



**Directorate General
for Agriculture and Rural Development**

2014 Management Plan

January 2014



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1. MISSION STATEMENT

The mission of the Directorate General for Agriculture and Rural Development ("DG AGRI") is to promote the sustainable development of Europe's agriculture and to ensure the well-being of its rural areas.

2. THIS YEAR'S CHALLENGES

In 2013, the legislative process of the CAP reform, including the Transitional Regulation for the year 2014¹, has been concluded with the adoption of all the legal basic acts. Their publication will be followed by the adoption of the related delegated and implementing acts. To monitor the progress, effectiveness and efficiency of the new CAP's implementation against its objectives a revised set of indicators has been adopted².

The core elements of the Commission's proposals were accepted by the European Parliament and the Council. However, Member States have been given more flexibility and subsidiarity in the implementation and choice of certain policy instruments, e.g. coupled support, support in natural constraint areas and redistributive payments, as well as the possibility of financial transfers between the Pillars. Whilst this will allow Member States to better fine-tune the measures to the national and regional situations, it will make their implementation and control more challenging.

The year 2014 will be, at least for certain new important measures, a year of transition and preparation for the full application in 2015. The primary focus will be on the implementation of the CAP reform package through the adoption of the **delegated and implementing acts** as well as on the finalisation of the national rural development programmes and proper and timely application of the measures at national level. The support given to Member States in this application should become part of our commitment to keep the error rate under control. Some new instruments provided by the new CAP should help all the involved actors, on the basis of their responsibility, to keep a high standard of sound financial management of the CAP expenditure. In this respect, new guidelines and procedures will have to be put in place swiftly in the context of a more suitable new organisation structure.

The working groups created in 2013 have identified the main causes of error in the areas of direct payments, rural development and market expenditures and laid down preventive and corrective actions. The more advanced works in rural development have shown an increasingly good cooperation with the Member States and understanding of the nature and importance of controlling and rectifying the errors. In 2014, efforts should be focused on the new programming. Likewise, the action plans laid down for direct payments and market expenditures should find a swift implementation and close follow up in 2014. At the same time, the development of audit-related activities finalised inter-alia to improve the protection of the EU financial interests should continue to progress.

¹ Regulation (EU) No 1310/2013 of the European Parliament and of the Council of 17 December 2013 laying down certain transitional provisions on support for rural development by the European Agricultural Fund for Rural Development (EAFRD), amending Regulation (EU) No 1305/2013 of the European Parliament and of the Council as regards resources and their distribution in respect of the year 2014 and amending Council Regulation (EC) No 73/2009 and Regulations (EU) No 1307/2013, (EU) No 1306/2013 and (EU) No 1308/2013 of the European Parliament and of the Council as regards their application in the year 2014, OJ L 347 of 20.12.2013

² Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008. Article 110(2) and (4), OJ L 347 of 20.12.2013

From the 1.1.2014, a new more compact and coherent DG AGRI structure will enter into force. I am aware of the challenges that initially it might pose for certain colleagues, but I am also confident that this new structure will gain substantially in efficiency and make DG AGRI more resilient as regards the administrative and resource constraints that it will have to face in the future. It will also allow to manage effectively the new research and innovation program and the revised promotion policy by the delegation to executive agencies of non-core activities.

Other major initiatives planned to be finalised in 2014 should also be mentioned. The **Review of EU political and legal framework for organic production** includes a political framework for organic farming for the next 10 years (Action Plan), as well as a legislative proposal. The revision of the **Regulation on agriculture in the outermost regions of the Union (POSEI)** will make the scheme more effective and bring it more into line with the CAP reform.

2014 year will also be marked by a number of important international negotiations, notably with the United States and Japan, but also Latin American and Asian countries, Africa and European Neighbourhood countries. Whilst ambitions and priorities may differ according to our trade partners, all negotiations must aim to achieve the overarching goals of securing market access for EU exports of agricultural and processed agricultural products, bringing down barriers to trade and attaining a high level of protection for Geographical Indications (GIs), in synergy, once operational, with the strengthened promotion policy.

Key performance indicators

Following a careful analysis of the monitoring and evaluation framework DG AGRI has selected four performance indicators covering the most critical aspects of CAP performance and one indicator related to internal control. Monitoring data will be presented subsequently in the AAR.

The key indicators which monitor the core aspects of our policy are:

1. Agricultural factor income
2. EU commodity prices compared to world prices
3. Minimum share of agricultural land with specific environmental practices/commitment (combining the indicator "Share of eligible land under greening practices" for first pillar³ and "Share of agricultural land" indicators for second pillar specific objectives 4 and 5).
4. Rural employment rate

The key indicator which is linked to the achievement of the internal control objectives is:

5. Residual Error Rate integrating financial corrections⁴

³ The direct payment part can be included in the calculation of this indicator only when 2015 data are available, as 2014 is a transitional year for ABB 03.

⁴ The methodology of calculating the financial corrections will be provided for the Annual Activity Report 2014 at the latest.

On a general note, in all our activities, we are committed to high standards of sound financial management, in particular as DG AGRI conducts its activities in shared management.

I am confident that DG AGRI will successfully address the challenges we will face in 2014 with the professional and dedicated support of the DG AGRI staff, to which I want to express my sincere respect and gratitude.

Jerzy PLEWA

Director-General

3. GENERAL OBJECTIVES OF THE POLICY

3.1 General objectives

The Common Agricultural Policy (CAP) is a genuinely European policy as Member States pool resources to operate a single European policy with a single European budget. The objectives of the CAP as laid out in the Treaty of the Functioning of the European Union (TFEU) Article 39 are to

- (a) increase agricultural productivity,
- (b) ensure a fair standard of living for the agricultural community,
- (c) stabilise markets,
- (d) assure the availability of supply and
- (e) ensure that supplies reach consumers at reasonable prices.

To reach the TFEU objectives, general objectives for the CAP were set out in the Communication from the Commission on *The CAP towards 2020*⁵ for the next programming period (2014 – 2020) and further specified in the Regulation (EU) No 1306/2013⁶, Article 110(2), namely

1. Promoting a viable food production, with the focus on agricultural income, agricultural productivity and price stability;
2. Promoting sustainable management of natural resources and climate action, with a focus on greenhouse gas emissions, biodiversity, soil and water;
3. Promoting balanced territorial development, with a focus on rural employment, growth and poverty in rural areas.

The general objectives contribute to the three priorities of smart, sustainable and inclusive growth of the Europe 2020 strategy⁷. In this context, the CAP promotes resource efficiency by maintaining a sustainable agriculture throughout the EU, addressing important cross border issues such as climate change and biodiversity and reinforcing solidarity among Member States⁸. The breakdown of the CAP objectives is further developed in the part on the intervention logic (see Part 3.3).

⁵ European Commission. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. The CAP towards 2020: Meeting food, natural resources and territorial challenges of the future. 18 Nov 2010

⁶ Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008

⁷ European Commission. Communication from the Commission Europe 2020 A strategy for smart, sustainable and inclusive growth. 03 Mar 2010

General objective: To promote a viable food production		<input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending																																		
Impact indicator ⁹ : Agricultural factor income Definition: Share of gross value added at factor cost per annual work unit (AWU) Source: Eurostat – Economic Accounts for Agriculture																																				
Baseline 2012 (EU-28)		Target																																		
14 376.7 EUR/AWU (in current prices)		To increase <i>Article 39 (1)(b) TFEU</i>																																		
Impact indicator: Total factor productivity in agriculture Definition: Total factor productivity (TFP) compares total outputs relative to the total inputs used in production of the output (both output and inputs are expressed in term of volumes) Source: DG AGRI calculation based on Eurostat data																																				
Baseline (2009-2011, average)		Target																																		
104 (index 2005 = 100)		To increase <i>Article 39 (1)(a) TFEU</i>																																		
Impact indicator: EU commodity price variability Definition: EU and world market commodity market price variability will be established for a number of selected agricultural commodities. It will be calculated on the basis of monthly commodity market prices. It is the coefficient of variation measuring the dispersion of commodity prices around the mean over the period of 3-5 years. The coefficient of variation will be calculated as standard deviation of a set of prices / mean average. The indicator will be calculated for EU and world prices. Source: DG AGRI (Agriview) for EU prices, FAO and World Bank for world prices																																				
Baseline (2010-2012)		Target																																		
<table border="1"> <thead> <tr> <th>Coefficient of variation Commodity</th> <th>World Jan 2010-Dec 2012</th> <th>EU Jan 2010-Dec 2012</th> </tr> </thead> <tbody> <tr> <td>Beef</td> <td>10.1%</td> <td>8.2%</td> </tr> <tr> <td>Poultry</td> <td>4.7%</td> <td>6.3%</td> </tr> <tr> <td>Pig</td> <td>10.7%</td> <td>9.9%</td> </tr> <tr> <td>Soft wheat</td> <td>17.9%</td> <td>21.2%</td> </tr> <tr> <td>Maize</td> <td>23.1%</td> <td>17.8%</td> </tr> <tr> <td>Barley</td> <td>22.7%</td> <td>22.0%</td> </tr> <tr> <td>Butter</td> <td>14.9%</td> <td>12.0%</td> </tr> <tr> <td>Cheese (Cheddar)</td> <td>6.6%</td> <td>9.1%</td> </tr> <tr> <td>Skimmed milk powder (SMP)</td> <td>10.0%</td> <td>8.0%</td> </tr> <tr> <td>Whole milk powder (WMP)</td> <td>11.0%</td> <td>7.2%</td> </tr> </tbody> </table>		Coefficient of variation Commodity	World Jan 2010-Dec 2012	EU Jan 2010-Dec 2012	Beef	10.1%	8.2%	Poultry	4.7%	6.3%	Pig	10.7%	9.9%	Soft wheat	17.9%	21.2%	Maize	23.1%	17.8%	Barley	22.7%	22.0%	Butter	14.9%	12.0%	Cheese (Cheddar)	6.6%	9.1%	Skimmed milk powder (SMP)	10.0%	8.0%	Whole milk powder (WMP)	11.0%	7.2%	To decrease <i>Article 39 (1)(c) TFEU</i>	
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⁹ Further details related to the measurement of the impact indicators are available in the following document: http://ec.europa.eu/agriculture/cap-post-2013/monitoring-evaluation/documents/impact-indicators_en.pdf

General objective: To promote a sustainable management of natural resources and climate action		<input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending
Impact indicator: Emissions from agriculture Definition: The emissions from agriculture indicator is composed of two sub-indicators, one assessing GHG emissions and one ammonia emissions. Source: European Environment Agency, United Nations Framework Convention on Climate Change (UNFCCC)		
Baseline 2010	Target	
Greenhouse gas: 510 324 (in 1000 t of CO ₂ equivalent) ¹⁰	To reduce <i>EU2020</i>	
Impact indicator: Water abstraction in agriculture Definition: Volume of water applied to soils for irrigation purposes Source: Eurostat – Survey on agricultural production methods (SAPM)		
Baseline 2010	Target	
39 834 412 (in 1000 m ³)	To decrease <i>Regulations n° 1305, 1306 and 1307/2013</i>	

General objective: To promote a balanced territorial development		<input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending
Impact indicator: Rural employment rate Definition: Employment rate for the population aged 15-64 in thinly-populated areas Source: Eurostat – Labour Force Survey		
Baseline 2012 (EU-28)	Target	
63.4%	To increase <i>Article 110 (2)(c) of Regulation n° 1306/2013</i>	

The CAP is financed through two funds, i.e. the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD). Noteworthy, the EAFRD is part of the Common Strategic Framework¹¹ (CSF) where Rural Development (RD) priorities already translate and feed into the CSF thematic objectives¹². The CAP contributes to the **Instrument for Pre-accession assistance (IPA II)** for the part related to rural development (IPARD).

Finally, DG AGRI also participates in the implementation of **Horizon 2020 Framework Programme** for Research and Innovation for the part related to securing sufficient supplies of safe and high quality food and other bio-based products.

The strategic importance of the CAP for EU citizens¹³ becomes apparent when considering

¹⁰ This indicator could also be expressed as share of agriculture (including soils) in total net emissions – the value for 2010 was 11.6%.

¹¹: Amended proposal for a regulation of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Council Regulation (EC) No 1083/2006, COM(2013) 246 final

¹² Programme Statement DB2014, p. 169

¹³ Data retrieved from the Statistical and economic information Report 2012¹³ and a MEMO on CAP published by the Commission on 26 June 2013; [European Commission. MEMO The common agricultural policy \(CAP\) and agriculture in Europe – Frequently asked questions. Press release database. 26 Jun 2013.; Economic Briefs. N° 8: How many people work in agriculture in the European Union?. June 2013;](#) Eurostat Regional Yearbook 2013. Chapter 15

the role that agriculture and its activities in rural areas (such as tourism, transport, local and public services) play in the European economy and society. Over 77% of the EU's territory is classified as rural¹⁴ and is home to more than half of its population. The primary agricultural sector, i.e. agriculture, forestry, hunting and fishing, is naturally concentrated in rural areas and accounts for a 5.3% share in total employment, i.e. 11.9 million farmers, in 2011. Overall, agriculture and the agri-foods industry that receives its high quality, competitive and reliable raw material inputs from agricultural production, provide 46 million jobs, comprise 15 million businesses and account for 6% of the EU's GDP. Yet, the income per capita (on average) and the employment rate are significantly lower in predominantly rural regions compared to urban areas. However, GDP growth in predominantly rural areas was stronger (2.2% in 2008) than in intermediate (1.0%) and predominantly urban regions (-3.4%), indicating less volatility during the recent crisis. However, in the period 2000 to 2012, 4.8 million full-time jobs in the EU agriculture disappeared (70% of them in the new Member States). It must be noted that there are significant differences of the income per capita, the unemployment rate and the employment rate of the primary sector in the various rural areas of the EU. Significant differences in the agricultural sector compared to the rest of the economy are seen in gender equality and age classes of the labour force. Two out of three farmers on average are male, compared to 54% of male labour forces in the total economy. In 2010, 33% (44% for total employment) of the agricultural labour force was younger than 40 years, 57% (54%) was between 40 and 65 years and 10% (2%) were aged older than 65 years.

For a viable European economy and a wealthy European society, a functioning environment providing ecosystem services is crucial. This is acknowledged by the CAP as farmers are encouraged to comply with sustainable agricultural practices in order to safeguard the environment. An additional focus is laid on the preservation of rural communities and landscapes as they form a valuable part of Europe's heritage. Overall, the CAP can be seen as an overarching policy as it is inter-linked to many other European policies, notably socio-regional, economic as well as environmental, climate and energy policies.

(1) Promoting a viable food production, with the focus on agricultural income, agricultural productivity and price stability

Guaranteeing food security, averting a slowdown in productivity growth, price/income volatility and facing the economic crisis are the main economic challenges that must be addressed by the CAP. To promote a viable food production the reform aimed to enhance competitiveness. This resulted in improved economic tools to address the income of farmers and market developments on a sound socio-economic and environmentally sustainable basis.

Market measures provide a safety net in order to react efficiently and effectively against threats of market disturbances or other events and circumstances significantly disturbing or threatening to disturb the market, and thus, maintaining market stability and meeting consumer expectations. Such measures will be financed through a crisis reserve that will be created through the annual application of the financial discipline on direct payments.

¹⁴ We are referring to both, the **predominantly rural** and **intermediate** classes of NUTS 3 regions, that are classified as regions where the share of population living in rural local administrative units is higher than 50% and where the share of population living in rural local administrative units is between 15 and 50%, respectively.

Furthermore, the activities for the single Common Market Organisation (sCMO) include measures to foster producer organisation and interbranch organisation in order to improve competitiveness of the agricultural sector and enhance its share in the food chain, the school milk and fruit scheme, as well as the wine national support programme and other regulatory measures. Besides, export refunds have literally vanished from the budget lines.

Direct payments support and stabilise farmers' income, but increasingly also contribute to the provision of environmental public goods. Indeed, the new CAP provides for a wide range of obligatory and voluntary instruments of direct payments for active farmers, such as basic payment, greening payment, young farmers scheme, small farmers scheme, redistributive payment, coupled support and support in areas facing natural constraints. Member States that currently maintain direct payment allocations based on historic references must move towards more similar levels of payment per hectare.

Pillar II also contributes to enhance the competitiveness of all types of agriculture and improve the agricultural standing in the food chain. In particular, two of six Union priorities (specific objectives) for rural development explicitly aim at improving the competitiveness of the agricultural sector and farm viability, as well as at improving the integration of farmers into the food chain and management of risks. A number of specific instruments (or "rural development measures") are available in this respect.

Horizontal and other instruments include cross compliance, quality policy, organic farming, promotion policy and research (under Horizon 2020), European Innovation Partnership for Agricultural Productivity and Sustainability, as well as the Farm Advisory Service (FAS). The FAS requires Member States to offer advice to farmers covering issues on cross-compliance, the green direct payments, the conditions for maintenance of land eligible for direct payments, the Water Framework and Sustainable Use of Pesticides Directives as well as to assist farmers, forest holders and SMEs operating in rural areas in order to improve the economic and environmental performance of their holdings through rural development measures.

(2) Promoting sustainable management of natural resources and climate action, with a focus on greenhouse gas emissions, biodiversity, soil and water

Environmental challenges which must be addressed by the CAP include greenhouse gas (GHG) emissions, soil depletion, water and air quality, habitats and biodiversity and the impact of climate change in general. For reaching this general objective, different instruments and measures are provided in Pillar I and Pillar II, respectively.

For respecting certain agricultural practices which are beneficial for the climate and the environment, farmers will receive a green payment. This new compulsory greening instrument will ensure that farmers are adequately remunerated for providing environmental public goods and pursue climate change mitigation and adaptation, one of the specific objectives under Pillar I. In addition, the existing cross-compliance system links all direct payments, certain rural development payments and certain wine payments to a number of statutory requirements relating to environment, climate change, good agricultural condition of land, human, animal and plant health standards and animal welfare. Under Pillar II, relevant priorities in relation to this general objective of the CAP are the ones referring to restoring, preserving and enhancing ecosystems as well as to promoting resource efficiency and the shift towards a low carbon and climate resilient economy. The measures that will mostly contribute these priorities are agri-environment-climate payments, support for organic farming, strengthened and streamlined support through investments, grants and annual payments for forestry activities, and payments for mountain areas and other areas facing natural and other specific constraints. To be noted that, in the case of Pillar II, 30% of the EAFRD must be spent on measures related to land management and the fight against climate change. In addition, rural development measures related to knowledge transfer and innovation, will effectively contribute to the achievement of environmental priorities (as well as to the other priorities, given their horizontal nature). The European Innovation Partnership for Agricultural Productivity and Sustainability as well as the research activities under Horizon 2020, are also contributing to the achievement of this environmental-related general objective.

(3) Promoting balanced territorial development, with a focus on rural employment, growth and poverty in rural areas

The territorial challenges that are to be addressed by Rural Development Programmes include the effective enhancement of the vitality of rural areas and effective promotion of the diversity of EU agriculture. Despite the fact that a growing number of rural areas are becoming increasingly driven by factors outside agriculture (such as socio-economic, sectorial and environmental conditions), agriculture still remains an essential driver for the rural economy in the EU. Agriculture generates additional economic activities with strong implications on the food processing, tourism and trade. In many regions, agriculture builds the foundation of local traditions and social identity.

The policy for rural development is unique in the sense that Member states or their regions design their own multi-annual programmes on the basis of the menu of measures available at EU level, whereas the programmes are co-funded from the national budget. A new element to the CAP brings higher flexibility for the Member States or regions, as measures will not be clustered into "axes" with associated minimum spending per axis anymore. Instead, the Member States or regions may decide which measures to be applied in order to reach targets set against six broad priorities, and 18 sub-priorities or so called focus areas. However, in order to boost bottom-up forms of territorial development in rural areas, at least 5% of the EAFRD will have to be devoted to the LEADER approach. Furthermore, the LEADER approach will be integrated within so called Community-Level Local Development (CLLD) Strategies, which can be co-financed by the other ESI funds¹⁵, i.e. ERDF, ESF, CF and EMFF. This could further enhance a closer co-ordination between different policies of the Union, for example in the context of programmes for rural-urban cooperation at local level.

In addition, to boost the social and economic development of their rural areas, Member States or their regions will also have the possibility to design thematic sub-programmes focusing on particular sectors or beneficiaries, such as young and small farmers, mountain areas, women in rural areas, climate change mitigation and adaption, biodiversity and short supply chains.

Hence, Rural Development Programmes are designed in a way to make a vital contribution to the social, economic and environmental well-being of rural areas and the sustainable management of natural resources. Rural development thus promotes the competitiveness of the agricultural and food processing sectors and inclusive and sustainable growth in rural

¹⁵ The new framework of the EU's rural development policy takes account for the coordination and complementarity with the European Structural and Investment (ESI) Funds. The Common Strategic Framework (CSF) aims at providing clear strategic direction to the programming process under the CSF Funds, including the European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund (CF), the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF), and is reflecting the Europe 2020 strategy through eleven common thematic objectives. The six RD priorities (specific objectives) as stated in the Programme Statement are linked to six common thematic objectives, namely

- (1) Strengthening research, technological development and innovation,
- (2) Enhancing the competitiveness of the agricultural sector,
- (3) Supporting the shift towards a low-carbon economy,
- (4) Promoting climate change adaption, risk prevention and management,
- (5) Protecting the environment and promoting resource efficiency and
- (6) Promoting social inclusion and combating poverty.

areas without compromising the enhancement of a diverse EU agriculture and the safeguard of European heritage. For reaching this general objective, different instruments and measures are provided.

3.2 Implementation objectives

DG AGRI commits itself to achieving high standards in **implementing its objectives and policies**, and will in particular:

- a. Manage the Union Budget in accordance with high standards of financial management, ensuring value for money, properly designed management and control systems as well as transparency;
- b. Implement policy in an effective manner, in line with the Treaty and international obligations and the need to simplify legislation;
- c. Contribute to other Union policies, in the fields of cohesion, competitiveness, employment, research, environment including climate action, food safety and external policies (enlargement, trade and development).

(a) Managing the Union Budget in accordance with high standards of financial management

DG AGRI is committed to high standards of financial management. An ongoing objective is to achieve an economic, efficient and effective implementation of expenditure and to continue to enhance a culture within which financial management and transparency are integral parts of policy management. The DG is committed to the continuous improvement of the internal control environment, including follow-up of audit recommendations made by the European Court of Auditors, the Internal Audit Service and the Internal Audit Capability. DG AGRI is also committed to using the available staff and other resources efficiently.

An overview of the management and control systems and the assurance to be derived from them is each year provided in the Annual Activity Report (AAR) of DG AGRI. In this report, the Director-General of DG AGRI signs a declaration of assurance, stating inter alia that he has reasonable assurance that the underlying transactions for the year in question have been legal and regular.

Control statistics from Member States are a key element in the building blocks underlying this declaration of assurance as they are used to estimate a residual rate of error for all agricultural expenditure.

To address certain weaknesses identified by the European Court of Auditors (ECA) and following recommendations from the Internal Audit Service (IAS), DG AGRI introduced a new integrated approach for estimating the residual error rate for direct decoupled aids in the 2012 AAR. On the basis of this new approach, the residual error rate was estimated to 2.24% for the EAGF and 1.62% for the EAFRD, leading to a global residual error rate of 2.10%. Reservations on higher error rates for rural development expenditure and for direct payments in Portugal, Bulgaria and France had been carried over and issued in the 2012 AAR, respectively. The 2012 AAR provides comprehensive information on the type of reservations, the ensued action plans and possible mitigating actions in order to address the (systemic) weaknesses at the origin of such error rates.

Another assessment of the legality and regularity of the underlying transactions is each year provided by the ECA in its Annual Report. For the financial year 2012, the ECA estimated the most likely error rate for agriculture to be 3.8% for the EAGF and 7.9% for the EAFRD. DG AGRI took action by analysing the root causes of these error rates and identifying possible actions to improve the situation, including considerations on how to strengthen the instruments of interruptions/suspensions of payments and financial corrections. These efforts will continue in 2014.

The new Financial Regulation¹⁶ applying as of 1 January 2013 should help make project implementation more user-friendly and administratively less burdensome, while ensuring a strict and adequate monitoring and control of tax payers' money by the Commission. It also introduces a requirement for an opinion to be given by an independent audit body on the legality and regularity of expenditure, and maintains the principle of transparency. The novel elements of the Financial Regulation are reflected in the horizontal regulation¹⁷ on the financing, management and monitoring, as agreed in the context of the CAP reform.

The following paragraphs give a description of the specific procedures and controls that have been put in place in order to ensure compliance of spending with the principles of economy, i.e. minimising the cost of inputs, and efficiency, i.e. relation between resources and results.

EAGF (interventions in agricultural market and direct payments) and EAFRD (rural development) expenditure¹⁸ is mainly managed in shared management, i.e. Member States implement the support measures, and the Commission verifies that Member States respect the relevant EU rules.

At the level of Member States, a compulsory administrative structure is in place consisting of **accredited paying agencies**. A Member State authority at high level is competent for issuing and withdrawing the agency's accreditation, based on a detailed review by a body independent from the paying agency. Moreover, the heads of the paying agencies are required to provide an annual statement of assurance which covers the completeness, accuracy and veracity of the accounts and the functioning of the management and control system. A certification body independent from the paying agency shall deliver a certificate on the accounts and the internal control procedures of the paying agency. If a Member State has accredited more than one paying agency, a co-ordinating body is required to draw up an annual summary of the statements of assurance from the paying agencies and the certificates from the certification bodies.

Detailed systems for controls and dissuasive sanctions are applied by paying agencies, with common basis features and special rules tailored to the specificities of each aid regime. The systems generally provide for exhaustive administrative controls of 100 % of the aid

¹⁶ Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002, OJ L298 of 26.10.2012

¹⁷ Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008, OJ L 347 of 20.12.2013

¹⁸ In 2012, funds managed under shared management mode accounted altogether for more than 99% of total expenditure under DG AGRI responsibility.

applications, cross-checks with other databases where considered appropriate as well as pre-payment on-the-spot controls of a sample of transactions ranging between 1 % and 100 %, depending on the risk associated with the regime in question. If the on-the-spot controls reveal a high number of irregularities, additional controls must be carried out. Member States are required to recover any undue payments and, in case of irregularities, to impose effective, dissuasive and proportionate sanctions on the beneficiaries which are provided for in the respective sector-specific regulations. Member States are also required to provide the Commission with detailed reports on the checks carried out and on the sanctions applied. These reports allow both the Member States and the Commission to analyse the efficiency of the management and control systems and provide for a quantification of sums not paid to beneficiaries as a result of the paying agencies' on-the-spot checks, thus allowing DG AGRI to calculate for the measures concerned, the residual error rate at the level of the final beneficiaries. The accuracy of the statistical information reported and the quality of the underlying on-the-spot checks has to be verified and validated by independent certification bodies for direct aids and rural development measures.

All aid measures other than direct payments covered by the Integrated Administration and Control System (IACS) are subject to **ex-post controls** under Regulation (EC) No 485/2008¹⁹ or, for rural development measures, Regulation No 65/2011²⁰, carried out in accordance with an annual audit plan established on the basis of a pre-determined audit strategy. The system therefore constitutes an extra layer of control that provides assurance that transactions have been carried out in conformity with the rules or that unduly paid amounts are recovered.

The Commission carries out a **clearance of accounts** consisting of both an annual financial clearance and a multi-annual conformity clearance.

The **annual financial clearance** covers the integrality, accuracy and veracity of the paying agencies' accounts.

The **conformity clearance**, for its part, relates to the legality and regularity of the underlying transactions. It is designed to exclude expenditure from EU financing which has not been executed in compliance with EU rules, thus shielding the EU budget from expenditure that should not be charged to it (financial corrections²¹). In contrast, it is not a mechanism by which irregular payments to beneficiaries are recovered, which according to the principle of shared management is the sole responsibility of Member States.

