

Report

Thirty-Sixth Session of the Regional Rural Development Standing Working Group (SWG) of SEE Countries

Date: 21st – 22nd September, 2016
Location: Kolasin, Montenegro
Organizer: SWG Head Office/Secretariat

Report Prepared by: SWG Head Office/Secretariat



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The organization of the 36th SWG Assembly Session was co-financed in the framework of the European Union funded project "Fostering regional cooperation and balanced territorial development of Western Balkan countries in the process towards EU integration". The contents of this report are sole responsibility of the Regional Rural Development Standing Working Group (SWG) in South-East Europe and can in no way be taken to reflect the views of the European Union.



I. Purpose of the session:

The 36th session of the Regional Rural Development Standing Working Group (SWG) in SEE was held in the period 21st – 22nd September, 2016 in Kolasin, Montenegro.

The aim of the session was to discuss the retrospective of the accomplishments in the period April – September 2016, discussion on the ongoing and SWG upcoming major events for 2016 as per the operational plan, cooperation with SWG partner organizations and institutions. For the closed session the Assembly discuss regarding the SWG internal operational structures.

All SWG delegates from the nine SWG member institutions, and the seven SWG observer institutions were officially invited to participate on the 36th SWG session.

Representatives from seven out of nine SWG member institutions, participated on the session, discussed, gave recommendations and have taken the decisions listed below.

Representatives of the Ministry of Agriculture and Rural Development of Hungary participated on the session as observers.

Representatives from the SWG partner institutions and international organizations – European Commission, Directorate General for Agriculture and Rural Development; Delegation of the European Union in Montenegro, German International Cooperation (GIZ) also participated on the session.

II. MINUTES OF THE SESSION:

SWG Delegates/ Ministry representatives present from:

- Ministry of Agriculture, Rural Development and Water Administration – Republic of Albania (Mr. Grigor Gjeci; Mr. Teuta Topi and Ms. Melisa Cahani);
- Ministry of Foreign Trade and Economic Relations - Bosnia and Herzegovina (Mr. Dusan Neskovic, Mr. Hamdija Civic);
- Ministry of Agriculture, Forestry and Water Management, Republic of Srpska, Bosnia and Herzegovina (Mr. Marko Srdic);
- Ministry of Agriculture, Forestry and Rural Development – Kosovo* (Mr. Bekim Hoxha);
- Ministry of Agriculture, Forestry and Water Economy – Republic of Macedonia (Mr. Gorgi Bozinov);
- Ministry of Agriculture and Rural Development – Montenegro (Mr. Darko Konjevic; Mr. Blagota Radulovic)
- Chamber of Commerce – Republic of Serbia (Mr. Aleksandar Bogunovic);

Ministry representatives of the SWG observer institutions present from:

- Ministry of Agriculture - Hungary (Mr. Balint Illes)

Other representatives present at the session were:

- European Commission, Directorate General for Agriculture and Rural Development – (Ms. Frances Brady)
- Delegation of the European Union in Montenegro (Mr. Benoit Esmagne)

**This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ opinion on the Kosovo declaration of independence.*

- German International Cooperation GIZ (Mr. Benjamin Mohr, Ms. Ljupka Polizovski);

List of Participants from the meeting - Annex I.

III. Topics discussed at the 36th SWG Session:

The main topics of the session which were discussed are the following:

I. SWG Session with participation of SWG partner institutions and organizations

- Elaboration and discussions on the cooperation with partner organizations (EC, JRC, GIZ).
- Discussion related to the project activity “Areas with Natural Constraints in the Balkans”
- Discussion related to project activity on evidence-based policy in respect to rural development and sustainable resource management of natural resources in the framework of LEIWW Programme

II. Internal Session of the SWG Assembly

- Retrospective of the realized activities in the period April – September 2016;
- Discussion on the ongoing and upcoming activities for 2016;
- Planning of the SWG major features related to the Operational Plan 2016;
- Discussion and decisions on the SWG Financial Planning;
- Discussion and decision on the internal topics and future proposals.

