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Are the French CTEs (farming territorial contracts) An efficiency policy tool?

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1. Introduction

For the last decade, France has experienced a large variety of agroenvironmental policies (AEPs) regarding their purpose and scope and their governance structure. The well known grassland premium "prime à l'herbe" and the farming territorial contracts (CTEs for "contrats territoriaux d'exploitation") are two contrasted and controversial examples of that variety of French AEPs.

AEPs have developed across the EU since the 1980s in order to encourage the provision of environmental goods, following concerns that agricultural support has led to rising levels of land use intensity, threatening widely-valued characteristics of the countryside. The economic justification for these policies has two principal rationales: first, the existence of externalities, both positive and negative; and second, the public good nature of the targeted environmental goods (such as biological diversity or landscape), the consumption of which is neither rival nor excludable at low cost. Thus, environmental goods are unlikely to be provided through the market at their socially-optimal levels, and existing cost-benefit analyses of AEPs have indicated positive net social welfare outcomes (see Hanley *et al.*, 1999). Basically AEPs are designed and implemented to ensure that the environmental goods supplied by farmers meets social demand. This objective necessarily includes several interrelated tasks: the expression of this social demand at more or less decentralised levels, the knowledge acquisition of the agri-environmental technology and the design of appropriate policy tools and institutional settings.

This paper first analyses how were carried out these three tasks of the policy making process. The focus is on CTEs which are compared to previous AEPs designed according to the 2078/92 regulation. Then the outcomes of the implementation of the various AEPs are introduced into the comparison. They concern the farmers' uptake, the related payments, and the administrative costs of designing and implementing AEPs. The last section concludes about governance and efficiency aspects of these different policy tools.

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2. Objectives and implementation framework of French agroenvironmental policies

The French AEPs are heterogeneous in terms of objectives and institutional settings. The way in which the different schemes are designed and implemented highly depend on the involvement of the main farmers' associations and on their influence in the implementation process at different territorial levels. The implementation process deeply affect the outcome of the schemes which may be far different from their objectives.

In 1999, the French government designed a specific scheme aiming at enhancing the multifunctional character of the agriculture, the farming territorial contract (Contrat Territorial d'Exploitation or CTE). It is an original system tailored to the farm level which also takes root in previous agroenvironmental measures. In consequence we first examine the previous schemes adopted in this way, the ancestries of the CTE, then we present the CTE itself.

The territorial aspect of land management has been introduced through a specific procedural and management structure, the OGAF-Environment (*Operation Groupée d'Aménagement Foncier*, equivalent to an integrated land management operation). This legal tool was adapted from previous OGAF models concerned with farm structure improvement. Such OGAF-Environment scheme has been used to implement Article 19 of the 797/85 regulation. Four target zones were defined according to the type of environmental issue to be addressed:

- areas of intensive farming where the risks of water pollution are high
- areas of particular importance for rare and threatened species
- areas of extensive pastoral agriculture threatened by farm abandonment
- areas threatened by forest fires.

A second scheme has played an important role as a precursor of the CTE, the Sustainable Farm Development Plan. This scheme can be seen as an ancestor of the CTE since the means to promote sustainability were empirically tested. Its purpose was the achievement of a greater integration of measures, which promote environmental benefits and economic sustainability through good countryside management practice and a better management of the territory. It was an experimental scheme focused on a limited number of sites, 59 corresponding to homogeneous territory on which the agricultural community was associated to other rural activities. The number of farms involved reached 1200. The main purpose was the construction of a network of references. Because of a lack of money, the scheme ceased in 1998. Indeed, since agroenvironmental measures (AEM) applied to plots and not on the whole farm, the sustainable farm development plan did not beneficiate from the European funding of the 2078/92 regulation.

2.1 The early schemes and the implementation of agroenvironmental measures

In 1993, the Ministry of Agriculture started the implementation of the 2078/92 regulation. The designation of the French AEM policy was based on one national budget devoted to the well known "prime à l'herbe" or grassland premium and the allocation of an AEM budget to every administrative NUT2 Region for the implementation of regional schemes and local programmes. The budget allowed to each of these 25 Regions was calculated according to an index which took into account the agricultural area and the number of farmers.

