



Comparative analysis of agricultural sectors and rural areas in the pre-accession countries: Agricultural policy developments, situation of the agri-food sector and economic context

State of the art of policy papers and APMC Data sampling, issues and obstacles

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Outline

- Agricultural policy developments in WBCs and TR 2020-2021
- First drafts checking methodology
- Input provided by NEs (so far)
- Overview of preliminary findings, with emphasis on missing data
- Further steps



Country case studies

- Provide overview of the **state-of-affairs in the country's agricultural policy**, with focus on the **recent developments in 2020 and 2021**;
- **Collect agricultural policy data** in the country/territory from relevant national policy documents and legislation, with focus on the recent developments in 2020 and 2021;
- Provide an overview of the **institutional/administrative policy framework**;
- Review the policy milestones, policy strategic documents and operational framework of national policies, and elaborate on the future development of national policies in the country/territory;
- Provide an overview of the **Covid-19 related** agricultural policy interventions and implications;
- Identify the country's policy objectives, instruments and measures addressing the need for **greener policy** in view of the growing challenges related to climate change, biodiversity loss and management of natural resources;
- Provide an overview of the existing policy framework to evaluate **compliance with EU standards** in primary production and processing and state of harmonisation with the EU CAP (including the EU Green Deal – Farm to Fork Strategy);
- Include **expert assessment** of the country's agricultural policy framework, conclusions and recommendations.

The country report will also provide background for the cross-country comparative analysis of the agricultural policy developments in the WB countries and Turkey.

Method and materials

Quantitative methods:

- Update the country's **APMC database** for the years **2020 and 2021**, to enable systematic and standardized evaluation and hence comparative basis among the countries.
- Provide **several additional statistics** to enable calculation of policy related indicators (e.g. population, UAA, GDP, agricultural output value etc.), for which an Excel sheet will be provided by the Regional coordinator.
- Mark the measures linked to **greener policy** in the APMC database (e.g. climate change, biodiversity loss and management of natural resources).
- Mark the measures linked to **Covid-19** intervention in the APMC database.

Method and materials

Qualitative methods:

- Analysis of agricultural and rural development policy documents, through **literature review** of formal policy documents, research studies, expert papers, personal communications.
- Input from the **key players** in the governmental structures (interviews).
- **Expert assessment** of the national developments and comparative analysis with the EU CAP framework.



Method and materials

Sources of data:

- National systems for monitoring budgetary spending by individual agricultural policy measure
- Governmental budgetary plans
- Policy programs and regulations
- Reports on the implementation of agricultural policy measures from various ministries
- Aggregate budgetary data from the ministry of finance
- Local level authorities
- International donors
- Other sources - statistical offices, EC country progress reports etc.



Country case studies - structure

1. Agricultural policy framework in the country/territory
2. Measures and budgetary support of agriculture and rural development
3. Covid-19 interventions in policy and implications
4. Greener policy instruments and measures linked to climate change, biodiversity loss and management of natural resources
5. EU approximation process
6. Conclusions and policy recommendations



First drafts checking method

APMC:

- Completeness, Consistency, Continuity
- Model functionality
- Graphic representation (updated)

Country reports:

- Completeness
- Contents – first reading



Input provided (so far):

	APMC	Covid-19 row	Green measures row	Additional stats	Report
AL	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> *	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> Ag. land	1 st draft
BA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	not yet	<input checked="" type="checkbox"/>	1 st draft
XK	Partial (announced)	<input checked="" type="checkbox"/>	not yet	<input checked="" type="checkbox"/> GVA, employed part.miss. 2021	not yet
MK	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> *	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1 st draft
ME	Planned amounts	not yet	not yet	<input checked="" type="checkbox"/> miss. 2021	not yet
RS	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1 st draft
TR	<input checked="" type="checkbox"/> Some revision needed	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1 st draft

* No C19 separate measures



Comparative cross-country analysis

From the collected country information, APMCs and case studies:

- Comparative cross-country analysis of the agricultural policy developments in the WB countries/territories and Turkey
 - Main successes and failures of agricultural policies
 - EU approximation process of the WB countries/territories and Turkey
 - Policy recommendations
-
- Country and cross-country harmonised and consistent database (internal and public)



Comparative cross-country analysis

Preliminary contents:

