



ENVIEVAL

Development and application of new methodological frameworks for the evaluation of environmental impacts of rural development programmes in the EU (Project Reference: 312071)

Area 2.1.4: Socioeconomic research and support to policies

KBBE.2012.1.4-08: Development and application of methodologies and tools, including indicators, for the assessment of environmental impacts of rural development programmes in the EU

Report of 2nd Stakeholder Workshop Budapest, 2-3 July 2014

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List of Acronyms

AEM	Agri-Environment Measure
AES	Agri-Environment Scheme
AW	Available Water
BD	Biodiversity
CC	Climate Change
CMEF	Common Monitoring and Evaluation Framework
DEFRA	Department for Environment, Food and Rural Affairs
DESTATIS	Federal Statistics Office
DiD	Difference-in-Difference
EENRD	European Evaluation Network for Rural Development
FADN	Farm Accountancy Data network
FBI	Farmland Bird Index
FFH	Fauna, Flora and Habitat Directive
FSS	Farm Structural Survey
HNV	High Nature Value
IACS	Integrated Administration and Control System
IPCC	Intergovernmental Panel on Climate Change
LPIS	Land Parcel Information System
META	Habitat Mapping Database of Hungary
NGO	Non-Governmental Organisation
RDP	Rural Development Programme
RSPB	Royal Society for the Protection of Birds
RUSLE	Revised Universal Soil Loss Equation
SRDP	Scottish Rural Development Programme
SRG	Stakeholder Reference Group

1 Background

The ENVIEVAL project is addressing complex issues of developing methodological frameworks for the evaluation of environmental impacts of Rural Development Programmes (RDPs), which face different challenges across EU Member States. Therefore, in order to achieve results of practical applicability, it is important to consider specific experiences of Members States reflecting different institutional arrangements, ongoing evaluation processes, different stakeholder aspirations and capacities, different environmental conditions, and differences in the design of the RDPs. To make sure that ENVIEVAL remains closely linked to the needs and expectations of stakeholders directly involved in issues relating to RDPs, the project established a Stakeholder Reference Group (SRG).

The main aim of the SRG is to provide regular feedback to the project team in order to ensure that: a) intermediate and final results of the project correspond to the actual stakeholder needs and will be applicable in practice; b) the project team receives information on the latest developments in RDP evaluation, including the new CMEF for 2014 - 2020. As the members of SRG are involved practically in the RDP evaluation processes, they provide advice and share their practical experience, which is very valuable for the ENVIEVAL project in keeping on track in meeting its project objectives.

A second meeting of the SRG was held on July 2-3, 2014 in Budapest. Evaluators and representatives from the managing authorities from the project countries attended the workshop, as well as a member of the EENRD Helpdesk. Overall, 16 stakeholder representatives (in addition to the project team) attended the workshop.

This report provides a summary of the issues discussed and key findings from the meeting. For more details, the workshop programme as well as handouts of the workshop presentations can be downloaded from the dissemination platform of the ENVIEVAL project (www.envieval.eu/index.php?id=3)

2 Objectives of the meeting

- To review the applicability of logic models for the selection of evaluation methods
- To review the stakeholder relevance of the cost-effectiveness assessment
- To discuss the practical relevance of the case studies in the context of the forthcoming ex-post evaluations and future evaluation tasks in the period 2014-2020

- To identify key stakeholder requirements for the forthcoming ex-post evaluation and the potential contributions of the ENVIEVAL project to methodological guidance

3 Summary of the Issues Covered During the Meeting

3.1 Plenary Session and Discussion on July 2nd

The workshop started with a **project update and workshop introduction** presentation by project manager Dr. Gerald Schwarz (Thünen Institute), which was followed by the presentation about **Ex post Evaluation of the Rural Development Programme (RDP) and its key issues for environmental impact evaluation for 2007-2013**. Three different sessions followed these presentations. The first one was about **suitable evaluation methods for the ex-post evaluation and the role of logic models**, which was followed by a session on **cost-effectiveness assessment of evaluation methods**. The final session of the first day was focused on the **synthesis of the case studies based on the fact sheets from the project partners**.

