

**Address delivered by**  
**Head of Directorate-General 6**  
**Federal Ministry of Food and Agriculture**

**Occasion:** 12<sup>th</sup> SWG Ministerial Meeting

**Date:** 15 November 2018

**Venue:** Struga, Macedonia

**Subject:** Convergence of Western Balkan countries  
towards the EU – Challenges and prospects for  
a sustainable shaping of agriculture and rural  
areas

**Participants:** Agriculture Ministers of the Western Balkan  
countries

**Speaking time:** 10 minutes

**Contents:**

	<b>Page</b>
1. Introduction	1
2. Agriculture and rural areas in Germany	2
3. Agriculture in the Western Balkan countries	3
4. Support for the Western Balkans	4
5. Closing remarks	6

Chairman,  
Ministers,  
Mr Ilic,  
Ladies and Gentlemen,

## 1. Introduction

- On behalf of Federal Minister Julia Klöckner I would like to thank you most warmly for the invitation to today's conference.
- We are following the developments in your countries with interest and congratulate you on the successful work and the achievements obtained.
- On behalf of the Federal Government I would like to encourage you to resolutely continue this process of reform and rapprochement.
- The SWG and their governments have been instrumental in the further improvement of cooperation on the Western Balkans in the fields of agriculture and regional development.
- The European Commission's Western Balkans Strategy is playing a major role in your countries' process of convergence towards the EU.
- The Berlin process, too, provides key impetus for a strengthening of regional cooperation and collaboration.
- Today we will discuss issues related to the development of agriculture, food and rural areas in the Western Balkan countries. I would like to start with a general view on the challenges the agricultural policy is facing in Europe.

## 2. Agriculture and Rural Areas in Germany and Europe

- More than 90 percent of the land in Europe, in the West-Balkan as well as in Germany is classified rural. A major part of the rural regions in Europe have a low population density often less than 50 people per square kilometre. These structurally disadvantaged regions are highly economically dependent on the value chains of the farming forestry and fishing industry. This is one of the reasons why they are mostly affected by demographic and structural economic change in the country side, which is one of the biggest social and political challenge we are facing in Europe also in Germany.
- There is consensus that Europe needs a strong CAP. The European agricultural model is based on the internal market and on the fundamental freedoms that it entails. Market orientation and fair competition are essential preconditions for maintaining and improving the performance and competitiveness of the domestic agri-food industry on European and international markets. If we want to show young people, women and families future perspectives in their homeland, this will often only work through the development of sustainable jobs in efficient value chains in agriculture, forestry and fisheries combined with a modern infrastructure and equal living conditions.
- There is also a consensus that we must align agriculture even more with nature conservation and climate protection concerns and, in Germany in particular, with animal welfare considerations. The agricultural sector and rural areas have a key role to play in implementing the United Nations' Sustainable Development Goals and the Report of the Conference of the Parties on its twenty-first session (COP 21) in respect of limiting climate change.
- In Germany the agricultural and food sector has shown a positive development over the past 25 years. Laying foundation for this was the clear focus on market orientation and international competitiveness. The decline in the number of jobs on farms due to the ongoing structural change in agriculture has been offset for years by a growing number of jobs in the upstream and downstream sectors. Today,

around 660,000 jobs on the still more than 275,000 farms secure around 4.6 million jobs in the entire value chain. That is 10.6% of all jobs. But even in Germany demographic change has become especially in the eastern part but also in some structural weak regions in the western part more and more a reason for concern in regard to economic, social and political stability.

- It is therefore no surprise that the future of rural regions and in this context also the CAP plays a major role in the public debate in Germany and that the CDU/CSU and the SPD have also dealt with it intensively in their coalition agreement of March 2018.
- The Federal Government set up a Commission for "equivalent living conditions".
- This Commission is charged with devising concrete proposals on how resources can, in the future, be fairly distributed among all people living in Germany and how equal opportunities can be guaranteed in all spheres of life.
- Federal Minister Klöckner is co-chair in this Commission and thus a strong voice for the concerns of rural residents.
- Alongside an efficient social infrastructure, innovations and the possibility of harnessing digital technologies are today key prerequisites for economic success both in agriculture and in other economic sectors.