Meeting programme is presented in Annex II.

DISCUSSIONS:

Mr. Boban Ilic, SWG Secretary General welcomed the participants and opened the 36th SWG Assembly Session.

On behalf of the Presidency of the SWG Assembly – Ministry of Agriculture and Rural Development and Water Administration, Mr. Grigor Gjerci, President of the SWG Assembly moderated the 36th SWG Assembly Session.

The Assembly Session provided a qualified quorum with participation of the majority member institutions with voting right. All the decisions on the 36th SWG Assembly Session were reached with a consensus and are qualified decisions of the SWG Assembly.

III.1 SWG Session (Open Meeting)

The 36th SWG Assembly Session begun as an open meeting.

III.1.1 Elaboration and update on the cooperation with European Commission

SWG – EC: “Fostering regional cooperation and balanced territorial development of Western Balkan countries in the process towards EU integration - Support to the Regional Rural Development Standing Working Group (SWG) in South-East Europe”

Mr. Surlevski presented the activities performed in the period April – September 2016 and future activities within the project in respect to the Area Based Development program through the project on "*Fostering regional cooperation and balanced territorial development of Western Balkan countries in the process towards EU integration - Support to the Regional Rural Development Standing Working Group (SWG) in South-East Europe*". Mainly the focus will be on organization of the meetings on the stakeholder groups in all four cross border regions, support to organization of P2P actions, support to preparation of quality project proposals on different open calls in the cross-border regions and support to political and policy discussions on agriculture and rural development issues. First Call ABDA Grant Scheme within LEIWW Programme is closed and preparations for the Second ABDA Grant Scheme for “Prespa” and “Sharra” regions within LEIWW Programme is ongoing. Finalization of the baseline analyses for the additional regions is foreseen to be completed in November 2016.

More details in Annex III.

SWG - DG NEAR – TAIEX COOPERATION

In respect to the Cooperation with DG NEAR – TAIEX Unit, organization of TAIEX multi-country events has been stopped and respectively the realization of approved applications was delayed by the EC due to the administrative procedures. The status of the approved applications, as well as applications to be submitted and proposed topics for further organization of TAIEX multi-country events have been also discussed. Applications for TAIEX multi-country workshops: Producer Groups – legal framework, structure, roles is approved and its realization will be in 2016. Workshop on establishment and improvement of national registration systems in Balkan countries with focus on fruit and grape varieties and aligning with EU marketing requirements is also approved and realized in June 2016. Applications for proposed multi-country workshops related to organic agriculture was also discussed and the representatives from the ministries were asked for volunteer willing to prepare the application. It was recommended the submission of the application to be postponed sine the relevant EU regulation for organic agriculture had just been under discussion and theoretical soon needs to come out. The delegates agreed to postpone the subject until the next Assembly meeting in December. Regarding the TAIEX application on definition of ANCs, Macedonian Ministry had already taken responsibility, and the representative from the Macedonian Ministry confirmed the commitment. On behalf of GIZ, SWG Assembly have been informed about the possibility for GIZ to provide an expert to help the preparation of the application through the LEIWW project. Hungarian Ministry of Agriculture also expressed interest to assist in drafting the applications and offered their expertise and capacities for the next workshops when needed. The status of TAIEX applications on PGD, PGA and traceability of wine controlling should be reviewed with TAIEX whether there is a possibility to apply in this stage.

More details in Annex IV.

