

## **Executive summary – Evaluation part**

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### Subject, objectives and scope of the evaluation

This evaluation commissioned by the DG Agriculture and Rural Development of the European Commission (‘the Commission’) aims at providing an overall independent assessment of the implementation of the Farm Advisory System. It takes the form of a mid-term evaluation, as the FAS is mandatory since January 2007.

The FAS is a system advising farmers on land and farm management. The setting-up of the FAS is an important element of the 2003 Common Agricultural Policy (CAP) reform. The advisory activity has to cover at least the statutory management requirements (SMR) and the good agricultural and environmental conditions (GAEC) included under the scope of cross-compliance that farmers benefiting from CAP payments have to respect.

The overall objective of the evaluation is to examine the effectiveness and efficiency of the FAS with respect to achieving the objectives laid down in Regulation (EC) N°1782/2003. The relevance of the instrument and its coherence with other measures in achieving the objectives of the CAP have also been assessed.

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 EU Member States (MS) and the evaluation part itself.

The evaluation covers the instrument as envisaged in Regulation (EC) N°1782/2003, as well as the support from the European Agricultural Fund for Rural Development (EAFRD) for the setting-up and use of advisory services (Regulation (EC) N°1698/2005). Both regulations, complemented by Commission Regulation (EC) N°1974/2006<sup>1</sup>, form the legal architecture of the instrument. The relevant amendments to Regulations (EC) N°1782/2003 concerning the FAS, as introduced by Regulation (EC) 73/2009<sup>2</sup>, have also been considered.

The evaluation covers the 27 MS and the period from January 2005 until 2009.

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<sup>1</sup> 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)

<sup>2</sup> Council Regulation (EC) No 73/2009 of 19 January 2009 establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers, amending Regulations (EC) No 1290/2005, (EC) No 247/2006, (EC) No 378/2007 and repealing Regulation (EC) No 1782/2003

## Methodology

The evaluation project was developed in four phases: structuring, observing, analysing and judging. It combined both desk and field work. The descriptive part was mainly based on the desk phase, supported by three sources of information:

- 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, and statistics; *and*
- **Country Reports (CR)**, which were drafted by country correspondents for the 27 MS (including the regional level, where necessary). The information collected in the CR also supported the answer to the evaluation questions. The limited quality of the information available in the MS has represented a major constraint in the compilation of these CR<sup>3</sup>.

In addition, case studies and farmer surveys conducted in five MS or regions<sup>4</sup> supported primary data collection, especially for the evaluation part:

- **Case studies** allowed deepening specific investigation issues for answering the evaluation questions – various specific tools have been developed for implementing the case studies;
- **A postal survey** sent to around 400 farmers, mainly beneficiary farmers in case study areas, and with a response rate of 70%<sup>5</sup>, allowed collecting additional qualitative information at the level of beneficiaries.

**A typology** of the different approaches in the implementation of the FAS by the MS, aiming at structuring both the evaluation part and the descriptive part, has been defined. However, due to the high observed variation in implementing the FAS by the MS, it has not been possible to use the typology as initially foreseen. Nevertheless, it has been helpful for the identification of case study areas.

The evaluation is structured around 14 Evaluation Questions, which cover the following seven themes:

1. Effects on land and farm management;
2. Effects on farmers' income;

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<sup>3</sup> 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 operational bodies and advisors. Figures often are aggregates or refer to different ways of counting, or are expressed in local currencies, etc.

<sup>4</sup> Belgium, the Czech Republic, Denmark, Lower-Saxony (DE), and Veneto (IT)

<sup>5</sup> The survey has been sent to farmers in BE, DE (NSC) and DK. It has been distributed to farmers at focus groups in CZ and IT (VEN) during case studies.

3. Achievement of global objectives in terms of meeting the standards of modern, high quality agriculture (also presented in chapter 1.4);
4. Other impacts and unintended effects;
5. Efficiency analysis;
6. Relevance and coherence of the instrument;
7. Administrative requirements for the Member States and the farmers.

