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QUALITY ASSESSMENT FORM

Title of the evaluation:

RISK MANAGEMENT IN EU AGRICULTURE

DG/Unit: DG AGRI, Unit C1

- Official(s) managing the evaluation: Kathrin Maria Rudolf

Evaluator/contractor: Consortium led by Ecorys Brussels N.V. together with Stichting Wageningen Research

Assessment carried out by:

- The steering group involved the participation of colleagues from DG AGRI units A.1, A.3, C.1, C.2, C.3, C.4, D.1, E.1, E.4, F.1, G.1, G.3, G.4, R.1, I.2, DG ENV, DG CLIMA, DG REGIO (withdrawn), DG TRADE, DG SANTE, DG MARE and SG.

Date of the Quality Assessment: May 2018

(1) RELEVANCE

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

SCORING	Poor	Satisfactory	Good	Very Good	Excellent
				X	

Arguments for scoring:

The study provides a comprehensive overview of different risks EU agriculture faces by 1) describing price variability, yield variability, climate and animal/plant health risks, income variability and policy/financial/macro-economic risks quantitatively and qualitatively, taking into consideration different agricultural products, temporal evolutions (between two decades) and geographical distribution (MS and regional level) and 2) presenting information in a whole list of different maps/tables, including three general ones synthesising information for price, yield and income risks for the EU and MS.

The study also provides an overview of key risk management tools available to deal with the risks considered by 1) describing (to the extent possible) availability, uptake and other technical aspects for subsidised/non-subsidised insurances, mutual funds (including CAP income stabilisation tool) and contractual price agreements and 2) presenting information in a whole list of different maps/tables including one synthesising information for the three tools for the crop and livestock sector at MS level. On top of it, a specific part is devoted to the risk management toolkit supported under the CAP rural development policy. The study has been updated during the drafting phase to take into consideration policy developments (in particular the "omnibus regulation").

In terms of analysis, the study provides replies to questions outlined for the various sections in the Terms of Reference (ToR) and compiles findings to indicate gaps, obstacles and potential in terms of risk management tools and recommendations/conclusions for policy making. In doing so, it puts the focus on the current status of the risk management context/debate, providing relevant and informative insights, and to a less extent on innovative or creative propositions, which are left for further exploration.

While the study overall responds to information needs, as indicated throughout the headings below there are limitations and different aspects (for which there would have been scope for further elaboration/strengthening) to be taken into account. In this context, the ambitious project scope and the strict timetable, as well as the effort made to indicate and justify the limitations, have to be taken into consideration.

(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 design of the study is very pertinent as it

1) Combines a whole set of different sources/methodologies, using both primary and secondary data for different risks, time periods, agricultural products and risk management tools. This includes the processing of a large set of different market/FADN data as well as the development and data collection based on a standardised questionnaire and data collection sheet for EU-28, which turned out to be time and resource intensive. The selection of the case studies was done carefully on the basis of a common procedure, but their methodological and content-related aspects were not prescribed in a very uniform/detailed way. This was done to allow room for manoeuvre for the responsible expert.

2) Uses information collected from different sources/methodologies to answer the Terms of Reference (ToR) questions and to identify gaps, obstacles and opportunities in terms of risk management tools and recommendations/conclusions. In doing so, relevant tools were used to facilitate the visual understanding of the information collected (e.g. geographical maps) and/or its synthetisation (e.g. overview tables summarising risks and risk management instruments).

The different sources and the analytical steps are well described in a methodological chapter. There are several constraints and caveats to be taken into account such as a) scope of the risk management instruments selected and b) extent of coverage of the survey questionnaire (e.g. not all pertinent questions asked for all risk management tools). Constraints and caveats are generally indicated in the study (in the methodological chapter, cross-links to it in the main text, in the main text); in certain cases they have been discussed and justified during the drafting phase (e.g. need to limit the extent of questionnaire in order not to demotivate possible respondents and to take into account time constraints).

