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## How to Measure Innovative Modes of Governance in the EU Rural Policy

Key Dimensions, Indicators and Case Studies

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## Introduction

- ❖ In the modern European society
  - with its complexity of hierarchies, markets and networks (Kjær, 2004)
- ❖ Growing attention/demand for new modes of governance, with various interpretations
  - e.g. private governance (gvc) (Cashore, 2002)
  - heterarchic gvc (Jessop, 1998)
  - democratic gvc (Kjaer, 2004)
  - multi-level gvc (Marks, 1993)
  - networked gvc (Jordan e Schout, 2006)
  - meta-governance (Jessop, 2002)
  - participative gvc (Shannon, 2006)

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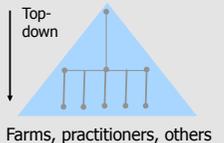


## Background: modes of governance

- ❖ From government to governance...
  - ... or, more often in practice, mixed forms of approaches in decision-making processes (in a continuum - Lanzalaco and Lizzi, 2009)

**Hierarchical-based**  
(‘old’ governance model – Peters, 2000)

State authority

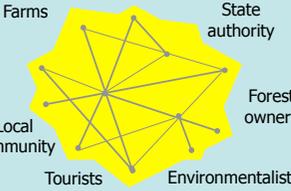


Top-down

Farms, practitioners, others

⇄  
⇄

**Social networking-based**  
(‘new’ governance model – Peters, 2000)



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## Background: the 'good governance' 1/3

- ❖ **Recognized growing importance of 'good (new forms of) governance'**
  - in order to guarantee successful policy, programs and projects (EC, 2001; Kaufmann and Kraay, 2002; OECD, 2002; Swiderska *et al.*, 2008; Wesselink and Paavola, 2008; Dedeurwaerdere, 2009; GFI, 2009; de Loë *et al.*, 2009; Saunders and Reeve, 2010).
- ❖ **Often considered with respect to special global environmental or social concerns**
  - climate change, illegal logging, human rights or corruption, or single economic sectors (OECD, 2002 and 2008; Saunders and Reeve, 2010)

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## Background: the 'good governance' 2/3

- ❖ **A number of initiatives for assessing the quality of governance currently going on**
  - the WGI (WB) and the FGDT (WB - ARD), the WGA (UN University), the GIP (UNDP), the GFI (WRI), others (OECD, 2002; ODI, 2007; Kaufmann *et al.* 2009; GFI, 2009; Saunders and Reeve, 2010)
- ❖ **Some recurrent terms**
  - **accountability, participation, transparency, networking, equity, effectiveness, coherence, coordination, integration, ...** (Hemmati, 2002; OECD, 2002; Dowdle, 2006; ODI, 2007; Kaufmann *et al.* 2009; GFI, 2009)

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## Background: good GVC in EU RDP 3/3

- ❖ **New modes of participative governance have already been introduced in EU environmental and rural development policies**
  - SEA and other Directives on PP, LIFE, Nature2000, LEADER, LAG/LDP, RDP (EC, 2001; Cavazzani, 2006; Di Iacovo and Scarpellini, 2006; Annunzi, 2006; Lanzalaco and Lizzi, 2009; Secco *et al.* 2010)

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## Problem statement, research questions

- ❖ **Growing importance of good governance (GG), but no unique definition.**
- ❖ **So far, initiatives focus mainly on describing governance, those for assessing have limits**
  - at country level, economic development (focus on LDCs), complex sets of indicators

- **How should GG be defined? How can it be measured/assessed (also at local level)?**
- **The EU has a standardized evaluation system of RDPs: to which extent the 'new' dimensions of good GVC are included?**

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**Our assumptions**

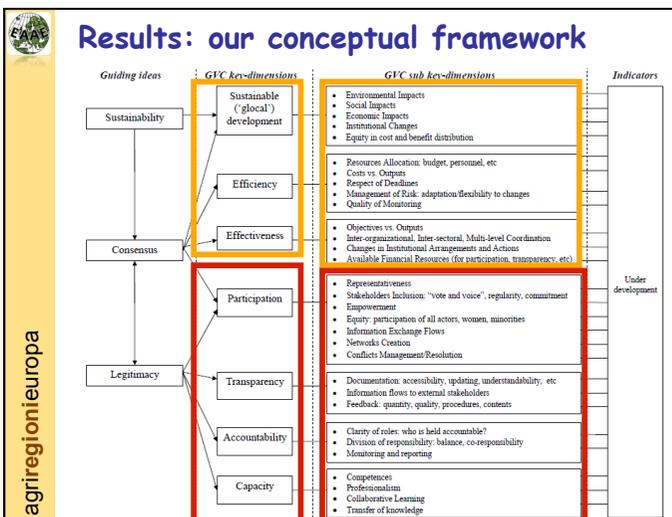
- ❖ A systematic and objective evaluation (EC, 2004) of a policy, program or project in all its 4 phases is an useful tool in decision-making.
- ❖ The traditional government mechanisms (efficiency,...) should be integrated with the new governance processes (participation,...).
- ❖ Not only the policy-formulation level but also the policy-implementation level (i.e. projects) have to be considered (UNDP, 2006; ODI, 2007).
- ❖ The LEADER and RDP are the most advanced examples in EU policy-making of new GVC