Where undue payments are or can be identified as a result of the conformity clearance procedures, Member States are required to follow them up by recovery actions against the final beneficiaries. In cases where this is not possible because the financial corrections only

¹⁹ Council Regulation (EC) No 485/2008 of 26 May 2008 on scrutiny by Member States of transactions forming part of the system of financing by the European Agricultural Guarantee Fund

²⁰ Commission Regulation (EU) No 65/2011 of 27 January 2011 laying down detailed rules for the implementation of Council Regulation (EC) No 1698/2005, as regards the implementation of control procedures as well as cross-compliance in respect of rural development support measures

²¹ **Financial corrections** are determined on the basis of the nature and gravity of the infringement and the financial damage caused to the EU. Where possible, the amount is calculated on the basis of the loss actually caused or on the basis of an extrapolation. Where this is not possible, flat-rates are used which take account of the severity of the deficiencies in the national control systems in order to reflect the financial risk for the EU.

relate to deficiencies in the Member States' management and control systems, financial corrections are an important means to protect the EU budget and provide an incentive for Member States to improve their systems and, thus, to prevent or detect and recover irregular payments to final beneficiaries. The conformity clearance thereby contributes to the legality and regularity of the transactions at the level of the final beneficiaries.

DG AGRI follows closely effective implementation of the internal control standards through a structured desk review complementing other **reporting tools and channels** in place for a **continuous supervision of the proper functioning of the internal control system** in the DG. **Verification** that the internal control processes and arrangements work as intended is based on several information channels:

- **Formal reporting on management supervision**

In DG AGRI, all Directors and Heads of unit report to the Director General on the way they have carried out their supervision on the financial and operational activities for which they are responsible.

- **Annual review of internal control effectiveness**

A yearly exercise is carried out in DG AGRI to assess in-depth the effective implementation of the prioritised standards.

- **Risk management exercise**

Risk management is the object of a structured review twice per year, when the DG Management Plan is prepared and updated. The exercise begins with a discussion at senior management level which steers the exercise through the identification of areas or themes where risk management should focus. Meetings at Unit level provide for the highest possible level of staff involvement and lead to proposals which are assessed at Directorate level, to ensure coherence and management supervision as appropriate. The Internal Control Coordinator, on the basis of these contributions and other management information as appropriate, prepares the DG Risk Register which is discussed with senior management and validated by the Director General.

In addition, a **constant flow of information to the Director General** is ensured in DG AGRI through different channels:

- **Senior management meeting chaired by the Director-General on a weekly basis**

The Deputy Directors-General and Directors bring up general coordination issues and any potential problem issues for DG AGRI.

- **Use of a number of management information tools**

A regular reporting system on expenditure under each financial circuit in the DG is in place, providing information on budget execution, early warning (comparison between incurred and planned expenditure), payment delays, outstanding recovery orders (RAL), final date for implementation (FDI) etc. Monthly reports, enabling for any timely corrective action, and aggregated yearly reports are made available in the intranet of DG AGRI. Other management information tools, such as RAD are used to monitor recommendations by various control bodies. Finally, a weekly reporting system from units and directorates on the major management activities and events in the DG is in place, i.e. an "info-hebdo" made public on My AgriNet and sent to the Cabinet.

The exchange of information between DG AGRI and the Commissioner and his cabinet is governed by the **practical working arrangements** signed by Commissioner Ciolos and the Director-General on 1 June 2011. They complement the Communication by the President on the working methods of the Commission 2010-2014, to which they represent an annex, by setting down the practical rules and procedural steps for the organisation and attendance of meetings, the level of signature or visa for the exchange of documents, the coordination channels and structures. A half-yearly reporting to the Commissioner on the internal control environment is also ensured by the Director-General in DG AGRI.

(b) Implementing policy in an effective manner, in line with Treaty and international obligations and the need to simplify legislation

Another major part of the work of DG AGRI consists of the implementation of decisions and regulations already in place, primarily by the Directorates responsible for the markets, for rural development and for international affairs. It is important to ensure that measures taken are consistent with the EU's international obligations. The same is true of the important horizontal functions within the DG such as legal matters, budget, financial management, control/audit, transparency, relations with the other Institutions and information policy.

With the entry into force of the Treaty of Lisbon, all existing agricultural legislation had to be aligned to the new legal bases. Most of the aligned legal proposals were adopted by the Commission in 2010 but alignment of the main agricultural legislation was put on hold due to the ongoing negotiations on the CAP reform. The political agreement on the CAP reform does indeed also take alignment issues into account.

Far-reaching reforms of the CAP and the accession of 13 Member States have taken place in recent years. It is important to continue the consolidation of these changes and ensure proper implementation over the coming years. After the adoption by the European Parliament and the Council of the Multiannual Financial Framework (MFF) 2014 – 2020 and the CAP reform package, detailed rules to implement the CAP reform are now being elaborated.

DG AGRI is continuing to contribute actively to the negotiation process with other candidate and potential candidate countries, to the extent that these are pursued by the Union.

DG AGRI will continue to give priority to the provision of high quality analysis and evaluation as a basis for policy development.

Simplification of the CAP is also one of the top priorities. DG AGRI cooperates with Member States' simplification experts, meeting regularly in the framework of an expert group, and also consults an advisory group of stakeholders with representatives of producers, processors, traders, environment, labour etc. In the context of the CAP reform, DG AGRI has also started up a close dialogue with the national administrations responsible for the management and control of the CAP instruments, with the view to examine various technical aspects related to the implementation of the future legislative acts. The overall objective of this cooperation aims at a simplified CAP and avoiding "red tape". The same objective is at the core of the DG AGRI simplification work in 2014.

(c) Contributing to other Union policies, in the fields of cohesion, competitiveness, employment, research, environment, food safety and external policies (enlargement, trade and development)

Both pillars of the CAP make significant contributions to other Union objectives. While already in 2003, the introduction of cross-compliance helped to reinforce the implementation and control of Union legislation in the fields of environment, animal welfare and food safety, the *CAP towards 2020 makes a major contribution to environmental and climate policies, by introducing the green payment.*

Rural development makes a significant contribution to competitiveness, cohesion, environmental land management as well as the quality of life and economic diversification in rural areas; thereby contributing to achievement of sustainable growth and employment. The European Innovation Partnership for Agricultural Productivity and Sustainability will contribute to the Europe 2020 flagship initiative "Innovation Union" by better linking agricultural research and farming, thereby helping to shape an agricultural sector that produces more with less.

In order to foster better coordination and synergies between rural development, cohesion and fisheries and maritime policies, the respective funds will operate under an EU-level Common Strategic Framework (CSF). In addition, such ESI Funds will be grouped under common national strategies, or "Partnership Agreements", aiming at best valorising the use of the funds in the pursuit of the Europe 2020 strategy's objectives. The Partnership Agreements, as well as Rural Development Programmes, the latter either at national or regional level, are in the process of negotiation.

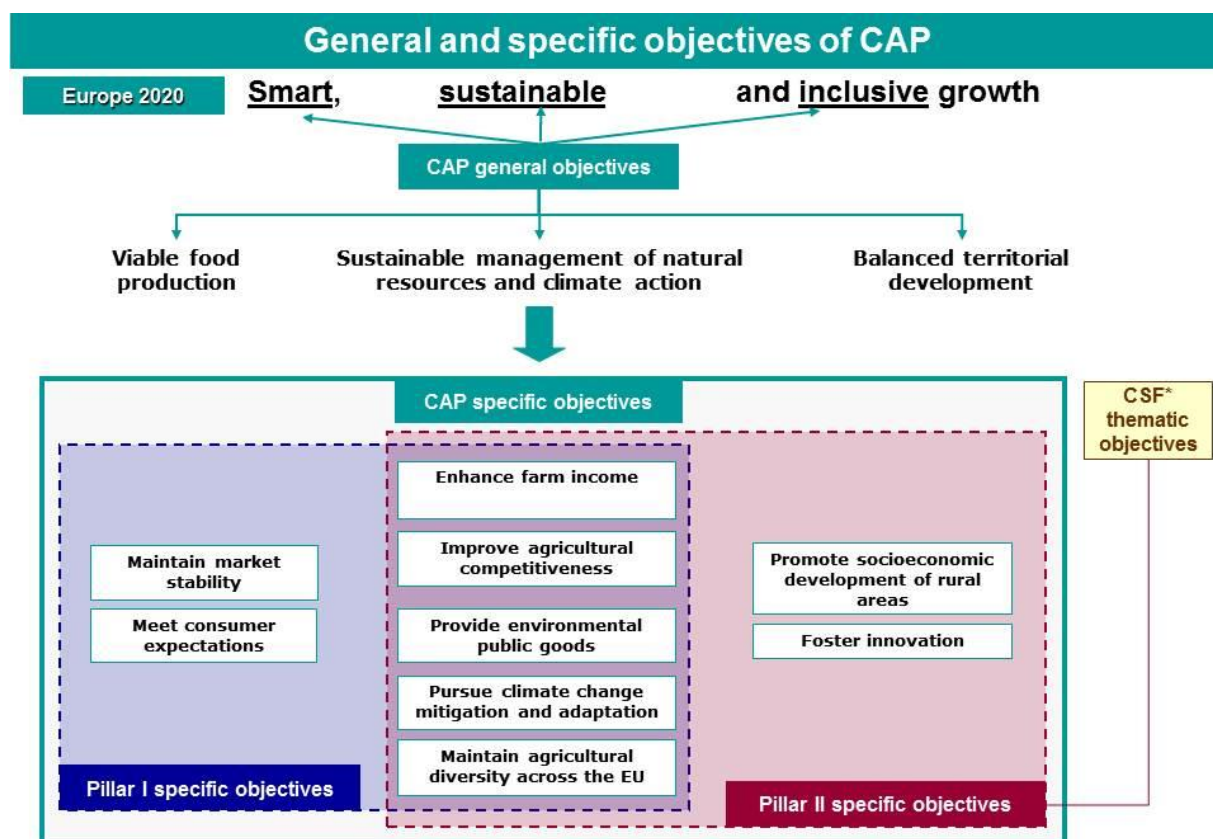
DG AGRI continues to devote resources to development of the EU's trade agenda where agriculture plays an important role, for example in the Doha Round and in Free Trade Agreements. Also, it continues to work on the conclusion of Economic Partnership Agreements, G20 actions on food security, and the preparation of candidate and potential candidate countries for accession, in support of the Union's development and enlargement policies.

3.3 The intervention logic of the CAP and its relation to the Monitoring and Evaluation Framework

Overall, the CAP aims at achieving **three general objectives**, which together feed into the **Europe 2020** objectives of smart, sustainable and inclusive growth.

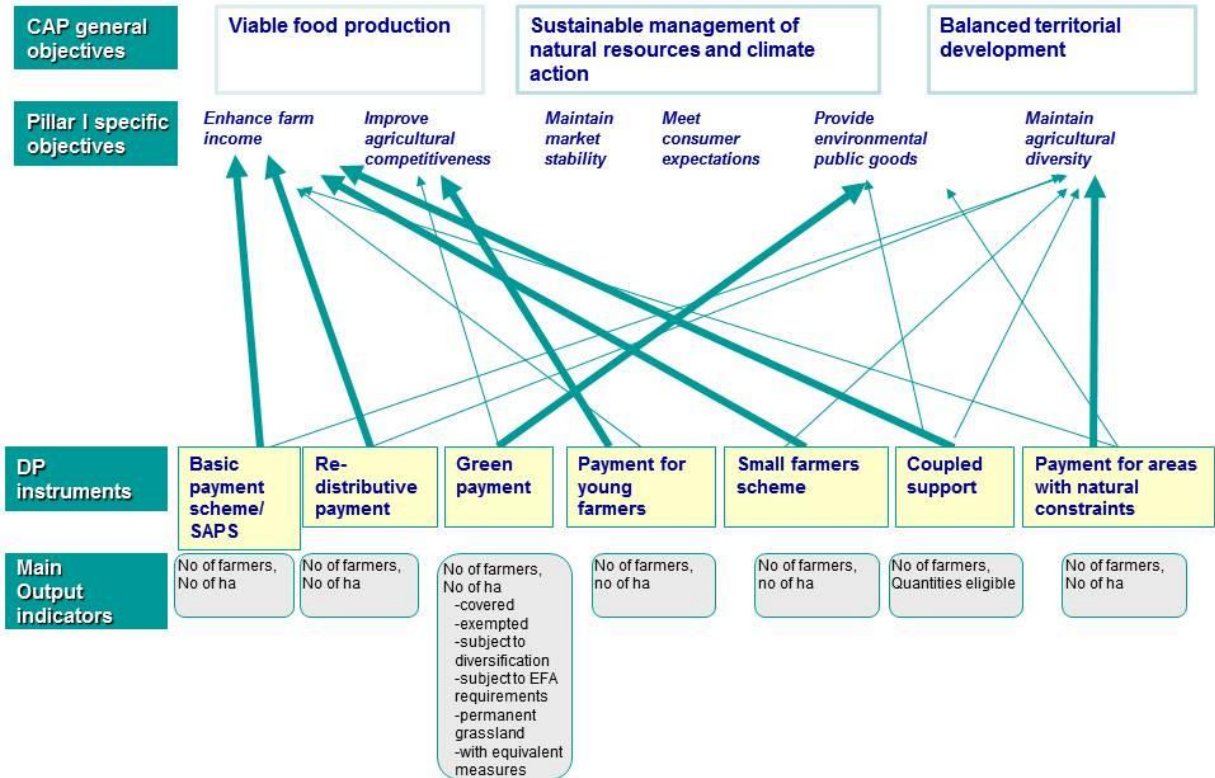
Both CAP pillars contribute to the general objectives. The general objectives are broken down into specific objectives, some of which are **common to Pillar I (broadly, agricultural income and market support) and II (rural development)**, whereas others are linked either to Pillar I or to Pillar II. A graphical presentation of these general objectives and their breakdown into specific objectives and how the related Pillar I instruments and RD priorities ("specific objectives") and focus areas feed into them are presented below.

The CAP Monitoring and Evaluation Framework is a **result of common work of DG AGRI and various stakeholders launched in 2010**. Each of the elements of CAP intervention logic was discussed and agreed widely inside DG AGRI, and also on different occasions with the Member States, e.g. in the Rural Development Committee, the Evaluation Expert Network and a newly created expert group on monitoring and evaluation. Following the approval of the basic legislation for the CAP 2020, the mandatory elements of the system will be incorporated into implementing acts, including amongst others a list of the indicators to be used to monitor the performance of the policy (cf. part on the CAP performance measurement below). Additional help to the Member States is given via guidance documents, e.g. on ex-ante evaluation of 2014-2020 Rural Development Programmes.

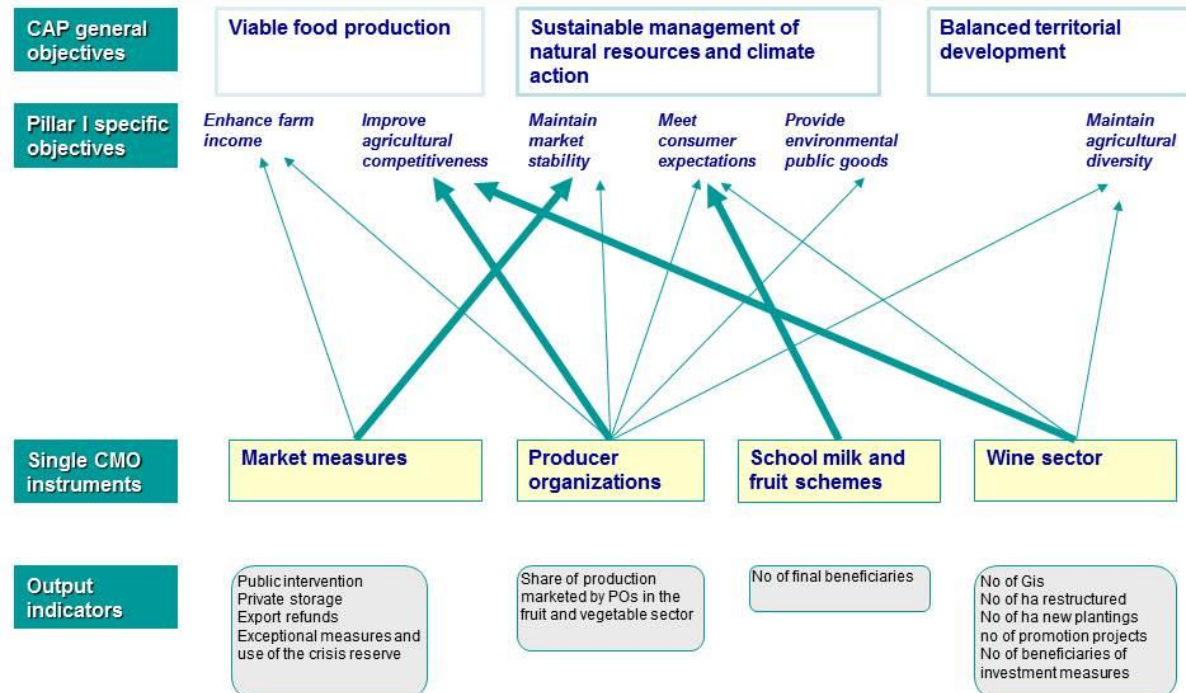


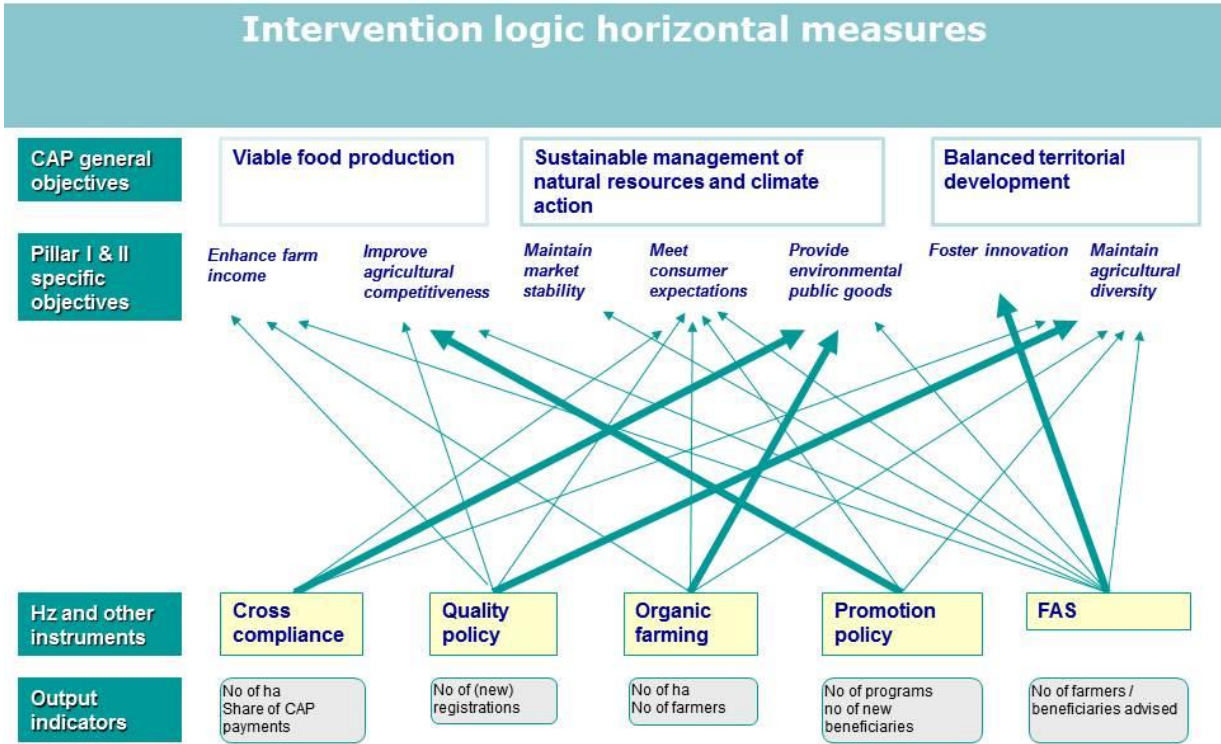
*CSF: Common Strategic Framework including the EFRD, ESF, CF, EAFRD and EMFF

Intervention logic pillar I: details direct payments (reg. 1307/2013)



Intervention logic pillar I: details market measures (reg. 1308/2013)





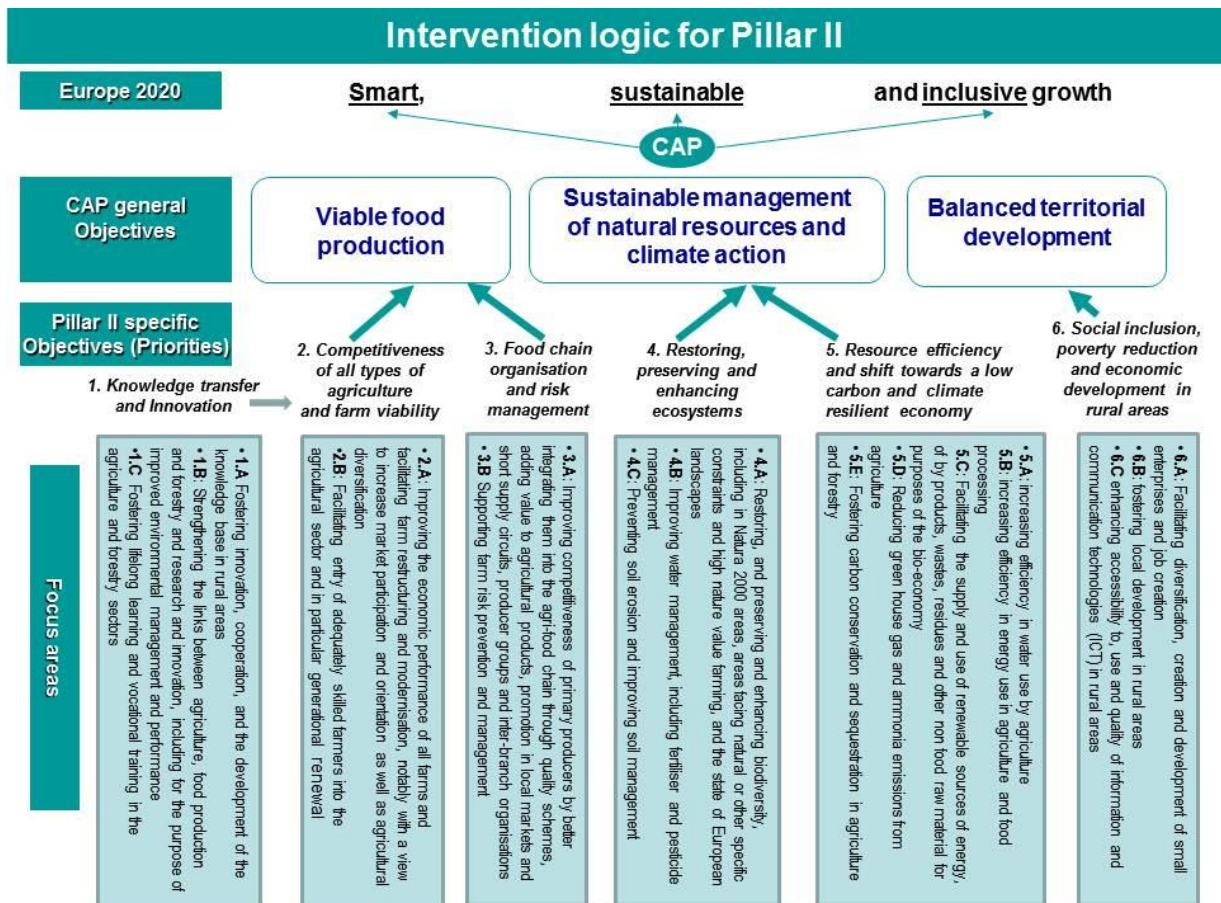
As shown in the graphs above, the **direct payments** support contribute to stabilise the farmers' income, improve competitiveness and support the provision of environmental public goods and climate change mitigation and adaptation. **Market measures** allow for a safety net in times of market disturbance or crisis, hence help maintain market stability and meet consumer expectations. A number of **horizontal instruments** support these objectives. Overall, these measures help to maintain a diverse agriculture in the EU.

A more detailed description of the reasoning behind the different instruments can be found in the impact assessment of the proposals for the CAP post 2013 which can be consulted online at http://ec.europa.eu/agriculture/policy-perspectives/impact-assessment/cap-towards-2020/index_en.htm

The Financial Programming for 2014 to 2020 amounts to a total of 312 383, 1 Million EUR.

Human resources ABB 02		
Establishment plan posts	Estimates of external personnel (in FTEs)	Total
159	9	168

Human resources ABB 03		
Establishment plan posts	Estimates of external personnel (in FTEs)	Total
56	9	65



The above graph gives an overview of the intervention logic of Pillar II. Overall, there are **six priorities (specific objectives) for Rural Development**, each broken down into a number of **focus areas** (with target indicators). Five priorities directly feed into the CAP general objectives. Two priorities aim at improving competitiveness and farm viability, improving the position of the primary producers in the food chain and management of risks. In this way they contribute to the general objective of viable food production. Two other priorities (one focussing on restoring, preserving and enhancing ecosystems and one focussing on resource efficiency and a shift towards a low carbon and climate resilient economy) contribute to the

general objective of sustainable management of natural resources and climate action. One priority focusses on social inclusion, poverty reduction and economic development in rural areas, thereby contributing to the general objective of a balanced territorial development.

These five priorities are supported by one overall priority, i.e. knowledge transfer and innovation, which contributes to the general CAP objectives via the five other priorities.

The Financial Programming for 2014 to 2020 amounts to a total of 95 915, 8 Million EUR.

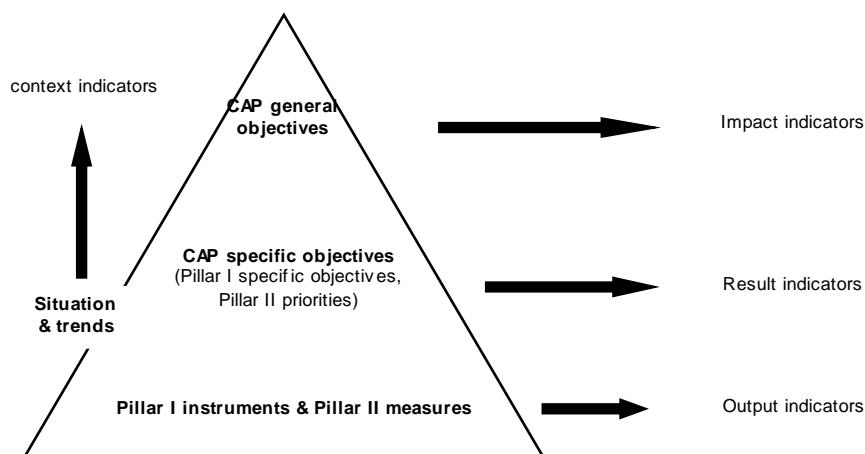
Human resources ABB 04		
Establishment plan posts	Estimates of external personnel (in FTEs)	Total
211	39	250

Measuring the CAP performance

The performance of the CAP will be measured at different levels. Measurement of impacts is done at the level of the general objectives, results at the level of specific objectives and outputs at the level of instruments/measures. It is important to acknowledge that often **it is not a single instrument that contributes to reaching an objective**, but multiple instruments together contribute to reaching the objectives. Similarly, **a single measure can contribute to different objectives**. On the same note, some indicators can contribute to describe progress of achieving different (related) objectives.

Moreover, while the contributions of the policy at the level of output can be determined relatively reliably, **the influence of external factors becomes more important at the level of results and particularly at impact level**. This implies that the output, result and impact indicators cannot be looked at in isolation, but instead require interpretation within their context. In agriculture, a wide range of factors such as climatological and meteorological circumstances, agronomic conditions, world market prices, economic developments etc. influence the impact of the policy. For this reason, the framework also includes a number of socio-economic, sectorial and environmental indicators that describe this general context in which the CAP operates.²²

²² The complete list of impact, result, output and context indicators is provided in Annex 5.



