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**How to Measure Innovative Modes of Governance in the EU
Rural Policy: Key Dimensions, Indicators and Case Studies**

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How to Measure Innovative Modes of Governance in the EU Rural Policy: Key Dimensions, Indicators and Case Studies

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Abstract

Good governance approaches in policy formulation and implementation - based on key-concepts like participation, networking, transparency and accountability - are more and more adopted by the EU in addressing its rural policies reforms. Public Administrations at all levels should be evaluated with respect to their capacity to respect good governance principles. First, on the basis of a meta-analysis of ongoing initiatives (e.g. the World Bank's Worldwide Governance Indicators), a methodological framework for assessing the quality of new governance modes is presented. Secondly, on the basis of case-studies in Italy, the monitoring and evaluation tools currently used by the European Commission to assess Administrations' performances in rural development programs and Leader approach are compared with the proposed framework. Gaps are identified and discussed. Findings demonstrate, among others, the weakness of the European evaluation system in the analysis of the cost/benefit ratio of (local) governance and non market (environmental, social, distributive) effects.

Keywords: Governance, Indicators, Rural Development Programs, Local Action Groups

JEL classification: R58

1. INTRODUCTION

At global level, there is an ongoing debate about a shift from government to new participatory governance modes in making collective choices, i.e. in policy formulation and related decision-making procedures for policy implementation by means of actions and projects. According to this approach, governments and Public Administrations (PAs) are no longer the only source of decision-making authority. Rather, the power is distributed among diverse actors, with new arrangements based on combined roles of state agents, market-based approaches and communities (Lemos and Agrawal, 2007). Key-ideas representing these new governance modes are inclusiveness, dialogue, consensus, sharing, networking, multisectoriality, co-operation, co-ordination, deliberation, accountability and public participation. Following this approach, PAs at all levels are more and more expected to transparently, efficiently, effectively perform by involving stakeholders i.e. to have proper capacity to coordinate the plurality and complexity of policies, hierarchies, networks and markets (Kjær, 2004) by adopting innovative governance mechanisms. Also, PAs have to be prepared to be accountable and valued with respect to their new capacities and tasks. In other words, they have to demonstrate to properly adopt new 'good governance' practices. Some key-principles of good governance have been defined and adopted also by the EU in addressing its environmental, agricultural and rural policies reforms (EC, 2001). This new approach led for example to the mainstreaming of the Leader approach into the 2007-2013 Rural Development Program.

1.1. Problem statement, basic assumptions and research objectives

So far, despite the recognized growing importance of adopting participatory governance mechanisms in order to guarantee good governance, which is becoming evident within several environmental sectors not only in Europe (Swiderska et al., 2008; Wesselink and Paavola, 2008; Dedeurwaerdere, 2009; Cashore, 2009a and 2009b; Kaufmann et al., 2009; WB – ARD, 2009; GFI, 2009; Saunders and Reeve, 2010), research and initiatives are mainly: (i) intended for *analyzing* or *describing* governance modes rather than *assessing* them (or developing effective and easy instruments for this purpose); (ii) referred to *policy formulation* rather than *project implementation*; (iii) designed for applications at *national/regional* rather than *local* level in both spatial and institutional scales; (iv) mainly focused on *outcomes-oriented* (i.e. *what* decisions are taken) rather than *process-oriented* (i.e. *how* decisions are made) assessment tools; and (v) used only in *Developing Countries*. In particular, a well-consolidated framework of indicators for easily, comprehensively and systematically measuring innovative governance at local level does not exist in Europe yet, even if attempts have recently been launched at global or regional scales by the World Bank, the World Resource Institute and others.

Despite standardized evaluation systems for assessing rural development policies and programs have been implemented in European Member States since 2000-2006, the adoption of innovative governance approaches more and more requires that new challenging issues (i.e. transparency, participation, equity and several others) are taken into consideration. Our key-questions are therefore: (i) how can the quality of innovative modes of governance be measured and evaluated (considering both policy formulation and project implementation phases)?; (ii) does the current EC evaluation system for rural policy-making (with special attention to the Local Action Groups – LAGs selection procedures and Local Development Programs – LDPs in the LEADER approach) already consider (at to which extent) issues like transparency and accountability?. To answer these questions would help to find possible gaps and adaptations, thus contributing to improve the overall governance of the rural development sector.

The paper has two main objectives. First of all, on the basis of a meta-analysis of existing initiatives and extensive literature review, it aims at presenting and discussing a preliminary framework (set of key-dimensions and key-indicators) for assessing relevant dimensions of the new governance modes. Secondly, on the basis of a comparative analysis between the proposed assessment framework and the questionnaire currently used by the EC for monitoring and evaluating the rural development policies and LEADER approach, the paper aims at identifying potential gaps (i.e. key-dimensions and indicators which are not taken into consideration in the current EC evaluation process). The comparison is carried out by referring to case-studies in three Italian regions (Veneto, Umbria and Sardinia).