## Answers to the Evaluation Questions (by themes 1 to 7)

### Theme 1: Effects on land and farm management

Theme 1 examines the following issues: i) support provided by the FAS in increasing the awareness of Community farmers of the impact of their farming practices on the environment, food safety and animal health and welfare; ii) support provided by the FAS in facilitating the implementation of cross-compliance requirements (Statutory Management Requirements -SMR- and Good Agriculture and Environment Conditions -GAEC); iii) support provided by the FAS to the implementation of standards going beyond cross-compliance; *and* iv) the contribution of the FAS to the development of management skills.

For the single year 2008, the overall outreach of one-to-one advice is around 5% of farmers receiving direct payments<sup>6</sup> in the 20 MS for which information was available<sup>7</sup>. In MS/regions where the FAS has been implemented since 2007 (or earlier in some MS) the outreach is stabilised around 5-10%, with a maximum rate of 20%. In the same year on-farm small group advice was provided in 10 MS<sup>8</sup>, and reached around 5% of beneficiaries of direct payments in these MS.

The evaluator considers that the establishment of the instrument by Regulation (EC) N° 1782/2003 and the approaches taken by the MS (mainly one-to-one advice based on checklists, or integration of the FAS into pre-existing extension systems), establish a general framework favourable to providing technical advice on land and farm management to Community farmers.

Several elements (regulatory scope, case studies, suggestions from MS in country reports, etc.) tend to indicate that **large farms, already familiar with existing advisory services, are the main users of the FAS.**

**The early stage of FAS implementation was a challenge for drawing conclusions in this evaluation.** Furthermore, the limited availability of monitoring data and the very scarce information provided by MS regarding various domains addressed or targeted by the FAS, have not always allowed a detailed assessment.

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<sup>6</sup> When calculating the share of farmers reached by FAS advice, the evaluator wanted to compare it to all beneficiaries of CAP payments. Data were available for beneficiaries of all direct payments for each of the 27 MS (including all decoupled and coupled payments, but without payments from the second pillar). These data have been used.

<sup>7</sup> Data are not available for MT and SK; Data are not correct (double counted) for FR; FAS was not implemented in 2008 in CY, EL, PL and PT.

<sup>8</sup> AT, BG, CZ, ES (6 regions only), IE, LT, MT, NL, RO and the UK. Five other MS provided small group advice in 2008 however data is not available in 4 of them (EE, IT, SI and SK) and data from FR could not be used as there are double counts. More information on section 5.1.2 of the descriptive part.

Answers to the four specific Evaluation Questions under this Theme 1 are presented hereafter:

**i) Environment, food safety and animal health/welfare**

The core FAS approach, that is on-farm, mainly one-to-one advice, supported by checklists contributes to awareness raising at the level of beneficiary Community farmers about the three above-mentioned themes in a comprehensive way. Awareness raising is often facilitated by structuring the advice by means of checklists, which translate regulatory provisions into handy information for the farmers. This FAS core approach is likely to increase in the near future, once the FAS is fully operational in all MS.

On-farm thematic and small group advice contribute to awareness raising in a more thematic way, especially on the environment and on animal health and welfare.

Where the coverage of the FAS is broader than the strict cross-compliance requirements (in 12 MS and 4 regions), this additional advice mainly targets environmental awareness raising and rural development priorities.

**In the EU15, awareness raising** has been conducted in a more or less important way since early 2000 on environmentally sustainable farming practices, food safety (hygiene, traceability etc.) and animal identification. Major incidents and developments (such as the dioxin crisis, mad-cow disease, foot-and-mouth-disease outbreaks, etc.) have strengthened and given more focus to these concerns, which have since then been largely addressed by extension/advisory services. The situation is less clear for the EU12. However, the Special Accession Programme for Agriculture and Rural Development (SAPARD) and the 2004-06 Rural Development Plans have already accompanied the transition process, including some appropriation of the new legal frameworks linked to accession to the EU.

