



REPUBLIC OF SLOVENIA
MINISTRY OF AGRICULTURE AND ENVIRONMENT

Was SAPARD successful?

Experiences and conclusions after ex-post evaluation

BRINA BITENC KORINŠEK

EU Coordination and International Affairs Service

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Let me introduce.....

At the Ministry of Agriculture, Forestry and Food and Environment since 1998

Main occupation:

Pre-accession period (SAPARD)

- *coordination and preparation for the SAPARD Agency accreditation and kick off the implementation; tasks of the Managing Authority, Ex-post evaluation*
- *Screenings and negotiation process*

EU membership

- *MAFF Competent Authority for the PA accreditation, supervisory of the PA functioning*
- *Member of Managing Authority of RDP 2007-2013 and OP Fishery 2007-2013, MAE working group for the RDP 2014-2020*
- *Legal framework – financial regulations: general FR, CAP financing, CSF 14-20*
- *Know how transfer*



Main topics of the presentation

- 1. SAPARD: learning and positive experiences**
- 2. Evaluation: Was SAPARD successful ?**
- 3. EU audits: Has SAPARD been well managed ?**
- 4. Conclusions: Lessons learned**



SAPARD objectives

- SAPARD was the first external EU aid program which was implemented in a decentralized manner with the main objectives:
 - to adopt legal framework of the EU and
 - to set up the necessary structure.
- The objectives of the program were to contribute to the implementation of the Community *acquis* and to solve problems for the adaptation of the agricultural sector (competitiveness) and rural areas (preservations).



Different roles of pre-accession aid (SAPARD / IPARD)

State level

- Pre-accession EU funds for agriculture & RD is exercise of transfer the EU rules and requirements (programming, implementation, managing, monitoring...)
- Institution building (MA, PA, NF ..)
- extremely important for further accession process - simulation of the membership institution / administration capacity
- May serve as a model for other EU funds

Policy level

- Strategic planning – effective way to reach the political goals
- Harmonization of legal framework
- Policy awareness - close collaboration with stakeholders, social partners and NGOs.



Different roles of pre-accession aid (SAPARD / IPARD)

Policy level (.....continuation)