The grassland premium aims at maintaining a certain level of livestock density in areas threatened by abandonment. The eligible beneficiaries must be professional farmers, with an agricultural area larger than 3 hectares, out of which more than 75% are permanent grassland. The five year agreement requires the proper maintenance of the grassland itself and the

maintenance of a livestock density between 0.5 and 1.4 livestock unit per hectare. This measure is directly administrated by the Ministry of Agriculture like the mainstream CAP compensatory premiums. The farmers' unions and the environmental associations are not involved in the process.

The difference between the regional schemes and the local programmes lies in the designation process of the agreement prescriptions and premiums. The regional scheme prescriptions and corresponding premiums were designated at the national level by the Ministry of Agriculture and directly submitted for approval to the European commission at the EU level, like the grassland premium was. The underlying purpose of this designation process at the national level was to equip the NUST2 region authorities with ready to use programmes. However, the budget allocation and if necessary the zones of the regional schemes are drawn at the NUTS2 level¹. The local programme eligible zones are much more precisely targeted according to environment concerns. The agreement prescriptions and premiums of the local programmes are locally designated, like the 797/85 regulation schemes were. These former schemes became local programmes under the 2078/92 regulation in order to benefit from an higher share of European funding. Within the NUTS2 Regions, the management of AEM involves several specific committees, including environmental and farmers' associations, and standard institutions responsible for the agricultural policy.

Few comments may be drawn about this dual French AEM policy with the simple top-down grassland premium horizontal measure on the one hand and the numerous regional and local vertical measures mainly based on bottom-up initiatives on the other hand. The threat of land abandonment in grassland areas was already a widely discussed problem throughout the French public debate in the eighties. Hence a consensus held regarding the grassland premium aiming both equity and environment objectives without the need of further debate.

Facchini (1999) reports that such a consensus did not occur for the implementation of the 797/85 regulation. The main farmers' association, Fédération Nationale des Syndicats d'Exploitants Agricoles (FNSEA) and the national association of the Chambers of Agriculture (APCA), were particularly reluctant to back this policy, seen as an attempt to undermine the farmers' endeavours towards modernisation, productivity and competitiveness (Alphandéry et Bourliou, 1995). Accordingly, the Ministry of Agriculture called the regulation an English political manipulation (Alphandéry et Bourliou, 1995). The implementation of this regulation was delayed by five years.

The first experiences were enhanced by the Regional Nature Parks (Vercors, Marais Poitevin, Marais du Cotentin et du Bessin) or the personal commitment of few extension service officers of various agricultural organisations. As a consequence the Ministry of Agriculture paid little attention and did not provide much support to what was considered as an experimentation. Moreover the EU share in the compensation payments was only 25%. However, some of these experimentation schemes achieved reasonable success among the local farmers and political representatives and the number of local initiatives grew rapidly. Hence the regional side of the AEM policy appears to be a subtle compromise solution between the FNSEA reluctance at the national level and local concerns. The changing financial and political aspects also had influence on the policy designation as the EU compensation share rose up to 50% under the 2078/92 regulation.

¹ The premium may also be modulated by 20% at the NUTS2 level.

The AEM initiated strong local and regional collaborations of different actors of the rural community within a territorial approach. These collaborations resulted in higher uptake of local programmes than regional programmes that were elaborated at the national level. Both local and regional programmes involved very high administrative costs reaching about 40% of total costs, especially to set up the procedures (Falconer and Whitby, 1999). These costs are necessary for the success of such policy; they are expected to decrease with the number of agreements thanks to a scale effect and with time thanks to a learning by doing effect (Falconer et al., 2001).

In 1993 the level of the grassland premium was set at € 30 per hectare, in 1994 it rises to € 38 and to € 45 in 1995. The prescriptions and premiums of the 128 regional schemes were designed by the Ministry of Agriculture and approved by the STARR committee in 1994. At the end of 1995, 217 local programmes were accepted by the European commission. These programmes aim at land abandonment reduction, or biodiversity protection. Over programmes and tiers, the prescriptions are highly diversified from hedge maintenance and late mowing introduction, to rehabilitation of high stem fruit trees in precisely targeted areas. The premium range is usually between € 15 and € 183. per hectare.

