



Republic of Montenegro
Ministry of Agriculture, Forestry and Water Management

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INSTITUTIONAL SUPPORT TO THE
FORMULATION AND IMPLEMENTATION OF THE
AGRICULTURAL POLICY IN MONTENEGRO



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Outlines of the presentation:

- ☐ Where is Montenegro on its way to EU
- ☐ The institutions in the agricultural sector,
- ☐ New challenges in the accession to EU

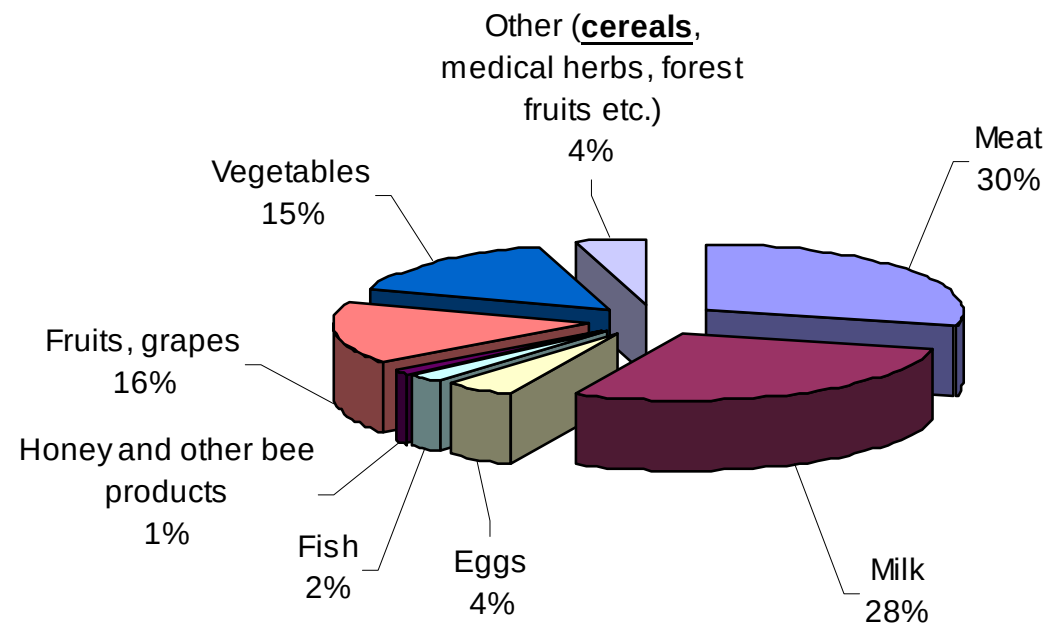


Montenegrin agricultural sector

- ❑ **Montenegro as a small country has :**
 - **Size -** 13,812 km²,
 - **Population -** 630,000 inhabitants
 - **Density -** 46 inhab./km²
- ❑ **Land resources:**
 - 518,000 ha of agricultural land in total 0.82 ha per capita
 - 190,000 ha of arable land, 0.30 ha per capita
- ❑ **Economically, agriculture is very important:**
 - high share in the GDP (primary sector + processing industry >20 %)
 - Montenegro is **a net importer** of food – deficit =150 mio.euro
- ❑ **Social dimension:**
 - approximately **63.000 rural households** (>1/3 of total) partly or completely provide income in the agriculture;



STRUCTURE OF THE VALUE OF AGRICULTURAL PRODUCE





The integrations are among the highest priorities in the Governmental policy

1. EU accession – there is strong commitment and broadest consensus at the national level to become member of EU;
2. WTO accession is also ongoing process (preparation of Factual report is underway, four WP meetings were held), it is realistic to finish negotiations until the end of 2008;
3. Regional initiatives and integrations (new CEFTA);
4. Membership into international organizations (FAO, OIE, OIV, IOOC, WIPO, UPOV, etc),



Where is Montenegro on its way to EU?

