

## IPA III Results Framework Indicator Methodology Note

1. Indicator code and name
<b>IPA III RF 4.3.1.1:</b> Number of farms and food processing enterprises receiving IPARD investment support to progressively align practices with the relevant EU and national standards
2. Technical details
<p><b><u>OPSYS and Results Dashboard code:</u></b> 260957, 260959.</p> <p><b><u>Unit of measure:</u></b> Number of (#)</p> <p><b><u>Type of indicator:</u></b> <i>Quantitative: Numeric; Actual (ex-post); Cumulative (not annual).</i></p> <p><b><u>Level of measurement:</u></b> The indicator implies a change in behaviour in the context of IPA Beneficiaries and their farmers and food processing enterprises, and thus responds to an outcome level result. The indicator is related to the IPA III RF output level Indicator 4.3.1.4 “<i>Number of farms and agri-food processing enterprises supported by IPARD in modernisation</i>”.</p> <p><b><u>Disaggregation:</u></b> It will be appropriate to disaggregate between (a) farms and (b) agri-food processing enterprises. Further indications on disaggregation set out in IPARD programmes and monitoring tables prepared by the countries are to be followed.</p> <p><b><u>DAC sector codes:</u></b> 31110; 31120; 31130; 31140; 31150; 31161; 31162; 31163; 31164; 31165; 31166; 31181; 31182; 31191;31192; 31193; 31194; 31195; 31210; 31220; 31261; 31281; 31282; 31291; 31310; 31320; 31381;31382; 31391</p> <p><b><u>Main associated SDG:</u></b> <b>SDG 15:</b> Life on Land.</p> <p><b><u>Other associated SDGs:</u></b> n/a.</p> <p><b><u>Associated IPA III Level 1 indicator:</u></b></p> <ul style="list-style-type: none"> <li>• Agriculture, forestry, and fishing, value added (% of GDP) (source: Eurostat, online data code: nama_10_a10) (Ind. 4.0.5, same indicator presented under Window 4 – OO &amp; TP 4) .</li> </ul> <p><b><u>Associated IPA III Level 3 indicators:</u></b> none.</p>
3. Policy context and Rationale
<ul style="list-style-type: none"> <li>• <b>IPA III PF: Window 4 Competitiveness and inclusive growth – Thematic priority 3 Agriculture and rural development, Window 3 Green agenda and sustainable connectivity, and Windows 2: Good governance, EU acquis alignment, good neighbourly relations and strategic communication</b></li> <li>• <b>Chapter of the Acquis.</b> The concerned chapters of the EU <i>acquis</i> relative to this indicator are: <b>chapter 11</b> “Agriculture and rural development”, <b>chapter 12</b> “Food safety, veterinary and phytosanitary policy”, within cluster 5 (Resources, agriculture and cohesion). Concerned also is the <b>Chapter 27 Acquis</b> on Environment and climate change which includes regulatory requirements related to water and land use, relevant to interventions to support agri-environment-climate and organic farming.</li> <li>• The specific objective of IPA III in this area is to gradually build an agricultural sector capable of competing in the EU single market, while progressively aligning with the EU legal framework in the field of agriculture and rural development and the relevant</li> </ul>

veterinary, food safety and phytosanitary standards (SPS standards). Alignment with EU environmental and animal welfare standards also plays an important role in implementation of these investments.

- Major efforts are still necessary for food safety, animal welfare and the transition towards sustainable food systems, being increasingly important in view of the necessary alignment with the EU food safety acquis and the EU Farm to Fork Strategy, which is at the heart of the EU Green Deal aiming to make food systems fair, healthy and environmentally friendly. IPA III will also contribute to ensuring food security in the region.
- In particular, actions funded under this Window and Thematic Priority should aim to improve market orientation and competitiveness of the agri-food sector, improve the sector's response to social demands for safe, healthy, nutritious food and animal welfare and enhance farmers' position in the food chain.

#### 4. Values to report

All of the following values must be determined according to the definitions provided in Section 5 below.