The CAP is implemented in shared management. Member States authorities are involved in all steps of the policy cycle – from design, management, control to monitoring and evaluation. Shared management also implies that the information used is largely obtained from Member States. When designing the monitoring and evaluation framework, particular attention was paid to the issues of proportionality, simplification and administrative burden reduction. As a result, the total number of indicators has been limited, the use of indicators based on existing, well-established data sources is encouraged as well as reuse of information already provided by Member States, e.g. via communications or Eurostat. The use of these well-established data sources also contributes to the reliability of the indicators.

Evaluation of the spending programmes

At EU level, the contributions of the policy towards the three general objectives will be evaluated in line with Article 30 of the Financial Regulation, Article 18 of the Rules of Application and the Commission guidelines for evaluations (efficiency, effectiveness, relevance, coherence, EU value added). To this aim, a call for tender for a framework contract will be published during 2014. More details of the evaluation planning can be found in the DG AGRI evaluation plan annexed to this document. The results of these evaluations will serve as input to the reporting on the results and impact of the policy, and where necessary, adaptations to the policy implementation and/or design.

Additionally, specific evaluation requirements are laid down for each Rural Development Programme.

Monitoring and Evaluation Framework 2014-2020 and its link to the Management Plan 2014

The Monitoring and Evaluation Framework covers in the MP 2014 three main ABBs: ABB 02 (interventions on the agricultural markets), ABB 03 (direct aid) and ABB 04 (rural development). For the year 2014 which is a transitional year for direct payments (ABB 03), the framework used as a basis for MP 2014 was the 2007-2013 monitoring framework (i.e. the MP 2013 update). Still, for this ABB a link of the specific objectives of the 2007-2013

programming period to the general objectives of the new programming period 2014-2020 is indicated.

The 2007-2013 framework served as well as a basis for ABB 05 (SAPARD/IPARD), ABB 06 (external relations), ABB 07 (audit), ABB 08 (policy strategy and coordination) and AWBM 01 (administrative support). Some adaptations were made in respect to 2014 planning (modification of some indicators or targets etc.).

A new ABB 09 (Horizon 2020 — Research and innovation related to agriculture) has been introduced. Its objectives and indicators are in line with Horizon 2020 legal act and its programme statement. AGRI-specific indicators will be added later on.

Where relevant, the framework in the 2014 MP is based on the outcome of the agreement reflected in the programme statements (e.g. annuality for first pillar which results in targets set on a yearly basis, no quantified targets nor milestones for impacts etc.) with some adaptations where possible or necessary (e.g. qualitative targets for impact indicators).

4. SPECIFIC OBJECTIVES FOR OPERATIONAL ABB ACTIVITIES

4.1 ABB 02 – Interventions on the agricultural markets

The single Common Market Organisation (sCMO) covers the regulation of the production and international trade of agricultural products in all Member States. The added value of the intervention of the EU where it does not have exclusive competences is an improved market orientation, strengthening of the safety net for farmers and a better standing for producer cooperation. The EU competence for ensuring the proper functioning of the single market, notably for agricultural products, is based on Article 39 TFEU. When application of a market measure is at choice of the Member State, e.g. private storage aid, school milk, school fruit, certain wine measures, the EU competence is based on the provisions in the basic act of the sCMO, the delegated and implementing acts based on them, and the conditions for co-financing. When application of a market measure is at choice of operators (for example creating a producer organisation), and the operators decide for financial EU support (only for the fruit and vegetables or milk sector) and/or for exemption of certain competition rules, the EU competence is also laid down in the basic act.

The sCMO provides for different types of EU interventions, of regulatory character:

- Public intervention (temporary spending and sales-back)
- Private storage aid (spending)
- School fruit schemes (co-funding) and school milk scheme (flat-rate funding per child)
- Operational funds in fruit and vegetables, and in the olive sector
- Support programmes in the wine sector like promotion, innovation, restructuring and destruction of vine yards, mutual funds, harvest insurance, certain investments, by-products distillation, management by vine planting rights/authorisations
- Support programmes in apiculture and hops
- Setting marketing standards and wine designations
- Temporary measure for sugar quotas
- Import and export rules
- Measures necessary for countering significant price rises or falls or for compensating loss of consumer confidence after animal or plant health risks
- Legislation on marketing standards
- Reports and studies such as on the feasibility of origin labelling on unprocessed foods, single ingredient products, and on ingredients representing more than 50% of a food product

The Commission prepares and adopts the delegated and implementing acts for these measures. In addition, the Commission is responsible towards the budget authority for the management of the EAGF, whereas, according to the principle of shared management, the payments to the beneficiaries are made by the Member States who themselves work through national or regional paying agencies accredited on the basis of a set of criteria laid down by the Commission.

ABB activity: ABB 02					
Financial resources (€) in commitment appropriations			Human resources		
Operational expenditure	Administrative expenditure (managed by the service)	Total	Establishment plan posts	Estimates of external personnel (in FTEs)	Total
2 233 400 000	246 738	2 233 646 738	159	9	168

Relevant general objective: Viable food production									
Specific objective: To improve the competitiveness of the agricultural sector and enhance its value share in the food chain <input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending									
<p>Result indicator: Share of EU agricultural exports in world market Definition: Share of EU agricultural exports in world exports is defined as the value of EU exports of agricultural goods/value of total world exports of agricultural goods. Source: EUROSTAT and related specific statistics</p>									
Baseline (2011)	Target 2014								
16.7%	To maintain <i>Regulation n° 1308/2013</i>								
<p>Result indicator: Share of value added for primary products in the food chain Definition: The indicator looks at the value added of the primary production in comparison to other stages of the food chain (mainly food manufacturing, food distribution and food service activities). Source: Eurostat – National Accounts</p>									
Baseline (2010)	Target 2014								
<table border="1"> <thead> <tr> <th>EU-27</th> <th>Value added (in EUR million)</th> </tr> </thead> <tbody> <tr> <td>Primary</td> <td>180.6</td> </tr> <tr> <td>Processing</td> <td>203.9</td> </tr> <tr> <td>Retail*</td> <td>373.2</td> </tr> </tbody> </table> <p>*2009 figures</p>	EU-27	Value added (in EUR million)	Primary	180.6	Processing	203.9	Retail*	373.2	<p>Higher share of value added for primary products in the food chain <i>Regulation n° 1308/2013</i></p>
EU-27	Value added (in EUR million)								
Primary	180.6								
Processing	203.9								
Retail*	373.2								

Result indicator: **EU commodity prices compared to world prices**

Source: EUROSTAT and related specific statistics

Baseline (December 2012)

Target 2014

Price indices

(Jan 2000 = 100)

World										
Beef	Chicken	Pork	Wheat US SRW	Wheat US HRW	Maize	Barley	Butter	Cheddar	SMP	WMP
221,9	167,7	211,0	333,3	324,6	334,8	358,0	268,4	225,4	221,1	210,2

European Union										
Beef	Chicken	Pork	Soft wheat	Maize	Barley	Butter	Cheddar	SMP	WMP	
135,8	143,7	154,4	183,0	172,1	183,6	109,0	107,5	115,7	108,6	

Absolute prices

World										
Beef	Chicken	Pork	Wheat US SRW	Wheat US HRW	Maize	Barley	Butter	Cheddar	SMP	WMP
(\$/100kg)	(\$/100kg)	(\$/100kg carcass)	(\$/mt)	(\$/mt)	(\$/mt)	(\$/mt)	(\$/mt)	(\$/mt)	(\$/mt)	(\$/mt)
431,6	215,3	175,7	325,1	359,5	310,2	315,0	3 288,0	4 000,0	3 400,0	3 338,0

European Union										
Beef	Chicken	Pork	Soft wheat	Maize	Barley	Butter	Cheddar	SMP	WMP	
EUR/100 kg	EUR/100 kg	EUR/100 kg	EUR/mt	EUR/mt	EUR/mt	EUR/mt	EUR/mt	EUR/mt	EUR/mt	
395,1	193,3	174,2	258,1	241,0	238,7	3 380,0	3 398,0	2 669,0	2 954,0	

Prices brought closer to the world prices

Regulation n° 1308/2013

Main outputs in 2014

Description	Indicator	Target
Data on price difference between internal market and world market	Price comparison for the main sectors: cereals, beef, poultry, pig meat, milk, [sugar, wine to be considered].	2014

Relevant general objective: Viable food production	
Specific objective: To maintain market stability	
<input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending	
Result indicator: Export refunds Definition: Ratio of the volume of the products exported with export refunds and the total EU production per given period. Source: DG AGRI	
Baseline (December 2013)	Target 2014
Beef: 0% Pigmeat: 0% Poultry: 0%	Used only in case of need (seen against market developments) <i>Regulation n° 1308/2013</i>
Result indicator: Public intervention Definition: Ratio of volume of the products bought in the intervention storage and the total EU production of those respective products Source: DG AGRI	
Baseline (2012)	Target 2014
0%	Used only in case of need (seen against market developments) <i>Regulation n° 1308/2013</i>
Result indicator: Private storage Definition: Ratio of volume of the products placed into the publicly aided private storage and the total EU production of those respective products Source: Market monitoring data DG AGRI	
Baseline (2013)	Target 2014
Butter: 4% Olive oil: 0%	Used only in case of need (seen against market developments) <i>Regulation n° 1308/2013</i>

Main outputs in 2014		
Description	Indicator	Target
Market measures	Regulatory adoptions	2014
Exceptional measures	Quick reaction whenever necessary	2014

Relevant general objective: Viable food production

Specific objective: To meet consumer expectations

Spending programme

Non-spending

Result indicator: *See Result indicator EU commodity prices compared to world prices above*

Main outputs in 2014

Description	Indicator	Target
Reports to EP and Council on the feasibility of origin labelling for <ul style="list-style-type: none">• Unprocessed foods (except fruit and vegetables, and meat which are already covered)• Single ingredient products (except wine, olive oil, and honey which are already covered)• Ingredients representing more than 50% of a food (co-production with DG SANCO)• the possible mandatory origin labelling for milk, and milk used as an ingredient in dairy products Revision and updating of legislation on marketing standards for certain products of animal origin	Adoption by the Commission	2014

Expenditure-related outputs (for all specific objectives)

Description	Indicator	Target	Budget 2014	
			Budget item	EUR million ²³
Fruit & vegetables	Proportion of the value of production marketed through producer organisations in value of the total production	Known autumn 2015	05 02 08 03	285 ⁽²⁴⁾
Wine: National envelope	Restructuring - Number of hectares ²⁵	55 000	05 02 09 08	542
Wine: National envelope	Investments and promotion - Number of beneficiaries ²⁶	3 500	05 02 09 08	407
Public intervention	Volume of intervention stocks	Pm	05 02	0
Private storage	Volume of private storage (butter) – in tonnes	135 000	05 02 12 04	6
Export refunds	Volume (in tonnes) of products exported with refunds (poultry)	336	05 02 15 05	1
Promotion programmes – Payments by Member State	Number of programmes accepted	44 ²⁷	05 02 10 01	60
School fruit scheme	Number of beneficiaries	Around 8,1 million children ²⁸	05 02 08 12	122
School milk scheme	Number of beneficiaries and quantity of milk and milk products on which aid has been paid	20.4 million children and 312 706 tonnes of milk and milk products on which aid has been paid (school year 2011-12)	05 02 12 08	75

²³ In commitment appropriations

²⁴ The figure relates to commitment appropriations and does not include the estimated assigned revenue to be available to this budget item at EUR 464 million.

²⁵ Outputs are based on the 2013 budget, pending the notification of Member States' programmes.

²⁶ Outputs are based on the 2013 budget, pending the notification of Member States' programmes.

²⁷ Figure for 2013.

²⁸ Based on the provisional analysis of monitoring reports 2011/2012: 55 000 schools and around 8.1 million children; 23 Member States participating in 2011/2012; School year 2010/2011: 54 000 schools, around 8.1 million children.

4.2 ABB 03 – Direct Aid

Article 39(1)b of the Treaty on the Functioning of the European Union (TFEU) lays down that one of the objectives of agricultural policy is "to ensure a fair standard of living for the agricultural community, in particular by increasing the individual earnings by persons engaged in agriculture". This objective is to be reached by a common policy, whose justification at EU level is detailed under ABB 02 - intervention on the agricultural markets.

By providing a basic support for agricultural income, direct aids also contribute to the objective of a regional balance in land use and agricultural activities. As main user of land, agriculture has a unique role to play in the management of natural resources and as a provider of public and largely non-marketable goods and services, preserving biodiversity and landscapes, as well as contributing to the provision of clean water, soil and air.

By means of their high transfer efficiency direct aids support and stabilise farmers' incomes and allow a socially acceptable adaptation process towards a more competitive European agriculture in the face of new challenges.

The responsibilities of the Commission are to ensure proper interpretation and implementation of the rules by Member States by providing adequate support and information through Management Committees, Experts Groups meetings, bilateral meetings and written replies to Member States representatives, organisations, stakeholders, etc.

Management and implementation of the direct support system as set out in Council Regulation (EC) No 73/2009 requires the administration of various Commission Regulations laying down detailed implementing rules as well as their adaptation over time, notably within the framework of the Management Committee for "Direct Payments".

The management and implementation of the direct support system requires the transmission by the Member States of data (communications) and assessment of a number of payments by the Commission (as for instance the specific support under Article 68 of Council Regulation (EC) No 73/2009). This is the purpose of the ISAMM system.

The new Regulation on Direct Payments²⁹ and the new Horizontal Regulation³⁰ on the financing, management and monitoring of the CAP were adopted in December 2013 by the Council and the EP. The regulations include a new architecture of direct payments with a Basic Payment Scheme plus mandatory additional layers consisting of the Payment for agricultural practices beneficial for the climate and the environment ("greening") and the Young Farmers Scheme.. Furthermore, optional schemes may be introduced by Member States, such as the Small Farmers' Scheme, Payment for Areas with Natural Constraints, or

²⁹ Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008, OJ L 347 of 20.12.2013

³⁰ Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008, OJ L 347 of 20.12.2013

Voluntary Coupled Support. The new regulation reinforces the definition of an "active farmer". In the meantime, while preparing the delegated and implementing acts within the context of the regulations mentioned above, a Regulation of the European Parliament and of the Council laying down certain transitional provisions and amending Council Regulation (EC) No 73/2009 as regards its application in the year 2014 was also adopted in December 2013.

ABB activity: ABB 03					
Financial resources (€) in commitment appropriations			Human resources		
Operational expenditure ³¹	Administrative expenditure (managed by the service)	Total	Establishment plan posts	Estimates of external personnel (in FTEs)	Total
41 447 275 640	246 738	41 447 522 378	56	9	65

³¹ After financial discipline

Relevant general objective: Viable food production	
Specific objective: To sustain farmers' income stability by providing direct income support <input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending	
Result indicator: Share of direct support in agricultural entrepreneurial income (family farm income) Definition: The indicator gives the share of direct support (coupled and de-coupled payments) in both factor income and entrepreneurial income. Source: EAGF Financial Report and EEA - EUROSTAT	
Baseline (2012) ³²	Target 2014
46.5%	To maintain the ratio <i>Regulation n° 1310/2013</i>

Relevant general objective(s): Viable food production	
Specific objective: To promote a more market oriented agriculture, by extending further the shift from coupled to decoupled income support <input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending	
Result indicator: % of total direct payments which is decoupled Source: Budget 2013 + Budget 2014	
Baseline (Calendar year 2012 / Budget year 2013)	Target 2014 (Calendar year 2013 / Budget year 2014)
93.19% ³³	93.41% <i>Regulation n° 1310/2013</i>

Main outputs in 2014 ³⁴		
Description	Indicator	Target
Detailed rules (Implementing and Delegated acts) of the Regulation of the Council and of the European Parliament on direct payments for the CAP towards 2020 (Regulation n° 1307/2013) as well as for a new Regulation on the financing, management and monitoring of the CAP (section on IACS) (Regulation n° 1306/2013)	Adoption by the Commission	3 rd quarter 2014

³² The calculation is based on 2012 budget execution data and 2012 farm income data

³³ Budget 2013

³⁴ Valid for the two specific objectives mentioned above

Commission Regulation establishing for 2014 the budgetary ceilings applicable to certain direct payments	Adoption by the Commission	31.07.2014
Commission implementing decision authorising the granting of complementary national direct payments (CNDPs) in Croatia in 2014.	Adoption by the Commission	31.12.2014

Relevant general objective: To promote a sustainable management of natural resources and climate action	
Specific objective: Contribute to the development of sustainable agriculture and to making the CAP more compatible with the expectations of the society; preventing soil erosion, maintaining soil organic matter and soil structure, ensuring a minimum level of maintenance and avoiding the deterioration of habitats, and protecting and managing water; avoiding a massive conversion into arable land	<input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending
Result indicator: % of CAP payments covered by cross compliance Source: DG AGRI	
Baseline (2012)	Target 2014
79.4% ³⁵	Maintain the ratio Regulation n° 1306/2013
Result indicator: Opinion expressed by the public on cross compliance Definition: Aggregate figures on the opinion by the public on cross compliance Source: Eurobarometer	
Baseline (2007)	Target 2014
83% support the reduction of direct payments to farmers not complying with environmental rules 84% support the reduction for non-compliance of animal welfare rules 86% support the reduction of direct payment to	Maintain the positive opinion <i>With the cross compliance the CAP is more sustainable and more compatible with the society's expectations. Therefore if cross compliance shows an important support by the</i>

³⁵ In view of the payment profile for rural development, the percentage of payments covered by cross compliance was higher in the earlier part of the programming period 2007-2013. This reflects the fact that the rural development measures that are not falling under cross compliance have a different payment profile than the ones falling under cross compliance: measures not under cross compliance tend to have an increasing execution over the period and thus the % covered by cross-compliance will decrease over the programming period.

farmers not respecting food safety rules ³⁶	<i>public opinion, its impact will be significant.</i>
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<p>Result indicator: Control rate for GAEC (Standards of Good Agricultural and Environmental Condition)</p> <p>Definition: GAECs form part of the requirements under Cross Compliance and apply to anyone who receives payments under Single Payment Scheme and certain rural development schemes</p> <p>Source: IACS statistics</p>	
Baseline (2013)	Target 2014
100 % implementation of the minimum regulatory control rate in all Member States, except Spain (Murcia), Germany (Brandenburg) and England	100% implementation of the minimum regulatory control rate <i>Target was agreed on the basis of legal requirement: Regulation n° 1306/2013</i>
<p>Result indicator: The ratio of permanent pasture within a Member State in relation to the total agricultural area</p> <p>Source: MS annual notification (ISAMM)</p>	
Baseline (2005)	Target 2014
Ratio has not decreased beyond the limit of 10% in any Member State except Bulgaria and Lithuania	Maintain the ratio within the limit of 10% in relation to a reference ratio Regulation n° 1310/2013

Main outputs in 2014		
Description	Indicator	Target
Detailed rules (Implementing and Delegated acts) of the new Regulation of the Council and of the European Parliament on the financing, management and monitoring of the CAP (section on cross compliance) (Regulation n° 1306/2013)	Adoption by the Commission	31/12/2014

³⁶ Results of the latest Special Eurobarometer "Europeans, Agriculture and the Common Agricultural Policy" published in 2007. The next Special Eurobarometer is foreseen for 2014.

Expenditure-related outputs (for specific objectives above)

Description	Indicator	Target	Budget 2014	
			Budget item	EUR million ³⁷
Single Payment Scheme	Number of hectares paid	107 264 005	05 03 01 01	30 083 ⁽³⁸⁾
Single area payment scheme	Number of hectares paid in accordance with the Accession Treaties and subsequent acts	41 360 000	05 03 01 02	7 382
Other				3 133
TOTAL³⁹				40 598

Relevant general objective: Viable food production

Specific objective: To promote local agricultural production and to ensure a fair level of prices for commodities for direct consumption and for processing by local industries in the Outermost Regions of the EU and in the Aegean Islands

Spending programme
 Non-spending

Result indicator: **Support to the Local Production to maintain/develop the agricultural production**
 Definition: Utilised agricultural area (variation with respect to the previous year)⁴⁰
 Source: MS Annual Reports

Baseline (Calendar year 2012 / Budget year 2013)	Target 2014
POSEIDOM: Mainland France: 26 790 030 ha (-0,3%) Guadeloupe: 30 098 ha (-2.7%) ⁴¹ Martinique: 23 769 ha (-2.5%) Guyane: 25 803 ha (+0,9%) Réunion: 42 640 ha (-0,2%)	To at least maintain local agricultural production <i>Objective of the regulation 228/2013, Article 2 (1c)</i>

³⁷ In commitment appropriations

³⁸ The figure relates to commitment appropriations after financial discipline and does not include the estimated assigned revenue to be available to this budget item at EUR 1 000 million.

³⁹ Not including measures covered under the specific objective "To promote local agricultural production and to ensure a fair level of prices for commodities for direct consumption and for processing by local industries in the Outermost Regions of the EU and in the Aegean Islands" for which output indicators are given below and not including the amount for the reserve for agricultural crises under Article 05 03 10.

⁴⁰ In their annual implementation reports for 2012, the Member States concerned (except Greece) have communicated data related to the common performance indicators as requested by the Commission services. However, the provided data may not be fully in line with the requirements of the Commission services and thus not mutually comparable. Therefore, these indicators shall be evaluated with due caution.

⁴¹ The data provided by the French authorities on the SAU in 2011 was only provisional. It was corrected in the annual report for the year 2012. This explains the differences among the data for 2011 and 2012. The variation shown in the present document is calculated on the latest data provided by the French authorities for 2011.

<p>POSEICAN: Mainland Spain: 23 868 700 (2010 data: +0,4% variation 2009/2010) Canaries: 83 221 ha (+0,7%)</p> <p>POSEIMA⁴²: Mainland Portugal 3 668 145 (2009 data: +5.6% variation 2007-2009) Madeira: 5 428 ha (2009 data: +40,6%: variation 2007-2009) Azores: 120 412 ha (2009 data: +7.5%: variation 2007-2009)</p> <p>Smaller AEGEAN ISLANDS: Not notified⁴³</p>	
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Relevant general objective: Viable food production	
Specific objective: Specific Supply Arrangements (SSA) to ensure the supply of essential products: SSA coverage rate (relation between quantities of products benefiting from SSA support and total quantities of the same products introduced in the respective outermost region)	<input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending
Result indicator: Percentage of SSA products coverage of local needs ⁴⁴ Source: MS Annual Reports	
Baseline (2012 – variations with respect to 2011)	Target 2014
POSEIDOM ⁴⁵ (all products): 46% (-1%) POSEICAN: (cereals only): 99.11% (-0.57%) POSEIMA: Madeira (cereals only): 95.0% (-3,6%) Azores (cereals only): 88.1% (EU) (Variation not available) Smaller Aegean Islands: Not notified ⁴⁶	100% <i>The objective included in regulation 228/2013 Article 2 (1a) is the "guaranteed supply to the outermost regions of products essential for human consumption (...)". This target contributes to achieving this objective.</i>

⁴² In the annual reports for 2010, 2011 and 2012 the Portuguese authorities have only communicated data concerning 2009.

⁴³ The Greek authorities have not communicated any data related to the common performance indicators requested by the Commission services in its last annual reports for 2010, 2011 and 2012. In 2010 for the first time, a budget line for technical assistance was foreseen in the programme with a view to compiling a report including the agreed indicators. Nevertheless, the Greek authorities did not manage to complete the tender procedure on time, failing to provide a report with the requested elements.

⁴⁴ In their annual implementation reports for 2012, the Member States concerned (except Greece) have communicated data related to the common performance indicators as requested by the Commission services. However, the provided data may not be fully in line with the requirements of the Commission services and thus not mutually comparable. Therefore, these indicators shall be evaluated with due caution.

⁴⁵ The French authorities used in their annual report for 2011 and 2012 a different methodology and data source to calculate this indicator (calculation based on value and not quantities, data taken from customs sources and not from SSA operators).

Main outputs in 2014 ⁴⁷		
Description	Indicator	Target
POSEI Review: amendment of Regulation (EU) No 228/2013	Adoption by the Commission	28.02.2014
Implementing Regulation for POSEI (implementing Regulation (EU) No 228/2013)	Adoption by the Commission	31.01.2014
	Entry into force (publication in the EUOJ)	28.02.2014
Implementing Regulation for the Aegean Islands (implementing Regulation (EU) No 229/2013)	Adoption by the Commission	31.01.2014
	Entry into force (publication in the EUOJ)	28.02.2014
Delegated Regulation for POSEI (Regulation (EU) No 228/2013)	Entry into force (publication in the EUOJ)	28.02.2014
Delegated Regulation for the Aegean Islands (implementing Regulation (EU) No 229/2013)	Entry into force (publication in the EUOJ)	28.02.2014

Expenditure-related outputs for POSEI

Description	Indicator	Target	Budget 2014	
			Budget item	EUR million ⁴⁸
Regime for outermost regions of the EU: direct aids for banana reference area	Marketed quantity by MS	ES: 371.013 tons PT: 17.742 tons FR: 251.733 tons (ref. year 2012)	05 03 02 50	270
Other				155
TOTAL				425

⁴⁶ See footnote 35

⁴⁷ Valid for the two specific objectives mentioned above

⁴⁸ In commitment appropriations (after financial discipline)

4.3 ABB 04 – Rural development

As second pillar of the CAP, the rural development policy will accompany and complement direct payments and market measures of the CAP, thereby contributing to CAP objectives as laid down in the Treaty on the Functioning of the European Union. Rural development is also expected to strongly underpin the Europe 2020 goals, in coherence with the general objectives for the economic and social cohesion policy, as set out in the TFEU. In this respect, enhanced complementarity is sought between interventions funded through the rural development fund and those funded through the other European Structural and Investment Funds (ESI Funds), i.e. the European Regional Development Fund, the Cohesion Fund, the European Social Fund and the European Maritime and Fisheries Fund. Common provisions and harmonised implementation rules for these funds are defined in a Common Provision Regulation. The Member States will also have to submit to the Commission a national Partnership Agreement embedding all the ESI Funds in a single strategy clearly showing the joint coordination mechanisms and contribution of the funds towards Europe 2020 objectives.

The long-term objectives of rural development, linked to competitiveness, sustainable management of natural resources and climate action, and balanced territorial development, are further detailed in six thematic "Union priorities for rural development" ensuring strong links with the Europe 2020 goals. They relate to:

1. innovation, cooperation, and the development of the knowledge base in rural areas;
2. farm viability and competitiveness, and promotion of innovative farm technologies and sustainable management of forests;
3. food chain organisation, animal welfare and risk management in agriculture;
4. restoration, preservation and enhancement of agricultural and forestry ecosystems;
5. resource efficiency and a low carbon and climate resilient economy in agriculture, food and forestry sectors;
6. social inclusion poverty reduction and economic development in rural areas.

A range of different types of support is offered by a "menu" of rural development measures, which have the potential to address multiple needs in the rural areas of the Union.

The rural development policy will be implemented through multiannual national or regional rural development programmes (including the possibility to have both national and regional programmes running in parallel) to be submitted by the Member States and approved by the Commission, in the context of subsidiarity. Member States with regional programmes may also submit a national framework containing common elements for these programmes. Member States have to programme the rural development measures to ensure that they contribute to at least four of the above Union priorities (as general rule), based on a thorough analysis of territorial needs in each programming area.

This approach will permit that account is taken of the diversity of the situations that affect rural areas with different characteristics or different categories of potential beneficiaries and of the cross-cutting objectives of innovation, environment and climate change mitigation and adaptation and the contribution to the identified Union priorities for rural development.

The Union's priorities for rural development shall be pursued in the framework of sustainable development and the Union's promotion of the aim of protecting and improving the environment. In this respect, at least 30% of each programme's budget will have to be dedicated to specific environmental and climate-related measures.

