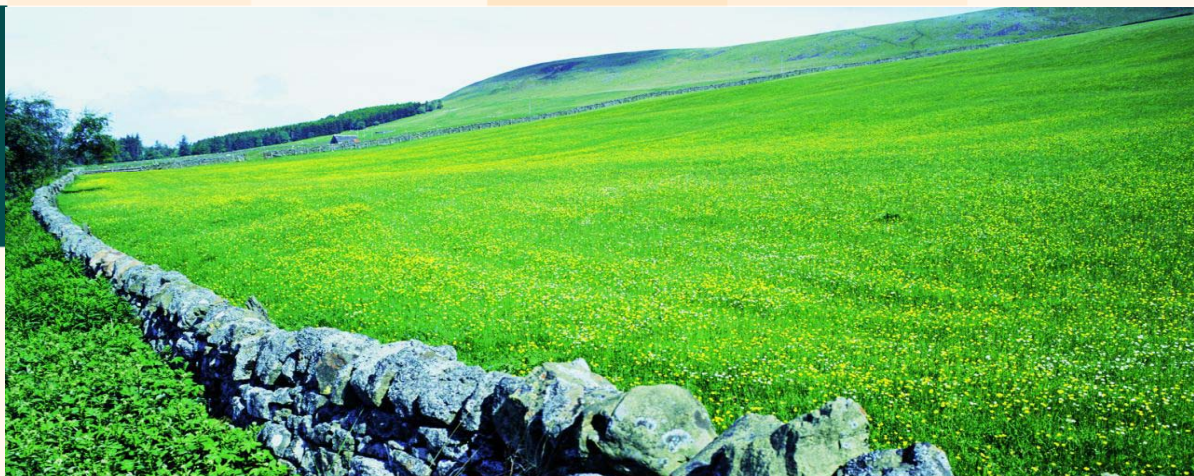




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Challenges in preparation and implementation of rural development policy during the pre-accession period

KAJ MORTENSEN

EC DG AGRI – G.4 – Kolashin, 2 Oct 2008



Problems in rural areas



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Purpose of the discussions:

- To discuss approaches to rural development policies in the SEE, in particular in mountainous and border regions.
- To define future step for the elaboration and implementation of development rural development policy



Problems in rural areas



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Areas experiencing:

- Declining economy
- De-population
- First to leave: young/skilled/most qualified

Areas with opportunities:

- Primary production
- Processing capacity
- Tourism
- Local traditional productions

Problems in rural areas



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Why?