- Promotion and information campaign
- General public awareness

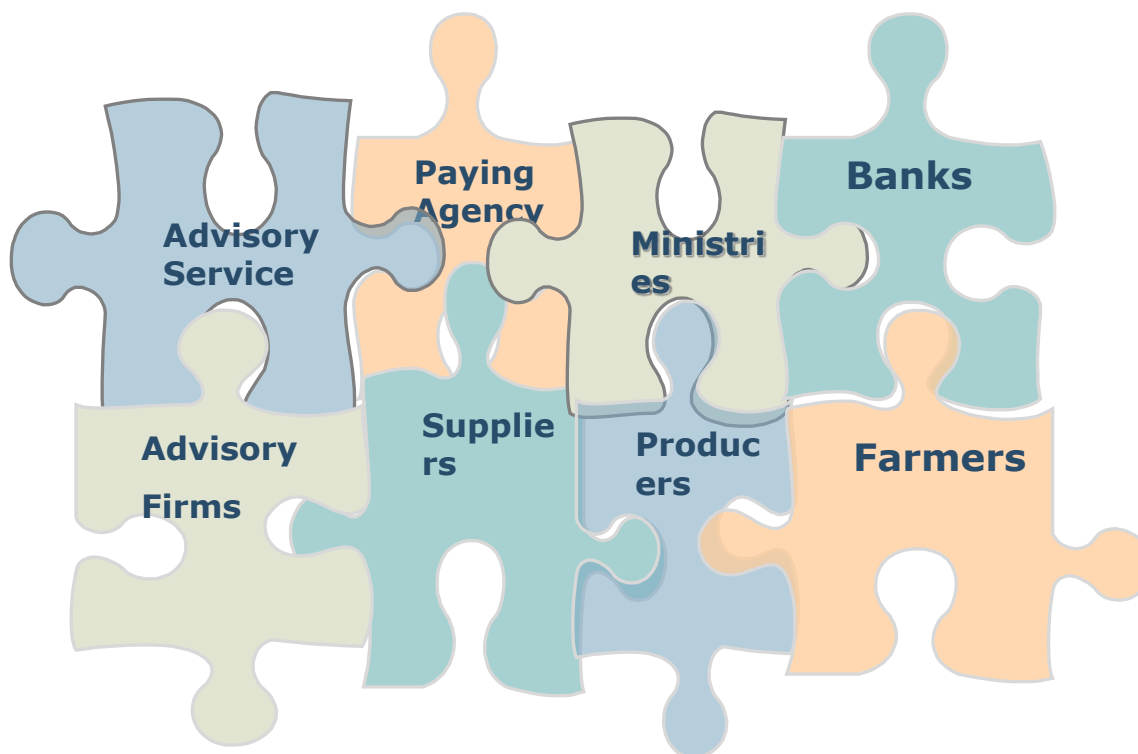
Beneficiary level

- Target planning of investments
- Development of agricultural structure
- Mobilization of the beneficiaries
- Co-financing of the project
- “Show room” for sceptics



Pre-conditions for the pre-accession RD payments

The system of the EU rural development measures' payments includes many actors, being in correlation with each other





SAPARD implemented

Most of the contracts were signed for the Measure 1 - Investment support for agricultural holdings.

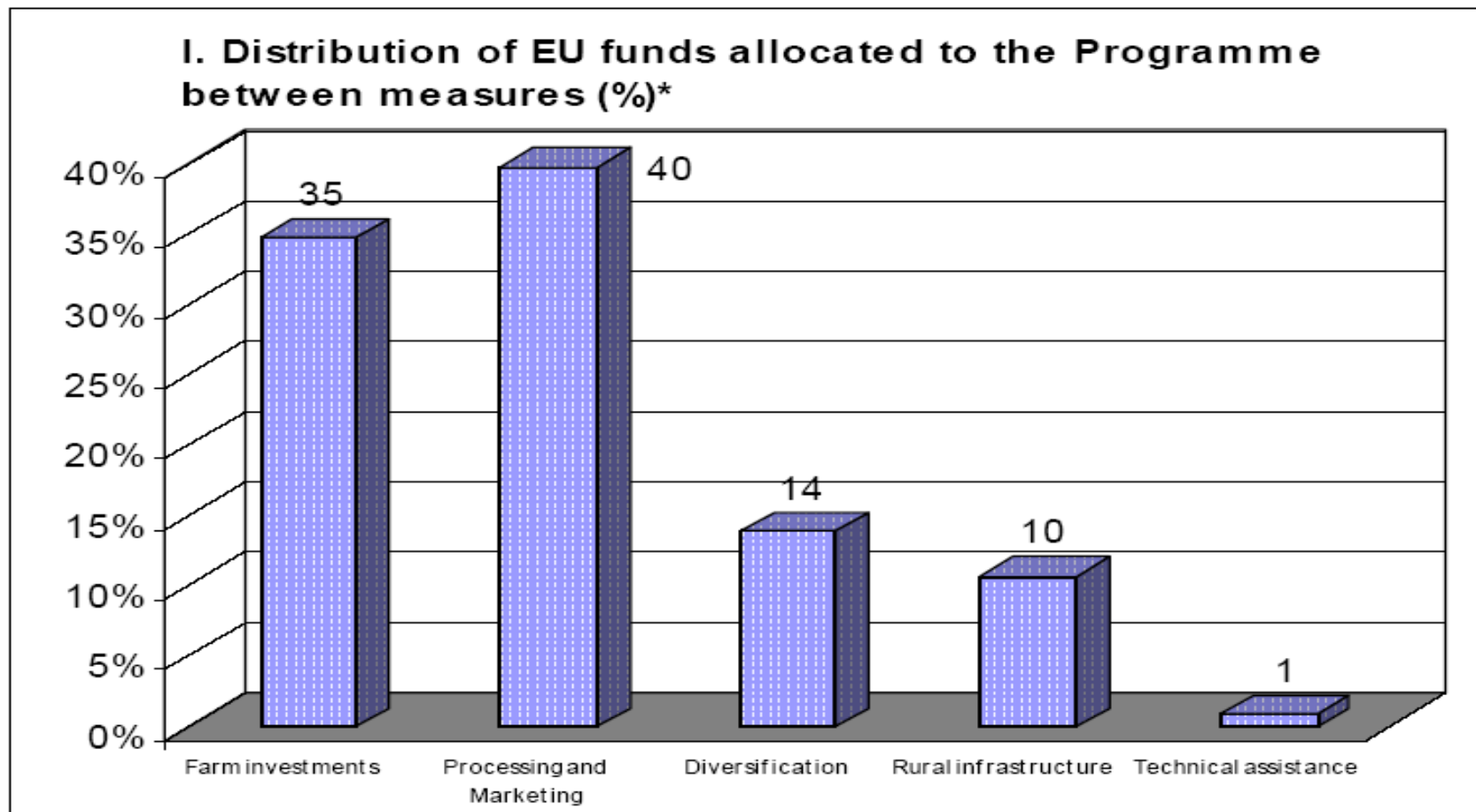
Measure	Total applications received	Decisions issued/Contracts signed (30 April 2004)	Contracts signed	Contract withdrawals
1. Investment in agricultural holdings	732	410	406	4
2. Investment in processing and marketing of agricultural and fisheries products	54	33	32	1
3. Economic diversification on farms	118	93	85	8
4. Development and improvement of rural infrastructure	54	36	36	0
TOTAL	958	572	559	13

