

Executive summary – Descriptive part

Subject, objectives and scope of the evaluation

This evaluation commissioned by the DG Agriculture and Rural Development of the European Commission aims at providing an overall independent assessment of the implementation of the Farm Advisory System. The FAS being mandatory since January 2007, it takes the form of a mid-term evaluation.

The evaluation was carried out between January and October 2009. It is composed of two parts: a comprehensive description of the establishment and implementation of the FAS in the MS and the evaluation part itself, which examines the effectiveness and efficiency of the FAS with respect to achieving the objectives laid down in Regulation (EC) N°1782/2003, and the relevance of the instrument and its coherence with other measures.

The evaluation covers the instrument as foreseen in Regulation (EC) N°1782/2003 and Regulation (EC) N°1698/2005 regarding support from rural development for the setting-up and use of advisory services. Both regulations, complemented by Commission Regulation (EC) N°1974/2006¹ form the legal architecture of the instrument.

The evaluation covers the EU27 and the period from January 2005 until 2009.

Methodology

The evaluation was based on four phases, namely structuring, observing, analysing and judging that combined desk and field work. The descriptive part of the evaluation is mainly based on the desk phase, completed with phone interviews. It is based on three sources of information:²

- the documentation provided to the evaluator during the kick-off meeting in January 2009 and the responses received to a country questionnaire sent out by the Commission (DG Agri) to all MS and related to the implementation of the FAS during 2008;
- additional documentation gathered directly by the evaluator including various studies, research papers, articles, statistics etc.; and
- 27 Country Reports (CR) prepared by the evaluator's country correspondents and based on a set of basic detailed documentation at national or regional level and statistics compiled by the Core evaluation team, as well as phone interviews with at least FAS managers (and sometimes advisors or other stakeholders) in each MS.

¹ Commission Regulation (EC) N°1974/2006 of 15 December 2006 laying down detailed rules for the application of Council Regulation (EC) N°1698/2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD).

² See also the bibliography.

Compiling these CR has been constrained by two major elements: i) availability of univocal figures³ and ii) regular staff turn-over, whereby knowledge on FAS is often fragmented and discontinued in time.

Scope and contextual elements of FAS

The overall scope and framework of the FAS is described in detail in the evaluative part (section 1). The Farm Advisory System (FAS) has been mandatory for all MS since January 2007. Its implementation is governed by the articles of Regulation (EC) N° 1782/2003, summarised in the box below.

Following the “Health check revision of the CAP” (2007-2008), this regulation was repealed by Regulation (EC) N°73/2009. It slightly amended provisions concerning SMR and GAEC, especially GAEC. However, these changes have not been taken on board in this evaluation, as MS have planned and implemented FAS (until the end of 2008) using the previous regulatory framework.

Farm advisory system

Article 13

1. By 1 January 2007, Member States shall set up a system of advising farmers on land and farm management (hereinafter referred to as the ‘farm advisory system’) operated by one or more designated authorities or by private bodies.
2. The advisory activity shall cover at least the statutory management requirements and the good agricultural and environmental conditions referred to in Chapter I.

Article 14

1. Farmers may participate in the farm advisory system on a voluntary basis.
2. Member States shall give priority to the farmers who receive more than EUR 15,000 of direct payments per year.

Article 15

Without prejudice to national legislation concerning public access to documents, Member States shall ensure that private bodies and designated authorities referred to in Article 13 do not disclose personal or individual information and data they obtain in their advisory activity to persons other than the farmer managing the holding concerned, except any irregularity or infringement found during their activity which is covered by an obligation laid down in Community or national law to inform a public authority, in particular in case of criminal offences.

A series of contextual elements (relating either to the overall FAS framework or to the EU agricultural sector) need to be kept in mind when reviewing the descriptive part: i) operational implementation of the FAS was delayed and in several MS first concrete actions were undertaken in 2008; ii) average farm sizes, types of farming and management differs widely between MS, directly impacting on FAS; iii) the regulatory framework of the FAS leaves a large margin of discretion to the MS in the establishment of their own FAS. In this respect, two major groups of MS⁴ have been identified: in 14 MS (majority of regions in BE, DE, IT and the UK) advisory activities tend to focus strictly on the statutory management requirements (SMR) and the good agricultural and

environmental conditions (GAEC) included in the scope of cross compliance, while in 12

³ Country correspondents have encountered difficulties in collecting robust data especially in relation to all cost elements (cost of advice, cost for farmers, setting-up costs of the FAS, running costs, etc.) and counting of beneficiaries, of OB and advisors. Figures are often aggregates or refer to different ways of counting, or are expressed in local currencies etc.