Dr. Schwarz gave an introductory presentation ‘**Project update and workshop introduction**’, reminding the workshop participants about the key issues from the first stakeholder workshop in Rome in July 2013. He linked the main points from the Rome workshop (Identification of main evaluation challenges and methodological needs), by means of a schematic action workflow, to the current Budapest workshop and its main points (Relevance of case studies for forthcoming evaluations and identification of key stakeholder requirements for the forthcoming ex-post evaluation and the potential contribution of the ENVIEVAL project to methodological guidance). Dr Schwarz also introduced workshop participants to the main Budapest workshop objectives.

Presentation on ‘**Guidelines for Ex-post evaluation of the RDP 2007 – 2013 and emerging key issues for environmental impact evaluation**’ was given by Ms. Jela Tvrdonova and Dr. Gerald Schwarz. Ms Jela Tvrdonova began by reminding us what EU rural policy is and why it is highly important for European identity. She went on to say that this policy is multi-stranded, dealing with many different aspects of life, such as communities, social development, services and many others. It was also emphasised that it presents different challenges in different places, some of them being very complex; in addition, this policy focus on collectively agreed limited number of objectives and is complementary to national policies that support rural development. She also highlighted what else is needed to improve EU rural

policy, and emphasised better accountability, which is demanded by society, more comparability at the EU level, and stronger commitment to effective evaluation by member states (MSs), which should see evaluation as a ‘friend’. Furthermore, stronger learning culture is needed in the evaluation community to understand better how RDPs are performing, as well, enhancing the design and implementation of CMEF and support evaluation stakeholders to conduct the evaluation. Later, Ms. Tvrdonova introduced the new version of the Ex post evaluation guidelines, with their new structure and revisions. The second part of the presentation was given by Dr. Schwarz, who summarised some key issues for environmental evaluation considering indicators, data, counterfactual and net impact. During the discussion some issues were raised considering other intervening factors and boundary conditions. It was questioned to what extent could the selected methods deal with that, and can the synergies between RDPs and other policies/factors be considered by the selected methods? Few workshop participants recognised that qualitative methods and stakeholder consultations could provide insights into implications of wider boundary conditions.

The workshop continued with a presentation on ‘**applying the logic models: Climate stability**’. The first part of the presentation was given by Mr. Janne Artell (MTT Agrifood Research Finland) who introduced with objectives and structure of the logic models and Finnish climate stability public good case study. He began with the objectives and structure of the logic models, giving an example of simplified logic model flow and more detailed general logic model structure. He also emphasised that you have to know what are you evaluating, what kind of evaluations can you do at micro and macro levels and what kind of counterfactuals can you do. He gave an example of how different logic models (general, counterfactual and macro level) could be applied for Finnish climate stability public good case study. Mr. Andrea Povellato (INEA) continued with an example from an Italian climate stability public good case study and how they will approach it with the help of different logic models (general, counterfactual, micro and macro level). After he gave his presentation, an issue was raised concerning displacement and measurements of goods and services and how to deal with the effects on climate stability. Many participants agreed that it is much more difficult to evaluate it when trying to look worldwide.

Mr. Kęstutis Navickas (BEF) gave a presentation summarising the feedback on logic models from the consultations with national stakeholders, which is part of the ENVIEVAL project. During the discussion, questions and comments were raised concerning the logic models. Workshop participants were interested in knowing who would be the main user of the logic

models, how flexible they are, whether it is possible to use them in any situation, whether they will be coherent with evaluators' created models, and how useful these models will be for evaluators? Furthermore, a question was raised concerning the temporal dimension of logic models. Some workshop participants argued that logic models could be used in a longer time frame, as long as there is appropriate data and methods. Many workshop participants agreed that it is better to have logic models because they can help organise thinking and can be used as guidance steps and as aides memoire. The following points are the most important comments from the discussion on logic models:

- Important to present logic models with concrete applications and explanatory notes.
- Logic models currently focus on impact quantification. Can qualitative aspects – and “why-questions” – be integrated during or after the case study testing?
- Logic models could play a role in defining ToR in evaluation contracts.
- Suggestion raised to apply the logic models to further examples including examples from EENRD guidelines.