- Executive summary
- Introduction
- Materials and methods
- Agricultural policy framework in the WB countries and Turkey
- Measures and budgetary support of agriculture and rural development in the WB countries and Turkey
- Covid-19 interventions in policy and implications
- Greener policy instruments and measures linked to climate change, biodiversity loss and management of natural resources
- EU approximation process
- Conclusions and policy recommendations



Agricultural policy framework

- **EU accession - key political goal**

→ **EU's CAP represents the benchmark for agricultural policies** in pre-accession countries to meet upon their accession: developing ability to take on the obligations of the EU membership, strong reliable management and control systems to align with the EU legal, administrative set-up, support system to facilitate integration of the agricultural sector into the EU single market and political decision-making process

→ Most countries/territories have adopted or are in the final stage of adopting **new strategic documents** for the period 2021-2027 (national and IPARD III)

- **Ag. policy strategic planning/policy cycle, administrative capacity, monitoring and evaluation, analytical support for policy formation and implementation – WB level**

→ Preliminary overall assessment of the **strategic policy framework**: initial stage (AL, BA, XK, ME) and initial to medium stage (MK, RS).



EU progress WBs and TR (2019 vs 2021)



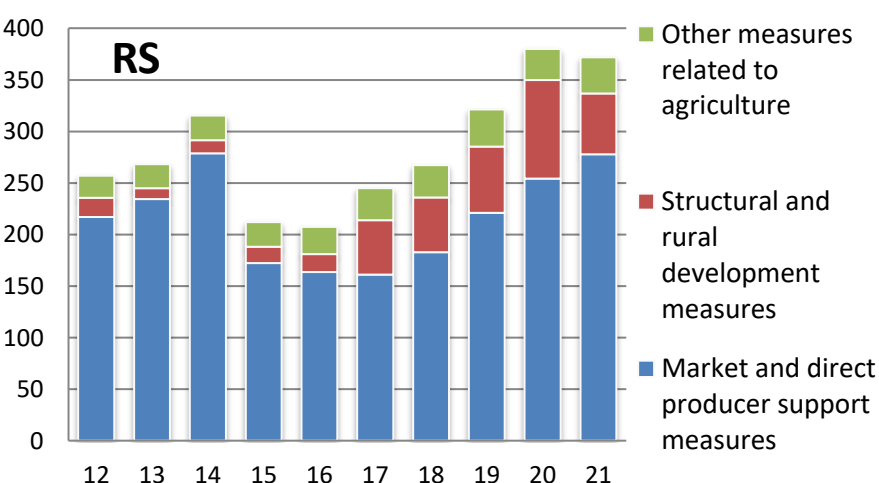
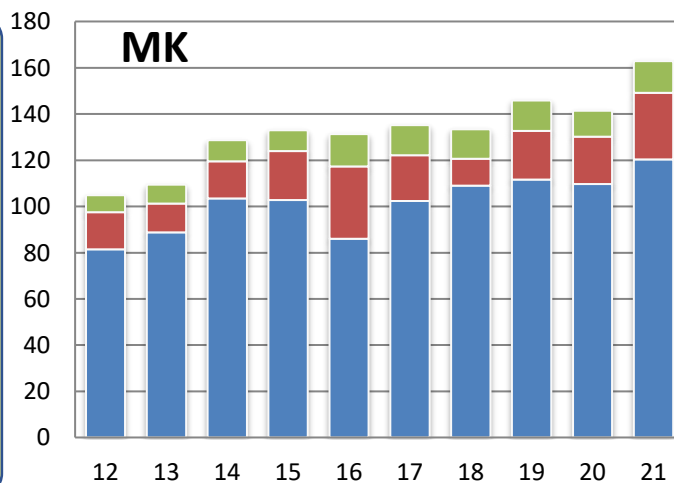
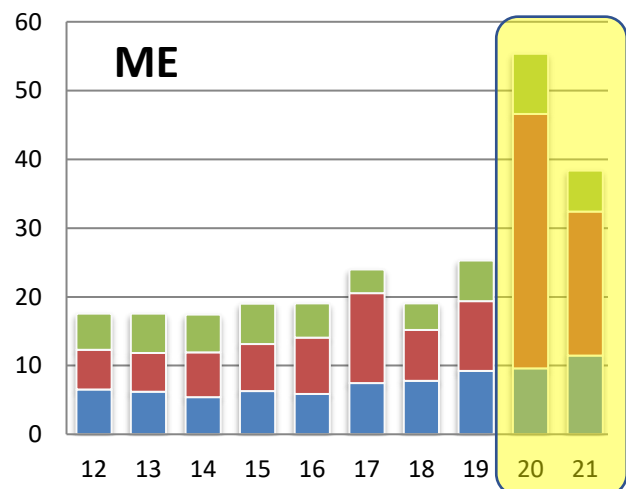
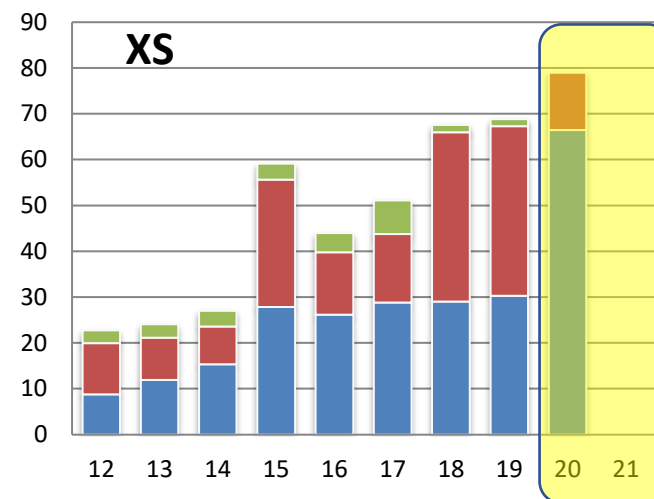
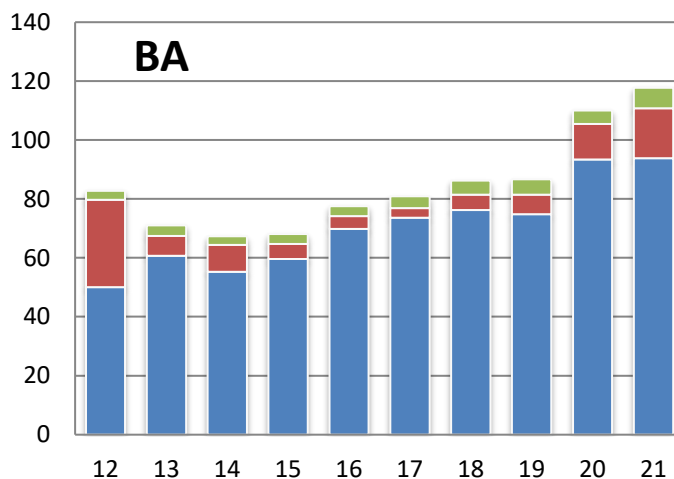
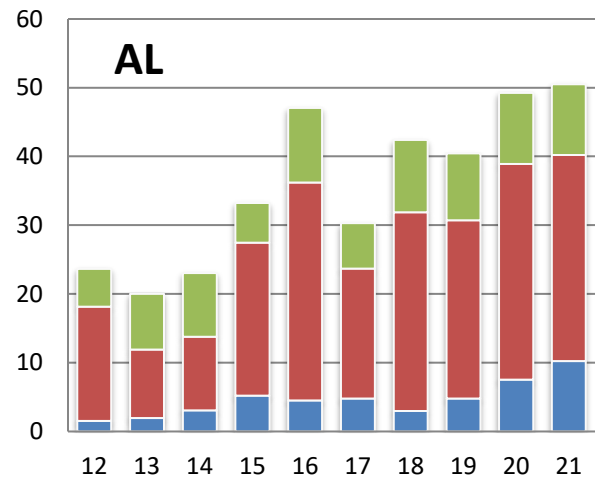
Acquis Chapter	(11) Agriculture & Rural Development		(12) Food Safety, Veterinary & Phytosanitary Policy		(13) Fisheries	
	2019	2021	2019	2021	2019	2021
AL	Some level of preparation*	Some level of preparation*	Some level of preparation*	Some level of preparation*	Early stage*	Some level of preparation*
BA	Early stage	Early stage	Some level of preparation	Some level of preparation	Early stage	Early stage
XK	Some level of preparation	Some level of preparation	Some level of preparation	Some level of preparation	Early stage	Early stage
ME	Moderately prepared***	Moderately prepared***	Moderately prepared***	Moderately prepared***	Early stage***	Some level of preparation***
MK	Moderately prepared	Moderately prepared	Good level of preparation	Good level of preparation	Moderately prepared	Moderately prepared
RS	Some level of preparation**	Some level of preparation**	Moderately prepared**	Moderately prepared**	Moderately prepared***	Moderately prepared***
TR	Some level of preparation****	Some level of preparation****	Some level of preparation***	Some level of preparation***	Early stage****	Some level of preparation****