Similarly, in order to sufficiently promote bottom-up forms of local development strategies, at least 5% of EAFRD contribution to rural development programmes will be reserved to the LEADER approach for local development, which also offers the opportunity to realise joint, transnational cooperation projects between rural areas. Forms of Community Level Local Development (CLLD) strategies co-funded together with the other structural and investments funds of the Union can also be supported, for example to increase rural-urban interlinks and cooperation.

To increase the performance orientation of the policy, the Member States will have to demonstrate that certain ex-ante conditionalities (i.e. essential pre-conditions to ensure the effective implementation of the different priorities) are fulfilled from the outset. A performance framework system will also be established to link the full use of a programme's budget to sufficient performance levels in the implementation of that programme.

The result orientation of the programmes will also be underpinned by the establishment of ex-ante targets (based on a set of common result indicators) in relation to all the priorities and focus areas included in the programmes. A regular follow-up on the programmes' performance will be carried out based on a common monitoring and evaluation system.

The main components of the EU interventions

Support provided through the European Agricultural Fund for Rural Development (EAFRD) aims at contributing significantly to the socio-economic and environmental sustainable development of rural areas, as well as at helping to maintain a balance between urban and rural areas in a competitive and knowledge-based economy. The type of support does not only cover investments, infrastructure and human capital building, but also area payments to beneficiaries who provide public goods such as positive environmental impacts of land management. As for the management mode, rural development is based on shared management. The work of Member State's authorities is therefore crucial to ensure sound financial management and efficiency in the implementation of the programmes, as well as for the achievement of the policy objectives.

Rural Development will be supported by networking between different levels of governance and actors, knowledge sharing and exchange of good practices. The main vehicle is the European Network for Rural Development, interfaced with the national networks. A dedicated EIP network will be established at EU level to facilitate the exchange between science and farming practice and to foster cooperation and the exchange of information and knowledge among innovation actors.

The responsibilities of the Commission

During the phase of negotiation and approval of the programmes (as well as in relation to any programme's modification), the Commission will play an essential role in ensuring that

the strategic choices of the Member States duly reflect the regulatory and strategic framework of the Union, within the limits of subsidiarity. Enhanced possibilities for the Commission to suspend and/or interrupt payments as well as the specific provisions requiring the Member States to demonstrate that the rural development measures are verifiable and controllable will further strengthen a financially sound implementation of the programmes.

The Commission will also support the programming and implementation phases through the preparation of comprehensive guidance documents as well as by clarifying interpretation issue. A regular dialogue between the Commission and the Member States will be ensured through the dedicated management committee.

To ensure, in the context of shared management, sound financial management in accordance with Article 317 of the Treaty, the Commission shall carry out the measures and controls laid down in the new Horizontal Regulation⁴⁹. This includes audits, management and control procedures, and annual clearance of accounts and conformity audits, which could lead to financial corrections.

Continuous monitoring activities will be carried out by the Commission throughout the whole programming period, with two major milestones in 2017 and 2019, linked to the established performance framework system.

ABB activity: ABB 04					
Financial resources (€) in commitment appropriations			Human resources		
Operational expenditure	Administrative expenditure (managed by the service)	Total	Establishment plan posts	Estimates of external personnel (in FTEs)	Total
13 987 271 059	4 804 197	13 992 075 256	211	39	250

N.B. Baseline, milestones and targets for all indicators will be provided for DB 2015 once the programming is finalised.

⁴⁹ Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008, OJ L 347 of 20.12.2013

Relevant general objectives: This specific objective contributes to achieving all three general objectives of the CAP.		
Specific objective: Fostering knowledge transfer and innovation in agriculture, forestry and rural areas (Priority 1) <input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending		
Result indicator: % of expenditure for the three measures <i>Knowledge transfer & information action, advisory services and cooperation</i> in relation to the total expenditure for the RDP (Focus area 1A: Fostering innovation and the knowledge base in rural areas) Source: Rural development programmes		
Baseline ⁵⁰ (2013)	Milestone 2018	Target 2023 ⁵¹
		<i>To be aggregated from targets set in RDPs</i>
Result indicator: Number of cooperation operations planned under the cooperation measure (groups, networks/clusters, pilot projects) (Focus area 1B: strengthening the links between agriculture and forestry and research and innovation) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>To be aggregated from targets set in RDPs</i>
Result indicator: Total number of participants trained (across all focus areas) (Focus area 1C: fostering lifelong learning and vocational training in agriculture and forestry sectors) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>To be aggregated from targets set in RDPs</i>

⁵⁰ Baseline is 0 at the start of the programming period and all the targets are cumulated over the period.

⁵¹ For the new generation of spending programmes, targets are set for 2020 in programming and for 2023 in implementing terms.

Main outputs in 2014		
Description	Indicator	Target 2014
Workshops to present the possibilities under the EIP to stakeholders in various Member States	Number of workshops	7
Focus groups (discussion groups for experts to discuss challenges and potential solutions for a particular technical issue)	Number of focus groups	7
A seminar on innovation related subject	Number of Seminars	1 Seminar
Factsheets and newsletters; functional interactive website	Date of delivery	2014

Relevant general objective: Viable food production		
Specific objective: Enhancing farm viability and competitiveness of all types of agriculture in all regions and promoting innovative farm technologies and sustainable management of forest (Priority 2)		
<input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending		
Result indicator: % of agricultural holdings with RDP support for investment in restructuring (Focus area 2A: improving the economic performance of all farms and facilitating farm restructuring and modernisation notably with a view to increase market participation and orientation, as well as agricultural diversification) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>To be aggregated from targets set in RDPs</i>
Result indicator: % of agricultural holdings with RDP supported business development plan/investments for young farmers (Focus area 2B: facilitating entry of adequately skilled farmers into the agricultural sector and in particular generational renewal) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>To be aggregated from targets set in RDPs</i>

Main outputs in 2014		
Description	Indicator	Target
A pilot project on an exchange programme for young farmers	Date of launch	2014

Relevant general objective: Viable food production		
Specific objective: Promoting food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture (Priority 3)		
<input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending		
Result indicator: % of agricultural holdings supported under quality schemes, local markets and short supply circuits, and producer groups (Focus area 3A: improving competitiveness of primary producers by better integrating them into the food chain through quality schemes, promotion in local markets and short supply circuits, producer groups and inter-branch organisations) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>To be aggregated from targets set in RDPs</i>
Result indicator: % of agricultural holdings participating in risk management schemes (Focus area 3B: supporting farm risk management) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>To be aggregated from targets set in RDPs</i>

Main outputs in 2014		
Description	Indicator	Target
Register PDO/PGI/TSG names and publish in the OJ single documents and product specifications, ensure public accurate information concerning registered PDO's and PGI's and TSG's	Legal compliance of examination provisions Publication of delegated act	2014 1 DA in 2014
Report to the European Parliament and to the Council on the case for an optional quality term "product of island farming"	Publication of report	2014
Contribute to a coherent control system for PDO/PGI/TSG (follow-up of the FVO audit program and related activities)	Contributions to control system	2014
A revised EU political and legal framework for organic production (Agenda planning reference 2012/AGRI/014)	Adoption by the Commission	2014
Assessment for recognition of equivalent Control Bodies for the purpose of imports of organic products, including	Delivery	2014

requests for scope extensions, analysis of yearly reports and supervision of already recognised control bodies		
"Organic Farming Information System" aimed in particular at enhancing information flows and the follow-up of irregularities, with Member States, Control Bodies and Third Countries	Development	2014

Relevant general objective: Sustainable management of natural resources and climate action		
Specific objective: Restoring, preserving and enhancing ecosystems related to agriculture and forestry (Priority 4) <input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending		
Result indicator*: a) % of agricultural land under management contracts contributing to biodiversity b) Percentage of forest area under management contracts contributing to biodiversity (Focus area 4A: Restoring and preserving and enhancing biodiversity, including in Natura 2000 area, areas facing natural constraints and high nature value farming and the state of European landscapes) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>To be aggregated from targets set in RDPs</i>
Result indicator*: a) % of agricultural land under management contracts improving water management b) Percentage of forest area under management contracts improving water management (Focus area 4B: improving water management including fertiliser and pesticide management) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>To be aggregated from targets set in RDPs</i>
Result indicator*: a) % of agricultural land under management contracts preventing soil erosion and improving soil management b) Percentage of forest area under management contracts preventing soil erosion and improving soil management (Focus area 4C: preventing soil erosion and improving soil management) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>To be aggregated from targets set in RDPs</i>

* Contributing to the KPI presented in **Part 2**

Main outputs in 2014		
Description	Indicator	Target
Communication on genetic resources	Adoption	2014

Relevant general objective: Sustainable management of natural resources and climate action		
Specific objective: Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors (Priority 5) <input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending		
Result indicator: % of irrigated land switching to more efficient irrigation systems (Focus area 5A: increasing efficiency in water use by agriculture) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>To be aggregated from targets set in RDPs</i>
Result indicator: Total investment in energy savings and efficiency (Focus area 5B: increasing efficiency in energy use in agriculture and food processing) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>To be aggregated from targets set in RDPs</i>
Result indicator: Total investment in renewable energy production (Focus area 5C: Facilitating the supply and use of renewable sources of energy, of by products, wastes, residues and other non food raw material for purposes of the bio-economy) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>To be aggregated from targets set in RDPs</i>
Result indicator*: a) LU concerned by investments in life-stock management in view of reducing the GHG and ammonia emissions b) Percentage of agricultural land under management contracts targeting reduction of GHG and ammonia emissions (Focus area 5D: Reducing GHG and ammonia emissions from agriculture) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>To be aggregated from targets set in RDPs</i>
Result indicator*: % of agricultural and forest area under management to foster carbon sequestration and conservation (Focus area 5E: Fostering carbon sequestration in agriculture and forestry) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>To be aggregated from targets set in RDPs</i>

*Contributing to the KPI presented in **Part 2**

Main outputs in 2014		
Description	Indicator	Target
Follow-up and contribution to the international climate negotiations as regards aspects related to agriculture and LULUCF	Contributions to negotiations	2014
Forest strategy; Standing Forestry Committee and Commission to develop demonstrable criteria for Sustainable Forest Management	Implementation of the strategy	2014
Renewable energies: contributions to the implementation of the Renewable Energy and the Fuel Quality Directives and related developments, including biomass sustainability requirements	Contributions to the Directive implementation	2014
Contribution to the implementation of the Bioeconomy and related initiatives	Contributions to initiatives	2014

Relevant general objective: Balanced territorial development		
Specific objective: Promoting social inclusion poverty reduction and economic development in rural areas (Priority 6)		
<input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending		
Result indicator: Number of jobs created through supported projects (not LEADER) (Focus area 6A: Facilitating diversification, creation of new small enterprises and job creation) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>To be aggregated from targets set in RDPs</i>
Result indicator: a) % of rural population covered by local development strategies b) Number of jobs created through supported projects (LEADER) c) Rural population benefiting from new or improved services / infrastructures (Focus area 6B: Fostering local development in rural areas) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>Aggregated from targets set in RDPs</i>
Result indicator: Population benefiting from new or improved IT infrastructures (Focus area 6C: Enhancing accessibility to use and quality of information and communication technologies (ICT) in rural areas) Source: Rural development programmes		
Baseline (2013)	Milestone 2018	Target 2023
		<i>Aggregated from targets set in RDPs</i>

Main outputs in 2014		
Description	Indicator	Target
Study on rural tourism	Study launch	2014
Represent DG AGRI, in meetings of the Commission working groups, chaired by DG REGIO, DG JUSTICE or DG EMPL, participating on the Roma Task force, Task Force Greece, Support Group for Cyprus and Mediterranean Task Force	Meetings attended Commission progress report on implementation by the MS of their Roma integration strategies Meetings and contributions to the quarterly reports and Memorandum of Understandings	2014 April 2014 2014
Follow up of the Action plan for implementing the Commission Communication on the integration of Roma in Europe	Follow up actions	2014

The following main outputs 2014 are cross-cutting issues and thus, are assigned to several specific objectives/priorities.

Main outputs in 2014		
Description	Indicator	Target
Establishment of the delegated and implementing acts and transitional rules for rural development policy for the period 2014-2020	Adoption of delegated and implementing acts	1 sem/2014
Management of the 2007 – 2013 Rural Development Programmes (financial management, programme modifications, annual reports, monitoring committees)	RDP modifications Follow up of Programmes	2014 2014
Follow up of actions plans drawn up by Member States in order to reduce the error rate in the implementation of rural development	Corrective and preventive actions implemented	2014
Negotiation of partnership agreements and contribution to a coherent approach among all ESIF funds	PA preparatory meetings Number of RDPs approved	2014 117 RDPs approved by 2014 ⁵²
Negotiation and approval rural development programmes for the period 2014 – 2020	Number of RDPs closed	11 Programmes closed by 2014
Closure of programmes		
Guidance documents for the implementation of the rural development policy	Number of guidance documents	32 documents finalised by 2014
Dissemination of information about rural development policy to different stakeholders (e.g. advisory groups)	Advisory groups held	2014
Coordinate the contribution of DG AGRI to the implementation of the Action plan concerning the Danube strategy relative to rural development	Coordination actions	2014
Launch of the European	ENRD launching	2014

⁵² Latest available indicative figure, to be updated when submission of programmes.

Network for Rural Development (ENRD) 2014-2020		
Preparation of the Adriatic – Aegean Strategy	Launching the strategy	2014
Implementation and Monitoring the Baltic Strategy	Coordination actions	2014

Expenditure related outputs not linked to a specific objective

Expenditure related outputs 2007-2013⁵³

Increase the competitiveness of agriculture, forestry and the food industry through support for restructuring, innovation and value added quality products		
Main expenditure-related outputs	Output (no)	
	2007/12	2007-2013
Training activity related to agriculture and/of forestry (Number of participants that successfully finalised training)	1 722 000	2 774 000
Modernisation projects on farms (Number of projects)	319 000	598 000
Supported enterprises for adding value projects (Number)	19 700	35 200
Participation in quality schemes under Rural Development Programs (Number of farms)	335 000	285 000
Improving the environment and the countryside through support for sustainable land and forest management with specific focus on biodiversity, organic farming, high nature value farming, water and climate change,		
Main expenditure-related outputs	Output (no)	
	2007/12	2007-2013
Support under agri-environment (Number of hectares)	43 000 000	47 000 000
Support in Less Favoured Areas (Number of hectares)	53 350 000	55 000 000
Support under Natura 2000 (Number of ha)	1 138 000	1 333 000
Afforested land (Number of hectares)	336 000	760 000
Organic farming supported by agri-environmental measures in the framework of RDP (Number of ha)	7 000 000	NA
Genetic resources supported in the framework of RDP (Number of actions)	10 400 applications	NA

⁵³ Monitoring data covering 2007-2012 submitted in the Annual Progress Report 2012, Data subject to correction.

Improving the quality of life in rural areas and encouraging diversification of economic activity through the development of new economic activities/creation of new jobs and contributing to an adequate level of services for the rural economy,

Main expenditure-related outputs	Output (no)	
	2007/12	2007-2013
Number of new tourist actions supported	15 000	34 900
Number of villages renewed	34 000	27 000
Number of micro-enterprises supported/created	36 000	77 000

For rural development programmes, commitment appropriations for budget line 05 04 60 01 (programming period 2014-2020) in 2014 amount to EUR 13 970 million, including the cotton transfer for Greece, the Article 136 transfers for Germany and Sweden and the UK voluntary transfer and reflecting the accession of Croatia. This represents a decrease of 5.5% compared to 2013, Total payment appropriations amount to EUR 11 597 million, of which EUR 10 330 million relate to the programming period 2007-2013 (05 04 05 01) and EUR 1 267 million (05 04 60 01) to period 2014-2020. Overall, it represents a decrease of 7.1% compared to the voted budget 2013.

There are no longer any commitments to be made either for the programming period 2000-2006 or for the programming period 2007-2013. However, significant payment appropriations (EUR 10 330 million) will be necessary for the period 2007-2013 as the implementation of programmes will continue at full cruising speed in 2014. For the period 2000-2006, it is expected that most of former Objective 1 and Leader+ guidance programmes are closed and the final balance paid in 2013. Some minor payments for the former Guarantee programmes could be expected in 2014.

It is foreseen that 45% of total EAFRD payment appropriations in 2014 will be used for annual measures, 48% for multi-annual type of measures and 7% for the payment of advances of the new 2014-2020 programming period. Appropriations have been calculated in the case of annual measures taking into account the part represented by these measures in the total programming whilst for the multi-annual type measures the calculation is based, in line with the MFF ceiling, on the evolution of payments expected based on past experience (either 2000-2006 or 2007-2013 period) and current evolution in implementation of programmes.

4.4 ABB 05 – Instrument for Pre-Accession Assistance for Rural Development Programmes under the Agriculture and Rural Development Policy Area

This activity is an integral part of the broader EU pre-accession strategy under the Instrument for Pre-Accession Assistance (IPA I and IPA II) to support the Enlargement policy of the Union in Croatia (phasing –out), the Candidate Countries (Turkey, Serbia, the former Yugoslav Republic of Macedonia and Montenegro) and in the potential Candidate Countries (Bosnia and Herzegovina, Kosovo⁵⁴ and Albania). Enlargement policy itself is part of the external action of the Union and contributes to meeting the common objectives in terms of global challenges, global response and global leadership. The Enlargement policy contributes to ensuring stability, security and prosperity in the immediate neighbourhood of the Union.

The successive enlargement of the EU is by its very nature a common task which can be pursued only at EU level. Only the Member States acting together can decide on the accession requests by new candidates and give thus value-added to the enlargement process. Granting pre-accession assistance under one single IPA instrument on the basis of a single set of criteria is more efficient than granting assistance from multiple sources (including the national budgets of the Member States) following different procedures and priorities.

Pre-accession assistance in the field of agriculture and rural development will be implemented under multi-annual programs which are based on the basic principles and rules applied for rural development programs for Member States. This is required as beneficiary countries need to be supported to prepare for the implementation of the CAP upon accession and to develop and adapt their farming, food production and rural development structures in a sustainable way as well as to upgrade to EU standards. Their national administrations also need support to develop the capacity required for the effective and efficient management and control of policies and programmes in the field of CAP and rural development.

Thus activity ABB 05 is contributing to the development of the human and physical capital, by increasing food-safety and the ability of the agri-food sectors to cope with competitive pressure and market forces as well as to progressively align with the Union standards, while pursuing economic, social and environmental goals in balanced territorial development of rural areas. Additionally investment support is channelled through management and control systems which correspond to the good governance standards and the principles of modern and efficient public administration, and resemble the respective structures with functions of a similar nature in the EU Member States.

Assistance under these programmes is based on the condition that the beneficiary countries have set up the required institutions and management and control systems for the implementation of IPARD. IPARD provides support to the beneficiary countries' national administrations to implement certain types of rural development measures and approaches,

⁵⁴ This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence.

including agri-environmental schemes and LEADER type measures. Operationally, this is ensured through the conclusion of Framework, Sectoral and Financing Agreements for the decentralised management of IPARD programmes in accordance with financial management and control rules of the EU and through the approval, monitoring and evaluation of IPARD programmes in partnership with the beneficiary countries.

The activity also includes the follow-up of the implementation of IPARD I programmes for Turkey, the former Yugoslav Republic of Macedonia and the new Member State Croatia and the closure of the former Special Accession Programme for Agriculture and Rural Development (SAPARD) programmes for Romania, Bulgaria and Croatia for which the final balance of the EU funds still has to be settled in 2014. Finally under this activity input and advice is provided to beneficiary countries in the framework of programming under the institution building part of the IPA policy area "agriculture and rural development".

This activity contributes to achieving all three general objectives of the CAP.

ABB activity: ABB 05					
Financial resources (€) in commitment appropriations			Human resources		
Operational expenditure	Administrative expenditure (managed by the service)	Total	Establishment plan posts	Estimates of external personnel (in FTEs)	Total
90 000 000	599 831	90 599 831	9	2	11

<p>Relevant general objective(s): The specific objective contributes to all three general objectives of the CAP and to IPA general objective "support candidate countries and potential candidates ('beneficiary countries') in implementing the political, institutional, legal, administrative, social and economic reforms required to bring the countries closer to Union values and to progressively align to Union rules, standards, policies and practices with a view to Union membership."</p>	
<p>Specific objective 1: To contribute to the sustainable adaptation of the agricultural sector and rural areas in the three countries (Bulgaria, Romania and Croatia) eligible for Sapard support until 2009.</p>	
<p>Result indicator: All Sapard programmes closed in accordance with the Multi-Annual Financing Agreement (MAFA) concluded with the three countries.</p> <p>Source: MAFA</p>	
Baseline (end of August 2013)	Target (mid-term)
Final amounts calculated. They still need to be confirmed by a final "clearance of accounts" decision	<p>2014</p> <p><i>This target was agreed internally in view of the clearance of accounts</i></p>

Main outputs in 2014		
Description	Indicator	Target
Sapard programs of HR, RO and BG closed	Final balance settled for the Sapard programs of HR, RO and BG	2014

<p>Relevant general objective(s): The specific objective contributes to all three general objectives of the CAP and to IPA general objective "support candidate countries and potential candidates ('beneficiary countries') in implementing the political, institutional, legal, administrative, social and economic reforms required to bring the countries closer to Union values and to progressively align to Union rules, standards, policies and practices with a view to Union membership."</p>	
<p>Specific objective 2: Enabling decentralisation of assistance management to the Candidate Countries by supporting the development of the administrative and management and control capacity of the institutions implementing and managing the IPARD programmes.</p> <p style="text-align: right;"> <input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending </p>	
<p>Result indicator: IPARD Agencies are in place and operational, confirmed by national accreditation Source: DG AGRI</p>	
Baseline (end of August 2013)	Target (mid-term)
<p>HR Achieved for 2 measures in 2009 Achieved for 2 additional measures in 2011 Achieved for 2 additional measures in 2013</p>	<p>HR The agri-environmental measure will be implemented under the post-accession programme in 2014.</p> <p><i>National authorities have decided to not go for national accreditation of the agri-environmental measure.</i></p>
<p>TR Achieved for 3 measures and in 42 provinces in 2011 - 2013 Finalised for Technical Assistance measure in 2012 (conferral on-going)</p>	<p>TR To pursue the national accreditation for the other measures once decided by the TR authorities.</p> <p><i>National authorities' decision</i></p>
<p>fYR of Macedonia Achieved for 3 measures in 2009 Achieved for 3 measures in 2009 On track for one additional measure (Technical Assistance) in 2013. National accreditation is expected by end of 2013.</p>	<p>fRY of Macedonia To pursuit the national accreditation for the measure "Technical Assistance"</p> <p><i>National authorities' decision</i></p>
<p>Montenegro ME has decided not to finalize national accreditation for IPARD I and will only use IPARD II funds</p>	<p>Montenegro Use of IPARD II funds</p>
<p>Result indicator: Candidate Countries have ratified the Sectoral Agreement (SA) for the implementation of the IPARD programme Source: DG AGRI</p>	
Baseline (end of August 2013)	Target (mid-term)
<p>Montenegro National accreditation for IPARD I not finalized</p>	<p>Montenegro Use of IPARD II funds</p> <p><i>ME has decided not to finalize national accreditation for IPARD I and will only use IPARD II funds</i></p>
<p>Result indicator: Multi-annual Financing Agreements (MFA) concluded Source: DG AGRI</p>	
Baseline (end of August 2013)	Target (mid-term)
<p>HR Achieved for 2010 and 2011, on-going for 2012</p>	<p>HR 2014</p>

and 2013	<i>The target is a consequence of the provisions of the Sectoral Agreement concluded between the country and the Commission</i>
TR Achieved for 2010, 2011 and 2012, on-going for 2013	TR 2014 <i>The target is a consequence of the provisions of the Sectoral Agreement concluded between the country and the Commission</i>
fYR of Macedonia Achieved for 2010 and 2011, on-going for 2012 and 2013	fYR of Macedonia 2014 <i>The target is a consequence of the provisions of the Sectoral Agreement concluded between the country and the Commission</i>
Montenegro National accreditation for IPARD I not finalized	Montenegro Use of IPARD II funds <i>ME has decided not to finalize national accreditation for IPARD I and will only use IPARD II funds</i>

Main outputs in 2014		
Description	Indicator	Target
Conferral of management granted to TR for 1 measure and for the former Yugoslav Republic of Macedonia also for 1 measure	Conferral decision of the Commission	2014

<p>Relevant general objective(s): The specific objective contributes to all three general objectives of the CAP and to IPA general objective "support candidate countries and potential candidates ('beneficiary countries') in implementing the political, institutional, legal, administrative, social and economic reforms required to bring the countries closer to Union values and to progressively align to Union rules, standards, policies and practices with a view to Union membership."</p>	
<p>Specific objective 3: To contribute to the sustainable adaptation of the agricultural sector and rural areas and to the new Member State Croatia's and Candidate Countries' preparation for the implementation of the <i>acquis communautaire</i> concerning the CAP and related policies under IPARD 2007 – 2013 (IPARD I) by:</p> <p>1. improving market efficiency and implementation of Union standards, 2. preparatory actions for the implementation of the agri-environmental measures and local rural development strategies, 3. development of the rural economy.⁵⁵</p>	
<p><input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending</p>	
<p>1. Improving market efficiency and implementation of Union standards (AXIS 1)</p>	
<p>Result indicator: Number of applications received Source: IPARD programs 2007-2013 and bi-annual reports</p>	
Baseline (end August 2013)	Target
HR: 531 applications fYRoM: 459 applications TR: 1451 applications	833 in HR 2830 in fYRoM 24943 in TR
<p>Result indicator: Number of applications approved Source: IPARD programs 2007 – 2013 and bi-annual reports</p>	
Baseline (end August 2013)	Target
HR: 203 applications fYRoM: 698 applications TR: 594 applications	514 in HR 2330 in fYRoM 17925 in TR
<p>Result indicator: Number of farms/enterprises supported (paid by the IPARD Agency) Source: IPARD programs 2007 – 2013 and bi-annual reports</p>	
Baseline (end August 2013)	Target
87 projects in HR 75 projects in fYRoM 127 projects in TR	414 in HR 104 in TR
<p>Result indicator: Total volume of investment (paid) Source: IPARD programs 2007 – 2013 and bi-annual reports</p>	
Baseline (end August 2013)	Target
38 mio € in HR 5.8 mio € in fYRoM 22.7 mio in Turkey	164 mio € in fYRoM 304 mio € in HR
<p>Result indicator: Increase on gross added value (GVA) in supported holdings Source: IPARD programs 2007 – 2013 and bi-annual reports</p>	
Baseline (end August 20 13)	Target

⁵⁵ All the targets as agreed in the frame of the countries' IPARD programs 2007 – 2013

For the time being information not available in HR, fYRoM and TR	5% in HR 5-8% in fYRoM
Result indicator: Number of farms/enterprises introducing Union standards Source: IPARD programs 2007 – 2013 and bi-annual reports	
Baseline (end August 20 13)	Target
For the time being information not available in HR, fYRoM and TR	290 in HR
Result indicator: Economic growth in agriculture – net additional added value in PPS Source: IPARD programs 2007 – 2013 and bi-annual reports	
Baseline (end August 20 13)	Target
For the time being information not available for HR	5% in HR
Result indicator: Labour productivity in agriculture – change in gross added value (GVA) Source: IPARD programs 2007 – 2013 and bi-annual reports	
Baseline (end August 20 13)	Target
For the time being information not available in HR, fYRoM and TR	increase
2. Preparatory actions for the implementation of the agri-environmental measures and local rural development strategies (AXIS 2)	
Result indicator: Local rural development strategies A) Number of applications received B) Number of applications approved C) Number of recognised LAGs D) Total population of LAGs Source: IPARD programs 2007 – 2013 and bi-annual reports	
Baseline (end August 2013)	Target
In HR A) 40 applications received B) 30 LAGs contracted in HR C) 30 LAGs in HR Contracting under axis 2 has not started in TR and fYRoM, as the accreditation and conferral processes in the countries are not yet initiated.	A) 40 in HR B) 25 in HR C) 25 in HR D) 1.055.000 in HR
3. Development of the rural economy (AXIS 3)	
Result indicator: Improvement of rural infrastructure A) Number of applications received B) Number of applications approved C) Number of beneficiaries D) Total volume of investment (data by 31/12/2012 – AIR) Source: IPARD programs 2007 – 2013 and bi-annual reports	
Baseline (end August 20 13)	Target
A) HR: 199 B) HR: 32 C) HR: 6 D) HR: 0.5 mio € No projects have been contracted yet by fYRoM under this measure. TR does not intend to	A) 2580 in TR 205 in HR B) 174 in HR C) 148 in HR D) 59 mio in HR

programme this measure.	
Result indicator: Diversification of rural economy	
E) Number of applications received	
F) Number of applications approved	
G) Number of beneficiaries	
H) Total volume of investment	
Source: IPARD programs 2007 – 2013 and bi-annual reports	
Baseline (end August 20 13)	Target
E) HR: 326 fYRoM: 153 TR: 1930	E) 380 in HR 417 in fYRoM 7771 in TR
F) HR: 53 fYRoM: 9 TR: 125	F) 350 in HR 155 in fYRoM 6217 in TR
G) HR: 12 fYRoM: n/a TR: 57	G) 329 in HR 155 in fYRoM 5596 in TR
H) HR: 0.5 mio € paid fYRoM: 0 mio € (projects were cancelled)	H) 39 mio in HR 31 mio in fYRoM

