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NOTE TO THE GROUP OF EXPERTS FOR MONITORING AND EVALUATION

Subject: Data needs for Monitoring and Evaluation - simplification

The changes in the CAP towards a more result-oriented policy implies a focus on evidence and data. The Commission circulated in January a note on a data request complementing the data notified by Member States in the Annual Performance Report (APR) to ensure its capacity to monitor and evaluate the CAP Strategic Plans 2023-2027 and ultimately demonstrate that the CAP is delivering towards its objectives.

This data request raised concerns among Member States. The aim of this note is to address these concerns and propose simplifications.

1. INTRODUCTION

Monitoring and evaluation are an integral part of the transparency on CAP results, and to that end the right data is needed. Most of this data already exists or will exist with the implementation of the new CAP. This proposal is about data sharing, not data creation.

The Commission has legal obligations to monitor CAP implementation in due time and shares with Member States the responsibility to preserve the credibility and robustness of the New Delivery Model. In addition, the Commission has to evaluate the CAP and prepare impact assessments of its policy proposals. This is why there are Commission empowerments in the CAP proposal related to the information which is necessary for the Commission to perform the monitoring and evaluation of the CAP.

Sectoral programmes and EIP are out of scope of this note, as this data collection, described in the note presented to the GREX of 21 January 2021, did not raise Member States concerns.

2. WHY DOES THE COMMISSION NEED DATA ON TOP OF THE ANNUAL PERFORMANCE REPORT (APR)?

The Commission needs to have the full picture of the green architecture implementation (all 3 layers including the new enhanced conditionality), especially in the context of the green deal and the climate commitment. Without the appropriate information, the Commission will not have all the elements in hands for a convenient dialogue with Member States.

To evaluate and analyse the CAP, the Commission currently shares with external contractors and researchers' data at Nuts2 or Nuts3 level, using Member States

notifications on greening, the data stored in the CATS audit database (hereafter referred to as X-table data¹ and control data²) and the Annual Implementation Reports for Rural development. This level of geographic detail will not be available in the APR.

In addition, the current level of details, notably at scheme/measure level, is repeatedly judged insufficient (notably by the contractors evaluating the CAP, by the European Court of Auditors) to assess the net-impact of the CAP on its objectives. This is why the data request includes information for individual interventions/unit amount.

Moreover, the data at anonymised individual beneficiary level is necessary so that the Commission can calculate the impact indicator I.24 on direct payments distribution, as well as the EU values for R.6 redistribution to smaller farmers and R.7 support to areas in needs. In addition, localising the implementation of the green architecture is necessary to improve the assessment and evaluation of environmental and climate impact, by contextualising output indicators in their agro-environmental context (e.g. location of beneficiaries thanks to geographical information in Natura 2000 or Nitrate vulnerable zones ...).

3. MAIN PRINCIPLES FOLLOWED

This data request proposes to collect the data necessary to compute the output and result indicators at a disaggregated level (by intervention/unit amount and beneficiary) for monitoring and evaluating purposes. E.g. to compute R.15 – Renewable Energy installed capacity, Member States need to collect the installed capacity for each supported investment project for the production of renewable energy.

The aim is to limit the administrative burden on Member States and beneficiaries, while maximising the opportunities offered by data sharing and IT systems. Thus, the data request was elaborated according to the following principles, which are explained below: (i) no additional burden on beneficiaries; (ii) no reconciliation of the data with data reported in the APR; and (iii) no redundancy in the data reporting.

In addition, it is important to recall that this data will be used only for monitoring and evaluation and falls under data protection rules.

No additional burden on beneficiaries

Most of the data request for monitoring and evaluation is a disaggregation of the information needed to report in the APR and/or information needed by the Paying Agencies to comply with legal requirements for the management of CAP requirements (e.g. conditionality) and interventions. The collection of data proposed beyond what Member States need for the APR and to check their legal requirements, do not imply an additional burden on beneficiaries.

¹ Accounting information for the purpose of the clearance of the accounts of the EAGF and the EAFRD as well as for monitoring and forecasting purposes, as referred to in Article 31 of Regulation (EU) No 908/2014.

² Information relating to the applications and payment claims of beneficiaries and in particular, the checks carried out for direct payments schemes (EAGF) and rural development measures (EAFRD), as referred to in Article 9(1) of Regulation (EU) No 809/2014.

No reconciliation of the data

The Commission will not reconcile this data with the Annual Performance Report. Member States will not be asked to explain differences (as currently) with financial declarations.

Anyhow, due to the difference in reporting date and concept (claim year vs financial year), it was felt that Member States were uncertain about how differences could be interpreted by Certification Bodies, researchers and by Commission auditors. This is why the Commission now proposes to collect data by financial year at the date best suited for Member States, to minimise potential differences.

