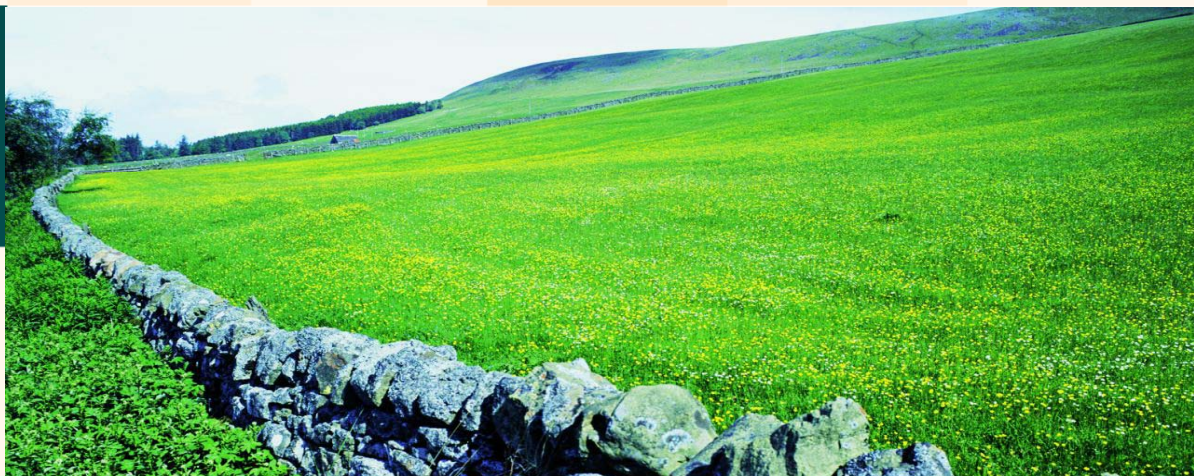




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## The EC's approach to rural development and the IPARD

Unit "Pre-accession assistance to agriculture  
and rural development", DG Agriculture and Rural  
Development, European Commission



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- EC's approach to rural development
- Framework for assistance to pre-accession countries
- Timeframe

# EC's approach to rural development




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Why have a RD policy?

More than 91 % of the territory of the EU is "rural"

Home to more than 56 % of the EU's population



## EC's approach to rural development



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### Why have a RD policy?

European countryside gives us food, essential raw materials, is valuable place of beauty, rest and recreation, it acts as our lungs

Rural areas face significant challenges




## EC's approach to rural development



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### EU has a common rural development policy (2007-2013)

- Places considerable control in the hands of individual Member States and regions
- Is funded partly from the central EU budget and partly from individual Member States' national or regional budgets
- Rural development policy has links to a number of other EU-level policies



## EC's approach to rural development



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### Rural development policy approach

- Thematic
- Strategic
- Flexible
- Integrated




## EC's approach to rural development



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### Rural development policy focuses on three themes ("thematic axes")

- Improving the competitiveness of the agricultural and forestry sector
- Improving the environment and the countryside
- Improving the quality of life in rural areas and encouraging diversification of the rural economy
- Horizontal - the 'Leader approach' - acts as a way of implementing rural development policy



## EC's approach to rural development



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### Rural development policy - Strategic

- Council Regulation and Community strategic guidelines set EU-level priorities for rural development
- Each MS submits a national strategy plan and programmes
- MS and the Commission closely monitor and evaluate the results of strategies and programmes






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### Rural development policy - Flexible

- Based on the principles of subsidiarity and partnership
- Flexibility in finding a balance between the sectoral dimension (i.e. agricultural restructuring) and the territorial dimension (i.e. land management and the socio-economic development of rural areas)
- Menu of approximately 40 measures is available