2.2 The "farming territorial contract" (Contrat Territorial d'Exploitation or CTE)

The French agricultural framework law (loi d'orientation agricole) of 9 July 1999 recognised the multifunctional character of agriculture and the necessity of taking it into account in any agricultural policy. It reaffirmed the diversity of market and non-market functions that agriculture must fulfil with regard to society:

- production of agricultural and food products under conditions offering to consumers the guarantees they are entitled to expect;
- contribution of agriculture to employment by settling new entrants and promoting new activities;
- maintenance of landscape, rural heritage and protection of natural resources;
- international competitiveness of the French agriculture.

The main innovation of this law was the "farming territorial contract" (Contrat Territorial d'Exploitation or CTE), in line with a contractual approach of public policy. The policy objectives of the initiators of the CTE were (Gauter, 2002):

- to maintain an agricultural sector with many farmers,
- to promote quality products and environmental services,
- to place the farmers in the centre of an integrated rural policy and to transfer a significant part of the public support from large specialised farms towards labour intensive multifunctional farms, by using a modulation of CAP compensatory payments (Figure 2). This opportunity is offered by Agenda 2000 to each EU member State.

Based on a horizontal approach, this law encourages each farmer to present an individual or collective project in which the various preceding functions are associated. Their project, if accepted, is formalised in a contract signed between the farmer and State authorities. This CTE has two parts: one "economic and relating to employment" part still called socio-economic aspects and the second part which is called "territorial and environmental". The contracts are signed for a five-year period. The first part is intended to encourage "the improvement of existing practices defined in a dynamic project which modifies or improves

the farming system, improves the quality of products, creates or diversifies activities, is integrated in an economic organisation, develops an agri-food chain". To a certain extent, the socio-economic aspects could include investment aids² and transitory payments for new activities creating added value (for example, assistance to conversion towards organic agriculture). Concerning territorial and environmental aspects, the CTE opens rights to annual payments which compensate for higher costs resulting from the services provided through various more environmentally friendly practices, or which contribute to the maintenance of the territory, like the AEM do. The remuneration of additional services beyond the reference level of good agricultural practices seems legitimate. As examples of additional services there is the adaptation of farming practices to the protection of fragile biotopes, the restoration of elements of rural heritage (buildings, paths, etc.), forest-grazing for the prevention of fires... Ultimately, the CTE should only proceed from the provider-paid principle, symmetrical to the polluter pays principle.

Compared to previous instruments CTE introduces some innovations:

- Investment aids are conditioned by minimal environmental commitments,
- Agroenvironmental annual payments are conditioned by the design of a global investment project at the farm level;
- Payments are 20% higher than those corresponding to AEM premiums;
- All the farmers are eligible.

