

QUALITY ASSESSMENT FORM

Title of the evaluation:

**EVALUATION OF MEASURES RELATING TO THE DURUM WHEAT SECTOR
WITHIN THE CONTEXT OF THE COMMON AGRICULTURAL POLICY**

DG/Unit: DG AGRI, Unit L4

- Official(s) managing the evaluation: Andre Kolodziejak

Evaluator/contractor: LMC International New York-Oxford-Kuala Lumpur

Assessment carried out by:

- Steering group with the active participation of units D-1, H-2 and L-4 of DG AGRI, E-1 of DG SANCO and F4 of DG ENTR.

Date of the Quality Assessment: 5 November 2009

(1) RELEVANCE

Does the evaluation respond to information needs, in particular as expressed in the terms of references?

	Poor	Satisfactory	Good	Very Good	Excellent
SCORING				X	

Arguments for scoring:

The evaluation fully covers the scope defined in the Terms of Reference. The answers for the evaluation questions are given for individual countries while policy analysis and policy conclusions are also formulated for EU-27 as a whole. In accordance with the Terms of Reference the report is precisely focused on the effects of post reform instruments with respect to area and improvement of quality. The methodology of the report to measure effects of the post reform instruments is very adequate including the counterfactual analysis.

(2) APPROPRIATE DESIGN

Is the design of the evaluation adequate for obtaining the results needed to answer the evaluation questions?

SCORING	Poor	Satisfactory	Good	Very Good	Excellent
			X		

Arguments for scoring:

The methodology design fits the objectives of the evaluation. The first part of the evaluation report shows a systematic and precise description of the durum wheat sector including the processing sector in the period 2000-2008.

The starting point of the second part of the report dealing with the evaluation questions was, in line with the Terms of Reference, the theoretical analysis of the impact of the CAP measures relating to the durum wheat sector using comprehensive intervention logic. In answering the evaluation questions, the results of this theoretical analysis were confronted with the results of the empirical developments.

The methodology developed for the empirical analysis combined four different analyses:

a) Calculation of production costs and gross margins, and, on the basis of these, area supply elasticities.

b) Case studies to provide a greater understanding of the effect of the regime change on specific Member States namely France, Greece, Italy and Spain.

c) In these countries, namely in the regions Centre, Central Macedonia, Puglia and Andalucia, questionnaires were conducted with 96 farmers. In the same regions interviews were held with market participants and a questionnaire was conducted with processors. The latter was not restricted to the case study regions as the processors were often outside main durum wheat producing regions.

d) Trade data have been used for testing the relationship between local availability, exports and imports as the latter play an important role in ensuring quality requirements.

The short evaluation period, the 2007/2008 price shock, different year of introduction of the reform in different countries and the econometric tools chosen viz. the absence of causality tests, restricted the possibility to statistically attribute developments such as area reduction to the policy changes. However, given the analysis of crops switches presented in the report, causality between changes in relative gross margins and reduction of areas can indeed be assumed to the extent that these switches are not caused by other market forces than prices such as structural change.

In order to make the conclusions of the analysis more valuable considering the Health Check that occurred after the 2003 reform, the contractor has calculated counterfactual post-reform gross margins assuming absence of coupled support.

(3) RELIABLE DATA

Are data collected adequate for their intended use and have their reliability been ascertained?

SCORING	Poor	Satisfactory	Good	Very Good	Excellent
			X		

Arguments for scoring:

The contractor had access to the data provided by the Commission services, which were treated in an appropriate way and are well presented.

The biggest data sources were the surveys carried out and the FADN data that were used for examining the specific position of durum wheat specialists and for the calculation of the production cost, gross margins and area supply elasticities. The contractor provided certain data on quality parameters from his own data base.

The contractor also exploited secondary data from other sources, such as Eurostat and official data from governments and industry associations.

Data for 2007 and 2008 were created by the contractor. It is not clear what kind of "national sources of price, production costs and gross margin data" were used and to what extent these are statistically representative. In some cases the questionnaires did not respect the required sampling rules.

(4) SOUND ANALYSIS

Are data systematically analysed to answer evaluation questions and cover other information needs in a valid manner?

SCORING	Poor	Satisfactory	Good	Very Good	Excellent
			X		

Arguments for scoring:

The analysis was carried out in a rigorous way, and it is well developed both in quantitative and in qualitative terms. The limitations of each of the analytical approaches and tools are clearly presented and fully taken into account in the interpretation of the results. When dealing with the effect -estimated by the farmers- of support cuts on the durum wheat area no information is provided about the percentage of farmers and from which Member State. The results are clearly different for different countries however.

(5) CREDIBLE FINDINGS

Do findings follow logically from and are justified by, the data/information analysis and interpretations based on pre-established criteria and rational?

SCORING	Poor	Satisfactory	Good	Very Good	Excellent
			X		

Arguments for scoring:

The findings of the evaluation are supported by the evidence provided through the sound analysis. Member States' and stakeholders' opinions were considered, where appropriate, and in an unbiased way. The contractor has presented in a country specific way which is adequate given the differences in the instruments chosen, different times of introduction of reforms and the difference in competition from other crops. The findings on what happened to the area which was taken out of production do not follow fully logically from the data and information analysis.

(6) VALID CONCLUSIONS

Are conclusions non-biased and fully based on findings?

SCORING	Poor	Satisfactory	Good	Very Good	Excellent
			X		

Arguments for scoring:

The conclusions are established in a clearly understandable and detailed manner. They are mostly substantiated by the evaluation findings, which are drawn from the sound analysis. The conclusions are partly connected to the table on the supply-demand balance which is not directly related to findings on the evaluation questions.

(7) HELPFUL RECOMENDATIONS

Do areas need improvements identified in coherence with the conclusions? Are the suggested options realistic and impartial?

SCORING	Poor	Satisfactory	Good	Very Good	Excellent
		X			

Arguments for scoring:

The recommendations are partly clear and unbiased, the recommendations in § 10.2.1 and § 10.2.2 are hidden in text. Given the Health Check, that took place after the reform that has been evaluated, the scope for practical helpful recommendations was limited. The recommendations include those on the quality objective which is helpful because the evaluation shows that the measures have not met this objective. Overall, despite their limited scope, the presented recommendations are helpful as they are impartial and realistically linked to the policy context and take full account of the valuable contributions made in the different surveys.

(8) CLARITY

Is the report well structured, balanced and written in an understandable manner?

SCORING	Poor	Satisfactory	Good	Very Good	Excellent
				X	

Arguments for scoring:

The report is well-structured and balanced. Unnecessary repetitions have been avoided and the written style and the presentation are clear and adapted to different target readers. The quantitative analysis is well-explained and which makes the entire report enough reader-friendly.

OVERALL ASSESSMENT OF THE FINAL EVALUATION REPORT

Overall, the quality of the report is assessed to be **good**

Is the overall quality of the report adequate, in particular:

- Does the evaluation fulfil contractual conditions?

Clearly and fully.

- Are the findings and conclusions of the report reliable, and are there any specific limitations to their validity and completeness?

The findings and conclusions of the report are partly reliable and clear as described before.

- Is the information in the report potentially useful for designing intervention, setting priorities, allocating resources or improving interventions?

The evaluation has confirmed that coupled payment is less important for crop choice than before the 2003 reform which was one of the main objectives of the reform. The evaluation study is in particular useful when dealing with the challenges of the quality objective and the objective of maintaining production in traditional production zones. Therefore, the findings of the evaluation are relevant and should be exploited further with respect to the possibilities offered by the policy.