SWG – JRC IPTS: “National Policy Instruments and EU Approximation and EU approximation process: Effects on farm holdings in the Western Balkan Countries (EUEWB)”

In respect to the EU funded project: “National policy instruments and EU approximation process: Effects on farm holdings in the Western Balkan countries”, Mr. Ilic provided an information on the progress made in respect to the Statistic data bases as well as APM data bases including data on direct support schemes which are up-dated. Country reports on agriculture and rural development policy development are in a final stage of preparation. Synthesis report on direct support schemes of the WB countries and assessment of farm level data availability and quality have been prepared. IFM-CAP for quantitative analysis within this project have been decided not to be used due to few reasons such as problems in accessing FADN data and progress made on IFM-CAP, lack of some significant data e.g. no farm weights for some of the countries and short time until the end of the project. Mr. Ilic pointed out the non-transparent process of choosing topics for farm level analysis as alternative of FADN, presented them and asked the delegates to provide their opinion on the policy relevance of the topics for each country/territory respectively, via e-mail. Final report consisted of two parts is scheduled to be ready by the end October 2016 and will be presented during the Agricultural Policy Forum 2016 and on the Ministerial Meeting in November 2016. Next meeting is scheduled for February 2017 in Skopje, Macedonia.

More details in Annex V.

III.1.2 Elaboration and update on the cooperation with GIZ

SWG – GIZ: “Support to sustainable waste management in SEE rural and costal cross-border areas”

With regards to the GIZ project on Solid Waste Management in SEE coastal and cross-border rural areas, Ms. Gjorshoska presented the main outcomes and final results and achieved impacts of the project. Organization of the pilot measures in the pilot regions and cleaning actions in the designated hot spot areas were organized in 43 municipalities in 6 countries in cross border regions of “Drina-Tara –Sava” and “Sharra Mountain” in the course of April and May. Additionally, to the cleaning actions, donation of equipment and accessories for solid waste management was delivered to several municipalities in the cross-border regions.

In the frame of the project, the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina in cooperation with the Regional Rural Development Standing Working Group(SWG) in South Eastern Europe (SEE) organized a Bilateral Meeting of the Ministers responsible for Environmental Protection from Bosnia and Herzegovina and Serbia held on 31st of May in Visegrad, Bosnia and Hercegovina where discussion on waste management problems in the Drina cross-border area and formation of possible Intergovernmental Coordinative Body (Drina Commission) was discussed. The main output of the meeting is Conclusions of the Bilateral Meeting of the Ministers responsible for Environment Protection of Bosnia and Herzegovina and Republic of Serbia and expresses the commitment and willingness to strive toward the mutual cooperation agenda and future developments for environment and rural development sectors in SEE.

The project concluded with the final project conference organized jointly by SWG and NALAS where the final results and achieved impacts of the project were presented in front of the stakeholders from the SEE countries. During the conference representatives from local and central governments, associations, private companies, NGOs and other stakeholders become familiar with the outcomes of the project e.g. developed models and agreed on the Joint Statement of the Participants of the Final Conference in the framework of the project in respect to support the regional cooperation and dialogue on marine litter/floating debris’ monitoring and prevention. The final conference was held in the period 6th – 7th June in Macedonia. Presentation of a short promo film on pilot measures implemented in the cross-border pilot regions in terms of Facts and Figures from the Pilot Measures have been presented on the Assembly. Package of documents consisted

of important outcomes from the project were distributed during the SWG Assembly. The project officially concluded end of June 2016.

More details in Annex VI and Annex VI.1.

SWG- GIZ: "Strengthening regional capacities for rural development through integrated forest and water resources management in Southeast Europe"

Mr. Benjamin Mohr, Team Leader of the Programm for Rural Development through Integrated Forest and Water Resources Management in Southeast Europe (LEIWW) provided short update and review the progress of the Programme LEIWW. The presentation focused on the main objectives and outputs foreseen within the project. Mr. Mohr presented the implementation models and main results, outputs and actions taken during the reporting period of the programme implementation. The programme has been commissioned with a duration of 3 years and contribution of SWG and GIZ. It was announced that extension of the LEIWW project is planned i.e. LEIWW 2nd phase have been discussed in terms of defining and directing the priorities for cooperation. Indication from the German Federal Ministry for Economic Cooperation and Development (BMZ) are that major directions will stay the same, but sure new ideas and demands could be taken into consideration when developing the 2nd LEIWW phase.