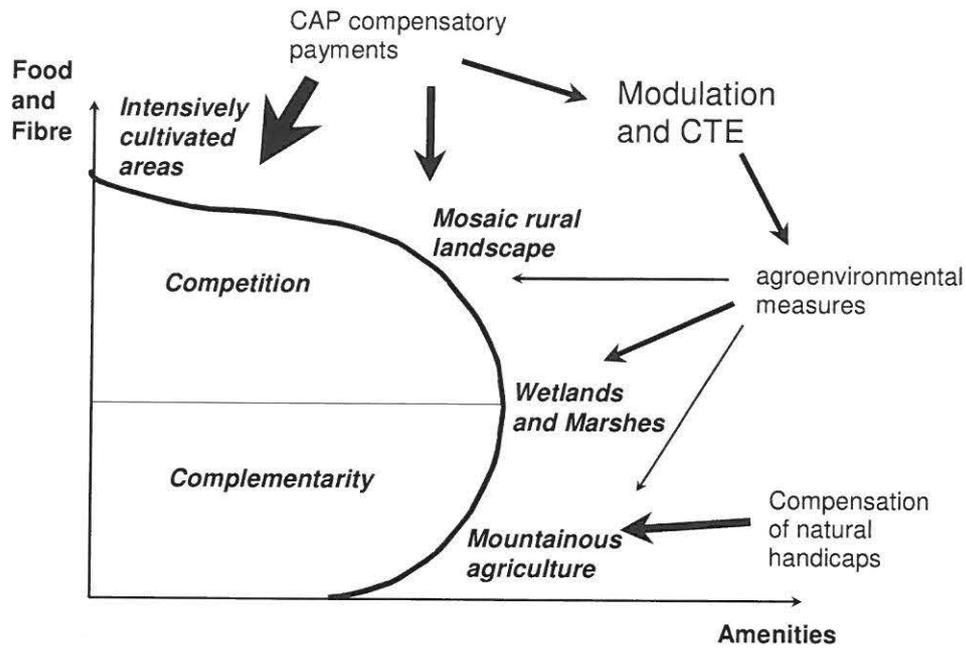
From a territorial point of view at the national scale, the rationale of the co-financing of the CTE scheme by the modulation of CAP compensatory payments was to transfer public support from the regions where the potential agricultural amenities are low to regions where they are higher (Figure 1). Due to different technologies as well as natural conditions the commodities outcomes and the non-commodity outcomes are not the same everywhere. The production of the non-market goods depends on the nature of the joint production process. This point can be illustrated by a production possibility curve (Gatto and Merlo, 1999). Figure 1 represents the shape of contours of the production function drawn in the space of the two outputs given a fixed expenditure in production factors and a set of processes. The non-commodity outcomes can be regarded as negative externalities (the left part of the horizontal axis), or positive externalities (the right part of the axis). A better representation of the production possibility curve would need a three-dimension space since the agricultural production process may provide simultaneously negative and positive effects. This approach is consistent with the recognition that a framework on multifunctionality must consider both positive and negative externalities (OECD, 2001).

Concerning the situation where complementarity holds, agricultural production increases with the production of non-food by-products. In this case any policy aimed at encouraging agriculture improve the amenities. Where there is an economic jointness, because of a shared input, the interdependency between the two outcomes is more flexible. In this case things are more complex because other policies and other instruments can enhance or jeopardize the multifunctional character of agriculture. The Figure 1 presents few examples of agricultural landscapes along the transformation curve. They are typical of different mix of amenities and food and fibre production corresponding to wide rural areas in France. Where competition holds between them, the amenities are endangered by the intensification and the streamlining of farming practices. Losses of biological diversity and beautiful mosaic landscapes are at stake. Where complementarity holds, both amenities and food and fibre production are

² The subsidy rate is around 30% of the investment, but young farmers and collective project may benefit from higher rates.

endangered by land abandonment. Mountainous agriculture of central and eastern France is particularly concerned. The wetlands, especially the marshes of western France, are in between. Some remote land lots are abandoned while the intensification of farming practices might happen on others.

Figure 1: agricultural landscape and policies along the transformation curve



The implementation of the CTEs

The menu of territorial and environmental measures was elaborated at the NUTS 3 regional level in a large extent³. According to the spirit of the law, these menus should be designed in the framework of an integrated territorial project. In this new policy context, local governance structures get higher opportunities and responsibilities. The key governance structure for implementation of the CTEs is the CDOA, the NUTS3 regional comity for agricultural orientation. The CDOA comprises civil servants of the agricultural administration and professionals from various agricultural organisations and extension services. It is the core of the decentralised co-management of the agricultural policy by the administration and the farmers' organisations, dealing with farm transfers, the administrative allocation of milk quotas for instance. Since the 1999 agriculture law, this comity is enlarged with environment and consumer associations, in order to take into account their interests in the implementation of the rural policy. Compared the AEM framework that was also involving a technical comity for each local scheme and an agri-environmental comity at the NUTS 2 regional level where the regional branch of the Ministry of environment had a larger responsibility, the CTE framework looks simpler. The change between the implementation frameworks of the former AEMs and the CTEs implies two issues. The first one is a change in the bargaining power of the local stakeholders. The second one deals with the administrative costs of setting a new policy tool.

