

# Mid-Term Evaluation Report: A Synthesis

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# **THE PROGRAMME AND BUDGET**

<b>Axis/Measure</b>	<b>Public expenditure</b>	<b>EAFRD Contribution</b>	<b>Private Expenditure</b>	<b>Total Cost</b>
111. Vocational training and information actions	1,160,000	870,000	-	1,160,000
114. Use of advisory services	3,000,000	2,250,000	750,000	3,750,000
115. Setting up of Farm Advisory Services	600,000	450,000	-	600,000
121. Modernisation of agricultural holdings	14,820,000	11,115,000	14,830,000	29,650,000
123. Adding value to agricultural products	7,000,000	5,250,000	13,000,000	20,000,000
124. Cooperation for development of new products, processes and technologies in the agriculture and food sectors	1,000,000	750,000	400,000	1,400,000
125. Infrastructure related to the development and adaptation of agriculture	5,200,000	3,900,000	730,000	5,930,000
132. Participation of farmers in food quality schemes	1,200,000	900,000	-	1,200,000
133. Information and promotion activities	670,000	502,500	290,000	960,000
142. Setting Up of Producer groups	990,000	742,500	-	990,000
<b>Total Axis I : Improving the competitiveness of the agricultural sector</b>	<b>35,640,000</b>	<b>26,730,000</b>	<b>30,000,000</b>	<b>65,640,000</b>

<b>Axis/Measure</b>	<b>Public expenditure</b>	<b>EAFRD Contribution</b>	<b>Private Expenditure</b>	<b>Total Cost</b>
212. Support for areas with handicaps areas	14,500,000	11,600,000	-	14,500,000
214. Agri-environment Measures	10,525,000	8,420,000	-	10,525,000
<b>Total Axis 2 : Improving the environment and the countryside</b>	<b>25,025,000</b>	<b>20,020,000</b>	<b>-</b>	<b>25,025,000</b>
313. Encouragement of tourism activities	11,536,666.67	8,652,500	14,200,000	25,736,666.67
323. Conservation and upgrading of the rural heritage	21,000,000	15,750,000	4,600,000	25,600,000
341. Skills acquisition, animation and implementation of Local Action Groups	450,000	337,500	-	450,000
<b>Total Axis 3 : The quality of life in rural areas and diversification of the rural economy</b>	<b>32,986,666</b>	<b>24,740,000</b>	<b>18,800,000</b>	<b>51,786,666</b>

<b>Axis/Measure</b>	<b>Public expenditure</b>	<b>EAFRD Contribution</b>	<b>Private Expenditure</b>	<b>Total Cost</b>
411. Implementing local development strategies. Competitiveness	780,000	624,000	232,800	1,012,800
412. Implementing local development strategies. Environment/land	520,000	416,000	155,200	675,200
413. Implementing local development strategies. Quality of life	1,300,000	1,040,000	388,000	1,688,000
421. Inter-territorial and transnational cooperation	500,000	400,000	80,000	580,000
431. Running costs, acquisition of skills and animation	775,000	620,000	194,000	969,000
<b>Total Axis 4 : Leader</b>	<b>3,875,000</b>	<b>3,100,000</b>	<b>1,050,000</b>	<b>4,925,000</b>
511. Technical Assistance	4,084,473	3,063,355	-	4,084,473
<b>Total Axis 5 : Technical Assistance</b>	<b>4,084,473</b>	<b>3,063,355</b>	<b>-</b>	<b>4,084,473</b>
<b>Total</b>	<b>101,611,140</b>	<b>77,653,355</b>	<b>49,850,000</b>	<b>151,461,140</b>