Qualitative information from the case studies and the survey show differentiated results on the contribution of the FAS to farmers' awareness raising, according to MS/regions and to the specific way the FAS was implemented. According to the beneficiary farmers surveyed, 34% of the farmers consider that their awareness has improved over recent years. This change in awareness is attributed in similar proportions to the society/media, to the FAS and to the CAP payment mechanism.

**The FAS<sup>9</sup> contributes to awareness raising** among Community farmers, of material flows and on-farm processes related to the environment, food safety and animal health/welfare, through its core approach (one-to-one advice supported by checklists), **along with other external elements and instruments including existing extension/advisory services.**

**ii) Implementation of cross-compliance requirements (SMR and GAEC)**

Overall, the different requirements related to the Statutory Management Requirements and the Good Agriculture and Environment Conditions are comprehensively covered by the different approaches and tools that the MS have established and that they are currently implementing.

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<sup>9</sup> FAS is fully operational in 24 MS

The FAS is mainly implemented through "one-to-one" and to a lesser extent "small group" approaches, which are in both cases "on-farm" approaches. **The core FAS approach, on-farm one-to-one advice and to a lesser extent on-farm small group advice, are considered as very effective.** Indeed, being very individual, specific to the farmers and their holding, they are considered as very effective compared to off-farm approaches and to one-to-all approaches.

Regarding the content of advice, this varies among the MS, also reflecting the manner in which the MS have transposed the various SMR and GAEC requirements into obligations for farmers.

Based on the results of the survey, the main motivation for farmers to request FAS advice is to get specific information about cross-compliance and improve the capacity of the farmer to respect the requirements. The survey also showed that **most farmers are satisfied with the advice provided.**

Checklists are the most used tool for providing advice. While checklists offer the advantage of covering comprehensively the different requirements, the farmers may perceive them as being associated with the control systems linked to cross-compliance, if they are not appropriately approached and advised. Furthermore, when implemented as a comprehensive full package (to cover all requirements), the time available for the advice and the complexity of the checklists may hinder an effective support.

**The core FAS approach, on-farm one-to-one advice linked to the major tool (checklists) that is used in most MS (foreseen in 23 MS and operational in 18 MS), supports the implementation of cross-compliance requirements through its comprehensive coverage of all regulatory aspects, their translation into understandable questions for the farmers, and the induced discussions with advisors on the rationale of the different requirements. Improving the capacity to respect cross-compliance requirements is also the main motivation from farmers of making use of this advice. The extent to which this happens is primarily driven by the content of the advice (technically skilled advice should be brought to elements which raise problems) and the ways through which the advice is delivered (devoting time to questions and answers raised by the farmer). Thus, different impacts can be expected in the different MS.**

iii) Support to implementation of additional standards beyond SMRs and GAEC

In those MS that make use of EAFRD in relation to farm advisory services, the minimum scope of the advice has to cover occupational safety standards in addition to cross compliance requirements. The FAS may also provide advice on minimum requirements for the use of fertilisers and plant protection product (PPP), which are part of the scope of cross compliance for the farmers benefiting from agri-environmental payments. The FAS may also support the implementation by farmers of animal welfare commitments mentioned in art. 40 of Regulation (EC) N°1698/2005.

Overall, regulatory provisions concerning occupational safety issues have been considered by most MS, and occupational safety standards have been integrated in the FAS advice and checklists if EAFRD has been used. However, the content and type of advice provided in this context varies greatly: in most cases the advice concerning these standards

is provided through conformity checks, while only few MS seem to have established specific operational programmes to address the issue at the level of the agricultural sector. Furthermore, health and safety hazards are intertwined, which makes it difficult tackling them in the agricultural sector through specific action plans. In this context, the provision of the advice is made difficult by the complex set of regulations, the constantly evolving legal framework, and the very nature of the uncertainty about the concrete rules to be applied (binding employees rights versus 'non binding' recommendations to independent workers).