In every NUTS3 regions, the local branch of the Ministry of Agriculture must design a regional CTE framework according to which every farmer may build his own contract, denoted "individual CTE". In addition, economic, environmental and territorial organisations may elaborate the so called "collective CTEs" whose measures focus on particular interests (product oriented CTE) and/or particular areas (territory oriented CTE). These collective CTEs reveal the strength and the dynamism of the different networks in the region. In June 2002, there were 1129 of such collective project of CTEs. More than half were initiated by economic organisations such as dairy cooperatives and farmers' commercial consortiums. The chambers of agriculture participate in the design of a third of collective CTEs, the associations in 15% and local governments, including the Regional Natural Parks, in 10% only. These figures show the prevalence of economic organisations in the implementation of the CTE scheme.

Very schematically, there are two situations: most regions where a farm sector approach is not challenged and regions where a territorial approach is already developed, by Regional Natural Parks for instance. Considering the agricultural expertise of the involved stakeholders at the NUTS 3 regional level, this shift clearly favours the farmers' organisations in the negotiations. The local networks of agricultural organisations were not prepared nor inclined

- to share the control of the new public support,
- to take into account the interests of other stakeholders,
- to perpetuate some of the previous agroenvironmental measures (managed under a different organisational framework),

³ As soon as 1998, sixty NUTS3 regions (out of ninety five NUTS3 regions in France) start to design their own territorial and environmental measures, as required by the Ministry of Agriculture during the preparation of the agricultural framework law. Afterwards, harmonisations were realised between the NUTS3 regions of each NUTS2 region in order to equalise premiums of similar measures and to comply with eligibility rules of the 1257/99 rural development regulation. The comprehensive list of eligible investment aids was set at the national level.

–to link investment aids and conservation goals very strongly.

At the farm level, the CTE is constituted by several elementary agroenvironmental measures and several elementary investments that are eligible for public support. Most of these elementary agroenvironmental measures were designed by technicians of the Chambers of Agriculture at the NUTS3 regional level under the supervision of the local branches of the Ministry of agriculture. Frequently, farmers' group were associated to this work. This process results in a very high number of elementary agroenvironmental measures because the farmers' associations usually imposed that every farmer might conclude an advantageous CTE whatever his technical orientation and his location and rejected any attempt to restrict eligibility by geographical zoning or budget allocation according to environmental priorities. At the national level about 800 elementary agroenvironmental measures are registered. In most NUTS2 regions, every farmer may choose among more the one hundred measures to make his CTE. Even when they wanted to, the regional branches of the Ministry of agriculture were not able to ensure a better targetability of the environmental measures, because the Ministry of agriculture pressed them to expand the CTE scheme. To comply with the Ministry orientations, their good relationships with the farmers' professional organisations were their main, if not the only, asset.

3. Uptake and compensation levels of French agroenvironmental policies

3.1 The agroenvironmental measures of the 2078/92 Regulation

As soon as 1993, the grassland premium uptake was 5.8 millions of hectares in 117,461 farms. The uptake growth was very fast. The numbers of participants and of hectares only rose slightly between 1993 and 1994 (5,85 million of hectares in 117,606 farms). The extension services and the farmers usually consider this AEM as another mainstream CAP compensatory payment. Since 1994, the uptake has declined towards 5.4 millions of hectares in less than 100,000 farms in spite of the increase in the premium and in the average uptake per farm (from 49 ha to 54 ha). This movement is consistent with the farm concentration but shows that the extensive grassland area is still declining.

In 1998, the regional schemes and the local programmes together comprise about 40,000 agreements, 713,000 hectares and 35,000 livestock units⁴. The average premiums are € 75 per hectare in local programmes, € 160 per hectare and € 165 per livestock unit in regional programmes. The lower level of the average premium in local programmes reveals that most of the related agreements require mainly the maintenance of existing agricultural practices while the regional schemes usually require the introduction of new practices.

Including the grassland premium, about 20% of French farms benefited from AEM payments. More than 50% of farms specialised in cattle for beef production, 25% of dairy farms and less than 2% of other farms did. The economic size of these farms was below the French standard, but their average area and the farmer age were above. 60% of the payments were concentrated in mountainous areas (Berthelot et al., 1999).

⁴ In 2002, there were 900,000 ha for 52,000 agreements according to the latest figures (COPERCI, 2002).