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**Research objectives and methods**

- ❖ Ob. 1: to present a preliminary framework for assessing relevant dimensions of the new governance modes
  - Methods: Meta-analysis of existing initiatives and extensive literature review
- ❖ Ob. 2: to identify potential gaps between our framework and the current EU evaluation system for assessing RDPs
  - Methods: Comparative analysis btw framework and (i) LAGs/LDPs selection, (ii) CMEF (CEQ 2007-2013) by using 3 Italian regions (Veneto, Umbria, Sardinia) as case-studies

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**Results: examples of indicators/variables for some GVC key-dimensions**

GVC key-dimension	Tentative examples of indicators/variables
Sustainable glocal development	<ul style="list-style-type: none"> <li>Existence of formal commitment to sustainability</li> <li>Existence of social and/or environmental reporting</li> <li>Reforms in the last 5 years</li> </ul>
Efficiency	<ul style="list-style-type: none"> <li>N° of achieved results in respect to planned results/tot costs</li> <li>Use of budget</li> <li>Respect of deadlines</li> <li>Existence of monitoring</li> </ul>
Participation	<ul style="list-style-type: none"> <li>N° of groups represented/tot groups</li> <li>% of women/% of women population</li> <li>Coverage of any step of the project by at least one meeting</li> <li>Core/periphery analysis</li> <li>Existence of procedures for dispute resolution</li> </ul>
Transparency	<ul style="list-style-type: none"> <li>N° of notification instruments</li> <li>Rate of documents public available</li> <li>Existence of standardized periodical reporting</li> <li>Regularly available quantitative metrics on performances</li> <li>Average time for feedback</li> </ul>

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Indicators used by the Regions in the selection of the LAG/LDP

- Three regions as "case studies" (Veneto, Umbria and Sardinia)
- Selection of LAGs has been done with a public call for bids in the three regions.
  - However the selection mechanism is different
    - Only Sardinia included award mechanism (30% of the budget allocated on the basis of the position of LAGs in the ranking)
    - Veneto and Umbria set a minimum score of 60 points, Sardinia only 40 pts
    - With regards to the criteria of evaluation, the number of indicators is very high for Veneto, rather limited in the other two regions

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**Results: Is used by the Regions in LAGs/LDPs selection**

Criteria	Sub-criteria	N. indicators		
<b>Characteristics of the territory</b>				
1		4	0	0
	1.1 Rurality	2	-	-
	1.2 Homogeneity	1	-	-
	1.3 Dimensions	1	-	-
<b>2 Characteristics of the partnership</b>				
	2.1 number subjects	1	1	1
	2.2 nature and type subjects	1	1	3
	2.3 experience	3	1	-
	2.4 Representativeness	2	-	5
	2.5 effectiveness/organization	3	5	1
<b>Characteristics of the strategy</b>				
3		8	10	4
	3.0 coherence with RDP			1
	3.1 quality analysis/diagnosis	1	1	
	strategy coherence with respect to a central topic	1	1	
	3.2 overall coherence	1	2	
	3.3 innovative approaches	1	1	1
	3.4 complementarity with other policies	1	1	1
	3.5 Cooperation	1	1	1
	3.6 participative approach	1	1	
	3.7 capacity to generate positive impacts			1
	3.8 quantifiability effects/evaluation system			1
	3.9 integration		1	1
	3.10 equal opportunities	1		
	3.11			1

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**Comparison of the procedure of LAGs selection with the conceptual framework**

- In this second phase the selection system of the three regions has been compared with the evaluation system proposed by the authors.
- In order to compare the two systems appropriate simplifications have been done:
  - Often indicators in the selection process are formulated in a different way than dimensions and sub-dimensions
  - Sometime a subdimension is represented by more than one indicator in the selection process or, on the contrary...
  - More than one subdimension correspond to one indicator in the selection process

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**Results: The GG in LAGs selection process**

Key-dimensions	Key sub-dimensions	LDP selection process		
1. Sustainable Development	Environment	no	no	no
	Social im	no	no	no
	Economic	no	no	no
	Institutional changes	no	no	no
	Equity in cost/benefit distribution	no	no	no
2. Efficiency	Allocation of resources	no	no	Yes
	Quantity/quality of results vs. costs	no	no	no
	Respect of deadlines	yes	yes	yes
	Risk management	no	no	no
	Quality monitoring	yes	yes	yes
3. Information	Assumption of responsibility	no	yes	no
	Exchange of information	yes	yes	yes
	Network creation/management	no	no	no
	Conflict management and resolution	yes	yes	yes
	Documentation: accessibility, updating, comprehensibility	yes	yes	yes
4. Feedback	Exchange of information with external actors	yes	yes	yes
	Feedback: quantity and quality, procedures, contents	no	no	no
	Clarity of roles	yes	yes	no
	Division of responsibilities	no	yes	no
	Monitoring	yes	yes	no
5. Transparency	Dissemination of updates (reporting)	yes	yes	no
		yes	yes	no