We made five basic assumptions: (i) there is a general consensus around common key-words to describe good governance (at least in western democracies); (ii) an assessment, as systematic and objective as possible, of an going or completed policy, program or project, included its conception, formulation, implementation and results (i.e. an evaluation) (EC, 2004), also in the field of rural development policies, can provide credible and useful information for

decision-supporting and governance improving with respect to the growing demand for accountability and participation expressed by the European society; (iii) to assess a 'good' policy formulation process since the first phases of decision-making is instrumental to an effective/successful later phase of policy implementation (project execution), thus reducing risks of policy failures; (iv) in order to successfully deal with the modern world, the traditional government structures described by means of 'old' elements of good govern (efficiency, effectiveness) should be integrated with the innovative governance process, which are described by 'new' dimensions (participation, transparency, etc); (v) the LEADER program and the Rural Development Program are the most advanced examples in European policy-making of networked, multi-level and participatory modes of governance.

After a general theoretical background, the current EC selection process of LAGs and evaluation of LDPs are reported. Methods are then described. A simplified framework for assessing the new modes of governance is then presented. Results and observations from case-studies analysis are finally reported before final conclusions and recommendations.

2. GOOD GOVERNANCE: BASIC CONCEPTS, CURRENT ASSESSMENT INITIATIVES AND APPLICATIONS IN EUROPEAN RURAL DEVELOPMENT POLICIES

Despite the *quasi inflationary* use (Watson, 2005 – quoted in Wesselink and Paavola, 2008) of the term in several different fields (politics, economics, social sciences, environmental sciences, etc), the concept of governance remains ambiguous, multifaceted, with various interpretations and perceptions (Rhodes, 1996; Jessop, 2002). Neither common definition nor common theoretical framework seem to have emerged yet, even if some attempts have been made to identify core elements of governance theory, at least in social sciences. For example, in her detailed study, Anne Mette Kjær (2004) suggests to refer to governance as '*the setting of rules, the application of rules, and the enforcement of rules*': by adopting an institutional analysis approach, governance includes decentralization, privatization, and all the formal and informal modes of interactions and power relations between institutions and other actors (horizontal interplay), as well as between different levels of the same administration (vertical interplay), and their respective roles in delivering effective and accountable collective choices.

The most common meaning, also throughout the European rural policy and economy, is referred to the capacity of Public Administration to lead and manage networks by involving all actors of civil society in decision-making processes (EC, 2001), thus improving communication and interactions and diminishing distinctions between private and public spheres (Lanzalaco and Lizzi, 2009). The hierarchical nature of policy making changes (Buttoud *at al.*, 2004): relationships among stakeholders are redesigned and authority redistributed.

2.1. The traditional government mechanism and the new modes of governance

In a traditional 'old' governance model (Peters, 2000) decision-making processes were typically top-down, one decision point-based, with well-defined and delimited tasks and clearly

dominated by PAs (namely states or governments) (Pierre and Peters, 2000; Pülzl and Rametsteiner, 2002), which able to exert control over their society and economy in a goal-oriented way. On the contrary, in the 'new' governance forms (Peters, 2000), the approach is consensus-oriented, multi-decision levels-based, with dynamic interactivity among a plurality of actors, including civil-society actors such as private partners or environmental organized interests (NGOs), inter-sectoral links and less defined tasks (Kjær, 2004; Di Iacovo and Scarpellini, 2006; Wesselink and Paavola, 2008). In this latter case, the decisional process can be dominated/driven by business interests or NGOs (Cashore, 2002) or be instead quite equally balanced (Di Iacovo and Scarpellini, 2006). Different names for these new forms of governance are mentioned in literature: private governance (Clapp, 1998; Cashore, 2002), multi-level governance (Marks, 1993 quoted by Lazalaco and Lizzi, 2009; Wesselink and Paavola, 2008), heterarchic governance (Jessop, 1998; Pülzl and Rametsteiner, 2002; Kjær, 2004), democratic governance (Kjær, 2004), networked governance (Jordan and Schout, 2006), meta-governance (Jessop, 2002), participatory governance (Shannon, 2006; Fristch and Newig, 2009; Secco et al., 2011). A continuum between traditional government structures and mechanisms and such innovative governance processes has been described (Lanzalaco and Lizzi, 2009).

2.2. Current initiatives for assessing the quality of governance

So far, as mentioned, initiatives, research and studies have been concentrated mainly on *analyzing* and *describing* governance modes with output-oriented¹ and/or outcomes-oriented approaches (i.e. *what* decisions are taken and which are their effects/performance). On the contrary, the attention has seldom been focused on approaches and instruments for *assessing* the quality of governance in terms of the whole policy-making process (i.e. *how* decisions are taken and implemented). Some initiatives have been restricted to one or few key characteristics of 'new' governance (mainly participation). The main objective of GoverNet² for example, a project funded by the 2000-2006 EC Interreg Program, was to develop models and procedures for decision-making process based on participatory approaches to be used in rural areas of the European Union. Another project carried out in the European context, GoverNat³, concentrates mainly on participatory processes as means to improve environmental multi-level governance within Europe. When the initiatives are designed for more comprehensively assessing the quality of governance and its performances by means of sets of indicators, they are mainly for applications in relation to economic development and comparative politics analysis (ODI, 2007). This is the case for the World Bank Institute's Worldwide Governance Indicators (WGI),

¹ Acceptance (legitimacy) of one governance mode instead of another one can be input-oriented (e.g. based on how the decision-making process is organized and implemented) or output-oriented (e.g. based on effective performance) (Scharpf, 2000 – quoted in Cashore, 2009b). In the first case legitimacy derives from democracy, in the second from efficiency (Kjær, 2004).

