Pre-accession assistance for Agriculture and Rural Development.

2007 Prague Regional Workshop on EU Rural Development Programme 2007-2013 and its application to land consolidation
Lukas Visek

New Financial perspectives « Europe as a global Partner »

For the period 2007-2013
Six instruments to substitute more than 100

Policy driven instruments:
► Instrument for Pre-Accession (IPA)
► European Neighborhood & Partnership Instrument (ENPI)
► Development Cooperation & Economic Cooperation Instrument (DCECI)

Crises response instruments:
► Humanitarian Aid Assistance
► Macro-Financial Assistance (MFA)
► Instrument for Stability
IPA is an integrated Pre-Accession Instrument to assist candidate and potential candidate countries. It replaces 5 different programmes and instruments: PHARE, ISPA, SAPARD, CARDS and Turkey pre-accession instruments. It will ensure:

- Higher level of coherence and co-ordination of EU Assistance and
- better preparation for Structural, Cohesion and Rural development Funds through progressive emulation of EU funds rules.

Financial envelope allocated for the period 2007–2013: 10.2 billion € (at 2004 prices)

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IPA – Components & Beneficiary Countries

1. Transition Assistance & Institution Building
2. Cross-Border Cooperation
3. Regional Development
4. Human Resources Development
5. Rural Development (IPARD)

Annex I: Croatia, Turkey, FYR of Macedonia
Annex II: Albania, Bosnia and Herzegovina, Montenegro, and Serbia incl. Kosovo
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 CC:
- Transition & Institution Building
- Regional & Cross-Border Co-op
- Regional Development
- Human Resources Development
- Rural Development

IPA

**Budget for 2007-2013**
(Indicative breakdown – Billion € at 2004 prices)

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>Total</th>
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<td></td>
<td>1.193</td>
<td>1.290</td>
<td>1.353</td>
<td>1.452</td>
<td>1.565</td>
<td>1.660</td>
<td>1.700</td>
<td>10.213</td>
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IPA Rural Development Component:
Budget 2007 – 2010: ca. 425 million € for 3 countries: Turkey, Croatia and FYROM of which 290.5 million € for Turkey
Back loading of RD funds
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

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SAPARD lessons for IPARD (I)

- Need to better focus IPARD measures to the specific objectives of this component by:
  - Stronger focus on the EU *acquis* related issues e.g. environmental, quality and health standards as well as
  - Concentrating the number of IPARD measures to the main priorities (from 16 measures under SAPARD to 9 under IPARD).
Need to **improve the programming** exercise:

- Improve knowledge about the Agricultural and Rural situation of the country concerned.
  (in depth **sector analyses** for the main sectors to be supported under IPARD requirement of the regulation, independent expertise/EU funds).
- Better targeting of investment measures/identifying the “right beneficiaries”/avoid dead weight: the weaker links of the production, processing and marketing chains which have a certain potential to compete on EU market level but could not make the necessary improvement with their own funds. Companies that already meet Community standards are not eligible to be supported by IPARD. Focus on standards.

- Addressing the **advisory services** issues in advance.
- Addressing the **rural credit** issues from the beginning of the exercise.
Beneficiary Cash flow
SAPARD = IPARD

Priority Axis

- **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. Investments in processing and marketing of agriculture and fishery products to restructure and upgrade to the EU standards

3. Supporting the setting up of producer groups

**Axis 2 - Preparatory actions for implementation of the agri-environmental measures and Leader 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. Development and diversification of rural economic activities
8. Training

9. Technical assistance

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IPARD basic conditions

= SAPARD

1. IPARD Programme approved by a Commission Decision;
2. Bilateral agreement(s) legally binding both parties (Framework, sectoral, financial);
3. Managing Authority;
4. National Fund under the National Authorizing Officer's responsibility;
5. Nationally accredited IPARD Agency to which the management of aid was conferred via a Commission Decision.
IPARD Framework
conditions (I)

- Establishing national structures able to draw up strategies, programmes, management and monitoring conditions for IPARD type programmes;
- Enhancing the knowledge and the transparency of the Agricultural and Rural situation (rural census, farm register, land cadastre, price statistics, sector analyses for the agricultural sectors targeted, etc);
- Draw up a National Strategy for Rural Development involving other public bodies and the relevant civil society partners;

IPARD Framework
conditions (II)

- The main public bodies related to the control of implementation of EU standards must be involved:
  - Veterinary authorities,
  - Environmental authorities.
- Involve and support the civil society partners, e.g.:
  - Farmers,
  - Food processors,
  - Environmental and,
  - Local Rural Development Associations.
IPARD Framework conditions (III)

- Support initiatives to facilitate access to credits for farmers and rural business (not eligible under IPARD),
- Establishment of advisory and extension services for farmers and rural population (not eligible under IPARD),
- Try to gain experience through well defined and targeted ‘pilot projects’

IPARD Framework conditions (IV)

- Use IPARD support in a well defined and integrated way with all other available sources:
  - National resources,
  - IPA - Institution Building Component, Regional Development and Human Resources components,
  - TAIEX,
  - IFI’s (World Bank, EBRD, etc.)
  - FAO, and other possible bilateral and multilateral support.
IPARD Web-Sites

DG Agriculture

DG ENLARG

Commission Manual on Procurement Rules