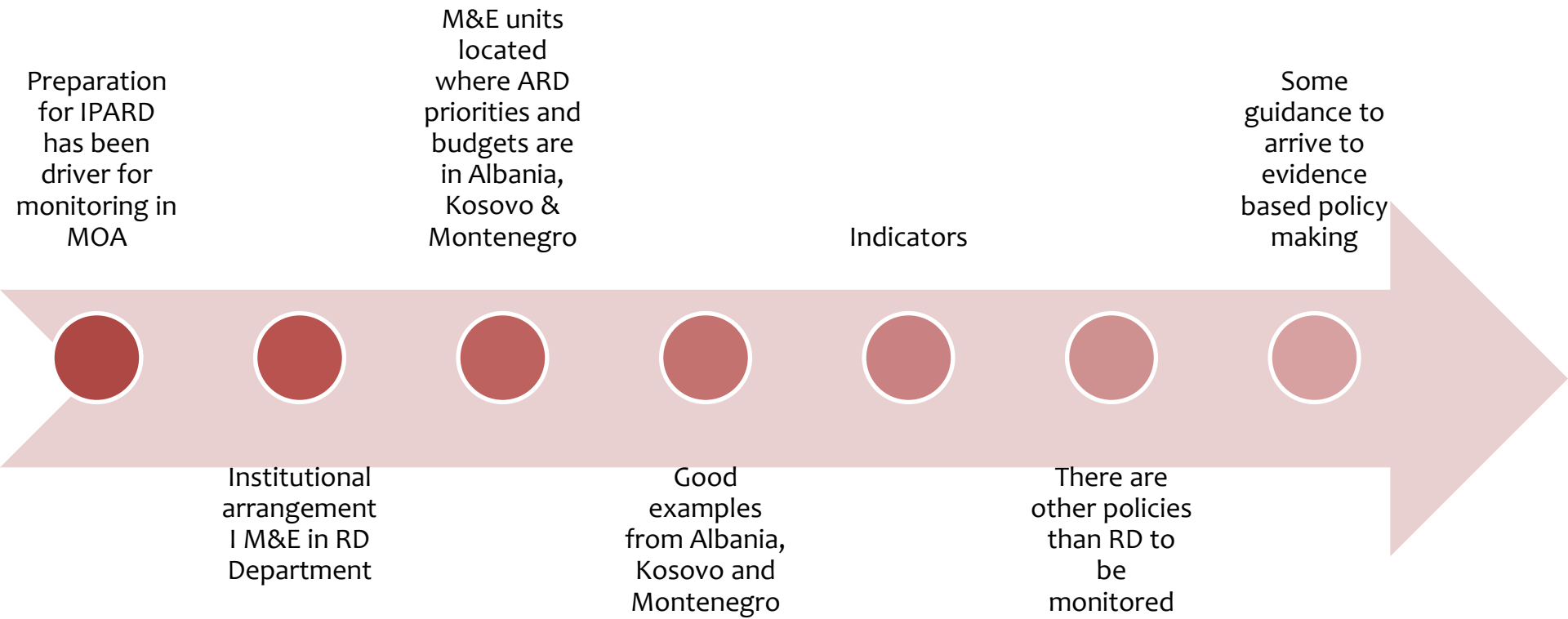


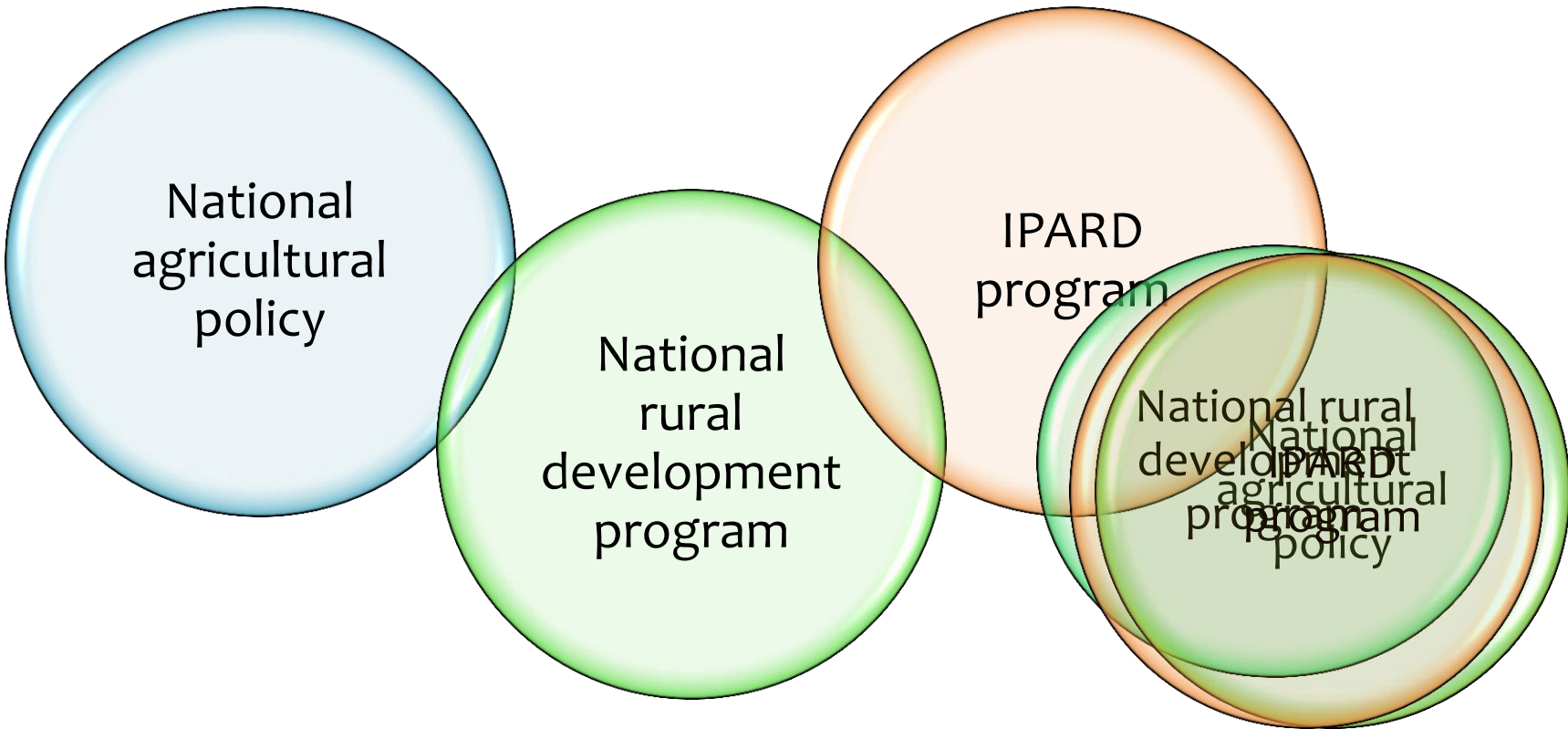
Ivana Dulic Markovic

FROM M&E RD TO M&E ARD

Outline



Countries have multiple strategic directives that determine what they monitor



Sector priorities

Albania Draft ISARD 2014 – 2020 Rural Development objectives

- Enhancing farm viability and competitiveness of all types of agriculture and primary food-processing, while progressively aligning with the Union standards
- Restoring, preserving and enhancing ecosystems dependent on agriculture and forestry
- Promoting social and economic inclusion, poverty reduction and balanced territorial development in rural areas
- Transfer of knowledge and innovation in agriculture, forestry and rural areas and strengthening public administration capacity in implementation of rural development programmes

Kosovo Draft ARD 2014 – 2020 Strategy

- To develop a competitive and innovation based agri-food sector with increased production and productivity, capable to produce high quality products and meeting the requirements of EU market, contributing to security and safety of food supply, pursuing economic, social and environmental goals by fostering employment and developing human and physical capital
- To protect natural resources and environment of rural areas, addressing the challenges of climate changes by achieving sustainable and efficient land use and forestry management and by introducing agricultural production method preserving the environment
- To improve the quality of life and diversify job opportunities in rural areas by fostering employment, social inclusion and balanced territorial development of the rural areas.

