Agricultural Policy Forum 2010 on

Bridging the gap: Agricultural and rural development policies in South Eastern Europe facing the challenge of EU compliance

Regional Conference
October 27 to 30, 2010 Dresden/Germany

The 2010 Dresden Agenda

The 10th Agricultural Policy Forum (APF) held in Dresden from October, 27th to 30th 2010, provided a timely opportunity to take stock of the remarkable success achieved by the APF process over the past decade, while anticipating new challenges and identifying opportunities for the development of agriculture and rural areas in South Eastern Europe (SEE) over the next decade up to 2020.

The theme of the APF 2010 was "Bridging the Gap: Agricultural and rural policies in South Eastern Europe facing the challenge of EU compliance".

The main conclusions

reached at the Agricultural Policy Forum 2010 in Dresden from the discussions are:

- The trustful policy dialogue among government representatives from SEE countries, involving also academic experts and practitioners from the region and beyond, has in many fields evolved into effective co-operation and promising partnerships. The APF and the Regional Rural Development Standing Working Group (SWG) are major assets for the future development of SEE, reaching far beyond the agricultural and rural development arena.
- Despite immediate urgencies, and aware of the need to cope with current obstacles and gaps, co-operation in the SEE region has to be forward looking, guided by a strategic vision and appreciation of the opportunities offered by European integration.

- Regional co-operation and partnerships help SEE countries to identify and overcome gaps, in designing and implementing appropriate development strategies and measures as well as in establishing effective monitoring and evaluation tools and systems. This co-operation needs to be continued and further intensified.
- Bridging gaps will be even more successful if efforts are not just uni-lateral. The SEE countries represented at the APF appreciate the strong engagement of German development co-operation, enabling partners to exchange ideas and to join forces. They invite other potential partners and donors to actively engage in the dialogue and in the progressive development of this partnership.

The overall objectives

of the 2010 APF in Dresden were:

- To again provide a platform for dialogue on policy settings and perspectives;
- to foster implementation of EU-like agricultural and rural development policies in SEE, with a view to
- further integration of the region's agricultural sector and rural economies into the EU.

More specifically the forum aimed at:

- Identifying gaps of policy making in the region, in particular with respect to EU integration;
- formulating options and steps for overcoming the identified gaps; as well as
- expressing expectations concerning policy formulation and administration at the national and sub-national level, as well as vis-a-vis the donor community and the EU, its different institutions and Member States.

The need for action

in the following areas emerged from the APF discussions:

Institutions and Capacity Building

The institutional set up for agricultural and rural policies needs regular review and improvement. This also implies improving the co-ordination with and integration of other economic and social policies affecting agriculture and rural areas. Networking among institutions dealing with agriculture and rural development in the SEE region as well as in the EU should be significantly improved.

The establishment of a national council for rural development and other horizontal co-ordination mechanisms should be considered building on the experiences made in other countries.

An independent analytical body and co-operation mechanisms are to be established, embedded in the existing SEE regional structures, in order to increase the capacity to objectively analyse agricultural and rural development challenges and policy performance.

Human capacity building is required at all levels and needs to be embedded into the strategies and visions. In particular, administrations need more and better trained staff with strong analytical capabilities. Training should be provided to improve the skills and in particular the planning and management capacities of human resources, emphasizing horizontal peer learning formats.

Visions and Strategies

There is broad consensus that decision makers must take responsibility to lead their countries towards better compliance with European rules and regulations and finally towards EU integration. In addition, SEE countries must improve

their communication and collaboration efforts with existing EU Member States and make their voices better heard.

The strategic planning capacities need to be improved. Strategies must be based on clear visions and objectives. Measures must address the causes, instead of dealing with the symptoms. Administrative and application costs deserve more attention.

The competitiveness of farming and other rural activities must be improved. However, competitiveness must not only be achieved compared to the agricultural and rural business in other countries, but with alternative activities within the same country or rural area. Rather than assessing single farms and activities, value chains and productive systems need to be compared.

Local initiatives and stakeholders must be systematically involved and encouraged to take part in designing, implementing and evaluating rural development strategies. Their effectiveness can be significantly increased by offering better networking opportunities at national, SEE and EU level. This can imply creating specific incentive mechanisms.

Implementation and Support

Implementation of agricultural and rural policy measures has to cope with the huge diversity of agricultural structures both within and between different rural areas. Approaches based on statistical averages and generalisations are born to fail. Furthermore, transparency is required in all steps of the decision making process.

