



Brussels, 23 May 2016

RDC May 2016: Agenda Point 7

RDP amendments

FAQ related to indicators and quantified targets

1. When should output indicators be changed?

- An amendment which changes the total public budget of a measure will in most cases lead to changes in planned outputs.
- There are exceptions, for example when it becomes clear during implementation that the average project size is either larger or smaller than anticipated, so either a greater or smaller budget can achieve the original planned output.
- Output indicators can be changed in any type of amendment (in Article 11(c) amendments changes should only be to correct identified errors).
- When a new measure/sub-measure is introduced into the RDP.

2. What is the link between planned outputs and targets?

- There is a distinction between the original situation (RDP approval) and the implementation phase (amendments).
- At programme approval, targets were established in line with the RDP strategy. The proposed targets were validated taking planned outputs into consideration. Coherence with the planned outputs was ensured because in SFC some target values were calculated from planned output data in the indicator table (e.g. % of farms with RDP supported investment). This automatic calculation has now been removed in SFC as no longer needed for this purpose. When modifying RDPS however, MA should keep in mind that the planned outputs should be structured to achieve the established targets.
- During implementation, planned outputs should be adjusted where necessary in order to achieve the targets set (not the other way around!!).

3. What should be done if an MA discovers it has made errors in the initial establishment of initial targets?

- Errors should be corrected in the first available RDP amendment, on the basis of an explanation of the error provided by the MA to the Commission services (the explanation is not part of the amendment itself).

4. When should the strategy be changed?

- Changed circumstances (e.g. emergence of new needs), new information (e.g. updated statistics, evidence of success of a particular policy approach), or a change in approach to addressing identified needs (e.g. support being provided through alternative instruments) may lead to a change in the RDP strategy (i.e. Chapter 5), resulting in a change in the priority given to the different needs

identified. Changes and the reason for them should be explained in the amendment.

- The strategy may be changed in any type of amendment (except 11(c), apart from obvious and justified errors). Only a change which results in modification of a target by more than 50% is classed as an Article 11(a)(i) amendment.

5. Cases when a target should normally be changed

- When the strategy is changed
- When the total public envelope of the RDP changes due to addition/removal of national funds or changes in the EAFRD envelope (e.g. funds coming in from Pillar 1)

6. Cases when a target should not normally be changed

- When funds are moved from one measure to another due to increased demand/lack of demand (no change to Chapter 5)
- When funds are moved from one Focus Area to another (no change in Chapter 5)
- When planned outputs change
- When the value of a context indicator used to calculate the target is updated (e.g. total number of farms)

7. Targets - Specific cases

- If the strategy for a particular focus area is written using general way, a different approach to addressing that focus area may still be consistent with the current text. In such a case it may be appropriate to amend the target value without a change in the text for the focus area. This would be subject to case-by-case assessment.
- Rounding of targets. Due to the automatic calculation, some targets have been set at figures such as 3.01%, 54.08%. If a MA wishes, targets may be rounded. This is a possibility, not an obligation.

8. Can targets only be changed in an amendment under Article 11(a)(i)?

- No. Article 11(a)(i) defines one particular case, where there is a change of more than 50% in a target i.e. which result from a significant modification of the RDP strategy. (This is assessed cumulatively, taking into account all successive changes, and compared the new value to the value in the originally approved RDP or the previous 11(a)(i) amendment.)
- If a target changes by more than 50% the legal base for the amendment is therefore automatically 11(a)(i). Changes of less than 50% would fall under another legal base, depending on the content of the amendment, but may also involve a change to Chapter 5 of the RDP.
- This legal definition of "strategic amendment" serves to identify and limit the number of times such a significant shift in strategy occurs during the lifetime of the RDP.

FAQ related to Performance Framework Indicators (Chapter 7 of the RDP)

9. When can the target values and milestones for the Performance Framework Indicators be changed?

- All modifications of the performance framework should be duly justified.
- In light of the Regulations, the revision of milestones and targets¹ may be proposed by a Member State only:
 - Where the budget allocated to a priority changes, because a change of budget will influence the ability to achieve milestones and targets for the indicators included in the performance framework.
 - This could also concern transfers within a priority if the changes concern resources linked to output indicators or key implementation steps included in the performance framework.
- If a transfer of allocations either between two priorities or within one priority causes the output indicators and key implementation steps included in the performance framework to correspond to less than the majority of the allocation, then a change in the performance framework is required.
- The regulations provide the following two examples of other cases when targets and milestones for the performance framework may be changed:
 - significant change in the economic, environmental and labour market conditions in a member State or region (paragraph 5 of Annex II of the CPR (Regulation n° (EU) 1303/2013)),
 - in case the information on methodologies and criteria for selecting indicators and determining milestones and targets was based on incorrect assumptions leading to under- or over- estimation of targets (Article 5(6) of Regulation n°(EU) 215/2014).
- As these cases are not exhaustive other instances may also justify the revision of milestones and targets (for example, a programme amendment that changes the nature of the priority, but does not affect the allocations (e.g. financial instruments are decided as the delivery mechanism which may change the number of enterprises supported)). These cases will be assessed individually.

10. What is the link between Performance Framework Indicators and CMES Indicator Plan Indicators (Target or Output Indicators)?

- There is no link with the CMES Target Indicators, the Performance Framework does not use the CMES Target Indicators from the Indicator Plan.
- However, the Financial Indicators used in the Performance Framework (total public expenditure) and the Common Output indicators used in the Performance Framework are taken from the Indicator Plan (same values). Changes to the planned value of relevant common output indicators will therefore lead to a change in the milestones and target of the corresponding Performance Framework Indicators.

¹ In the context of the Performance Framework, "Target" means the 2023 quantified objectives for the Performance Framework Financial Indicators (Total Public Expenditure), common and alternative Output Indicators and Key Implementation Steps. It globally corresponds to the 'Planned output' in the Indicator Plan. It is not the same as the quantified targets set for each focus area.