FLINT: Farm-Level Indicators for New Topics in policy evaluation

OECD, Network for Farm-Level Analysis
November 12, 2013

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Societal concern about agricultural production

CAP has evolved during the last decades from being purely focused on food security and farmer livelihood to acknowledging the multi-functional nature of agriculture.

Policy objectives broader than economic results
  - Specific objectives ‘greening’
  - Minimum standards

Changes in information needs to address new objectives of the CAP

Integrated assessment of policy measures (environmental economic evaluations)
Objective FLINT

- To establish a tested data infrastructure with up to date farm level indicators for the monitoring and evaluation of CAP and to contribute to a better targeting of CAP and other related policy measures.
Indicator frameworks

- A wide range of international policy, economic and sustainability indicator frameworks exist:
  - Millennium development goals
  - FAO indicators of sustainable development
  - OECD agri environmental indicators
  - Eurostat environmental indicator framework
  - European Environment Agency indicators
  - IRENA project interactions between agriculture and environment
  - AE foodprint effectiveness of environmental schemes

- National initiatives
Collection of sustainability data still in its infancy

- New farm return, FADN
- Diredate (Eurostat)
- National initiatives
  - Sustainability indicators in Dutch FADN
  - Irish data on triple P
  - Farmers business confidence in Flanders
  - Pacioli papers on other initiatives
Current situation

- No agreement on what the future data infrastructure at EU level should look like.
  - Extend FADN, link FADN to other administrative data or separate environmental data network
- Developments in combining statistical and administrative data
- Farmers often have to collect and provide data on sustainability and food safety issues (Global Gap, BRC, SAI initiative, cool farm tool etc.)
- Developments in data exchange (EDI standards, SDMX, standard business reporting XBRL)
2 key contributions of FLINT

- The need to demonstrate the feasibility of collecting policy-relevant data in different administrative environments
  - with newly developed farm-level indicators of economic, environmental, social and innovation issues.

- The need to demonstrate how the new farm level indicators can be used to evaluate policies and improve the targeting of policy initiatives
  - in such a convincing way that the European Commission can establish an operational EU wide system to collect the extended set of farm level indicators.
5 key questions of FLINT

- **What is desirable?** What farm-level data is needed for the CAP policy evaluation?
- **What is feasible in the value chain?** Data-collection is costly and depends on the collaboration of farmers.
- **What is a feasible pilot network?** Data collection is tested in a pilot network with up to date ICT support for a European infrastructure?
- **What is useful?** Is the newly collected farm-level data really essential in policy evaluation?
- **What is acceptable?** What are acceptable scenarios for the future data-infrastructure in an era of tight budgets?
Work package 1: what is desirable?

- Activities
  - Agricultural policies and related once and their data needs at micro (farm) level
    - Cap towards 2020
  - Literature review on most relevant indicators to measure economics (income, productivity, input output terms of trade, innovation), environment (bio diversity, soil, emissions and water) and social (employment)
  - Current best practices in farm level data gathering (statistics, administrative, farm management, sector)

- Output: draft list of farm level indicators
Work package 2: what is feasible in the value chain?

- Cooperation of farmers is essential

Activities

- Involve farmers, food processors, suppliers, retailers, processors and their definitions of sustainability and productivity.
  - To improve collaboration, make it more relevant and better view on decision making
- Common methodology for consultations with stakeholders.
- Based on national experiences final set of indicators and variables will be defined.

Output: final list of farm level indicators and variables
Work package 3: what is a feasible pilot network (IT)?

- **Activities**
  - Develop software for decentralised data collection
    - Integration in standard software or ad hoc solutions
  - Develop software for central database infrastructure
    - Collect and manage different data sources from different formats and different countries
  - Develop methods for software for data reporting and data analysis
    - Quality control, create research database calculate statistics
  - Set up software and standards for data exchange
    - Between farmers, data collectors and central database
Work package 4: what is a feasible pilot network (data collection)?

Activities

- Prepare instructions for data collection
  - To assure the collection of reliable data
- Train data collectors
- Data collection
  - Pilot of more than 1000 farms, selection plan to cover important policy relevant groups
  - Experiences in different administrative environments will be continuously monitored
  - On year 2015, data collection practices and experiences will be evaluated
Work package 5: what is useful?

**Activities**

- Validate data and create statistics
  - Quality assessment within each farm and within the sample
- CAP evaluation with and without the collected data
  - Carry out a number of policy analysis evaluations CAP policies where targeting is relevant and where a jointness or trade-off between objectives exist.
- Methodological review on the usefulness of newly collected data
  - Synthesise findings from case studies and experience of researchers and policy makers
Work package 6: what is acceptable?

Activities

- Set up community of practice
  - To inform, and to discuss findings and discuss feasibility and consequences of approach for individual countries.

- Prepare for follow up
  - Implications of pilot for data infrastructure at EU level.
  - Scenarios for full scale implementation.

- Dissemination
  - Web site
  - Dissemination of data
  - Closing workshop
Impact

- Indicators needed by policy makers to support the implementation of the strategy for smart, sustainable and inclusive growth
- Integrated data-infrastructure to support the assessment of policy implications of CAP measures
- Integrated policy assessments on different aspects of farm performance (trade-off and jointness)
- Better targeting of policy measures
- Evaluate and propose generic approaches for collecting these farm level data EU wide
Impact (2)

- Consistent set of indicators and empirical testing of data collection in different administrative environments
- Newly collected data provides wide range of new opportunities for scientific research
- Optimal data collection method in a sample framework,
  - administrative burdens for farmers will be kept to a minimum or even be reduced, compared to a situation of more statistical surveys and data collection by industry
- Involvement of agricultural sector
  - In order to have a feasible approach
  - Provides opportunities to improve farm performance
## Partners

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<th>Abbreviation</th>
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Planning

- Start 1-1-2014
- WP 1, WP 2 and WP3 preparation data collection
- Data collection in combination with data year 2015
- Welcome input from other countries
Discussion

For further questions:
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