Executive summary
Identification and improvement of fitting evaluation methodologies

Deliverable Number*	**D7.5 Report: Assessment of Evaluation Methodologies and Formulation of the First Micro-level Assessment Model**
Organisation name of lead contractor for this deliverable:	**University of Bonn**
Contact	**For further use, questions or queries please contact the dissemination manager:** **Daniel Spichtinger , M.A.** **RTD Services** **Lazarettgasse 3/4** **1090 Vienna, Austria** **Tel: +43 1 3231000 -21**

* a deliverable is a formal output produced by a (EU) project

Content Summary

This document discusses the basic framework or the formulation of an **assessment model** that will be stepwise evaluated, improved and quantified in a prototyping process throughout the duration of MoniQA. This framework allows the specification of the positioning of the **methodologies** for cost-benefit calculations of food safety and quality standards that are being discussed in the second part of the document.

Models for the identification of socio-economic impacts usually build on the **analysis of effects, which** are caused by the transition (or the implementation of regulations that initiate such a transition) from a certain sector scenario to another one. In MoniQA, an assessment framework is being developed that extends the traditional view by id**entifying the drivers and barriers at stakeholder levels (e.g., enterprises)** that might support or hamper certain developments. Barriers might include lack of capital for investments or insufficient monetary benefits, etc. This extended view is relevant for those sectors where individual stakeholders, such as enterprises, have their own objectives and activity opportunities, which influence the impact of policy initiatives. With this view, one cannot only analyse the effects of a certain transition but also gain understanding of the transitional effects of **possible alternatives** for initiating a transition. This could involve regulations but also initiatives towards stakeholders (e.g. enterprises) such as subsidies, investment support, etc.

The assessment model distinguishes **three levels for analysis**, the (classical) macro level, the stakeholder level (micro level) and the level in-between, which represents the stakeholders as a group (meso level). The meso level in this respect does not represent an aggregation of behaviours of individual enterprises but represents a stakeholder body in its own right. As an example, the totality of enterprises might find it beneficial for the sector to

establish a sector-wide tracking and tracing system, whereas an individual enterprise might opt against an investment, as its benefit without joint action might be too low to consider.

One of the crucial aspects for understanding the discussion on potential socioeconomic impacts involves the **interpretation of effects** of regulations and/or initiatives for the improvement of food safety or quality. There are various approaches for dealing with effects of any kind that are known as cost-benefit analysis, impact analysis etc. Each of them deals differently with effects. Our focus is on effects and their understanding. This is not always a cost-benefit approach in the narrow sense where all effects are transformed into monetary values. While a cost-benefit approach in the narrow sense might look attractive for the comparison of effects that are otherwise difficult to compare, it is not suitable for the analysis of situations where the (real) monetary effects are of primary relevance. This situation describes, at least in the long run, the situation in enterprises but might also be of relevance for certain policy situations. The model framework describes a stepwise approach where individual effects are stepwise aggregated towards monetary and non-monetary impacts on the different levels. For utilization in a decision environment, transparency and simplicity are of core relevance. The stepwise approach supports transparency. Simplicity is dealt with through a filter technology that utilizes expert knowledge to reduce model complexity.

The discussion of the framework is complemented in this study by a conceptual outline of its possible **operationalization** within MoniQA. The framework and the conceptual outline distinguish a variety of areas that need further consideration through research and quantification within the project. They involve the collection of data, the mapping of impacts, the identification of impact patterns, the specification and quantification of impact categories and indicators, and their appropriate interpretation and, where appropriate, aggregation. The operationalization will build on a network of expertise within the agricultural economics community.

The second part of the document deals with one of the areas that need further consideration, namely **methodologies** for the specification and aggregation of impact indicators for scenarios where monetary and non-monetary impact categories are of relevance. The magnitude of alternatives demonstrates the difficulties in finding an ‘appropriate’ methodology and suggests that none of the approaches can be used in a routine manner. They must be selected for the situation at hand. The discussion of methodologies is a basis for the development of a decision support framework in the identification of the most suitable quality management system (private standards) an enterprise should choose (based on marginal costs and benefits) to reach its objectives.

About MoniQA – www.moniqa.org

MoniQA ("Monitoring and Quality Assurance in the Food Supply Chain”) is a Network of Excellence (NoE) funded by the European Commission under the 6th Framework Programme. The Network aims to make food safer by harmonising methods for food analyses. The project is coordinated by the Vienna-based International Association for Cereal Science and Technology (ICC). More than 155 researchers and scientist from 33 international partners from 20 countries are involved in MoniQA.

Join us!

MoniQA offers associated partnerships for interested organisations, SMEs and institutions. For more information see the FAQ section on the MoniQA website (http://www.moniqa.org/index.php?id=90440&lang=default) or contact:

MoniQA Project Manager
Marcella Gross, ICC
marcella.gross@icc.or.at