⁴ No information is available for MT.

MS and some regions within four MS advisory activities are broadened to issues going beyond the scope of cross compliance; and iv) private forest holdings according to our findings has not been integrated in the FAS at MS level. This should be explained by the specific needs and realities to be addressed by advisory services for private forest holders.

Overall organisation of FAS in MS

When describing the way in which MS have set-up the FAS, a series of elements related to the preparatory work conducted, the different parties involved in designing the system and the major outputs obtained from the process need firstly to be considered.

Most MS have carried out a form of needs assessment; stakeholders involved were mostly part of the agricultural production sphere of influence and the outputs were heterogeneous, with few MS finalising a detailed FAS implementation plan. The way the FAS was perceived is strongly linked to the manner in which the existing extension and advice systems are structured.

Most MS have moved or are moving towards a greater involvement of private operators in the delivery of extension and/or advisory services, the public services retaining the overall guidance and coordination role. In most regionalised MS, different organisational patterns co-exist. The role of chambers of agriculture remains important in those 11 MS where they are operational.

The overall organisation of the FAS is in general in line with the existing organisational modes and has emphasised a greater involvement of private or independent operating bodies (OB) in the FAS. The existing advisory and extension services in 23 MS have been indicatively grouped under five approaches; publicly-driven approaches, privately-driven approaches, chamber-of-agriculture-driven approaches, mixed approached and new advisory system setting up. The FAS is generally organised around a government coordination unit, an implementation unit (government or out-sourced) and a number of accredited or designated OBs. FAS have usually been designed to be mobilised through contractual agreements between farmers and OBs.

Linkages to other extension or research institutions have not been very developed at this stage even though ad hoc contacts have been promoted when necessary. Targeting specific beneficiaries has at present not been systematic. The initial priority group of those farm holdings receiving more than €15,000 in direct payments has been in some MS opened to other priority groups, in particular when FEADER was used.

Implementation of FAS in MS

The implementation of the FAS in the MS reviews the ways in which the overall organisation of the FAS has been implemented or how it was made operational during 2008⁵. This involves three major partners: (i) the MS FAS coordination (government

⁵ Or in the coming years for RO and BG.

managing authorities for coordination and day-to-day management sometimes outsourced); (ii) the operating bodies (OBs) and (iii) the advisors.

Overall, a wide range of OBs can be found within the EU. Indicatively⁶, private OBs represent a major group of FAS operators (almost 90%), in which a clear distinction needs to be made between the business and profit-oriented OB that represent almost two thirds of the private OBs, and the other more member driven non-profit OB (association, cooperative or union) that provide services to members, or to geographical areas, or to specific types of farming, which account for around one third. Public OB (8%) and the chamber of agriculture (3%) represent the remaining share. However, these shares need to be considered cautiously. Indeed, public OB and chambers of agriculture are sometimes much more staffed than private OB⁷.

An open and tendered selection process for OBs has been implemented in 14 MS, whereas in the other FAS, existing outsourced service providers or public services were designated. Regulation (EC) N°1782/2003 does not indicate any specific selection criteria that MS should use. However, if EAFRD funds are mobilised for use by farmers of FAS advice, then Regulation (EC) N° 1974/2006 provides some basic criteria: having appropriate resources in the form of qualified staff, administrative and technical facilities and advisory experience and reliability with respect to SMR, GAEC and occupational safety standards. Selection criteria used during tenders are in line with this regulatory requirement; MS seem however to have emphasised staff and human resource capacity⁸ and overall administrative capacity of the tendering OBs. OBs operate either through their own on-the-staff advisors or through networks or external advisors. Accreditation of advisors is two-fold. It is either considered as part of the overall selection process of the OB or as an additional accreditation of staff or advisors within the accredited OBs.

Most MS have set the threshold for advisors' minimum qualifications at university level (BSc or MSc); only six have foreseen a parallel accreditation of advisors with technical or basic vocational agricultural training.