² The project, titled 'Governance models for sustainable integrated rural development and multifunctional agriculture; networking and dissemination on the web', involved public administrations and research centres in Italy (included INEA and the LEAF Department of the University of Padua), Greece, Slovenia and Moldova Republic. .

³ GoverNat ('Multi-level Governance of Natural Resources: Tools and Processes for Biodiversity and Water Governance in Europe') was a Marie Curie Research Training Network project included in the 6th FP of the EC, leaded by the Centre for Environmental Research – UFZ. 10 partner institutes throughout Europe and several affiliated praxis partners have taken part into the project.

the UN University's World Governance Assessment (WGA) Index, the OECD's Metagora project and many others. Two very interesting examples come also from forestry: the Governance of Forests Initiative (GFI)⁴ and the Forest Governance Diagnostics Tool by the Agriculture and Rural Development Department (ARD)⁵ of the World Bank (Secco *et al.*, 2010). All these international initiatives focus on Developing Countries contexts and apply to national/regional levels (i.e. they are intended for assessing governance in a country/region). Other ongoing initiatives are oriented at developing indicators of good governance with respect to special global environmental or social concerns, like climate change, illegal logging, human rights or corruption, or single economic sectors (OECD, 2008; Saunders and Reeve, 2010).

2.3. The good governance and the European rural policies

Finding a prevalent definition of 'good governance' remains a crucial issue. By looking through current initiatives and global debate, some common words⁶ can be acknowledged: effectiveness, efficiency, coherence, transparency, accountability, legitimacy, law enforcement, stability, participation, empowerment, coordination, social justice, equity, sustainability (EC, 2001; Dowdle, 2006; Hemmati, 2002; ODI, 2007; Kaufmann *et al.*, 2009; GFI, 2009; WB – ARD, 2009). The World Bank, for example, is referring to six dimensions of good governance (Voice and Accountability, Political Stability and Lack of Violence, Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption) (Kaufmann *et al.*, 2009). The OECD considers the level of corruption, the legislation enforcement and the entrepreneurial environment as key-aspects for guaranteeing the good economic governance of a country.

In Europe, five principles have been identified for good governance (EC, 2001): openness, participation, responsibility, effectiveness and coherence. They have been introduced in various European measures, both in laws (Directive 2001/42/EC on Strategic Environmental Assessment; Directive 2003/4/EC on Public Access to Environmental Information; Directive 2003/35/EC providing for public participation in drawing up of certain environmental plans and programs) and programs (e.g. VI Environment Action Program, LIFE, Nature 2000). Amongst the various programs where the new modes of participatory, multi-level, flexible and networked governance have already been implemented, the LEADER and the Rural Development Programs are considered the most advanced ones (Cavazzani, 2006; Gaudio and Zumpano, 2006; Annunzi, 2006; Franceschetti, 2009). Since the beginning, the Local Action Groups (LAGs) had to be accountable both to their public/private partners and local population (Annunzi, 2006); also, they had to create networks and development strategies on the basis of

4 The initiative is based on the collaboration between the World Resources Institute and two Brazilian organizations, Imazon and the Instituto Centro de Vida (ICV). More than 50 experts, mainly from international research centers and NGOs, have participated to the development of the first draft of 'The Governance of Forests Toolkit' (GFI, 2009).

5 The initiative is carried out by the Agriculture and Rural Development Department (ARD) of the World Bank. Apart the World Bank team, approximately 20 experts have reviewed or commented on the main report so far available, titled 'Roots of Good Forest Outcomes: An Analytical Framework for Governance Reforms' (WB – ARD, 2009).

6 Participation and accountability are amongst the most relevant basic concepts of the new forms of governance, but dilemmas (e.g. democracy/accountability vs. efficiency) (Jessop, 1998; Kjær, 2004) and open criticisms about the real capacity of participatory approaches to guarantee good collective decisions (Cooke and Kothari, 2001; Shannon, 2006; Frisch and Newig, 2009) and the risks of governance failures (Jessop, 1998 and 2002) are not lacking.

collaboration, co-partnerships and stakeholders consultation. In a sense, the basic principles of the new governance for LAGs are functional at reaching the LEADER goals (Annunzi, 2006).

3. THE LEADER APPROACH IN RURAL DEVELOPMENT, SELECTION OF THE LAG AND EVALUATION OF THE LDP

The standardization of the approach to the evaluation of rural development policies is an attempt that the European Commission (EC) has already made in the 2000-2006 programme in both rural development planning and in the LEADER approach. In rural development planning the evaluations structure (ex ante, intermediate and ex post) had to be adapted to a detailed evaluation questionnaire (technical document 12004/00 of the EC Directorate-General Agriculture) that has involved not few problems in the phase of data gathering and their interpretation. Unfortunately, the understandable need for standardization of the evaluations of the European NSP has not produced the expected results: the evaluation documents (in all the evaluation phases) have been very heterogeneous and difficult to compare; a synthesis at European level is not yet available.

