualitative value for relevance,
coherence and complementarity, is not amongst the most important in quantitative (budgetary) terms.

C21. This implies that at overall programme level the 2000-2006 rural development policy was generally consistent. But, consistency could have been enhanced by giving greater weight to Chapter IX, especially with respect to better integration of villages and of rural heritage into the development of rural areas.

C22. The variation between the perceived value (relevance, coherence and complementarity) of transitional measures in the NMS, and their weight in the programmes would tend to indicate lower consistency of RDPs in these countries. But it is more likely an indication of the, understandable difficulties faced by many NMS during this transition period to manage (for the first time) such complex programmes in a short time period. The method used by the NMS most frequently to absorb the budget over a shorter programming period was to monitor regularly and proceed with successive reallocations of funds to measures where funds were easily absorbed, to the detriment of the coherence and consistency of the programmes.

C23. In spite of a rather overall satisfactory consistency at EU25 level, there is nevertheless evidence that maintaining consistency throughout the implementation process was rather challenging. In particular the reallocation of resources attributed to each measure during the implementation process was, in general, demand rather than objective driven, which is further evidence of the difficulty of maintaining consistency throughout the RDPs’ life cycle.

7.4.2 Recommendations

R11. A first recommendation would be to raise the profile and encourage use of all Chapter IX measures, in particular the measure Renovation and development of villages and protection and conservation of the rural heritage. These wider rural development measures had a very low share of the budget with each accounting, on average, for just 1% of the total public budget and altogether 15% of the total public budget. The second pillar of the CAP cannot become a real development instrument for rural areas and in particular address the new territorial balance challenge, through extensive use of economically passive measures (e.g. LFA, early retirement); there is a need to substantially increase resources devoted to the Chapter IX Adaption-type measures in support of sustainable rural and community development. [ref: Conclusions C20, C21, C23]

R12. Similarly, the measures likely to contribute most to addressing food quality and the need for new relationships between producers and consumers, particularly through local markets for genuine healthy local products: Marketing of quality agricultural products; Implementing demanding standards; Use of farm advisory services connected with meeting standards; Farmers' voluntary participation in food quality schemes and Producer group activities related to food quality, only accounted for 2.09% of the total budget. If they are to achieve the stated objectives a greater share of the budget would be needed. [ref: Overall appreciation]

R13. The most important measures for facing the environment and climate challenge and meeting the related new priorities (i.e. climate change, water management, biodiversity and renewable energies) had substantial financial weight, with AEM and Managing water resources alone accounting for 28.13% of the total public budget, without taking into account the potential contribution of Other forestry measures, or Diversifying activities to these issues. However the specific achievements of all these measures in relation to the new priorities were difficult to assess. It is considered that the scope for “green growth” and moving agriculture and rural areas towards more ecological farming, forestry and development could be further developed. This
could be achieved through improved synergy between the rural development measures themselves and with other funds and programmes, together with further refinement of the objectives and implementation of the measures. [ref: Overall appreciation]

R14. Considering that 70% of the measures represented just 10% of the budget, on average 0.50% of the total budget each, it is worth remembering the recommendations made in other chapters to merge some measures to create more coherent and efficient packages of measures, which would strengthen the overall consistency of the rural development policy. [ref: Overall appreciation]

R15. Finally, since maintaining consistency throughout a programme’s life cycle, i.e. making funds reallocation more objective-driven than demand-driven, is better achieved if the demand itself is objective driven, meaning that potential beneficiaries and other stakeholders are aware of the value of the programme’s objectives for themselves, their professional sector and their rural area, it is recommended to enhance, from the inception and start-up phase, the communication and awareness raising capacity of all rural development programmes. [ref: Overall appreciation]

7.5 Results, impact, effectiveness and efficiency of the programmes

7.5.1 Conclusions

Income effects

C24. The income effects of LFA and agri-environment payments are evident (maintenance or increase of incomes), especially in Member States and regions where these measures constitute a significant proportion of rural development expenditure. However, it has to be born in mind that these impacts are the result of annual payments, rather than a sustainable income increase induced by structural change and/or productivity and efficiency gains. [ref: Section 5.5.2]