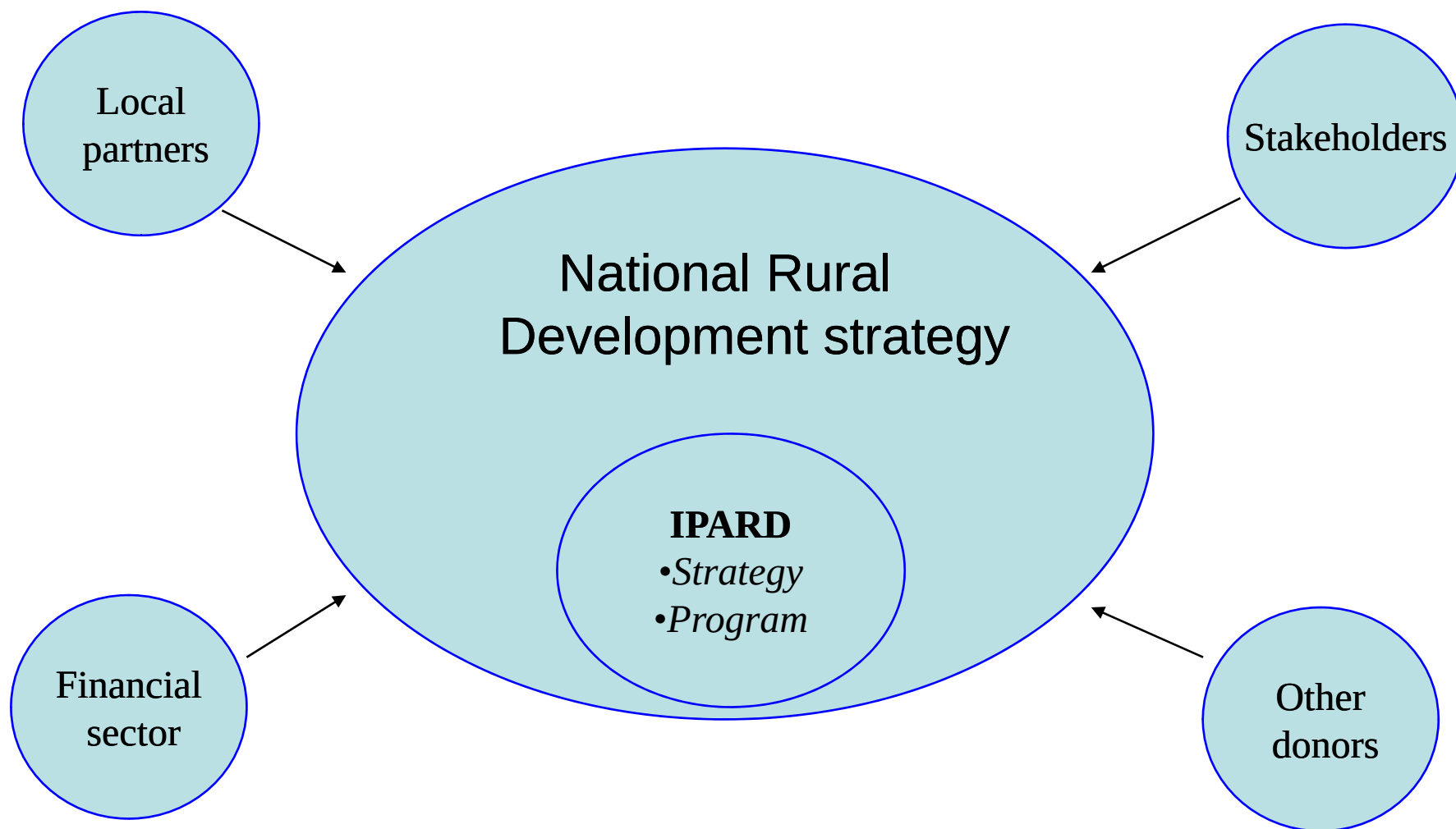
Often because only one or a few links in the chain break:

- Changes of market or policy conditions
- Disappearance of processing industry
- Insufficient infrastructure
- Loss of business innovators

Rural Development in a nutshell



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Rural development policy making



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1. Role of the government

- Helps to establish overall framework
- Provides legislative framework (land market, financial regulatory framework, guarantee funds)
- Identifies strategy/prepares programme
- Consults local partners
- Provides incentives/assistance

2. Local participation/partnership

- Prepares local strategy within the national framework
- Identifies/prepares projects
- Dialogue with national authorities

IPA – Components & Beneficiary Countries



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1. Transition Assistance & Institution Building
2. Cross-Border Cooperation

Annex II: Albania, Bosnia and Herzegovina, Montenegro, Serbia and Kosovo

3. Regional Development
4. Human Resources Development
5. Rural Development (IPARD)

Annex I: Croatia, Turkey FYR of Macedonia



IPA – Policy framework and Programming



Multi-annual Indicative Financial Framework (MIFF)

establishes the financial allocation between countries and components



Multi-annual Indicative Planning Document (MIPD)

establishes strategies for each country for the IPA components, based on the priorities set in the Accession Partnership, NPAA and the Regular Reports



Components for specific programming

Transition
& Institution
Building

Regional &
Cross-Border
Co-op

Regional
Development

Human
Resources
Development

**Rural
Development**



EC funds with respect to rural development

- **Component I- Transition Assistance & Institution Building**
 - Programming
 - Implementing structures
- **Component II- Cross-Border Cooperation**
- **Component V- Rural Development**

Component I – IPARD related activities



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- Strengthening of administration to draft/implement/manage RD strategy/programme
- Activities to enhance knowledge/transparency on the economic situation of the sector: rural census, farm register, land cadastre, price statistics, sector analysis
- Support the organisation of civil society partners related to agriculture and RD (farmer's association, food producers, environmental and local rural development associations)
- Facilitating access to credit for farmers and rural businesses
- Establishment of advisory/extension services for farmers

Basic conditions to implement IPARD

- IPARD Programme (multi-annual), approved by a Commission Decision;
- Agreement(s) concluded (Framework, Sectoral, Financial);
- Conferral of management decision adopted