As regards the LEADER, the 2000-2006 programme was, as is known, implemented separately from rural development planning. In this case the evaluation, in all three phases (ex ante, intermediate and ex post), was implemented by the Member States and by the Regions (when Managing Authorities) on the basis of a less-detailed and less-binding set of guidelines than those of the rural development policies. Consequently the marked diversity of the evaluation reports has, also in this case, impeded the organization of comparative tables at national/European level. A third very important aspect regards the level of detail of the evaluation of the LEADER: normally the evaluation reports regard the regional or provincial LEADER Programme as a whole. Evaluation reports have rarely been produced that regard the individual Local Development Programmes (LDP) produced and implemented by the LAG. In addition, the self-evaluation process of the LAG, which is not obligatory, has only been implemented in a few cases.

With the new programme (2007-2013) the LEADER approach is included in rural development planning. If on the one hand this 'clears' LEADER from its consideration as an 'experimental' planning tool, on the other it poses additional problems in the evaluation phase.

As shown in the recent report of the National Rural Network (RRN, 2010a), the regulatory framework, both for the definition of the measures that can be implemented with the LEADER approach, and for their evaluation, is quite generalized, and the LEADER approach has been implemented by the Managing Authorities in Italy in a rather heterogeneous manner. This means that, for example, that the set of measures for implementing the LEADER approach differs from Region to Region. Moreover, the administrative procedures, level of delegation to the LAG and selection mechanisms of the beneficiaries may also widely differ between the Regions.

The recent RRN report points out that, in the definition phase of the LEADER approach, the Regions and Autonomous Provinces can adopt (and have adopted) very different

approaches, passing from a situation defined 'leader light', where the decisional and programming autonomy of the LAG is very limited, intermediate situations ('implementing agencies' and 'centres of strategic competence'), up to situations of greater autonomy, defined 'leader LEADER'. A standardized evaluation of the LEADER approach will therefore be very difficult to implement as the evaluation process must inevitably take into account the various regulatory and programming situations in which the LAG is to be found, and adapt to them.

In the following pages attention will be paid to two main aspects: i) the selection process of the LAG, implemented in the initial planning phase, and ii) the Common Evaluation Questionnaire. The part relating to the evaluation indicators proposed at NSP level or LDP level will instead only be briefly mentioned.

The selection process of the LAG is the administrative procedure set up by the Managing Authorities (Regions and Autonomous Provinces) which, on the basis of the planning documents presented by the LAG, assign (or do not assign, depending on the result) the funding to the LAG. The selection procedures have been implemented in a different way by each Region: in some cases it is competitive, evaluation parameters have been included and a score has been attributed for each characteristic of the LDP and proposing LAG. As shown in Table 1, the situation of the selection process differs: the preliminary examination still has to be concluded in the Abruzzo, Marche, Molise and Sicily Regions. All the other Regions have already finished the selection procedure, even if with some delay with respect to the initial timetables, and assigned the funds.

Table 1: Selection of the LAG and LDP: situation at 15 July 2010

	N. of LAGs (**)	Pre-selection of LAGs				Selection of LAGs			
		Publication	Deadline	conclusion preselection	results (n. LAGS)	Publication	Deadline	conclusion selection	results (n. LAGS)
Abruzzo	6					10/02/10	23/04/10		0
Basilicata	8					16/10/08	30/06/09	13/07/10	8
P.A. Bolzano	4	22/11/07	07/01/08	17/03/08	4	23/03/08	23/06/08	13/10/08	4
Calabria	14					01/09/08	30/01/09	18/01/10	16
Campania (*)	14	05/08/09	18/09/09	05/12/09	13	25/01/10	09/03/10	01/04/10	13
Emilia Romagna	5					30/05/08	08/09/08	18/12/08	5
Friuli	5					28/05/08	01/09/08	10/07/09	5
Lazio	8					21/05/09	15/12/09	24/06/10	8
Liguria	9	23/05/07	18/06/07	17/07/08	9	17/07/08	15/09/08	20/03/09	9
Lombardia	10	20/02/07	01/04/07	11/05/07	19	13/06/08	13/07/08	14/07/09	16
Marche	5	20/12/07	09/01/08	10/03/08	6	05/06/08	30/09/08		3
Molise	3	16/01/09	14/02/09	27/03/09	3	31/10/09	15/01/10		0
Piemonte (*)	12					24/08/08	16/11/08	04/03/09	13
Puglia	25	23/10/08	23/12/08	29/01/10	25	15/10/09	29/01/10	27/05/10	25
Sardegna	15	30/04/08	30/07/08	31/03/09	13	23/12/08	31/03/09	25/02/10	13
Sicilia	15	29/05/09	22/07/09	15/12/09	17	04/09/09	15/12/09		0
Toscana (*)	7	21/01/08	21/02/08	13/07/08	7	14/05/08	13/07/08	03/08/09	7
P.A. Trento	1					11/04/08	02/03/09	18/08/09	1
Umbria	5					11/06/08	25/08/08	14/06/09	5
Valle d'Aosta	4					07/11/08	19/05/09	19/03/10	3
Veneto	14					12/02/08	12/05/08	10/03/09	14
Italia	189					16/11/08	12/03/09	10/11/09	168

Source: National Rural Network, 2010.

Without entering into the merits of the implementation of rural development policies, it is worth mentioning the long delay in the start-up of the LEADER approach in many Italian

Regions. If on the one hand this will undoubtedly cause difficulty for the LAG in implementing the rural development measures, on the other, it already has serious effects in terms of expenditure efficiency, contributing to the risk of generating situations that involve automatic withdrawal of the EU funding.

