



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT

Directorate L. Economic analysis, perspectives and evaluations
L.4. Evaluation of measures applicable to agriculture; studies

Q & A on complementary result indicators

	Result indicator	Issues raised by MS	Reply by Commission
1	P2A – Change in agricultural output on supported farms/AWU	The methodology for assessing the indicator through evaluation activity is not clear – for example: how would non-participants be defined, how should sample selection be done, how many farms would need to be covered...	The Commission will provide more specific methodological guidance on these issues.
2		The assessment of net effects is difficult and more relevant for the assessment of impacts – for this indicator, it is sufficient to determine gross effects.	The Commission considers it necessary to establish net effects since the indicator value will be influenced by a variety of other factors such as commodity prices, weather etc. The establishment of gross effects would miss out on these influences.
3		Only the primary effects of the measures programmed under a focus area should be included in the analysis. Secondary intended or unintended side effects should be analysed by specific evaluations.	The Commission considers it necessary to also capture secondary effects in order to come to an overview of results that is as complete as possible. Thus evaluation activities should consider the whole population of projects identified as contributing to the relevant specific focus area or priority. The relevant population of projects will be identifiable from the operations database.

4		The change in output/AWU does not capture investments related to reducing costs – net value added/AWU is more meaningful.	The Commission acknowledges the problem that the indicator does not capture investments that are focussed on cost reductions in areas other than labour costs. However, the calculation of an indicator measuring net value added is considered to be too complicated. It was considered important to select an indicator which could easily be calculated, both for the supported sample and for the control group. Further possibilities for this indicator will be explored but it may have to be concluded that the existing limitations of the proposed indicator will have to be accepted.
5		The indicator is influenced strongly by the volatility of prices.	This is the reason why net effects need to be established – see reply to point 2.
6		Proposal of two indicators instead of one: 1) for investments targeting the increase of production or the improvement of work conditions: Change in agricultural output/ha OR /entry animal for fattening cattle OR /average head of cattle for breeding cattle 2)for investments in the reduction of costs: Change in total intermediate consumption/ha OR /entry animal OR /average presence of animal The change in the value of the indicator should be measured by the type of production of the farm concerned by the investment, not for the entire farm.	The Commission will further explore the possibilities of using these alternative indicators but would be very hesitant to increase the number of result indicators for this focus are to two.

7		The approach of assessing the indicator in an evaluation on the basis of a sample brings unreasonably high costs for small MS. Flexibility has to be granted to these MS in the analysis of the indicator.	The Commission acknowledges that monitoring and evaluation has a certain fixed cost and this is a disproportionate burden on RDPs with small budgets. However, there is scope to address this in the context of the Technical Assistance budget. The use of a sample should not be any more complicated/costly for a small MS than using the whole population as was originally proposed.
8	P5B – Increase in efficiency of energy use in agriculture and food processing (output/MJ energy used)	Using standard coefficients is of limited value as circumstances vary between MS and regions.	Standard coefficients are provided in order to assist MS in the calculation of the result indicators. Where MS have more reliable coefficients that are targeted to local circumstances and conditions, these can be used for the calculation. However, it will be important to be clear and transparent about the sources for the figures used in all calculations.
9		The system boundaries are unclear: are, for example, energy savings due to reduced consumption of energy intensive inputs (e.g. mineral-N-fertilizer) included?	The indicator captures the results of projects under this focus area as well as projects whose main objective is in another focus area but which have an impact on energy efficiency, which will be identifiable from the operations database. Further guidance on how to calculate and analyse the indicator will be provided in due time before the first evaluation exercises.
10		Since a diversity of products can be produced in a holding/enterprise, it is not relevant to compare the quantity of energy saved to the volumes of output.	It is not volume of output, but value which will be used as a comparison. This is the reason why Standard output value figures for different crops from FADN should be used for the calculation.

11	P5C – Renewable energy production from supported projects (in T.O.E.)	The GHG mitigation potential differs between various renewable energies. Therefore, the indicator should be "tons of GHG mitigated".	The complementary result indicators are adjusted to the focus area – in this case focus area 5C "Facilitating the <u>supply and use of renewable sources of energy</u> , of by products, wastes, residues and other non food raw material for purposes of the bio-economy". Reduced emissions of methane and nitrous oxide are captured in P5D and total GHG emissions from agriculture are captured in an impact indicator.
12		It is expensive to assess this indicator at the basis of sampling in evaluations (especially for small MS). It should be possible to determine renewable energy production directly on the basis of the applications for support without the involvement of an evaluator.	See reply to point 7. It was the original proposal of the Commission to capture this information directly from applications but MS considered this too complex. Therefore the proposal has been adapted to assess this indicator through evaluation rather than monitoring.
13	P5D – Reduced emissions of methane and nitrous oxide (measured in CO2 equivalent)	The indicator should also include the CO2 emission savings from changes in soil management.	The indicator covers reduced emissions on methane and nitrous oxide (in CO2 equivalent) due to changes in soil management. CO2 emissions as such are not covered as the complementary result indicators are adjusted to the focus area – in this case focus area 5D "<u>Reducing nitrous oxide and methane emissions</u> from agriculture". The impact indicator on GHG emission captures emissions from agriculture including agricultural soils.
14		The evolution of the emissions of CO2 equivalent is covered sufficiently through the impact indicators and the target indicator. This result indicator could be	The Commission considers that there remains a substantial gap between the information that can be obtained through the target indicators at the output level for this focus area ("% of livestock units

		eliminated.	concerned by investments", "% of agricultural land under management contracts") and the impact indicator "GHG emissions from agriculture", which captures net GHG emissions from agriculture overall. The proposed result indicator allows establishing emission reductions of CH4 and N2O as a result of projects under this focus area or having secondary effects in this focus area. It will thus allow the contribution of the RDPs to the overall changes observed to be assessed.
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