IPARD Objectives

- Contribution to the implementation of the *acquis communautaire* concerning the Common Agricultural Policy and related policy areas by the candidate countries
- Contribute to sustainable development of rural areas in the candidate country

To be met by implementation of 9 different measures under 3 priority axis

Priority Axes

- **Axis 1** Improving Market Efficiency and Implementation of Community Standards
- **Axis 2** Preparatory Actions for Implementation of the Agri-environmental Measures and Leader
- **Axis 3** Development of the Rural Economy

Axis 1 - Improving Market Efficiency and Implementing Community Standards

Measures

1. Investments in agricultural holdings to restructure and upgrade to the EU standards
2. Support for the setting up of producer groups
3. Investments in processing and marketing of agriculture and fishery products to restructure and upgrade to the Community standards

Axis 2- Preparatory actions for implementation of the agri-environmental measures and local rural development strategies

Measures

4. Preparation for implementation of actions relating to environment and the countryside
5. Preparation and implementation of local rural development strategies

Axis 3 - Development of the Rural Economy

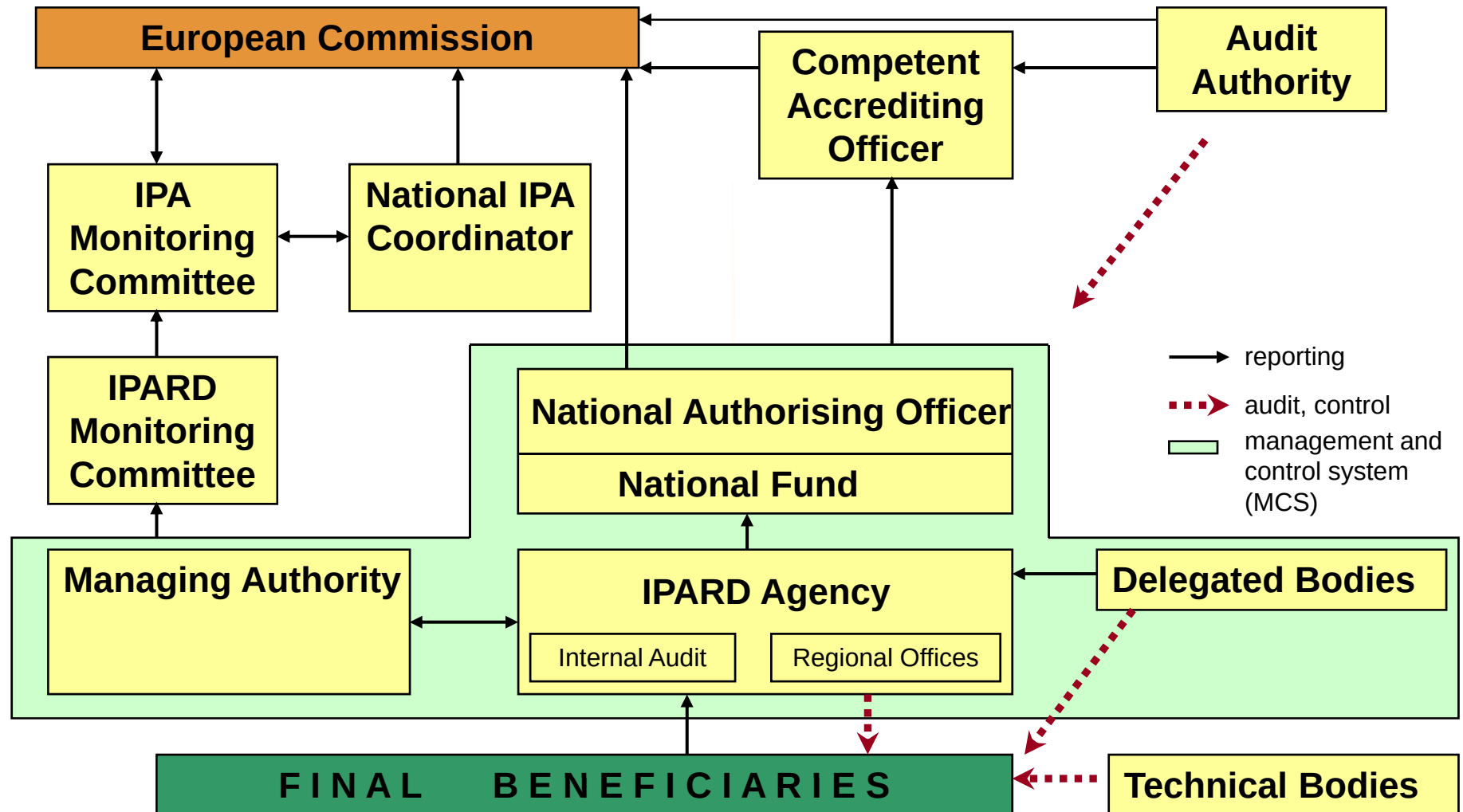
Measures

6. Improvement and development of rural infrastructure
7. Diversification and development of rural economic activities
8. Improvement of training
-
9. Technical assistance

IPARD structures



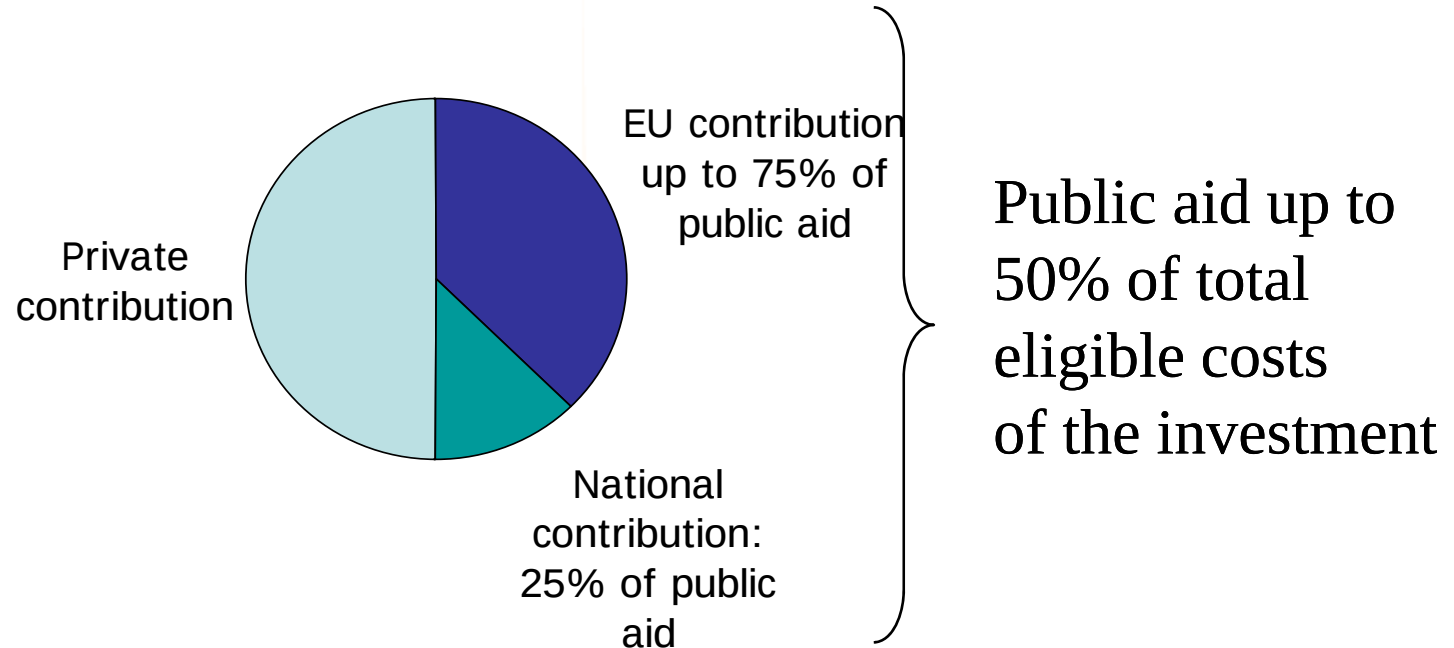
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Co-financing principle IPARD