4. METHODS: THE EVALUATION METHODOLOGY OF THE QUALITY OF GOVERNANCE

The development and test application of an evaluation methodology to assess the quality of governance have been carried out in two phases, based on qualitative research methods (Silverman, 2008) and case studies analysis (Yin, 2009).

First of all, the conceptual framework of key-dimensions and sub-dimensions of good governance has been developed on the basis of an extensive literature search and a meta-analysis of selected initiatives for assessing good governance (see for details Secco *at al.* 2010). Frequent key-concepts have been identified and collected into seven broad common governance 'key-dimensions'. For each key-dimension (e.g. Transparency), efforts have been made in identifying few core sub-dimensions (e.g. Documentation, Information flows and Feedback, in the case of Transparency) which are highly significant to the core dimension and likely to be assessed by means of indicators as clear and easy-to-detect as possible.

In the second phase, the set of principles and indicators was compared with the evaluation procedures of the LEADER approach within the ambits of rural development planning. In particular, the coherence was analyzed of the set of principles and indicators with the selection procedures of the LDP. The analysis was conducted comparing the proposed evaluation system with the calls for bids by the Regions. In this regard it should be mentioned that the selection procedure of the LAG/LDP is not a true evaluation process (RRN, 2009), as it is limited to verifying the quality of the planning documents (Local Development Programmes – LDP) and their coherence with the planning tools at the next level (NSP, National Strategic Plan for Rural Development). In reality, however, the selection of the LDP/LAG has in many cases also considered evaluation criteria connected with the approach adopted by the members of the Local Action Groups in the creation of the partnership, in the involvement of the stakeholders and local population. The method adopted for the selection may therefore be considered as a proxy for the ex ante evaluation process of the local planning.

For the evaluation of the coherence between the proposed evaluation system and the evaluation and selection procedures of the LDP/LAG, three Regions were chosen from those that have completed the selection process of the LAG: Veneto, Umbria and Sardinia. The choice of the case studies was made taking the following into account:

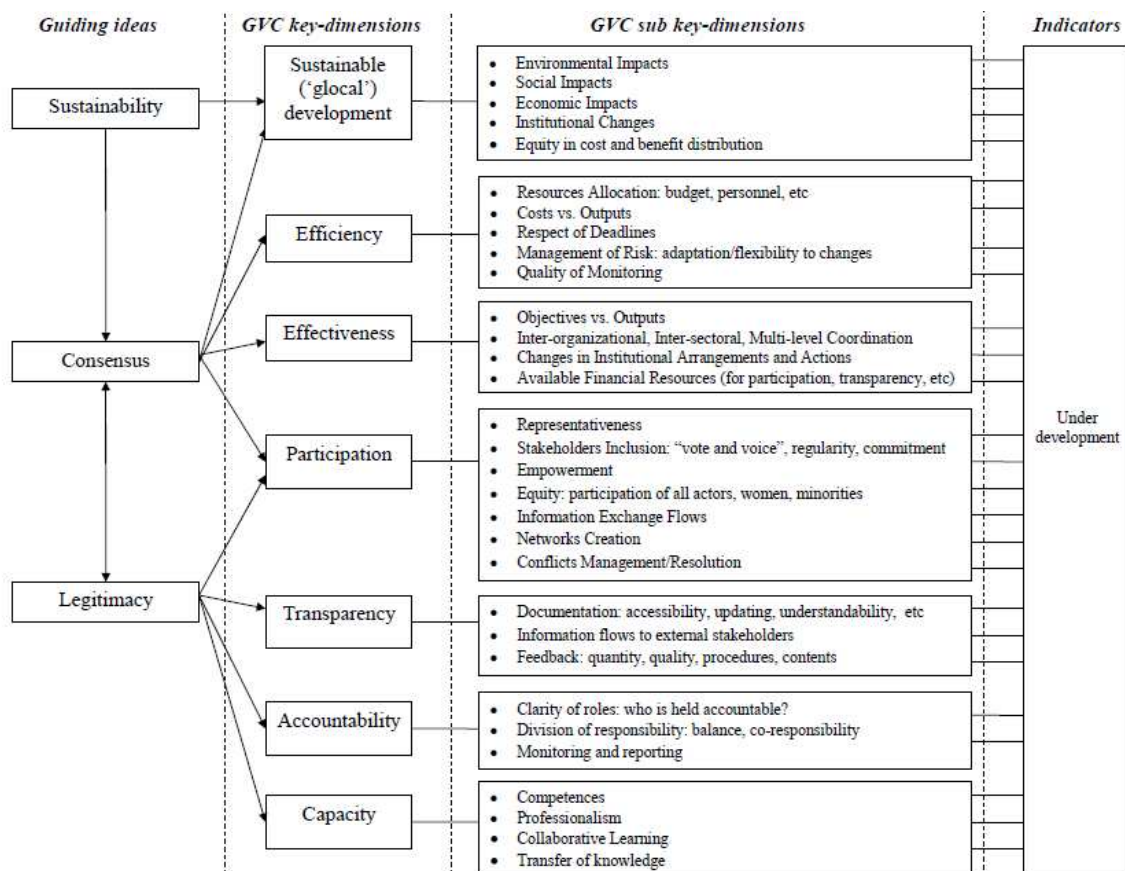
- - considering the Regions that have completed the selection process of the LDP/LAG,
- - guaranteeing coverage of the national territory (north, centre, south/islands),
- - opting for Regions that have set up a detailed selection process and attributed scores to the characteristics of the LDP/LAG.