## EC's approach to rural development



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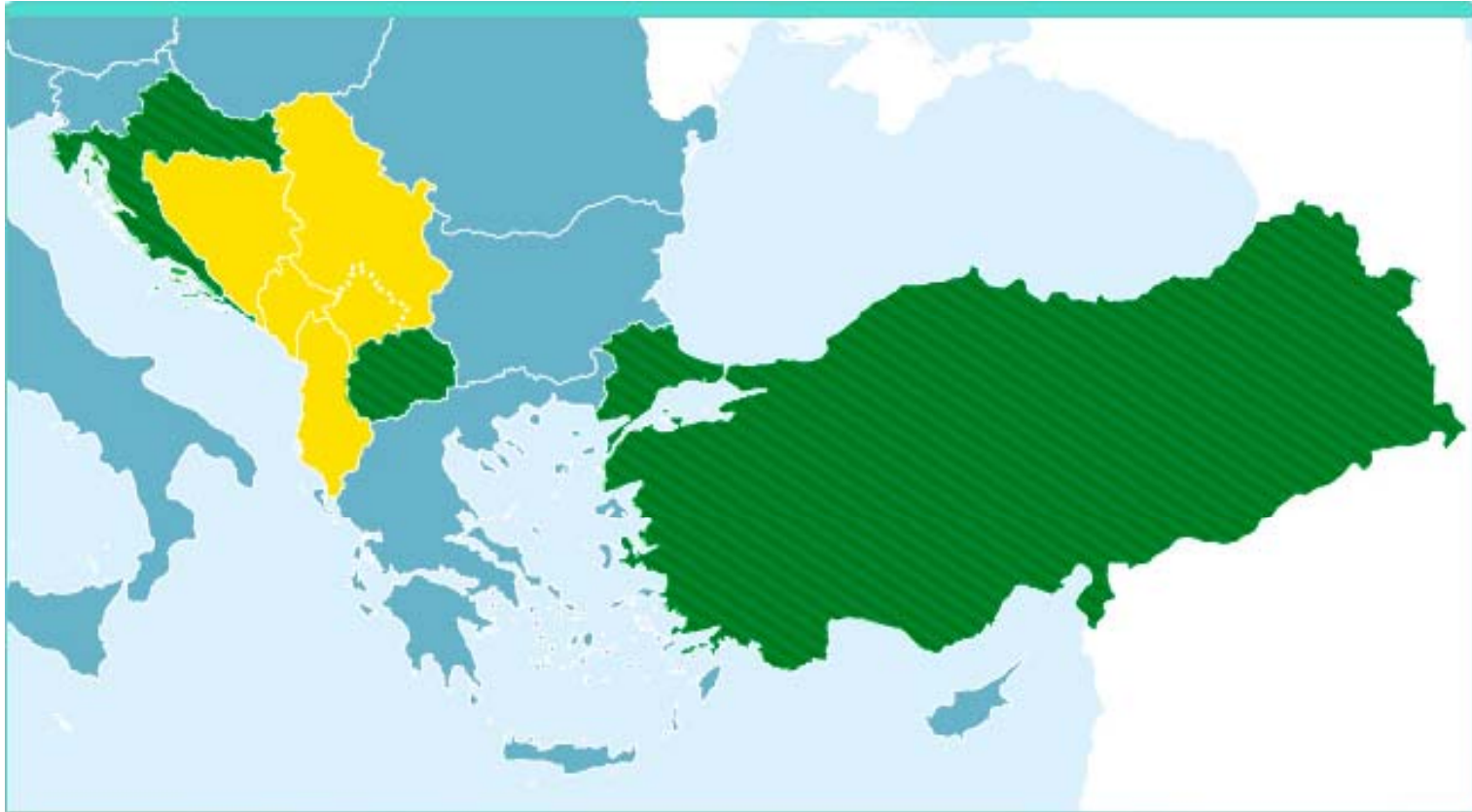
### Rural development policy - Integrated

- Demonstrated in its objectives, reflecting economic, environmental and social concerns for agriculture and the wider rural economy
- Same measures may contribute to several objectives



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Candidate countries - Croatia, Turkey and the former Yugoslav Republic of Macedonia



Potential candidate countries - Albania, Bosnia and Herzegovina, Montenegro, Serbia, and Kosovo under UN Security Council Resolution 1244



## IPA (Instrument for Pre-accession Assistance) Rural Development component

### Main objectives:

- To prepare countries for the implementation and management of the Common Agricultural Policy
- Contribute to the sustainable adaptation of the agricultural sector and rural areas

Multi-annual rural development programme

Three "axes" containing "measures"



## Priority Axes

- **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 implementation of Community standards

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



## Investments in agricultural holdings

- To upgrade them to Community standards and to improve their overall performance
- Assistance can be granted to holdings which:
  - Can demonstrate economic viability at the end of the realisation of the investment
  - Comply with national minimum standards when the decision to grant support is taken

Examples of the possible investments - construction and reconstruction of operation buildings, storage facilities, production facilities etc.





