



Preaccession Assistance in Agriculture and Rural Development – the Past, the Present and the Future

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Content

➤ ***The Past***

- Evolution of pre-accession assistance → IPA I/IPARD I

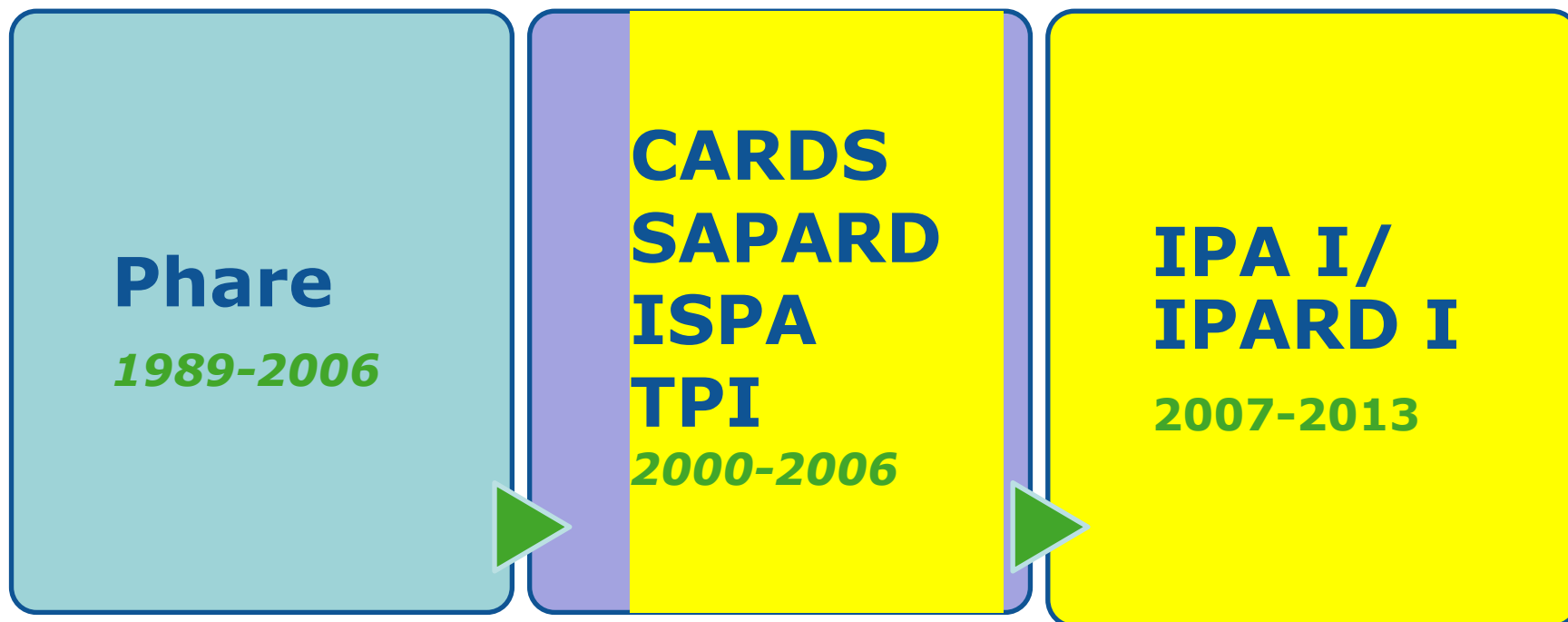
➤ ***The Present***

- IPA II/IPARD II Legal Framework – Objectives, Policy Areas, Thematic Priorities
- Main Documents
- IPARD II Institutional Framework
- IPARD II Programme and Its Implementation
- Issues, Strengths and Expectations

➤ ***The Future***

- Proposal for IPA III

Evolution of pre-accession assistance



IPA I

- The **I**nstrument for **P**re-Accession **A**ssistance
- Since 2007, replaced PHARE, ISPA, SAPARD, CARDS and Turkey Pre-Accession Instrument
- Beneficiaries: Croatia, North Macedonia, Turkey; Albania, Montenegro, Serbia, Bosnia and Herzegovina, Kosovo*
- Total budget for 2007-2013 period: **EUR 11.5 bl**

**This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence*

IPA I – Legal Framework

IPA Regulation - Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA)

IPA Implementing Regulation - Commission Regulation (EC) No 718/2007 of 12 June 2007 implementing Council Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA) (amended by Commission Regulation (EU) No 80/2010 of 28 January 2010 and Commission Implementing Regulation (EU) No of 9 December 2011).