C25. Income effects of other measures vary considerably. Income effects of measures targeting farmers and promoting investment and productivity improvements (e.g. investment in farms, improving the processing and marketing of agricultural products, etc.) appear to be significant at the beneficiary level, but less so in an economy-wide perspective. This is due to the low (in comparison to needs) “coverage” of potential beneficiaries and/or the small and declining economic importance of agriculture. [ref: Section 5.5.2]

C26. In contrast to measures targeting farmers, the measures targeting the “whole” rural economy (e.g. several adaptation measures) and involving structural changes through, for instance, rural infrastructure and accessibility improvements or water management infrastructure were often (though not always) associated with notable economy-wide income effects, although they accounted for a smaller proportion of the overall budget. [ref: Section 5.5.2]

C27. In general, income effects seem to be highly correlated with efficient targeting of measure-specific support and the combined application of measures. For instance, combining investment support with advice, training and business planning is more likely to generate income improvements for beneficiaries. [ref: Section 5.5.2] This reinforces the conclusions cited of the benefits that can be derived from exploiting potential synergies between measures.

C28. Though other development programmes (in addition to rural development programmes) and several exogenous factors (e.g. market prices, macroeconomic conditions, etc.) have a significant impact on rural income generation and evolution, there is evidence that EAGGF support has nevertheless been an important determinant of rural incomes. In some cases, rural development
support managed to alleviate the negative impact on incomes originating from external factors (some examples in the EU10 in particular). [ref: Section 5.5.2]

C29. In the case of the EU10, transitional measures were mostly successful in building capacity and preparing new Member States for complying with EU standards and competition in EU markets. They contributed to the continuation of structural adjustment actions started in the pre-accession period. The brief implementation period (2004-2006) did not allow for the generation of substantial impacts on incomes, employment or the environment, although it is evident that positive trends were recorded. However investment measures and the semi-subsistence measure brought clear added value in relation to rural incomes in these countries and expectations for future improvements once the investments mature. [ref: Section 5.5.2]

**Employment effects**

C30. Rural development measures generated and/or maintained employment in rural areas, even if in many cases this was reported to be more significant at local rather than regional level (France for instance). All sources of information confirm positive impacts on employment and there is consensus that employment maintenance was more significant than the creation of new jobs. [ref: Section 5.5.3]

C31. In general, employment generation patterns have followed those of income generation (see above Conclusions C24-C29) with the exception of accompanying measures targeting income effects (i.e. the employment effect of accompanying measures is lower than their income effect). Also, net employment effects of RDP measures seem to be generally lower than net income impacts, though it is extremely difficult to disentangle RDP employment impacts from the job impacts of other development initiatives and exogenous factors. [ref: Section 5.5.3]

C32. The effects of the LFA and the afforestation measures on employment are of a part-time and temporary character. Whilst employment creation was not an objective of the agri-environment measure, it does appear to have potential to maintain employment for farmers who undertake environmental commitments and to generate employment indirectly in the wider rural economy, through demand for environmental services and attracting tourism. [ref: Section 5.5.3]

C33. Investment support to large farms resulted in them becoming more competitive without creating a significant number of new jobs. [ref: Section 5.5.3] This stresses the importance of targeting in addressing the groups that need most support [see also Conclusions under the investment measure, Section 6.1]

C34. Measures promoting diversification on and off the farm, such as investments, processing and marketing, as well as some adaptation measures (e.g. diversification, basic services, infrastructure improvements, tourist and craft activities) were successful in generating off-farm employment. [ref: Section 5.5.3]

**Environmental impacts**

C35. As expected, the most widespread environmental impacts were specific to the agri-environment and forestry measures. Environmental impacts seem to be highly and positively correlated with the financial weight of the aforementioned measures. Effective use of training and advisory services also improved the overall environmental impact of programmes. [ref: Section 5.5.4]

C36. Evidence of environmental impacts is mainly of a qualitative nature due to the lack of robust baseline and monitoring data and indicators. In addition, the environmental impacts of agri-
environment measures are difficult to quantify, due to their long-term effects and the influence of many other intervening factors. In fact, the main source of information for the assessment of environmental impacts, in case study areas, has been the MAPP focus groups which revealed very positive impacts. [ref: Section 5.5.4]

C37. Also, in cases where the LFA scheme had an environmental focus, it managed to generate positive effects on the protection and conservation of natural resources. It has to be borne in mind that the main impact of the LFA scheme was on the viability of farms and the sustainability of agricultural activity. However this, coupled with environmental commitments in LFAs, supported sustainable land management. [ref: Section 5.5.4]