## Framework for assistance to pre-accession countries



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### Support for setting-up of producer groups

- To facilitate the setting-up and administrative operation of producer groups which were established for the purpose of:
  - Adapting the production to market requirements
  - Jointly placing goods on the market
  - Establishing common rules on production information
- Support is a flat-rate aid granted in annual instalments for the first five years following the date on which the producer group was recognised



## Investment in processing and marketing of agriculture and fishery products

- To upgrade enterprises to Community standards and to improve their overall performance in the processing and marketing of primary agricultural and fishery products
- Support can be granted for investments in enterprises which:
  - Can demonstrate economic viability at the end of the realisation of the investment
  - Comply with national minimum standards when the decision to grant support is taken

Examples of the possible investments: the purchase or lease-purchase of new machinery and equipment



## Axis 2 - Preparatory actions for implementation of the agri-environmental measures and local rural development strategies

- Actions to improve the environment and the countryside
- Preparation and implementation of local rural development strategies



## Preparation for implementation of actions relating to environment and countryside

- Pilot actions on limited number of areas with identified environmental objectives
- Support to farmers who make on a voluntary basis a commitment going beyond the mandatory standards
- Payments granted annually to cover additional costs, income forgone and where necessary also transaction cost

Examples: reduction, better management of  
fertilisers, diversification of crop-rotations etc.



## Preparation and implementation of local rural development strategies

- Local-public-private partnership (Local Action Group - LAG)
- Bottom-up approach with a decision making power for LAG concerning the elaboration and implementation of strategies
- Implementation of area-based local development strategies
- Running of the local private-public partnerships
- Implementation of cooperation projects
- Networking of local partnerships



## Axis 3 – Development of the rural economy

- Improvement and development of rural infrastructure
- Diversification and development of rural economic activities
- Improvement of training
- **Technical assistance** – preparation, monitoring, evaluation, information and control activities for the implementation of the programme



## Framework for assistance to pre-accession countries



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### Improvement and development of rural infrastructure

- Assistance for investments aimed at improving and developing rural infrastructure
- Priorities for investments:
  - water and energy supply
  - waste management
  - local access to information and communication technologies
  - local access to roads
  - fire protection infrastructure



## Diversification and development of rural economic activities

- Support for farmers and any other private legal entities established in rural areas undertaking the activity
- Priority given to investments for the creation and development of:
  - micro and small enterprises
  - crafts and rural tourism, with a view to promoting entrepreneurship

Examples of investments: alternative productions like production of medical and spice herbs, mushrooms, providing services to farmers