*Screening started; ** Screening completed;
 *** Chapter opened; ****Chapter opened/frozen

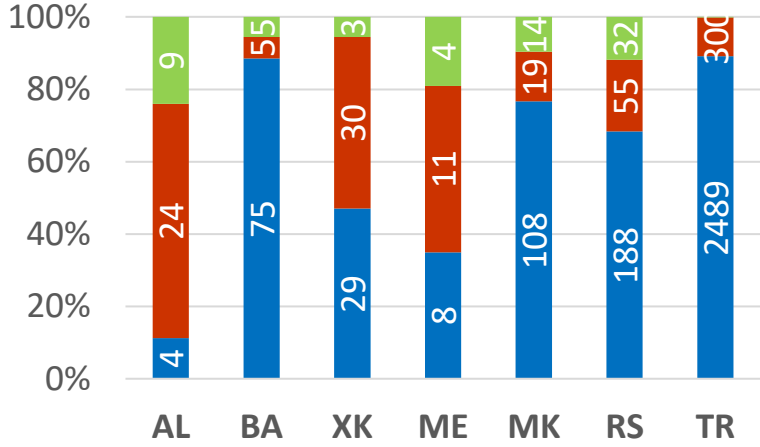
totally incompatible	some level of preparation	no major difficulties expected
early stage / very hard to adopt	further efforts needed	good level of preparation
considerable efforts needed	moderately prepared	well prepared / well advanced

Total budgetary support to agriculture

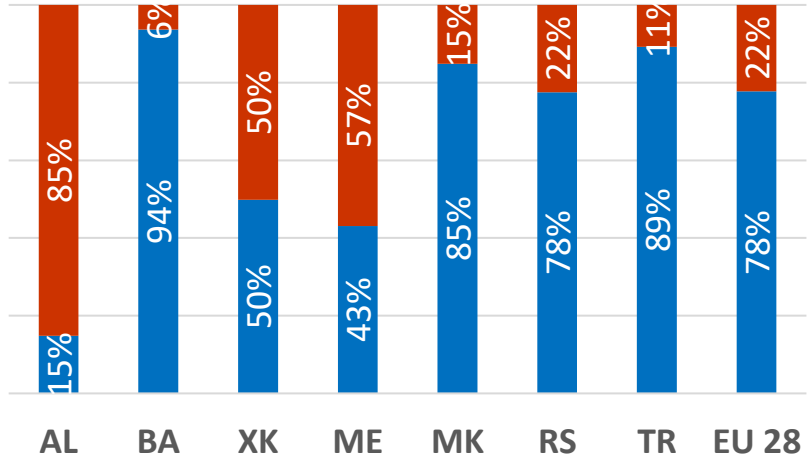


Attention: different scales

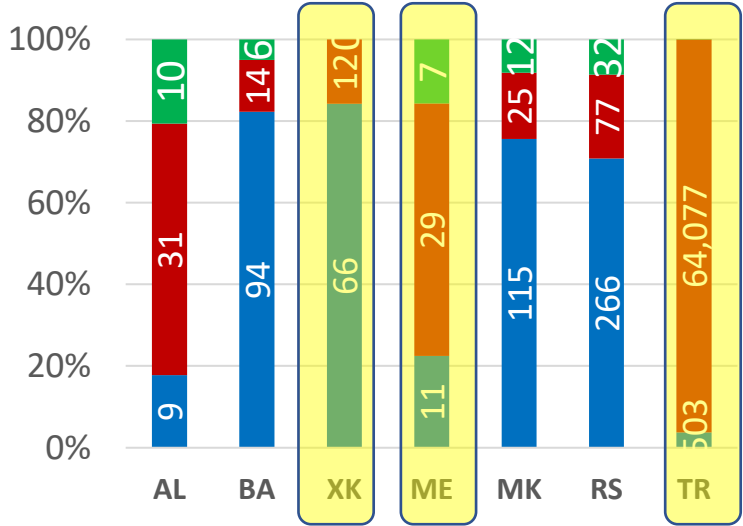
Structure of budgetary transfers



(2017-19)