**Minimum requirements on the use of fertiliser and plant protection products** have been mostly addressed through other advisory services, with limited direct contribution from the FAS.

As for **other Community-based standards**, neither the documentary review nor the country reports or interviews have provided a clear view at Community level.

#### iv) Management skills

**The FAS provides an opportunity for Community farmers to improve their administrative skills, especially in relation to the documentary aspects that are required by cross-compliance.** Administrative skills are mainly supported through one-to-one on-farm advice with checklists, which support the coherent documentation of all on-farm processes. **However, there is little evidence that the FAS contributes to integrating and linking these considerable data collections in an overall (technical and economic) advice on farm management** (with the exception of BE-FLA).

**Support to wider management skills is very limited**, and focuses mainly on financial management.

The advice provided through forestry advisory services to forest holders mostly covers elements concerning forestry plantations and production, the role of the forests-ecosystems and technical forestry management skills (felling, rotations, etc.). The support to forestry owner groups is clearly a priority in 10 MS. However, investigations carried out in preparation of the various country reports have not been conclusive on the way forestry services are organised to provide these services.

### Theme 2: Effect on farmers' income

The costs of on-farm one-to-one advice are determined by various factors, including the time spent for the advice. **The cost for an “advisory package”**, which ranges from a simple ticking of boxes of a checklist to a detailed and comprehensive advice, **varies between € 200 and € 2,400**. However, the public subsidies through national and EAFRD funding offset these costs to a considerable extent. **The typical public support intensity varies between 70% and 80%** of the cost. The cost remaining for the farmer after subsidies varies between a minimum of € 55 (ES-CAN) to almost € 1,000 (NL). In addition some MS/regions provide advice for free.

The time spent by farmers on advice ranges between 2-3 hours for thematic advice to up to 8-18 hours when a comprehensive checklist approach is used. This opportunity cost for the farmers, which largely differs between MS, regions, and types of farming, has not been estimated.

A rough estimation of the unit cost for an “advice package” per MS/region compared to the **average** net farm income of farmers from the European Farm Accountancy Data Network (FADN) (referring to all farmers covered by the FADN and not only to FAS beneficiaries) shows a share of around 1 % (based on information available for 14 MS and some regions only).

Thus, overall, the costs that farmers have to face for benefiting from one-to-one advice are relatively low compared to their average net farm income. Nevertheless, **the need to prefinance the advisory cost might still be a constraint for some farmers.**

**The effects of the FAS are generally positive, even though they are difficult to quantify. Overall, the main benefit of the core FAS approach (one-to-one on-farm advice) is the contribution to beneficiary farmers’ awareness raising on the effects of their farming practices related to the environment, food safety and animal health/welfare.** Additionally the FAS contributes to:

- Build up farmers' understanding of SMR and GAEC requirements and thus increase their acceptability to farmers. It provides a concrete interface with all obligations through the developed checklists;
- Improve farming practices that contribute indirectly to the income of farmers through a more rational use of input factors and nutrient management (reduction in loss and waste) and higher productivity. However, in some cases, the advice might reveal the need for making specific investments;
- A better overall hygiene on the farm. For farms with livestock, application of animal health and welfare standards can lead to increased productivity or lower losses; *and*
- A reduced risk for penalties from the cross-compliance controls.

Overall, the use of farm advisory services **does not significantly affect the average farmers’ income directly, neither through costs (largely off-set by public support) nor through immediate positive returns.** The contribution of the FAS to improved farming practices leads to a more sustainable production in an environmental as well as in an economic sense. This might also lead to an effect on the income of farmers, even though this has not been the driving force for the farmers for using the FAS.

