



# FROM PRE-ACCESSION TO ACCESSION

Thematic Evaluation

Phare Agriculture  
Sector Review

of Phare support  
allocated in 1999-2002  
and implemented until  
November 2003

European Commission  
Directorate-General Enlargement

# Phare Agriculture Sector review

*Interim Evaluation of Phare Support  
Allocated in 1999-2002 and Implemented  
until November 2003*

Thematic Evaluation Report

April 2004

This report has been prepared as a result of an independent review by the EMS consortium being contracted under the Phare programme. The views expressed are those of the EMS consortium and do not necessarily reflect those of the European Commission.

European Commission Directorate-General Enlargement  
Directorate E – Evaluation Unit

## ABSTRACT

### Scope of the review

This Phare Agriculture Sector Review is an overview of the implementation of Phare Agriculture Programmes in ten Candidate Countries, highlighting key success, effectiveness and impact of the instrument in supporting the agriculture related accession process. It is based on the Interim Evaluations of the Phare Programme carried out by the EMS Consortium between October 2001 and November 2003, on other available documentation and interviews.

### Key achievements and findings

Overall, the Phare projects in the Agriculture Sector have had a powerful impact in assisting candidate countries to apply the agricultural accession requirement. Without help from Phare it is unlikely that some candidate countries could be in a position to benefit from the funding available under the Common Agriculture Policy or to meet the requirements in the veterinary, phytosanitary and food safety areas.

The major problem for Phare in the Agriculture Sector has been that the size and complexity of the task of meeting the requirement has not been fully appreciated by most of the senior politicians and officials in the candidate countries. Too often not enough beneficiary resource was invested in most of the Phare projects in the Sector at a sufficiently early date, and therefore the creation and introduction of the institutions in the Sector such as a fully functioning Paying Agency and the Integrated Administrative and Control System are running late and, in some cases, may not be fully in place at the time of accession.

In general terms where a technical service has had to adapt to EU practise this change has been achieved, but where a new institution has had to be created, the beneficiaries concerned have been less capable of making use of Phare and meeting the requirement. This sometimes insufficient impact by the time of accession is not due to any particular failure in the system of Phare assistance, but due to a lack of capacity and/ or early political commitment on the part of the administrations of most of the candidate countries. However more pro-active 'hands on' approach and co-ordination efforts by the Commission Services already appearing in the earlier days of Phare might have been also beneficial for success and impact of Phare interventions.

### Key recommendations

Recommendations are addressed to the Commission Services, present and future Candidate Countries and include among others:

- Developing regular specialised training courses for senior decision makers in agricultural departments in acceding countries;
- Evaluating the agricultural administration of each future applicant country and determining a multi-annual assistance programme for overcoming any administrative weakness before accession;
- Providing non-binding templates and best practice for institution building projects of candidate countries.
- Establishing precise roadmaps needed by the applicant state in order to deliver the agricultural requirements.
- Carrying out independent surveys of the information technology/scientific equipment needs of the Sector in each candidate country, taking into account the scope for rationalising the provision for delivery of the service concerned.

