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ADVANCED-EVAL, a European research project including well-known experts on rural development, agricultural policy, social networks and local government, began its activities in March 2006. By developing interdisciplinary approaches to model rural development the institutes involved in ADVANCED-EVAL aim to develop innovative and quantitative methods to improve evaluation techniques applied to EU rural development programmes. Policy evaluation has become a major issue for many international organizations including the European Commission. We are convinced that the project will provide an innovative quantitative approach to rural policy development that will lead to important research findings, theory developments and policy-relevant knowledge.



Prof. Dr. Dr. Ch. Henning, Project Coordinator (University of Kiel)

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About AdvancedEval

Research in the Advanced Eval project aims at:

- i. developing quantitative techniques that enable a non-biased *ex-post* evaluation of the impact of EU RD programmes, i.e. disentangling the programme effect from other exogenous factors and calculating programme's substitution, replacement, deadweight loss and other indirect effects.
- ii. deriving an aggregated indicator of regional development, the Rural Development Index (RDI), to be used for *ex-ante* and *ex-post* evaluations of RD programmes in rural areas.
- iii. developing quantitative techniques that enable a more precise *ex-ante* evaluations of RD programmes by taking into consideration the impact of tangible factors and social networks as intangible factors.

- iv. comparing evaluation results of quantitative advanced methods with those of qualitative methodologies.
- v. providing policy recommendations for an improved evaluation of RD programmes in the EU.

To answer these research questions, quantitative methods and simulations will be applied. The derived set of innovative tools will be calibrated and applied by using available data and indicators in selected NUTS 3-5 regions in Slovakia and Poland. To derive valuable evaluation tools relevant data will be collected in high and low performing regions. Successful completion of the proposed research will improve learning about the economic and social consequences of RD programmes, reinforce the quality of monitoring and evaluation systems, and strengthen the policy design process.



Working Groups

Expost-*eval*: *Ex post* evaluation of RD-policies (coordinator: Jerzy Michalek, University of Kiel). The working group **Expost-*eval*** will focus on the development and application of innovative quantitative methods to the *ex post* evaluation of rural development policies. To this end the working group will use new econometric estimation techniques, i.e. propensity score matching, enabling the computation of unbiased baseline scenarios. Based on comparisons of supported units with an appropriately derived baselines, direct programme impacts (i.e. ATT, MTE, etc.), and indirect effects of RD programmes, (i.e. substitution effects, replacement effects, deadweight loss effects, etc.), will be calculated applying a PSM-DD approach. **Expost-*eval*** will be responsible for testing the applicability of the methodology to an *ex-post* evaluation of EU RD programmes and comparing results obtained from PSM-DD technique with traditional qualitative methods used in the evaluation of EU RD programmes.

Qual-*life*: Quality of life Index (coordinator: Jerzy Michalek, University of Kiel). The working Group **Qual-*life*** will work on the derivation of a Rural Development Index measuring the quality of life in rural regions. At the theoretical level the work of **Qual-*life*** corresponds to new developments in welfare theory. At the methodological level the construction of an RDI is based on a composite welfare index including various economic, environmental, and social RD components with relative weights derived from an econometric estimation of observed migration between communities. Based on empirical data for NUTS 4 and NUTS 5 regions in Poland and Slovakia the derived RDI-index will be used to evaluate the overall impact of RD policies in individual rural regions.

Net-*RD*: The impact of networks on rural development (coordinator: Vincent Buskens, University of

Utrecht). The working group **Net-*RD*** will analyse the role of social networks in rural development. At the theoretical level new approaches in economic sociology and economics analyzing the impact of networks on individual behaviour and corresponding social outcomes will be applied to understand rural development. In particular, the impact of social networks on cooperation and on agents belief formation will be analyzed. To facilitate an empirical application of developed network theories relevant social networks will be related to economic and political performance at the micro and macro level via induced transaction costs. Empirical applications includes the collection of relevant network data via the business, household, and labour markets, and a policy network survey in selected high and low performing regions. Based on collected data a comparison of network structures in high and low performing regions will be conducted. Moreover, econometric estimations assessing the role of social network structures on economic and political performance will be conducted.

Exante-*eval*: *Ex ante* evaluation of RD-policies (coordinator: Christian Henning, University of Kiel). The working group **Exante-*eval*** will aim at the derivation of an adequate model framework for the *ex ante* evaluation of RD policies including social network structures. Further, the derived theoretical model will be calibrated on the basis of empirical case studies of high and low performing rural communities. Based on the calibrated model various policy simulations will be conducted for high and low performing rural regions in order to: (i) identify the impact of specific tangible and intangible factors in rural development, (ii) quantify the impact of specific tangible and intangible factors on the effectiveness of individual RD measures, and (iii) identify new RD measures improving local network structures. The theoretical



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model framework will correspond to a combination of an agent-based model with a interregional computable general political economy equilibrium model (CGPE-ABM). Based on the simulation results of the applied CGPE-ABM approach, new and interesting insights into the impact of tangible and intangible factors on the efficiency of RD policies, as well as on *ex ante* evaluations, will be derived.

Eval-ind: Evaluation indicators: (coordinator: Peter Kaufmann, University of Sussex). The main re-

sponsibility of the working group **Eval-ind** is to validate techniques applied in this study by comparing programme effects calculated using the quantitative methodologies described above with qualitative results obtained through interviews and surveys, and to provide policy recommendations in this respect. Based on these comparisons a set of new applicable indicators and methods for *ex post* and *ex ante* evaluations will be derived.