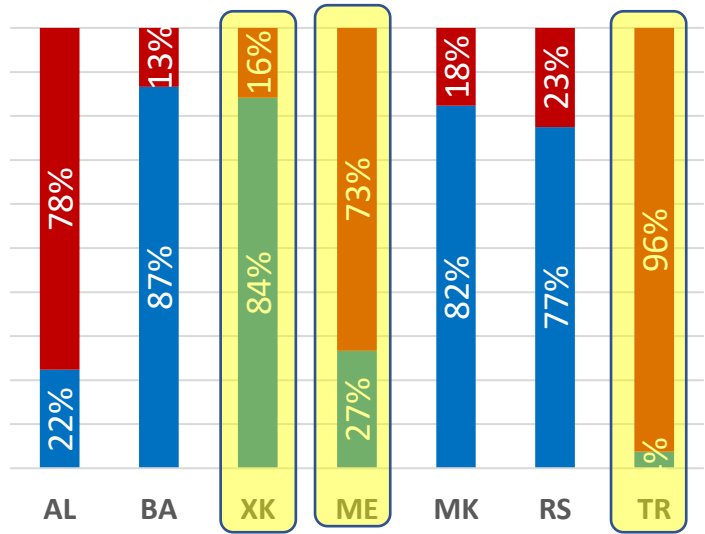


Total Budgetary Support to Agriculture, in % and mill. EUR



(2020-21)

MDP/SRD ratio



Legend:
 Market and direct producer support measures;
 Structural and rural development measures;
 Other measures to agriculture



Structural and rural development measures

Budgetary support, in mill. EUR	AL		BA		XK		ME*		MK		RS	
	17-19	20-21	17-19	20-21	17-19	20-21	17-19	20-21	17-19	20-21	17-19	20-21
Improving the competitiveness of agro-food sector	24.29	29.55	4.57	13.55	26.60		8.29	25.92	11.33	19.25	50.79	60.15
On-farm investment and restructuring support	2.18	5.50	3.70	11.95	21.34		7.80	24.85	4.50	5.30	49.27	58.38
Agricultural infrastructure	19.32	22.35	0.25	0.45	1.80		0.08	0.14	5.00	11.05	1.49	1.74
Off-farm storage, processing, marketing and promotion	2.79	1.75	0.62	1.15	3.46		0.41	0.94	1.87	2.85	0.02	0.02
Providing environmental and societal benefits	-		0.08	0.25	0.08		0.51	0.73	2.03	3.25	1.84	3.85
Payments to farmers in areas with natural & environmental constraints	-		0.04	0.05	-		-	-	0.90	2.90	-	-
Agro-environment, organic and animal welfare payments to farmers	-		0.06	0.15	0.08		0.51	0.73	1.43	1.75	1.84	3.85
Other ecosystem related payments	-		-	-	-		-	-	-	-	-	-
Supporting rural economy and population	0.27	1.10	0.39	0.55	2.94		1.98	2.31	4.00	2.20	4.04	13.29
Creation and development of non-agricultural activities in rural areas	0.27	1.10	-	0.00	1.21		-	-	0.10	1.45	-	-
Rural infrastructure, basic services and village development	-	-	0.39	0.55	1.51		1.98	2.31	4.00	0.70	4.04	13.24
Building local capacity (LEADER)	-	-	-		0.22		-	-	-	0.05	0.01	0.05
STRUCTURAL AND RURAL DEVELOPMENT MEASURES	24.55	30.70	5.09	14.45	29.61	n/a	10.77	28.96	17.43	24.70	56.68	77.29

