



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 FLAX AND HEMP

**Subject: Quality grid based on the Final Report submitted by Ernst & Young,
October 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 division of the evaluation questions was in five themes:

- (1) Relevance for the downstream sector
- (2) Budget
- (3) National guaranteed quantities
- (4) Market
- (5) Sustainability: Environment, Social dimension, Health

The structure of the report is sufficiently balanced among the different themes and sections which have been developed.

Finished in time and with adequate contents it is thus perceived that the report is a valuable input for the report of the Commission to the Council on the same subject..

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 rationale of the policy, including the analysis of its expected 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, both on short and long fibres, are well explained in the report and the contractor made good use of the information contained in two sector surveys held by the Commission services that had not yet been analysed.

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 data availability (the downstream use of the fibre plants e.g. in automotive industry and in the textile industry in

China) 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 realise the idea of simulating profit development under different support levels and modalities.

Some of the above-mentioned issues have been addressed during the last phases of the evaluation but were still solved by the contractor. As a consequence, despite the problems that occurred, the quality of the answers provided is of a good level in all cases.

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 all available material, including the confidential surveys already produced by the Commission Services before the evaluation, 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 limited. The challenge on the data side that comes with this has been addressed adequately and without concessions to the analytical quality of the report.

The fact that the evaluator as an international accountancy and consultancy firm had access to an international network of branches was very useful, in particular in taking on board the production and use of the fibres in the new Member States.

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: **good**

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.

The sector is concentrated which urges for a critical approach to any information gathered from the sector. The critical interpretation of available information is considered adequate.

In conclusion the quality level of the answers to the evaluation question 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 follow logically from the data analysis; logical assumptions are 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: **good**

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: long fibres, short fibres and hemp.

The main findings and conclusion of the analysis are presented in a clear way. 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 flax and hemp sectors 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 into useful statements for the European level, and the overall results of this evaluation are therefore useful at policy level. A valuable observation

is the dislocation of crops to warmer regions in the same countries due to lowering of support in the recent past.

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 issued by the consultant 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 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 flax and hemp sector and of its main recent developments. The methodological aspects of the evaluation are clearly explained.

The report is written in a sufficiently clear language. The chapter summaries are also sufficiently clear and unnecessary repetitions have been avoided.

The length of the report is adequate. The annexes are 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	