1. Stabilization and Association Agreement (SAA) was signed in October and ratified in Montenegrin Parliament, in November 2007;
2. Interim Agreement (ratified in the Parliament, too) will take into force since first January 2008;
3. Preparation of the first National Program of Integration (NPI);
4. Establishing of the bodies responsible for implementation SAA and management of the whole integration process;
5. Capacity building and strengthening of the institutions as a permanent task.



New Strategy is a turning point in the reform process and a platform of the future reform steps

Strategy: "MONTENEGRIN AGRICULTURE AND EUROPEAN UNION– Food Production and Rural Development Strategy (adopted in July 2006) defines:

- **Concept of the sustainable development of agriculture** (appropriate balance between economic growth, environment protection and social policy);
- **Multifunctionality** of agriculture is the core principle of the concept,
- **Main objectives** (no hierarchy):
 - Increasing of competitiveness of food producers,
 - Sustainable management of the resources,
 - Ensuring adequate standard of living for rural population,
 - Ensuring stable and acceptable supply of safe food.



How does the institutional system in the agriculture look like?

Ministry of Agriculture, Forestry and Water Management

- Two main component:
 - a. administration;
 - b. agricultural inspection.
- The Ministry still has old sector structure, new concept of reorganization of the Ministry recently adopted;

Veterinary Service:

- a) Veterinary Directorate (under **MoAFWM**) – the responsible body at national level (administration and inspection);
- b) Diagnostic Lab – public institution;
- c) Field service (FVS), privately owned, covers the whole country.



How does the institutional system in the agriculture look like?

BIOTECHNICAL INSTITUTE PODGORICA

(an umbrella of research & extension in the agriculture!)

Main activities:

1. High education

- a) Plant production division
- b) Livestock production division

2. Research (all areas in the agriculture)

3. Services

A) Extension service

- Livestock Selection Service
- Plant Production Extension Service

B) Laboratories: Milk Lab; Phytosanitary Lab; Agrochemistry Lab; Oenology Lab; Pomology Lab, Seed Control Lab



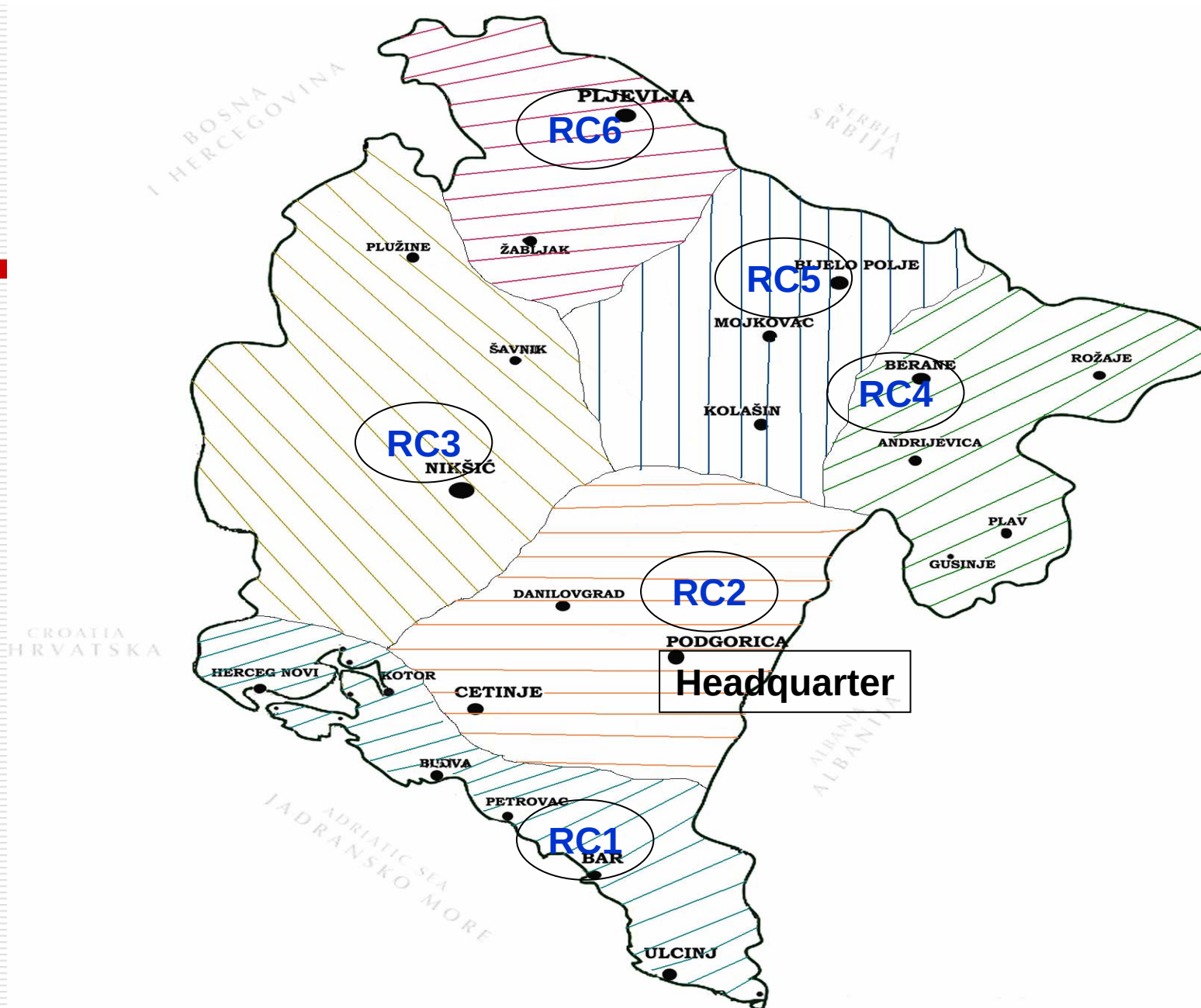
Support to the agriculture and RD is provided also by

