

Agricultural Policy Forum 2015

Agriculture Policy Forum 2015:

Modern Rural Policy: Competitiveness, investment and well-being in rural regions of South East Europe

14th – 15th October 2015
Pravets, Bulgaria

Pravets Agenda 2015

The 15th Agricultural Policy Forum (APF), furthermore referred as the “Forum”, held in Pravets, Bulgaria in the period 14th – 15th October 2015, provided an opportunity to review the accomplishments achieved by the APF process over the past period, while considering the challenges and opportunities for the development of agriculture and rural areas in South Eastern Europe (SEE) over the period up to 2020.

The Forum promoted and stimulated debate and discussion on policy issues among policy makers, governmental and non-governmental organizations from the agriculture and rural development, water and forestry sectors in SEE, relevant international policy and development institutions, national, regional and international experts and academics in order to provide technical background on the regional aspects of the European Union (EU) integration process.

In a time where the EU integration process has become inert with an equivocal perspective for accession of EU candidate and potential candidate countries from the SEE region, in particular the Western Balkan (WB) countries, the Forum addressed and provides guidance on agricultural and rural development policy in the context of regional cooperation.

This 2015 Pravets Agenda resumes the main outputs from these discussions in the plenary and working group sessions.

The Forum was informed about the **Common Agricultural Policy (CAP) 2020** and its implementation. The new CAP maintains the two pillars, but increases the links between them, thus offering a more holistic and integrated approach to policy support. Specifically it introduces a new architecture of direct payments; better targeted, more equitable and greener, an enhanced safety net and strengthened rural development. Under the **Instrument for Pre-Accession Assistance in Rural Development (IPARD)**, the Forum was updated about the progress in preparation for implementation, which is expected to be accomplished during the coming months with a perspective of starting programme implementation during the second half of 2016.

The Forum emphasised that, while the objective of IPARD is first of all to give the candidate countries direct experience in managing EU funds, it also contributes to improve food quality and safety standards in the region as well as increasing prosperity and quality of life in rural areas.

The Forum encouraged all the governments of Western Balkan (WB) countries to maintain committed in aligning their agricultural policies with the CAP in order to modernise and to improve the competitiveness of their agricultural sectors. There is an obvious need for continuous monitoring of the development of agricultural policies at the regional level and review of the progress towards EU policies. The established **regional policy analysis platform** is now delivering its second report. The overview places special emphasis on the comparison of agriculture policies within the region as well as with the EU.

The Forum reviewed **the experiences of EU member states (Bulgaria)** in a timeframe starting from the Special Accession Programme for Agriculture and Rural Development (SAPARD) to the new Rural Development Programme 2014-2020. Bulgaria has achieved significant experience, knowledge and capacities in the field of EU policy implementation. Positive results have been achieved in respect to agriculture, rural development, forestry and environmental protection.

The Forum acknowledged the cooperation between the Regional Cooperation Council (RCC) and the Regional Rural Development Standing Working Group (SWG) and the implementation of the **South East Europe 2020 Strategy**. The SEE 2020 strategy, which articulates a shared vision for jobs and prosperity in the region, acknowledges the importance of environmental sustainability, along with regional integration, innovation, skills and governance, as a core pillar of growth and development as well as critical elements of the EU accession process.

The Forum endorsed the achievements on the implementation of the **Area Based Development (ABD) approach in selected rural cross-border areas of the Western Balkan countries**.

The Strategies and related Programmes for integrated economic development of each particular cross-border rural areas provide guidance for planning, development and implementation of priority actions/ projects. The Forum recommended the importance of attracting additional support to achieve the development goals of rural cross border regions.

In respect to **community initiatives**, the Forum recognized the importance of developing the capacity of the LAG's. A case study outlining the experience of an Irish LAG delivering the LEADER approach for over twenty years was reviewed by the Forum. The continuous development of the capacities of the LAG, Managing Authorities and potential beneficiaries was identified as key elements in the successful implementation of LEADER. Major issues for the LAGs include the small scale of budgets and delays in the funding between Programmes. Furthermore, the Forum agreed that there is a need to develop cooperation between the Authorities and LAGs in the South Eastern Europe and experienced Authorities and LAGs in the EU to share best practice, experience and ideas.