Main outputs in 2014		
Description	Indicator	Target
Management of the implementation of 3 IPARD programmes 2007-2013 (including their amendments)	Percentage of EU-money paid annually to the beneficiary countries	All programs can implement one annual allocation in a year

<p>Relevant general objective(s): The specific objective contributes to all three general objectives of the CAP and to IPA general objective "support candidate countries and potential candidates ('beneficiary countries') in implementing the political, institutional, legal, administrative, social and economic reforms required to bring the countries closer to Union values and to progressively align to Union rules, standards, policies and practices with a view to Union membership."</p>	
<p>Specific objective 4: To finalise the institutional and legal set up in Candidate Countries Serbia and Montenegro and potential Candidate Country Albania to manage the IPARD rural development programmes 2014 – 2020 and to provide guidance to the institutional set up in Bosnia and Herzegovina and the Kosovo <input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending</p>	
<p>Result indicator: Setting up of the implementing structures:</p> <ul style="list-style-type: none"> • Designation, identification and start of operation of NAO and National Fund in accordance with the provisions of the Framework • Setting- up and start of operation of IPARD Agency in accordance with the provisions of the Framework and Sectoral Agreement. Setting up and start of operation of Managing Authority in accordance with the provisions of the Framework and Sectoral Agreement • Successful contribution of relevant IPA component I projects to building institutional capacities in the countries concerned. <p>Source: Information on progress in national accreditation by beneficiary countries</p>	
Baseline (end August 2013)	Target ⁵⁶
<ul style="list-style-type: none"> - 18 advisory missions to the potential Candidate Countries were carried out. - Advice to the national authorities was provided in 13 technical meetings in Brussels or in the countries concerned. - 5 IPARD capacity-building IPA component I projects are being implemented. - Managing Authority and IPARD Agency have been set up in Albania, Montenegro and Serbia. In Albania these bodies implementing IPA 2010 project on "piloting IPARD". ToR of a similar project to be implemented by FAO in BiH have been prepared with AGRI's support - Study on potential for diversification in agriculture in Albania and Montenegro was carried out 	<ul style="list-style-type: none"> • NAO and National fund operating in 2014 • IPARD Agency operating in 2015 • Managing Authority operating in 2015 • Institutional capacities in the countries concerned built up through IPA component I projects in 2013 and 2014
<p>Result indicator: Signature of Sectoral Agreements between the Commission and the beneficiary countries</p> <p>Source: Regulation (EU) No XXX/2013 of the European Parliament and of the Council of XX/XX/2013 establishing an (new) Instrument for Pre-accession Assistance (IPA II)</p>	
Baseline (end August 2013)	Target
Under IPARD II all potential candidate countries are eligible for IPARD support. However, for the time being only Albania, Serbia, and Montenegro intend to implement IPARD II.	Sectoral Agreement for Serbia, Albania and Montenegro signed in 2014

⁵⁶ As set by the Financial Regulation of the EU for implementing the EU budget.

<p>Result indicator: Submission of IPARD programmes for Albania and Serbia to the Commission, subject to these countries becoming Candidates.</p> <p>Source: Regulation (EU) No XXX/2013 of the European Parliament and of the Council of XX/XX/2013 establishing an (new) Instrument for Pre-accession Assistance (IPA II)</p>	
Baseline (end August 2013)	Target
Albania and Serbia have presented several draft IPARD I Programmes. However, both countries have refrained from pursuing under IPARD 2007 – 2013. They are now asked to submit new IPARD II programmes.	IPARD II Programmes submitted and approved by the Commission in 2014

Main outputs in 2014		
All countries eligible for IPARD II have nationally accredited IPARD II implementing structures and IPARD II programmes of Serbia, Albania and Montenegro are approved by the Commission	Entrustment of budget implementation tasks by the Commission to the beneficiary countries and Commission decision on IPARD II programmes	2014

<p>Relevant general objective(s): The specific objective contributes to all three general objectives of the CAP and to IPA general objective "support candidate countries and potential candidates ('beneficiary countries') in implementing the political, institutional, legal, administrative, social and economic reforms required to bring the countries closer to Union values and to progressively align to Union rules, standards, policies and practices with a view to Union membership."</p>	
<p>Specific objective 5: To contribute to IPA general objective 1: "to support candidate countries and potential candidates (Turkey, the former Yugoslav Republic of Macedonia, Serbia, Montenegro, Albania, and at a later stage Bosnia and Herzegovina and the Kosovo) in implementing the political, institutional, legal, administrative, social and economic reforms required to bring the countries closer to Union values and to progressively align to Union rules, standards, policies and practices with a view to Union membership" and to the IPA specific objective 1 "support for political reforms", specific objective 2 "Support for economic, social and territorial development, with a view to a smart, sustainable and inclusive growth" and specific objective 3 "Strengthening the ability of beneficiary countries to fulfil the obligations stemming from membership by supporting progressive alignment with and adoption, implementation and enforcement of the <i>acquis communautaire</i>, structural, cohesion, agricultural and rural development funds and policies of the Union".</p>	
<p><input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending</p>	
<p>Result indicator: External relation instruments' umbrella regulation post 2013 (including IPA) adopted Source: IPA negotiations by DG ELARG</p>	
Baseline (end August 2013)	Target
On track to be finalised in 2013	As set by the need to start implementation of IPARD II at the end of 2014
<p>Result indicator: IPA framework regulation post 2013 adopted Source: IPA negotiations by DG ELARG</p>	
Baseline (end August 2013)	Target
On track to be finalised in 2013	2013, as set by the need to start implementation of IPARD II at the end of 2014
<p>Result indicator: IPA implementing regulation post 2013 adopted Source: IPA negotiations by DG ELARG</p>	
Baseline (end August 2013)	Target
On track to be finalised in 2013	2013, as set by the need to start implementation of IPARD II at the end of 2014
<p>Result indicator: IPA budget management mechanism post 2013 adopted Definition: Adoption of IPA budget management mechanism post 2013 Source: IPA negotiations by DG ELARG</p>	
Baseline (end August 2013)	Target
finalised	2013, as set by the need to start implementation of IPARD II at the end of 2014
<p>Result indicator: Number of measures conferred for indirect management without ex ante controls under rural development programmes Source: Estimate, based on experience gained under Sapard and IPARD II</p>	
Baseline (2013)	Target 2020
0	32

Indicator: Number of meetings of the Monitoring Committee involving representatives of civil society and agriculture sector stakeholders in implementing rural development programmes Source: Estimate, based on experience gained under Sapard and IPARD II	
Baseline (2013)	Target 2020
0	68
Indicator: Number of economic entities performing modernisation projects in agri-food sector Source: Estimate, based on experience gained under Sapard and IPARD II	
Baseline (2013)	Target 2020
0	8100
Indicator: Number of economic entities developing additional or diversified sources of income in rural areas Source: Estimate, based on experience gained under Sapard and IPARD II	
Baseline (2013)	Target 2020
0	4250
Indicator: Overall investment in physical capital in agri-food and rural development (EUR) Definition: Overall investment in machines, equipment, production facilities made by farmers, food processing and marketing enterprises as well as micro and small enterprises in rural areas Source: Estimate, based on experience gained under Sapard and IPARD II	
Baseline (2013)	Target 2020
0	2.58 billion €
Indicator: Number of economic entities progressively upgrading towards EU standards Definition: Number of farmers and food processing and marketing enterprises progressively upgrading to EU environmental, food safety and hygiene, occupational standards Source: Estimate, based on experience gained under Sapard and IPARD II	
Baseline (2013)	Target 2020
0	5550

Main outputs in 2014		
Description	Indicator	Target
All IPARD II programmes are approved by the Commission and the annual allocation 2014 is committed in the EC budget	Number of programmes approved and amount of money committed	5 programmes approved 90 million € committed

4.5 ABB 06 – External Relations

In accordance with Articles 206 and 207 of the Treaty on the Functioning of the European Union, the Union establishes a customs union and a common commercial policy. The Union has exclusive competence in this area (Article 3(e) TFEU). In accordance with Article 8 TEU the Union also develops a neighbourhood policy. Finally, in accordance with Article 49 TEU the Commission has an important function in relation to negotiations with European States applying for admission to the Union.

The Commission conducts negotiations in this context. To this end, DG AGRI contributes to the negotiation of international agreements touching upon areas of agricultural policy (trade in agricultural products, quality policy, food security, etc). DG AGRI also deals with the implementation of such international agreements and manages the relations with third countries related to agriculture.

The overall objectives of these external relations activities of DG AGRI are to promote and defend the Union's agricultural sector internationally in a changing world trade environment, to preserve and adapt the European model of agriculture, and to contribute to sustainable economic development.

This activity covers participation and negotiations in various multilateral for a, including the WTO, OECD, G8 and G20, the FAO and other UN agencies, as well as in bilateral relations with various third countries, regions or key regional groupings (e.g. the African Union). It also comprises agricultural relations with European Neighbourhood countries and candidate or potential candidate countries, and coordination of the enlargement process in relation to agriculture. This activity also includes economic analysis of trade, agricultural policy in third countries and other international matters in agriculture.

ABB activity: ABB 06					
Financial resources (€) in commitment appropriations			Human resources		
Operational expenditure	Administrative expenditure (managed by the service)	Total	Establishment plan posts	Estimates of external personnel (in FTEs)	Total
6 696 000	164 492	6 860 492	73	6	79

Relevant general objectives: The activity contributes to achieving all three general objectives of the CAP.	
Specific objective: To promote the EU agricultural sector by contributing to successful negotiation and cooperation within the World Trade Organisation (WTO) and other multilateral organisations such as the Organisation for Economic Co-operation and Development (OECD) and the Food and Agriculture Organisation (FAO).	
<input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending	
Result indicator: Timely contribution to negotiations and other ongoing processes in multilateral fora Source: DG AGRI	
Baseline (2013)	Target (mid-term)
100% of contributions in time. Examples: Provision of negotiating lines to take in the context of negotiations leading to the 9 th Ministerial Conference (Bali, December 2013). Provision of contributions to relevant OECD bodies. Relevant input to agriculture-related FAO activities.	100% of contributions in time <i>This target was agreed within DG AGRI and is reflected by relevant procedures for conducting negotiations.</i>

Main outputs in 2014		
Description	Indicator	Target
WTO Agricultural negotiations under the Doha Development Agenda (DDA) following the 9 th Ministerial Conference in December 2013	Contributions made to follow-up work 'post Bali'	Throughout 2014
Negotiations in the WTO on compensatory adjustments for other WTO Members in respect of Croatia's accession to the EU (Article XXIV:6 GATT)	Contributions made to negotiations	Throughout 2014
Implementation of rights and obligations under existing WTO Agreements including notifications and monitoring, Trade Policy Reviews, schedule modification negotiations (Article XXVIII GATT), WTO accessions and Dispute Settlement Procedures	Contributions made	Throughout 2014
FAO Regional Conference on Family Farming in Bucarest	Contributions made to preparation and participation in the regional conference	April 2014
EU-Africa Summit	Specific output (Declaration on agriculture and food security) to be adopted in the Summit	April 2014

Relevant general objectives: The activity contributes to achieving all three general objectives.	
Specific objective: Improve market access for agricultural products by contributing to negotiating, revising bilateral agreements, by resolving trade irritants, ensuring protection for EU geographical indications in third countries by negotiating relevant provisions within Free Trade or Associations Agreements or stand-alone agreements, carrying out dialogues in agriculture and cooperation activities and contributing to sustainable economic development in particular in developing countries.	
<input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending	
Result indicator: Timely preparation of and contribution to bilateral negotiations leading to the objectives given. Source: DG AGRI	
Baseline	Target (mid-term)
100% of timely contributions. Examples: Contributing to negotiations with WTO partners in the framework of Art XXIV.6 GATT; Contributing to negotiations with Canada on the agricultural aspects of the Comprehensive Economic and Trade Agreement; Contributing to negotiations with the Southern African Development Community (SADC), East African Community (EAC), West Africa, amongst others, on the conclusion of the Economic Partnership Agreement; Negotiating a stand-alone agreement with China on cooperation on, and protection of, geographical indications Contributing to negotiations for the conclusion of Free Trade Agreements with India, Thailand, Vietnam Contributing to negotiations with Iceland in the framework of Article 19 of the EEA Agreement; Contributing to negotiations with Morocco on the protection of Geographical Indications Steering the process leading to the protection of EU geographical indications in Central America, in the framework of the agreement with these countries Carrying out dialogues on agricultural issues with some third countries (China, Brazil, India) and cooperation activities in the agricultural field	100% of contributions in time <i>This target was agreed within DG AGRI and is reflected by relevant procedures for conducting negotiations.</i>

Main outputs in 2014		
Description	Indicator	Target
Comprehensive Economic and Trade Agreement with Canada (CETA)	Finalisation of Agreement	2014
Economic Partnership Agreement with SADC and other regional configurations in Africa	Finalisation of Agreement	2014
Transatlantic Trade and Investment Partnership with the United States	Continuation of negotiations, including exchange of offers	2014
Ecuador FTA	Conclusion of negotiations following exchange of offers	July 2014
Mercosur	Possible active resumption of negotiations following exchange of offers	2014
China	Conclusion of the negotiations for the agreement on cooperation on, and protection of geographical indications	China: July 2014
Viet Nam	Continuation and possibly conclusion of the negotiations	2014
Thailand	Continuation of negotiations	2014
Morocco GI Agreement	Conclusion of Agreement	2014
Council Decision on the protection of certain geographical indications from Central American countries (Agenda Planning reference 2013/AGRI/025)	Adoption by the Commission	February 2014

Relevant general objectives: The activity contributes to achieving all three general objectives.	
Specific objective: To promote the EU interests and positions on agriculture and rural development in the relations with enlargement countries and to assist the enlargement countries in their alignment to the CAP	
<input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending	
Result indicator: Timely contribution to the Commission's work in the area of enlargement Source: DG AGRI	
Baseline (2013)	Target (mid-term)
100% of timely contributions Example: Preparation of screening report for Montenegro.	100% of contributions in time <i>This target was agreed within DG AGRI and is reflected by relevant procedures for conducting negotiations.</i>

Main outputs in 2014		
Description	Indicator	Target
Preparation of screening report for Serbia	Drafting of screening report	2014
Contribution to the Progress Report and Strategy Paper 2014 – evaluation progress of candidate and potential candidate countries in the preparation for EU accession	Drafting of chapter agriculture in Progress reports	October 2014
Negotiations with Kosovo for a Stabilisation and Association Agreement (SAA)	Finalisation of agreement	2014

4.6 ABB 07 – Audit

Since agricultural expenditure is mostly implemented under shared management, the Commission's responsibility for the implementation of the budget under Article 317 of the Treaty on the Functioning of the European Union and the need for effective protection of the EU's financial interests require that the Commission verifies the conditions under which payments and controls have been carried out by the Member States.

This activity concerns the audit of agricultural expenditure through clearance of accounts procedures, mainly by means of system controls in the Member States, in order to protect the financial interests of the EU.

Agricultural expenditure is mostly based on a shared-management system where both the Member States and the Commission have responsibilities. The legal framework is laid down Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy, and covers expenditure under both the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD). This expenditure may only be covered by EU financing if executed by accredited paying agencies, which are subject to the conditions laid down in the above-mentioned regulation.

The audit work comprises financial clearance and conformity clearance. Both types of audits may lead to financial corrections whereby expenditure which does not comply with the EU rules is disallowed and recovered from the Member States. A similar procedure applies under the SAPARD and IPARD programmes.

On the basis of Article 43 of Regulation (EU) No 1306/2013, financial corrections under conformity clearance decisions as well as irregularities are designated as revenue assigned to the financing of EAGF and EAFRD expenditure.

The Financial Regulation provides that the Commission and the Member States shall fulfil their respective control and audit obligations and assume the resulting responsibilities laid down in that Regulation. The Commission is also required by the Financial Regulation to make financial corrections on Member States in order to exclude from Union financing expenditure incurred in breach of applicable Union Law.

ABB activity: ABB 07					
Financial resources (€) in commitment appropriations			Human resources		
Operational expenditure	Administrative expenditure (managed by the service)	Total	Establishment plan posts	Estimates of external personnel (in FTEs)	Total
60 200 000	8 369 645	68 569 645	111	16	127

Relevant general objective: The activity contributes to achieving all three general objectives.	
Specific objective: To provide the Commission with reasonable assurance that Member States have put in place management and control systems in conformity with EU rules designed to ensure the legality and regularity of the underlying transactions financed by the EAGF, EAFRD, Sapard and IPARD and, where this is not the case, to exclude the expenditure concerned from EU financing so as to protect the EU's financial interests.	
<input type="checkbox"/> Spending programme <input checked="" type="checkbox"/> Non-spending	
Result indicator: % of planned audit missions carried out Source: Annual work plan for DG AGRI-J for 2014 (to be completed by December 2014)	
Baseline (2012)	Target 2014
91.2% ⁵⁷	100 % of number of audit missions planned for 2014 <i>The number of audit missions is part of the annual work plan of the Directorate.</i>
Result indicator: Timely completion of audit reports and observation letters to Member States Source: DG AGRI	
Baseline (2012)	Target 2014
Average of around 64 days to finalise audit reports, and around 96 days for observation letter in national language in 2012	Deliver according to deadlines ⁵⁸ : - audit reports to below 60 days - observation letters in working language to 65 days - observation letters in national language to below 90 days <i>The targets were agreed via management discussion within Directorate J.</i>
Result indicator: Closure of audits carried out in 2009 and before Source: DG AGRI	
Baseline (2012)	Target 2014
12 audits carried out in 2007 and before were open by end 2012 and 34 audits carried out in 2008 remained to be closed. 80.7% (259 out of 321) of audits carried out in 2009 were closed and 64% (103 out of 286) of audits carried out in 2010 were closed.	Closure by 31.12.2014 of 100% of the audits carried out in 2009 and before. Closure by 31.12.2014 of at least 95% of the audits carried out in 2010 and of at least 85% of the audits carried out in 2011. <i>The targets were agreed via management discussion within Directorate J but are provisional and subject to the annual audit work programme of Directorate J for 2014.</i>

⁵⁷ For Rural development, in the follow-up to DG AGRI's action plan, 4 audits were cancelled and replaced with by 5 of which 3 have been carried out. However this is not reflected in the % of missions carried out as the replacements were not included in the original audit work plan.

⁵⁸ Without prejudice to possible changes in the context of the reform of the clearance of accounts procedure.

<p>Result indicator: Review of the clearance of accounts system (<i>see also result indicator below on Timely contribution to CAP towards 2020 legislation</i>)</p> <p>Definition: Review of the rules for the clearance of accounts system and adoption of the implementing and delegated acts</p> <p>Source: DG AGRI</p>	
Baseline (2012)	Target 2014
<p>Existing rules for the clearance of accounts system in Council Regulation (EC) 1290/2005 and Commission Regulation (EC) 885/2006.</p> <p>Working groups examined criteria and procedures for financial corrections and clearance of accounts and produced policy documents proposing changes which have been taken on board in the draft implementing and delegated acts for the horizontal regulation.</p>	<p>Adoption and publication of the implementing and delegated acts for the horizontal regulation on the financing, management and monitoring of the CAP in accordance with the calendar established for the procedure.</p> <p><i>Timetable CAP 2020</i></p>

Main outputs in 2014		
Description	Indicator	Target
Financial clearance of the accounts presented by the paying agencies of Member States and Applicant Countries according to the financial clearance procedures provided for in EU legislation, and exclusion of expenditure which does not comply with EU rules	Adoption of Commission Decision	By 30/04/2014 for Member States and by 30/09/2014 for IPARD Applicant Countries
<p>Decisions on Member States' and Sapard paying agencies whose annual accounts were disjoined in 2008-11:</p> <ul style="list-style-type: none"> • Sapard disjoined accounts: <ul style="list-style-type: none"> • 2009: BU, RO • 2012: FYROM, TK • EAGF: partially disjoined accounts: <ul style="list-style-type: none"> • 2010: GR, IT • 2011: DE, RO • 2012: DE, BE • EAFRD: partially disjoined accounts: <ul style="list-style-type: none"> • 2010: BE, IT, LU • 2011, FR, RO, ES, • 2012: DE, DK, FR, RO, ES 	Adoption of Commission Decisions	All disjoined annual accounts to be cleared
Prepare conformity clearance procedures and prepare corresponding decisions, covering relevant cases, in March (Decision 44), July	Adoption of Commission Decisions	Decisions in March, July and November 2014

(Decision 45), and November 2014 (Decision 46)		
Decisions on conferral of management regarding IPARD	Adoption of Decision	Conferral to Turkey for technical assistance. Confirmation of conferral to Turkey for 6 provinces for investment measures. Conferral to FYROM for technical assistance
Propose improvements to the system for gaining reasonable assurance on the legality and regularity of the underlying transactions	Completion of guidelines for certification bodies and informing both MS and CBs of the requirements.	By June 2014.
Increase audit intensity with regard to EAFRD in order to follow-up the action plan put in place further to the reservation in the Director General's AAR for 2011	Number of audits in 2014	30% increase in the number of audits planned to be carried out in 2014 (subject to the finalisation of the 2014 audit work programme)
Training Strategy and Plan for systematic training of auditors in order to provide a high quality and transparent audit activity	Establishment of a training strategy including Certified Government Auditing Professional (CGAP) internal audit training and certification as well as other general and specific training	2/3 of Directorate J auditors to have completed the CGAP training by end 2014. Completion of training strategy in first half 2014.
An audit strategy that will include: <ul style="list-style-type: none"> • A consolidated picture of the audit universe for all audit activities performed; • A definition of relevant, measureable objectives relating to the assurance building process; • A multiannual rolling plan of audit work; • Achievement of synergies with Certification Bodies. 	Completion	Early 2014

Relevant general objective: The activity contributes to achieving all three general objectives.	
Specific objective: To contribute to improving EU legislation concerning Member States and Applicant Countries' management and control systems for agricultural expenditure. <input type="checkbox"/> Spending programme <input checked="" type="checkbox"/> Non-spending	
Result indicator: Timely contribution to CAP towards 2020 legislation Definition: Timely delivery of draft CAP 2020 legislation concerning the management and control systems for agricultural expenditure Source: DG AGRI	
Baseline (2013)	Target 2014
Political agreement on the horizontal regulation on the financing, management and monitoring of the CAP	100 % timely delivery <i>The target was agreed with the hierarchy of the DG in order to respect the calendar established for the adoption and publication of the acts.</i>
Result indicator: Adoption of the guidelines on public procurement procedures for shared management Definition: Alignment of DG AGRI approach on how to deal with deficiencies in public procurement procedures with that of other shared management DGs following Recommendation of the European Parliament in its 2011 Discharge report Source: DG AGRI	
Baseline (2013)	Target 2014
Up to 2013, the rules on how errors in public procurement are assessed was not harmonised amongst the DGs in shared management. The European Parliament recommended, in its report on the discharge of the 2011 budget that shared management DGs harmonise their rules and procedures in this respect. into consideration. The final draft guidelines are still being discussed with DG REGIO. Furthermore, AGRI-E-F-G is chef de file for an action plan to analyse the root causes for the high error rates in the RD sector. Two special workshops with the MS (management committee) have been held in April and October 2013 in order to discuss with the MS the actions to be taken to reduce the high error rates in the RD sector with specific mention of errors in public procurement.	Beginning of 2014, depending on the timing of the other DGs concerned by the guidelines. (DG REGIO is chef de File)

Main outputs in 2014		
Description	Indicator	Target
Delegated and implementing acts for the horizontal regulation on the financing, management and monitoring of the CAP	adoption by the European Parliament and Council	2014
Harmonised Commission guidelines on how to deal with deficiencies in MS procedures for and management of public procurement (DG Regio is Chef de File)	Adoption by the Commission	Early 2014

Main expenditure-related outputs

Description	Indicator	Target	Budget 2014	
			Budget item	EUR million ⁵⁹
Control of agricultural expenditure	Number of applications controlled by satellite	380 000	05 07 01 02	6.8

⁵⁹ In commitment appropriations

4.7 ABB 09 –Framework Programme for Research and Innovation (Horizon 2020) — Research and innovation related to agriculture

Horizon 2020 ('H2020') is the EU financial instrument for research and innovation for the period 2014-2020. It contributes to achieving the goals of Europe 2020 and the Innovation Union. A main objective is to strengthen the EU's position in science as well as in industrial leadership in innovation and to address major societal challenges. Within H2020 DG AGRI's competence focuses on implementing Societal Challenge 2 "Food security, sustainable agriculture and forestry, marine and maritime and inland water research and the bioeconomy" ('SC2'). It also contributes as relevant to actions financed by other Societal Challenges such as on "Climate action, environment, resource efficiency and raw materials".

Public research and innovation funding in Europe is primarily organised at the national level (up to 90-95%), which leads potentially to duplication and fragmentation of research efforts. Actions at EU level provide added value to national funding in particular with regard to promoting transnational research and achieving the necessary breadth and critical mass to complement efforts made by a single or groups of research teams at the level of Member States. The Union level is also necessary to ensure coherence in addressing societal challenges across sectors and links to relevant Union policies. Coordination of research and innovation at Union level will stimulate and help to accelerate the required changes across the Union, and thus provide the opportunity to generate greater efficiencies and impact.

'H2020' is implemented under direct management. Overall, DG AGRI's intervention will be based on providing financial support⁶⁰ (through spending programmes) to research, innovation and coordination actions under the following areas of SC2:

- 2.1 Sustainable agriculture and forestry;
- 2.2 Sustainable and competitive agri-food sector for a safe and healthy diet;
- 2.4 Sustainable and competitive bio-based industries and supporting the development of a European bio-economy.

In doing so, DG AGRI will closely liaise with DG RTD and the Research Executive Agency.

The financial instruments to be used in 2014 include:

- *Research and Innovation actions* – aiming at supporting the development of new Scientific and Technological knowledge as well as its deployment to the market and for the society.
- *Coordination and support actions* – supporting strategic research partnerships and better coordination of agricultural research
- *SME instrument* – foster the participation of SMEs in research and demonstration activities

⁶⁰ In 2014, the management of AGRI's part of the H2020 is delegated to DG RTD.

