



Brussels,  
L.1 D(2008)

**EVALUATION OF THE STUDY**  
**"STUDY OF THE FUNCTIONING OF LAND MARKETS UNDER THE INFLUENCE OF**  
**MEASURES APPLIED UNDER THE COMMON AGRICULTURAL POLICY"**

**Subject: Quality assessment of the study**  
**"Study of the Functioning of Land Markets under the Influence of**  
**Measures Applied under the Common Agricultural Policy"**  
**Agri-2007-G4-14**

**GLOBAL REMARK**

The following text and grid provides a global assessment of the above-mentioned study. The assessment has been prepared at the end of the work process.

The judgement is made on the methodological approach followed to answer the study questions, but also to some extent on the created databases, results, conclusions or recommendations reached by the contractor.

**1. MEETING THE NEEDS: DOES THE STUDY ADEQUATELY ADDRESS THE INFORMATION NEEDS OF THE COMMISSIONING BODY AND FIT THE TERMS OF REFERENCE?**

The study addresses well the requirements of the terms of reference. All five study themes (land market developments, drivers of land values and SPS implementation, effects on structural change and effects of changes in SPS) are covered in detail and conclusions are reported clearly. While the Single Payment Scheme (SPS) receives the adequate amount of attention, the weight given to other issues that may have an influence on land markets seems at times a bit unbalanced (much detail on legal regulations, less detail on other CAP policy areas such as Rural Development).

The novelty of the study is that it provides the first substantial empirical results on the influence the introduction of the SPS has had on land markets and land values in the European Union. Within the limits of the available data, the study gives a good insight into the functioning of land markets, analysing the importance of different influencing factors such as the SPS but also agricultural productivity and prices, legal regulations in the study countries etc. With regard to the SPS, the study provides information on the

effects on land markets and prices of the differences in the implementation of the policy, i.e. the differences in the SPS models (historic, regional, hybrid) and particular implementation decisions in the studied MS. These insights correspond very closely to the information needs of the commissioning body. Where there are limitations to the findings (e.g. due to difficulties of access to reliable data) adequate caution is applied in reporting.

The study is based on a significant number of case studies which provides a good coverage of the different SPS implementation models and the general difference between agricultural structures in the EU.

Final assessment: Good

**2. RELEVANT SCOPE: IS THE RATIONALE OF THE POLICY EXAMINED AND ITS SET OF OUTPUTS, RESULTS AND OUTCOMES/IMPACTS EXAMINED FULLY, INCLUDING BOTH INTENDED AND UNEXPECTED POLICY INTERACTIONS AND CONSEQUENCES?**

The implementation of the SPS is examined in detail in the case study countries and regions, covering also the rationale for the implementation decisions in the selected MS. At the same time it is shown very clearly that the SPS/direct payment policy is just one factor among many that influence and drive the developments on land markets and many other factors are clearly named and analysed (in particular legal settings). However, not much attention is devoted to other policy areas within the CAP (e.g. RD policy) and their possible influence on land markets. Although the terms of references demanded a clear focus on the SPS, the report could have benefitted from some more information on these related policy areas.

Final assessment: Good

**3. DEFENSIBLE DESIGN: IS THE STUDY DESIGN APPROPRIATE AND ADEQUATE TO ENSURE THAT THE FULL SET OF FINDINGS, ALONG WITH METHODOLOGICAL LIMITATIONS, IS MADE ACCESSIBLE FOR ADDRESSING THE TASKS?**

Given the serious difficulties in the accessibility of reliable data at EU and MS level, carrying out the research on the basis of a series of case studies seems to have been an adequate design for the study. The approach – guided by a common framework for collection of both qualitative and quantitative data in the different study countries/regions – allowed to focus on the specificities in the different case studies (which are numerous in the case of land markets) while also making it possible to come to overall and comparable results. The contractor states very clearly the limits of the data and, connected with this, the methodological limitations of the study and exercises adequate caution about generalising from the case study results.

Final assessment: Good

**4. RELIABLE DATA: TO WHAT EXTENT ARE THE PRIMARY AND SECONDARY DATA SELECTED ADEQUATE? ARE THEY SUFFICIENTLY RELIABLE FOR THEIR INTENDED USE?**

There is clearly a problem in having reliable statistical data on land markets and prices in the EU. Furthermore, it is difficult to assess the impact of very recently implemented policies, such as the SPS, due to the fact that quantifiable results are not necessarily available yet. While the data that was available for the study certainly suffers from these two difficulties, both of them undoubtedly lie outside the influence of the contractor. The efforts exerted by the contractor in the collection and verification of data were adequate. Where possible, the contractor made use of available quantitative information (Eurostat, national statistics, FADN) but in many areas of the study the approach necessarily had to be rather qualitative. In the context of this study, the selected and collected data are sufficiently reliable and the contractor has not failed to point out the limitations of the data.