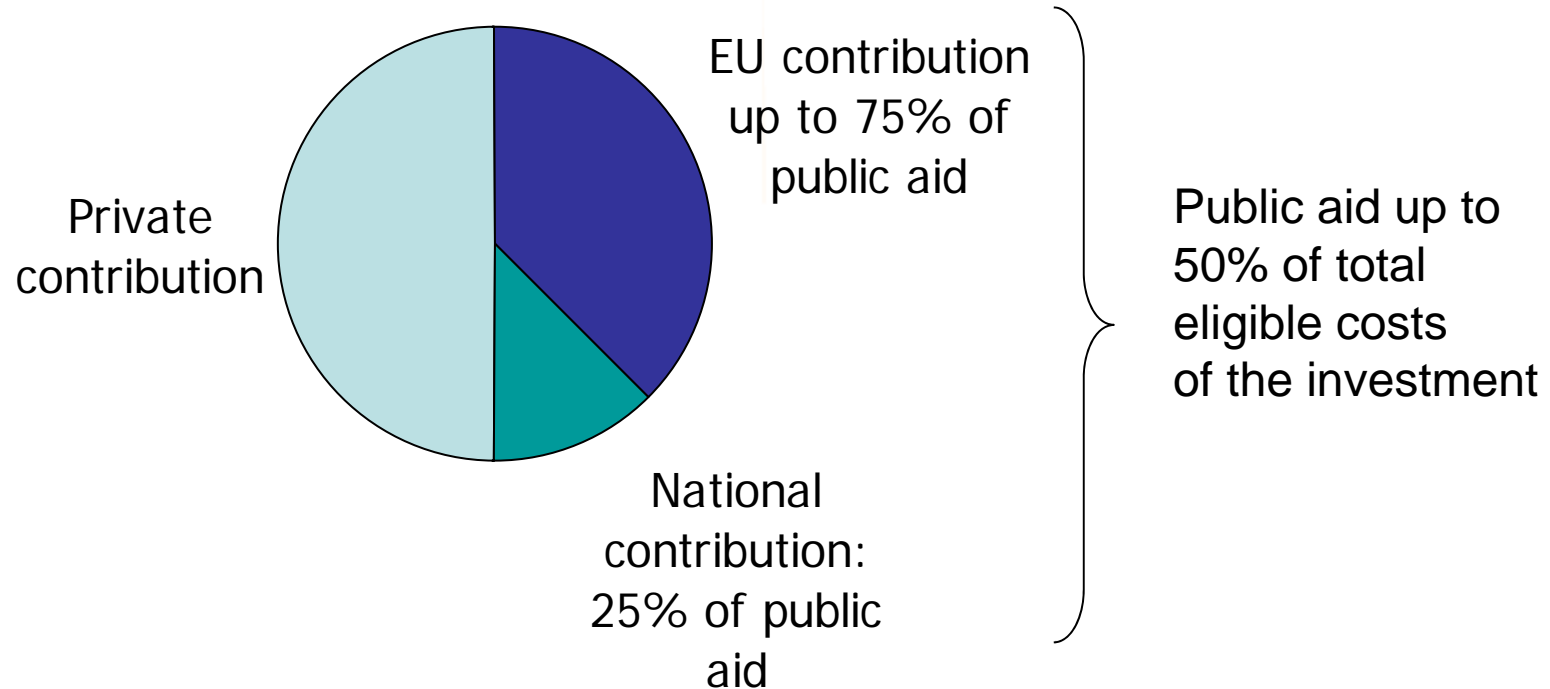
## Improvement of training

- Assistance to improve occupational skills and competence of persons engaged in the agricultural, food and forestry sectors
- Support not granted to courses of instruction or training which form part of normal programmes or systems of education at secondary or higher level