### **Theme 3: Achievement of global objectives**

Under this heading, the effectiveness of the FAS is assessed in meeting the standards of modern high quality agriculture. The concept of *modern, high quality agriculture (MHQA)* has been defined by the evaluator for that purpose as multifunctional and resting on three principles: environmental sustainability, competitiveness and adjustment to the needs and priorities of EU society.

**Environmental issues** are a significant element of FAS advice, especially those relating to cross-compliance (soil/water). This is consistent with the balance of the environmental

focus in cross-compliance. Delivering advice and raising awareness on standards and issues going beyond the ones under the scope of cross compliance is included into the FAS in some MS (especially those making use of EAFRD). These concern mainly issues linked with the implementation of agri-environmental measures.

Despite the potentially large scope of the FAS, **only few MS have directly integrated** the issue of **competitiveness** in the scope of their **FAS advisory activities**, (when this has happened it has generally been in connection with the mobilisation of EAFRD funds). This is linked with the fact that the MS have tended, so far, to shape their FAS around the minimum objective of covering at least the SMR and GAEC included in the scope of cross-compliance, as requested by Regulation (EC) No 1782/2003.

However, these kinds of services are available to farmers outside the FAS, e.g. through other (existing) advisory /extension services, and sometimes through vocational training supported by the EAFRD under *measure 111*. Currently the FAS tends to address competitiveness indirectly, through improved documentation and the application of specific cross-compliance requirements linked to the rational use of inputs, better overall hygiene on the farm and, for farms with livestock, the application of animal health and welfare standards (see theme 2).

In terms of societal concerns, food safety and animal health are well integrated into regulatory aspects of cross-compliance and thus covered by the FAS. Animal welfare issues are covered to a lesser extent.

As regards forest holdings, no comprehensive conclusions can be drawn, due to the inadequate available information on the content and methods of the advisory services to forest holders.

#### **Theme 4: Other impacts and unintended effects**

This section considers other impacts that could arise from differences in the implementation of the systems between MS or within a MS (for example free or charged advice, priority groups of farmers, etc.).

Assessing potential specific impacts of the FAS that have not been covered by previous themes is organised around four topics, namely (i) differences in the treatment of farmers, (ii) change in farmers' perception of the CAP, (iii) awareness raising on sustainable farming practices, and (iv) other possible effects.

**The FAS provides Community farmers with differentiated access to advice**, not only due to specific local conditions, but also to differences existing between the MS as regards the approach, costs and content of the advice. Overall, however, the access to the FAS seems *de facto* to have been open so far to any farmer requesting advice, even if some MS considered specific target groups, including the initial regulatory priority group of farmers receiving more than € 15,000 of direct payments, during the process of establishing their FAS.

Interviewed stakeholders generally felt that the FAS has little impact on improving farmers' perception of the CAP. The association with cross-compliance often leads to a negative view by the farmers, despite their often positive judgments on the quality of the advice provided by the FAS. In general terms, the benefits of the advice tend to be attributed to

the regional/national organisations operating in the agricultural sector, rather than to the FAS, and therefore to the CAP.

A series of interesting other effects were highlighted during case studies:

- a) the opportunity to establish and strengthen a trust relationship that can **facilitate the interfacing between farmers and operating bodies/advisors**;
- b) the continual search of extension services of how to ensure access to groups of farmers that are not used to ask for advisory services, in contrast to the current situation which seems to **focus on farmers who are already very familiar with advisory services**;
- c) the farmer's continued **doubts about the disconnection between advice and cross-compliance controls**; and
- d) a number of different observations such as **reluctance towards written advice** and insurance for advisers against the risk of eventual penalties for farmers that could be referred back to a wrong advice.

The last major side-effect is that some MS have taken the opportunity of FAS to **rethink and review their wider advice and knowledge information systems in the agricultural sector**.

## **Theme 5: Efficiency analysis**

Analysing the efficiency of the FAS concerns the relationship between the various resources employed in pursuing the objective and the results obtained. The factual costs incurred in relation to FAS (administrative costs for the MS and costs for the farmers) should be compared to the identification and appreciation of the expected benefits from FAS.