C38. The environmental impacts of other measures are less evident, but positive effects on the rural environment can be clearly associated with important (in terms of financial weight) measures, such as farm investment, food processing and marketing. [ref: Section 5.5.4]

C39. The combined effect of Objective 1 programmes on the environment is perceived to be higher in Andalucía (ES), Wales (UK), Poland and East Finland (FI) than in the other case study programmes. This is largely due to the environmental requirements and commitments undertaken in the context of several measures. Awareness raising of environmental protection was another perceived outcome of the programmes. [ref: Section 5.5.4]

Effects on quality of life and sustainability of rural communities

C40. RDP effects on quality of life and sustainability of rural communities seem to be evident in the case of adaptation measures. At the same time, RDP effects on the stabilisation of the rural population were judged as being generally positive (especially in terms of decelerating depopulation) but rather limited. [ref: Section 5.5.5]

C41. There have not been any significant effects specifically affecting the quality of life for women or young people since RDP measures have generally been age and gender neutral (with very few exceptions). [ref: Section 5.5.5]

Impacts on the market situation and competitiveness of basic agricultural and forestry products

C42. RDP effects (in particular through the investment, processing and marketing, diversification and marketing measures) on the market situation and competitiveness, of basic agricultural and forestry products, seem to be generally rather marginal (some cases are quoted where the marketing and processing measure had a noticeable impact through supporting a significant proportion of capacity at local/regional level). Investment in production capacity and infrastructures has however improved quality, increased value added and facilitated the improvement of market access. In this case, exogenous intervening factors seem to have a greater impact than the limited funds available from rural development support. [ref: Section 5.5.6]

C43. In the EU10, the impacts of the investment and processing and marketing measures on the market situation and competitiveness of products varied from country to country, with considerable success in some, and less effect in others, from apparently similar measures. [ref: Section 5.5.6]
Effectiveness of programmes/measures to identify priority beneficiaries

C44. Focus on target-groups of beneficiaries, territorial targeting, clearly formulated criteria and local knowledge of and proximity to target groups are all factors that positively influence the capacity of measure implementation to reach priority beneficiaries. In contrast, factors that negatively influence success in reaching priority beneficiaries include: lack of self-finance (which is often specific to those most in “need” of public support); a broad definition of target groups and lack of administrative capacity and experience.

7.5.2 Recommendations

R16. It seems that capacity to generate positive economic, environmental and social impacts is likely to be highly correlated with effective and clear targeting of RDP support. Successful examples of targeting that have produced positive effects on employment, incomes and the environment should be taken into account in the design of future policy. [ref: Conclusions C25, C26 & C27]

R17. The quantification of impacts should become a priority of RDP monitoring systems. The establishment of reliable baseline information and the development of a limited number of simple indicators (compulsory for all MS in terms of their application), to allow for comparisons, should be promoted. A common definition of the types of impact measurements should be developed and used by all Member States (for instance, decide how to measure employment effects: as full time equivalent or another definition). This will facilitate the monitoring of programmes, their evaluation and will provide useful information for improving programme implementation. Quantification of environmental impacts is particularly necessary since this area is lacking in hard data [ref: Conclusions C39, C41 & C42]

R18. The impacts of lack of self-finance on programme effectiveness are worth further elaboration and assessment. Such action could be particularly relevant in cases where rural development measures are thought to induce polarisation effects between and within agricultural and rural businesses and areas. [Conclusion C44]

7.6 Delivery Systems

7.6.1 Conclusions [ref: Overall appreciation]

C45. Evidence analysed in this report suggests that the performance of different delivery systems, in EU Member States and regions, significantly influences programme implementation and results, despite the fact that this aspect is usually treated as a technical organisational matter.

C46. Administrative burden and bureaucracy stand out as the most important weaknesses of delivery systems. In several countries there was evidence of high transaction costs which can have a negative impact on measure implementation. There are two distinct types of transaction costs; preconditions which discourage the beneficiary from applying and requirements for MAs to comply with national and EU bureaucratic requirements.

C47. Other facets of administrative burden, for both applicants and implementing authorities, include complicated and demanding application procedures, data gathering and reporting burdens and sometimes long delays in the approval of programme and measure specific national legislation. This was exacerbated in some cases, particularly in the EU10, by limited staff capacity.