ABB activity: ABB 09					
Financial resources (€) in commitment appropriations			Human resources		
Operational expenditure	Administrative expenditure (managed by the service)	Total	Establishment plan posts	Estimates of external personnel (in FTEs)	Total
52 163 000	137 077	52 300 077	12	5 (credits)	17

*N.B. At the moment, the indicators that are listed below were aligned with the Horizon 2020 - family lead by DG RTD. AGRI-specific indicators, i.e. **indicators that reflect the performance of DG AGRI in achieving the specific objectives more adequately, will be provided at a later stage.***

Relevant general objective(s): The activity contributes to achieving all three general objectives and to H2020 general objective "To build an economy based on knowledge and innovation across the whole Union, while contributing to sustainable development."		
Specific objective: Societal challenges - to secure sufficient supplies of safe and high quality food and other biobased products, by developing productive and resource-efficient primary production systems, fostering related ecosystem services, alongside competitive and low carbon supply chains		<input checked="" type="checkbox"/> Spending programme <input type="checkbox"/> Non-spending
Result indicator: Publications in peer-reviewed high impact journals in the area of SC2 Definition: This indicator measures the number of publications in peer-reviewed high impact journals in a specific societal challenge per 10M€ of EC-funding ⁶¹ . High impact journals are defined to be the top 10% (in terms of Scimago Journal Ranking (SJR) index) of all journals within a given scientific category. Source: Horizon 2020 common IT system, i.e. CORDA (Common Research Datawarehouse) and RESPIR (SESAM Research Performance and Impact Reports)		
Baseline 2013 ⁶²	Milestone 2018	Target 2020
205 publications in peer reviewed high impact journals (FP7 baseline for projects finished by October 2013)	50 publications (absolute number)	250 publications (absolute number) <i>On the basis of FP7 results</i>

⁶¹ From the launch of the programme and until a critical mass of finished projects (ca. 10 % of all funded projects) has been reached, information about the two indicators below will be provided in the form of absolute number by the funded projects. On the basis of FP7 data it is considered that this critical mass of finished projects should be reached by 2019.

⁶² The reference for all the targets is the year when the last actions financed under H2020 will be finished, i.e. several years after the formal end of the programming period.

<p>Result indicator 2 : Patent applications in the area of SC2⁶³ Definition: This indicator measures the number of patent applications in a specific societal challenge per EUR 10 M€ funding⁶⁴. Source: Horizon 2020 common IT system, i.e. CODA (Common Research Datawarehouse) and RESPIR (SESAM Research Performance and Impact Reports)</p>		
Baseline 2013	Milestone 2018	Target 2020
5 patent applications (FP7 baseline for projects finished by October 2013)	1 (absolute number)	5 (absolute number) <i>On the basis of FP7 results</i>

Main outputs in 2014		
Description	Indicator	Target
Setting up a new research and innovation unit; recruitment for new posts	Publication of posts	Research team fully appointed (16 posts), management tools (e.g. IT) in place
First call for submission of proposals	Publication of calls (first and second stage)	Proposals submitted
Evaluation of proposals and selection of projects to be funded	Ranked list recommending negotiation of contracts	Contract negotiation started (either by DG AGRI or REA)
Strategic analysis of research gaps	Gathering of information based e.g. on foresights and discussions with stakeholders	Preparations for Work Programme 2015/2016 started

⁶³ The result indicator was aligned with the respective indicator provided for in the Management Plan 2014 of DG RTD, i.e. reporting on *patent applications* only but not on *patents awarded* (as stated in the Programme Statement DB2014) since no meaningful information (or none at all) can be expected before 2019-2020.

⁶⁴ See footnote 50.

Expenditure related outputs

Description	Indicator	Target	Budget 2014	
			Budget item	EUR million ⁶⁵
Societal challenges – to secure sufficient supplies of safe and high quality food and other bio-based products				
	Grants			
	Prizes			
	Procurement			
	Financial instruments			
	Experts			
	Other			
Total			05 09 03 01	52.2

⁶⁵ In commitment appropriations and relating only to expenditure under chapter 05.

5. HORIZONTAL ACTIVITIES

5.1 ABB 08 – Policy Strategy and Coordination

The ABB Activity "Policy Strategy and Coordination" aims at supporting policy making and promotes the development of a strategic planning culture within the DG in accordance with the Commission Strategic Planning and Programming cycle so that legislative proposals and non-legislative acts pass smoothly and efficiently through the institutional system. It aims at the development of an administrative culture of better regulation by screening existing policies and proposals for simplification where appropriate, and the use of evaluation and impact assessment as valuable policy instruments for shaping policy. With the introduction of the ordinary legislative procedure for the CAP under the Lisbon Treaty on 1 December 2009, the European Parliament is on an equal footing with the Council as a co-legislator on the CAP. In 2009, DG AGRI put in place an internal mechanism in order to deal with the ordinary legislative procedure in an effective and efficient manner. Furthermore, DG AGRI elaborated internal working arrangements to centralise all procedural and coordination aspects of DG AGRI's contacts with other EU institutions. A major activity of DG AGRI is the negotiation of the CAP reform with the other institutions which requires substantial efforts. The continued dialogue with the agricultural non-governmental organisations also plays an increasingly important role. The activity includes matters relating to the correct application of agricultural law and the internal market. Active promotion of the policies of the DG through provision of information, communication, awareness rising with media and general public and dialogue with decision-makers and other key stakeholders, brings its contribution to the successful implementation of DG AGRI's main policies. Sound coherence of the different activities within the DG, efficient and effective liaison internally and with the horizontal services, the Cabinet and the other institutions involved, are essential to strengthen and further support DG AGRI's policy strategy.

The areas covered are:

- Overall policy conception and formulation of the CAP on the basis of policy analysis, micro/macro-economic and quantitative analysis, including the Farm Accountancy Data Network (FADN), impact assessments and evaluation of present policy instruments;
- Co-ordination with other policy areas;
- Legal affairs, simplification and decision making procedures, state aid/competition and infringements, control of implementation of the acquis, complaints;
- Information and communication policy, relations with the other institutions and stakeholders, strategic planning and programming;
- Evaluations and studies carried out following calls for tenders in accordance with the multi-annual DG AGRI Evaluation Plan (Annex 2) and the Studies and Data Purchase Plan, which are regularly reviewed and updated.

The above activities entail only administrative expenditure. In terms of operational expenditure for the Union Budget the following parts of the activity are concerned:

- The Farm Accountancy Data Network (FADN);
- The surveys on the structure of agricultural holdings;
- Information activities, including grants to those parties carrying out CAP information actions;
- EAGF operational technical assistance.

This activity contributes to achieving all three general objectives.

ABB activity: ABB 08					
Financial resources (€) in commitment appropriations			Human resources		
Operational expenditure	Administrative expenditure (managed by the service)	Total	Establishment plan posts	Estimates of external personnel (in FTEs)	Total
40 793 360	575 722	41 369 082	275	21	296

Specific objective: To inform and increase awareness of the CAP by maintaining an effective and regular dialogue with stakeholders, civil society, and specific target audiences based on two key messages below:

(1) The CAP has provided 50 years of service to European citizens, going beyond food production into public goods delivery.

(2) The CAP is a living policy, evolving with society's needs and expectations:

- meeting the challenges of food security, climate change, sustainable use of natural resources and balanced territorial development,
- increasing the competitiveness of the farming sector, both economic and ecologically,
- contribute to smart, sustainable and inclusive growth in rural Europe in line with "Europe 2020" strategy.

Indicator: Public awareness of CAP

Source: Eurobarometer

Baseline (2009)	Target 2014
41% of those surveyed have heard about the CAP	Increase awareness of the CAP to 45% (target based on historic data and expected impact of communication around the new CAP) by 2014

Expenditure related outputs

Description	Indicator	Target	Budget 2014	
			Budget item	EUR million ⁶⁶
Enhancing public awareness of the CAP	Grants awarded to third party organisations to implement actions to improve the level of understanding of the CAP among EU citizens	12	05 08 06	3.0
	Networking	2	05 08 06	0.1
	Media networking	13	05 08 06	0.7
	Stakeholders:		05 08 06	
	Fairs	6		1.2
	Conferences	4		0.6
	Other (CAP Communication Award)	1		0.1
	General public events campaign publications & audio-visual studies	3 5 1	05 08 06	1.5 0.5 0.3
Corporate communication			05 08 06	3.0
Total			05 08 06	11.0

⁶⁶ In commitment appropriations.

Specific objective: To facilitate decision-making on strategic choices for the CAP and to support other activities of the DG by means of economic and policy analyses, studies and coordination of research activities	
Indicator: Timely contribution to the decision-making process for the CAP towards 2020 Source: Registered documents	
Baseline	Target
Timely delivery of documents: - Analysis and publications, notably on the CAP reform and its implementation (among which on internet: briefs, market monitoring, statistics) - first prospective analyses for the CAP post-2020, as necessary	100 % timely deliveries: - supporting policy and economic analysis - publication of key documents on the CAP - provision of documents on the future Research policy for agriculture
Indicator: Representativeness of information about the EU farm economic situation collected by the Farm Accountancy Data Network (FADN) Source: EU FADN	
Baseline (accounting year 2011)	Target (mid-term)
Observed coverage of EU agricultural production in the accounting year 2011: - 91 % coverage of the Standard Output - 91 % coverage of the Utilised Agricultural Area - number of farm returns delivered: 82 436	90 % coverage of the EU agricultural production as expressed in Standard Output 90 % coverage of the Utilised Agricultural Area Number of farm returns to be delivered for the accounting year 2012 (Reg. 1291/2009 and successive amendments): 85 626
Indicator: Adequate knowledge of Farm's structure Source: Eurostat – Farm Structure Survey	
Baseline 2010	Target (mid-term)
Data from the Agricultural Census 2010 is used for internal analyses, publications and in the common context indicators for rural development programmes 2014-2020	Optimal use of the 2010 Agricultural Census data in internal analyses, publications and indicators of the common monitoring and evaluation framework for the CAP 2014-2020

Expenditure related outputs

Description	Indicator	Target	Budget 2014	
			Budget item	EUR million ⁶⁷
Data collection on EU Farm Accountancy Data Network (FADN) data	Holdings	87 185	05 08 01	14.62
Data collection on structure of agricultural holdings:	Holdings		05 08 02	0.25
Technical assistance			05 08 09	1.67
Other ⁶⁸				1.75
Total				18.29

Specific objective: To ensure smart regulation through simplification, impact assessment and evaluation, and analytical support to policy conception and to international negotiations	
Indicator: Common monitoring and evaluation framework for the CAP towards 2020 Source: DG AGRI task Force on Monitoring and Evaluation	
Baseline	Target (2014)
No comprehensive system (only by instrument) - regular meetings and consultations with MS notably through the dedicated expert group; - regular meetings and consultation within DG AGRI to ensure consistency; - legislation and guidance documents available for MS.	Comprehensive framework for the monitoring and evaluation of the whole CAP in place - 2 meetings with the expert group on M&E; - 2 meetings of DG AGRI task force on M&E; - Full regulation and guidance documents available for MS.
Indicator: Degree of implementation of the annual evaluation plan Source: Data collected by DG AGRI	
Baseline (2012)	Target (mid-term) ⁶⁹
100 %	100 % of evaluations completed/launched according to the initially set timetable - Number of new evaluations launched: 4 - Number of evaluations completed: 5 The evaluations to be conducted in a given year are decided at senior management level, based on the legal and policy requirements and

⁶⁷ In commitment appropriations.

⁶⁸ This excludes appropriations for item 05 08 80.

⁶⁹ To be confirmed as the figures presented reflect the situation on 31.12.2013.

	introduced in a rolling evaluation and studies plan which is updated yearly.
Indicator: Degree of implementation of the annual studies plan set in the evaluation and studies plan Source: Data collected by DG AGRI	
Baseline	Target (mid-term)
100 %	100 % of studies completed/launched according to the initially set timetable - Number of new studies launched: 4 - Number of studies completed: 6 <i>The studies to be conducted in a given year are decided at senior management level, based on the legal and policy requirements and introduced in a rolling evaluation and studies plan which is updated yearly.</i>
<i>Indicator: Contribution to the Commission Regulatory Fitness initiative (REFIT)</i> <i>Source: DG AGRI files on simplification</i>	
Baseline	Target (mid-term)
Outcome of the mapping of the CAP acquis reported on 17.4.2013 and Commission Communication adopted on 2.10.2013	Timely contribution to the REFIT initiative including follow-up of the Administrative Burden Reduction programme (ABRplus) upon request of the Secretariat General

Specific objective: To support DG AGRI by providing sound legal services and consolidated legal texts thus ensuring that its policies and their implementation are in compliance with the legal framework of the EU	
Indicator: Proportion of positive opinions from the LS in inter-service consultations launched by DG AGRI Source: Statistics tool provided by CIS-Net	
Baseline (30.09.2013)	Target (mid-term)
100 %	>90 % of consultations <i>Target was fixed taking into account a minimal margin of manoeuvre for legal disagreements/need to pursuit proposal for policy issues</i>
Indicator: Rapidity of response on signataires submitted for paraphe on legal issues and on notes submitted asking for legal advice Source: Internal Follow-up within Unit M1 (échéancier based on Ares)	
Baseline (30.09.2013)	Target (mid-term)
96.27 % of respected	>85 % dealt with within deadlines laid down in the vademecum fixing the rules for legal consultation <i>The vademecum provides for a standard dealine fixed to satisfy Agri services need for quick replies, but at the same time a certain margin of manoeuvre to divert from deadlines is needed to take into account: more difficult/demanding legal problems; exceptional work overload requiring prioritation of tasks</i>

Specific objective: To ensure correct application and enforcement of Common Agricultural Policy law thus contributing to the smooth functioning of the internal market (state aid and infringement procedures).	
Indicator: Timeliness of treatment of all notifications of state aid cases received Source:	
Baseline (2012)	Target (mid-term)
100 % (between 200 and 300 cases each year)	100 % <i>Legal requirement</i>
Indicator: Appropriate administrative treatment of all new complaint cases notified (information of complainant) ⁷⁰ Source: CHAP-EU Pilot Data base	
Baseline (2012)	Target (mid-term)
100 %	100 % <i>Procedural rules established by the College</i>
Indicator: Timeliness of treatment of all new draft technical standards received Source: TRIS data basis	
Baseline (2012)	Target (mid-term)
100 %	100 % <i>Legal obligation by virtue of Directive 98/34/EC</i>
Indicator: Proportion of agreements from the LS to proposals launched by DG AGRI in the context of the consultation process foreseen by the monthly infringement decision taking-procedure Source: NIF data base	
Baseline (2012)	Target (mid-term)
100 %	90 % of consultation Procedural requirement <i>Guidelines on the monthly cycle (04/2013)</i> <i>please explain how the target was agreed</i>

Specific objective: To implement the Commission planning and programming process and provide full assistance to the Directorate-General in the decision making processes so that it delivers its policy objectives contributing to the overall Commission strategy in an effective, timed, efficient and accountable manner.	
Indicator: Percentage of elements of the Strategic Planning and Programming (SPP) cycle delivered on time Source: DG AGRI	
Baseline (2012)	Target (mid-term)
100 %	100 % <i>A timely delivery is crucial for an adequate Commission decision-making process.</i>

⁷⁰ Refers to both – sound legal analysis and observation of procedures.

Indicator: Delivery rate (adoption by the College)	
- CWP	
- Other Agenda Planning (AP) proposals	
Source: Agenda Planning database	
Baseline (2012)	Target (mid-term)
- 2012 CWP: 50 % - Other AP proposals: Cancelled: 16 % Postponed: 32 % Adopted: 51 %	100 % <i>The target is set at 100% in order to foster adequate planning within the DG.</i>
Indicator: Number of delays in DG AGRI replies to ISC	
Source: CIS-Net	
Baseline (30.09.2013)	Target (mid-term)
131 out of 1 648 (7.94 %)	Steady reduction <i>The target is a permanent goal of DG AGRI</i>

NB: for this objective, there are also 2 indicators on ISC management (M.4 chef de file)

<p>Specific objective: To maintain continuous dialogue and cooperation with EU institutions, national parliaments, other institutional stakeholders and civil society, including the participation in meetings of the Council, the SCA and working parties, European Parliament, COMAGRI and other committees, as well as attendance to trilogues (accompany & follow-up on the ordinary legislative procedure).</p>	
<p>Indicator: Questions/requests from other Institutions, including Parliamentary Questions, replied to within the deadline Source: BASIL and PETITIONS2 (electronic management systems for resp. EP questions and petitions) and data collected by Unit K.3</p>	
Baseline (2012)	Target (mid-term)
<p>659 information requests concerning the CAP (EP questions, national parliament requests, letters from MEPs and petitions).</p> <p>> 99 % replies within deadline</p>	<p>Maintain the present high rate of replies within deadline.</p> <p><i>Target based on historical performance rate.</i></p>
<p>Indicator: Participation of the Commissioner and DG AGRI's officials in high level meetings with other EU institutions and advisory groups Source: Data collected by Unit K.3</p>	
Baseline (2012)	Target (mid-term)
<p>- European Parliament: Commissioner's participation : 5 (Plenary and COMAGRI) AGRI staff: 29 (Plenary and COMAGRI)</p> <p>- EESC and CoR: Commissioner's participation: 2. AGRI staff: 46</p> <p>- Council: Commissioner's participation: 12 Staff: 133 (Council, SCA, WPs and trilogues)</p> <p>Meetings of advisory groups: 87</p>	<p>The Commissioner represents the Commission in the most important meetings</p> <p><i>Target based on historical figures.</i></p>
<p>Indicator: Number of open recommendations in RAD addressed to AGRI that are overdue Source: RAD</p>	
Baseline (2012)	Target (mid-term)
0	<p>0</p> <p><i>Timely implementation of actions is crucial for an effective implementation of discharge recommendations.</i></p>

5.2 AWBM 01 – Administrative support

This activity covers the work of the horizontal services: Human Resources Management, Training and Logistics within AGRI, Budget management and Finance, Information and Communication Technologies, Internal Control and Risk Management, Document management, Security and data protection. These services provide high quality administrative support, advice, assistance and control and monitoring of resource use of the DG AGRI.

This activity also provides internal audit services within the DG AGRI. Audit services are designed to provide assurance of the soundness of internal controls and of financial and operational management as well as accounting and reporting systems.

This activity contributes to achieving all three general objectives.

ABB activity: AWBM 01					
Financial resources (€) in commitment appropriations			Human resources		
Operational expenditure	Administrative expenditure (managed by the service)	Total	Establishment plan posts	Estimates of external personnel (in FTEs)	Total
0	7 554 836	7 554 836	115	17	132

Specific objective: To establish, perform, monitor and report on the financing of the CAP and Rural Development so that sound and regular financial management of these policies is assured.	
Indicator: % of budget execution (commitments) with respect to budget appropriations Source: DG BUDG budgetary execution reports	
Baseline (2012)	Target (mid-term)
99.9 % (2012) ⁷¹	99 % <i>Whereas ideally the result would be 100% of the size of the agricultural budget and taking into account that MS are responsible for paying out the largest part of the budget and the number of budget lines involved, it is realistic to foresee some under execution. However, based on previous experience and in view of procedures in place, a very high degree of execution has been obtained, so a target only allowing for 1 % deviation has been foreseen (no over execution is possible) which is sound budgetary management</i>
Indicator: % of budget execution (payments) with respect to budget appropriations Source: DG BUDG budgetary execution reports	
Baseline (2012)	Target (mid-term)
99.9 % ⁷²	99 % <i>Whereas ideally the result would be 100% of the size of the agricultural budget and taking into account that MS are responsible for paying out the largest part of the budget and the number of budget lines involved, it is realistic to foresee some under execution. However, based on previous experience and in view of procedures in place, a very high degree of execution has been obtained, so a target only allowing for 1 % deviation has been foreseen (no over execution is possible) which is sound budgetary management</i>

⁷¹ Final figures taking account of initial budget, transfers and amending budgets.

⁷² Final figures taking account of initial budget, transfers and amending budgets.

Specific objective: To define, plan, set-up, maintain and develop high quality Information Technology (IT) infrastructures, tools and services so that (i) the staff is adequately supported in their operation, with the appropriate levels of training and security, and so that (ii) a high quality information system life cycle is assured in support of DG AGRI's activities.	
Indicator: Implementation of the relevant parts of the Schéma Directeur (ICT Investment Plan of DG AGRI). Source: Financial execution	
Baseline (2012)	Target
>99 %	95 % (unforeseen circumstances can lead to decommitments)
Indicator: Servers' availability (averaged over one year) Source:	
Baseline (2012)	Target
>99 %	≥99 % (It takes into account critical systems which need to be restored within 1-2 days).
Indicator: Information Systems User Satisfaction Source: Survey DG AGRI	
Baseline (2013)	Target (mid-term)
83%	>/= 80 %, to be progressively increased (high quality standard with margin of improvement)

IT enables DG AGRI to pursue its mandate and to adapt to the future new CAP. The role of the IT regarding the mission of the DG is:

- to make available a high quality and secure Information and Communication Technology environment (infrastructure, support and training) to support the DG in fulfilling its targets;
- to deliver and maintain up-to-date information and communication systems and services in support of the DG's activities, in line with the political priorities.

IT is fulfilling its role by:

- Providing IT instruments to ensure compliance with the regulatory framework of the CAP management and implementation, including the control and mitigation of the related risks:
 - In support of the agricultural products quality regulation, the development of e Ambrosia continues, with the progressive phasing-out of e-Bacchus/e-SpiritDrinks, the integration of DOOR in the same IT system and the

- enrichment with additional workflows for processing new applications, objections, amendments and cancellation for wines, foodstuff and spirits.
- CATS/COMBO functionalities will be extended with, among other features, the financial corrections module, the replacement of the current annual risk management by a multi-annual risk management and a recommendations module.
 - RDIS system covering the 2007-2013 period has been improved in its support of the operational and financial processes and will be extended in order to manage the closure of the period.
 - OFIS (Organic Farming Information System) provides and will continue to provide support to the action plan on the risk related to the supervision and control system of organic products and backlog of request within the import regime with the development of modules for application of Control Bodies and Control Authorities to be recognized under equivalency, the annual reports of Control Bodies, risk analysis of annual reports ...
- Leveraging IT to simplify the administrative processes and procedures related to the CAP and increase their efficiency and effectiveness, particularly in relation with Member States administrations:
 - The ISAMM (Information System for Agricultural Market Management) has attained a cruise speed and will bring the number of notifications in ISAMM to more than 350 in 2014. The next step will be the migration of the AMIS II and AMIS Web notifications to ISAMM, reducing the number of systems through which Member States communicates with DG AGRI.
 - Enabling and supporting the implementation of the CAP reform within the timing decided by the legislative authority, making IT a key business enabler for the agenda 2020.
 - AGREX developments continue, taking into account the new CAP instruments (financial discipline, the capping, the follow-up of early payments and calculation of penalties, the suspensions ...) and the new ABAC architecture.
 - The development of RDIS II covering the 2014-2020 period has led to the deployment of a first version. It will be further developed in line with the various programming period deadlines. A convergence plan towards a single common Program Management back-office has been presented to the ISPMB and will be progressively implemented in collaboration with DG EMPL and DG REGIO.
 - The AGRIVIEW datawarehouse which provides DG AGRI with a single repository of integrated and consolidated data accompanied by reporting tools, in order to facilitate and support analysis, evaluation and decision-

making provides now support to the preparation of the annual statistical agricultural reports of DG AGRI. The Rural Development module will be updated in order to take into account the new programming period and a module on the new CAP monitoring and evaluation indicators (CMEF) will be added.

- In support of REFIT and the review of the legal framework for organic farming, collaboration with DG SANCO has been established and an electronic certification for import of organic products will be included in the DG SANCO TRACES system.

Almost 100% of development activities related to information systems are not provided through "Time&Means" contracts, given the proven better efficiency of this model. An agile development methodology (SCRUM) has been introduced and leads to the delivery of systems better aligned with the expectations of the Project Owners. It is planned to continue in this direction.

In terms of infrastructure and in line with the IT rationalisation, the IT support has been transferred to DG DIGIT (ITIC). As regards to DG AGRI Data Centre, a possible migration of DG AGRI information systems to DG DIGIT Data Centre is under consideration. RDIS II would be the first information system to be migrated. A Disaster Recovery Infrastructure is in place and will continue to be tested periodically. The Security Policy will be further implemented with security plans to be elaborated for additional information systems.

The information systems will continue to be aligned with the recommendations of the new EC IT governance bodies. Reusing modules (e.g. DG DIGIT Reference architecture for information system development) and information systems (e.g. State Aids tools provided by DG COMP), collaborating and sharing of resources with other DGs (DG EMPL, DG REGIO, DG SANCO, DG TAXUD) will be the main aspects in this strategic axe.

Specific objective: To attract, deploy, develop and retain highly qualified staff and provide them with working conditions that support them in the accomplishment of their tasks	
Indicator: Average vacancy rate of available permanent posts Source: HR Dashboard	
Baseline (November 2012-October 2013)	Target (mid-term)
7,4 % ⁷³	Vacancy rate < or = Commission average: 6,5% (target agreed at level of resource director)
Indicator: HR capacity utilisation ⁷⁴ Source: HR Dashboard	
Baseline (October 2012-September 2013)	Target (mid-term)
89,5 %	Utilisation > or = Commission average: 89,6% (target agreed at level of resource director)
Indicator: Management positions held by women ⁷⁵ Source: HR Dashboard	
Baseline (1 October 2013)	Target (mid-term)
24,5 % MM 21.4 % SM	Reach targets set by DG HR MM AGRI target 2014: 29.6 % SM Commission target 2014: 25% SM Commission average 01/10/13: 27,5 % (target agreed at level of resource director)
Indicator: Staff satisfaction with: - job - private/ professional life balance Source: DG HR staff survey 2013	
Baseline (2013)	Target (mid-term)
Results for very satisfied & satisfied	Equal or better results than Commission average

⁷³ Particularly high because throughout the year the reserve includes vacant posts that have to be returned to DG HR for staff reductions and redeployment tax and AST posts blocked for transformation into AD posts. Furthermore, the upcoming reorganisation has also resulted in some posts remaining vacant longer than usual.

⁷⁴ Staff time available for allocation to activities after deducting absences (except annual leaves and flexitime Recuperation) and use of flexible working arrangements from the total number of available working days.

⁷⁵ Calculation of targets according to the Commission's Equal Opportunities Strategy 2010-2014: DG specific targets for middle management (MM) baseline is 2010 (in AGRI: 14 female MM=25.9 %; 8 MM retirements expected until end 2014 (2F+6M), target of 50/50 replacement => recruitment of 4 female MM; end value would be 16 female MM=29.6 %). Senior management (SM) targets are for the Commission as a whole. The targets have been adapted the Commission's Equal Opportunities Strategy 2010-2014.

Job satisfaction: 75,6%	<i>(target agreed at level of resource director)</i>	
Life balance: 66%	COM average: Job satisfaction: 72,2% Life balance: 66%	
Indicator: Local Overheads Source: HR Dashboard		
Baseline (2013)	Milestone (2014)	Target (2016)
18 January 2013 12 %	Equal or below family average: 11,4%	Commission average: 8.8% <i>(target agreed at level of resource director)</i>

Specific objective: To maintain effective document management system; ensure compliance with personal data protection rules in force, and ensure a high level of transparency and security in DG AGRI.	
Indicator: Percentage of filing of documents in DG AGRI Source: ARES, Composite Indicator	
Baseline (2012)	Target (mid-term)
≥99 % <i>01/01-31/10/2013 – 99.30%</i>	100 % of documents ARES filed <i>e-Domec rules, Composite Indicator</i>
Indicator: Respect of deadlines in answering requests for documents Source: Gestdem (application for managing access to documents requests)	
Baseline (2012)	Target (mid-term)
100 % For 208 requests (some complicated or vast ones with negotiated deadlines)	100 % of request for documents answered within established deadlines <i>Regulation (EC) 1049/2001</i>
Indicator: Notification of identified personal data processings in DG AGRI Source: DPO register	
Baseline (2012)	e-Target (mid-term)
100%	100 % of identified processings included in the register of the DPO <i>DPO register</i>

<p>Specific objective: To implement, maintain and report on an effective and reliable internal control system so that:</p> <ul style="list-style-type: none"> ○ the control procedures put in place give the necessary guarantee concerning the legality and the regularity of the underlying operations; ○ risk of errors in operations is minimised and; ○ reasonable assurance can be given that resources assigned are used according to the principles of sound financial management. 	
<p>Internal Audit</p>	
<p>Indicator: Level of implementation of the audit plan and rationale for any changes to the plan.</p>	
Baseline	Target (mid-term)
<p>58% of the 2013 Audit work programme (AWP), as modified in July 2013⁷⁶ had been implemented on 1.11.2013.</p> <p>For 3 additional audits⁷⁷, the fieldwork is on-going and the 2 remaining follow up audit assignments have been launched⁷⁸.</p>	<p>100% implementation by 31/3/n+1 All draft reports published by the end of the planning year (31/12).</p>
<p>Indicator: Level of acceptance by the auditees of audit recommendations issued by IA</p>	
Baseline	Target (mid-term)
<p>100% for those in 2013: -for Critical recommendations– n/a -for Very important recommendations – 100 % were accepted</p>	>90 %
<p>Indicator: % of accepted audit recommendations - implemented, - implemented within the deadlines</p>	
Baseline	Target (mid-term)
<p>69% for 2012 (87% for 2011) 67% for 2012 (92% for 2011)⁷⁹</p>	<p>>90 % >80 %</p>

⁷⁶ Ares(2013)2608775 of 9 July 2013.