	Title of Measure	Funds (€) Allocated to the Measure as per RDP as at 30/6/2010	Funds (€) Committed as at 30/6/2010	Funds (€) disbursed as at 30/6/2010	Funds (€) certified to the European Commission as at 30/6/2010
111	Vocational training and information actions	1,160,000	0	0	0
114	Use of advisory services	3,000,000	0	0	0
115	Setting up of advisory services	600,000	0	0	0
121	Modernisation of agricultural holdings	14,820,000	15,291,732	3,808,320	2,856,240
123	Adding value to agricultural products	7,000,000	1,953,178	0	0
124	Cooperation for development of new products, processes and technologies in the agriculture and food sector	1,000,000	0	0	0
125	Infrastructure Related To the Development & Adaptation of Agriculture	5,200,000	0	0	0
132	Participation of farmers in food quality schemes	1,200,000	0	0	0
133	Information and promotion activities	670,000	0	0	0
142	Setting up of producer groups	990,000	0	0	0
212	Support for areas with handicaps	14,500,000	7,622,178	5,809,539	4,647,631
214	Agri-environment Measures	10,525,000	1,589,755	1,766,055	1,412,843
313	Encouragement of tourism activities	11,536,667	0	0	0
323	Conservation and upgrading of the rural heritage	21,000,000	0	0	0
341	Skills acquisition, animation and implementation	450,000	315,558	308,438	231,328
41	Implementation of Local Development Strategy	2,600,000	0	0	0
421	Inter-territorial and transnational cooperation	500,000	0	0	0
431	Running costs, acquisition of skills and animation	775,000	0	0	0
511	Technical Assistance Operations	4,084,473	629,365	629,365	472,023
		<b>101,611,140</b>	<b>27,401,766</b>	<b>12,321,717</b>	<b>9,620,065</b>

# MAIN EVALUATION FINDINGS



# Main Findings

- Data is limited, particularly with regards to the result and impact indicators.
- Need for statistical system of impact and result indicators are provided below.
- Measures met with strong demand:
  - farm modernisation
  - measures that supplement the farmers' income.
- These measures attract the largest budget share and are expected to be the measures that contribute most to the generation of target value added.
  - Measure 121 and Axis 3

# Main Findings

- Progress in Programme Management is ongoing
  - human resources; and
  - IT infrastructure.
- Effects of the late start of the programme.

# Main Findings

- Impacts and results of the RDP depend on,
  - Lack of marketing practices, and
  - excessive fragmentation of land, and
  - demand by farmers for RDP measures.
- Uncertainty regarding future regulatory developments.
- Efforts at policy co-ordination needed to enhance human and physical capital, and competitiveness.

## Evaluation Questions

To what extent has the programme contributed to the realisation of Community priorities in relation to the renewed Lisbon strategy for growth and jobs with respect to:

- the creation of employment opportunities?
- ameliorating the conditions for growth?

## Evaluation Questions

The sector has for a long number of years been threatened.

The Programme has been successful in halting the trend of decline mainly through assisting in modernization investments and in providing income support. The Programme has so far been less successful in terms of enhancing human resources and instilling genuine innovation.

The MA appreciates the need for renewed emphasis on human resource development, knowledge and better marketing arrangements for agricultural sustainability in Malta.

## Evaluation Questions

The Programme appears to have the potential to register significant progress with respect to Axis 3 measures. While grass root activity has been mobilized in this respect, there appears to be need for better engagement by the agricultural sector to benefit from this process, which is innovative for Malta.

It is, at this stage, too early to evaluate progress, actual and potential, in relation to Axis 4 measures. While developments accelerated over the past few months, much will depend on the extent to which the LAG members and the Authorities will exercise sufficient drive and initiative to attain the desired degree of progress in this regard.

## Evaluation Questions

To what extent has the programme contributed to promoting sustainable development in rural areas?

In particular, to what extent has the programme contributed to the three priority areas for protecting and enhancing natural resources and landscapes in rural areas:

- biodiversity and the reservation and development of high nature value farming and forestry systems and traditional agricultural landscapes?
- water?
- climate change?

## Evaluation Questions

Sustainable development measures are mainly envisaged from the implementation of measures within Axis 2 and Axis 3.

The Programme is expected to have positive impacts on water through implementation of measures 121, 125, and 323. The installation of infrastructure related to waste management and to sheds for the dairy sector are expected to give positive results on water quality.



## Evaluation Questions

Impacts on climate change are expected to be minimal. Measures that reduce soil erosion and improved livestock housing will help in adaptation to climate change.

Biodiversity is expected to benefit through the agri-environment measures although limited take up of these measures means the impact would be close to insignificant

# **MEASURE-BY-MEASURE RECOMMENDATIONS**

# Measure 111

- Progress registered so far has been minimal.
- Further strong action needed :
  - Rendering training a compulsory;
  - More involvement by farmers;
  - Enhance tertiary Level education;
  - Linking training activities to support and actions falling under the FAS domain;
  - Ensure that the target population is effectively reached;
  - Enhanced degree of consultation.