Sector priorities

Montenegro Development directions 2013 - 2016

- Strengthening competitiveness of agriculture through support to higher number of agricultural holdings
- Support to companies in food processing industry
- Modernization and restructuring, or opening financial support for the diversification of economic activities of companies in rural areas

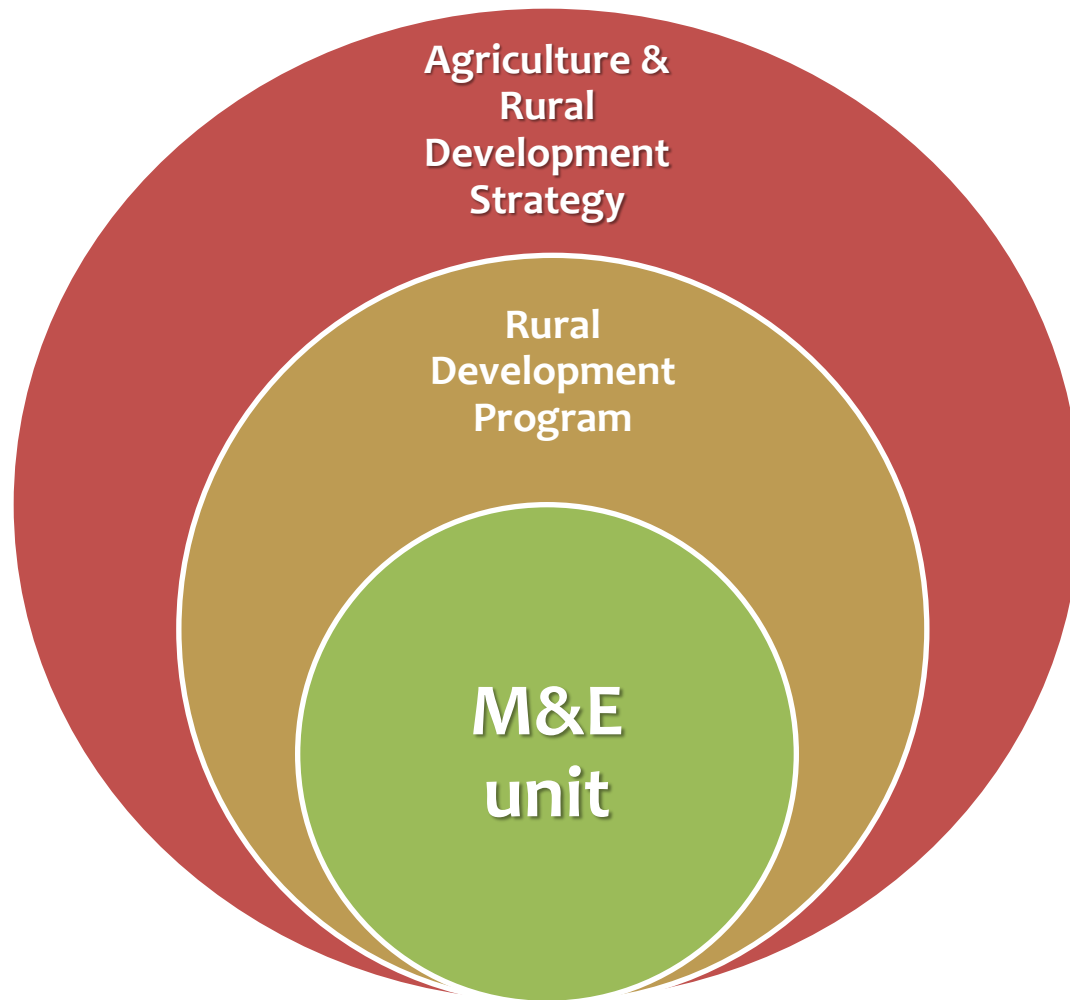
Serbia Draft ARD strategy 2014 - 2024

- Growth of production and stability of income
- Growth of competitiveness
- Sustainable resource management and environmental protection
- Improving the quality of life in rural areas
- Effective management of public policy and improvement of institutional framework

M&E units are in Rural development department

	Strategy	RD program	M&E Unit	Staff
Albania	ISARD 2014 – 2020 Draft		In RD Department	3
Kosovo	Kosovo ARD 2014 – 2020 Strategy Draft		In RD Department	5
Montenegro	Strategy drafting in process		In RD Department	2
Serbia	ARD strategy 2014 – 2024 Draft	National RD program development in process	In RD Department	0

Looking at priorities across ARD, but M&E units concentrated in Rural development departments

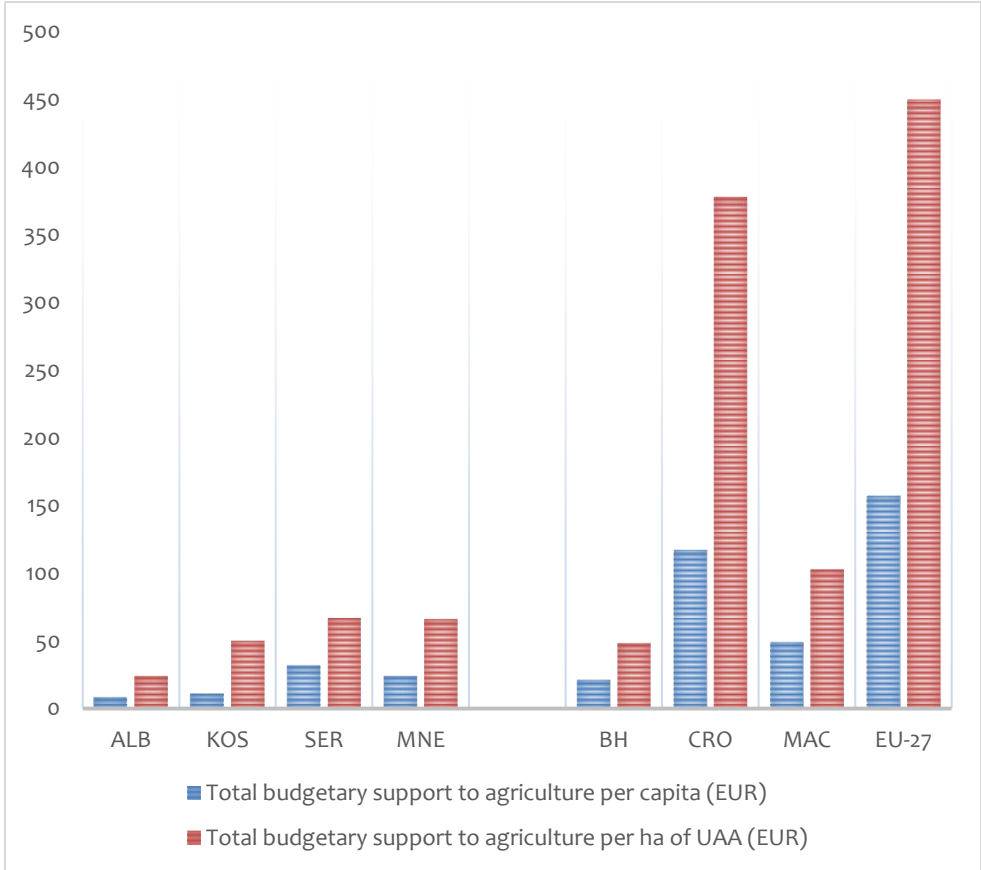


All 4 countries established M&E structure to monitor RD measures focusing on preparation for IPARD monitoring