In line with LEIWW objective to create preconditions for evidence-based and EU-compliant policy design regarding environmental objectives in rural development and agriculture, development of evidence-based policy assessments and gap analysis is supported in order to provide policy recommendations in respect to rural development including areas with natural constraints and sustainable management of natural resources in SEE.

Assessment and the policy recommendations originating from the study on characterization and mapping of ANC was supported by GIZ in the process of contacting of the National and International experts. The country reports are already drafted, while the regional synthesis report is under finalization and will be done by October. Presentation of the outcomes and the recommendation from the assessment will be during the APF 2016, Tirana. Dissemination of the assessment and the policy recommendations originating from the study on characterization and mapping of ANC is foreseen to be presented during the Ministerial Meeting 2016, Montenegro. The regional synthesis report will provide a common regional platform and enabling environment for delineation of ANC in SEE. The REAWG on ANC managed to prepare one pilot delineation of an ANC area, where all meteorological, soil and the GIS data were merged under a common platform (for municipality of Aleksinac, Serbia).

Development of evidence-based policy papers in respect to rural development and forest, soil and water/natural resource management is ongoing. The methodology for assessment of the status and provision of policy recommendations for forest, soil and water resource management have been developed and agreed. Kick off meeting of the assignment on Forestry, Soil and Water/Natural Resource Management have been held May 2016 in Goc, Serbia. National experts from 6 countries/territories together with regional and international experts will jointly develop the national chapters and the regional synthesis report. The whole process is coordinated by the Forestry Faculty of Belgrade. Outline of the national chapters and the overall synthesis report have been developed and agreed during the Technical Coordination Meeting held in July 2016 in Vienna, Austria. First meeting of the REAWG will be held in the frame of the APF 2016 in October, Tirana, Albania.

More details in Annex VII.

III.2 Closed SWG Assembly Session

III.2.1 Review of realized activities within the SWG in the period April – September 2016

The SWG Secretary General shortly presented the executed activities according to the operational plan set for the year 2016 which contained activities related to the SWG core functions and projects implemented in cooperation with GIZ, EC and other partner organizations. Based on the agreed and adopted operational plan for 2016 by the SWG Assembly all of the activities have been executed in the reporting period by the SWG Secretariat.

More details could be find in Annex VIII.

Mr. Surlevski presented the results and experiences from the first call of ABD Grant Scheme within LEIWW Programme. The ABD Grant Scheme within LEIWW Programme is follow-up of the ABD Grant Scheme implemented by SWG in 2014 and 2015 under the project “Preparation for implementation of the Area Based Development (ABD) Approach in the Western Balkans – 2nd Phase” funded by the European Union. The overall objective of the project was to continue the process of building capacities and structures within the SWG and within selected regions as a preparation for the implementation of the forthcoming Area Based Development (ABD) programmes. Pilot ABD Grant Scheme was implemented in the cross-border regions Drina-Tara and Drina-Sava focusing on income generation through partnership among operators in different value chains. The 1st ABD Grant Scheme within LEIWW Programme is designed to support small projects in the cross-border regions “Drina-Tara”, “Drina-Sava” + “Prespa” and “Sharra” related to income generation by improvement of production processes, technology and quality of products and services in “green” value chains (tourism, agriculture, etc), promoting sustainable use of natural resources and integrated water and forest resources management. Special attention is devoted to the economic activities of women and young people in the cross-border areas. The evaluation process of the fully received applications is in a process of assessment and it is expected the analyses to be finalized by the end of September in order to proceed with contracting procedure.

More details could be find in Annex IX.

Further, with reference to the realized People to People activities implemented under ABDA and LEIWW program, Mr. Ilic gave an overview of the events realized in the period April-September 2016. Ten People to People events were supported within the ABD and eleven People to People events were supported within the LEIWW Programme which express and promote cultural heritage, environment protection and tradition. People to People actions have been supported and implemented, focusing on economic, environmental and socio-cultural priorities of a regional character in SEE. SWG Assembly recommended and proposed in the future to promote the P2P events through the diplomatic offices in the region as well as to strengthen the promotion among the ministries.