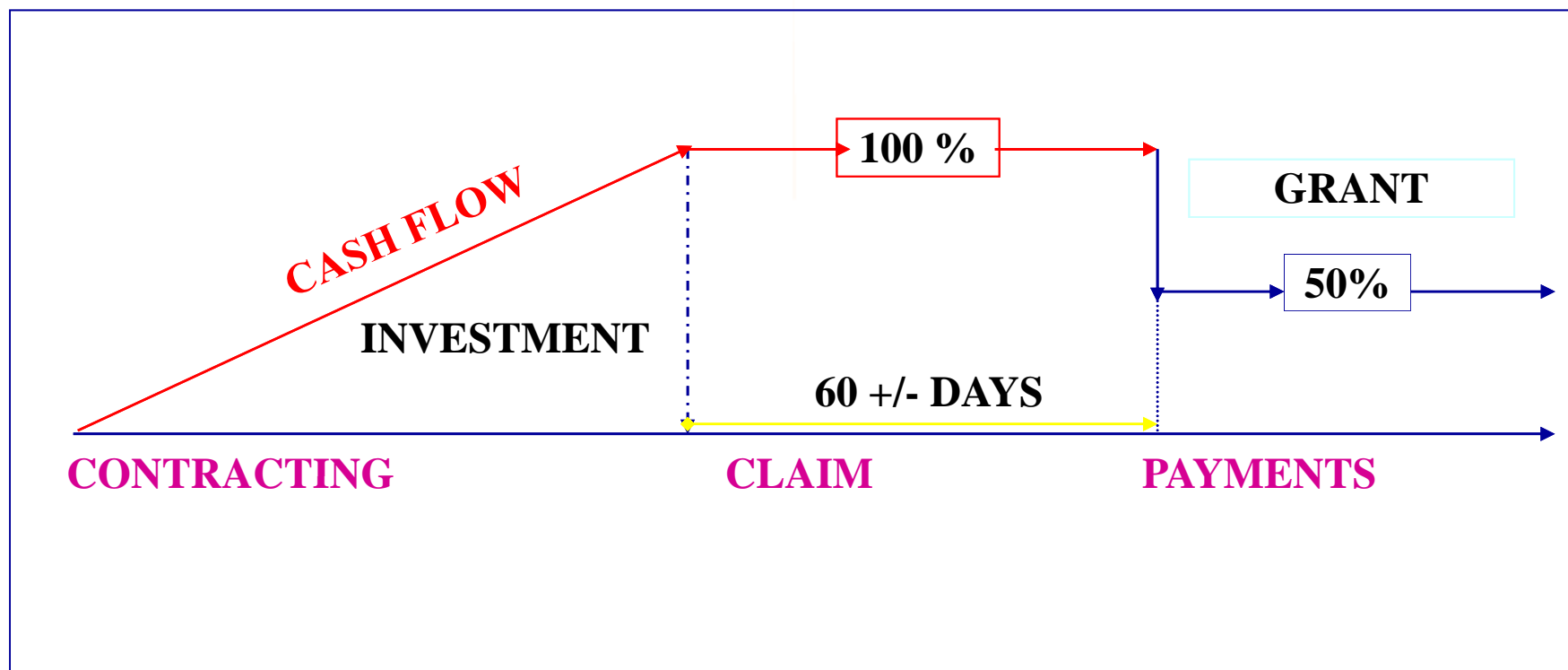
## Co-financing principle

SAPARD = IPARD





## Beneficiary Cash flow SAPARD = IPARD





- EC's approach to rural development
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## Main steps towards the IPARD