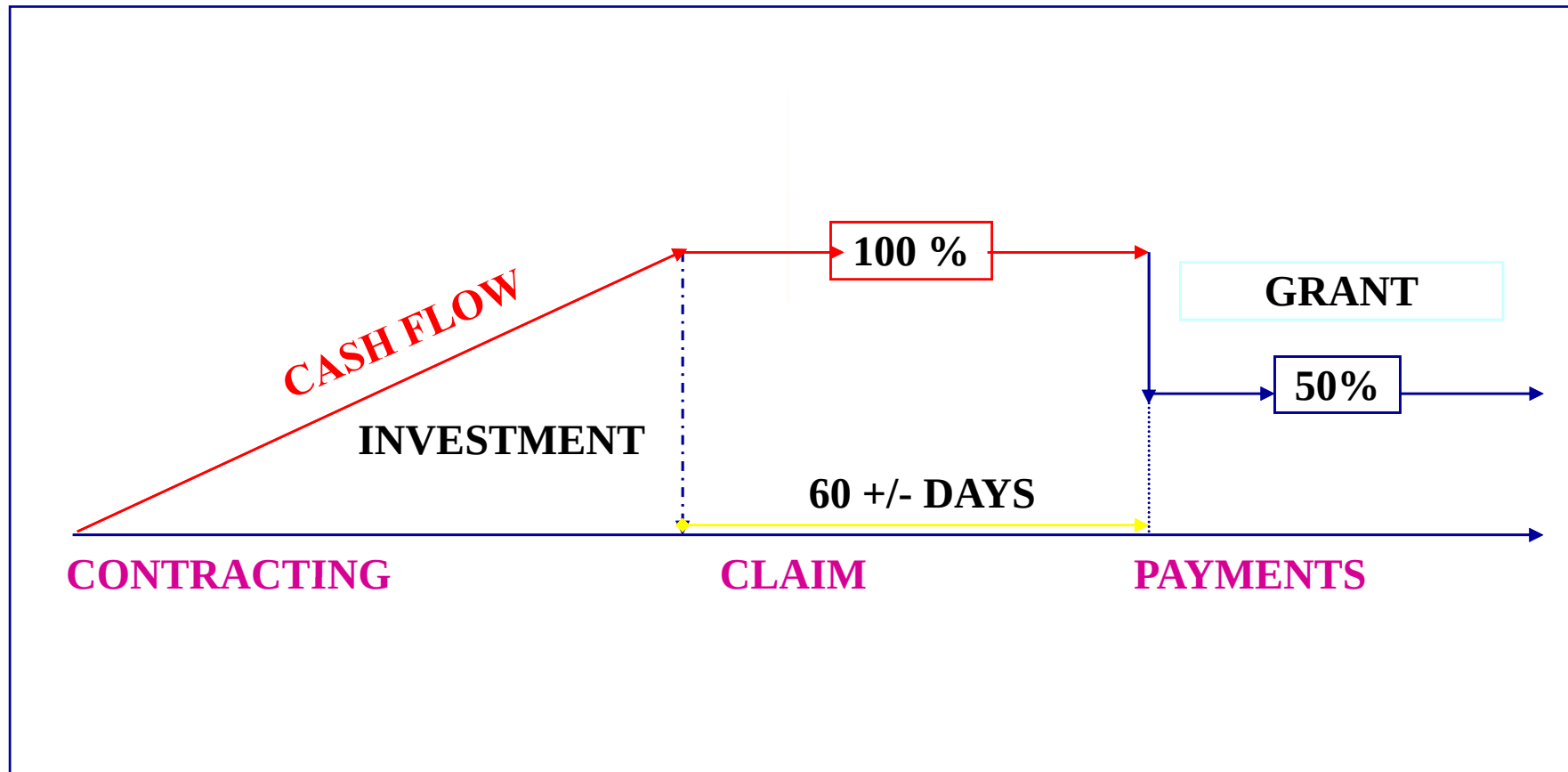
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Beneficiary Cash flow IPARD



