

Funding opportunities for rural development

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Defining the scope

- Enlargement context
- Rural development, with an emphasis on agricultural sector
- Broad range of means to facilitate rural development: local and national funds and policies, EU, other donors
- At the end – all is in your hands!



Ways of interaction

- Trade – Stabilization and Association Agreements (SAAs), largely liberalised, except for some sensitive products: e.g. baby beef, wine, sugar
- Approximation to the *acquis* – SAA, administrative burden, but helping access EU single market
- Pre-accession assistance - institutional and capacity building, investment support



Steps towards accession

- Pre-candidate period

→ prepare to implement pre-accession instruments



- Pre-accession period

→ prepare to implement CAP upon accession to the EU



- Membership

→ start implementing CAP



Pre-accession assistance

- IPA - Instrument for Pre-Accession assistance for candidate and potential candidate countries
- Financial envelope allocated for the period 2007–2013 – EUR 10.2 billion
- Has five components:
 - Component I. Transition and institution building
 - Component V. Rural development



IPA Rural Development - Main objectives

- Improving market efficiency and implementation of Community standards
- Preparatory actions for implementation of the agri-environmental measures and local rural development strategies
- Development of the rural economy
- Multi-annual rural development programme
- Three “axes” containing 9 “measures”



IPA “side effect” - Strengthening public management capacities

Guiding countries in creating modern public management structures, based on the principles of good governance:

- Openness (transparency)
- Participation (partnership)
- Accountability
- Effectiveness
- Coherence



Example – Improving market efficiency and implementation of Community standards

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



Example - on the farm level

Milk sector

- Milking machinery, milking room facilities, milk cooling and storage as well as on-farm milk transportation equipment
- Construction and modernisation of open and semi-open stables



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Example - on the farm level

Meat sector

- Construction and modernisation of animal stables/shelters, storage buildings and machine sheds
- Silage/fodder production and handling equipment and machinery
- On-farm animal feed preparation, handling, distribution systems and storage



Example – primary processing

Milk sector

- Construction and modernisation of milk collection centres, milk storage and cooling equipment, specialised milk transportation equipment
- Investments for homogenisation, pasteurisation, packaging, cooling, and storing of milk and milk products; quality control systems



Example – primary processing

Meat sector

- Construction / renovation of slaughter houses, cooling storage rooms
- Investments in establishment of food safety systems to reach Community standards
- Construction of rendering plants



Axis 2 - Agri-environmental measures and local rural development strategies

1. Actions to improve the environment and the countryside
2. Preparation and implementation of local rural development strategies

Axis 3 - Development of the rural economy

1. Improvement and development of rural infrastructure
2. Diversification and development of rural economic activities
3. Improvement of training

State of play 2011 – pre-accession assistance

- EUR 1145.6 million - total allocation for rural development (IPARD)
- Three candidate countries + Montenegro and Serbia
- Potential candidate countries – projects under IPA Transition & Institution Building component



State of play 2011 - IPARD

HR - Conferral of Management, first projects

MK - Conferral of Management, first projects

TR - Conferral of Management, first projects

ME – draft programme submitted, building structures,

SP – advanced draft of the programme, building structures

AL – draft programme prepared, structures in place

BA – pre-"0" stage – discussing on where to start

Kosovo – moving ahead, within its own remits



Croatia

Conferral granted for four measures

- Investments in agricultural holdings to restructure and upgrade to the EU standards
- Investments in processing and marketing of agriculture and fishery products to restructure and upgrade to the EU standards
- Improvement and development of rural infrastructure
- Diversification and development of rural economic activities

Conferral during 2011 for:

- Technical Assistance
- Implementation of Local Development Strategies



FYR of Macedonia

Conferral granted for three measures

- Investments in agricultural holdings to restructure and upgrade to the EU standards
- Investments in processing and marketing of agriculture and fishery products to restructure and upgrade to the EU standards
- Diversification and development of rural economic activities

Conferral during 2011:

- Technical Assistance



Turkey

- Implementation of IPARD has not started
- Requested conferral of management for 4 measures and 20 Provincial Coordination Units
- Conferral granted for three measures:
 - Farm investments
 - Investments in processing and marketing
 - Diversification
- Forthcoming
 - Technical assistance



State of play 2011 - IPARD

	Croatia	FYR of Macedonia	Turkey
Payments made, compared to overall allocation in %	1.3%	1.2%	0%
MIFF allocation 2007-2013, million	€ 183	€ 86	€ 855



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There are some challenges...

- Preparation takes a long time and requires allocation of resources
- Low absorption capacity, beneficiaries not always capable of preparing good applications
- Availability of credit for private co-financing



...but, we believe that pre-accession assistance...

- Helps in policy development
- Prepares for the implementation and management of the CAP
- Helps improving efficiency of agriculture
- Develops rural areas
- Helps to meet the EU standards, hence – to access the EU single market
- Facilitates public administration reform by guiding countries in creating modern public management capacities, based on the principles of good governance



Ultimately – all is in your hands and
depends only on you!

Thank you



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