(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 study is based on a whole set of different sources covering different risks, agricultural products, geographical entities (MS/regions), time periods and instruments indicated and described in the methodological chapter:

1) Primary and secondary data

The study makes a strong effort to rely on *primary data* collected via established statistical sources (market data/FADN/DG AGRI data) and, in particular, via self-designed data collection. The latter includes a standardised questionnaire (163 participants from the public sector, farmers' organisations, research and insurance sector across the EU), a data collection form for 28 Member States, eight case studies (standardised selection, but not a very uniform/detailed template) and a final workshop that gathered 44 experts from several Member States and Canada.

Relevant *secondary data/information* is used to describe climate risks and derived from pertinent literature throughout the study, albeit with a varying degree of coverage (e.g. the degree of coverage varies for the different agricultural risks and there is no targeted sub-section for the risk management instruments).

2) Quantitative and qualitative data

The study relies on a balanced approach of quantitative (market data / FADN / DG AGRI data / survey closed questions / data collection form) and qualitative data (survey open questions, case studies, workshop); during the processing phase it also attempts to transform qualitative data into quantitative scales (in particular the open survey questions for the assessment of the current CAP risk management toolkit).

3) Facts, opinions, expertise

The study covers both the fact-based (market data / FADN / DG AGRI data / data collection form) and opinion/expertise-based (survey, case studies, workshop) dimension; the latter tries to capture the multitude of pertinent points of view by covering different stakeholders.

There are several constraints/caveats to be taken into account in terms of data availability or relevance (e.g. lack of FADN data, no in-depth coverage of climate (secondary data only) and plant health risks (pertinent but rough indicator), varying degree/coverage of literature review, non-representative survey sample, missing information in the data collection form); these constraints/caveats are to a large extent linked to the nature, timing or ambition of the sources or the project as such and are generally indicated in the study (in the methodological chapter, cross-links to it in the main text, in the main text).

(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:

Based on a very well developed design and a range of pertinent qualitative and quantitative data sources/methodological steps, the study

1) Describes agricultural risks and risk management instruments

The study provides a comprehensive description of agricultural risks based on a standardised groups of steps (literature review, data description and processing based on different sources and statistical indicators, maps), including specific and informative calculations for farm income linked to farm size and farm resilience.

Similarly, the study provides a description of risk management instruments based on a standardised groups of steps (data description and processing based on collection via standardised template, maps). While literature has been taken into account, there is no targeted review per instrument.

Findings for risks and risk management instruments are synthesised in four overview tables providing for EU profiles envisaged by the ToR.

Constraints and caveats are generally indicated in the study (see previous headings).

For both sections there would have been scope to present the information in a more structured, coherent and clear way for easing the understanding of the reader (e.g. in terms of comparability/interlinkages of findings on risks and in terms of clearer presentation of information for risk management tools (e.g. role of different funding sources)).

For the CAP risk management toolkit the study provides a specific description based on most recent data collected and presented in a standardised way.

2) Analyses agricultural risks and risk management instruments, in particular by replying to ToR questions and identifying gaps, obstacles, opportunities and recommendations/conclusions

The study addresses *questions set out in the ToR* in a targeted way, based on the description of agricultural risks and risk management instruments, to which findings from different other pertinent sources such as the survey, case studies and the expert workshop are added. While for certain questions concerning the risk management instruments limits in terms of scope of the exercise (e.g. no fully fledged evaluation envisaged) are indicated, there would have been scope for improvements in terms of triangulation/deduction for this section in particular (e.g. enhanced use of sources (e.g. targeted literature review or more sources/less limited focus of sources for certain questions) and better integration of the findings from different sources via strengthened deduction).

In terms of *identifying gaps* the study combines findings from step 1) above, matching risks with risk management instruments and identifying the main trends when it comes to gaps in general and to coverage of different types of risks.