*Table demonstrates only the dynamic of contract signing. Overview of the application withdrawals, rejections etc. is not included.



Distribution of EU funds

Most of the SAPARD funds - 40% allocated for the Measure 2 - Processing and Marketing of agri- and fishing products



*Based on Financial Table in force 31/12/04

Source: EC (2005): SAPARD ANNUAL REPORT, Year 2004



Learning and experiences

- better expression than positive and negative experiences – there were no negative experiences**
- there were some difficulties**



Experiences – Paying Agency

For the Paying Agency coming period is very demanding
(procedures, control, payments, monitoring and
reporting)

Paying Agency should work as fluent as possible – with all
daily problems



Paying Agency - daily problems

- Applications: too many request for the completion (or corrections);
- Claims for payment: eligible expenditure – too many request for corrections (recalculations were necessary);
- Investment realization dynamic - discrepancies from the plan adopted in the contract – annexes to the contracts;



Experiences - beneficiary

Positive:

- The beneficiaries get a possibility to be co – financed for different kind of (big) investments in the agriculture activities in the farm, food processing industry and in the infrastructure in rural areas;
- Beneficiaries should learn and respect the EU rules related to the payments from EU budget;
- modernization of farms, communities and firms;



Experiences - beneficiary

- decreasing costs for the production of agricultural and food products and granting their better quality;
- keeping their families on the agricultural holdings;
- meeting the EU environmental and health standards as a preparation phase for the CAP agri – environmental payments.



Experiences - beneficiary

Difficulties for the beneficiaries, applied for the SAPARD funds:

- beneficiary should not have started with an investment before agency issued a decision on approval of his investment

it was a big change for beneficiaries, taking into account the national measures in agriculture, where the investment may have started before the decision has been issued;

- Financial construction for the realisation of the investments;



Experiences - beneficiary

- beneficiary should get used to a very precise and time consuming **preparation of its application** and/or claim, attaching a great **number of documents**, required by the relevant SAPARD and national legislation or call of application;
- beneficiary should collect at least **three offers** for each part of his investment; it happened that some of the collected offers were issued after beneficiary had made a choice between offers related to the application or claim;



Experiences - beneficiary

- beneficiary should get **proofs on origin of goods**, which sometimes makes difficulties;
- some invoices do not have all necessary data on goods or services (no **specification** on goods bought);
- beneficiary should get **used to be checked** on the spot at least two times by the controllers of the paying agency;



Experiences - beneficiary

- Beneficiaries should get used to **keeping all documentation** related to the approved investment at home, included bank **documents** (receipts) on remittance of SAPARD funds on their account.



