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“Public Goods and public Intervention in agriculture

Francesco Mantino

**Identifying needs and SMART
targeting**



The discussion on targets should take into account of the following elements:

- a. The role of RDP measures in generating PGs
- b. The need to strengthen mechanisms of designing and delivering within RDPs
- c. The need to reflect on the definition of objectives, targets and their implementation, consistently with EU priorities
- d. The need to increase accountability and public scrutiny, in order to verify objectives and targets achieved by policies

What does mean reflecting on targeting?

Definition of targets

- **Indicators;**
- **Actors and levels of government involved in the process;**
- **Setting targets**

Definition of policy delivery rules consistent with targets

- **Selection criteria;**
- **Implementing procedures (e.g. integrated approaches);**
- **Territorial scale**
- **Levels of incentives to meet targets**

Setting up a valuable and efficient monitoring and evaluation system

- **Quantification;**
- **Scale of analysis;**
- **Collecting basic data.**



Definition of targets (1): what does it mean SMART indicators?

- a) **S**pecific
- b) **M**easurable
- c) **A**vailable/achievable in a cost effective way
- d) **R**elevant for the programme
- e) Available in a **T**imely manner



Definition of targets (2): other relevant aspects to be considered

- f) Easy to interpret
- g) Selected by all actors involved in the chain of responsibilities
- h) Level of targets discussed and agreed by all administrations participant in the scheme



Definition of targets (3): Some reflections from the present programming period

- a) Quantified in approximate ways or not always quantified
- b) They should be quantified in terms of % objectives set out in RDP
- c) Existence of cross-effects among measures within RDP (synergies/conflicts) that should be taken into account
- d) In particular, PGs are not considered as objectives in all measures, but especially for some (mainly Axis 2)
- e) Maybe targets should be defined better at the level of higher priorities (e.g. Enhancing biodiversity), than at the measure level
- f) Linkages with other policies are hardly considered (excepting for demarcation), but are crucial in determining the generation of PGs (both within the CAP and between RD and other policies, such as Cohesion)



The Italian experience in setting targets for essential services

Statistical Indicators

Targets at 2013

1) EDUCATION

2) CHILD AND
ELDERLY CARE

3) URBAN
WASTE
MANAGEMENT

4) WATER
MANAGEMENT

% of water distributed

% of population served by waste
water treatment plants

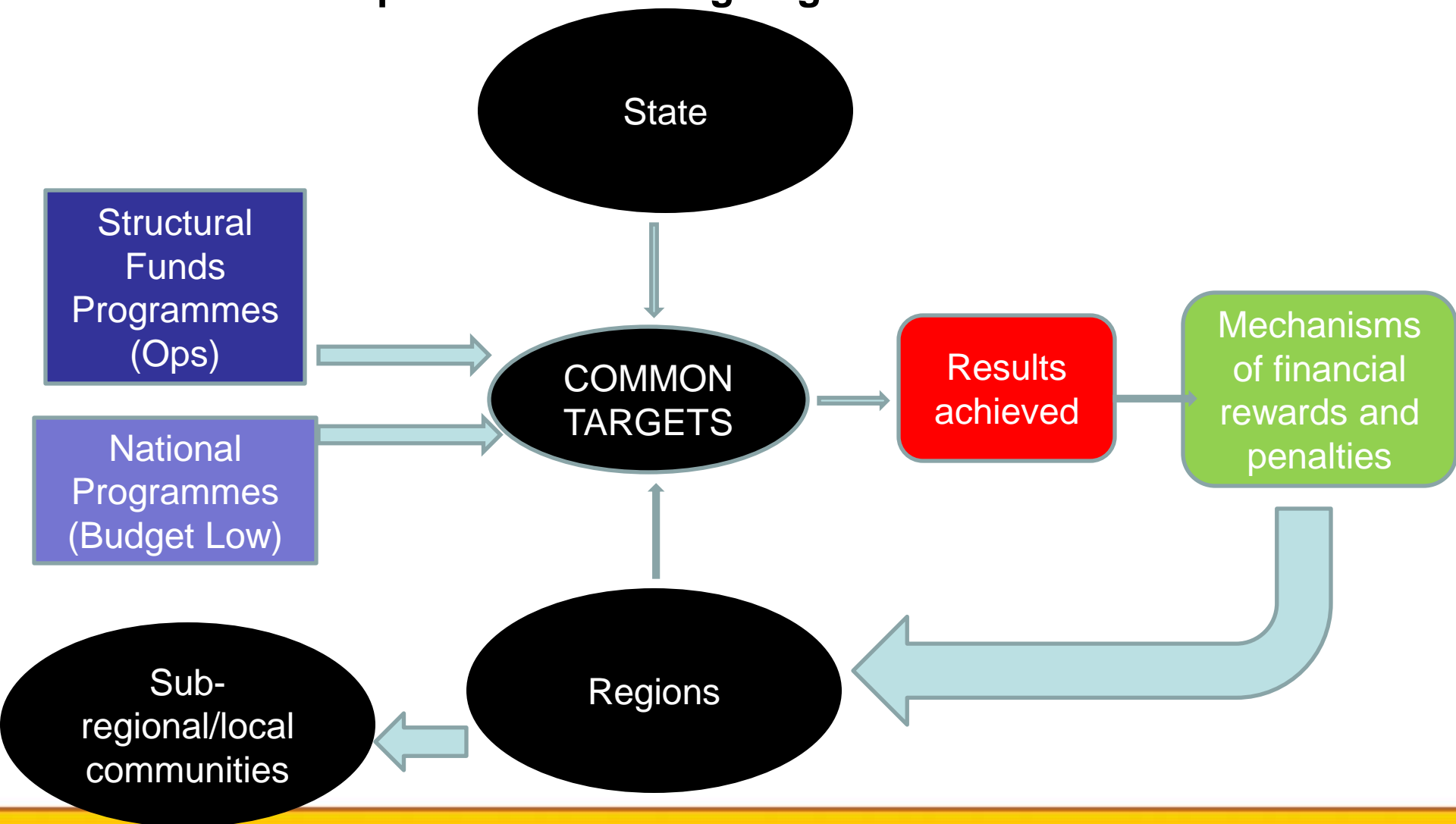
Common targets for all
regions, expressed in terms of
service delivery