C48. Some Member States and regions have responded to the above problems through various simplifications of administrative procedures or through their decentralisation.
C49. Information flows seem to be a very important factor influencing the efficient management and effective implementation of programmes and measures. In this context the extension services have also played an important role in facilitating the participation of beneficiaries. Also, emphasis of information provision specific to “novel” policy measures influences the interest of beneficiaries.

C50. Comparison of the different institutional, programming and financing arrangements, in the variety of programmes implemented, showed that differences reflect not so much the types of programmes (RDPs, Objective 1 programmes, Objective 2 Single Programming Documents and TRDI programmes) and the different institutional/administrative contexts in which the programmes operated, but more the prevailing governance and administration cultures in each country. Single fund programmes (i.e. RDPs) that appear simpler to manage were sometimes subject to complex and cumbersome institutional arrangements, when multiple agents intervened and coordination was weak. This is exemplified in countries with decentralised administrative structures, like Spain (where the implementation of programmes required the coordination/shared participation of the Ministry and the regional autonomous governments), where the lack of common monitoring criteria and IT management tools led to heterogeneous collection of information limiting effective management and coordination. At the same time, several multi-fund programmes (Objective 1 programmes or Objective 2 SPDs) were effectively delivered, when appropriate coordination mechanisms and information flows were in place, despite their more complex structure (multiple Funds, several MAs, etc.).

C51. Institutional arrangements were not effective in all the Member States and Programmes. Coordination of delivery between implementing institutions, decentralisation of jurisdictions (when targeted by competent regional and local bodies) and familiarity with programming arrangements were all factors that influenced the effectiveness of institutional arrangements.

C52. In the EU-10 there is evidence of the rather limited competence of administrative capacity due to shortcomings in human resources and lack of appropriate support systems.

C53. Excessive bureaucracy in delivery systems appears to be a pan-European dysfunction and was reported to have had significant negative effects on programme implementation in many countries including Austria, Czech Republic, Finland, France, Germany, Greece, Hungary, Portugal and to a lesser extent in Ireland and Poland. With so many reports of bureaucratic impediments to successful implementation, it is reasonable to conclude that this is an issue which is systemic and needs to be tackled if the implementation of future programmes is to show marked improvement.

7.6.2 Recommendations

R19. The detailed analysis in future evaluations of how different delivery systems influence the performance, impacts and results of programmes and measures is advocated. [ref: Overall appreciation]

R20. The analysis in Chapter 5 has shown that requirements specific to both the EU and national level (or more if delivery is decentralised) often create administrative burdens. In that sense, the Commission should investigate the possibility of corrective action on EU requirements. In order to reduce these burdens several Member States try to “simplify” procedures through a centralisation of decisions, i.e. a practice whose “advantages” have to be assessed.

Another means of simplifying delivery would be to use an IT-based system to identify priority beneficiaries (for instance the use of GIS technology in Austria, for identifying priority beneficiaries in LFAs, shows the advantage of IT in effective delivery). It is advocated that an IT-based system can also be effective in the collection and processing of applications. IT-based processing and
follow-up of applications would ensure transparency in the delivery process and can serve as basis for further coordination between support instruments (including the two CAP pillars). [Conclusions C46, C47, C48 & C53]

R21. Due to evidence suggesting the importance of information channels on programme implementation effectiveness, a more thorough evaluation of different information channels used by MAs and their efficacy, is advocated. Such an investigation could establish further benefits associated with the use of ICT, the need for the provision of extension in different development contexts across the EU (i.e. the “targeting” of extension services) and the targeting of information flows on measures which have been allocated a significant share of RDP funds, or which have high potential but have seen low uptake.