3.2 The CTE uptake and payments

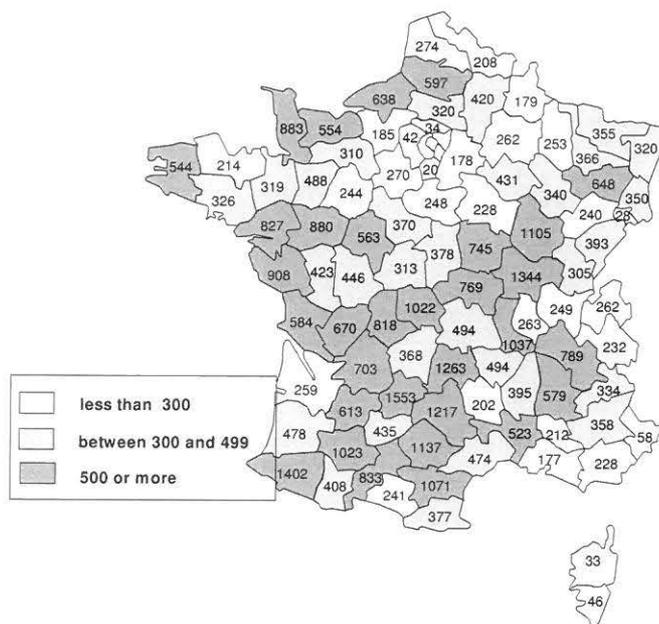
The principal asset of the CTE is that it is based on encouraging farm-based approaches without interfering on the market or on agricultural production. After a difficult start, due to the complexity of the scheme and the mistrust of the main farmers union, the CTEs found a certain success. At the last count in January 2003 the number of contracts signed was 44,700. If we consider the percentage of eligible farmers who submit an acceptable file in order to conclude a farming territorial contract the national average rate reached 10%. Only 20% of the concluded contracts depend on "collective CTEs", among which about two third are "product oriented CTEs" and one third "territory oriented CTEs". The map presenting the results at the NUTS 3 regional level shows the importance of these contracts on the East side of the country and in the West and South-West which are more intermediate than less favoured areas. In some places, about a third of farmers enter the scheme. We have to notice that the modulation scheme of the horizontal regulation of the Agenda 2000 reform was used to finance the CTEs. The cuts in subsidies for large cereal farms of the large Parisian basin where CTE uptake was relatively low, were transferred to more diversified types of farming in intermediate favoured areas. Even if such a transfer was small (less than 2% of direct payments) it had a symbolic character.

At the infra regional level the geographical distribution of the uptake of CTE environmental measures usually reveals a poor targeting of environmentally interesting areas, for two reasons. Firstly the RDR mid term review reveals that the design of environmental measures didn't take into account the existing data on the seriousness and the location of environmental issues in most cases. Secondly, the uptake of CTEs mainly depends on the involvement of their beneficiaries in the farmers' professional networks which provide information and assistance to build and conclude the contracts⁵.

The farmer receives a five-year aid worth average of €44,000. About 80% corresponds to environmental and territorial payments that are three to four times higher per farm than AEM payments were (grassland premium not included). After three years, the CTE is reaching the same number of participants as the former AEM programmes (grassland premium set apart) but fails to spend the European budget devoted to the French implementation of the rural development regulation. The economic size of CTE farms and their average area are well above the French standard (two times for the farm areas), while the farmer age is below average, in contrast with AEM farms. This over representation of large and young farms might depend on the requirement of a farm investment project and on the high private transaction costs to conclude a CTE.

⁵ The authors participate in the RDR mid term review in four French NUTS2 regions.

Number of concluded CTEs in the French NUTS3 regions, 31/01/03



3.3 Evaluation of the CTE

The CTE has been a quite ambitious and innovative policy tool. However the evaluation of the outcomes of its implementation during three years by the permanent comity of inspection coordination⁶ is quite negative (COPERCI, 2002). The uptake is far below the policy objective of 100,000 contracts in 2002, while the average CTE payment largely exceeds the objective of €23,000 per contract. The main failure concerns the compliance of the CTE prescriptions with the agricultural framework law: most of the contracts are not connected with any territorial project or even with the main environmental issues. Many CTE prescriptions are reckoned to be impossible to control. Last but not least, the congestion of the local administrations by the CTE implementation prevents the continuation of the former AEM in some environmentally sensitive areas. This congestion is due to the CTE complexity and the associated administrative costs.