- **Reporting values in the logframe:**
  - **Baseline value:** The value assumed by the indicator at time t0, against which progress will be assessed.
  - **Reporting of current value** is done at least once a year: actual latest value on the total number of farms and food processing enterprises by the time of reporting and according to the applicable definitions provided in section 5 of the note. Values will be reported cumulatively across the whole implementation period.
  - **Final target value:** estimated total number of farms and food processing enterprises by the target year and according to the applicable definitions provided in section 5 of the note.
- **Intermediate targets (milestones).** A tool has been developed in OPSYS to automate the generation of intermediate targets<sup>1</sup>.
  - For outputs, the intermediate targets are generated using a linear interpolation between the baseline and target values because it is assumed that outputs materialise sooner and more progressively over implementation (than outcomes).
  - For outcomes, the expected progression over the course of implementation will vary across interventions. During the creation of a logframe, the expected outcome profile must be selected (OPSYS offers four options<sup>2</sup>) and this selection triggers the generation of intermediate targets for all 30 June and 31 December dates between the baseline and target dates for all output and outcome quantitative indicators. All automatically generated intermediate targets values and dates can be subsequently

<sup>1</sup> This has been done in the framework of the **Intervention Performance Assessment**. Two composite indicators have been developed to provide an overall assessment of an intervention's current implementation and future prospects. These scores will be calculated for all NEAR interventions participating in the annual results data collection exercise.

- The **implementation score** reflects the relevance, efficiency and effectiveness already achieved by the intervention. The information on relevance is provided by the Operational manager's response to a question in a survey. The information on efficiency and effectiveness is provided by the logframe data, if sufficiently available, or the response to a question in a survey, if not.
- The **risk score** reflects expectations regarding the most probable levels of relevance, efficiency, effectiveness and sustainability to be achieved by the intervention in the future. In this case, all the information is provided by the Operational manager's responses to questions in a survey.

<sup>2</sup> a. Constant: The outcomes are achieved continuously throughout implementation; b. Accelerating: The outcomes are achieved towards the end of implementation; c. At the end: The outcomes are mostly achieved at the end of implementation; d. None of the above.

<p>modified by the Operational Manager or the Implementing Partner with the approval of the Operational Manager.</p>
<p>5. Calculation of values</p>
<p>The value for this indicator is calculated by counting the <b>Number of farms and food processing enterprises</b>, using the Technical Definitions and Counting Guidance provided below. Please double check your calculations using the Quality Control Checklist below.</p> <p><u>Technical Definitions</u></p> <ul style="list-style-type: none"> <li>• <b>Relevant EU and national standards are defined in the relevant measure.</b></li> <li>• As formulated, the indicator is to be used for IPARD financed interventions only.</li> </ul> <p><u>Counting Guidance</u></p> <ul style="list-style-type: none"> <li>• The calculation method is a simple count of the number of the ‘net’ number of farms and agri-food processing enterprises supported by IPARD contracts signed (signed IPARD contracts -/- terminated contracts) under the IPARD measures 1 (‘investments in physical assets of agricultural holdings’) and 3 (‘investments in physical assets concerning processing and marketing of agricultural and fishery products’) and which are considered by the Managing Authority to have or be in the process of aligning practices with the relevant EU and national standards</li> </ul> <p><u>Quality Control Checklist</u></p> <ol style="list-style-type: none"> <li>1. Have all relevant disaggregations been reported?</li> <li>2. Has the baseline and final target been encoded with the right dates?</li> <li>3. Did you encode the latest current value available?</li> <li>4. Did you use the comment box to inform on the values encoded?</li> </ol>
<p>6. Examples of calculations</p>
<p>In Country A, IPARD investment subsidies are offered to farms and food processing enterprises under several measures (e.g. Measure 1: Investments in physical assets of agricultural holdings; Measure 2: Investments in physical assets concerning processing and marketing of agricultural and fishery products; Measure 3: Agri-environment-climate and organic farming measure). It is a condition of funding for all measures that proposed investments demonstrably help the grant recipient comply more fully with different elements of the EU Acquis. If this cannot be demonstrated to satisfaction in the grant application then funding is not provided. Funding is generally provided after the investment is made; contracting generally occurs prior to purchase of relevant equipment. In cases of investment in building the duration of project implementation is longer than for purchase of equipment.</p> <p>So, let us assume a baseline of 0, relative to the IPARD III programme. No prior IPARD III investment subsidies have been provided. Let us suppose also that no farm or food processing enterprise receives more than one contract, therefore the number of contracts/projects corresponds to the number of farms and food processing enterprises.</p> <p><b>Start Year 1: Base-line 0:</b></p> <p>In the course of Year 1, 10 farms and food processing enterprises are supported under Measure 1, 8 under Measure 2 and 5 under Measure 3. None however are completed or file for payment in Year 1.</p>