From today's 63% to 75%

From today's 56% to 64%

The Italian experience in setting targets for essential services





Definition of policy delivery rules consistent with targets (1): Some key issues in RD policies.

- a) Selection criteria set out in each measure (e.g. Criteria for modernisation of farm structures and environmental targets)
- b) Modes of combining packages of measures addressed to some priority;
- c) Focus on some specific areas (territorial approach), with particular environmental or social problems;
- d) Criteria for setting payment levels.



Definition of delivery rules consistent with targets (2): some concrete examples from RDP.

- a) A system of global contractual agreements between the central Authority of RDP and decentralised bodies (e.g. Netherland, Emilia-Romagna)
- b) A co-ordinated approach to the delivery of measures: at farm level (e.g. the global contract in Catalonia) or at the area level (food chain projects in Italian regions)
- c) A process of negotiated procedures between administrations, farmers organisations and environmental associations, ect.
- d) Actions of capacity building/training in favour of local technical and administrative staff, extension services and private sector



Setting up a monitoring and evaluation system (1): present difficulties

- a) Incomplete information framework, knowledge dispersed among several agents, at central and regional level;
- b) Even when the objectives and targets can be expressed by indicators, the causality chain between actions and targets implies a hard work of evaluation;
- c) Common indicators used do not seem adequate to show the effects, in particular on PGs (this is particularly true for impact and baseline indicators). This doesn't change even when additional indicators are taken into account;
- d) The scale used to measure impacts is national or regional, but better results can be observed in locally-based analysis.
- e) More efforts in evaluating environmental PGs, less in evaluating other PGs.



Setting up a monitoring and evaluation system (2): main needs

- a) Simplification in the system of objectives and indicators, but.....
- b)more accurate system of target measurement
- c) Less indicators, but more significant for the delivery of PGs
- d) Definition of new common targets in EU guidelines (consistent with Europa2020 priorities)
- e) Greater effort of MS in collecting needed data (strengthen official statistics), in particular at local level;
- f) Greater integration between official statistics and programme indicators, through collaborations between central statistical Institutes, Agencies and Management Authorities



Some relevant questions for the discussion

- a) Better targeting could implies a different vision of the architecture of RDP. Does it implies a re-formulation of the present priorities?
- b) Does it implies also a new definition of common rules for measures and selection criteria at EU level?
- c) And which implications could be drawn for the methodology of CMEF?
- d) Finally, could the future performance reserve (recently proposed by EC Communication) be used to provide rewards linked to the achievement of RD targets?