On developing the geographic information system (GIS) the Forum debated the proposal to develop EU compatible methodology for **mapping Areas with Natural Constraints (ANC)** in the Western Balkans to respond to regional and country level specific conditions. The Forum strongly recommended that this policy issue needs to be further elaborated in order to start with its implementation.

The Forum debated in detail on the following three policy topics relevant to the SEE countries:

Focus topic 1. Area Based Development (ABD) approach in rural cross-border areas

The structures for implementation of the ABD approach in four cross-border areas are consolidated with balanced representation of local authorities, civil and business sector.

Considering the fact that most of the available support instruments on cross-border/ trans-national level mainly target civil sector and local authorities, the Forum encouraged the SWG and its Member institutions to continue to seek support from these instruments with particular focus on targeting small entrepreneurs operating in rural cross-border regions.

Experience shows that private businesses are interested in developing business partnerships and quality oriented short value chains.

In this regard the Forum recommends that:

- The future actions targeting rural cross-border areas, should build on the ABD programming documents;
- Possible future grants schemes should focus on rural development with emphasis on sustainable management and use of natural resources;
- Coordination of local and national authorities in the programming process of the rural development is of crucial importance;
- Political commitment supported with financial contribution by the WB Governments will boost the sustainable economic development of rural cross-border areas.

Focus topic 2. Rural development via Natural resource management

The Forum stressed the importance on improvement of the regional capacities for the regional sustainable management of forest and water resources within the framework of developing rural areas. Lack of proper correlation among the management of natural resources, agriculture and environment causes additional constraints to the rural development in these countries; consequently affecting the overall economic growth and prosperity for EU integration of the WB candidate and potential candidate countries.

The Forum recommended that regional inter-sectoral cooperation and coordination at the interface among rural development, agriculture, forest and water would contribute to the regional strategy processes and strengthen the interlinkages among sectors concerning preservation and use of natural resources for the purpose of rural and economic development of the regions.

The Forum highlighted that development of evidence-based policy is of a need, to address the current situation and to provide policy recommendations in respect to the EU accession process of the WB countries, in order to integrate the environmental and socio-economic objectives into the agriculture and rural development policies.

The rural areas in the South Eastern Europe are facing a continuing depopulation followed by social and economic degradation. Local people should use, control, and manage the other resources than land such as water, forests and wildlife which are equally important to the functioning of rural economies. Along with the Area Based Development approach, the Forum recommended implementation of integrated measures in cross-border regions for the purpose of income generation and diversification, based on the use of natural resources in cross-border regions.

Focus topic 3. Analysis of agriculture and rural development policies in Western Balkans

WB countries are adopting the main strategic documents for the period 2015-2020 where objectives and proposed actions are mostly compliant with the EU integration Agenda. New policies have been introduced in recent years and visible progress is witnessed in terms of content and structure. However, while the strategies include CAP like objectives, planned policy measures are not fully in line with those objectives.

Some policy measures, incompatible with the CAP (output payments, input subsidies), are still used and rural development is still a less important part of policy. Consistent implementation of the objectives and actions set out in the Strategies is required by Governments in order to achieve policy consistency with the EU. Therefore, the Forum strongly recommended formulation and implementation of concrete Action Plans to the strategic documents.

IPARD funding is still a new experience for most of the countries. Until now the absorption of funding is low due to limited country resources as well as the complexity of EU procedures and requirements. In this context, the Forum stressed that the attention should be given to addressing the constraints hampering the absorption of IPARD funds at country level.

The Forum recommended that governments in WB should increasingly rely on evidence based policymaking and to involve all stakeholders in policy formulation. In this regard the Forum welcomed the importance of the monitoring and analytical work of the regional policy analysis platform and recommends that the work of the platform is strengthened in the future.

The Forum agreed that:

- The Agenda will be presented and discussed at the 9th Annual Working Meeting of the Ministers of Agriculture from South Eastern Europe on 12th November 2015 in Tirana, Albania.
- The Agenda will be conveyed to the EU institutions, UN agencies and other international institutions.
- The 16th Agricultural Policy Forum will take place in the autumn of 2016 in Albania, which holds the SWG Presidency for 2016.

The Agricultural Policy Forum 2015 in Pravets was held under the joint auspices of the Ministry of Agriculture and Food of Republic of Bulgaria and the Regional Rural Development Standing Working Group (SWG) in South-Eastern Europe.

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