IPA I – Directions of support

- Assistance for transition and institution building
- Cross-border cooperation (with EU Member States and other countries eligible for IPA)
- Regional development (transport, environment, regional and economic development)
- Human resources (strengthening human capital and combating exclusion)
- **Rural development**

IPARD I

- **The Instrument for Pre-accession Assistance for Rural Development**
- Beneficiaries – Croatia, North Macedonia, Turkey
- Alocated budget in 2007-2013: EUR 1.1 bl
- Indirect management – full responsibility of the beneficiaries, i.e., the countries.

IPARD I – Main Objectives

To prepare countries for the implementation and management of the Common Agricultural Policy (CAP)

Contribute to the sustainable adaptation of the agricultural sector and rural areas

IPARD I – Specific objectives/Axis

1. Improving market efficiency and implementation of Community standards (3 measures)
2. Preparatory actions for implementation of agri-environmental measures and local rural development strategies (2 measures)
3. Development of the rural economy (3 measures)

Measure on **Technical Assistance** – preparation, monitoring, evaluation, information and control activities for the implementation of the Programme

IPARD I Measures under Axis I

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 them and upgrade them to Community standards

IPARD I Measures under Axis II

Actions to improve the environment and the countryside

Preparation and implementation of local rural development strategies

IPARD I Measures under Axis III

Improvement and development of rural infrastructure

Diversification and development of rural economic activities

Improvement of training

The Present

Preparing for IPA II

- More **targeted assistance**, ensuring efficiency, sustainability and focus on results by link with Country Strategy Papers - strategic planning documents for the 7-year period
- **Stronger ownership** by the beneficiaries through integrating their own reform and development agendas
- **Better promotion** of structural reforms helping to transform sectors linked to the enlargement strategy and bringing them up to EU standards.
- Gives more weight to **performance measurement**: indicators agreed with the beneficiaries helps to assess to what extent the expected results have been achieved.

IPA II beneficiaries and budget

- **Albania**
- **Montenegro**
- **North Macedonia**
- **Serbia**
- **Turkey**
- **Bosnia and Herzegovina**
- **Kosovo***
- *Iceland (application for EU membership withdrawn in March 2015)*

Total IPA II Budget 2014-2020: EUR 11.7 bl

IPA II – Legal Framework - I

IPA Regulation - Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II)

EU Financial Regulation - Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) - the general provisions for managing the EU budget

IPA II – Legal Framework - II

IPA II Common Implementing Regulation (CIR) - Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action

IPA II Implementing regulation (IR) - Commission Implementing Regulation (EU) No 447/2014 of 2 May 2014 on the specific rules for implementing Regulation (EU) No 231/2014 of the European Parliament and of the Council establishing an Instrument for Pre-accession assistance (IPA II)

The Present

IPA II/IPARD II Strategic Directions

IPA II Specific Objectives - I

Support for political reforms

Support for economic, social and territorial development, with a view to smart, sustainable and inclusive growth

Strengthening regional integration and territorial cooperation involving the beneficiaries., Member States and, where appropriate, third countries within the scope of Regulation No 232/2014 (European Neighbourhood Instrument)

IPA II Specific Objectives - II

Strengthening of the ability of the beneficiaries .. at all levels to fulfil the obligations stemming from Union membership by **supporting progressive alignment with, and adoption, implementation and enforcement of, the Union *acquis*, including preparation for management of Union Structural Funds, the Cohesion Fund and the European Agricultural Fund for Rural Development**

IPA II Policy Areas

- Reforms in preparation for Union membership and related institution- and capacity-building
- Socio-economic and regional development
- Employment, social policies, education, promotion of gender equality, and human resources development
- **Agriculture and rural development ➔ IPARD II**
- Regional and territorial cooperation

IPA II Thematic Priorities

- (j) **Contributing to the security and safety of food supply and the maintenance of diversified and viable farming systems** in vibrant rural communities and the countryside
- (k) **Increasing the ability of the agri-food sector** to cope with competitive pressure and market forces as well as to progressively **align with the Union rules and standards**, while **pursuing economic, social and environmental goals in balanced territorial development** of rural areas.
- (l) **Protecting and improving the quality of the environment**, contributing to the reduction of greenhouse gas emissions, increasing resilience to climate change and promoting climate action governance and information. IPA II funding shall promote policies to support the shift towards a resource-efficient, safe and sustainable low-carbon economy.

The Present

IPARD II

Key documents

Principal documents

Framework Agreement (FWA)

- Setting out specific arrangements for
 - the management, control, supervision, monitoring, evaluation, reporting and audit
 - committing the IPA II beneficiary to transpose into its legal order the relevant Union regulatory requirements.