Lastly, an attempt was made to compare the proposed evaluation framework with the EC guidelines for the monitoring and evaluation of rural development policies 2007-2013 (EU-DG Agriculture and Rural Development, 2006), with particular reference to the LEADER approach (axis 4).

5. RESULTS AND DISCUSSION

The proposed conceptual framework for the evaluation of the quality of participatory governance (i.e. the set of key-dimensions or 'principles', and sub-dimensions, or 'criteria'), is represented in Figure 1. To the two traditional dimensions of the evaluation of the actions of the institutions responsible for process (Efficiency and Efficacy), five 'new' dimensions have been added: Sustainable global development, Participation, Transparency, Responsibility and Capacity. The first one presents the greatest interpretive and practical difficulties in proper indicators formulation, but in an attempt to include the relevant aspects of governance in terms of long-term impacts on the environment, society and economy, at global and local level (i.e. 'glocal'), it appears extremely appropriate. The picture is completed by the identification of three guiding ideas of good governance, i.e. sustainability, consensus and legitimacy.

Figure 1: A preliminary conceptual framework for assessing good governance



Source: our elaboration (Secco et al., 2010)

It can be seen that the framework contains the same hierarchical structure of the sets of principles, criteria and indicators traditionally used in some application sectors (e.g. for the examining of good forestry management; see Lammerts van Bueren and Blom, 1997). Within this perspective, the key dimensions could be considered 'principles' and the sub-dimensions 'criteria'. However, this is not standard terminology: on the contrary, the various initiatives of evaluation of governance analyzed use 'components', 'elements of quality', 'critical aspects', etc. There is an obvious need to harmonize the terms (as well as the contents). With respect to other sets of indicators (for example those of the GFI), the one proposed is certainly a very simplified framework, but some degree of simplification is necessary to render the evaluation practicable and reasonable; otherwise, there is a risk of constructing decision-support tools that will not be utilized (especially at local level) simply because they are too complex and costly.

One of the main difficulties in making evaluations on a local scale is usually that of tracing already existing indicators or finding adequate secondary sources of raw data. In effect two sub-sets of indicators exist: those that are based on the use of secondary sources and those for which a direct survey of the stakeholders is necessary. The latter include those aimed at measuring the density of the networks and social interrelations inspired by the rural development programme or project, the degree of involvement of the actors, the flows of exchange of information, reciprocity and trust, the representativeness of the stakeholders in the decision-making processes, and many other important aspects of governance. In this regard, an interesting applicative tool might be the Social Network Analysis (SNA) (Wasserman and Faust, 1994), already used in attempts at evaluation of the amount of social capital in a given territory (Cimiotti, 2006; Pagan, 2009). It is worth remembering that a crucial point in the setting up of the methodology is the weighting and aggregation of the indicators in one or more composite indices, which allow a synthetic evaluation of the governance, an analysis of the gaps, an inter-temporal comparison of the indices relating to the same line of intervention and, with appropriate caution, a comparison and ranking of the various experiences.

In all three considered case studies the evaluation was done with an administrative procedure that involved a public call for bids, the presentation of projects (LDP or draft programmes) by the LAG, a preliminary examination and evaluation of the projects and the publication of a ranking. The evaluation methods used are rather different. In particular, only Sardinia among the studied Regions included award mechanisms, allocating 30% of the budget to distribution among the LAG based on their position in the ranking. For the other two Regions the ranking determined exclusively eligibility to the funding. Also in the definition of the minimum scores of eligibility the three Regions acted differently: Veneto and Umbria set a minimum score of 60 points to gain access to funding from the NSP, Sardinia had a much lower limit, of 40 points, but then penalized the "worst" LDP with a modulation of the funding.

With regard to the criteria adopted for the evaluation of the LDP, as it is not possible to present a detailed description, it is worth mentioning the very high level of detail adopted (perhaps too high) in the case of the Veneto Region, more succinct in the case of Umbria and Sardinia.

As shown in Table 3, the approach adopted by the Regions in the selection of the LAG/LDP differs greatly. Some of these differences are due to the different ways of implementation of the LEADER approach in the three Regions. The evaluation criterion that refers to the characteristics of the territory, in fact, is not applied by Umbria and Sardinia because the LEADER territories have already been identified and defined as such in the NSP. The LDP therefore do not contain information, analyses and diagnoses on the territories and criterion 1 in Table 2 cannot be adopted as an evaluation tool of the LAG/LDP. As regards the partnership characteristics the differences are less relevant: the organization, nature, type and size of the partnership are characteristics considered by all the Regions, while the experience of the partners in local development policies is considered only by Veneto and Umbria and the representativeness of the partnership is not included as an evaluation criterion by Umbria Region. The section relating to the evaluation of the local development strategy adopted is more detailed and complex. In this regard it should be stressed that only Umbria Region has considered among the evaluated characteristics the capacity to generate positive impacts, the quantifiability of the effects and the presence of an evaluation system. However, it must be said that at such an early stage, the evaluation of the possible impacts of local development planning is inevitably rather risky.