⁷⁷ Promotion, Simplification and Market analysis

⁷⁸ Direct expenditure and public procurement

⁷⁹ Cf "Follow up report 2012", Ares(2013) 511257 of 26 March 2013

Internal Control	
Indicator: Formal compliance with internal control standards: - Degree of compliance Source: Yearly assessment of ICS compliance (ICS n° 15)	
Baseline (2012)	Target (mid-term)
100%	100 % (Internal Control objective)
Indicator: Effective implementation of prioritised control standards: Degree of implementation of planned actions on prioritised control standards Source: Yearly assessment of ICS compliance (ICS n° 15)	
Baseline (2012)	Target (mid-term)
100% (December 2012)	100 % (Internal Control Objective)
Indicator: Support and coordination of the risk management process: Establishment and maintenance of a DG Risk Register with the critical and significant risks Source: Risk Register exercise	
Baseline (2012)	Target (mid-term)
Risk Register finalized	Keep up-to-date DG Risk Register
Assistance and Central Financial Control	
Indicator: Respect of deadline put in the vademecum of Direct management for analysing and giving/refusing visa to incoming dossiers related to financial transactions, financial issues, public procurement and grants Source: DG AGRI	
Baseline (31/05-31/12/2013)	Target (mid-term)
- 678 entries - on average, 2 days to check the file	> 5 working days for financial issues > 10 working days for public procurements and grants <i>Target defined in conformity with the rules of the vademecum on Direct management of DG AGRI</i>
Indicator: Respect of deadline put in the vademecum of Direct management for the launching, coordination and adoption of financing decisions Source: DG AGRI	
Baseline (31/05-31/12/2013)	Target (mid-term)
DF: 2014 DF for operational lines ongoing Ad hoc : 2 ad hoc for operational lines No delays	2 months maximum <i>Target fixed for the preparation of the consolidated documents and the launching of the procedure for the adoption of the financing decisions</i>

Indicator: Respect of deadline put in the vademecum of Direct management for the attribution of designations and sub delegations in the financial circuits	
Baseline (31/05-31/12/2013)	Target (mid-term)
Within 2 days	5 working days maximum <i>Target fixed taking into account the necessary time to deal with such files</i>
Indicator: Timely adoption of the documents necessary for the delegation to executive agencies Source : DG AGRI	
Baseline	Target
	31/12/2014 <i>Indication by the Director of the External Agency during the Steering Committee</i>
Indicator: Establishment of the internal structure for the management and follow up of the administrative and financial issues related to the implementation of the DG AGRI research activities Source: DG AGRI	
Baseline	Target
	31/06/2014 <i>According to the availability of posts by DG Research and finding suitable candidates</i>
Indicator: Number of trained staff on financial issues Source: DG AGRI	
Baseline (31/05-31/12/2013)	Target (mid-term)
140	100 <i>Target fixed in order to decrease the risk of errors in financial files due to a lack of training</i>

Key indicators on legality and regularity	
<i>Indicator: Residual Error Rate integrating financial corrections⁸⁰</i> <i>Source: AAR</i>	
Baseline	Target
(New approach)	To reduce
<i>Indicator: Reception of certificates and reports of certification bodies on functioning of paying agencies' internal control systems</i> <i>Source: DG AGRI's AAR 2012</i>	
<i>Baseline (2012)</i>	<i>Target 2014</i>
99%	100 % received to be able to be taken into account for the AAR <i>Required by Regs 1290/2005 & 885/2006.</i>
<i>Indicator: Reception of statements of assurance signed by the directors of paying agencies</i> <i>Source: DG AGRI's AAR 2012</i>	
<i>Baseline (2012)</i>	<i>Target 2014</i>
100%	100 % received to be able to be taken into account for the AAR <i>Required by Regs 1290/2005 & 885/2006</i>
<i>Indicator: Reception of opinions of certification bodies on statements of assurance</i> <i>Source :DG AGRI's AAR 2012</i>	
<i>Baseline (2012)</i>	<i>Target 2014</i>
99%	100 % received to be able to be taken into account for the AAR <i>Required by Regs 1290/2005 & 885/2006</i>
<i>Indicator: Percentage of expenditure (EAGF+ EAFRD) with statistics or 100 % check</i> <i>Source: DG AGRI's AAR</i>	
<i>Baseline (2012)</i>	<i>Target(2014</i>
94%	95 % <i>DG AGRI's AAR</i>

⁸⁰ The methodology of calculating the financial corrections will be provided for the Annual Activity Report 2014 at the latest.

<i>Indicator:</i> Reception of opinion of certification bodies on the quality of the on-the-spot controls <i>Source:</i> DG AGRI's AAR 2012	
<i>Baseline (2012)</i>	<i>Target (mid-term)</i>
EAGF – IACS 100 % EAGF – non IACS 91 % EAFRD – IACS 98 % EAFRD – non IACS 96%	100 % received to be able to be taken into account for the AAR <i>Required by DG AGRI guidelines.</i>

<i>Indicator:</i> Reception of opinions of certification bodies on the accuracy of the control statistics <i>Source:</i> DG AGRI's AAR 2012	
<i>Baseline (2012)</i>	<i>Target (mid-term)</i>
EAGF – IACS 95 % EAFRD 91 %	100 % received to be able to be taken into account for the AAR <i>Required by DG AGRI guidelines.</i>
<i>Indicator:</i> Reception of annual summaries from the coordinating bodies <i>Source:</i> DG AGRI's AAR 2012	
<i>Baseline (2012)</i>	<i>Target (2014)</i>
100%	100 % received to be able to be taken into account for the AAR
Sound financial management	
<i>Indicator:</i> Level of financial corrections <i>Source:</i> AAR	
<i>Baseline (2012)</i>	<i>Target (mid-term)</i>
€ 748 million	€ 700 million N.B. While around €700 million is clawed back to the EU budget each year via conformity clearance decisions, the attainment of a certain level of financial correction is not an objective <i>per se</i> – rather, the aim is to ensure that management and control systems function correctly and that EU funds are thus spent correctly. €700 million is the best available estimate of financial correction based on historic averages.

<p>Specific objective: To implement and develop the DG AGRI Anti-fraud Strategy by</p> <ul style="list-style-type: none"> - Raising awareness for fraud against the CAP budget and sharing intelligence on fraud cases, their detection and among staff of the DG, - Sharing intelligence on fraud cases, their detection and prevention with the relevant authorities in Member States, - Maintaining operational contacts with the European Anti-fraud Office (OLAF) and disseminate the relevant reports within DG AGRI as appropriate. 	
<p><i>Indicator:</i> Development and implementation of DG AGRI's anti-fraud strategy <i>Source:</i> DG AGRI Anti-fraud Strategy</p>	
<i>Baseline (2012)</i>	<i>Target (mid-term)</i>
Continued development of the DG AGRI Anti-fraud Strategy	<ul style="list-style-type: none"> • Revise the DG AGRI Anti-fraud Strategy and its action plan and present the revised version for adoption (target date: 30 June 2014) • Revise and complete the internal rules in DG AGRI on the handling of allegations of fraud, and of OLAF cases, and present the revised version for adoption (target date: 30 June 2014) <p>These targets are laid down in the DG AGRI Anti-fraud Strategy and its action plan</p>
<p><i>Indicator:</i> Prevention of fraud <i>Source:</i> DG AGRI Anti-fraud Strategy</p>	
<i>Baseline (2012)</i>	<i>Target (mid-term)</i>
Continued implementation of the DG AGRI Anti-fraud Strategy	<ul style="list-style-type: none"> • Deploy further training to raise fraud awareness among general staff of DG AGRI. Target: 1 SYSLOG training and one Lunchtime Seminar by the end of 2014 • Deploy specific training to raise fraud awareness among desk officers of geographical units for Rural Development of DG AGRI Target: 1 SYSLOG training by 30 June 2014. • Deploy specific fraud detection and prevention training to operational staff of Paying Agencies Member States. Target: Cover 10 Member States by the end of 2014. • Disseminate OLAF reports to the relevant units inside DG AGRI and record the follow-up actions undertaken <p>These targets are (without quantification) laid</p>

	down in the DG AGRI Anti-fraud Strategy and its action plan.
<i>Indicator: Timely referral of denunciations to OLAF for investigation</i>	
<i>Source: DG AGRI Anti-fraud Strateg</i>	
<i>Baseline (2012/2013)</i>	<i>Target (mid-term)</i>
100% (30 cases referred)	100 % <i>Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF)</i>

Specific objective: To establish, perform, monitor and report on the accounting execution of the CAP and Rural Development so that reliable and timely production of the accounts of DG AGRI is assured.	
Indicator: % of accounting execution (charges 1 year) with respect to cut-off EAGF + EAFRD - entitlements	
Baseline (2012)	Target (mid-term)
	80-120 %
Indicator: % of accounting execution (charges 6 months) with respect to cut-off EAFRD - investments	
Baseline (2012)	Target (mid-term)
	80-120 %

6. ANNEXES

6.1 Annex 1. Prioritised internal control standards for effective management

<i>Priority Control Issues</i>			<i>(4) Summarise the relevant requirements and/or effectiveness criteria</i>	<i>(5) Control issues and planned measures to improve or develop controls</i>
<i>(1) Prioritised in MP 2013</i>	<i>(2) Effectively implemented</i>	<i>(3) Internal Control Standards</i>		
N	Y	1. <ICS 1 Mission>	The standard has been selected to take into account the re-organisation of DG AGRI and the new organisation chart entered into force on 1.1.2014.	Actions will focus on the update of the mission statements to tie in with the CAP reform and any necessary alignment due to the DG reorganisation. Additional actions will ensure that staff is aware of the changes in the mission statements.
Y	Y	2. <ICS 3 Staff allocation and mobility>	This standard will continue to be prioritised with a view to focus action on a more effective and efficient staff allocation, against the overall context of the staff reduction and the specific challenges of the CAP reform. This work will also contribute addressing the recommendations issued by the Internal Audit Service.	Actions started in 2013 will be continued to further develop the mechanisms and instruments to align available human capital to DG objectives and political priorities and to persist in the implementation of the action plan related to IAS audit on staff allocation.

6.2 Annex 2. Planning of studies (evaluations and other studies)

Title of evaluation or study (possibly working title)	Intended use of the evaluation or study		Type of evaluation or study		Timing		Associated services	
	CWP initiative/ expenditure instrument that the evaluation or study will support	Other purpose*	Prospective** (P) or retrospective (R)	External (E), internal (I), internal with external support (I&E)	Start (month/ year)	End (month/y ear)		
I. Ongoing evaluations (work having started in previous years)								
Evaluation of the structural effects of direct support		1+3	retrospective	external	Dec-11	Jun-13	ESTAT, JRC	
Evaluation of the school milk scheme		1+3	retrospective	external	Dec-12	Nov-13	SG, SANCO	
Evaluation of EU legislation on organic farming	Review of organic farming legislation	3	retrospective	external	Sep-12	Nov-13	CLIMA, ENTR,MARE, RTD, TRADE, SG,SJ	
Evaluation of apiculture programmes		3	retrospective	external	Jul-12	Jul-13	ENV, ESTAT, RTD, SANCO, SG	
Synthesis of Sapard ex-post evaluations (RO, BG, HR)		3	retrospective	external	Dec-12	Dec-13	ENLARG	
Evaluation of measures applied under the CAP to the cotton sector		1	retrospective	external	Nov-13	Sep-14	TRADE, ENTR, SG, EMPL, BUDG, ECFIN, DEVCO	
Evaluation of the Economic Partnership Agreements		3	retrospective	external	Dec-13	Nov-14	TRADE, DEVCO, SANCO, ENTR, TAXUD, COMP, JRC	
Evaluation of market and trade implications of veal marketing standards		3	retrospective	external	Dec-13	Oct-14	SG, TRADE	
Evaluation of investment support under the rural development policy		3	retrospective	external	Dec-13	Nov-14	COMP, REGIO, EMPL, ENTR, RTD	

II. Evaluations planned to start in 2014 or later								
Evaluations starting in 2014								
	Evaluation of agricultural information policy		3	retrospective	external	Apr-14	Jan-15	To be confirmed
	Evaluation of Article 68 measures		1	retrospective	external	Oct-14	Sep-15	To be confirmed
	Evaluation of beef labelling rules		3	retrospective	external	Jul-14	Jun-15	To be confirmed
	Synthesis of rural development ex-ante evaluation (2014-2020)		2	prospective	external	Dec-2014	Nov-15	To be confirmed
Evaluations planned for 2015								
	Mapping and analysis of the implementation of the CAP		3	retrospective	external			To be confirmed
	Evaluation of environmental effects of CAP measures applied to the wine sector and to the fruit and vegetable sector		3	retrospective	external			To be confirmed
	Evaluation of the implementation of the EIP agricultural productivity and sustainability		2	prospective	external			To be confirmed
Evaluations planned for 2016								
	Evaluation of the milk package		3	retrospective	external			To be confirmed
	Evaluation of measures applicable to spirit drinks		3	retrospective	external			To be confirmed
	Synthesis of RD ex-post evaluations 2007-2013		2	retrospective	external			To be confirmed
III. Other ongoing or planned studies ***								
Ongoing studies								
	Carbon preservation and sequestration in agricultural soils		3	P/R	Internal	May-12	Oct-13	JRC, CLIMA
	Assessing the added value of PDO/PGIs		3	P/R	external	Dec-12	Oct-13	MARKT, SANCO, TRADE
	Delimitation of areas with natural handicaps		3	P/R	internal	Dec-12	Nov-13	JRC
	GI's as a development tool for agriculture in ACP countries		3	prospective	external	Dec-12	Oct-13	MARKT, DEVCO
	Mandatory origin labelling for pig, poultry and sheep and goat meat		3	prospective	external	Sep-12	Jul-13	ENTR, SANCO
	Analysis of future developments in the milk sector		3	prospective	external	Dec-12	Jul-13	
	Global crop monitoring and forecasting (phase2)		3	prospective	internal	Aug-12	Oct-13	JRC
	Global crop monitoring and forecasting (phase3)		3	prospective	internal	Nov-13	Oct-14	JRC
	Special Eurobarometer		3	P/R	external	Dec-13	Mar-14	COMM
	Study on modelling feed consumption in the EU		3	P/R	external	Dec-13	Nov-14	JRC, SANCO
	Study on the competitiveness of European wines		3	P/R	external	Nov-13	Oct-14	JRC, TRADE
	Study on mandatory origin labelling for meats and milk		3	prospective	external	Dec-13	Oct-14	ENTR, SANCO, SG, TRADE

Ongoing and planned EP pilot projects								
Cost of compliance with EU legislation		4	retrospective	external	Dec-11	Feb-14	SANCO	
Farmers' exchange programmes (EP-PP)		4	P/R	external	Nov-13	Oct-15		
EU plant and animal genetic resources (prep. action)		4	P/R	external	Apr-14	Mar-16		To be confirmed
Agropol – development of a European cross-border agribusiness model region		4	P/R	external	Oct-14	Sep-16		To be confirmed
Agroforestry		4	P/R	external	Oct-14	Sep-16		To be confirmed
EU plant and animal genetic resources II (prep. action)		4	P/R	external	Nov-14	Oct-16		To be confirmed
Studies starting in 2014								
Cost of and good practices for FADN data collection		3	P/R	external	Oct-14	Sep-15		To be confirmed
Study on rural tourism		3	P/R	external	Jul-14	Jun-15		To be confirmed
Study on labelling of products from cloned animals and their offspring		3	P/R	external	Jul-14	Mar-15		To be confirmed
Studies planned for 2015								
Analysis of bilateral trade agreements		3	P/R	external				To be confirmed
Contribution of the forest sector to the bio-economy		3	P/R	external				To be confirmed
Study on protection and controls for quality schemes		3	P/R	external				To be confirmed
Distribution of the added value of the organic food chain		3	P/R	external				To be confirmed
State of play of processing technologies and the absorption of water in poultry meat		3	P/R	external				To be confirmed
Studies planned for 2016								
Ecological Focus Areas – assessment of the implementation of Article 32 of the Direct Payments Regulation		3	P/R	external				To be confirmed
Analysis of trade of organic products		3	P/R	external				To be confirmed
Update of value of production of PDO/PGIS and under TSG								
EU marketing standards for fruit and vegetables		3	P/R	external				To be confirmed
Study on administrative burden reduction		3	P/R	external				To be confirmed

*For example: as required in the specific legal acts, for use in Fitness checks or for accountability purpose

** Please note that impact assessments should not be included

*** Study understood as 'a document resulting from intellectual services necessary to support the institution's own policies or activities' [ARES(2012)247073]

1: Evaluation cycle

2: Required by legislation

3: Requested by AGRI units for the preparation of impact assessments, reports to Council and European Parliament, policy reviews and analysis

4: EP request

6.3 Annex 3. Framework for monitoring, evaluation and reporting on spending programmes in the MFF 2014-2020

The general objectives are common to the 2 funds (EAGF and EAFRD).

General Objective 1 : To promote a viable food production				
Impact indicator	Current situation			Long term target
Agricultural factor income	In current prices: 14 376.7 EUR/AWU In real prices: 12 767.7 EUR/AWU Indicator A: 131.0 (index 2005 = 100) (2012 – EU28)			To increase
Agricultural productivity	Not available – index to be calculated			To increase
EU commodity price variability	Coefficient of variation	World	EU	To decrease
	Commodity	Jan 2010- Dec 2012	Jan 2010- Dec 2012	
	Beef	10.1%	8.2%	
	Poultry	4.7%	6.5%	
	Pig	10.7%	9.9%	
	Soft wheat	17.9%	21.2%	
	Maize	23.1%	17.8%	
	Barley	22.7%	22.0%	
	Butter	14.9%	12.0%	
	Cheese (Cheddar)	6.6%	9.1%	
Skimmed milk powder (SMP)	10.0%	8.0%		
Whole milk powder (WMP)	11.0%	7.2%		

General Objective 2 : To promote a sustainable management of natural resources and climate action		
Impact indicator	Current situation	Long term target
Emissions from agriculture	Greenhouse gas: 510 324 (2010) ⁸¹	To reduce
Water abstraction in agriculture: volume of water applied to soils for irrigation purposes	39 724 586 (2010) ⁸²	To decrease
General Objective 3 : To promote a balanced territorial development		
Impact indicator	Current situation	Long term target
Rural employment rate	63,4% (2012- EU28)	To increase

⁸¹ Total net emissions from agriculture including soil in 1000 t of CO₂ equivalent (Source: EEA).

⁸² Data available for EU27 excluding BE, CY, LU and AT in 1000 m³ (Source: Eurostat – SAPM).

<p>Title spending programme:</p>	<p>European Agricultural Guarantee Fund (EAGF)</p>
<p>Summary, general description of the logic and sequence of the overall progress and performance reporting framework</p>	<p>The EAGF finances both agricultural market measures and direct payments to farmers, on an annual basis.</p> <p>The framework for the monitoring and evaluation of the EAGF (as part of the CAP) is described in Article 110 of the Regulation n° 1306/2013⁸⁴, the "CAP horizontal regulation", and its implementing act (still to be adopted). As part of this framework, a set of output, result and impact indicators have been defined to support the assessment of the performance of the fund. An overview of the intervention logic can be found in the main part of this report. For each of the instruments, a mapping has been made to which of the specific objectives it contributes. Specific objectives in turn contribute to the overall CAP general objectives.</p> <p>The indicators correspond to a three level hierarchy: impact indicators describe the progress towards the general objectives, result indicators link to the specific objectives and output indicators for the individual instruments. The information used for these indicators is (to the maximum possible) collected through existing channels, to avoid creating additional administrative burden for beneficiaries and Member States. This entails that there is a wide range of data sources used for the overall CAP monitoring and Evaluation framework, e.g. communications and notifications from Member States, official Eurostat statistics, data collected by the European Environmental Agency, World Bank data etc.</p> <p>For each of the indicators used, a detailed information sheet has been produced explaining the exact data definition, data source, level of geographical detail, reporting frequency and delay etc. These sheets will be published once the implementing acts have been adopted. Most of the information will be available at least annually, yet a few data items, e.g. those based on the Eurostat Farm Structure Survey, are collected with a larger interval.</p> <p>All indicator information will be uploaded regularly (at least yearly) in the AGRIVIEW database, where it will be accessed for the evaluation of the performance of the policy.</p> <p>As required by Regulation No 1306/2013, a first report will be submitted to the Council and Parliament in 2018, a second one, focussing on the impact of the policy, in 2021. These reports will be based on thematic evaluations to be launched in 2017, structured around the three general objectives of the CAP, i.e. viable food production, sustainable management of natural resources and climate action, and balanced territorial growth. These evaluations will be underpinned by a mapping and analysis in 2015-2016 of the implementation by the Member States of the CAP instruments.</p> <p>It should be noticed that the impact of a policy takes time to become visible, hence the 2018 report will focus more on implementation aspects and first results, while the 2021 report focuses on results and impacts.</p> <p>The information collected through the monitoring and evaluation system will also feed into the DG AGRI annual activity report and the program statements accompanying the draft budget.</p> <p>The indicators mentioned in this fiche are only those selected for the MP exercise. The full list of CAP indicators will be listed in the implementing act for Article 110 of Reg. n°1306/2013 and the implementing act of Reg. 1305/2013 on rural development. For the EAGF, in addition to the 16 impact indicators used for the whole CAP, a set of 58 output indicators and 16 result indicators will be used (list of indicators attached to the Management Plan 2014).</p>

⁸³ For the spending programme under the Framework Programme for Research and Innovation (Horizon 2020) please refer to the Management Plan 2014 of DG RTD.

⁸⁴ Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008, OJ L 347 of 20.12.2013

SPECIFIC OBJECTIVE 1 (Market measures / ABB 02)	To improve the competitiveness of the agricultural sector and enhance its value share in the food chain							
Indicator 1:	<ul style="list-style-type: none"> Share of EU agricultural exports in world market 							
Baseline	Milestones							Target 2020
16.7% (2011)	2014	2015	2016	2017	2018	2019	Share in world market maintained	
Indicator 2:	<ul style="list-style-type: none"> Value added for primary producers in the food chain 							
Baseline	Milestones							Target 2020
(2010 – EU-27)	Value added (in EUR million)	2014	2015	2016	2017	2018	2019	Share in world market maintained
Crop and animal production, hunting and related services	154,4							
Food and beverages manufacturing	203,9							
Agents involved in the sale of food/beverages	4,8							
Wholesale of food/beverages	79,255 *							
Retail sale in non-specialised stores with food/ beverages	127,480 *							
Retail sale of food/beverages in specialised stores	26,900 *							
Retail sale via stalls and markets of food/ beverages	2,398 *							
Food and beverage service activities	131,699							
SPECIFIC OBJECTIVE 2 (Market measures / ABB 02)	To foster market stability							
Indicator 1:	<ul style="list-style-type: none"> Export refunds Ratio of the volume of the products exported with export refunds and the total EU production per given period 							
Baseline	Milestones							Target 2020
Beef: 3.3% (2011/2012) Pigmeat: 0.2% (2011/2012) Poultry: 2.0% (2011/2012)	2014	2015	2016	2017	2018	2019	Used only in case of need (seen against market developments)	
Indicator 2:	<ul style="list-style-type: none"> Public intervention, ratio of volume of the products bought in the intervention storage and the total EU production of those respective products 							
Baseline	Milestones							Target 2020
0% (2012)	2014	2015	2016	2017	2018	2019	Used only in case of need (seen against market developments)	
Indicator 3:	<ul style="list-style-type: none"> Private storage, Ratio of volume of the products placed into the publicly aided private storage and the total EU production of those respective products 							
Baseline	Milestones							Target 2020
Butter: 5.6% (2012) Olive oil: 8.2% (2012)	2014	2015	2016	2017	2018	2019	Used only in case of need (seen against market developments)	
SPECIFIC OBJECTIVE 3 (Market measures / ABB 02)	To better reflect consumer expectations							
Indicator:	<ul style="list-style-type: none"> EU commodity prices compared to world prices 							
Baseline	Milestones							Target 2020
(see table in ABB 02)	2014	2015	2016	2017	2018	2019	Prices brought closer to world prices	
SPECIFIC OBJECTIVE 4 [from 2015] (Direct payments / ABB 03)	To contribute to farm incomes and limit farm income variability in a minimally trade distorting manner							
Indicator:	<ul style="list-style-type: none"> Share of direct support in agricultural income 							
Baseline	Milestones							Target 2020
TO BE COMPLETED	2014	2015	2016	2017	2018	2019	Decrease is desired but is not dependent on CAP intervention only (agricultural income may vary from many other factors)	

SPECIFIC OBJECTIVE 5 [from 2015] (Direct payments / ABB 03)	To support the provision of public goods (mostly environmental) and pursue climate change mitigation and adaptation						
Indicator:	E.g. Share of eligible land under greening practices						
Baseline	Milestones						Target 2020
0	2014	2015	2016	2017	2018	2019	70% (to be adjusted)
SPECIFIC OBJECTIVE 6 [from 2015] (Direct payments / ABB 03)	To promote the maintenance of a diverse agriculture across the EU						
Indicator:	Farm Structural diversity						
Baseline (FSS 2010 – EU 28)	Milestones						Target 2020
Structural diversity: - in absolute terms: - number of farms = 12 247 850 - number of ha of UAA = 172 920 330 ha - number of LSU = 135 212 340 LSU - number of AWU = 9 945 790 AWU - total Standard Output = EUR 307 887.9 million - in relative terms: - distribution of holdings according to their size: - 0 ha = 2.1% - Less than 2 ha = 47.0% - From 2 to 4.9 ha = 20.2% - From 5 to 9.9 ha = 10.9% - From 10 to 19.9 ha = 7.5% - From 20 to 29.9 ha = 3.1% - From 30 to 49.9 ha = 3.3% - From 50 to 99.9 ha = 3.2% - 100 ha and over = 2.7% - their economic size - 0 EUR = 2.0% - Less than 2 000 EUR = 42.6% - From 2 000 to 3 999 EUR = 15.8% - From 4 000 to 7 999 EUR = 12.5% - From 8 000 to 14 999 EUR = 8.0% - From 15 000 to 24 999 EUR = 4.9% - From 25 000 to 49 999 EUR = 5.1% - From 50 000 to 99 999 EUR = 3.8% - From 100 000 to 249 999 EUR = 3.4% - From 250 000 to 499 999 EUR = 1.2% - 500 000 EUR or over = 0.7% - their specialisation/farm type - their specialisation/farm type : - Field cropping = 25.0% - Horticulture = 2.0% - Permanent crops = 20.2% - Grazing livestock = 15.8% - Granivores = 11.6% - Mixed cropping = 4.2% - Mixed livestock = 6.5% - Mixed crops/livestock = 12.6% - Non-classified = 2.0%	2014	2015	2016	2017	2018	2019	Maintenance

Monitoring and reporting arrangements							
Describe how progress on achieving milestones and targets of each objective is tracked	Most of the indicators are subject to annual updates, either through existing databases (Eurostat) or specific notifications by Member States. The indicators mentioned here are part of a bigger Monitoring and Evaluation Framework, with not only impact and result indicators, but also a set of output indicators related to each instrument.						
Actors involved in monitoring (e.g. Member States, stakeholders)	Given the wide range of measures in the CAP and the corresponding diversity in indicators, actors involved in the collection and reporting of data vary from indicator to indicator. Since the EAGF is in shared management, data collection is mostly done by the Member States (depending on the indicator sometimes based on claims or information submitted by beneficiaries to the Paying Agencies) and/or transmitted for further processing to Eurostat, the EAA or directly to DG AGRI.						
Issues covered in subsequent monitoring reports (e.g. implementation aspects, immediate results)	An implementing act for Article 110 is currently being prepared stipulating which information will be transmitted as part of the Monitoring and Evaluation framework. It will cover information on policy output (per measure), policy results (per specific objective) and impacts of the policy (per general objective). The implementing act should be ready in the first half of 2014.						
Planned use of information (e.g. AARs, spending programme adjustments)	The Monitoring and Evaluation framework, including the set of indicators, will be used for all legally binding requirements on reporting and evaluation, but beyond that, they can be used for MP, AAR, further assessment of policy performance, studies and publications such as the yearly report: "Agriculture in the European Union – Statistical and economic information". Monitoring information will be used for management of the measures (e.g. crisis management), while the evaluation information can be used for future improvements of the policy.						
Frequency of reporting (e.g. annual, or every 2 years)	In general information will be available in the AGRIVIEW database and updated regularly. From the database at least annual extractions can be made public.						
Indicate the availability of reports in the timeline	2014	2015	2016	2017	2018	2019	2020
	Statistical reports	Statistical reports	Statistical reports	Statistical reports	Statistical reports First report to the Parliament and the Council with first results on the performance of the CAP	Statistical reports	Statistical reports 2021: Second report to the Parliament and the Council with assessment of the performance of the CAP

Evaluations of the spending programme

<p>Per evaluation indicate:</p> <p>1. Deadline (e.g. 2017)</p> <p>2. Type (e.g. mid-term or ex-post, incl. ex-post evaluations of previous MFF period)</p> <p>3. Main issues addressed (e.g. effectiveness, efficiency, EU added value) and coverage (e.g. spending programme, priorities, themes)</p> <p>4. Planned use of evaluation results (e.g. remedial action, preparation of a successor)</p> <p>5. Actors involved</p>	<p>At EU level, the contributions of the common agricultural policy towards its three general objectives will be evaluated in line with Article 30 of the Financial Regulation and Article 18 of the Rules of Application and the guidelines for evaluations. This implies that each evaluation planned in AGRI aims to address – where relevant – efficiency, effectiveness, relevance, coherence and EU value added of the most important CAP measures at least every six years. All evaluations launched by AGRI are carried out by external contractors and followed up by a steering group of officials of DG AGRI and other relevant DGs.</p> <p>To facilitate the evaluations for the CAP towards 2020, a call for tender for a framework contract will be published during 2014. It is intended that separate evaluations, carried out in 2017-2018 will look at impacts on viable food production, sustainable management of natural resources and climate action and balanced territorial growth. These will be underpinned by an analysis of the implementation by the Member States of the CAP. This analysis is scheduled for mid-2015 to mid-2016. Next to this, particular aspects of the CAP in the current programming period, such as Article 68 will be evaluated in 2014-2015.</p> <p>More details of the evaluation planning can be found in the DG AGRI evaluation plan annexed to this document. The results of these evaluations will be serving as input for the reporting on the impact of the policy in 2018 and 2021, and where necessary, adaptations to the policy implementation and/or design.</p>
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* The part on objectives follows the structure of the Programme Statements.