### **3. Agriculture in the Western Balkan countries**

- Agriculture plays a vital role in your countries because of its relatively large share in the gross domestic product. The Western Balkan is well known and highly valued in Germany for the beautiful landscape, the impressive rural heritage and traditions combined with warm hospitality and good food and wine.

- Speaking from the experience we gained in Germany, for example in my home region, where we celebrate this year the 200 years anniversary of the eldest - still very successful - vine cooperatives in the world, the marketing of regional culinary specialities in combination with rural tourism can offer even today small-scale-agricultural holdings a solid income, if they do collaborate and develop highly-priced niche markets.
- In the EU and in Germany there is a great demand for GMO-free products, organic produce, quality wines and prime quality specialities of any kind.
- Regional products can be marketed globally as precious specialities thanks to geographical indications such as those established in the EU.
- It was with great interest that we took note of the "Jahorina Agenda 2018" drawn up by this year's Agricultural Policy Forum, it contains excellent and expedient proposals for policy measures, notably to strengthen rural areas and the competitiveness of small agricultural enterprises.
- It is important to enhance framework conditions especially in fields with great potential for added value for this would otherwise remain untapped.
- The protection of the environment and biological diversity are likewise intrinsic to sustainable agriculture, tourism and the future viability of rural areas as a whole.

#### **4. Support for the Western Balkans**

- The Western Balkans are located at the heart of Europe and are closely interwoven with the European Union.
- The Federal Government and the Federal Ministry of Food and Agriculture firmly endorse the prospect of EU membership for your countries.

- We are faced with the same challenges even though to varying degrees on questions regarding the future of rural areas and prospects for the agricultural sector.
- Cooperation and exchange of know-how will therefore pay off for both sides.
- Yet, a one-to-one adoption of solutions from one country to the other is not helpful generally speaking.
- We see this in wine legislation, for instance, where every country needs specific rules, too.
- It is indeed advisable, however, to harmonise national provisions as far as possible in order to facilitate trade for you amongst each other and with the EU.
- This is why the BMEL will be launching a regional cooperation project together with the SWG before the end of this year.
- The official kick-off will take place in Skopje in mid-December and I wish all participants a good start!
- In my view cooperation means to seize opportunities, share experience and get to know different models or ways of doing things.
- We frequently find suitable solutions this way and might also avoid mistakes in a few cases that others, including us, have already made.
- We would be pleased to support you in the future as well.
- In keeping with tradition, the Agriculture Ministers of the Western Balkan countries will meet on the fringes of the International Green Week and the Global Forum for Food and Agriculture.

- This year and two years ago, these meetings had already been held at the initiative of the SWG.
- It is therefore a matter of special concern to me to pass on to you the oral invitation of Federal Minister Klöckner to the Global Forum for Food and Agriculture on 17-19 January 2019 and to the meeting of the Agriculture Ministers of the Western Balkan countries.
- This meeting is scheduled for Sunday, 20 January 2019.
- The GFFA 2019 will address the topic of "**Agriculture goes Digital - smart solutions for future farming**".
- This is an issue which is likely to be of interest to Agriculture Ministers worldwide in the face of a growing world population, decreasing farmland and climate change and in view of our joint aim of safeguarding food security.
- The political highlight of the GFFA will once again be the Berlin Agriculture Ministers' Conference which will be held on Saturday, 19 January 2019, which is with 70 ministers participating the world's largest conference of this type.
- I would be delighted if you could seize this opportunity both for discussions and meetings with your colleagues from all around the world.
- You will receive a written invitation to these events in the coming days.

## 5. Closing remarks

- Ladies and Gentlemen, we have a common set of goals: a strong, sustainable and future-oriented agriculture and attractive rural areas.

- When giving shape to our agriculture and rural areas we must not lose sight of historically evolved situations and every region, whether in your countries or in my home country Germany, should rely more on its strengths.
- History, however, also teaches us that cooperation that facilitates win-win situations for all those involved, yields the best results.
- This is why - despite all problems - the European Union with its Common Agricultural Policy continues to be a success model.
- I would be delighted if we could continue to cooperate on the path your countries are taking towards European integration and more competitiveness in the agricultural sector. Thank you for your attention!