Beneficiaries and stakeholders need better awareness of the specific and overall objectives of the programmes. Beneficiaries should be more aware of how the programme and its list of measures benefit the whole community, rather than just how they may benefit the individual. [Conclusion C49]

R22. The impacts of decentralisation of implementation jurisdiction on the effectiveness of institutional arrangements could be further explored. Decentralisation can often lead to higher administrative costs and uneven competition between beneficiaries (when conditions vary between regions in the same country), although it has the advantage of potential adaptation to the local situation. Perhaps the advantages of decentralisation of only the initial phases of measure implementation, rather than controls and payments, could be assessed comprehensively. [Conclusions C50, C51]

R23. More effort seems necessary to improve administrative capacity in the new Member States. Such efforts should concentrate more on the causes of the problem (human resources, technical support systems) rather than its consequences (programme implementation). [Conclusion C52]

R24. A process of 'best practice' should be defined and embedded in the Managing Authorities in participating Member States. There are a number of ways in which this can be achieved, the most likely option being the production and distribution of an 'Implementation Handbook', supported by modular training as a group activity and additional 'in situ' coaching and mentoring. For this to be successful, it would be necessary to establish a mobile training unit specifically designed and manned for the purpose. The Handbook and training material could usefully draw upon best practice already in place in some of the Managing Authorities. [ref: Overall appreciation]

7.7 Monitoring and evaluation

7.7.1 Conclusions

C54. Evidence analysed has shown that the Monitoring and Evaluation system, applied in the context of 2000-2006 rural development policy, cannot be assessed as coherent and that the established systems have only been marginally successful in ensuring that relevant and comprehensive data is available for management and evaluation purposes.

C55. The relevance of Common Evaluation Questions (CEQs) to addressing the performance of rural development measures and programmes was rather moderate. CEQs were used by all EU Member States, but in some cases were reduced and/or modified and/or (to a limited extent) combined with supplementary questions which were more relevant to the specific context or national/regional policy priorities. [ref: Section 5.7.1]
In parallel, a significant weakness of ex-post evaluation reports was their limited capacity to quantify policy impacts. This was largely due to shortcomings of the monitoring systems in terms of data availability, particularly the non-availability of baseline values and gaps in the monitoring data. In some cases, data gathered at the national/regional level did not comply with the CEQ indicators, as the monitoring database systems were not in line with the Commission’s needs. In such cases, it can be argued that national data-generation capacity led to the use of supplementary indicators. However, it is difficult to argue in favour of the wider application of such indicators across the EU. [ref: Section 5.7.1 & 5.7.2]

Shortcomings associated with the monitoring systems led to difficulties in supplying the necessary data for the management and evaluation process. In several cases this resulted in the application of alternative methods (to generate quantitative data) including secondary data collection (from national/regional sources), surveys and (to a lesser extent) the utilisation of quantitative models and methods. This reliance on different data sources sometimes led to inconsistent and unreliable results. [ref: Section 5.7.3]

Mid-term evaluations and, in particular, the recommendations coming from them, were generally useful and led to revisions in some programmes. These changes focussed on budgets, eligibility criteria and synergies with other development programmes, evaluation systems and communication strategies. These revisions often led to improvements in programme implementation and impacts. However, in most cases, it was considered that the MTE arrived “too late” (i.e. within the 2000-2006 period) to fully implement recommendations on more “complicated” issues, such as improving monitoring systems, enhanced coordination/synergy between measures and improvements in programme delivery procedures. [ref: Section 5.7.4]

A key lesson from the experience of the current ex-post evaluation has been the long time required to conduct in-depth case studies of programmes that address thousands of beneficiaries. Four to six months may be an appropriate period for preparing, implementing and analysing the results of case studies. Using an innovative method (MAPP) to assessing impacts encouraged target groups to participate in an innovative and structured discussion that, most importantly, enabled the identification of key factors that contribute to the achievement of impacts, including the relative influence of those factors on key development indicators. However, a longer timeframe for preparing and conducting the MAPP would have been beneficial in reaching all parts of the programme territory. [ref: Section 3]

### 7.7.2 Recommendations

R25. Animate and involve Member States in the development of common objectives of M&E systems focusing on improving policy and demonstrating policy achievements. This will generate consensus and contribute to greater coherence of M&E systems. [ref: Conclusion C56]

R26. Simplification: CEQs can be reduced in number and their content simplified. The tendency of Member States to only use sub-sets of CEQs when carrying out evaluations, points to this conclusion. Associated judgement criteria and indicators should also be simplified and reduced. To enable comparative assessments between programmes and Member States, a limited number of simple and easy to measure indicators should be made available to Member States. In addition to a system of common, simplified and reduced indicators, Member States should be given flexibility to develop tailor made CEQs and indicators that reflect their own specific contexts and needs, for their own evaluation purposes. [ref: Conclusions C55 & C56].