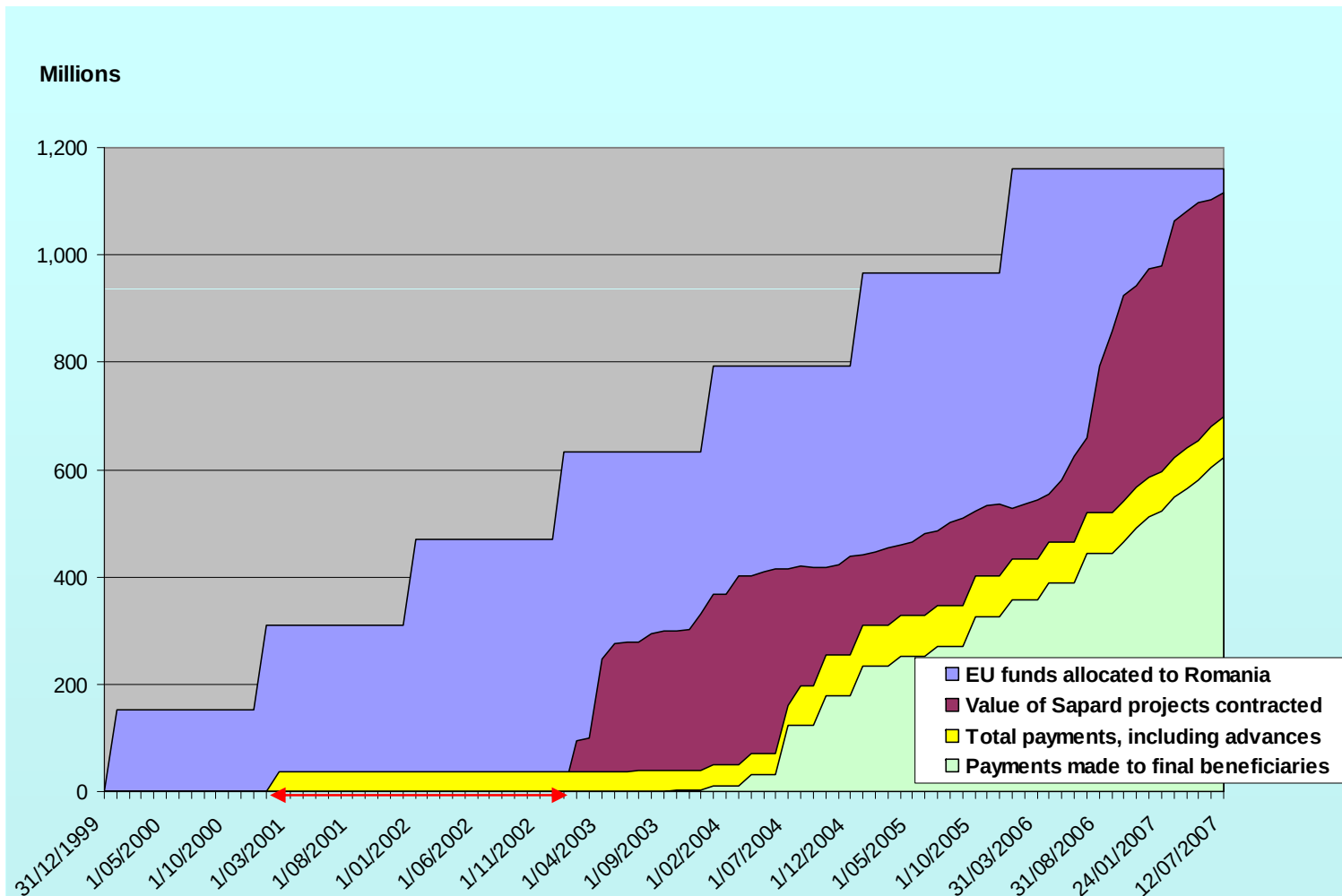
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Sapard Experience