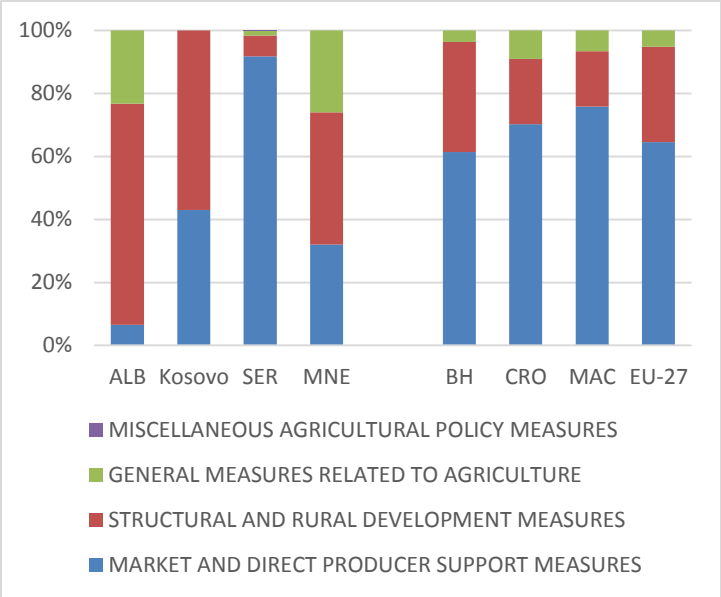
Managing Authority	Paying Agency	Monitoring Committee
establishment a monitoring system which allows to gather, verify and process appropriate information and data for establishing the reports to the MC and thus informing on the progress made in implementation – close cooperation with Paying Agency	establishment a system which allows to receive adequate information and data from the final beneficiaries	Follows effectiveness and quality of program implementation in order to attain its objectives

Policy = where the money goes

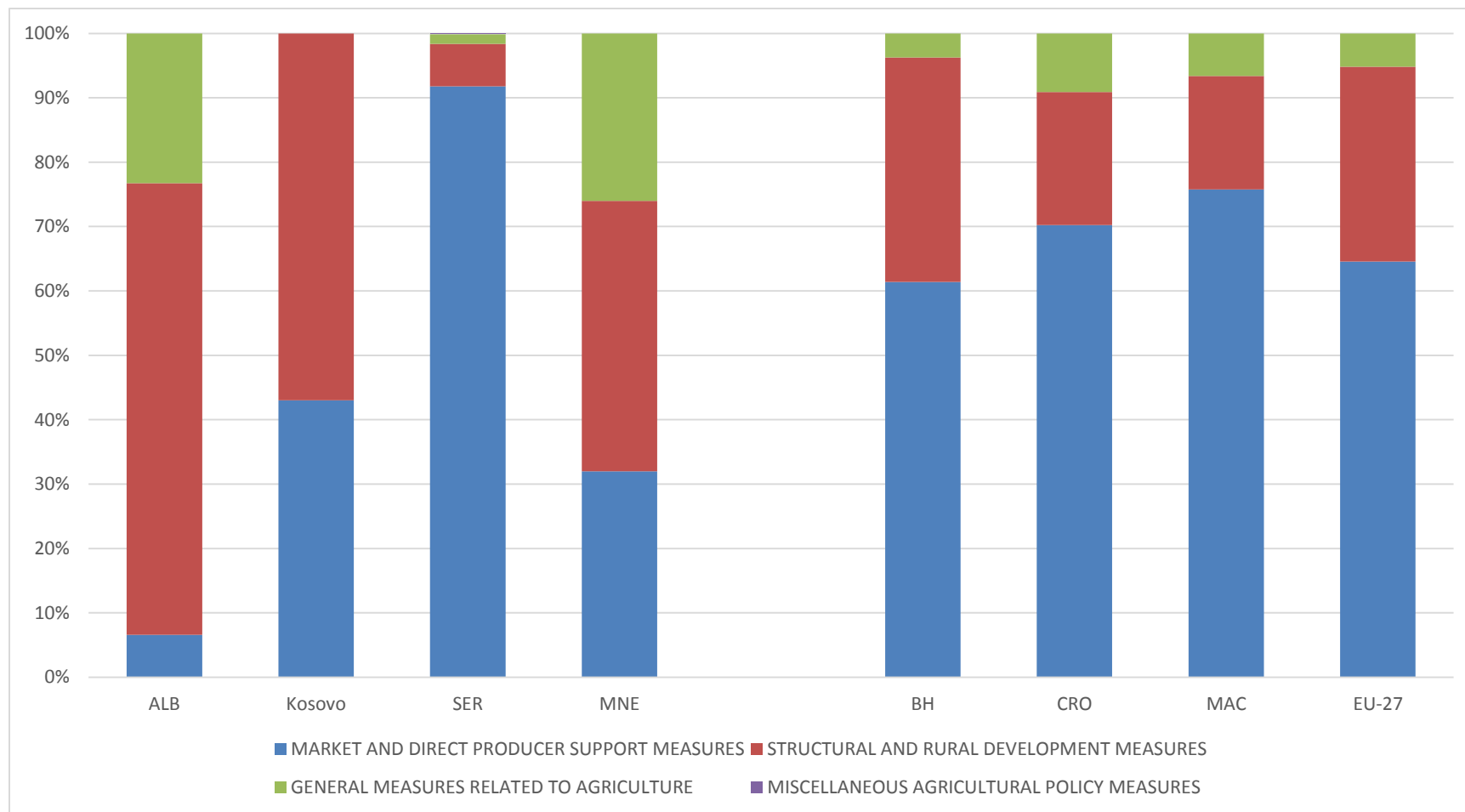
Budgetary support in 2012 per capita and per UAA (2012)



Breakdown of total budgetary support to agriculture in 2012 (%)



