



An evaluation perspective on the durability of investments

EU CAP Network Workshop on Durability of Investments

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European Evaluation Helpdesk for the CAP



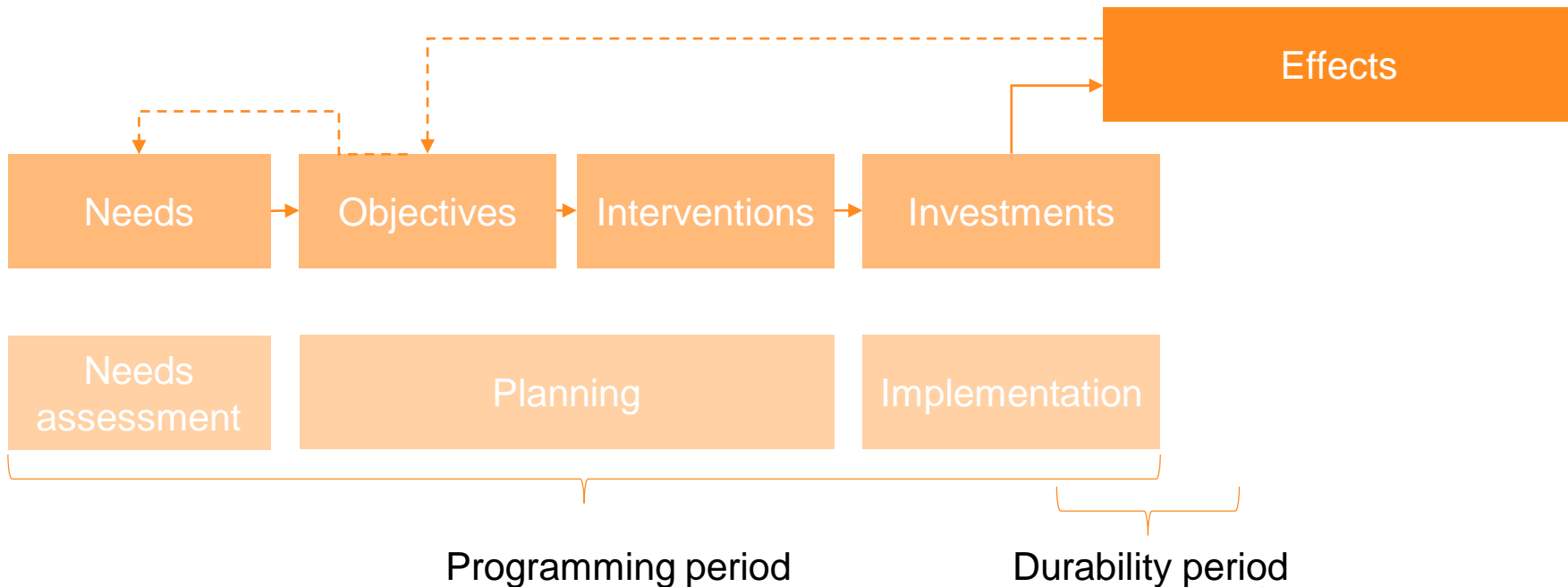
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Why evaluate durability of investments?

Will the effects last after the interventions end?





Actual vs prospective durability

Actual
durability

- The continuation of **net effects** generated by the intervention that are **already evident**

Prospective
durability

- The potential that financed project will **continue to operate** and generate net effects into the future



Evaluation of durability in practice



- › Country: Sweden
- › Title: Assessing long-term effects of CAP investment support on indicators of farm performance
- › Published: 2020
- › [Förväntade effekter av investeringsstöd inom landsbygdsprogrammet - Jo \(jordbruksverket.se\)](https://www.jordbruksverket.se/forvantade-effekter-av-investeringsstod-inom-landsbygdsprogrammet-jo)
- › <https://doi.org/10.1093/erae/jbab038>



Evaluation of durability in practice



- › Country: Poland
- › Title: Durability of operations in agriculture
- › Published: 2022
- › [Trwałość operacji finansowanych w ramach PROW 2014-2020](#)





Objectives of the selected evaluations



Actual durability

- › Estimate the effects of M121 on farm performance
 - › A ten-year follow-up of projects
- › Use the result to estimate expected effects of M4.1

Prospective durability



- › Empirical assessment of the durability potential
- › A prospective durability assessment of investments under M4.1 and M6.4





Data requirements



- › Physical size of farms (total ha and ha entitled for area payments)
 - › Integrated Administration and Control System



- › Survey for prospective durability addressed to beneficiaries as well as farm advisors

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- › Economic (and physical for PL) size, location, type and financial status of the farms. Education and age of farm managers and/or employees
 - › National FADN and National Statistics
 - › Data on investment projects, including RDP support paid
 - › Electronic Information System (Art. 70, Reg. (EU) 1305/2013 | Art 130, Reg. (EU) 2021/2115)





Main findings

Actual durability of the effects

Supported farms present increased performance in terms of productivity and turnover growth

Less evident for employment growth

Annual average effects of the support are positive over the whole 10-year period

Growth rates negligible in the first years





Main findings

Prospective durability of operations

High probability that the investments will be maintained in the long term (90% of respondents for M4.1, 86% for M6.4)

Effects need time to emerge: The longer the time after the investment, the more optimistic the outlook

Significant differences between farm types (field crops more optimistic compared to permanent crops and mixed production)

Significant differences between types of investments (equipment more optimistic compared to buildings)





Main recommendations for future evaluations

Effects need time to emerge

Assessment long after the completion of the projects and based on a long period

Otherwise, the effects may be underestimated

Interpret results carefully

Prospective assessment:

- Clear definition of durability
- Consider external factors

Actual assessment:

- Beneficiaries may have specific characteristics, affecting the estimation of the net effects

Other CAP interventions matter

Farms that receive other RDP support: lower productivity growth but generally higher turnover and employment growth.



Main drivers of durability

- › **Efficiency: Selection criteria are key**
 - › Individual and farm characteristics reign supreme
 - › In the PL empirical model, younger farmers, higher profitability and better financial status of the farm may positively affect durability potential
- › **Effectiveness: Achieve high performance levels as soon as possible**
 - › Reduce implementation time
 - › Support beneficiaries during the adjustment period with farm advisory services
- › **Coherence: Ensure complementarity with other CAP interventions**
- › **Flexibility: Tailored responses to external factors**





Acknowledgement

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Thank you!

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