Final assessment: Satisfactory

**5. SOUND ANALYSIS: IS QUANTITATIVE AND QUALITATIVE INFORMATION APPROPRIATELY AND SYSTEMATICALLY ANALYSED ACCORDING TO THE STATE OF THE ART SO THAT THE STUDY TASKS ARE ADDRESSED IN A VALID WAY?**

The analysis is considered good given the difficulties with availability of data. The study uses a combination of qualitative and quantitative approaches but the rather short time span since the implementation of the SPS in combination with the varying quality of the available data prevents econometric analysis. The study therefore relies on descriptive analysis and interpretation of the available information from the case studies, which is carried out in a systematic and thorough way.

Final assessment: Good

**6. CREDIBLE FINDINGS: DO FINDINGS FOLLOW LOGICALLY FROM, AND ARE THEY JUSTIFIED BY, THE DATA ANALYSIS AND INTERPRETATIONS BASED ON CAREFULLY DESCRIBED ASSUMPTIONS AND RATIONALE?**

The findings generally follow logically from the analysis and their justification is stemming from the analysis from the case studies and additional sources used. The assumptions are clearly presented and described.

Final assessment: Good

**7. VALIDITY OF THE CONCLUSIONS: DOES THE REPORT PROVIDE CLEAR CONCLUSIONS? ARE CONCLUSIONS BASED ON CREDIBLE RESULTS? ARE THEY UNBIASED?**

The study provides clear conclusions. At the same time, the contractor also exercises the necessary caution with respect to the interpretation of the findings by highlighting the limitations of the analysis and by choosing careful phrasing. Where possible, a quantification of results is provided.

Final assessment: Excellent

**8. USEFULNESS OF THE RECOMMENDATIONS: ARE RECOMMENDATIONS FAIR, UNBIASED BY PERSONAL OR STAKEHOLDERS' VIEWS, AND SUFFICIENTLY DETAILED TO BE OPERATIONALLY APPLICABLE?**

The study does not give recommendations as this was not demanded in the terms of reference.

Final assessment: *not applicable*

**9. CLEAR REPORT: DOES THE REPORT CLEARLY DESCRIBE THE POLICY EVALUATED, INCLUDING ITS CONTEXT AND PURPOSE, TOGETHER WITH THE PROCEDURES AND FINDINGS OF THE STUDY, SO THAT INFORMATION PROVIDED CAN EASILY BE UNDERSTOOD?**

The study clearly describes the SPS, including its implementation in the study countries, as well as other factors that are of possible influence on land markets. The chapters on land market regulations and land market developments in the study countries are somewhat lengthy at times and could be more focussed (as it is, the balance between the chapters is not fully satisfactory). However, the description of the results on the SPS is more focussed, well argued and can be easily understood. The same is true for the chapter on the drivers of land values. The comprehensive literature review and conceptual framework that are provided in the appendix are helpful background information.

Final assessment: Good

**The overall assessment of the study: Good**

<b>Concerning these criteria, the study report is:</b>	<b>Unacceptable</b>	<b>Poor<sup>1</sup></b>	<b>Satisfactory</b>	<b>Good</b>	<b>Excellent</b>
<b>1. Meeting the needs:</b> Does the evaluation adequately address the information needs of the commissioning body and fit the terms of reference?				<b>X</b>	
<b>2. Relevant scope:</b> Is the rationale of the policy examined and its set of outputs, results and outcomes/impacts examined fully, including both intended and unexpected policy interactions and consequences?				<b>X</b>	
<b>3. Defensible design:</b> Is the evaluation design appropriate and adequate to ensure that the full set of findings, along with methodological limitations, is made accessible for answering the main evaluation questions?				<b>X</b>	
<b>4. Reliable data:</b> To what extent are the primary and secondary data selected adequate? Are they sufficiently reliable for their intended use?			<b>X</b>		
<b>5. Sound analysis:</b> Is quantitative and qualitative information appropriately and systematically analysed according to the state of the art so that evaluation questions are answered in a valid way?				<b>X</b>	
<b>6. Credible findings:</b> Do findings follow logically from, and are they justified by, the data analysis and interpretations based on carefully described assumptions and rationale?				<b>X</b>	
<b>7. Validity of the conclusions:</b> Does the report provide clear conclusions? Are conclusions based on credible results?					<b>X</b>
<b>8. Usefulness of the recommendations:</b> Are recommendations fair, unbiased by personal or stakeholders' views, and sufficiently detailed to be operationally applicable? – <b>NOT APPLICABLE</b>					
<b>9. Clearly reported:</b> Does the report clearly describe the policy being evaluated, including its context and purpose, together with the procedures and findings of the evaluation, so that information provided can easily be understood?				<b>X</b>	
<b>The overall quality rating of the report is considered</b>				<b>X</b>	

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<sup>1</sup> The foundation "Poor" should be considered as weak as the contractual obligations are considered to be fulfilled.