The second session started with Ms. Anne Wolff's (Thünen Institute) presentation on '**Cost-effectiveness assessment of evaluation methods (WP7): cost of data generation and monitoring programmes, and how to assess effectiveness**'. Ms. Wolff gave a short overview of the cost-effectiveness assessment by showing a schematic overview of the actions that are necessary to conduct a cost-effectiveness assessment. She then presented an example of the cost assessment of the ENVIEVAL water quality case studies from Greece, Finland and Germany and emphasised the main cost differences of the evaluation steps and activities as well as of cost components. This was followed by the concept of the effectiveness assessment, which is rather a complex approach, as it should include four criteria: responsiveness, analytical soundness, measurability and ease of interpretation. Lastly, she presented the feedback and impressions from the national stakeholders' meetings about the effectiveness criteria, the ranking of effectiveness, the cost assessment and the general approach of the assessment. During the discussion, questions and remarks were raised concerning the cost-effectiveness assessment. It was stressed that it would be better to focus on a relative assessment of the cost, i.e. the comparison of different methods, and also explore the use of a trade-off matrix rather than focusing on absolute values. The question was raised about how different levels would be defined in the concept of a relative assessment. Another question was raised about the review of the effectiveness concept required during the case

studies, and whether this concept is generic enough or whether revisions are needed. Furthermore, it was highlighted that the consideration of different users is important as timing and purpose will be different. It was also underlined that it is useful to raise awareness of cost of specific and different evaluation tasks as it stimulates exchange between managing authorities and evaluators. Many participants also agreed that more cooperation is required between monitoring organisations, ministries and evaluators to explore what additional data is needed before, or with the implementation of, measures. Lastly, one role of ENVIEVAL would be to highlight the benefits of additional data.

The last session started with Mr. Péter Tóth's (Szent István University) presentation on '**Key aspects and evaluation challenges of the case studies**'. Mr. Tóth introduced the process of the case study area selection and the results of these selections. He also reminded participants of the lessons learned from these selections and the expected results of the case studies. In the second part of his presentation, he presented evaluation challenges and innovative aspects of the public good case studies, based on the project partners' reports. These public good case studies will be analysed in different countries and their results will help construct better logic models. In the last part of his presentation, he gave an overview of the evaluation challenges and innovative aspects from all the public good case studies. During the discussion, questions and remarks were raised. It was noted that it takes a long time to discuss the tendering procedure, and the evaluation process also takes a lot of time. It was argued that it would be possible to separate projects and then multiply the results. Furthermore, guidelines for ex-post evaluation should be more structuralised. It should be done purely on member states, on how they do it, with no requirements. It was also noted that evaluation across the axes should be more general, not done as separate evaluations. It is a challenge to bring it together.

The key issues and questions raised during the discussion of first day were summarised by Dr Schwarz:

- Scope of the overall methodological framework – some questions raised:
 - To what extent can the selected methods deal with other intervening factors and boundary conditions?
 - Can synergies between RDPs and other policies / factors be considered through the selected methods?
 - Qualitative methods and stakeholder consultations can provide insights into implications of wider boundary conditions

- Logic models:
 - Important to present logic models with concrete applications and explanatory notes
 - Logic models currently focus on impact quantification. Can qualitative aspects – and “why-questions” - be integrated during or after the case study testing?
 - Logic models could play a role in defining ToR in evaluation contracts
 - Suggestion raised to apply the logic models to further examples including example from EENRD guidelines