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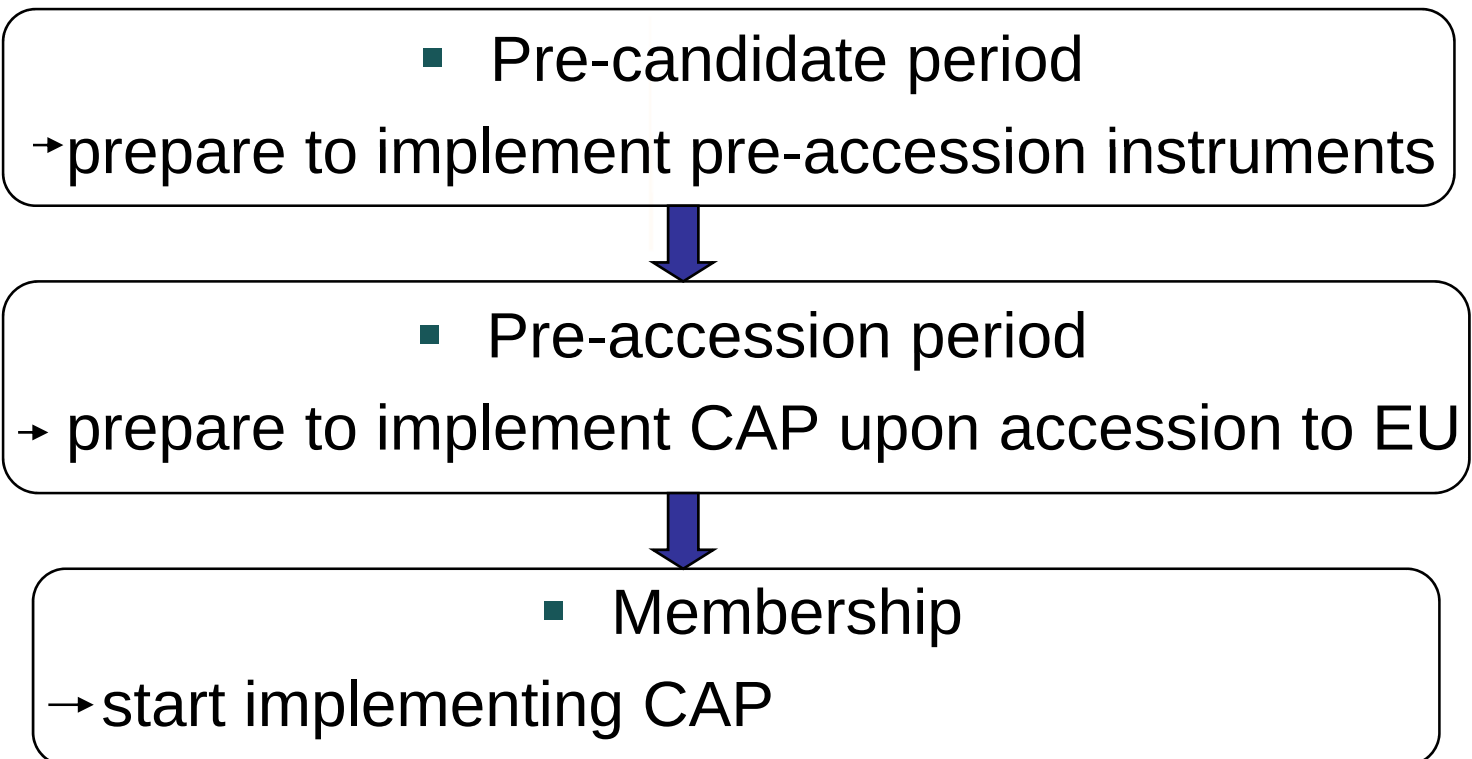


STEPS FORWARD



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Steps towards accession





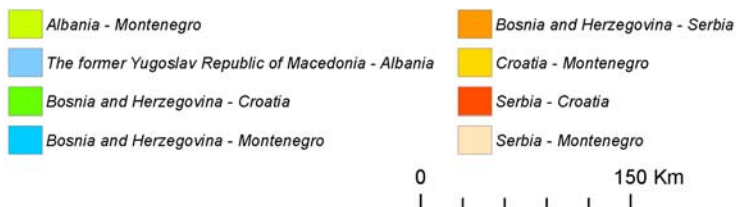
Component II - Cross-Border Co-operation



- **Multi–annual Joint cross–border programmes**
- **Aimed at strengthening cross-border cooperation through joint local and regional initiatives in order to:**
 - promote of sustainable economic and social development in the border areas
 - working together to address common challenges in fields such as environment, natural and cultural heritage, public health and the prevention of and fight against organised crime
 - ensuring efficient and secure borders
 - promote joint small scale actions involving local actors from the border region



IPA Crossborder Cooperation programmes between Western Balkans countries



IPA CBC between Western Balkans countries



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- Albania- Montenegro
- The former Yugoslav Republic of Macedonia- Albania
- Bosnia and Herzegovina- Croatia
- Bosnia and Herzegovina- Montenegro
- Bosnia and Herzegovina- Serbia
- Croatia- Montenegro
- Serbia- Croatia
- Serbia- Montenegro



Useful links



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IPA programmes/EC Decisions:

http://ec.europa.eu/enlargement/how-does-it-work/financial-assistance/programming-ipa_en.htm

DG Enlargement, financial assistance:

http://ec.europa.eu/enlargement/how-does-it-work/financial-assistance/index_en.htm

EC Delegations in Candidate/Potential Candidates countries:

http://ec.europa.eu/enlargement/press_corner/links_en.htm