Experiences - policy

- Programme resources positively affected the growth of production and gross income on all levels;
- Programme contributed to the improved competitiveness and thus contributed to improved export of food processing industry;
- The funds also had a positive impact on improved quality of life in rural areas;



Experiences - policy

- Nevertheless, the direct environmental impact of the programme was minimal due to the limited fund. However, we can talk about a larger indirect environmental impact (rising awareness);
- The programme was an important experience for all stakeholders;
- The adoption of the *acquis communautaire* and institutional capacity building;



Experiences - policy

- Last but not least, the SAPARD programme was successful in mobilizing an important part of private financial resources, which have contributed to its implementation.



Conclusions of the evaluation team

Efficiency on the Programme level

- Programme resources positively affected the **growth of production and gross income** on all levels.
- Programme contributed to the improved **competitiveness** and thus contributed to improved export of food processing industry
- The funds also had a positive impact on **improved quality of life** in rural areas
- Nevertheless, the direct environmental impact of the programme was minimal due to the limited fund. However, we can talk about a larger **indirect environmental impact** (rising awareness).



Conclusions of the evaluation team

Efficiency on the Programme level

- The programme was an important experience for all stakeholders.
- The adoption of the *acquis communautaire* and **institutional capacity building**
- General statement is that SAPARD programme was successful in mobilizing an important part of **private financial resources**, which have contributed to its implementation.



Findings: European Commission audit (2003)

- Improvement of the advisory service for decrease the number of rejected applications due to the non compliance with the criteria
- Administrative controls (signatures of the check lists)
- Quicker procedure for the execution of payments
- IT support for the gathering indicators
- On the spot checks before application approval
- On the spot controls – checking the EU standard implementation



European Court of Auditors Audit (2003)

- Three offers (2 of them were from the same producer- but different seller!)
- Administrative and on the spot checks of the socio-economic data (lack of indicators data)
- Upgrading of the check lists – more detailed questions



European Court of Auditors (ECA) – evaluation of SAPARD in 2004

Has Sapard been well managed?

- Funds available were systematically under-utilised...
...because of the time needed for setting up the programme and starting with implementation !
- Institution building has been positive!
- Prior approval of the systems has ensured tight financial control systems!
- Systems were generally working in practice.....
....but there was a lack of supporting elements in file.



.....**continuation: Has SAPARD been well managed?**

Weaknesses:

- Lack of supporting elements in **files** (problem of justification)
- Analysis of **business plan**
- Verifying the **compliance** with EU standards
- Beneficiaries lack **own resources** – difficulties to obtain credits (prefinancing of expenditures) – possibility of interim payment
- **Quality of applications** – simplification of procedures
- **Log period** till final payment (60 - 90 days)
- **Costs** of the **project** were not verified enough
- **Public procurements** – proper comparison of three offers – clear justification
- **Eligible costs** – reference prices



COM evaluation of ex-post evaluations

Questions to answer

- to what extent did Sapard contribute to preparing:
1. the countries for the **implementation** of post-accession?
 2. the agricultural **sector** for accession?
 3. **rural** economies for accession?
 4. What influenced the **speed, effectiveness** and **efficiency** of establishment and implementation of the Sapard?
 5. Did beneficiary's **lack of own resources** and/or access to credit influence the implementation?



COM evaluation of ex-post evaluations

- Monitoring and evaluation system
- Setting up the system to gather the data for indicators



Lessons learned from SAPARD

- Separation of competences for programming and implementation.
- Establishment of adequate administrative structures on the Ministry and Agency.
- Qualification of employees for good work.
- Entire determination of procedures (instructions and handbooks).
- Establishment of all adequate connections for processes of decision, monitoring, implementation and cooperation with social partners.
- Good basis for further programming and negotiation process for EU membership



Conclusions - Summary

- SAPARD programme offered **valuable experiences** on **how to implement, monitor** comprehensive programmes that entail allocation of considerable amounts of EU and national funds.
- Within the course of the programme Slovenia established certain administrative and institutional structures, processes and systems of implementation, monitoring and control that served as a basis for future implementation of RD programmes.



Conclusions - Summary

- Implementation of SAPARD involved intensive cooperation amongst all stakeholders at different levels (from governmental level to each and every applicant);
- **To conclude, SAPARD program has proved to be a success and a stimulus for future work.**



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Thank you for your attention !!



Contact person: Brina Bitenc Korinšek
E-mail: brina.korinsek@gov.si