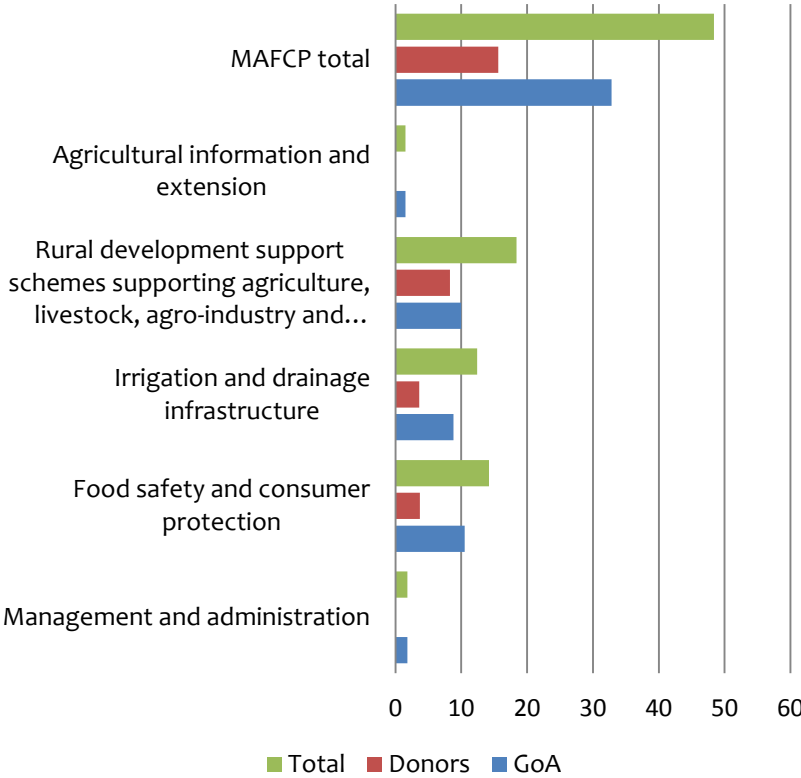
Albania, Kosovo and Montenegro put their monitoring unit where they put their money



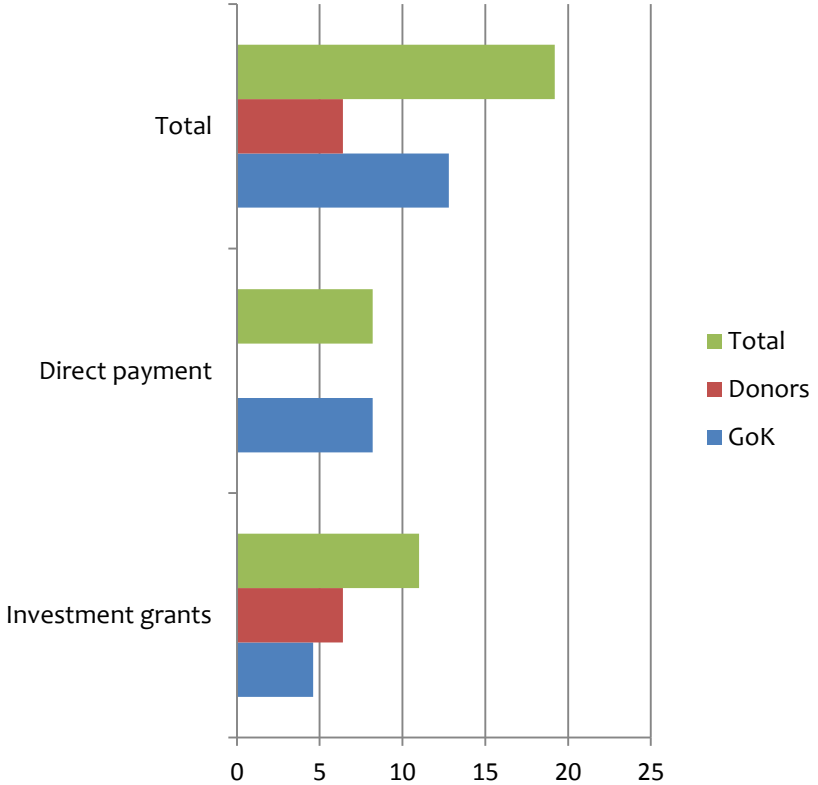
Breakdown of total budgetary support to agriculture in 2012 (%)

(and donors money)

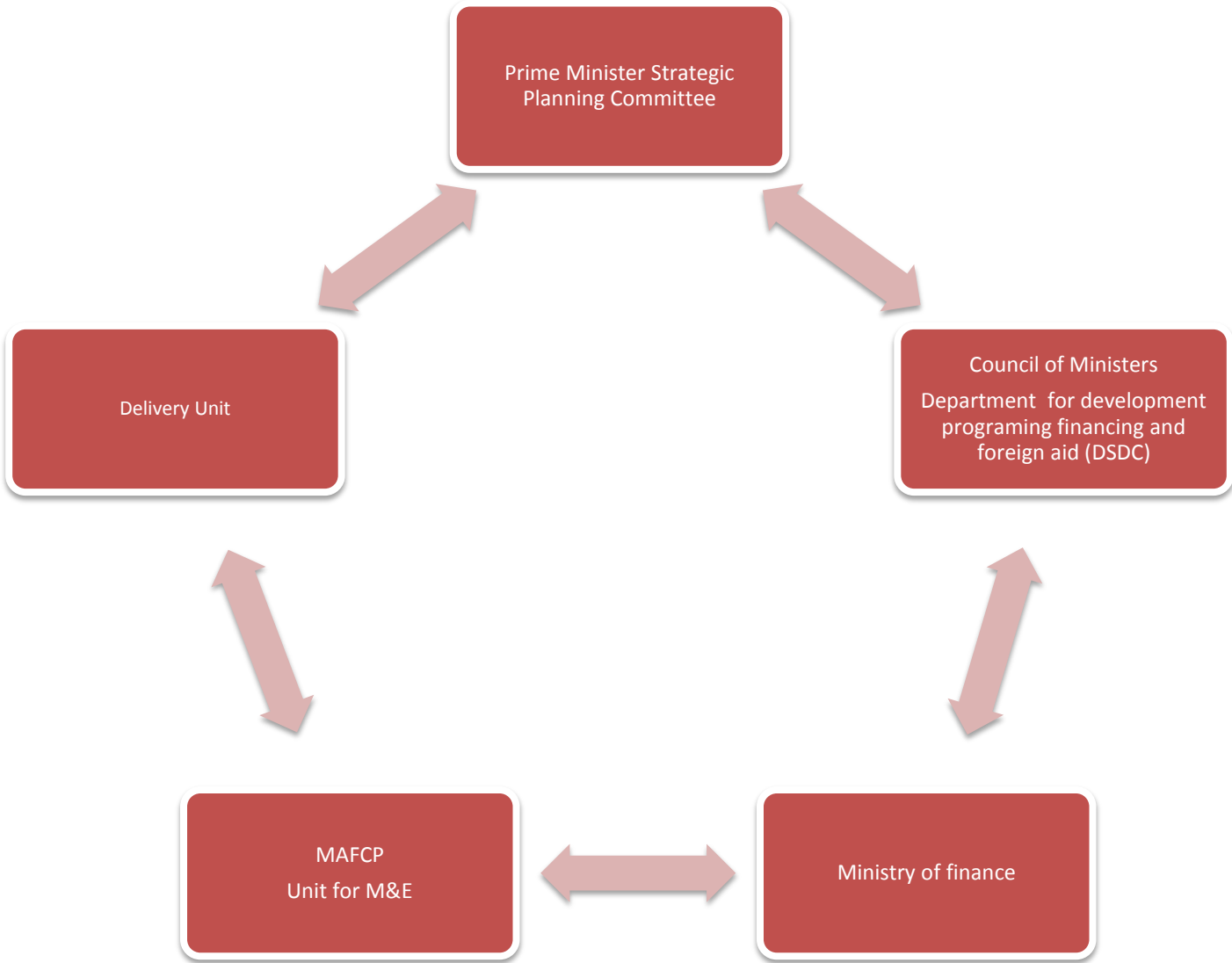
Albania



Kosovo



Good example Albania: strong government M&E directive- cuts across the Government



