

QUALITY ASSESSMENT FORM

Title of the evaluation:

**EVALUATION OF MEASURES APPLIED UNDER THE COMMON AGRICULTURAL
POLICY TO THE OLIVE SECTOR**

DG/Unit: DG AGRI, Unit L4

- Official(s) managing the evaluation: Martin Szentivany

Evaluator/contractor: Agrosynergie, Groupement Européen d'Interêt Economique

Assessment carried out by:

- Steering group with the participation of units C2, D1, H1, H2, L1, L4, I1, E2, E4 of DG AGRI and the unit B1 of DG ENV

Date of the Quality Assessment: November 2009

(1) RELEVANCE

Does the evaluation respond to information needs, in particular as expressed in the terms of references?

| SCORING | Poor | Satisfactory | Good | Very Good | Excellent |
|---------|------|--------------|------|-----------|-----------|
| | | | X | | |

Arguments for scoring:

The evaluation adequately addresses the information needs of the commissioning body and fully covers the themes and evaluation questions, as defined in the Terms of Reference. The geographical scope and time scope for the evaluation have been fully covered. To complement the analysis and to address data limitations caused by the recent implementation of the reform in the olive sector, a simple modelling exercise has been developed.

The descriptive part provides a clear description of the olive production and olive supply chain in the EU, including its position in world production and trade in olive oil. It also describes the evolution of the EU policy in this sector, including the most recent changes introduced by the Health Check.

The evaluation part adequately examines the effectiveness and efficiency of the CAP measures applied in the olive sector and their coherence with the overall concept of the CAP as reformed in 2003 and with the key EU policy objectives.

If relevant: **Contextual** (such as deficient terms of references) and **contractual constraints** (such as lack of time, insufficient resources)

(2) APPROPRIATE DESIGN

Is the design of the evaluation adequate for obtaining the results needed to answer the evaluation questions?

| SCORING | Poor | Satisfactory | Good | Very Good | Excellent |
|---------|------|--------------|------|-----------|-----------|
| | | | | X | |

Arguments for scoring:

The methodological approach is appropriate for addressing the evaluation needs. It is designed to ensure that an adequate set of findings would underpin the answers to all evaluation questions. All the judgement criteria and indicators to assist in answering the evaluation questions are carefully predefined, while the limitations of the methodology used is always clearly explained.

As required by the Terms of Reference, the answer to each evaluation question is underpinned by a theoretical analysis of the effects of decoupling, including its exceptions, on the olive sector. The results of the empirical analysis are then systematically confronted with the results of the theoretical analysis. The methodology developed for the empirical analysis combined three different analyses: a) quantitative statistical analysis (analysis of profitability, farm income and efficiency); b) qualitative analysis based on the information gathered through the regional case studies; c) modelling exercise to evaluate the sensitivity of the sector to the drop of prices.

This coherent methodology approach allowed answering all evaluation questions in a credible way.

(3) RELIABLE DATA

Are data collected adequate for their intended use and have their reliability been ascertained?

| SCORING | Poor | Satisfactory | Good | Very Good | Excellent |
|---------|------|--------------|------|-----------|-----------|
| | | | | X | |

Arguments for scoring:

The contractor used the data provided by the Commission services but also exploited data from other sources, such as the International Olive Council, Eurostat, and national and regional statistics. The data were processed in an appropriate way and are presented in a clear and understandable way.

The core of the quantitative analysis is based on the Farm Accountancy Data Network (FADN), which was used for analysing economic results of the farms specialised in olive production, and for the modelling exercise on price effects. The budgetary data on the implementation of the Single Payment Scheme (SPS) and Single Area Payment Scheme (SAPS) available at the Commission services were completed by more detailed data on the SPS/SAPS implementation at Member States level.

To complement the quantitative data, the qualitative information was gathered through the national/regional case studies. These were carried out in major producing Member States (Spain, Italy, Greece, Portugal, Cyprus).

If relevant: **Contextual** (such as lack of data or access to data base) and **contractual constraints** (such as lack of time and resources)

As regards the data limitations of this evaluation, it should be noted, that the contractor faced difficulties in getting access to the relevant data on the application of Article 69 in Greece.