As a consequence, the new government elected in May 2002, firstly suspended the implementation of the CTE scheme. However, several farmers' organisations, including the major union, claimed its continuation on the basis of the committed efforts of many farmers and local institutions. The government decided to carry on this scheme under an other form, and an other name: the Contrat d'Agriculture Durable, CAD, (Sustainable Farm Contract). This new scheme which will be simplified and focused on major environmental issues, it will be implemented mid 2003. Farmers will have the possibility to formalise their contract on the environmental part only, or on economic and environmental aspects. It will be possible to have both a CAD and the new agri-environmental pasture premium which replaces the previous grassland premium. However, the modulation of the direct payments is abandoned.

⁶ The COPERCI is a national comity dealing with the evaluation of public policies.

4. Concluding comments

Linking into parallel concerns for agricultural diversification, quality food production, rural development and environment and high added-value production systems, the French government enacted the agricultural framework law of July 1999 recognizing the multifunctional character of agriculture. The masterpiece of this law is the CTE which is innovative in several ways:

- Farming is seen less than an element of the food chain, and more as an horizontal component of the local territory providing economic, social and environmental services.
 - From a political point of view, it restores farming as a component of rural policy making bringing local political and civic actors into the agricultural policy arena.
 - CTEs are multipurpose individualised contracts based on a global approach of the farm. The contracts must associate investment aids and agroenvironmental payments. Hence, investment aids are conditioned by minimal environmental commitments, and agroenvironmental payments are conditioned by the design of a global investment project at the farm level.
- The menu agroenvironmental actions and the menu of investment aids are elaborated at the regional level in a large extent.

According to the spirit of the law, these menus should be designed in the framework of an integrated territorial project where farmers are recognised key actors. From this point of view, CTEs which are made farm by farm, are well adapted to the local context since the content of the contracts depends on regionally decided demand for public goods and the willingness of the farmers to enter the scheme. In contrast the grassland premium was a standard contract offering a low compensation level for basic maintenance of grassland. It certainly helps the survival of extensive cattle farms in less favoured areas and most of its beneficiaries consider it an additional compensation payment. Although the grassland premium scheme was very successful in terms of farmers' uptake, the incentive it offered was not high enough to prevent further decline in grassland area: supporting the incomes of a broad category of farmers appears to be a more important, and better targeted, objective than conservation.

The rationale of including several environmental measures within a single contract derive from cost complementarities between the different expected environmental outputs. Positive cost complementarities between different environmental outputs have been estimated (Bonnieux *et al.*, 2001). For an individual farmer cost complementarities may make it profitable to select several agroenvironmental actions simultaneously. For a given action, the difference between the premium offered and the marginal cost of compliance, depends upon participation in other actions. Participation is positively correlated with the level of compensation offered and is conditioned by involvement in other actions. Cost complementarities may therefore lead to an increase in participation rates, encouraging the provision of environmental goods. Enabling farmers to participate in all available actions may result in an increase in both private and public benefits. The CTE framework goes further since it associates agroenvironmental actions with investment aids. The aim of this association is to integrate economic and environmental aspects of farming with respect to the coherence of farm restructuring and the territorial context.

In this new policy framework, local governance structures get higher opportunities and responsibilities. In many cases, they fail to integrate the farmers' individual projects in an integrated rural approach. As a result the concluded contracts express an opportunistic

behaviour of the farmers who cumulate low constraining environmental payments. Moreover few national and regional institutions, especially agricultural organizations and administration, were able to capitalize the experience of the previous AEPs. In contrast with the grassland premium, the CTEs illustrate the classical trade-off between precision and transaction costs. The average size of the farms that have conclude a CTE is higher than French standards, while the size of the farms involved in the previous AEPs was lower. This suggests that CTEs are characterised by fixed private transaction costs which are rather high at the farm level and build entry barriers. This partly explains the low uptake rate of CTEs after three years. The other explanation stems at the lack of *ex ante* evaluation of public administration costs. Administrative bottlenecks related to the design and administration of these individualised contracts were observed in most of the French regions. The allocated administrative resources are revealed to be inadequate and did not take into account the complexity of the CTE implementation.

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