National and EU pre-accession instruments to promote rural development should avoid overlap and inconsistencies. IPARD criteria should be reviewed to better reflect the specific conditions in the SEE region.

It is crucial that the multi-sectoral and territorial approach is applied. Participation of all rural sectors, actors and stakeholders is a precondition for success. The considerable contribution of small farms to delivering public goods, such as maintaining bio-diversity and landscape amenity, should be acknowledged.

Establishing, strengthening and restructuring extension services and vocational training are important contributions to the professionalisation of farmers. Farmers' organizations can help to strengthen farmers' capacity to actively participate in the process of agricultural modernization and rural restructuring.

Information and Data

The availability and analysis of sound statistics, reliable and comparable data, is an essential precondition for rational decision making. Information systems need to be set up and improved, e.g. through agricultural censuses and reporting on agricultural structures, prices, markets as well as on rural development conditions and trends.

Monitoring and evaluation units are to be strengthened or, where necessary, newly established at governmental level and/or as independent bodies.

Reliable land and property registration is an essential precondition for the effective functioning of land markets and access to capital. They are critical for the efficient allocation of public funds, be it for agricultural support, such as direct payments, or for rural development.

The Policy Expectations

To advance in these areas, the APF formulated expectations with respect to national administrations. In addition, it identified how the donor community and the EU could best serve the agricultural and rural development agenda.

National Policies and Administrations

Improve administrative capacity and in particular horizontal co-ordination across relevant ministries. Develop frameworks and tools to better align donor activities with national priorities and delivery systems.

Launch the formulation of consistent rural development strategies based on clearly specified visions and objectives. Stimulate local rural development initiatives. Respect and consider the views of all relevant stakeholders. Encourage and enable them to get actively involved in the formulation of visions and strategies.

Engage in the establishment of independent bodies for agricultural and rural policy analysis, at national and regional SEE level, capable to perform credible ex-ante, ongoing and ex-post impact analyses based on reliable data and sound analytical frameworks. They should assist decision makers in the formulation of agricultural and rural development strategies.

Develop targeted measures for specific rural areas (such as disadvantaged areas or areas providing highly valued public goods) and make sure that remote and cross-border areas receive adequate attention.

Donor Community

Align to national priorities and plans and use or help to establish national implementation structures. This implies hiring and training of local staff at all

levels in order to ensure better balance between national and external expertise and strengthen the sustainability of project management.

Establish co-operation principles based on partnerships and respect for local and regional conditions, customs and cultures. Increase transparency of donor activities at all levels and stages from planning and procurement to implementation and evaluation.

Enable peer learning in the field of innovative rural development by fostering international exchange of best practice information and experience.

EU Institutions and Member States

Intensify exchange with agricultural and rural development administrations and actors in the SEE region. Involve regional initiatives such as the SWG in the deliberations on the new CAP towards 2020.

Assist in conceptualising and promoting a future oriented rural development approach which is fully compatible with national economic development strategies, and not limited to individual sector perspectives.

Contribute to establishing an independent analytical body for agricultural and rural development policy analysis in the SEE region. Facilitate the preparation and sound administration of pre-accession and accession processes and build bases for effective policy design, implementation and evaluation.

The next steps

Against this background, the participants of the 2010 Dresden Forum suggest the following short-term and medium-term activities:

- On November, 23rd in Zagreb, Croatia, the 2010 Dresden Agenda will be discussed at the meeting of the Ministers of Agriculture.
- The 2010 Dresden Agenda will be brought forward to the European Commission (EC) and EU institutions. Furthermore, it will be presented and disseminated to the Regional Cooperation Council (RCC), relevant institutions on the international and national levels as well as the donor community.
- The eleventh Agricultural Policy Forum will be held in Croatia in autumn 2011. It will be followed by the Agricultural Minsters' meeting in Macedonia, when Macedonia will have taken over the presidency of SWG.

The 2010 Dresden APF was held under the auspices of the Saxon State Ministry for Environment and Agriculture (SMUL) and commissioned by the German Ministry for Economic Cooperation and Development (BMZ). The Regional Rural Development Standing Working Group (SWG), InWEnt, Capacity Building International, Germany, Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH and the Leibniz-Institute of Agricultural Development in Central and Eastern Europe (IAMO) jointly prepared, organised, and held the 2010 Dresden APF.

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