Partners



University of Kiel, Germany

The Institute of Agricultural Economics (IAE) at the University of Kiel is an internationally recognized centre of excellence for research and teaching in agricultural and applied economics. IEA conducts research funded by the European Commission, the German National and Regional Governments, the German Research Foundation (DFG), World Bank, FAO, OECD, USDA, EIB, EUROSTAT and various prestigious German research foundations. Present research projects include the DFG-project *NACAP-East*, a quantitative political economy analysis of CAP in the EU-27, and two projects on *The organization of economic transactions in networks* with the DFG-Graduate school *Economic aspects of loosely coupled systems and electronic business*.



University of Bonn, Germany

One of the main objectives of the research activities of the Chair of Economic and Agricultural Policy of the Institute of Agricultural Policy, Market Research and Economic Sociology (University of Bonn) is to advise local, national and international policy institutions on policy strategies (economic, social and environmental aspects) based on broad quantitative analysis. The institute has spe-

cialised in the development and application of agricultural policy information systems over more than three decades, e.g. the SPEL-System for Eurostat, and different systems for Germany. The team coordinated several EU-RSRCH framework projects relating to a quantitative impact analysis of agricultural policy. Consequently, the Institute is very experienced in the context of relevant policy and interdisciplinary research as well as with the integration of models to accommodate the interests of the political decision makers.



University of Sussex, UK

SPRU (Science and Technology Policy Research) is a research centre at the University of Sussex. It is a leading academic institution in the field of science and technology policy research carrying out world-class research and teaching on issues relating to scientific discovery, technical change, and related government policies since 1966. SPRU has been a pioneer in the development of foresight methods and techniques for the evaluation of science and technology policy programmes. SPRU's work is independent and international in scope and is concerned with the challenges that confront decision makers in government, industry and international agencies, and with the public debates that surround these chal-



lenges. The centre has undertaken a very substantial number of research projects for the European Commission and the European Parliament, and has been a core member of the ESTO Network since its creation.



Utrecht University, Netherlands

The Department of Sociology at Utrecht University is part of the research school ICS (Interuniversity Center for Social Science Theory and Methodology). Recently, a large project on "Dynamics of Cooperation, Networks, and Institutions" (initiated by Vincent Buskens and Stephanie Rosenkranz) was granted. The researchers who will be involved in the research programme are part of two research programmes "Cooperation in social and economic relations" and "Social capital and social networks".



University of Mannheim, Germany

The Mannheim Centre for European Social Research (MZES) is the largest institute at the University of Mannheim and one of the leading social science centres of Europe specialising in research on changes in societies and political systems of Europe and the process of European integration. The two largest projects financed by EU are: the Network of Excellence "Efficient and Democratic Governance in a Multilevel Europe" CONNEX (Connecting Excellence on European Governance) and European Social Survey. Among many projects carried out at MZES there are studies on policy development under the impact of network relations, e.g. "Power and exchange in the European agricultural policy - the role of communication networks" (Pappi and Henning, 1999).



Polish Academy of Sciences, Poland

The Institute of Rural and Agricultural Development was established in 1971. IRWIR adopts an interdisciplinary approach to its studies focused on various issues related to rural areas in Poland. IRWIR has long experience in monitoring development in rural areas from an economic and social perspective,

and was involved in the preparation of a long-term strategy for the development of rural areas, as well as in the process of Poland's integration with the European Union. Important projects carried out by IRWIR include: (i) Self Government and Local institutions in the process of socio-economic activation of rural areas, (ii) Non-governmental local initiatives in structural transformation of rural areas, (iii) European Network for Agricultural and Rural Policy, Research Institute (ENARPR). Sixth Framework of EU Program

Institute of Agricultural and Food Economics, Warsaw, Poland

Institute of Agricultural and Food Economics, Warsaw, Poland The Institute of Agricultural and Food Economics (IERGZ) is a well-known research and development institution established about 55 years ago. It currently employs 148 staff including 47 research workers. The research carried out by IERIGZ embraces the following areas: development of the agricultural and food industry sector in Poland, rural development in Poland, consequences of EU accession for Polish agricultural industries.



The Research Institute of Agricultural and Food Economics, Slovakia

The Research Institute of Agricultural and Food Economics comprises analytical work concerning the agricultural and rural sectors, preparation of studies, forecasting, and elaboration of strategic policy documents. The Institute operates various statistical information systems such as Farm Accountancy Data Network or Land Valuation Database. It provides regular surveys on farm level economy and monitors national agricultural markets.

The research activities of the Institute comprise, among others, the following projects: (i) the evaluation of SAPARD programme impacts, (ii) the impact of decoupling and modulation in the enlarged union, 6th Framework Programme of the EU, (iii) the evaluation and improvement of indicators for measuring impacts of structural programmes in Slovakia.



Activities/Upcoming Events

2006

30. March 2006: Project Steering Committee Kick-off Meeting (I), Kiel

24. — 25. April 2006: Working Group Meeting, Bratislava

18. May 2006: Inception Workshop, Warsaw

2007

March 2007: Progress Seminar II

March 2007: Project Steering Committee Meeting (III)

July 2007: Progress seminar III

September 2007: Mid-term Workshop

September 2007: Mid-term seminar (EU Commission)