ARD Albania – developing DISTINCT indicators to monitor national strategic priorities & IPARD like measures

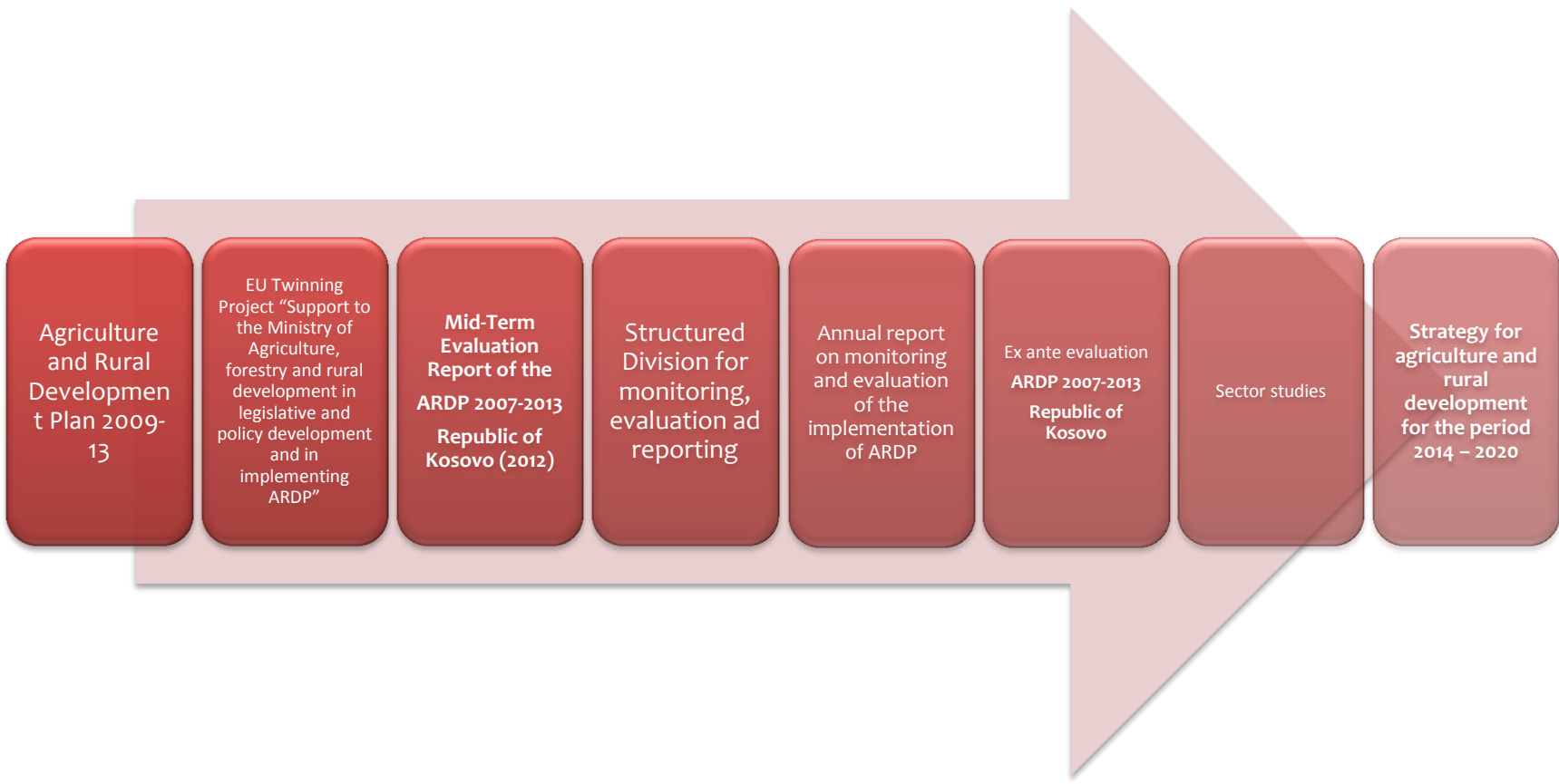
National policy performance indicators

Export of agricultural and agro-processing products, mill. ALL	12,098	33,000	50,000
Import of agricultural and agro-processing products, mill. ALL	84,794	120,000	150,000
Export – Import ratio	1:8	1:5	1:3
Organic farms, number	123	600	1.000
Area of land under organic production, ha	5,848	14,000	20,000
Total area potentially irrigated, ha	360,000	360,000	360,000
Agriculture land with improved and rehabilitated irrigation infrastructure, ha	230,000	300,000	360,000

Development of Common Monitoring and Evaluation Framework indicators

Type of indicator	Indicator
Output	Number of farm holdings supported
	Total volume of investment
Result	Number of enterprises introducing Community standards
Impact	Number of holdings introducing Community standards
	Change in gross value added per annual work unit
	Number of agricultural holdings and enterprises fully compliant with Community standards

Good example Kosovo: Planning and monitoring



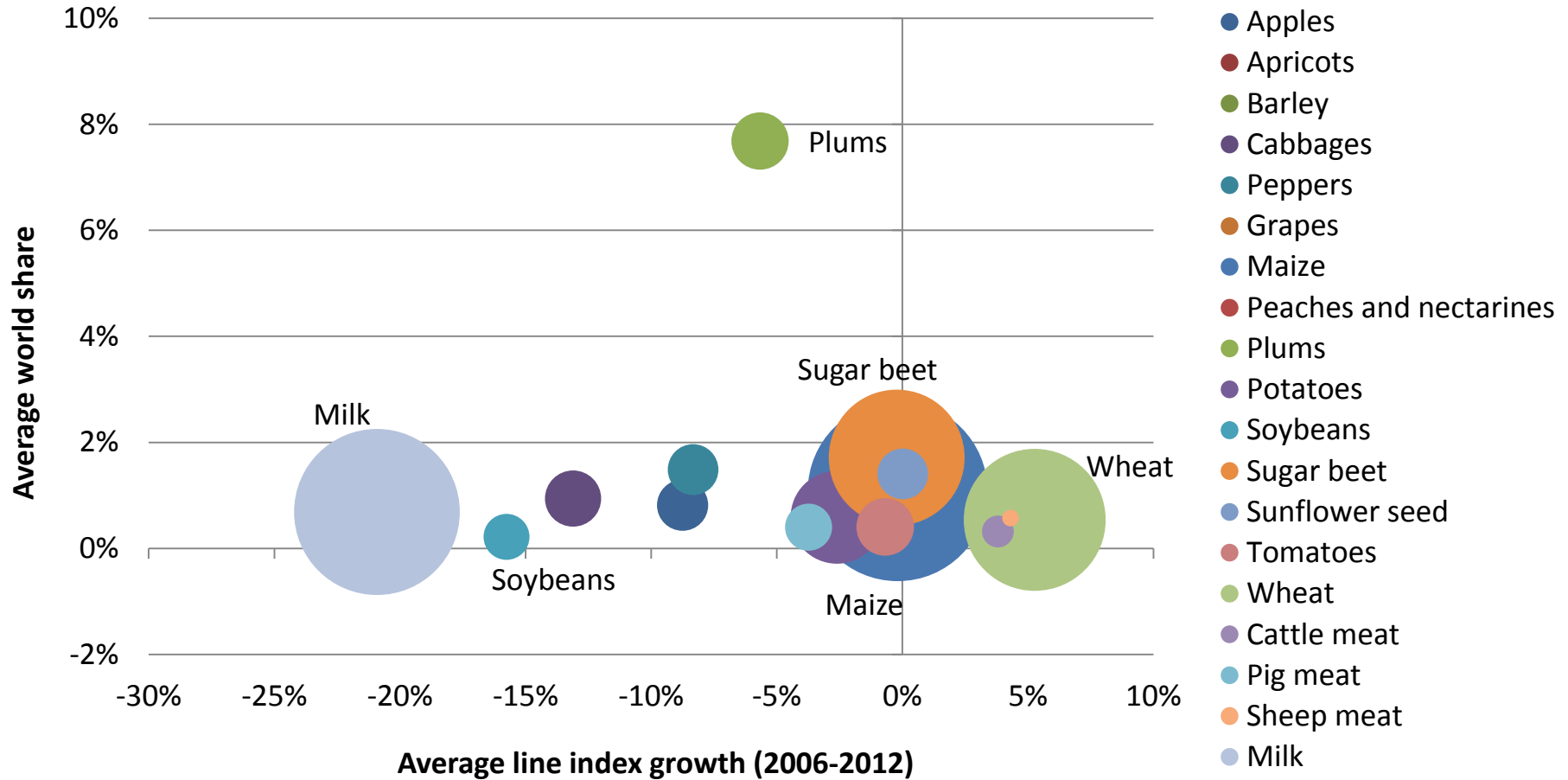
Good example Montenegro: MIDAS (Montenegro Institutional Development and Agriculture Strengthening Project)