More details could be find in Annex X.

III.2.2 Discussions and planning of the major upcoming SWG activities for Year 2016

➤ Agricultural Policy Forum 2016

Ms. Pavlovska- Gjorgjjeska presented the content of the Forum and the topics which are going to be discussed regarding the APF 2016 which is to be held in the period 11th - 14th October 2016 in Tirana, Albania under the title “Evidence – Based Agricultural Policy: Enabling Environment for Developing the Agricultural Sector in the South East Europe”:

Key note speeches:

- EU market and trade policy - impact on the SEE countries
- Policy orientation in the SEE countries in their approximation toward the CAP
- IPARD and rural development policy evaluation
- Characterization and mapping of areas with natural constraints (ANC) in the SEE countries, compatible with the EU methodology and standards
- The challenge of the evidence – based policy planning in light of the strategic planning process for the integrated economic development of cross-border rural areas Neretva, Pcinja and Prokletije

Working Groups:

- **WG1:** Area - based development approach in the Western Balkans: a tool for rural development with upscaling potential
- **WG2:** Natural resources management in the frame of environment protection policies and sustainable rural development in the Western Balkans National policy analysis on farm holding in Western Balkan countries
- **WG3:** IPARD and rural development policy evaluation: main concepts, on-going evaluation, policy follow-up
- **WG4:** Strengthening the civil society and promoting multi-national exchange in rural development on regional and EU level

➤ *10th Annual Meeting of the Ministers of Agriculture*

Regarding the 10th Annual Meeting of the Ministers of Agriculture, Ms. Gjorshoska presented the recent development regarding the forthcoming meeting:

- 10th Annual meeting of the Ministers will be held on 25th November 2016 in Becici, Montenegro.
- Announcements for the meeting sent end of June 2016 and official invitations will be send by end of September 2016 by the Ministry of Agriculture of Montenegro.
- The topics, which will be discussed during the Tenth Annual Working Meeting of the Ministers of Agriculture from SEE, are:
 - EU approximation of the candidate and potential candidate countries from SEE;
 - Regional Cooperation and way forward in the region;
 - Results and the Agenda from the Agricultural Policy Forum 2016.

Deadline for confirmation of attendance – October 14th, 2016

Task: SWG Member countries/ Delegates to ensure participation of their Ministers and Ministry delegations at the meeting

➤ *37th SWG Assembly Session*

Ms. Gjorshoska informed the SWG Assembly that the planning SWG Assembly Session is going to be held in the period 5th – 8th of December in Hungary in a cooperation with the Ministry of Agriculture of Hungary. The exact location still needs to be determinate with our colleagues from the Hungarian Ministry.

Tentative topics which are to be covered during the planning Assembly are:

- Annual planning for the regional activities and initiatives in the period of 2017;

- Discussion and agreement upon the SWG Operational Plan for 2017;
- Financial framework of the SWG Head Office/Secretariat;
- Discussions regarding the strategic planning for the period of 2016-2020

Invitations will be send by the SWG Head Office/Secretariat in the course of October 2016.

More details in Annex XI and Annex XII.

III.2.3 Discussions on future possible cooperation

Europa Re - Europa Reinsurance Facility Ltd.

Mr. Ilic gave a short overview of the operations of Europa Re. Europa Reinsurance Facility is a Swiss-based property catastrophe reinsurance company that provides a web based underwriting platform with integrated insurance technology applications that include automated pricing and underwriting, innovative claims management services, financial and regulatory reporting and risk management as well as reinsurance capacity to accredited insurance partners in SEE. Europa Re is based in Switzerland with offices in Macedonia, Albania and Serbia owned by the Governments of the MKD, ALB and SRB.

Europa Re supports the following insurance products:

- Catastrophe insurance coverage for damages caused to property and contents by earthquake (and fire following an earthquake) and flood;
- Agriculture yield index insurance coverage, designed to protect farmers from the loss of crop yields due to adverse weather events and biological risks.