**Available data did not permit to assess with an adequate level of precision the costs incurred by the MS for the establishment and implementation of their systems; benefits expected from the FAS could only be appreciated in a qualitative way.**

**Despite the scarce information available** (only few MS have recorded the costs incurred in relation to the FAS), **the MS consider that the costs for setting-up the FAS have been modest overall**. This is explained by either considering that these costs have represented a very limited part of the overall ministerial budget, or by the fact that the FAS has been integrated into comprehensive advisory systems already operating for a long time. This could also explain the limited uptake of *measure 115*.

**Costs for the setting-up of the FAS have tended to be more important in those MS that have planned a detailed needs assessment at the level of the farmers or a tendering process for selecting the operating bodies and accreditation of the advisors.**

Overall, the **costs incurred by the MS for running the FAS are mainly linked to funding or co-funding of the advice**. No data are available for MS providing advice for free. In MS co-funding advice, the national contribution to the costs incurred by the farmers for benefiting from the FAS can be considerable, especially when the uptake by

farmers is high (e.g. in Hungary, which shows the highest amount with some 2.7 million Euro in 2008<sup>10</sup>).

Even though the quantitative data on the costs incurred and the benefits of FAS are limited, qualitative information lead us to conclude that **the benefits secured by the FAS are proportionate to the costs incurred for its implementation and use by the farmers.**

Another aspect of the efficiency analysis is **whether the EAFRD is an efficient means of providing support and has an added value** in comparison of not using this fund.

EAFRD contribution to support the setting up of the FAS (*measure 115*) has been currently used by only three MS (ES, IT, PT). No meaningful data are available allowing to conclude about the efficiency of EAFRD for supporting the setting-up of the FAS, apart from the above consideration relating to the overall very limited use of this measure.

*Measure 114* concerning support for the use of advisory services has a larger uptake, with over half of the MS (15 MS at national level and some regions in 4 MS) making use of it. Supporting the use of advice by the farmers has well eased the cost burden for beneficiary farmers (funding between 60%-80% of the total unit cost of advice). However, **no meaningful elements are available, allowing to conclude that the use of EAFRD leads to a less expensive use of the FAS for farmers.** The advice is indeed for free in some MS and the unit cost of advice is sometimes lower in those MS where the cost of advice is fully charged to the farmers.

Additional outcomes from EAFRD support for the use of FAS are the comprehensive coverage of all cross-compliance requirements. MS that are not using the funds have in general a thematic approach. However, notwithstanding the opportunity of discussing all cross-compliance requirements (and occupational safety), this type of advice might discourage farmers that are already aware of SMR and GAEC to ask for the advice. In addition, such an advice could not be sustainable over time, since farmers having benefited of advice activities once or twice may not be interested in further advice.

**Using the EAFRD helps MS in providing the core FAS approach that is one-to-one on farm advice, which we see as an effective approach, although it might be a rather costly one.**

**Additional value added is further provided by MS using the fund for enlarging the scope of the FAS to other regulatory requirements** linked to national, regional legislation or to quality insurance systems, or for integrating economic advice on the farm. Other MS have added specific topics (energy, environment, quality insurance systems) to their farm advisory services.

In sum, even though EARFD support provides additional outcomes, the information available does not allow providing a definitive conclusion on the efficiency of EARFD support.

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<sup>10</sup> Including EAFRD contribution.

## Theme 6: Relevance and coherence

### i) Relevance

The relevance of the objectives of the FAS, as outlined in Regulation (EC) N°1782/2003, have been assessed with respect to the needs and problems of the EU agricultural sector. Considering that the objectives of the FAS are defined at EU level, and that a large degree of flexibility is left to the MS in order to adapt the Community framework to the national specificities, two main levels of relevance are distinguished, namely the Community level and the MS level.

