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G/A32/DT5/EC&B quality judgement

**STUDY ON IMPLEMENTING THE ENERGY CROPS CAP MEASURES AND BIO-ENERGY  
MARKET**

**Quality judgement of the final report submitted by DEIAgra-Università di Bologna,  
November 2006**

**PRELIMINARY REMARK**

This quality grid provides a global assessment on the above-mentioned evaluation study. The Commission steering group in charge prepared it at the end of the evaluation process.

If the report is to be published on the Internet, the present grid, with the comments of the steering group, will complement the final report.

It has to be pointed out that it is neither the opinion of the evaluators nor the content of their conclusions that are judged here, but only the methods and the reasoning used for obtaining them.

1. **Meeting the needs:** Does the evaluation adequately address the information needs of the commissioning body and fit the terms of reference?

All the evaluation questions of the terms of reference have been addressed and all the elements required for the market analysis and the outlook have been provided.

The evaluation allowed collecting useful and interesting practical concrete information from the case-studies, in particular on the actual profitability of different energy crops in different regions. The market analysis provides an overview of the main features of the different EU bio-energy markets: level and evolution of production, consumption, trade, synthetic presentation and comparison of the public policies related to bio-energy (at EU and national levels), comparison of the production costs and competitiveness of the different bio-energy sources, potential of savings of fossil fuels and CO<sub>2</sub> emission reductions. Moreover, the efforts from the consultants to provide maps illustrating the localisation of bio-fuels processing plants were appreciated by the steering group.

Therefore, the study will form a good information source for the debate on bio-energy public policy. However, one could regret that no more could be done on the assessment of CO<sub>2</sub> emissions reduction and on the analysis of the outlook estimations.

Global assessment: **good.**

2. **Relevant scope:** Is the rationale of the policy examined and its set of outputs, results and outcomes/impacts examined fully, including both intended and unexpected policy interactions and consequences?

The evaluator's team provided global and detailed intervention logics and analysed the individual microeconomic mechanisms of each measure. By covering all the evaluation questions, they analysed in details the expected and unexpected impacts of the measures studied.

Moreover, the study covers three types of bio-energy sources (direct burning of biomass, biogas, bio-fuels), which allows comparing the characteristics of each supply-chain and having a broad overview of bio-energy.

Finally, thanks to dedicated evaluation questions and to the work realised for the market analysis, the evaluation team was able to assess with more accuracy the role of other policies and other factors and to compare it with the role of the energy crops CAP measures. However, again, one could regret that no more could be done on the assessment of CO<sub>2</sub> emissions reduction and on the analysis of the outlook estimations.

Global assessment: **good.**

3. **Defensible design:** Is the evaluation design appropriate and adequate to ensure that the full set of findings, along with methodological limitations, is made accessible for answering the main evaluation questions?

The methodology, criteria and indicators, well detailed in the first interim report, has been rigorously followed or well adapted when data constraints hindered its implementation or when relevant issues needed further investigation. The evaluation team was indeed flexible to adapt the methodology according to the requests made by the steering group.

The design applied is therefore tailor-made to each evaluation question and the data availability. It is in general based on three steps: theoretical analysis, quantified economic analysis, and checked with qualitative information from literature and case-studies. It allows confronting different sources of information and improving the quality of the answers.

The methodological limitations are numerous (mainly because of data availability constraints), but they are well explained and duly taken into account when drafting conclusions. Moreover, the evaluation team was committed to overcome these methodological limitations on the quantitative analysis by collecting ad hoc qualitative information from experts, case-studies and literature.

Global assessment: **excellent**.

4. **Reliable data:** To what extent are the primary and secondary data selected adequate? Are they sufficiently reliable for their intended use?

The lack of long series of consistent and specific data has been the main difficulty of the study. Indeed, the general agricultural statistics do not differentiate according to the destination of the product. The total areas under energy crops have been therefore estimated. Similarly, the systems currently in use by the Paying Agencies for collecting and storing information regarding the implementation of the rural development measures normally do not allow identifying systematically projects specifically related to bio-energy. The steering group acknowledges these difficulties, mainly due to the recent development of the sector, and for which the contractor can not be held responsible.

The evaluation team was committed to overcome these limitations. For the purpose of the evaluation and the market analysis, they had to use a wide range of data sources that generated some inconsistencies, due to differences in the definition of data aggregates. They had also to rely on qualitative "spot" information retrieved from the case studies and literature. However, the limited number of case-studies and of sources of qualitative information used implies limited reliability to generalise the findings. Therefore, the quality and reliability of this information can not be taken for granted.

Global assessment: **satisfactory**.

5. **Sound analysis:** Is quantitative and qualitative information appropriately and systematically analysed according to the state of the art so that evaluation questions are answered in a valid way?

As mentioned under the evaluation design, the analysis for most evaluation questions was based on a variety of quantitative and qualitative information sources (economic analysis; qualitative information: interviews, case-studies and literature). The inputs from the different sources are clearly differentiated in the text and compared, each time it is possible, to support the conclusions and increase their solidity.