No redundancy in data reporting

In the Expert group meeting of 28 January 2021, Member States expressed the need to avoid collecting twice the same information. The Commission shares fully this view. Member States will no longer have to notify to the Commission the X-Table and control data, currently requested for audit purposes and as well used for monitoring and evaluation.

Use of the data only for monitoring and evaluation

The Commission will not audit the compliance of the beneficiaries with the detailed eligibility rules as defined by the Member States in their CAP Strategic Plans. Thus, the data to be received by Member States will be for monitoring only. The Certification Body will not certify these data, as it is outside the scope of Article 11 of the Horizontal Regulation proposal³. The Certification Body will have to certify the Annual Performance Report, but not the remaining data to be sent annually beyond Annex I.

The data request refers thus to anonymised data, in the sense that beneficiary details such as the beneficiary name and the complete address are not to be provided.

Data protection

Member States will share with the Commission anonymised data. Data protection rights provided by Regulation (EU) No 2016/679 apply to this data. The data will be publishable only at aggregated level. The Commission will share the data for research and evaluation only. Any researcher or contractor requesting access to this anonymised data will need to sign appropriate confidentiality agreements.

4. SIMPLIFICATIONS PROPOSED

Data by financial year

As a simplification for Member States, the data could be reported by financial year.

³ See also WK 3049/2019 INIT

Focus on the data needed for the APR and to comply with Member States obligations

The data request focuses on the units and amounts paid⁴, the basic information for the output indicators.

In the CAP Strategic Plan, Member States will establish the link between interventions and specific objectives, as well as with result indicators.

To compute the result indicators that Member States selected in the CAP Plan, Member States will need to implement the right data collection. This is what is grouped under ‘**category**’ in Annex I, where a non-exhaustive list of related result indicators is highlighted. The **units ‘involved’** correspond to the units needed to compute these result indicators.

GAEC

Conditionality is the foundation of the green architecture. Member States need to collect the relevant data to comply with the legal requirements linked to conditionality and to manage voluntary commitments (eco-schemes and second pillar interventions) on the same areas. In view of simplification, it is proposed to limit the reporting of data to four key GAEC for which the monitoring at EU-level is essential, not only for evaluating the CAP but also in light of their role for broader EU political priorities in relation with climate mitigation and biodiversity target: GAEC 1 – Permanent Grassland ratio, 9 – Landscape elements and 10 – ESPG (for all of which data is already collected under greening) as well as GAEC 2 – wetlands and peatlands (for which Commission’s JRC guidance for identification and mapping is being developed). In addition, to simplify the data collection, Member States will report the area declared (rather than the area paid).

LEADER

LEADER will represent at least 5% of the EAFRD envelope, and the contribution of LEADER to CAP objectives (via the Result Indicators) needs to be captured. LEADER is to be evaluated on a regular basis too. This is why Member States need to establish an appropriate data collection. Nevertheless, to limit the administrative burden for LEADER, it is proposed to Member States to report at LAG level only twice during the implementation period for the interim and the ex-post evaluations, instead of reporting on a yearly basis.

Limitation of the data required on top of the data needed for APR and to comply with legal requirements

The data request was streamlined and the data which is not necessary for the APR or to check legal requirements is limited to key beneficiary characteristics, which currently are available in CATS/IACS, except for 2 variables. The information not yet collected refers to the localisation of the farm in river basins and in nitrate vulnerable zones, which could be retrieved by Member States without asking to the beneficiary (using maps and geographic information).

⁴ Units determined are equivalent to the units paid, as penalties do not apply to units.

Many fields are the same as in CATS and IACS

In the Annex, the variables which are identical to those currently reported in CATS and available in IACS are identified.

Annex I: List of variables for the individual data request

Category	Information required	
Nomenclature	Application/payment claim for an intervention	Currently available in CATS control data and Xtable in IACS & needed for APR
	Unique beneficiary ID (or LAG Id if relevant - LAG is the beneficiary)	Currently available in CATS control data and Xtable in IACS & needed for APR
	Intervention code	Currently available in CATS control data and Xtable in IACS & needed for APR
	Identification code below intervention level	Currently available in CATS control data and Xtable & needed for APR
Amount	Total amount paid (EU funds)	Currently available in Xtable & needed for APR
	Total public expenditure (EU-funds + national co-financing)	Currently available in Xtable & needed for APR
	Total expenditure (interventions with private contribution only)	Currently available in AIR
	Total amount determined	Currently available in CATS control data
Units determined (i.e. paid before penalties)	Area determined (hectares) <u>before</u> application ceiling PE	Currently available in CATS control data and in IACS
	Area determined (hectares) after application of ceiling PE	Currently available in CATS control data and Xtable in IACS & needed for APR
	Number of heads determined	Currently available in CATS control data and Xtable in IACS & needed for APR
	Number of livestock units determined	Currently available in CATS control data and Xtable in IACS & needed for APR
	Number of other units determined	Disaggregation of the information required to compile the APR
Units involved	Number of hectares involved	Relevant to compute R.17 - Afforested land
	Number of livestock units involved	Relevant to compute R.38 - Animal Welfare and R.36 - AMR
	Number of beehives	Relevant to compute the new indicator on beehives
	Number of participants involved	Required to compute R.1 - Knowledge and Innovation and R.3 - Digitalising agriculture
	Number of advisors	Relevant to compute R.2 - Advice and knowledge systems and R.3 - Digitalising agriculture
	Number of jobs created	Relevant to compute R.31 - jobs created
	Renewable energy, installed capacity (in MegaWatts)	Required to compute R.15 – Renewable Energy installed capacity
Contribution to SO's and CCO (yes/no)	Contribution to the cross-cutting objective	Information in the CAP Strategic Plan
	Contribution to specific objective 1 (viable farm income)	Information in the CAP Strategic Plan
	Contribution to specific objective 2 (competitiveness)	Information in the CAP Strategic Plan