**At Community level**, when mirroring the needs of the EU agricultural sector and the objectives of the FAS, it can be **concluded that the FAS is relevant**. The objectives of the FAS are not only relevant regarding the current needs in the agricultural sector but **also as regards the emerging needs in the Community agricultural sector, in particular those linked to climate change and price volatility**. In addition, the FAS is relevant with respect to the needs of farmers to be advised on cross-compliance related issues.

**At MS level**, during the first years of implementation of the FAS (and of cross-compliance), the Community framework defining the objectives of the FAS has been transposed in most MS by focusing especially on the support that the FAS can provide to farmers for a correct application of the basic standards for the environment, food safety, animal health and welfare and good agricultural and environmental conditions included in the scope of cross-compliance. We notice a limited attempt, so far, to adapt the Community framework to other specific national contexts and needs. However, 12 MS have widened the coverage of the FAS beyond the scope of cross-compliance in various ways by including: (i) other (national/regional) regulatory aspects and/or quality insurance systems; (ii) some innovative themes compared to the usual advisory business; and (iii) specifically integrating economic advice into the FAS. Few MS have set-up the FAS as an overall advice system integrating advice on various RDP priorities.

Currently, at MS level, for a large number of MS and regions, the FAS does not address comprehensively the various needs of farmers, except cross-compliance advice. **However, other needs are usually covered by the existing advisory and/or extension services.**

### ii) Coherence

**Coherence** has been investigated in terms of synergies/complementarities between the FAS, as defined in Regulation (EC) N°1782/2003, and other Community interventions in achieving the objectives of the CAP and broader Community objectives.

The links between the FAS and other interventions/instruments applied especially under Pillar one are clear. The FAS is defined under Regulation (EC) N° 1782/2003, which refers directly to the heart of interventions of Pillar one, and which establishes an explicit link between the FAS and cross-compliance. The implementation at the MS level confirms this strong synergy/complementarity, as all MS have set up the FAS firstly to address cross-compliance requirements.

The FAS and rural development interventions referring to Pillar two are potentially complementary, although the synergies/complementarities are less explicit in Regulation

(EC) N°1698/2005 than they are in Regulation (EC) N°1782/2003. They are however clearly underlined in the reconstructed intervention logic proposed by the evaluator. Potential synergies and complementarities between the FAS and *measure 111* (vocational training) and *measure 114* (support for the use of advisory services) are high. The FAS is also complementary with axis 2 measures, aiming at improving the environment and the countryside by supporting land management. The FAS provides advice with an important focus on sustainable production methods (notably through the various cross-compliance standards linked to the environment) whereas some measures of axis 2 support environmentally friendly production methods going beyond the compulsory standards.

**At MS level**, the exploitation of those potential synergies/complementarities varies from one MS to another. Although the FAS can be supported by two specific RD measures, this financial linkage does not give a guarantee of synergies/complementarities with other RD measures. In some MS, the use of EAFRD funds has triggered the widening of the FAS advice to other RDP interventions and priorities. According to the evaluators' findings based on available documents, the concrete synergies between the FAS and other RDP interventions, in particular vocational training, are currently limited.

The potential synergies and complementarities between the FAS and Community interventions in the field of agricultural research are obvious. Nevertheless, at the MS level, research activities have been involved as a contributor to FAS only in few cases. Feedbacks from advisors to researchers would enhance research focused on practical issues at farm level and, vice versa, more frequent contacts between both would ensure that practical solutions developed by researchers find their way to the farming sector.

The review of several Community interventions/instruments supporting the objectives of the **Renewed Lisbon Strategy** has revealed a high potential of synergies/complementarities with the FAS in the following sectors: (i) employment and long life learning, (ii) environment and sustainable development, (iii) innovation and regional development, (iv) climate change, and (v) energy. Due to the recent implementation of the FAS, concrete synergies could be analysed only to a limited extent. However, the data available do not provide current evidence of synergies/complementarities exploited at the MS level with regards to those instruments/interventions.