In terms of *obstacles/bottlenecks and motivating factors/opportunities/further developments* the study presents a wide range of different aspects making use of findings from all relevant sources (literature review, survey, case studies, workshop and previous analysis) and clustering them along relevant lines i.e. in general, per type or risk management tool, per type of actor (public-private) and per type of governance level (EU-national-local) concerned. However, the analysis in these parts would have benefited from further elaboration both in terms of processing and presentation of findings (e.g. better triangulation/weighting of findings from different sources, streamlining of equal/similar aspects, shorter yet clearer formulation, avoidance of partial overlaps with answers to ToR questions) with a view to ensure the pertinence, the coherence and the clarity of messages to the reader. For the CAP risk management toolkit a specific analysis is provided (complementing the specific descriptive part under step 1) above)

In this context it has to be noted that the description, and even more so the analysis, was challenging given the ambition and limited time frame of the project. Some delays in the data collection phase have had repercussions on the subsequent project phases.

(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:

Based on a very well developed design, a whole range of pertinent qualitative and quantitative data sources/methodological steps and a structured analysis, the study provides different findings on risks and on availability, uptake, issues and opportunities of risk management instruments. While findings are generally informative, they could have benefitted (in certain parts in particular) from further elaboration (triangulation/deduction) and/or a more coherent/streamlined/clearer presentation/formulation to facilitate the understanding of the reader (see also previous heading).

(6) VALID CONCLUSIONS

Are conclusions non-biased and fully based on findings?

SCORING	Poor	Satisfactory	Good	Very Good	Excellent
		X			

Arguments for scoring:

The study provides different kinds of conclusions, notably 1) at the end of descriptive parts summarising findings, 2) in the context of analytical steps, which then serve as findings to subsequent steps of the analysis (e.g. consideration on obstacles subsequently inform considerations on opportunities), 3) as answers to the ToR questions and 4) at the very end of the study as a general concluding reflection. While point 1) facilitates the understanding of the reader, point 2) and 3) have to be seen within the context of the reflections made under the previous two headings. Point 4) adds value by pointing towards some of the key overall messages of the study complemented by some creative considerations with regard to the future of risk management which, if time had allowed, would have benefitted from further elaboration.

(7) HELPFUL RECOMMENDATIONS

Are areas needing 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 study provides a set of well-structured and motivated recommendations with links to underlying analysis and findings for two different time horizons. In general this includes the identification of relevant actions and actors, even if the elaboration of the operational/practical aspects of the actions proposed could have been more detailed. While the recommendations are balanced and informative, they would have benefitted from a wider thematic coverage.

(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 study is in general structured and balanced, follows a logical sequence/order and contains several elements that facilitate the understanding of the reader (e.g. conclusions summarising findings, maps for a graphical illustration of data and overview tables to ease comparison). As outlined in previous headings, however, it would have benefitted (in particular in certain parts) from a more coherent/streamlined presentation (e.g. grouping of findings) and/or a clearer formulation (e.g. consistent/exact use of concepts/terms). A language check from native English speakers would have been necessary.

OVERALL ASSESSMENT OF THE FINAL EVALUATION REPORT

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

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

- Does the evaluation study fulfil contractual conditions?
Overall, yes; limitations have generally been indicated, discussed and justified (generally due to the ambitious scope vs. data/time constraints).
- 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 overall reliable, but have to be seen in the light of different constraints/caveats/aspects (data/methodological limitations, strength of analysis in terms of triangulation/deduction, coherent/streamlined presentation, clarity of wording).
- Is the information in the report potentially useful for designing intervention, setting priorities, allocating resources or improving interventions?
Yes, in particular concerning the nature of the context of risks and risk management instruments (e.g. diverse needs and traditions) and possible improvements of a) the overall enabling environment of EU agricultural risk management focusing on relevant "soft/cultural" aspects (e.g. role of training, knowledge transfer, use of technologies, awareness raising) and b) of lessons learnt from the current CAP risk management toolkit for the design and implementation of risk management instruments in future (e.g. on different technical aspects or on points of view of different stakeholders).