The economic analyses are sound, appropriately used and tailor-made to each evaluation question. The assumptions and the methodological limitations are systematically explained. However, one could regret the unequal quality of the case-studies (different level of details) and that no more could be done on the quantification of the implicit subsidy created by the non food on set aside regime.

Unfortunately, given the data availability constraints, the questions on the rural development measures, the answer to the questions related to these measures are only based on qualitative "spot" data retrieved from case-studies. The steering group acknowledges these difficulties, for which the contractor can not be held responsible.

However, one could regret that no more could be done on the environmental assessment of energy crops CAP measures.

As regards the market analysis, quantitative and qualitative information are appropriately analysed. It is however regrettable that, due mostly to time constraints, the analysis of the outlook estimations is not more deepened.

Global assessment: **good**.

6. **Credible findings:** Do findings follow logically from, and are they justified by, the data analysis and interpretations based on carefully described assumptions and rationale?

The evaluation findings follow logically from the data analysis and interpretations. The other factors are well taken into account, which allows distinguishing the impacts of the CAP measures from other drivers and qualifying their order of magnitude. The reasoning is well explained, the assumptions made and the methodological limitations are carefully described. The findings are carefully expressed, in order to take into account the data constraints and the consequent limitations of the methodology and assumptions.

As concerns the market analysis, the findings presented are credible and justified.

Global assessment: **good**.

7. **Validity of the conclusions:** Does the report provide clear conclusions? Are conclusions based on credible results?

The conclusions are based on a sound analysis and credible findings. They are not biased by partisan considerations. Given the data constraints, the assumptions and the methodological limitations previously explained, they are balanced and prudent. The reasoning between the findings and the conclusions is well explained.

Global assessment: **good**.

Remark: The conclusions have been drawn with respect to the time and geographical scope of the evaluation (1992-2006; EU-15), which does not cover the 10 new member States. Therefore any interpretation of these conclusions has to duly take into consideration this specific geographical and temporal scope.

8. **Usefulness of the recommendations:** Are recommendations fair, unbiased by personal or stakeholders' views, and sufficiently detailed to be operationally applicable?

The recommendations are derived from the conclusions. Given the data constraints, the assumptions and the methodological limitations made for the analysis, they are prudent and the steering group deems it reasonable. They are clear and unbiased by stakeholders' views. They cover the whole scope of the study.

Global assessment: **good**.

Remark: As for the conclusions, the recommendations refer to the time and geographical scope of the evaluation (1992-2006; EU-15). In this respect, the operational applicability of some of them is limited to this specific scope.

9. **Clearly reported:** Does the report clearly describe the policy evaluated, including its context and purpose, together with the procedures and findings of the evaluation, so that information provided can easily be understood?

The structure and the presentation of the report are clear enough. The style and the level of the language are unequal among the chapters. The formulations in some chapters are indeed unnecessarily complicated and long. They could have been simplified to ease the understanding. Similarly, the length of the report could have been reduced by more concise formulation.

Global assessment: **satisfactory**.

## 10. Assessment of the report as a whole

Taking into account the aspects mentioned above, the report can be considered **good**.

<b>Concerning these criteria, the evaluation report is<sup>1</sup> :</b>	<b>Unacceptable</b>	<b>Poor</b>	<b>Satisfactory</b>	<b>Good</b>	<b>Excellent</b>
<b>1. Meeting the needs:</b> Does the evaluation adequately address the information needs of the commissioning body and fit the terms of reference?				X	
<b>2. Relevant scope:</b> Is the rationale of the policy examined and its set of outputs, results and outcomes/impacts examined fully, including both intended and unexpected policy interactions and consequences?				X	
<b>3. Defensible design:</b> Is the evaluation design appropriate and adequate to ensure that the full set of findings, along with methodological limitations, is made accessible for answering the main evaluation questions?					X
<b>4. Reliable data:</b> To what extent are the primary and secondary data selected adequate? Are they sufficiently reliable for their intended use?			X		
<b>5. Sound analysis:</b> Is quantitative and qualitative information appropriately and systematically analysed according to the state of the art so that evaluation questions are answered in a valid way?				X	
<b>6. Credible findings:</b> Do findings follow logically from, and are they justified by, the data analysis and interpretations based on carefully described assumptions and rationale?				X	
<b>7. Validity of the conclusions:</b> Does the report provide clear conclusions? Are conclusions based on credible results?				X	
<b>8. Usefulness of the recommendations:</b> Are recommendations fair, unbiased by personal or stakeholders' views, and sufficiently detailed to be operationally applicable?				X	
<b>9. Clearly reported:</b> Does the report clearly describe the policy evaluated, including its context and purpose, together with the procedures and findings of the evaluation, so that information provided can easily be understood?			X		
<b>Taking into account the contextual constraints on the evaluation, the overall quality rating of the report is considered :</b>				X	

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<sup>1</sup> The judgement of the report as being poor is understood by the steering group as not drawing into question compliance with the contract, while indicating significant weaknesses in the report