The costs of implementing FAS cover the specific costs of these selection and accreditation processes, and of course other major cost elements of information and public relations, of overall coordination and monitoring of the activities and of mobilising the necessary facilities to house and operate FAS activities. At present there is no comprehensive assessment of what MS have invested to set up and run the FAS⁹.

EAFRD through its *measure 115*, can provide support to MS to off-set part of this investment to set up the FAS. Six MS are using this measure that also encapsulates other farm services such as relief services and farm management. Within those 6 MS, DE and the UK have used it for other purposes than the FAS. In volumes of mobilised funds under

⁶ Figures are indicative and exclude DE and FR. In DE figures are very fragmented at regional level and no comprehensive data are available at federal level. In FR, OB from all status are associated in 103 networks. The exact share by status is not known.

⁷ Public OBs often have much more staff than private organisations (with often more than 100 advisors for the public organisations and frequently less than 10 advisors for private OBs).

⁸ Staff and human resources capacity defined as the capacity to provide the necessary advisors to cover all services requested by FAS in that MS and all other necessary human backstopping resources.

⁹ Country correspondents have faced major problems in collecting this cost information.

measure 115, it is clearly ES, followed by PT and IT that are mobilising the majority of funds. The fourth MS using *measure 115* for FAS purpose is MT.¹⁰

FAS approaches and tools

FAS advice operates within a wider overall framework of delivering advice and promoting knowledge and innovation at farm level, where the approach of beneficiaries for the advice as well as the type of beneficiaries remain a driving element.

Within this context, two major types of approaches for delivering FAS advice to farmers have been identified: i) the one-to-one type and ii) the one-to-group. A third, the one-to-all approach includes a number of standard extension approaches and tools that provide farmers with the basic information they require on cross-compliance issues. This is not viewed as being part of FAS, as defined in Regulation (EC) N° 1782/2003, as the provision of this information is a mandatory obligation of all MS. However, this information is an important first step in mobilising the FAS.

Typical FAS approaches are to be found in the two first types: one-to-one and one-to-group. These can either be mobilised on-the-farm or off-the-farm. The latter being very closely linked to standard extension activities, and this way of providing advice has thus more to do with providing general information and is therefore not considered here as a typical FAS approach. ICTs have been used in various MS, but more as an overall information tool or as facilitating the first contact of farmers with FAS, in particular telephone helplines.

Use of the FAS by European farm holdings (2008)

Two major approaches to FAS advice have been implemented by the MS: i) the on-farm one-to-one advice and ii) the on-farm small groups. Concerning the former, advice is provided mainly through the direct farm visits supported by various types of lists of farmers' obligations, called checklists, which were either systematically checked or which guide the advisor in his performance assessment and provision of appropriate advice with recommendations.

Checklists go from "simple" comprehensive checklists in most MS, to integrated check-folders in DE and LU and to modular checklists in BE-FLA. The simple comprehensive checklist includes the entire and comprehensive list of all SMR and GAEC farmers' obligations in the specific MS. The integrated check-folders include the SMR and GAEC together with the prevailing national or regional regulations and decrees as well as other production certification systems that present potential overlaps with the cross-compliance

¹⁰ Three MS (ES, MT and PT) and some regions in DE, IT, UK and FR (Corsica, Guadeloupe and French Guyana) planned to use *measure 115* for the period 2007-2013 (DG Agri, EAFRD total allocation for *measure 115*). *Measure 115* includes farm relief services and farm management along with the setting-up of farm advisory services. Regions in DE, the UK and Corsica and French Guyana have used the measure of other purposes than the FAS. MT planned to use the funds, however, the measure has not been implemented and no funds had been used up until May 2009. Thus, three MS (ES, IT (7 regions), PT) and Guadeloupe did really use the measure for the setting-up of the FAS until May 2009.

obligations. The modular checklists are used to structure a series of thematic advice modules¹¹ that can be delivered in several steps over a certain period of time (up to 2 years in BE-FLA).

The manner in which these checklists are used to support advice is important in building a relationship based on mutual trust with the farmer, which is perceived as essential by advisors and farmers to successful advice. The time devoted to such visits, one-single visit or a succession visits (sometime modular or thematic), directly impact on the perception and success of FAS advice.