Sectoral Agreement (SA)

Setting out specific provisions for the management and implementation of IPA II assistance in IPARD II Programme.

Financing Agreement (FA)

Provides the terms on which the IPA II assistance shall be managed, including the applicable methods of implementation, aid intensities, implementation deadlines, as well as rules on the eligibility of expenditure.

Key documents for IPARD II Programme implementation

Annual reports on implementation (Art.23(1) of the IR),

Annual Implementation report (Art. 60(2) of the FWA)

Final report (Art. 29(4) of the FWA)

Interim evaluation (Art. 55(5) of the FWA)

Ex-post evaluation (Art. 55(6) of the FWA)

The Present

IPARD II **Institutional Framework**

IPARD II Institutional Framework

National IPA Coordinator (NIPAC)

National Authorising Officer (NAO)

NAO Support Office (NAO SO) – Managing Structure

National Fund (NF) – Managing Structure

Managing Authority (MA) – Operating Structure

IPARD Agency – Operating Structure

Audit Authority (AA)

Operating Structure

- the Managing Authority (MA), being a public body acting at national level, to be in charge of **preparing and implementing the IPARD Programme**, including **selection of measures and publicity, coordination, evaluation, monitoring and reporting** of the programme concerned and managed by a senior official with exclusive responsibilities; and
- the IPA Rural Development Agency (IPARD Agency) with functions of a similar nature as a paying agency in the Member States being in charge of **publicity, selection of projects** as well as **authorisation, control and accounting of commitments and payments and execution of payments**.

Role of Extension/Advisory services

- An important link between operating structure and the potential IPARD II recipients, rural population on site
- Assists recipients in understanding IPARD II and helps preparing or pre-assessing project applications
- Advises farmers on agriculture, and also supplies them with the necessary services (e.g., researches) to support their agricultural production
- Facilitates build up of local farmers' groups and organizations

Importance of Partnership in IPA II/IPARD II

The Commission **shall, whenever possible and appropriate, ensure** that, in the implementation process, relevant stakeholders of beneficiary countries, including civil society organisations and local authorities, **are or have been duly consulted** and have **timely access** to relevant information allowing them to play a **meaningful role** in that process.

(Art.15 of CIR)

IPARD II Monitoring Committee

- Composed of representatives of relevant national authorities, economic, social and environmental partners, where relevant, international organisations and civil society.
- Reviews the implementation of the actions in the policy area or programme and their consistency with the relevant sector strategies.
- Measures progress in relation to achieving the objectives of the actions and their expected outputs, results and impact by means of indicators as well as progress with regard to financial execution.

The Present

IPARD II Programme Its implementation

IPARD II Implementation stages

Preparation

- Conclusion of the FWA
- Adoption of the IPARD Programme and the List of Eligible Expenditure
- Conclusion of the SA
- Conclusion of the FA
- Entrustment of the IPARD Management System
- Entrustment of the IPARD Measures

Implementation

- Notification on the call
- Launch of the call
- Assessment of the project applications
- Signing the contracts
- Project implementation
- Assessment of the project results
- Annual reports

Finalisation

- Final payment to the recipient
- Monitoring of the durability of operation after the project
- Final reports
- Ex-post assessment

IPARD II programme – Title VII of the IR

IPARD programme should promote a gradual alignment with the *acquis* on the CAP by financing operations of a similar nature to those under the European Agriculture Fund for Rural Development.

The programme shall be **drawn up at national level, prepared by the relevant authorities** designated by the IPA II beneficiary and **submitted to the Commission after consulting the appropriate interested parties.**

The programme shall be implemented on the basis of **indirect management.**

IPARD II Measures - I

1 - Investments in physical assets of agricultural holdings

2 - Support for the setting-up of producer groups

3 - Investments in physical assets concerning processing and marketing of agriculture and fishery products

4 - Agri-environmental-climate and organic farming measure

5 - Implementation of Local Development Strategies - Leader Approach

6 - Investments in rural public infrastructure

IPARD II Measures - II

7 - Farm diversification and business development

8 - Improvement of training

9 - Technical assistance

10 - Advisory services

11 - Establishment and protection of forests

IPARD II – Commitments

Total EU contribution for IPARD II: € 1.129.000.000,00

*table does not include changes in commitments for Turkey in 2019 and 2020

Country	2014	2015	2016	2017	2018	2019	2020	Total
AL	--	--	13	14	12	16	16	71
MK	5	5	5	6	10	14	15	60
ME	--	5	5	6	7	8	8	39
RS	--	15	20	25	30	40	45	175
TR	69	69	69	148	131	149	149	784*
Total	74	94	112	199	190	227	233	1.129