- **Project objective:** improve delivery of government assistance for sustainable agriculture and rural development in a manner consistent with the EU's pre-accession requirements
- MIDAS monitored:
 - Process indicators (number of applicants)
 - Inputs (grants disbursed)
 - Outputs (how were grants invested)

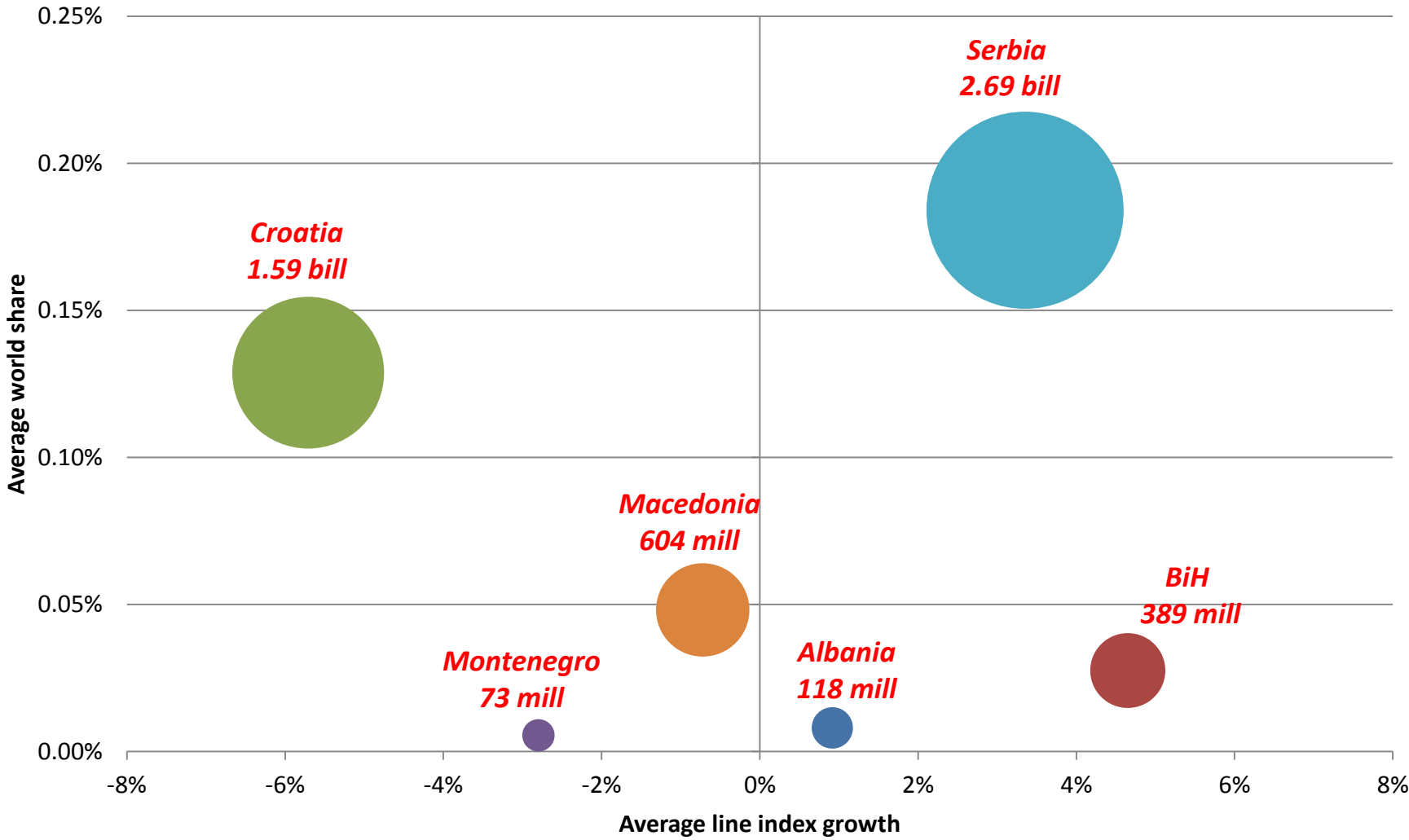
Approach to indicators

- Performance at the sector level (effect of the ARD policy) trying not to overlap with CMEF monitoring
- Based on data available from official sources (National statistical office and other official sources)