**Current Values – end Y1: 0**

In Year 2, 7 Measure 1 projects are completed, file for payment and are paid. All projects under Measures 2 and 3 are also completed, file for payment and are paid. Therefore:

**Current Values – end Y2:** M1:7; M2:8; M3:5 = 20

In the same year 2 however more projects are supported as follows: 8 projects are supported under Measure 1, 10 under Measure 2 and 10 under Measure 3. None however are completed or file for payment in Year 2 but all are completed, file for payment and are paid by end of Year 3. Additionally . three M1 projects, begun in year 1 are also completed in Year 3. Thus:

**Current Values – end Y3:** M1:11 M2:10; M3:10 = 31

	Baseline	Value, end Year 1	Value, end Year 2	Value, end Year 3
Projects supported	0	23	8+10+10=28	0
Projects completed and paid	0	0	7+8+5 = 20	8+10+10=28 + 3 (from Year 1) = 31
Number of farms and food processing enterprises receiving IPARD investment support to progressively align practices with the relevant EU and national standards	0	0	7+8+5 = 20	8+10+10=28 + 3 (from Year 1) = 31

**Target:** Assuming an intermediate programme target for end of Year 3 against the indicator of: 50 then, with an aggregate current value of 46 (18+28), the target value is not yet fully met.

*Note the similarity between this example and that for indicator 4.3.1.4. It is quite possible that the same farm is counted against this indicator and Indicator 4.3.1.4 but there is a difference: Indicator 4.3.1.4 counts the farms against the criterion of “modernisation” while Indicator 4.3.1.1 counts “investment support to progressively align practices with the relevant EU and national standards”. The same support may have a double effect.*

## 7. Data sources and issues

### Data sources in the logframe:

- Data will derive from the IPARD Managing Authorities (MAs) in each of the IPA beneficiary countries, having been collected by MAs from programme interventions, largely to be supplied by the IPARD Agency.
- As formulated, the indicator is to be used for IPARD financed interventions only.

### Data source categories specified in OPSYS:

- EU intervention monitoring and reporting systems (Progress and final reports for the EU-funded intervention)

## 8. Reporting process & Corporate reporting

Who is responsible for collecting and reporting the data?

- The implementing partner (i.e. the entity responsible for delivering the results) will need to ensure the counting starts at the lowest level of intervention and is reported upwards and aggregated for the entire intervention in the framework of regular monitoring and reporting systems.
- Data will be collected from programme interventions by the IPARD Managing Authorities (MAs) in each of the IPA beneficiaries. It will be reported directly to DG Agri. DG Agri will report further, as requested, to DG NEAR.
- It is then the responsibility of DG NEAR to centrally receive and verify data for this indicator from all relevant interventions and to eventually ensure aggregation within and across all IPA Beneficiary countries.

This indicator is used for corporate reporting in the following contexts:

- *IPA III via the Annual Report*

#### 9. Other uses

**IPA III RF 4.3.1.1** can be found in the following groups of EU predefined indicators available in OPSYS, along with other related indicators:

- IPA III RF Window 4: Competitiveness and inclusive growth (IPA III W4)

For more information, see: [Predefined indicators for design and monitoring of EU-funded interventions | Capacity4dev \(europa.eu\)](#)

#### 10. Other issues

Since the indicator refers only to IPARD financing, DG AGRI alone will provide data to DG NEAR for purposes of IPA III RF aggregate reporting.