

CAP and agriculture and rural development of pre-accession countries

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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



Contents of the presentation

- Pre-accession assistance in agriculture and rural development
- Debate on CAP, including rural development, post-2013
- Debate on pre-accession assistance post-2013



Pre-accession assistance

- IPA - Instrument for Pre-Accession assistance for candidate and potential candidate countries
- Replaces 5 different programmes and instruments: PHARE, ISPA, SAPARD, CARDS and Turkey pre-accession instruments
- Financial envelope allocated for the period 2007–2013 – EUR 10.2 billion
- Has five components



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”



Strengthening public management capacities

Building up management and control system -
Guiding countries in creating modern public management structures, based on the principles of good governance:

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



Axis 1- 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



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
- 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 decision expected in the middle of the year

AL – second draft of the programme, building structures

ME – first draft of the programme, building structures

SP – first draft of the programme, building structures

BA – pre-“0” stage – discussing on where to start

Kosovo – moving ahead, within its own remits



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



What will the future bring us?...

- Debate on CAP, including rural development, post-2013
- Debate on pre-accession assistance post-2013



Overall challenges and objectives

Challenges

Economic

Environmental

Territorial

EU 2020

Equity

Objectives

Viable food
production

Sustainable
management of
natural resources

Balanced
territorial
development



...in rural areas

Socio-economic challenges

- Income gaps
- Price volatility, risk management
- Under-developed rural regions

Environmental challenges

- GHG emissions
- Soil depletion
- Water/air quality
- Habitats and biodiversity

Territorial challenges

- Vitality of rural areas
- Diversity of EU agriculture

Food security, food safety

Synergies and co-ordination with: CAP first pillar, structural funds

Contribution to Europe 2020 strategy



Objectives and priorities for RD policy - overview

Long-term strategic objectives

Competitiveness
of agriculture

Sustainable
management of
natural resources

Balanced territorial
development

Interpreted in the light of Europe 2020:
smart, sustainable, inclusive growth

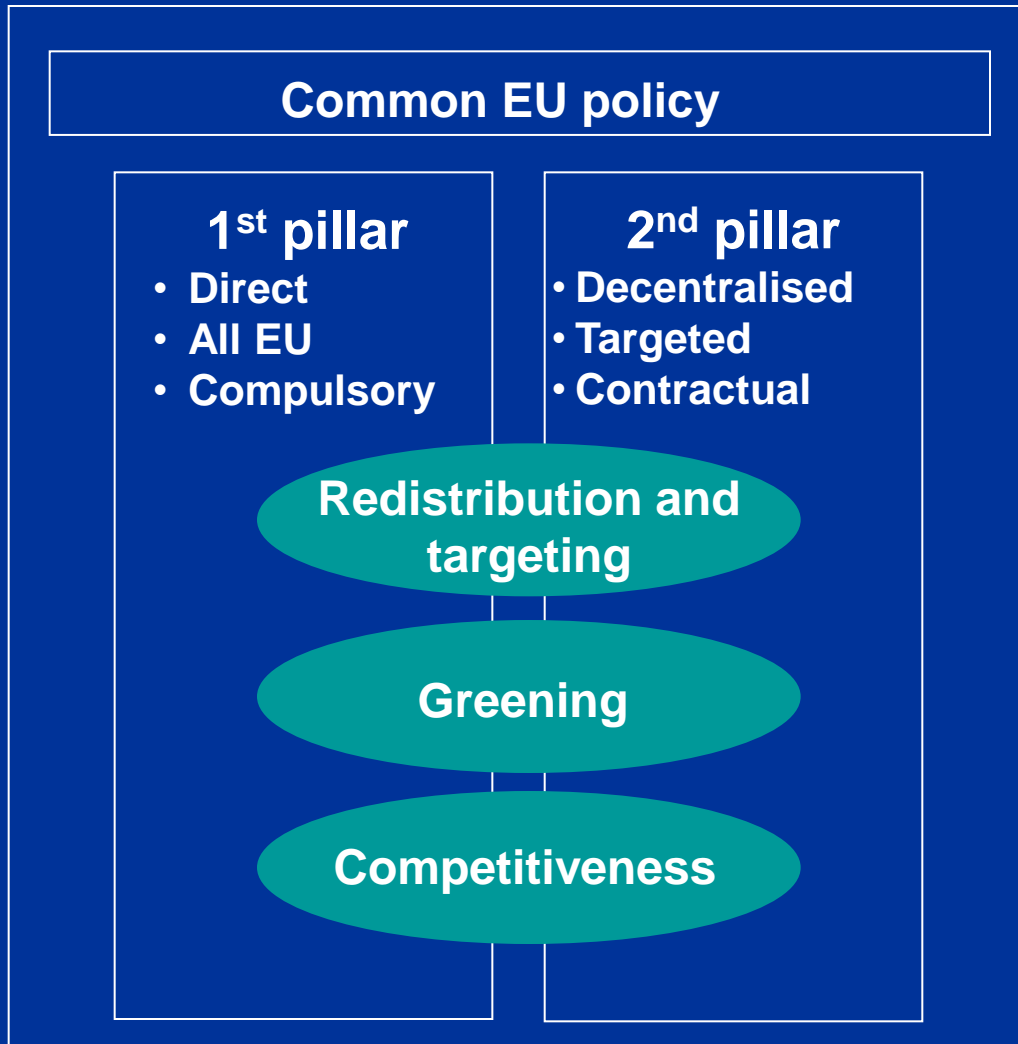
Operational priorities with:

- areas of intervention
- improved target indicators

All MS / regions
must address
these in their RD
programmes



Directions for reform



Redistribution and targeting

- More equitable redistribution between Member States and farmers is a political objective
- Better targeting will involve definition of active farmer, support to small farmers and maximum levels
- Better effectiveness in the policy through new delivery mechanisms in rural development and further coordination with other policies

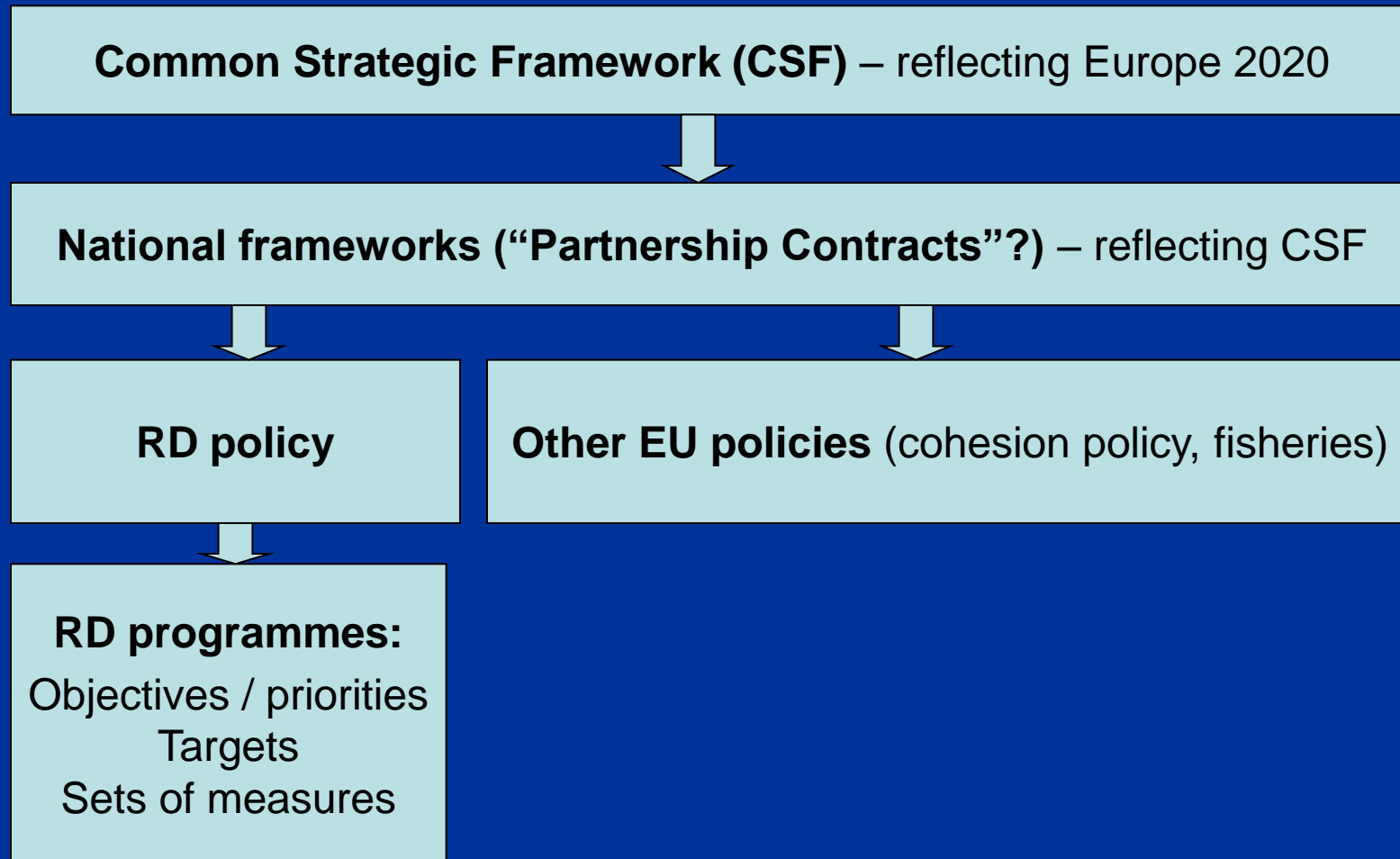


Enhancing the overall environmental performance

- 1st pillar
 - Greening of direct payments
 - Climate change and environment
 - Simple, generalised, non contractual and annual measures
 - e.g. permanent pasture, green cover, crop rotation, ecological set aside, Natura 2000
 - Enhanced cross-compliance
 - Water Framework Directive
 - Climate change
 - Streamline and simplification
- 2nd pillar
 - Environment and climate change as guiding themes



An improved framework for rural development



Pre-accession assistance post-2013?..

Depends on direction of RD policy and new IPA

- More flexibility: support for all policy areas in all beneficiary countries, regardless status, with a phased approach
- More capacity building: earlier use of “Technical Assistance” measure
- Addressing new challenges: possibly new measures (renewable energy, forestry)



Thank you



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