Receiving of a "Candidate Country" status



Adoption of IPA Rural Development Programme



Framework and Sectoral Agreements



National accreditation of IPARD operational structures

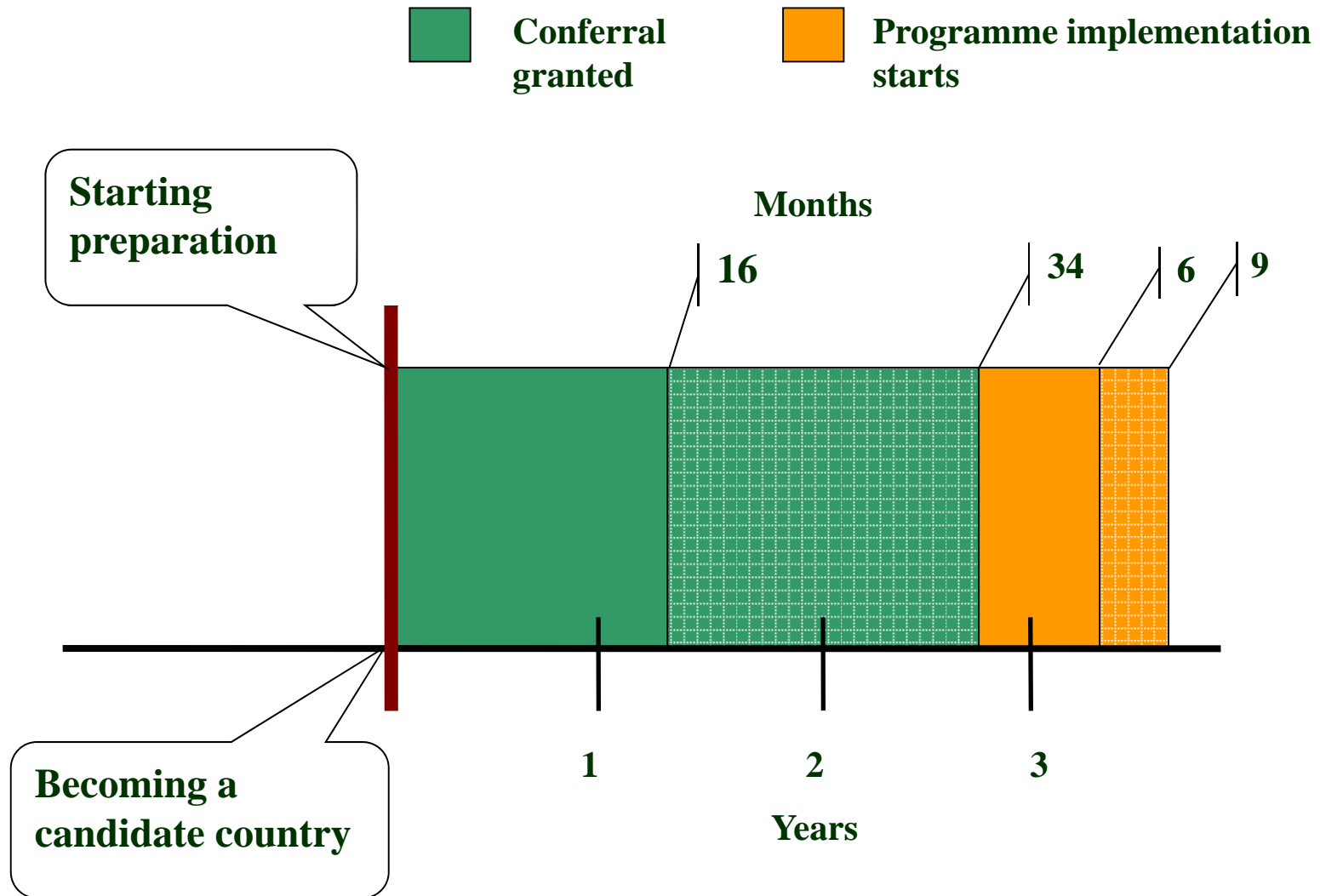


Accreditation and conferral of management decision



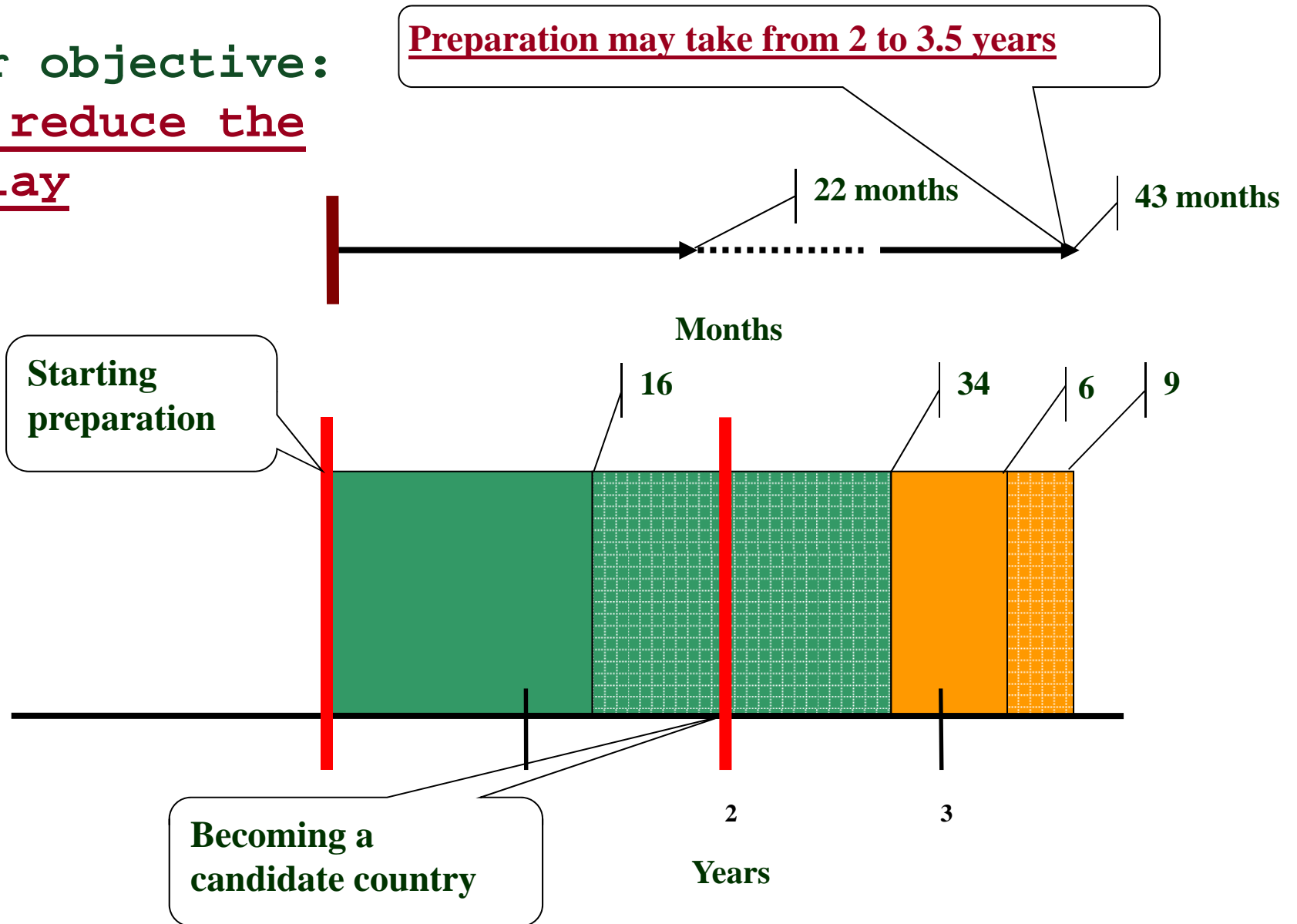
Multi-annual Financing Agreement

# Timeframe: preparation



**Our objective:  
to reduce the  