- Farmers' Associations;
- Municipality's level - advisers for agriculture;
- Civil society - NGOs (different types);
- Agency for development of SMEs;
- Chamber of Commerce – Committee for agro-food industry
- International organizations, projects implementing agencies and donators: EU – EAR; USAID, FAO, GTZ, Lux-Development; SIDA and others



Formulation and implementation of the Agricultural policy

- Both approaches are used: top-down and bottom-up;
- Main supporter to the Ministry is Biotechnical Institute:
 - A) formulation policy:
 - preparation of strategic documents,
 - proposing measures for annual agro-budget,
 - drafting laws and sub-laws,
 - B) implementation policy: through the Extension service (Livestock Selection Service and Plant Production Extension Service) many of programs supported by agro-budget are implemented.





What are the strengths and weaknesses of the institutional support to the agriculture?

The strengths:

- System of has a very simple structure,
- Good coordination between main stakeholders;
- No overlapping or collision in performing of main tasks;
- Involvement of the academicians (the Institute) into developmental issues and accession process;
- Easy involvement of local expert into international projects in Montenegro;
- Positive competition among academicians.



What are the strengths and weaknesses of the institutional support to the agriculture?

The weaknesses:

- Small country as a such has certain limits in human resources;
- Lack of knowledge of *Acquis* and CAP of EU;
- Insufficient number of English spoken experts;
- Inheritance from the previous - socialist system, research and education are not fully harmonized with real needs of the sector;
- Weak link with municipal level;
- Lack of strong competition among the institutions



EU integrations – the biggest challenge for Montenegrin agriculture !

The aim of accession to EU is full integration into EU legal system, taking over all rights and obligations.

In order to achieve this aim, there are many challenges:

- How to prepare the whole sector for so called “soft landing” into common EU market ?
- How to solve main structural and developmental problems and constraints during pre-accession period ?
- How to enhance the absorption capacities of the agricultural sector for using the possibilities of EU membership ?
- How to build up the efficient institutional support and modern administrative capacities, which have to be fitted to Montenegrin economic abilities and to the needs of the agricultural sector ?



Thanks for your attention !