Comparing the production with average world growth

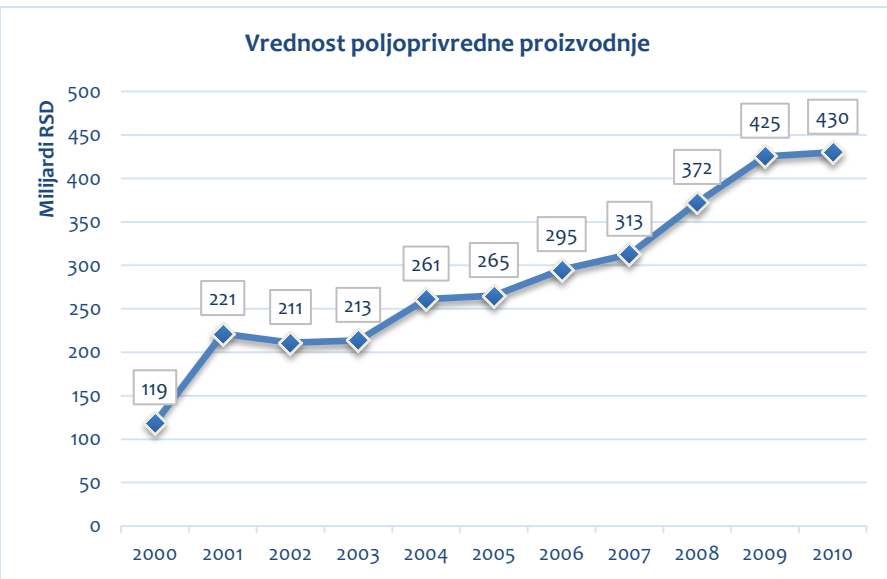


Comparing export with average world export

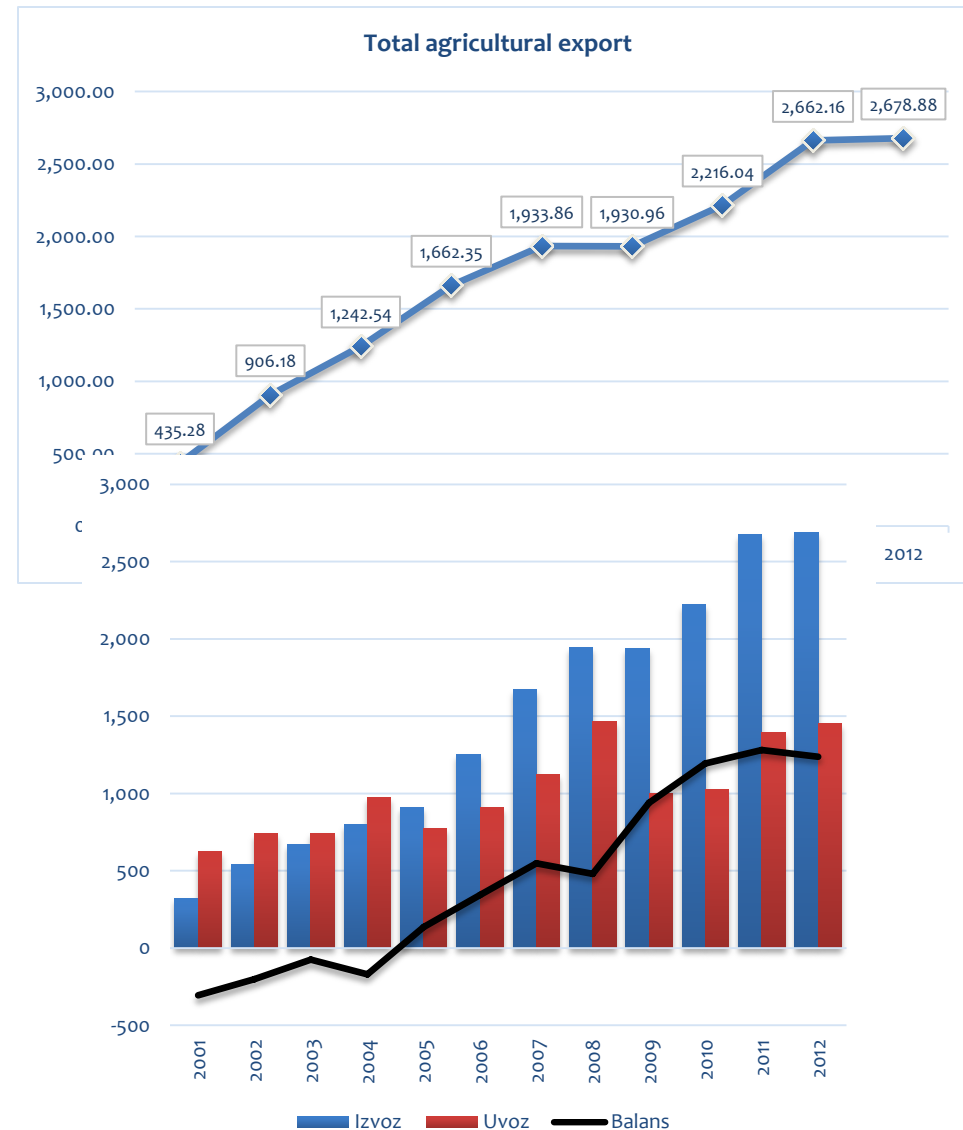


Value of production, export – import trends

Value of agricultural production in Serbia

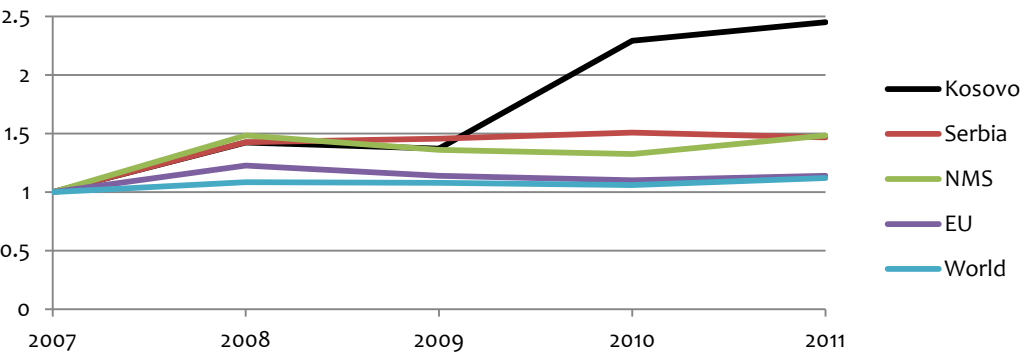


Total agricultural export from Serbia



Production trends

cereals

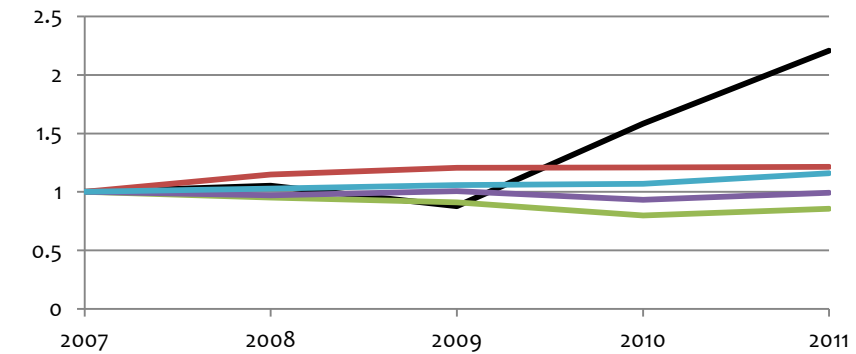


**OUTCOME OBSERVED:
INCREASED WHEAT
PRODUCTION**

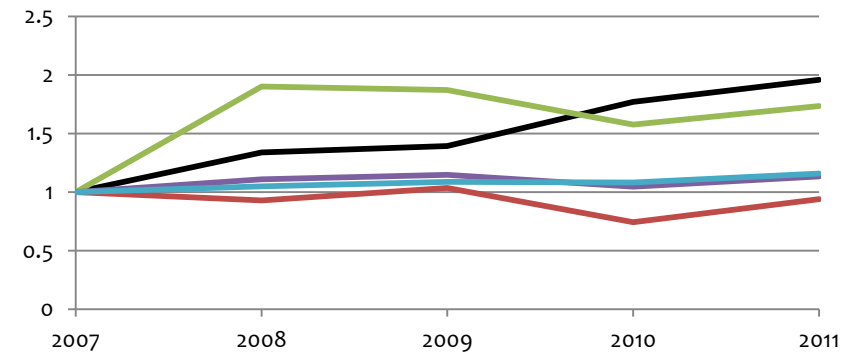
RESULT OF DIRECT PAYMENT?