**The synergies/complementarities between the FAS and other interventions related to the CAP objectives under pillar one and two are potentially very high. The FAS is also coherent with broader Community interventions supporting the objectives of the Lisbon Strategy. At MS level, there is currently little evidence of concrete synergies, partly explained by the recent implementation of the FAS.**

## **Theme 7: Administrative requirements**

Administrative requirements considered in this context are those related to the organisation and implementation of the FAS by the MS.

The administrative requirements that the setting up of the FAS has induced vary significantly according to the type of selection process of operational bodies and advisors.

If the latter have been designated among existing public or private organisations, administrative requirements for the MS have been marginal. Administrative requirements (and related costs) have been higher in those MS where an accreditation process through call for proposals has taken place.

A similar situation is also noted concerning the implementation of the FAS. In case EAFRD is mobilised, additional administrative requirements and human resources are induced, due to yearly publication of applications, reaccreditation of advisors, monitoring, reporting and control of the funds used.

The extent to which the FAS creates synergies in terms of reducing administrative costs for farmers has also been considered. This has been approached through the analysis of the possible links and synergies between FAS activities and the administrative requirements that the farmers are facing.

**Supporting and promoting a coherent documentation of all on-farm processes is at the heart of the FAS approaches and tools in relation with the documentary aspects that are required by cross-compliance.** The improvement of administrative skills (especially reporting and filing) is supported through on-farm one-to-one advice with checklists.

**First elements of synergies** with the national/regional regulatory provisions and other quality systems **are present in DE and LU, thanks to the use of integrated check-folders** that include all legal and regulatory provisions. **However, according to the information from case studies, currently these synergies do not reduce the administrative costs for farmers.**

## Recommendations

### **R1. The concept of “Farm Advisory System” should be maintained. Efforts should be developed for going beyond cross-compliance requirements, where appropriate**

In the first years of implementation, FAS activities have been especially focused around cross-compliance standards. However, as the concept of the FAS allows to go beyond a pure “cross-compliance approach”, **we see an opportunity for doing so in those MS where this basic support is less needed.** Depending on the respective needs of farmers in the different MS to correctly understand and apply the requirements of cross-compliance, **FAS activities could be further targeted: a) towards an integration of cross-compliance advice with economic advice increasing the usefulness of documentary aspects that are required by cross-compliance b) towards other needs and domains of advice (e.g. climate change, market oriented advice, etc).** This would further support the contribution of the FAS to the global objective of supporting a *Modern, High Quality Agriculture*, and might enhance the overall confidence of the farmers towards the system, which is currently still considered by most farmers as being linked to cross-compliance requirements and controls.

## **R2. Recommendations towards MS for improving the effectiveness and efficiency of the FAS**

The recommendations in this area include:

**R.2.1. Carrying out needs assessments, in order to better respond to the specific needs of the potential beneficiaries.**

**R.2.2 Exploring synergies with other instruments, in particular with agricultural research activities and other extension services.**

**R.2.3 Further develop the monitoring systems, which should also provide feedback on the issues where more advice is needed and/or on the most suitable tools for providing advice.**

**R.2.4. Enhancing the access to the FAS for small farms by developing specific FAS tools targeted to this population and by increasing the knowledge of the FAS and of its potential benefits among these farmers.**

## **R3 Recommendations towards the EC to support the MS in the implementation of the FAS**

Recommendations include:

**R.3.1 Promoting the sharing of good practices on approaches and tools** among the Managing Authorities and the Operational Bodies in the MS.

**R.3.2 Clarifying the rules concerning occupational safety standards.** . In this respect, two possible options could be envisaged:

1. The EC could better clarify the precise rules to be respected by the farmers in terms of occupational safety standards;
2. The respect of these standards should be no more mandatory for the farmers benefiting from the *measure 114*.

**R.3.3 Revising the scope of *measure 114*** in the sense of removing the obligation for each individual service to cover all cross-compliance standards when this measure is mobilised.