# Measures 114 and 115

- Insufficient progress registered so far.
- Improvement may require changes in RDP rules.
- MRRA to provides sufficient coordination to avoid potential duplication of services.
- Ensuring the clarity and transparency.
- Overcome culture barriers, potentially through the involvement of the NRN.

# Measure 121

- Strongly demanded: Induces modernisation and competitiveness;
- Need to:
  - identify areas where this measure needs to be extended;
  - emphasis on long-term and efficiency;
  - balance between small and large scale interventions;
  - identify cases where environmentally-friendly investment would be large relative to the agriculturally-productive investment.

# Measures 123 and 124

- **Measure 123:** Need to change scheme to better meet specific demands and needs within the agricultural sector,
  - targeting primary producers to enter agri-processing themselves,
  - element of business diversification.
- **Measure 124:** Improve research in general and with research institutions in particular.

# Measure 125

- Infrastructure for treated sewage effluent, for rain water harvesting and access to fields, metering of groundwater.
- The implementation is expected to have positive horizontal impacts
  - implementation of the Water Framework Directive.

# Measures 132 and 133

- Need for producers to co-operate towards the setting of parameters required to establish national food quality schemes.
- Further engagement between potential operators of food quality schemes and relevant authorities.
- The role of NRN.
- Need for private, in addition to nationally-registered, food quality schemes.



# Measure 142

- Post 2013 it would be difficult to obtain funding again for the same scope after the current programme closes.
- Authorities must engage operators so that they form producer groups for rational operation.
  - NRN - help overcome bureaucratic and legal difficulties in setting up these producer organisations.

# Measures 212 and 214

- **Measure 212:** Reinforce degree of awareness on cross-compliance requirements among existent and potential applicants.
- **Measure 214:**
  - Better publicity
  - Education in terms of the environmental benefits of the measures.
  - Uptake is likely to remain rather low
    - fragmentation of land issues.

# Measures 313 and 323

- Desirable to produce concrete and direct results from which the agricultural community would benefit.
- Need for measures are publicised in advance of their launch
  - planning or environmental permits.

# Axis 4

- New experience for Malta with risks typically associated with such ventures.
- Good potential in terms of the impacts of the LAGs on their respective territories,
- Risk of insufficiency in addressing priority needs on a territorial dimension - restricted to localized impacts
- LAGs are to be given adequate direction-involvement of the NRN.

# **HORIZONTAL ISSUES**

# Recommendations

- Ageing farming population problem not specifically tackled by the current programme
- Enhance education at all levels in the farming industry.
- Attractiveness of agriculture to business start-ups also needs attention.
- Focus on incentivizing family-run farms.
- Water resources - need further interventions.

# Recommendations

- Better integration of national policies.
- Information being provided in a timely and effective manner to potential applicants.
  - Publicity in the budget under each measure;
  - Six-month advance calendar;
  - Dissemination of cross-compliance requirements;
  - Clearer, simpler guidelines;
  - Use of one-on-one approaches to provide relevant explanations to individual farmers.

RURAL DEVELOPMENT PROGRAMME (2014-2020)

**PLANNING AHEAD**



# RECOMMENDATIONS

- Adhere to Community rules and standards.
- Rural development initiatives under LEADER.
- Need for a strategic direction.
- Focus on competitiveness issues.
- Fully exploit linkages between agricultural sector restructuring and rural development
- Changes in the nature and extent of support to be received by the agricultural community.

# RECOMMENDATIONS

- Understand and evaluate characteristics and potential of the territory within the context of the changing market dynamics.
- For programme design, interventions need to be **less widespread** and **more narrowly focused**
  - basic elements of human and physical capital.
- Narrow measures – risks not be spread among many interventions.

# **RURAL DEVELOPMENT PROGRAMME (2014-2020)**

- National Rural Network to serve as an advisory and consultative body to the MRRA in general and the Managing Authority.
  - all the stages of the drafting of the Rural Development Programme.
  - Network would have the possibility to present recommendations and discuss issues with the Authorities.

# **RURAL DEVELOPMENT PROGRAMME (2014-2020)**

- More focused approach to the formulation of the Rural Development Programme for Malta for the next programming period
  - expert input following a top-down approach, stronger degree of social involvement to promote a bottom-up approach through the NRN.