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**Comparison of the procedure of LAGs selection with the conceptual framework**

- First key dimension is not considered in the selection of LAG. This can be evaluated at and advanced stage of the implementation of programmes
- All other dimensions are quite well considered in the selection process. However it has to be underlined that the selection of LAGs is not a proper evaluation, being based only on the programming documents
- The evaluation process itself is mainly based on the Common Evaluation Questionnaire for the programming period 2007-2013.
- This technical document contains a set of questions (and indicators) applicable at the level of single measure (M), at general level for all the Rural Development programme (QT), or more in specific at axis 4 - leader - level (L)

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**Results: The GG in the Common Evaluation Questionnaire for 2007-2013**

Key-dimensions	Key sub-dimensions	CEQ
1. Sustainable Global Development	Environmental impacts	M+QT
	Social impacts	M, QT
	Economic impacts	M+QT
	Institutional changes	L+QT
2. Efficiency	Equity in cost/benefit distribution	No
	Allocation of resources	L, M
	Quantity/quality of res	No
	Respect of deadlines	No
	Risk management	no
3. Efficacy	Quality monitoring	L+M
	Quantity/quality of results vs. objectives/aims	M
	Inter-organizational, inter-sectorial, multilevel coordination	L
	Changes in institutional agreements	No
4. Participation	Financial resources for participatory approaches	L
	Representativeness	L
	Involvement of interested parties	L
	Equality (male/female, minorities ...)	QT
	Assumption of responsibility	No
	Exchange of information	No
	Network creation/management	L
Conflict management and resolution	No	

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**Results: The GG in the Common Evaluation Questionnaire 2007-2013**

Key-dimensions of governance	Key sub-dimensions	CEQ
5. Transparency	Documentation: accessibility, updating, comprehensibility	No
	Exchange of information with external actors	No
	Feedback: quantity and quality, procedures, contents	No
6. Responsibility	Clarity of roles	No
	Division of responsibilities	No
	Monitoring	Yes
	Dissemination of updates (reporting)	Yes
7. Capacity	Competences	Yes
	Professionalism	Yes
	Collaborative learning: processes, testimonies.	Yes

Legend:  
 L = in the Leader evaluation questionnaire  
 M = in the evaluation questionnaire of the single Measures of RD  
 QT = in the questions of indirect evaluation

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**Comparison of the common evaluation questionnaire with the conceptual framework**

- The CEQ includes a considerable amount of information for the first key dimension,
- The only sub-dimension that does not appear to be considered in the CEQ is the one relating to distribution equity, in terms of both the costs and benefits of the programme.
- This is in some ways surprising and unexpected. Many LAG, but also some Regions, have, in the design phase of the Programmes, activated procedures of public consultation, which have directly involved the local population and stakeholders with a collection of proposals, initiatives and highly innovative ideas.
- Moreover, it should be stressed that the CEQ refers to the whole of rural development planning, not just to the LEADER approach. It follows that the detail that can be given to the LEADER approach, which only plays a minor part in rural development, is inevitably limited.

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**Conclusions** 1/2

❖ The EU RDP monitoring and evaluation systems, in particular with the LEADER approach, **is in line with the proposed framework** for assessing the GG.

❖ **Lack of indicators/questions on:**

- transparency
- equity of cost/benefit distribution
- costs/benefits ratio

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**Conclusions** 2/2

❖ It seems the **EU is evaluating its policies exclusively on the basis of their costs, without dwelling too much on the (monetary) evaluation of the effects....**

❖ **OK in the aim of avoiding phenomena of surplus or overcompensation, but... ignoring attempts at monetary evaluation of benefits risks leading to distortion**

- by favouring easier measures to be implemented (sometimes of dubious benefit) over more complex others (perhaps of greater benefit).

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Indeed, when looking at the governance evaluation...  
we see we are just at the beginning of a long way



**Thank you for attention!**

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**Conclusions**

- More problematic is the question of distribution equity and the ratio between costs and benefits of the policies of local/rural development (both missing in the evaluation system proposed by EU).
- There is the impression that the direction taken by the EU in recent years is that of evaluating the policies exclusively on the basis of their cost, without dwelling too much on the (monetary) evaluation of the effects
- If on the one hand this makes sense, also from the economic point of view, in that the aim is to avoid phenomena of surplus or over-compensation....
- on the other hand ignoring every attempt at monetary evaluation of the benefits risks leading to distortions, by favouring, public expenditure being equal, measures that are easier to implement (and sometimes of dubious benefit) over others that are more complex (but perhaps of greater benefit).

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## Conclusions

- Increasingly often the public decision-makers have to deal with complex scenarios and with a well-informed and demanding civil society with regard to a transparent and participatory decision-making processes.
- Understanding if and how the current evaluation procedures of programmes like those for rural development are able to measure the quality of the governance, not only in terms of public administration expenditure, but also of participation or of environmental and social responsibility, may contribute towards identifying any weak points and to develop more efficacious models for policy implementation at local, national and European level
- Nevertheless, there are still many aspects to investigate and clarify to obtain a consolidated series of evaluative criteria of *governance*