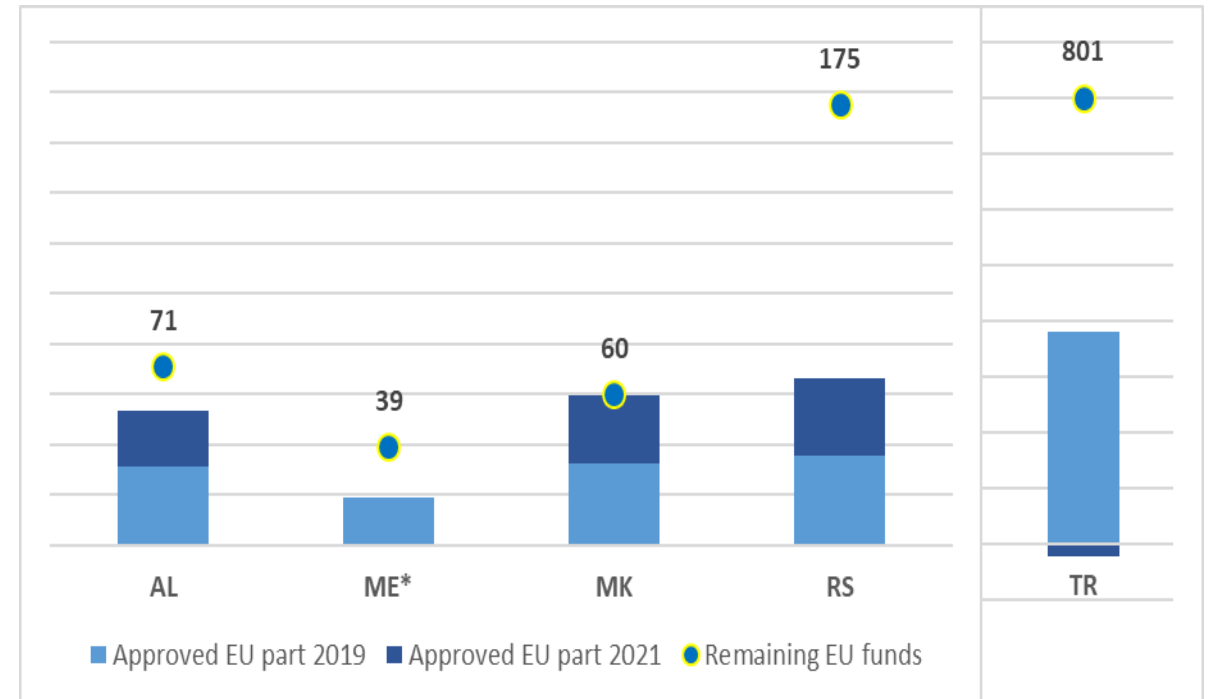
Structural and rural development measures

Budgetary support, in mill. EUR	AL		BA		XK		ME*		MK		RS	
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IPARD II (2014-2020) programme funding

Approved funds, in mill. EUR

	AL	ME*	MK	RS	TR**
Used national contribution	17.73	6.21	19.73	22.10	119.40
Used EU part	53.20	18.62	59.34	66.00	359.40
Total used funds	70.93	24.83	79.07	88.10	478.80
Remaining EU funds	71.00	39.00	60.00	175.00	801.00
Funds approved, %	75%	48%	99%	38%	45%



*ME – old data;

**TR – to be checked (lower values in 2021)

Operational IPARD II (2014-2020) measures

	AL	ME	MK	RS	TR
M1: "Investments in physical assets of agricultural holdings"	+	+	+	+	+
M3: "Investments in physical assets concerning processing and marketing of agricultural and fishery products"	+	+	+	+	+
M4: "Agri-environment, climate and organic farming (pilot on soil erosion)"					+
M5: "Implementation of local development strategies – LEADER approach"					+
M7: "Farm diversification and business development"	+		+	+	+
M9: "Technical assistance"	?		+	?	+



Measures added in IPARD III (2021-2017)

Measures to be introduced in IPARD III (also in direction to increased promotion of greener approaches)

Besides M1, M3 and M7:

- Agri-environment, climate and organic farming
- Implementation of local development strategies – LEADER approach
- Investments in rural public infrastructure)
- Advisory services
- Improvement of skills and competences
- Forestry measures



Concluding remarks and major challenges



- All countries have **operational policy frameworks** for designing and implementing agricultural policy - strategic planning promoting economic, environmental, and social objectives in the agricultural sector and rural regions.
- Overall, agricultural policies of WBs are more **focused on commitment and future planning** (rather than actually implemented policy measures).
- Implementation has mainly **sectorial focus** – stimulating production (mostly through coupled direct payments) or competitiveness (**environmental orientation still marginal**). Reverse in EU's CAP!
- Major challenge remains **effective enforcement**, where a key role plays the **need for adequate institutional set-up and public administration capacities**. IPARD – contributing to better preparation for this function.

Next steps

- ✓ Presentations on national country reports (today and tomorrow)
 - ✓ Feedback to National Experts on first draft country case studies (June 30)
 - ✓ Second draft country case studies (July 15)
 - ✓ Further check of APMCs (wherever necessary)
 - ✓ Other deadlines (presented by Dori)
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- ✓ All input delivered to policyag@gmail.com and Dori Pavloska-Gjorgjieska dori.pavloska@swg-seerural.org





Thank you!

