



EUROPEAN COMMISSION
AGRICULTURE DIRECTORATE-GENERAL

Directorate G. Economic analyses and evaluation
G.4. Evaluation of measures applicable to agriculture

Brussels,

EVALUATION OF THE COMMON MARKET ORGANISATION FOR CEREALS

**Subject: Quality grid based on the Final Report submitted by LMC
International, November 2005**

PRELIMINARY REMARK

This quality grid provides a global assessment on the above-mentioned evaluation study, and has been agreed by the steering group in charge of the following up of the contract.

The judgement is made on the methodological approach followed to answer the evaluation questions, not on the conclusions and recommendations reached by the contractor. 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 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?

The main task of providing answers to the evaluation questions set out under the contract's terms of reference has been fulfilled. The issues of relevance, coherence, effectiveness and efficiency of the different CMO measures have also been addressed for all the themes that the evaluation questions were divided in. The structure of the report is very well balanced among themes and sections which have been developed.

Finished in time and with adequate contents it is thus perceived that the report is a very valuable input for the Commission on the policy making process concerning the Cereals sector. Given the fact that the income issue and the efficiency issue attracts much attention from both stakeholders, consumers and Member States is it very valuable that precisely these issues have been dealt with adequately and in extensor.

Global assessment: **excellent**

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 rationale of the policy, including the analysis of its expected and unexpected impacts, has been addressed on the basis of close and continuous guidance by the steering group, and the final result can be considered good.

The policies for the different cereals and for the different support measures are well explained in the report. The national report with the case studies for Denmark, Poland, Hungary, Germany, France, United Kingdom and Italy clearly have added value for the understanding of the rationale of the diverse implementation of the policy.

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 methodological limitations with a view to diversity of the area covered, to evolution in implementing regulation and to data availability as well as varying quality of available data on prices, quantities and cost are justified. Substantial efforts have been made by the contractor to overcome those limitations. This made it possible to assess in a quantitative and qualitative way the evaluation question. The design lacked the modelling (profit equalizing prices microeconomic framework) that was envisaged and proved to be inadequate in the end. However, the design included a very useful algorithm on transport cost and on policy efficiency.

On balance, the original design of this evaluation is considered to be adequate.

Global assessment: **good**

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

The evaluator used adequately all available material (e.g. FADN data and Structural Farm Survey) and regional surveys, in a manner which took account of methodological limits of these data. A particular characteristic of the sector is that the number of producers is very large and heterogeneous. By dividing these in three main categories for the cereals farmers and three categories of other producers an excellent choice was made to make the analysis both robust and not too detailed. The challenges on the data side that came with this approach has been addressed very well and increased the analytical quality of the report e.g. on the dependence of separate categories on direct payments.

The need to acquire secondary data to complete the information available from statistics has been an important issue under this contract. This was mainly addressed through interviews, the results of which were available in time and have had substantial impact in terms of added value to the analysis.

Global assessment: **excellent**

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?

From the beginning the evaluator took care of the analysis of quantitative data that is sometimes underexposed in evaluation studies due to lack of quantitative data by using an adequate information gathering approach via the surveys. From the interviews both quantitative and qualitative information was derived in such a way that the systematic analysis according to the needs of the study could be performed.

The evaluation study implied a two-step approach to be carried out to answer the evaluation questions: the synthesis of available information on one side (together with gathering additional data to fill information gaps through the interviews), and, on the other side, the analysis of that information together with the presentation of relevant findings.

As regards the analysis, the occasional lack of relevant data, and therefore of solid evidence, is not invoked as an excuse for partial answers to some of the evaluation questions. On the contrary, proxy data were used to answer the evaluation question in the way that was foreseen.

In conclusion the quality level of the answers to the evaluation questions provided is considered good.

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 findings do not always follow logically from a data or modelling analysis that takes into account the issue of causality, correlation and cointegration; but logical assumptions are mostly sufficiently justified and linked with the global rationale of the analysis.

In as far as overall findings and interpretations are based on the relevant findings from the national interviews and surveys, these can be considered as based on sound data analysis and interpretations. The same applies where findings are based on the evaluator's own information gathering and secondary sources.

Global assessment: **satisfactory**

7. VALIDITY OF THE CONCLUSIONS: Does the report provide clear conclusions? Are conclusions based on credible results?

The main findings are clearly divided into the support measures in places: direct payments, intervention, set-aside and export refunds.

The main findings and conclusion of the analysis are presented in a clear way and address the real problems relating to the evaluation questions for the Cereals sector. The conclusions are normally based on the content of the chapter summaries and clearly linked to the evaluation question at hand.

When judgements and conclusions address the assessment of the CMO measures these appear to be justified by the analysis carried out.

On balance, the conclusions concerning the measures of the CMO for the cereals sector address their rationale and their overall objectives in an adequate manner, and provide a good description of the state of play of the support regime over time and in the future, where sufficient evidence is available. As regards the delivery system and the evaluation system, the conclusions cover the requirements of the terms of reference very well.

The synthesis of the information gathered at national level in important producer countries is converted, although not exhaustively, into useful statements for the European level, and the overall results of this evaluation are therefore useful at policy level.

Global assessment: **good**

8. USEFULNESS OF THE RECOMMENDATIONS: Are recommendations fair, unbiased by personal or stakeholders' views, and sufficiently detailed to be operationally applicable?

The recommendations address the core problems that are related to the application of the CMO measures for the Cereals sector.

The recommendations issued by LMC are sufficiently balanced and detailed to be applicable. Their usefulness at operational level has been increased through the analysis of the overall policy framework and in particular of the role played by each measure.

The number of the recommendations issued is adequate as the translation of the information into relevant recommendations at the Community level has finally been successful.

Global assessment: **good**

9. CLEAR REPORT: 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 consultant has presented a good overview of the policy context for the Cereals sector and of its main recent developments. The methodological aspects of the evaluation are clearly explained.

The report is written in a clear language, sometimes a little bit to staccato. The chapter summaries are also sufficiently clear and unnecessary repetitions have been avoided.

The length of the report is adequate which is appreciated as the sector is huge. The annexes are although numerous sufficiently systematic to provide added value on the report and elaborate on key issues concerning the questions.

Global assessment: **good**

10. ASSESSMENT OF THE REPORT AS A WHOLE

Taking into consideration all the aspects discussed above, the overall judgement of this evaluation report is: **good**

Concerning these criteria, the evaluation report is:	Unacceptable	Poor	Satisfactory	Good	Excellent
1. Meeting the needs: Does the evaluation adequately address the information needs of the commissioning body and fit the terms of reference?					X
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?				X	
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?				X	
4. Reliable data: To what extent are the primary and secondary data selected adequate? Are they sufficiently reliable for their intended use?					X
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?				X	
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?			X		
7. Validity of the conclusions: Does the report provide clear conclusions? Are conclusions based on credible results?				X	
8. Usefulness of the recommendations: Are recommendations fair, unbiased by personal or stakeholders' views, and sufficiently detailed to be operationally applicable?				X	
9. Clearly reported: Does the report clearly describe the policy being evaluated, including its context and purpose, together with the procedures and findings of the evaluation, so that information provided can easily be understood?				X	
Taking into account the contextual constraints on the evaluation, the overall quality rating of the report is considered				X	