Status of IPARD II entrustment and calls

Entrustment of budget implementation tasks
Upcoming entrustment request

Number indicates the number of calls
7 3 3 5 1

No	Measures
1	Investments in physical assets of agricultural holdings
3	Investments in physical assets concerning processing and marketing of agricultural and fishery products
4	Agri-environment- climate and organic farming measure
5	Implementation of local development strategies – LEADER approach
6	Investments in Rural Public Infrastructure
7	Farm diversification and business development
9	Technical assistance

TR	MK	ME	RS	AL
7	3	3	5	1



IPARD
EU investing
in rural areas



Some statistics

	Number of days the call is open:
Measure 1	64
AL	61
ME	75
MK	69
RS	62
TR	59
Measure 3	64
AL	61
ME	61
MK	69
RS	73
TR	55
Measure 7	72
AL	61
MK	93
TR	67

	Average EU contribution submitted project	Average EU contribution contracted project
Measure 1		
AL	80.799	-
ME	28.488	25.048
MK	14.501	9.236
RS	73.996	30.490
TR	199.565	154.000
Measure 3		
AL	317.864	225.415
ME	195.765	192.408
MK	232.249	121.984
RS	159.194	162.162
TR	339.003	255.853
Measure 7		
AL	109.230	-
MK	221.085	140.525
TR	41.527	33.137

Implementation status (09/2019)

	Financial implementation in % of the total IPARD amounts programmed for 2014-2020	
	IPARD financial execution rates	
Country	Q1 2019	Q2 2019*
AL	8.2%	8.2%
MK	12.8%	14.9%
ME	13.9%	13.9%
RS	13.0%	13.0%
TR	29.3%	30.2%



The Present

Implementation of IPARD II Issues, Strengths, Expectations

Issues in IPARD implementation - I

Impact of political environment, economic developments and exchange rates to IPARD implementation

Insufficient mid/long-term strategic vision and financial planning

Insufficient capacity (human, knowledge, experience) in national authorities

Issues in IPARD implementation - II

Lack of strong cooperation among national authorities

Still developing partnership principle – involvement of social and economic partners

Weak extension and advisory services and information systems

Issues in IPARD implementation - III

Misinterpretation of procedures

Little number of entrusted measures, long entrustment process

High rejection rate of submitted applications

Long assessment period of the project applications

Difficulties with offers/price reasonableness systems

Risk of de-commitment

Strengths in IPARD implementation - I

Strong political support and ambition to implement IPARD

Better implementation if more measures are covered, the Programme is more inclusive and promotes regional equality, projects are economically and physically sustainable

Proactive attitude of responsible authorities, openness to improvements and changes

Cooperation between national authorities and DG AGRI

Increasing Implementation of Technical Assistance

Strengths in IPARD implementation - II

Good nationwide publicity by different means

Increasing public interest in IPARD

Emerging project culture

New type/level farms and food enterprises

Expectations - I

Increase capacity of national authorities, extension/advisory services

Continuously learn by doing and on-hands training

Have strong institutional cooperation and application of partnership principle

Entrust the measure which bring most of the added value for your country

Expectations - II

Ensure fair treatment of all recipients

Avoid de-commitment

Ask IPARD Unit in DG AGRI – we are here to assist you

Start preparing for IPARD III as soon as possible

The Future

Proposal for IPA III

New MFF Proposal



I. SINGLE MARKET, INNOVATION AND DIGITAL

- 1 Research and Innovation
- 2 European Strategic Investments
- 3 Single Market
- 4 Space



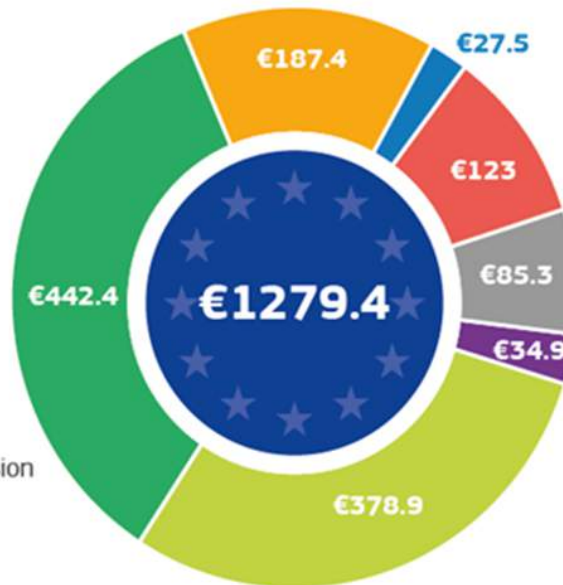
II. COHESION AND VALUES

- 5 Regional Development and Cohesion
- 6 Economic and Monetary Union
- 7 Investing in People, Social Cohesion and Values