Table 2: Indicators used by the Regions in the selection of the LAG/LDP

Criteria	Sub-criteria	N. indicators		
		Veneto	Umbria	Sardinia
1 Characteristics of the territory		4	0	0
	1.1 Rurality	2	-	-
	1.2 Homogeneity	1	-	-
	1.3 Dimensions	1	-	
2 Characteristics of the partnership		9	8	10
	2.1 number subjects		1	1
	2.2 nature and type subjects	1	1	3
	2.3 experience	3	1	-
	2.4 Representativeness	2	-	5
	2.5 effectiveness/organization	3	5	1
3 Characteristics of the strategy		8	10	4
	3.0 <i>coherence with RDP</i>			1
	3.1 quality analysis/diagnosis	1	1	
	3.2 strategy coherence with respect to a central topic	1	1	
	3.3 overall coherence	1	2	
	3.4 innovative approaches	1	1	1
	3.5 complementarity with other policies	1	1	1
	3.6 Cooperation	1		1
	3.7 participative approach	1	1	
	3.8 capacity to generate positive impacts		1	
	3.9 quantifiability effects/evaluation system		1	
	3.10 integration		1	1
	3.11 equal opportunities	1		

Source: our elaborations on regional LAG/LDP selection procedures

In the second part of the analysis the selection system used by the three Regions was compared with the evaluation system proposed in this paper. A summary of the comparison is reported in Table 3. It should be noted that in order to compare the two systems appropriate

simplifications had to be adopted; very often the indicators used in the selection process are formulated in a different way to the dimensions and sub-dimensions we proposed. It may also happen that a sub-dimension is represented by more than one indicator in the evaluation system or, on the contrary, that more than one sub-dimension corresponds to a single indicator of the evaluation process.

Table 3: Comparison between the proposed evaluation system and the indicators used by the Regions in the selection of the LAG/LDP

Key-dimensions of <i>governance</i>	Key sub-dimensions	LDP selection processes		
		Veneto	Umbria	Sardinia
1. Sustainable Glocal Development	Environmental impacts	no	no	no
	Social impacts	no	no	no
	Economic impacts	no	no	no
	Institutional changes	no	no	no
	Equity in cost/benefit distribution	no	no	no
2. Efficiency	Allocation of resources	No	no	Yes
	Quantity/quality of results vs. costs	No	no	no
	Respect of deadlines	Yes	yes	yes
	Risk management	No	no	no
	Quality monitoring	Yes	yes	yes
3. Efficacy	Quantity/quality of results vs. objectives/aims	No	yes	no
	Inter-organizational, inter-sectorial, multilevel coordination	Yes	yes	yes
	Changes in institutional agreements	No	no	no
	Financial resources for participatory approaches	Yes	yes	yes
4. Participation	Representativeness	Yes	yes	yes
	Involvement of interested parties	Yes	yes	yes
	Equality (male/female, minorities ...)	Yes	no	yes
	Assumption of responsibility	Yes	yes	yes
	Exchange of information	Yes	yes	yes
	Network creation/management	Yes	yes	yes
	Conflict management and resolution	No	no	no
5. Transparency	Documentation: accessibility, updating, comprehensibility	Yes	yes	no
	Exchange of information with external actors	Yes	yes	no
	Feedback: quantity and quality, procedures, contents	No	no	no
6. Responsibility	Clarity of roles	Yes	yes	no
	Division of responsibilities	No	yes	no
	Monitoring	Yes	yes	no
	Dissemination of updates (<i>reporting</i>)	Yes	yes	no
7. Capacity	Competences	Yes	yes	no
	Professionalism	Yes	yes	no
	Collaborative learning: processes, testimonies.	Yes	no	no

Source: our elaborations on LAG/LDP selection procedures

Legend: yes = dimension/sub-dimension present; no = dimension/sub-dimension absent

Overall, if the first key dimension (Sustainable glocal development) is excluded, which contains mainly sub-dimensions that represent the impacts of the local development policies, which can only be evaluated at an advanced stage of the implementation of the programmes, the other dimensions are considered quite well in the three systems of selection of the LDP/LAG analyzed. On the other hand, the evaluation system proposed at EU level (Table 4), that is usually called the “Common Evaluation Questionnaire” (EU - DG Agriculture and Rural Development, 2006), includes a considerable amount of information for the first key dimension, gathered both in the specific questions and in the section of questions of indirect evaluation. The

only sub-dimension that does not appear to be considered in the CEQ is the one relating to distribution equity, in terms of both the costs and benefits of the programme.