(4) SOUND ANALYSIS

Are data systematically analysed to answer evaluation questions and cover other information needs in a valid manner?

| SCORING | Poor | Satisfactory | Good | Very Good | Excellent |
|---------|------|--------------|------|-----------|-----------|
| | | | | X | |

Arguments for scoring:

Both the quantitative and qualitative data are analysed in a systematic way. The economic theoretical foundation of the effects of decoupling is correctly explained and empirical results are rigorously confronted with the economic theory. The limitations of each of the analytical approaches and tools are clearly identified, discussed and transparently presented. These limitations are subsequently taken into account in the interpretation of findings.

If relevant: **Contextual** and **contractual constraints** (such as lack of resources and time)

(5) CREDIBLE FINDINGS

Do findings follow logically from and are justified by, the data/information analysis and interpretations based on pre-established criteria and rational?

| SCORING | Poor | Satisfactory | Good | Very Good | Excellent |
|---------|------|--------------|------|-----------|-----------|
| | | | X | | |

Arguments for scoring:

The findings are based on the pre-defined set of evaluation criteria and logically follow from the analysis. Limitations of their validity are pointed out. Opinions from the stakeholders were considered and reflected in a balanced way.

If relevant: Contextual and contractual constraints

(6) VALID CONCLUSIONS

Are conclusions non-biased and fully based on findings?

| SCORING | Poor | Satisfactory | Good | Very Good | Excellent |
|---------|------|--------------|------|-----------|-----------|
| | | | X | | |

Arguments for scoring:

The conclusions are based on the evaluation findings, which in turn were drawn from the sound analysis. They address all evaluation questions and take into account the latest policy developments (after the Health Check agreement).

If relevant: Contextual and contractual constraints

(7) HELPFUL RECOMENDATIONS

Are areas needing improvements identified in coherence with the conclusions? Are the suggested options realistic and impartial?

| SCORING | Poor | Satisfactory | Good | Very Good | Excellent |
|---------|------|--------------|------|-----------|-----------|
| | | | X | | |

Arguments for scoring:

The recommendations are clear and balanced. They are based on the findings in the report, although they remain rather general, this partly due to the inherent limitations of this evaluation caused by the factors outlined in the section (1) of this quality assessment.

Nevertheless, the recommendations may be potentially useful as they are pointing to some improvements to be made in better targeting of the applicable policy instruments.

If relevant: Contextual and contractual constraints

(8) CLARITY

Is the report well structured, balanced and written in an understandable manner?

| SCORING | Poor | Satisfactory | Good | Very Good | Excellent |
|---------|------|--------------|------|-----------|-----------|
| | | | X | | |

Arguments for scoring:

The report is clearly structured and well balanced. The unnecessary repetitions have been eliminated and the style and presentation are clear and understandable to different target readers. The key messages are well summarised. Nevertheless, the main report remains rather long, which makes it less accessible to a broader audience.

If relevant: Contextual and contractual constraints

OVERALL ASSESSMENT OF THE FINAL EVALUATION REPORT

Is the overall quality of the report adequate, in particular: **Good**

- Does the evaluation fulfil contractual conditions?

Clearly and fully.

- Are the findings and conclusions of the report reliable, and are there any specific limitations to their validity and completeness?

The findings and conclusions of the report are reliable and clear.

- Is the information in the report potentially useful for designing intervention, setting priorities, allocating resources or improving interventions?

The report contains a valuable set of information about the implementation of the 2004 reform in olive sector in major producing Member States, including a set of recommendations. The findings and conclusions of the evaluation are relevant and can be exploited for possible policy adjustment.

The contextual and contractual constraints encountered:

It should be noted that a short period of reform implementation, the permanent nature of olives and subsequently limited statistical evidence available, made it difficult to identify the effects of the reform on the olive sector. Moreover, a significant drop in olive prices from its increased levels in the post-reform period complicated the analysis. The evaluator addressed these inherent limitations of this evaluation by developing a modelling exercise and by making use of the data obtained through the regional case studies. This approach made it possible to answer all the evaluation questions in a credible way.