III. NATURAL RESOURCES AND ENVIRONMENT

- 8 Agriculture and Maritime Policy
- 9 Environment and Climate Action



V. SECURITY AND DEFENCE

- 12 Security
- 13 Defence
- 14 Crisis Response



VI. NEIGHBOURHOOD AND THE WORLD

- 15 External Action
- 16 Pre-Accession Assistance



VII. EUROPEAN PUBLIC ADMINISTRATION

- 17 European Public Administration

Instrument for Pre-Accession assistance

14.5€ billion

Proposed allocation for pre-accession assistance under the new MFF



Substantial Increase compared to the current MFF (from €12.799)

	change vs. 2014-2020 (in current prices)
Pre-accession assistance (FRIT included)	+13%*
Pre-accession assistance (FRIT excluded)	+27%**

* -1% in 2018 prices
 ** +11% in 2018 prices

Clearly positioned in the context of the **Western Balkans Strategy** and able to adapt to the evolving situation in **Turkey**

➤ **Focus on fundamentals first**

Linking the rule of law and fundamental rights with economic governance and reforms and the strengthening of democratic institutions and public administration reforms

➤ **Cross-programming provisions in NDICI** (Neighbourhood, Development and International Cooperation Instrument)

- Maintaining **Common Implementing Rules** – with cross-references to the NDICI Regulation
- Maintaining access to **thematic (Human rights and civil society) and rapid reaction pillars** of NDICI
- Benefit from worldwide **Guarantee for external actions** including for investments in pre-accession partners

➤ **Ensuring complementarity with internal policies**

Eligibility to internal policies programmes - Horizon Europe, Connecting Europe facility (CEF)

IPA III specific objectives

2. IPA III shall have following specific objectives:
- (a) To strengthen the rule of law, democracy, the respect of human rights, fundamental rights and international law, civil society and security as well as improve migration management including border management;
 - (b) To reinforce the effectiveness of public administration and support structural reforms and good governance at all levels;
 - (c) To shape the rules, standards, policies and practices of the beneficiaries listed in Annex I in alignment to those of the Union and to reinforce reconciliation and good neighbourly relations, as well as people to people contacts and communication;
 - (d) To strengthen economic and social development including through increased connectivity and regional development, agriculture and rural development and social and employment policies, to reinforce environmental protection, increase resilience to climate change, accelerate the shift towards a low-carbon economy and develop the digital economy and society.
 - (e) To support territorial and cross-border cooperation.

IPA III Programming in a nutshell

- **IPA programming framework** with **programming per priority**
- **No country allocation** defined upfront
- **Thematic windows** matching the specific objectives
- **Performance** based
- **Fair share** principle

Programming framework (PF)

- Shifts the focus to **performance in achieving the objectives of the Regulation**
- Assistance planned through **an IPA programming framework covering thematic windows (specific objectives)** to be adopted as a single Commission Decision through comitology
- **Strategy document** for all the thematic windows (**content & indicative allocation**) for the whole period

Programming process

- IPA beneficiaries to prepare **strategic responses** describing how they intend to benefit from the funding opportunities offered under the windows as presented in the PF.
 - Access to funding under the windows based on relevance and maturity of proposed actions.
 - Best actions selected by the Commission and included in Annual or Multi-annual plans.
 - The Commission will adopt financing decisions for the annual and multi annual actions grouped by window (e.g. AAP Rule of Law comprising actions for the benefit of different beneficiaries).
- Identification of **regional programmes** to be organised per window and their programming synchronised with the process applying to strategic responses.

Useful web sites

https://ec.europa.eu/neighbourhood-enlargement/instruments/overview_en - Overview on IPA

https://ec.europa.eu/info/food-farming-fisheries/farming/international-cooperation/enlargement/pre-accession-assistance/overview_en - Overview on IPARD

https://ec.europa.eu/neighbourhood-enlargement/instruments/former-assistance_en - Information on former assistance

https://ec.europa.eu/neighbourhood-enlargement/node_en - Information on enlargement, funding



Thank you for your attention!