delay**

**Preparation may take from 2 to 3.5 years**

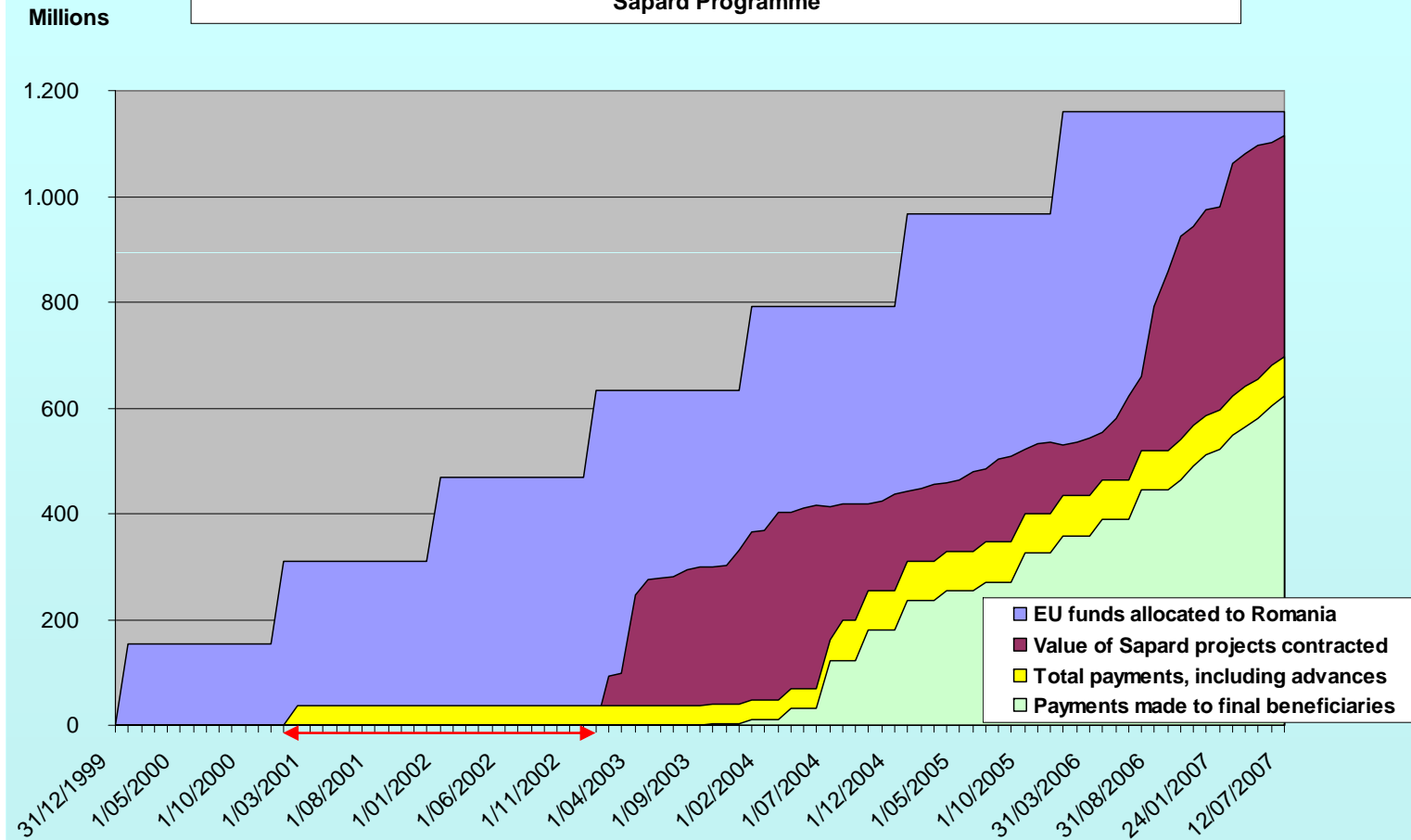


# Timeframe



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Romania - EU Allocation, Value of Sapard Projects Contracted and Payments since the Start of the Sapard Programme







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**Thank you for your attention**