Title spending programme:	European Agricultural Fund for Rural Development (EAFRD)
Summary, general description of the logic and sequence of the overall progress and performance reporting framework	<p>The EAFRD co-finances Rural Development Programmes (RDPs) on a multi-annual basis (2014-2020). The system for the monitoring and evaluation of the RDPs is described mainly in the Title VII of Regulation n° 1305/2013⁸⁵ and its implementing act (still to be adopted). As part of this system, a set of output, result and impact indicators have been defined to support the assessment of the performance of the RDPs.</p> <p>An overview of the intervention logic can be found in the main part of this Management Plan 2014. For each of the instruments, a mapping has been made to which of the specific objectives it contributes. Specific objectives in turn contribute to the overall CAP general objectives. The indicators correspond to a three level hierarchy: impact indicators describe the progress towards the general objectives, result indicators link to the specific objectives (focus areas) and output indicators for the individual measures.</p> <p>For each of the indicators used a detailed information sheet was produced explaining the exact data definition, data source, level of geographical detail, reporting frequency and delay etc. These sheets will be published once the implementing acts have been adopted. Most of the information is available at least annually, yet a few data items (some result indicators) are collected with a larger interval.</p> <p>All indicator information will be uploaded regularly (at least yearly) in the Rural Development Information System (RDIS) database, where it will be accessed for the evaluation of the performance of the policy.</p> <p>As required by Regulation n° 1305/2013, syntheses of the ex-ante and ex-post evaluation made at RDP level will be undertaken under the responsibility of the DG AGRI respectively by the end of the year following the latest ex-ante evaluation submitted and by the end of 2025. Annual Implementation Reports (AIRs) and enhanced AIR (2017 and 2019) will provide information on a regular basis in order to steer the programme implementation and assess intermediate results of the policy.</p> <p>The information collected through the monitoring and evaluation system will also feed into the DG AGRI annual activity report and the program statements accompanying the draft budget.</p> <p>The indicators mentioned in this fiche are only those selected for the MP exercise. The full list of CAP indicators will be listed in the implementing act for Article 110 of Reg. n°1306/2013 and the implementing act of Reg. 1305/2013 on rural development. For the EAFRD, in addition to the 16 impact indicators used for the whole CAP, a set of 26 output indicators and 25 result indicators will be used (list of indicators attached to the Management Plan 2014).</p>
SPECIFIC OBJECTIVE 1	Fostering knowledge transfer and innovation in agriculture, forestry, and rural areas
Indicators:	<ul style="list-style-type: none"> • TR1 % of expenditure for the 3 measures: 'Knowledge transfer & information action' + 'advisory services' + 'cooperation' in relation to the total expenditure for the RDP (1A) • TR2 Total number of co-operation operations supported under the cooperation measure (groups, networks/clusters, pilot project...) (1B) • TR3 Total number of participants trained (1C)
SPECIFIC OBJECTIVE 2	Enhancing farm viability and competitiveness of all types of agriculture in all regions and promoting innovative farm technologies and the sustainable management of forests
Indicators:	<ul style="list-style-type: none"> • TR4 % of agriculture holdings with RDP support for investments in restructuring (P2A)

⁸⁵ Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005, OJ L 347 of 20.12.2013

	<ul style="list-style-type: none"> TR5 % of agriculture holdings with RDP supported business development plan/investments for young farmers (P2B) 														
SPECIFIC OBJECTIVE 3	Promoting food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture														
Indicators:	<ul style="list-style-type: none"> TR6 % of agricultural holdings supported under quality schemes, local markets and short supply circuits, and producer groups/organisations (P3A) TR7 % of farms participating under risk management schemes (P3B) 														
SPECIFIC OBJECTIVE 4	Restoring, preserving and enhancing ecosystems related to agriculture and forestry														
Indicators:	<ul style="list-style-type: none"> TR8 % Forest or other wooded area under management contracts supporting biodiversity (P4A) TR9 % Agricultural land under management contracts supporting biodiversity and/or landscapes (P4A) TR10 % of Agricultural land under management contracts improving water management (P4B) TR11 % of forestry land under management contracts to improve water management (P4B) TR12 % of Agricultural land under management contracts improving soil management and or preventing soil erosion (P4C) TR13 % of forestry land under management contracts to improve soil management and or preventing soil erosion (P4C) 														
SPECIFIC OBJECTIVE 5	Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors														
Indicators:	<ul style="list-style-type: none"> TR14 % of irrigated land switching to more efficient irrigation system (P5A) TR15 LU concerned by investments in live-stock management in view of reducing GHG and/or ammonia emissions (P5D) TR16 % of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (P5D) TR17 % of agricultural and forest land under management contracts contributing to carbon sequestration (P5E) 														
SPECIFIC OBJECTIVE 6	Promoting social inclusion, poverty reduction and economic development in rural areas														
Indicators:	<ul style="list-style-type: none"> TR18 Jobs created in supported projects (P6A) TR19 % of rural Population covered by local development strategies (P6B) TR20 Rural population benefiting from improved services / infrastructures (P6B) TR21 Jobs created in supported projects (Leader) (P6B) TR22 Rural Population benefiting from new or improved services / infrastructures (ICT) (P6C) 														
Baseline	Milestones														
0	<table border="1"> <thead> <tr> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> <th>2018</th> <th>2019</th> <th>Target 2020</th> </tr> </thead> <tbody> <tr> <td>/</td> <td>/</td> <td>/</td> <td>/</td> <td>To be compiled from RDP⁸⁶</td> <td>/</td> <td>To be compiled from RDP</td> </tr> </tbody> </table>	2014	2015	2016	2017	2018	2019	Target 2020	/	/	/	/	To be compiled from RDP ⁸⁶	/	To be compiled from RDP
2014	2015	2016	2017	2018	2019	Target 2020									
/	/	/	/	To be compiled from RDP ⁸⁶	/	To be compiled from RDP									
Monitoring and reporting arrangements															
Describe how progress on achieving milestones and targets of each objective is tracked	Milestones and targets are part of the common monitoring and evaluation system (CMES). They are set at the level of the RDP and monitored by the Member states/Regions on an on-going basis. Each operation is recorded in the operation database(s). In the AIR, Member states submit the aggregates from the database(s) showing the evolution for these indicators. The Commission aggregates the indicators at EU level.														
Actors involved in monitoring (e.g. Member	Managing authorities (MA) submit the AIR. Together with the Paying Agency, the MAs collect required														

⁸⁶ Milestones are only set for some of the indicators. The common indicators are part of the Performance Framework.

States, stakeholders)	data from beneficiaries. Stakeholders are also involved through the monitoring committee.						
Issues covered in subsequent monitoring reports (e.g. implementation aspects, immediate results)	An implementing act for Regulation n° 1305/2013 is currently being prepared stipulating which information will be transmitted as part of the Monitoring and Evaluation framework. It will cover information on policy output (per measure) and policy results/targets (per Focus areas). The implementing act should be ready in the first half of 2014.						
Planned use of information (e.g. AARs, spending programme adjustments)	The Monitoring and Evaluation framework, including the set of indicators, will be used for all legally binding requirements on reporting and evaluation, but beyond that, they can be used for Management Plan, Annual Activity Report, further assessment of policy performance, studies and publications such as the yearly report: "Rural Development in the European Union – Statistical and economic information". Monitoring information will be used for management of the measures (e.g. crisis management), while the evaluation information can be used for future improvements of the policy.						
Frequency of reporting (e.g. annual, or every 2 years)	Annual (AIR)						
Indicate the availability of reports in the timeline	2014 Statistical reports	2015 Statistical reports	2016 Statistical reports 2014 and 2015 AIR	2017 Statistical reports 2016 AIR	2018 Statistical reports 2017 AIR	2019 Statistical reports 2018 AIR	2020 Statistical reports 2019 AIR
Evaluations of the spending programme							
Per evaluation indicate: 1. Deadline (e.g. 2017) 2. Type (e.g. mid-term or ex-post, incl. ex-post evaluations of previous MFF period) 3. Main issues addressed (e.g. effectiveness, efficiency, EU added value) and coverage (e.g. spending programme, priorities, themes) 4. Planned use of evaluation results (e.g. remedial action, preparation of a successor) 5. Actors involved				<p>At EU level, the contributions of the common agricultural policy towards its three general objectives will be evaluated in line with Article 30 of the Financial Regulation, Article 18 of the Rules of Application and the guidelines for evaluations. This implies that each evaluation planned in AGRI aims to address –where relevant- efficiency, effectiveness, relevance, coherence and EU value added of the most important CAP measures at least every six years. All evaluations launched by AGRI are carried out by external contractors and followed up by a steering group of officials of DG AGRI and other relevant DGs.</p> <p>To facilitate the evaluations for the CAP towards 2020, a call for tender for a framework contract will be published during 2014. For the Rural Development, evaluations (ex-ante evaluation, some elements of the enhanced AIR 2017 and 2019 and ex-post evaluation) are made for each programme by external contractors hired by the managing authority. DG AGRI will launch a study carried out by external contractor to synthesise at EU-28 level the RDP Ex-ante and Ex-post evaluations. More details of the evaluation planning can be found in the DG AGRI evaluation plan annexed to this document. The results of these evaluations will be serving as input for the reporting on the impact of the policy in 2018 and 2021, and where necessary, adaptations to the policy implementation and/or design. Additionally, specific evaluation requirements are laid down for each RDP.</p>			

6.4 Annex 4. Communication strategy

Executive summary

An "External communication strategy for the CAP", under Council Regulation (EC) No 814/2000, for the period 2010 – 2015" has been agreed between DG AGRI and the cabinet in 2010.

Its main objective is to inform public opinion (including key opinion leaders, decision makers and agricultural stakeholders) on the CAP post 2013 reform process and its contribution to the "Europe 2020" strategy. 2014 corresponds to the second period as indicated in our strategy, starting with the adoption of the legislative package on CAP post 2013, where our primary target audience will be the general public in particular young people in urban areas (less than 40 years old).

Our communication strategy is implemented through annual action plans, setting out the communication activities to be developed during each year. The 2014 action plan builds on the activities developed and lessons learned in 2013 and takes on board the CAP related policy initiatives foreseen, Commission's corporate communication priorities, the needs of DG AGRI services in terms of external communication and the priority themes and actions for 2014 indicated by the Cabinet (see summary table attached for communication activities foreseen in 2014).

1. DG AGRI will actively participate in the **pilot phase of the corporate communication** in 2014 with a view to properly highlight in all corporate communication actions, the role/contribution of agriculture in people's everyday life and the relevance of Europe's CAP, including for growth and jobs.

2. A communication campaign on the CAP, under the signature "Europe's Common Agricultural Policy: Taking care of our roots" was launched in October 2013 following the decision on the CAP reform, to promote among urban dwellers the importance of sustainable farming, not only for their supply of healthy food but also for the environment, countryside and economy. This campaign will be the **central element of DG AGRI's communication actions in 2014**. The campaign tools are:

- A website explaining the role of the CAP, dedicated to general public, stakeholders, teachers;
- AV material: short videos, TV spot, Cinema clip and animated clips on the main components of the CAP reform;
- City farm and other CAP-related events

3. DG AGRI intends to **further develop in 2014 the networking activities with media and stakeholders**, organise conferences on key issues, co-finance CAP-related information actions and of course provide service to DG AGRI units' needs on external communication.

4. Other important activities will be linked to the **preparation of DG AGRI's participation at the Expo Milano in 2015**.

The results of the Eurobarometer survey on "Europeans and the CAP" will be published in the first part of 2014. They will be taken into account with a view to adjust, if needed, our communication actions and targets in due time.

No	Communication Objective(s)	Message	Audience	Proposed actions/ type of activity	Date/ location	DG COMM Services	Ex-ante evaluation	Budget
Policy objective/Policy output								
Main communication activities to be implemented in 2014								
	Promote CAP's contribution to Europe's food, environment and our rural economy, including for growth and jobs.	Agriculture is in our roots. CAP: taking care of our roots	1/ Media 2/ Stakeholders 3/ General public (including youth, schools)	1/ Media: farm trips, study trips, networking 2/ Stakeholders: conferences, Networking, communication award 3/ General public: Campaign tools, Grants	Tbc to be introduced in DG COMM sharepoint	1/ REPs cooperation + SPP 2/ REPs + EDICs cooperation 3/ DG COMM corporate communication steering committee + REPs and EDICs cooperation	1/ satisfaction survey - web and media statistics - media coverage reports 2/ satisfaction survey - n° of participants -n. of participants in the CAP comm award. 3/ - n° of visitors - website statistics - ex-ante campaign focus groups	8 mio € (tbd) + 3 mio € for corporate communication (tbd) 30 staff

6.5 Annex 5. List of Indicators

At the time writing this Management Plan, the list of indicators is still subject to change as the relevant implementing acts will only be adopted in the first half of 2014.

IMPACT INDICATORS for CAP general objectives⁸⁷

1. Agricultural entrepreneurial income
2. Agricultural factor income
3. Total factor productivity in agriculture
4. EU commodity price variability
5. Consumer price evolution of food products
6. Agricultural trade balance
7. Emissions from agriculture
8. Farmland birds index
9. HNV Farming
10. Water abstraction in agriculture
11. Water quality
12. Soil organic matter in arable land
13. Soil erosion by water
14. Rural employment rate
15. Degree of rural poverty
16. Rural GDP per capita

RESULT INDICATORS

Pillar I Result indicators for specific objectives⁸⁸

1. Share of direct support in agricultural income
2. Variability of farm income
3. Value added for primary producers in the food chain
4. EU agricultural exports
5. Public intervention
6. Private storage
7. Export refunds

⁸⁷ Draft updated following the political agreement on the CAP reform as of 16 September 2013.

⁸⁸ Draft updated as of 17 December 2013.

8. EU commodity prices compared to world prices
9. Value of production under EU quality schemes
10. Importance of organic farming
11. Crop diversity
12. Share of grassland in agricultural land
13. Share of EFA in agricultural land
14. Share of eligible land under greening practices
15. Net greenhouse gas emissions from agricultural soils
16. Structural diversity

Pillar II Result (R)⁸⁹, target (T) and complementary result indicators⁹⁰ for rural development focus areas⁹¹

R1 % of agriculture holdings with RDP support for investments in restructuring or modernisation (P2A)

*R2 Change in Agricultural output on supported farms/ AWU (P2A)**

R3 % of agriculture holdings with RDP supported business development plan/investments for young farmers (P2B)

R4 % of agricultural holdings supported under quality schemes, local markets and short supply circuits, and producer groups/organisations (P3A)

R5 % of farms participating under risk management schemes (P3B)

R6 % Forest or other wooded area under management contracts supporting biodiversity (P4A)

R7 % Agricultural land under management contracts supporting biodiversity and/or landscapes (P4A)

R8 % of Agricultural land under management contracts improving water management (P4B)

R9 % of forestry land under management contracts to improve water management (P4B)

R10 % of Agricultural land under management contracts improving soil management and or preventing soil erosion (P4C)

R11 % of forestry land under management contracts to improve soil management and or preventing soil erosion (P4C)

R12 % of irrigated land switching to more efficient irrigation system (P5A)

*R13 Increase in efficiency of water use in agriculture in RDP supported projects (P5A)**

*R14 Increase in efficiency of energy use in agriculture and food-processing in RDP supported projects (P5B) **

*R15 Renewable energy produced from supported projects (P5C)**

R16 LU concerned by investments in live-stock management in view of reducing GHG and/or ammonia emissions (P5D)

⁸⁹ Indicators in italics are also target indicators (T).

⁹⁰ Complementary result indicators are marked with an asterisk.

⁹¹ Draft updated as of 18 December 2013.

R17 % of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (P5D)

R18 Reduced emissions of methane and nitrous oxide (P5D)*

R19 Reduced ammonia emissions (P5D)*

R20 % of agricultural and forest land under management contracts contributing to carbon sequestration (P5E)

R21 Jobs created in supported projects (P6A)

R22 % of rural Population covered by local development strategies (P6B)

R23 % of rural population benefiting from improved services / infrastructures (P6B)

R24 Jobs created in supported projects (Leader) (P6B)

R25 % of rural Population benefiting from new or improved services / infrastructures (ICT) (P6C)

T1 % of expenditure for the 3 measures: 'Knowledge transfer & information action' + 'advisory services' + 'cooperation' in relation to the total expenditure for the RDP (1A)

T2 Total number of co-operation operations supported under the cooperation measure (groups, networks/clusters, pilot project...) (1B)

T3 Total number of participants trained (1C)

T4 % of agriculture holdings with RDP support for investments in restructuring or modernisation (P2A)

T5 % of agriculture holdings with RDP supported business development plan/investments for young farmers (P2B)

T6 % of agricultural holdings supported under quality schemes, local markets and short supply circuits, and producer groups/organisations (P3A)

T7 % of farms participating under risk management schemes (P3B)

T8 % Forest/other wooded area under management contracts supporting biodiversity (P4A)

T9 % Agricultural land under management contracts supporting biodiversity and/or landscapes (P4A)

T10 % of Agricultural land under management contracts improving water management (P4B)

T11 % of forestry land under management contracts to improve water management (P4B)

T12 % of Agricultural land under management contracts improving soil management and or preventing soil erosion (P4C)

T13 % of forestry land under management contracts to improve soil management and or preventing soil erosion (P4C)

T14 % of irrigated land switching to more efficient irrigation system (P5A)

T15 Total investment for energy efficiency (P5B)

T16 Total investment in renewable energy production (P5C)

T17 LU concerned by investments in live-stock management in view of reducing GHG and/or ammonia emissions (P5D)

T18 % of agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (P5D)

T19 % of agricultural and forest land under management contracts contributing to carbon sequestration (P5E)

T20 Jobs created in supported projects (P6A)

T21 % of rural Population covered by local development strategies (P6B)

T22 % of rural population benefiting from improved services / infrastructures (P6B)

T23 Jobs created in supported projects (Leader) (P6B)

T24 % of rural Population benefiting from new or improved services / infrastructures (ICT) (P6C)

OUTPUT INDICATORS

Direct payments⁹²

Basic payment scheme

- Number of farmers
- Number of hectares

Single Area Payment Scheme

- Number of farmers
- Number of hectares

Transitional national aid

- Number of farmers
- Number of units for which TNA is granted (hectares / animals / other)

Redistributive payment

- Number of farmers
- Number of hectares

Greening

- Total number of farmers who have to apply at least one greening obligation
- Total number of hectares declared by these farmers

Greening exemptions

- Number of farmers exempted by: organic farmers / exempted from crop diversification /, exempted from EFA obligation
- Number of hectares declared by these farmers (organic farmers, exempted from crop diversification, exempted from EFA obligation)

Crop diversification

- Number of beneficiaries subject to crop diversification (with 2 crops; with 3 crops)
- Number of hectares of arable land declared by farmers subject to crop diversification (with 2 crops; with 3 crops)

Permanent grassland

⁹² Draft updated as of 17 December 2013.

- Number of farmers with permanent grassland counting for the ratio
- Number of hectares covered by permanent grassland declared by the farmers counting for the ratio
- Number of farmers with permanent grassland in designated environmentally sensitive areas
- Number of hectares covered by environmentally sensitive permanent grassland declared by these farmers
- Number of hectares of designated as environmentally sensitive permanent grassland (total)

EFA

- Number of farmers subject to EFA requirements
- Number of hectares of arable land declared by farmers subject to EFA
- Number of hectares declared by farmers as EFA, broken down by EFA type

Equivalence

- Number of farmers applying equivalent measures (certification schemes or agri-environment-climate measures)
- Number of hectares declared by farmers implementing equivalent measures (certification schemes or agri-environment-climate measures)

Payment for young farmers

- Number of farmers
- Number of hectares

Small farmers' scheme

- Number of farmers
- Number of hectares

Voluntary coupled support

- Number of beneficiaries of voluntary coupled support (broken down by sector or type of farming)
- Quantities eligible (ex-ante number of hectares/ number of animals broken down by sector or type of farming)
- Number of hectares
- Number of animals

Payment for areas with natural constraints

- Number of farmers
- Number of hectares

National programmes for the cotton sector

- Number of farmers
- Number of hectares

Market measures⁹³

Public intervention

- volume
- Duration

Private storage

- volume
- Duration

Export refunds

- Volume of products exported with export refunds

Exceptional measure

- [as appropriate]

Producer organisations

- % of production marketed by PO and APOs

School schemes

- Number of final beneficiaries of school milk scheme
- Number of final beneficiaries of school fruit scheme

Vine sector

- Geographical indications in the vine sector
- Number of hectares of new vine plantings
- Number of hectares of restructured vineyards
- Number of promotion projects in the vine sector
- Number of projects of investment and innovation measures

Horizontal aspects⁹⁴

Cross compliance

- Number of hectares subject to cross-compliance
- Share of CAP payments subject to cross-compliance

Quality policy

- Number of new PDO, PGI and TSG by sector

Organic farming

- Number of hectares (total and under conversion)
- Number of certified registered organic operators

Promotion policy

⁹³ Draft updated as of 17 December 2013.

⁹⁴ Draft updated as of 17 December 2013.

- Number of programmes (in and outside the EU)
- Number of new proposing organisations

Farm Advisory system

- Number of farmers advised

Rural development focus areas⁹⁵

- O.1 Total public expenditure
- O.2 Total investment
- O.3 Number of operations supported
- O.4 Number of holdings/beneficiaries supported
- O.5 Area (ha)
- O.6 Physical Area supported (ha)
- O.7 Number of contracts supported (ha)
- O.8 Number of Livestock Units supported (ha)
- O.9 Number (farm) holdings participating in supported schemes
- O.10 Number of farmer benefiting from pay-outs
- O.11 Number training days given
- O.12 Number of participants in trainings
- O.13 Number of beneficiaries advised
- O.14 Number of advisor trained
- O.15 Population benefiting of improved services/infrastructures (IT or others)
- O.16 Number of EIP groups supported, number of EIP operations supported and number and type of partners in EIP groups
- O.17 Number of cooperation operations supported (other than EIP)
- O.18 Population covered by LAG
- O.19 Number of LAGs selected
- O.20 Number of LEADER projects supported
- O.21 Number of cooperation project supported
- O.22 Number and type of project promoters
- O.23 Unique number of LAG involved in cooperation project
- O.24 Number of thematic and analytical exchanges set up with the support of NRN
- O.25 Number of NRN communication tools
- O.26 Number of ENRD activities in which the NRN has participated

⁹⁵ Draft updated as of 18 December 2013.

COMMON CONTEXT INDICATORS⁹⁶

Socio-economic indicators

- C1. Population
- C2. Age structure
- C3. Territory
- C4. Population density
- C5. Employment rate*
- C6. Self-employment rate
- C7. Unemployment rate
- C8. GDP per capita*
- C9. Poverty rate*
- C10. Structure of the economy
- C11. Structure of the employment
- C12. Labour productivity by economic sector

Sectorial indicators

- C13. Employment by economic activity
 - C14. Labour productivity in agriculture
 - C15. Labour productivity in forestry
 - C16. Labour productivity in the food industry
 - C17. Agricultural holdings (farms)
 - C18. Agricultural area
 - C19. Agricultural area under organic farming
 - C20. Irrigated land
 - C21. Livestock units
 - C22. Farm labour force
 - C23. Age structure of farm managers
 - C24. Agricultural training of farm managers
 - C25. Agricultural factor income*
 - C26. Agricultural entrepreneurial income*
 - C27. Total factor productivity in agriculture*
 - C28. Gross fixed capital formation in agriculture
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⁹⁶ Draft updated as of 18 December 2013.

Context indicators which incorporate CAP impact indicators are marked with an asterisk.

C29. Forest and other wooded land (FOWL)

C30. Tourism infrastructure

Environment indicators

C31. Land cover

C32. Less favoured areas

C33. Farming intensity

C34. Natura 2000 areas

C35. Farmland birds index (FBI)*

C36. Conservation status of agricultural habitats (grassland)

C37. HNV farming*

C38. Protected forest

C39. Water abstraction in agriculture*

C40. Water quality*

C41. Soil organic matter in arable land*

C42. Soil erosion by water*

C43. Production of renewable energy from agriculture and forestry

C44. Energy use in agriculture, forestry and food industry

C45. Emissions from agriculture*