	Contribution to specific objective 3 (food chain)	Information in the CAP Strategic Plan
	Contribution to specific objective 4 (climate)	Information in the CAP Strategic Plan
	Contribution to specific objective 5 (natural resources)	Information in the CAP Strategic Plan
	Contribution to specific objective 6 (biodiversity)	Information in the CAP Strategic Plan
	Contribution to specific objective 7 (generational renewal)	Information in the CAP Strategic Plan
	Contribution to specific objective 8 (rural areas)	Information in the CAP Strategic Plan
	Contribution to specific objective 9 (societal demands)	Information in the CAP Strategic Plan
Categories// Result indicators	New irrigation installations (yes/no)	Information needed by MS to check legal requirements
	Modernising of existing irrigation installations (yes/no)	Information needed by MS to check legal requirements
	Forestry (yes/no)	Required to compute R.17 – Afforested land, R.17a - Inv.in forest and R.25/R.26 Commitments on forest land
	Reduced use of pesticides (yes/no)	Required to compute R.37 – Sustainable pesticides use
	Animal welfare (yes/no)	Required to compute R.38 – Animal welfare
	Anti-microbial resistance (yes/no)	Required to compute R.36 – Limiting Antibiotic use
	Digital (yes/no)	Required to compute R.3 – Digitalisation
	Broadband (yes/no)	Required to compute R.34 – Connecting Rural Europe
	Social inclusion (yes/no)	Required to compute R.35 – Promoting social inclusion
Beneficiary characteristics	unique ID beneficiary	Currently available in CATS control data and Xtable in IACS & needed for APR
	Gender	Relevant to compute O.3 - Number of beneficiaries
	Young farmer (<age limit set by MS) (yes/no)	Relevant to evaluate the contribution of the CAP to generational renewal - Available in IACS
	Geographical location through LAU code	Currently available in CATS control data and Xtable and in IACS
	Area with Natural Constraints (yes/no)	Data available in IACS
	Nitrate vulnerable zone (yes/no)	Information retrievable using MAPS and geographic information if geographical location by LAU code is available
	Characteristics of farm's location in a River basin	Information retrievable using MAPS and geographic information if geographical location by LAU code is available

	NATURA 2000 area (yes/no)	Necessary to establish ESPG (future GAEC 10) obligation - currently reported under greening at NUTS3 level (PG in Natura, ESPG)
	Number of hectares held by beneficiaries eligible to BISS	Currently available in CATS control data and in IACS
	Net' Area claimed (hectares of arable land)	Available in IACS
	Net' Area claimed (hectares of permanent grassland)	Available in IACS
	Net' Area claimed (hectares with permanent crops)	Available in IACS
	Organic farm (Y/N-partial)	Currently available in greening output indicators
Beneficiary subject to GAEC (yes/no)	GAEC 1 (Y/N)	Available in greening output indicators
	GAEC 2 (Y/N)	Information needed by MS to check legal requirements
	GAEC 9 (Y/N)	Partly available in greening output indicators
	GAEC 10 (Y/N)	Partly available in greening output indicators
GAEC area declared	GAEC 1: permanent grassland area used for determination of PG ratio	Currently reported under Greening at national/regional (depending on MS) and NUTS 3 level
	GAEC 2 - wetlands(ha)	Information needed by MS to check legal requirements
	GAEC 2 - peatlands: PG and others (ha)	Information needed by MS to check legal requirements
	GAEC 9 - Hectares of non productive areas/features used for the calculation of the share (ha) by landscape feature	Currently reported under Greening at NUTS 3 level by MS that selected LF as EFAs
	GAEC 9 - Areas subject to retention of landscape features (ha)	Information needed by MS to check legal requirements
	GAEC 10: PG areas subject to ban of conversion (ha)	Currently reported under Greening at NUTS 3 level