Mr. Ilic ask the Assembly whether they are interested to hear in more details about the actions by the Europa Re representative on the next SWG Assembly Session. The delegates expressed willingness to be introduced with the operations and possible benefits and opportunities for cooperation. SWG will invite Europa Re on the next SWG Assembly in December.

More details in Annex XIII.

An initiative on behalf of the Chamber of Commerce of Serbia and Ministry of Agriculture of Kosovo* was proposed to jointly organize an event related to possibilities for regional cooperation in the wine sector in the frame of the 4th meeting of the REAWG on Wine facilitated on behalf of SWG. The aim of this proposal is to present the indigenous varieties of wine for the whole region of South Eastern Balkan. In these occasion the REAWG will have the opportunity to discuss the issues of common interest and thus will support the improvement and strengthening of the regional cooperation between the wine sectors, associations of wineries, wine producers and other relevant institutions. Coordination and joint actions for tackling priority trends and issues of concern is needed in order to achieve the perspectives on the way to EU approximation. The proposed period for realization of this activity is November 2016. Further details will be discussed with the representatives from the Chamber of Commerce of Serbia and Ministry of Agriculture of Kosovo* in the upcoming period.

Conclusions/Decisions Made:

- First Call ABDA Grant Scheme within LEIWW Programme is closed and the Second ABDA Grant Scheme for “Prespa” and “Sharra” regions within LEIWW Programme is ongoing;
- Mr. Bogunovic offered to help start cooperation with regional chambers and agencies, which are already involved in the CBC activities;
- Hungarian Ministry of Agriculture expressed interest to assist in drafting the TAIEX applications and offered their expertise and capacities for the next workshops when needed. The status of TAIEX applications on PGD, PGA and traceability of wine controlling should be reviewed with TAIEX whether there is a possibility to apply in this stage;
- Final report of the SWG - JRC IPTS: “National Policy Instruments and EU Approximation and EU approximation process: Effects on farm holdings in the Western Balkan Countries (EUEWB)” consisted of two parts is scheduled to be ready by the end October 2016 and will be presented during the Agricultural Policy Forum 2016; Next meeting scheduled for February 2017;
- The main outcomes and final results and achieved impacts of the project on Solid Waste Management have been presented at the Assembly. The project officially concluded end of June 2016 with a significant result;
- It was announced that extension of the LEIWW project is planned i.e. LEIWW 2nd phase;
- Presentation of the outcomes and the recommendation from the assessment and the policy recommendations originating from the study on characterization and mapping of ANC is foreseen during the APF 2016, Tirana;
- First meeting of the REAWG regarding the assessment of evidence-based policy papers in respect to rural development and forest, soil and water/natural resource management will be held in the frame of the APF 2016 in October, Tirana, Albania.
- The results and experiences from the first call of ABD Grant Scheme within LEIWW Programme have been presented;
- Recommendation for the future promotion of P2P events through the diplomatic offices in the region as well as to strengthen the promotion among the ministries was given;
- Agricultural Policy Forum 2016 to be held in Tirana, Albania in the period 11th - 14th October 2016. Mr. Gjeci to provide an information on the plan for participation of the Minister Edmont Panariti;
- 10th Annual Meeting of the Ministers of Agriculture from SEE countries will be held on 25th of November 2016 in, Becici, Montenegro. The Ministry of Agriculture and Rural Development of Montenegro will send the Invitations by end of September 2016.
- 37th SWG Assembly session will be organized in a cooperation with the Hungarian Ministry of Agriculture in the period 5th – 8th December 2016. Invitations to be send in the course of October 2016, location and venue – TBD;
- SWG to invite Europa Re on the next SWG Assembly in December;

- An initiative on behalf of the Chamber of Commerce of Serbia and Ministry of Agriculture of Kosovo* was proposed to jointly organize an event related to possibilities for regional cooperation in the wine sector in the frame of the 4th meeting of the REAWG on Wine facilitated on behalf of SWG in November 2016.