Table 4: Comparison between the proposed evaluation system and the questions in the Common Evaluation Questionnaire 2007/2013

Key-dimensions of <i>governance</i>	Key sub-dimensions	Common Evaluation Questionnaire
1. Sustainable Glocal Development	Environmental impacts	M+QT
	Social impacts	M+QT
	Economic impacts	M+QT
	Institutional changes	L+QT
	Equity in cost/benefit distribution	No
2. Efficiency	Allocation of resources	L+M
	Quantity/quality of results vs. costs	No
	Respect of deadlines	No
	Risk management	no
	Quality monitoring	L+M
3. Efficacy	Quantity/quality of results vs. objectives/aims	M
	Inter-organizational, inter-sectorial, multilevel coordination	L
	Changes in institutional agreements	No
	Financial resources for participatory approaches	L
4. Participation	Representativeness	L
	Involvement of interested parties	L
	Equality (male/female, minorities ...)	QT
	Assumption of responsibility	No
	Exchange of information	No
	Network creation/management	L
	Conflict management and resolution	No
5. Transparency	Documentation: accessibility, updating, comprehensibility	No
	Exchange of information with external actors	No
	Feedback: quantity and quality, procedures, contents	No
6. Responsibility	Clarity of roles	No
	Division of responsibilities	No
	Monitoring	Yes
	Dissemination of updates (<i>reporting</i>)	Yes
7. Capacity	Competences	Yes
	Professionalism	Yes
	Collaborative learning: processes, testimonies.	Yes

Legend:

yes = dimension/sub-dimension present

no = dimension/ sub-dimension absent

L = dimension/ sub-dimension present in the Leader evaluation questionnaire

M = dimension/ sub-dimension present in the evaluation questionnaire of the single measures of RD

QT = dimension/ sub-dimension present in the questions of indirect evaluation

As regards the second dimension (Efficiency), this is only in part considered in the selection processes of the LDP/LAG: the first sub-dimension, relating to the allocation of resources, is not generally included in the calls for bids as it is an element that is determined and set at the higher planning level (NSP); only in the case of Sardinia does an award mechanism exist for the best LDP. The ratio between results and costs is instead never considered in the calls for bids. However, an estimate of the results is difficult at an initial stage of the planning.

Indeed, a cost/benefit analysis was rarely implemented in the evaluation experiences of the NSP 2000-2006 (there are only some examples in the evaluation of forestry investments in the Veneto Region, in particular for the building of forest roads). Another sub-dimension that is never considered is risk management.

The comparison with the CEQ (Table 5) shows a similar situation. The cost/benefit ratio is not considered among the questions in the questionnaire, the same goes for risk management.

Passing to the third dimension (Efficacy), the sub-dimension that is missing in both the calls and in the CEQ is the one relating to the change in institutional relations, which are generally considered not modifiable elements by local development and rural policies. The sub-dimensions relating to participation are instead well-represented, especially in the selection procedures of the LAG; the only sub-dimension absent in all the studied Regions is the management and resolving of conflicts.

The fifth dimension (Transparency) is considered in the selection procedures of the LAG, while it seems to be strangely absent from the CEQ. This is in some ways surprising and unexpected in that the transparency of the decision-making and planning processes, and especially the feedback from the population involved and from the stakeholders, has always been an important element in LEADER planning and, recently, also in rural development planning. Many LAG, but also some Regions, have, in the design phase of the Programmes (NSP or PAL?), activated procedures of public consultation, also via internet, which have directly involved the local population and stakeholders with a collection of proposals, initiatives and highly innovative ideas.

On the last two dimensions (Responsibility and Capacity) both the calls and the CEQ show evaluation criteria and evaluation questions much in line with the key dimensions we propose, the only element that appears lacking in the CEQ is the clarity of the roles and the division of responsibilities, which is moreover, in our opinion, a dimension more pertinent to the *ex ante* evaluation than to the *in itinere* or *ex post* evaluation.

Moreover, it should be stressed at the end of this brief review of the evaluation criteria adopted in the planning, that the Common Evaluation Questionnaire refers to the whole of rural development planning, not just to the LEADER approach. It follows that the detail that can be given to the LEADER approach, which only plays a minor part in rural development, is inevitably limited. It will be interesting to evaluate, as the planning proceeds, how the LAG react to the processes of self-evaluation. But this can only be analyzed in the last part of the planning of rural development.

6. CONCLUSIONS

The analysis has demonstrated that the system of dimensions and sub-dimensions fundamental for the analysis of governance that we propose is on the whole in line with the monitoring and evaluation systems proposed and implemented within the ambits of rural development and, in particular, with the LEADER approach. The greatest differences regard the dimension relating to the transparency of the decision-making and programming processes and

that of the evaluation of the cost/benefit ratios of the policies implemented. On the first point (Transparency) the LEADER is already a fully-developed and effective system. Over time the capacity of the local partnerships to deal with the population and with the stakeholders has progressively increased. Nowadays also regional planning adopts, in some territorial contexts, participatory processes that just a few years ago would seemed impossible to implement. More problematic is the question of distribution equity and the ratio between costs and benefits of the policies of local/rural development. It is clear that an evaluation approach that integrates the comparison of costs and benefits and the evaluation of the distribution effects is highly complex. Yet there is the impression that the direction taken by the European Union in recent years is that of evaluating the policies exclusively on the basis of their cost, without dwelling too much on the (monetary) evaluation of the effects. If on the one hand this makes sense, also from the economic point of view, in that the aim is to avoid phenomena of surplus or over-compensation (the lost income or higher costs for beneficiaries that participate in the measure must never be higher than the payment), on the other hand ignoring every attempt at monetary evaluation of the benefits risks leading to distortions, by favouring, public expenditure being equal, measures that are easier to implement (and sometimes of dubious benefit) over others that are more complex (but perhaps of greater benefit).

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

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