- Cost-effectiveness assessment:
 - Focus on relative assessment, i.e. comparison of different methods, exploring the use of a trade-off matrix
 - Review of the effectiveness concept required during the case studies - is the concept generic enough or are revisions needed?
 - Concept for relative cost assessment: How will different levels be defined?
 - Consideration of different users: Timing and purpose will be different
 - Useful to raise awareness of cost of specific methods and different evaluation tasks – stimulates exchange between managing authorities and evaluators
 - More cooperation needed between monitoring organisations, ministries and evaluators to explore what additional data are needed - before or with the implementation of measures
 - Role of ENVIEVAL: Highlight the benefits of additional data

- Case study testing:
 - To what extent can the selected methods incorporate the different intervention logics of the key policy measures?
 - Case study testing will highlight the type of results the methods deliver under different data availabilities
 - Important to highlight additional benefits if new or more advanced data are available
 - Regional scope of the case study testing:
 - Will broader displacement effects be considered?
 - Consideration of global effects can lead to different evaluation outcome

- Consideration of temporal issues
- Stronger integration of qualitative and quantitative aspects
- Case studies need to provide (and be based on) clear definitions of what is considered as micro and macro level
- Key criteria for the selection of indicators need to be explained
- Case studies should highlight the importance of impact evaluations
- Guidance on the data requirements and limits for the meaningful application of the tested methods will be a helpful outcome

3.2 Working Group Sessions and Discussion on July 3rd

Based on the key issues identified on the first day of the workshop, two breakout groups were organised to discuss the key points from the first day of the workshop. The first group focused on landscape, biodiversity - high nature value (HNV) and biodiversity – wildlife; the second group concentrated on climate stability, soil and water quality, and animal welfare. Main questions identified for discussion for the working groups were:

- Does the current case study design fit to the project purpose?
- Indicators and counterfactuals:
 - What indicators and methods would you currently consider using to address the challenges?
 - To what extent do you already apply the innovative aspects; if not why have you not applied these yet?
 - Which of the challenges and innovative aspects has the highest priority for you and why, and are there any aspects missing?

First breakout group: Landscape, biodiversity – high nature value and biodiversity – wildlife (Moderator Mr. Kęstutis Navickas (BEF), resource person Mr. Andrea Povellato (INEA))

Key points from the work group:

Main challenges identified by the work group:

- Data availability is influencing decisions on methods and indicators.
- It is a challenge to assess net impact and to prove causal relation among RDP measures and environmental impact.

- Need to coordinate scientific monitoring ambitions with applied science ambitions (policy application).
- Random sampling approach seems to be the most appropriate to ensure micro-macro linkages.
- Socio-economic issues should be considered too.
- There is a public preference to assess the landscape.

Main innovations identified by the work group:

- Micro model simulations for landscape evaluation seem to be an interesting method.
- Contract-based payments and monitoring system in UK and Hungary are innovative, efficient and not so expensive (micro level biodiversity – wildlife).
- Game species (brown hare, pheasant, partridge – based on harvest data) are relevant indicators for farmland biodiversity.

Other questions and remarks, which were raised during the discussion:

- When speaking about the indicators, we can only compare the methods and data between the countries. A table of comparison of data required and different methods applied between the countries and also between the case studies would be useful.
- Indicators might be affected by weather conditions, e.g. bird numbers in a cold spring, the climate change effect.
- Shannon Index is used for landscape. Data for that can be found, e.g. in organic farm data register.
- For biodiversity – HNV, a composite index can be used, where different indicators would be overlapped. One of the indicators could be the Shannon Index.
- Factors influencing farmers’ decisions to participate or not in RDP? Socio-economic factors should be taken into account.
- Biodiversity – wildlife:
 - Problem with counterfactuals. Which indicators would be appropriate for counterfactuals?
 - One example from England: they use a sampling programme, where they decide the baseline of indicators, measure them and revisit the site later, e.g. in 5 years.
- How deep can we analyse an impact of RDP?
- New methods for landscape:

- Taking photos for many years in the same place – you will see the landscape change. There would be many problems with this method.
- No expert in visual landscape.
- Evaluators take survey of preferences, e.g. in Italy they ask peoples do they prefer rural or urban landscape. Opinion of the people is also an indicator.
- To see the movements of the people – if they prefer particular area or not and evaluate that. There some issues with this method:
 - What about counterfactuals?
 - There are positive and negative aspects of tourism. What would be the outcome of the tourist visiting the area?
- New methods for biodiversity – HNV:
 - Maybe it is possible to use how connectivity between HNV changes in time as an indicator?
 - The use of e.g. bird index as real biodiversity.

Second breakout group: climate stability, soil and water quality and animal welfare (moderator Mr. Žymantas Morkvėnas (BEF), resource person Prof. David Miller (The James Hutton Institute).

Key points from the work group:

Main challenges identified by the work group:

- Evaluation challenges:
 - Robust counterfactual – long-term and large scale.
 - Substitution effects.
 - Robust causal linkages (micro level).
 - Integration of measures in macro-level assessment, and deadweight effects.
 - Micro/macro level consistency
- Challenge: robust counterfactual
 - Scale
 - Upscaling (and some downscaling)
 - Models
 - Examples from countries, e.g. model farm

- Discussion point – intensity and environmental impacts
 - Data (annual surveys, FADN, etc.)
 - RDP frameworks and farm context
- RDP and farm context
 - What is the baseline? How is that narrated in the new RDP?
 - Climate stability – what decisions would the farmer make under ‘natural conditions’?
 - Importance of extreme events
 - Adaptation – candidate indicators:
 - Soil organic matter content
 - Well-functioning advisory system (farmer practices)
 - Funding for agriculture research
 - Water management system
 - Transfer models into farm environment
- Challenge – substitution effects
 - The substitution is, broadly, in relation to those farms that receive payment, compared to those that do not.
 - What are farmers’ attitudes in response to payments, and those that are not getting any?
 - Discussion of difference between substitution and deadweight effects.
 - Finland – (e.g.) no substitution effects, but they can be taken into account by models.
- Challenge – causal links at micro level
 - To understand why something happens and not just what.
 - No approach to form the basis of micro level understanding of impacts
 - What we are seeking is: macro effects of micro level interventions.

Main innovations identified by the work group:

- Innovative aspects: water quality
 - Water quality – advisory services.
 - Additional benefit – affects whole farm and not only a plot with active greening (but how?).
 - Link combined effects and provide guidance on how this can be used for other cases?

- Innovative aspects – soil functionality
 - Hungary – different types of monitoring systems, but not harmonised.
 - Czech Republic:
 - In the long term, hope to have detailed modelling, but resourcing remains an issue.
 - Aspire to monitor at plot level (e.g. water, soil)
 - Lower Saxony
 - Database of samples analysed at plot level (e.g. soil) with respect to measures.

- Innovative aspects – Animal welfare
 - TI tests of indicators e.g. space, intensity of livestock systems.
 - Changes in different types of indicators.
 - Potential to use a welfare index from an EU project on animal welfare.
 - Options include analysis by farm type.
 - Data limitations.
 - Challenge to use data from different sources (e.g. for different production systems).
 - Use non-participants as a control.
 - Scotland - Animal welfare benchmarking system (database).
 - Care with data due to sensitivity of this measure (215).

Next steps

The outcome of the stakeholder workshop will be incorporated into the final design of the case studies and the concept for the cost-effectiveness assessment. The logic models will be tested with further concrete examples to review their applicability under a range of different evaluation needs. Discussion with the SRG members in individual meetings in the partner countries towards the end of 2014 and at the beginning of 2015 will review preliminary results of the testing of the different indicators and methods in the partner countries. The results of the testing of the new evaluation methods will then be discussed and reviewed in the third international stakeholder workshop in June 2015.