On-farm small group advice has been an alternative and complementary approach to one-to-one advice in some MS¹². Small group advice can consist of:

- Asking farmers to organise a group of more or less 10 that would like to deepen a specific issue in relation to one or the other SMR or GAEC related topics and to respond to this demand by mobilising a FAS advisor to attend and support this group meeting (as has been the case in NL)
- Taking the opportunity of other grouped visits of farmers to a specific farm holding, experimental plot, or environmental farm walks or of farm management groups, to provide thematic meeting days or forums to address these groups' specific requirements for FAS advice (as is the case in AT, CZ, ES, IE, IT etc.)
- Creating specific FAS advice related events, such as special farm walks to illustrate good practices and enhance exchange between farmers, or to focus on specific problematic SMRs (as is the case in UK-ENG, where these small groups mobilise up to 40 farmers each and are advertised to farmers).

Small group advice provides more thematic advice, being more focused on one or few specific issues or topics. However, this approach shows some limitations concerning the lower possibility of addressing specific concerns of each of the participants (if groups are larger than 10 participants), as well as in terms of problems of accessibility and possible reluctance by some farmers in participating in such events. As a stand alone FAS approach, small groups may provide insufficient capacity to deal with individual problems at farm level, however they may improve cost-effectiveness of the FAS when integrated with the one-to-one FAS approach.

Currently, outreach of the two approaches is low when compared to the target numbers of farm holding beneficiaries of direct payments. One-to-one advice on the farm has been provided in every MS that implemented their FAS in 2008 and before, except UK-ENG. In EL, MT, PT, PL as well as in some regions in ES and IT the FAS was not yet operational by 2008. The average outreach in 2008 is around 4-5% of the farm holdings having received direct payments in 2006. Few countries had implemented the FAS before 2007. In the case of DE-NSC, 20% of farm holdings were reached in total over the 2005-

¹¹ The modules concerns the environment and GAEC (1), plant and public health (2), animal health and welfare (3), occupational safety (4) and business optimization (5)

¹² Several MS planned this approach, and 10 MS had already implemented it by 2008.

2008 period; however as in NL, a drop in participation has been observed since 2007. This shows that the outreach is not necessarily increasing over time.

Small groups have been organised in 10 MS and mostly as a complementary approach, except in UK-ENG that operates FAS only through small groups. Outreach ranges between less than 1% up to 20% (UK-SCO).

The cost to farmers of these two advice approaches varies between MS. For on-farm one-to-one advice, the cost ranges from free of charge to more or less €2,000 depending on MS, content and eventual support by national funds or co-funded by EAFRD. Small groups are mostly organised through existing extension budgets, few countries request a limited participation with the exception of IE, where farmers pay the full cost of small groups.

RDP's *measure 114* has been mobilised by 15 MS to support farmers using FAS services. Together, three MS (PL, IT and ES) mobilise approximately 70% of the total EAFRD contribution at EU level for the period 2007-2013 under this measure. FAS implementation in these three countries has not yet become fully operational and therefore little data on real EAFRD disbursements up until mid 2008 are available.

Monitoring of FAS by MS

Monitoring of FAS is a core coordination task, which falls under the responsibility of the various coordinating bodies in the MS, mainly national or regional Ministries of Agriculture, sometimes Chambers of Agriculture and in a few cases, specific organisations.

A basic monitoring system for FAS can include the following three levels: the monitoring of advice at farm holding level, the monitoring of the OBs and advisors and the monitoring of the system's overall performance. Very few MS have set up a specific formal committee to oversee the implementation of FAS.

The country correspondent investigations in the MS show that these activities are performed within the limits of keeping records of activities, especially if this is mandatory due to the use of EAFRD, including the eventual financial treatment of requests and subsidies. This includes the checking of basic regulatory requirements. Overall, qualitative and content-oriented monitoring (type of beneficiaries, type of advice provided, etc.) is currently very limited.

There is so far little feedback from OBs and advisors in relation to their accreditation or minimum record keeping. MS using EAFRD for the use of advice (*measure 114*) have to record at least the number of farmers (and forest holders) who use advisory services for the improvement of the overall performance of their holding (the record should be done accordingly to the type of advice given to farmers, i.e. by SMR and GAEC, or other issues, and according to the amount of direct payments beneficiaries receive per year). The number of newly set up advisory services are requested from those using *measure 115* for the setting-up of the FAS. Due to the very recent implementation of the FAS, these data were not yet available.