R27. Establish clear baselines and types of monitoring data to be collected at the ex-ante evaluation stage of programmes to allow for effective policy evaluation. The development of baselines could
be made compulsory at the ex-ante evaluation stage. They should consist of simple and easy to collect monitoring data. Designation of a person/department in MAs responsible for the timely collection of the necessary data from existing sources and the integration of IT systems is recommended to ensure cost effective data collection. [ref: Conclusion C57]

R28. Develop common monitoring systems to be used by all actors involved in implementation and data collection by the MAs. Accessibility to such systems should be enhanced with training/capacity building, so that everyone knows how to feed the systems and use them for monitoring and evaluation purposes. [ref: Conclusions C56 & C57]

R29. Analyse the evaluation methods used by Member States to identify quantitative methods that have worked well and could be easily replicated. This should be combined with appropriate dissemination of these studies to promote quantitative evaluation methods that have proved to work well. Methods to assess net impacts of programmes and assessment of the counterfactual should also be identified and simplified to encourage their wider use. [ref: overall appreciation]

R30. Promote the concept of on-going evaluations and encourage their implementation. This may address the weaknesses of MTE, which are conducted too early to provide useful insight into the effectiveness of policy or too late to implement their recommendations. On-going evaluations can provide continuous information on the effectiveness of programme implementation and identify problems and solutions in a timely manner. The primary functions of any on-going and internal M&E system must include relevance, objectivity and timeliness. It needs to be relatively straightforward in terms of its implementation and should reveal inadequacies/inconsistencies, thus indicating what remedial action should be adopted. Furthermore, it is considered to be important that the administrators of internal M&E systems should, to some extent, feel 'ownership' of the system. [ref: Conclusion C58]

R31. The Commission could consider bringing MTEs slightly forward, so that there is enough time for corrective action to be applied in programmes, measures and implementation procedures. Also, as proposed changes might be important in a wider EU-context (i.e. in addition to each Member State or region) a common template enabling simple comparisons and, most importantly, facilitating the practical use of the report might be helpful. [ref: Conclusion C58]

R32. Promote the combination of quantitative and qualitative approaches/methods for the assessment of impacts. Innovative approaches that encourage participation of rural development stakeholders, such as the MAPP, can be made more widely available through appropriate adaptation and capacity building. Timing of the application of such in-depth analysis methods should be reconsidered. Based on current experiences, six months seems to be the appropriate timescale for conducting in-depth fieldwork. [ref: Conclusion C59]

7.8 Impact achieved in relation to new priorities

7.8.1 Conclusions [ref: Section 5.8]

C60. Rural development policy for the programming period 2000-2006 was not evaluated against impacts achieved in relation to the new priorities, which had not been identified at that point. Nevertheless, some indication of conclusions and recommendations associated with the new priorities might be useful.

C61. Limited information is available from the ex-post evaluations in relation to the impact of new priorities. However support of LFA, agri-environment and afforestation measures is deemed to
have had an impact on some of the new priorities, notably in the fields of biodiversity, climate change and water management.

C62. Information relating to other measures did not allow identification of any real impact in the fields of climate change, renewable energy, water management or biodiversity. However this is not seen to be surprising, given that these were not the main objectives of the measures and they were not really covered by the programme evaluations. In some Member States activities related to the new priorities are reported to have been successful, notably investments in agricultural holdings and investments in biogas. But the limited number of projects restricts the overall impact on the expansion of renewable energy. In Finland the 'other forestry measures' were used to focus on wood as a source of energy.

C63. Indirect impacts, in terms of improved skills, may have led to improvements in relation to the new priorities, with several countries undertaking training courses that contributed significantly to the improvement of skills relating to different environmental issues, hygiene standards and animal welfare.

C64. In the processing and marketing measure, and to a lesser extent the farm investment measure, investments had a positive impact on the environment even though, in most reported cases, this was not the main objective of the investments.

C65. The LFA measure contributed to the continuation of agricultural land use with expected beneficial effects on biodiversity.

C66. The agri-environment measure also contributed to the protection and improvements of environmental resources (biodiversity, climate and water) while the afforestation measure contributed to enhancing carbon storage, with positive effects expected in the fight to tackle climate change.

C67. A key factor for ensuring the full impact of these measures is the need to complement and support them with sustainable management and preventive actions.