**BUT...PRODUCTION INCREASES ALSO OBSERVED FOR PRODUCTS NOT LINKED TO
DIRECT PAYMENTS**

vegetables



fruits



Serbia

Policy objective	Proposed indicator
Growth of production	Increase of value of agricultural production
Growth of competitiveness to adapt to the demands of domestic and international market, technical and technological improvements of sector	Increased value of agriculture exports by 25% per year
Sustainable resource management and environmental protection	Increase of area under certified organic production
Improving the quality of life in rural areas	Increased number of young farmer households in Farm register
Effective management of public policy and improvement of institutional framework development of agriculture and rural areas	Value of IPARD funds available to farmers and processing industry

Montenegro

Objective	Proposed indicator
Strengthening competitiveness of agriculture through support to higher number of agricultural holdings, support to companies in food processing industry	Investments into fixed capital in agriculture
	Value of MIDAS (IPARD) funds disbursed to farmers and processing industry
	Increase of value of agricultural loans approved by IDF
	Increase of value of agricultural loans approved by CKB

KOSOVO

Priorities	Indicators
Enhancing farm viability and competitiveness of all types of agriculture and primary food-processing, while progressively aligning with the Union standard	Export – import ratio for agricultural and agro-processing products
	Value of agro-processing
Restoring, preserving and enhancing ecosystems dependent on agriculture and forestry	Increase of area under certified organic production
Transfer of knowledge and innovation in agriculture, forestry and rural areas and strengthening public administration capacity in implementation of rural development programmes.	Increased gross-margin at assisted farm holdings

Albania

efficient, innovative and viable agri-food sector capable to sustain the competitive pressure and meeting the requirements of the EU market through a sustainable utilization of resources and viable rural areas providing economic activities and employment opportunities, social inclusion and quality of life to rural residents.	Real economic growth rate in agricultural sector, %
	Value of agro-processing
	Employees in agro-processing
	Area of land under organic production, ha
	Income outside agriculture, number of farmers

Project countries are at different stages in their sector level M&E development

Albania, Kosovo and Montenegro

- ready to use the experience and knowledge on monitoring the Rural Development measures to cross to the phase of evaluation of policies

Serbia

- Project influenced the adoption of indicators in Draft ARD strategy 2014 - 2024

This is how... indicators play a role in each step of the policy cycle

Step 1: Problem identification & analysis

- Identify what problem Ministry have to solve.
- Decide whether it is Ministry's job to help solve it – some things are better solved by industry or the market and do not need any government action.
- **Analyse** the problem to find the root causes – usually the perceived “problem” is just the symptom of something deeper.
- Define the policy objective – the biggest single cause of policy failure is failing to define clear, measurable and realistic objectives.

Step 2: Options development & appraisal

- Develop a number of different policy options – there is always more than one way to achieve a goal, and the first idea may not be the best.
- **Assess the likely impact** of each option – what would be its economic, social & environmental effects? is it compatible with national & international commitments?

Step 3: Consultation with stakeholders

- Consult widely with all the main groups of stakeholders who would be affected – typically any policy measure will result in winners and losers, and both sides should be consulted.

Step 4: Legislation & implementation

- Plan how the policy will be put into effect as efficiently as possible – full account should be taken of the costs to industry, including farmers' time & money, as well as of the direct costs to government.
- Prepare legislation to put the measure into practice.
- Budget and allocate resources as necessary.
- Inform stakeholders of the new policy and prepare to answer their questions

Step 5: Monitoring & evaluation

- **Regularly monitor whether the policy is achieving its goals.**
- **Periodically carry out a deeper evaluation to see whether the policy is really worthwhile, particularly as circumstances evolve**

M&E should focus on all policies, not just rural development

- 1. Comprehensive analysis of:**
 - Support policies
 - Trade policies
 - Regulatory policies (veterinary, phytosanitary and agricultural laws & inspection)
 - Resource policies (land, water & forestry)
- 2. Monitoring of policies based on baseline analysis**
- 3. Regular reporting**
- 4. The sectoral annual report, linked to budget**

Multiannual programming and planning

- Strategies, budgeting, analysis

Basic data on policies

Policy (No of regulation)
Policy measures
Objectives
Specific objectives

Budget:

Funds
location
Beneficiaries
Number of beneficiaries
Support per ha/farm

Impacts on:

Market development
Production structure
Production value
Processing
Consumers
Environment
Others

Compatibility to:

National strategy
EU
STO
CEFTA
...

Comprehensive analysis of the policies

MAFWM Policy Measure Summary Sheet

Policy (Reg. or Law) No.	16/05
Policy Measure (or sub-Measure) name	Regulation on Subsidies for Breeding Stock and Queen Bees (Heifers and Bulls)
Primary objective type	Economic/Social/Environmental/Political/Other
Secondary objective(s)	Economic/Social/Environmental/Political/Other
Stated objective	"to produce high quality breeding young stock"
Comments, e.g. indirect objectives, assumptions	To improve farm productivity, increase farming incomes, reduce unit costs
Budget:	
Allocation: (2005/2004)	Part of 402.000.000 dinars / Part of 402.000.000 dinars
Uptake: (2005/2004)	
Main beneficiaries (no. or %s):	
Farm type(s)	Individuals / Companies / Co-op / Kombinat / NGO
Location(s)	Vojvodina / C. Serbia plains / C. Serbia hills
No. of beneficiaries	In I and II quartal 2005., 11.318 heifers and bulls
Support per ha/head (din)	11.000 din/heifer, 15.000 din/bull
Effects on:	
Market Development	Negligible
Production structures	Negligible
Producers:	Positive
Processors/Traders:	Negligible
Consumers:	Negligible
Taxpayers:	Part of 2,8% (part of 2,5% in 2004.)
Environment (EIA)	Negligible
Administration (RIA)	To 2005. extension services have applied instead of farmers
Other(s)	
Compatibility with:	
Ag. strategy	OK if milk, beef competitive
EU	May be incompatible state aid
WTO	Not relevant
Bilateral agreements	Not relevant

Is there logic for ARD M&E to be in policy department?

- **Products** - Supply, Demand, Prices etc
 - To monitor the markets for all major agricultural products, from production to consumption, and the major input markets on which they depend
 - To manage and monitor each of the Ministry's policies that targets particular agricultural products or inputs
- **Resources** - Land, Farmers, Machinery, Water, Genetics etc.
 - To monitor the markets for all major agricultural resources
 - To manage and monitor each of the Ministry's policies that targets particular agricultural resources
- **Statistics and Analytics**
 - To provide a professional and objective policy analysis service to support all parts of the Ministry in making, managing, monitoring and improving its policies
- **Budget and Support Policies**
 - To perform policy analysis in regard to the support and predict their impact
 - To prepare budget justification for different policies
- **Trade and trade negotiations**
 - To monitor international trade in agricultural products and agricultural inputs
 - To manage and monitor the implementation of international and bilateral agricultural trade agreements

Various possibilities of the budget

- Extremely low
-
-
-
- Respectable



Type of objectives

- Food security
- Food safety
- Competitiveness
- Farmers income
- Environmental
- Political
- Rural development

Direct market support

Area payment

Structural support

Credit support

Environmental

Education & research

Income support

Type of measures