## TABLE OF CONTENTS

### ABSTRACT

### TABLE OF CONTENTS

### GLOSSARY OF ACRONYMS

### EXECUTIVE SUMMARY..... I

### PREFACE

### MAIN REPORT..... 1

#### 1. INTRODUCTION ..... 1

1.1 THE EU-CANDIDATE COUNTRIES RELATIONSHIP: CO-OPERATION TO ACCESSION ..... 1

1.2 STRATEGIES AND OTHER KEY DOCUMENTS RELEVANT IN THE CONTEXT OF AGRICULTURE AND ENLARGEMENT..... 1

1.3 PHARE AND SAPARD..... 1

1.4 THE INTERIM EVALUATION PROCESS ..... 2

1.5 KEY EVALUATION QUESTIONS..... 3

#### 2. EVALUATION FINDINGS OF PHARE AGRICULTURE PROGRAMMES 2001-2003 ..... 4

2.1 PREPARATION FOR COMMON AGRICULTURE POLICY (CAP) MARKET MECHANISMS ..... 4

2.2 INTEGRATED ADMINISTRATIVE CONTROL SYSTEM (IACS) ..... 8

2.3 RURAL DEVELOPMENT..... 11

2.4 VETERINARY AND PHYTOSANITARY ISSUES, INCLUDING RELATED BORDER CONTROL AND FOOD SAFETY ... 14

2.5 PREPARATION FOR SPECIAL ACCESSION PROGRAMME FOR AGRICULTURE AND RURAL DEVELOPMENT (SAPARD) ..... 17

2.6 FORESTRY AND FISHERIES ..... 19

#### 3. THEMATIC/ CROSS CUTTING ISSUES ..... 24

3.1 TYPES OF ASSISTANCE ..... 24

3.2 ADMINISTRATIVE CAPACITY ..... 32

3.3 CO-FINANCING ..... 35

#### 4. CONCLUSIONS AND LESSONS LEARNED..... 37

4.1 PREPARATION FOR CAP MARKET MECHANISMS ..... 37

4.2 IACS..... 39

4.3 RURAL DEVELOPMENT..... 39

4.4 VETERINARY AND PHYTOSANITARY ISSUES, INCLUDING RELATED BORDER CONTROL AND FOOD SAFETY ... 40

4.5 PREPARATION FOR SAPARD ..... 42

4.6 FORESTRY AND FISHERIES ..... 42

4.7 OVERALL CONCLUSIONS..... 42

#### 5. RECOMMENDATIONS ..... 45

### ANNEXES ..... 49

ANNEX 1. TOTAL PHARE AGRICULTURE FUNDING PER CANDIDATE COUNTRY 1999-2002 ..... 51

ANNEX 2. SUMMARY OF RATINGS FOR EACH INTERIM EVALUATION REPORT ..... 53

ANNEX 3. RATINGS OF ACHIEVEMENT OF PROGRAMME OBJECTIVES BY YEAR (SECTOR AGRICULTURE) ..... 55

ANNEX 4. BREAKDOWN OF SECTORAL EVALUATIONS AND PROGRAMMES..... 57

ANNEX 5. THE COMMISSION'S 2003 OPINION ON PROGRESS TOWARDS ACCESSION (SECTOR AGRICULTURE) ..... 65

ANNEX 6. LIST OF INTERVIEWS ..... 71

ANNEX 7. LIST OF OTHER DOCUMENTS..... 75

## GLOSSARY OF ACRONYMS

AGR	Agriculture
CAP	Common Agriculture Policy
CC	Candidate Country
CFP	Common Fisheries Policy
CMO	Common Market Organisation
CPER	Country Phare Evaluation Review
DG	Directorate General
DG AGRI	Directorate General Agriculture
DG ELARG	Directorate General Enlargement
DG SANCO	Directorate General Health and Consumer Protection
EAGGF	European Agriculture Guidance and Guarantee Fund
EBRD	European Bank for Reconstruction and Development
ECD	European Commission Delegation
EDIS	Extended Decentralised Implementation System
EU	European Union
FADN	Farm Accountancy Data Network
FM	Financing Memorandum(a)
GS	Grant Scheme
IA	Implementing Agency
IE	Interim Evaluation
IT	Information Technology
JMC	Joint Monitoring Committee
M&A	Monitoring and Assessment
M&E	Monitoring and Evaluation
M€	Millions of Euro
MoA	Ministry of Agriculture
NAC	National Aid Co-ordinator
NF	National Fund
NPAA	National Programme for Adoption of the <i>Acquis</i>
PAA	Pre-Accession Adviser
SAPARD	Special Accession Programme for Agriculture and Rural Development
SMSC	Sectoral Monitoring Sub-Committee(s)
TA	Technical Assistance
TAIEX	Technical Assistance Information Exchange
TSE	Transmissible Spongiform Encephalopathy

## EXECUTIVE SUMMARY

### Scope of the evaluation

This Phare Agriculture Sector Review is an overview of the implementation of Phare Agriculture Programmes in ten Candidate Countries, highlighting key success, effectiveness and impact of the instrument in supporting the agriculture related accession process. It is based on the Interim Evaluations of the Phare Programme carried out by the EMS Consortium between October 2001 and November 2003, on other available documentation and interviews.

Six selected key sections of the Phare agriculture assistance have been reviewed namely: (i) Preparation for Common Agriculture Policy Market Mechanisms; (ii) Integrated Administrative and Control Systems; (iii) Rural Development; (iv) Veterinary and Phytosanitary Issues, including related Border Control and Food Safety; (v) Preparation for Special Accession Programme for Agriculture and Rural Development; and (vi) Forestry and Fisheries.

### Evaluation findings of Phare Programmes 2001-2003

<b>Preparation for Common Agriculture Policy Market Mechanisms</b>	
<b>Relevance</b>	Individual projects often well designed, however some earlier projects were too large and required more skilled managed than the individual candidate country was able to mobilise; In later years smaller, more focused projects were developed; objectives of projects were often imprecise and not measurable;
<b>Efficiency</b>	Lack of administrative capacity and financial resources in candidate countries adversely effected efficiency; there was also often a lack of local experience in managing projects and co-ordinating across different sectors; the extent of the changes required in the existing system by the new requirements was often not enough appreciated in time,
<b>Effectiveness</b>	Effectiveness of Phare has varied considerably from country to country; there was often a lack of political commitment in certain candidate countries to applying the Common Agriculture Policy; In some countries a stronger commitment from an early date would have made the assistance provided by Phare more effective.
<b>Impact</b>	Candidate countries could not have met the requirement without the assistance available from Phare; However, at this late stage before accession it is doubtful if certain of the accession states will be able to apply the Common Agriculture Policy fully on accession. This is because they do not have all the basic arrangements in place.
<b>Sustainability</b>	Phare results are sustainable if the candidate countries make the necessary resources available;

<b>Integrated Administrative and Control System</b>	
<b>Relevance</b>	The respective projects were usually well designed; most candidate countries failed to recognise the complexity of the system required;
<b>Efficiency</b>	Lack of political will affected the willingness of candidate countries to deliver the System introduction process; inability to manage and monitor projects properly caused avoidable delays in various projects;
<b>Effectiveness</b>	At the present time the System has probably been successfully delivered in one accession state, several others are working towards delivery, whilst others have settled for a simplified version that should be available on accession with the full System to follow later; most of the candidate countries have left the completion of the System very late in the accession process;
<b>Impact</b>	By the date of accession only one accession state will be able to introduce a more or less fully functioning System; some other states will be well on the way to producing the System, but the introductory date will probably be after accession;
<b>Sustainability</b>	The new institutional arrangements needed for the System and the large human resource requirement is a barrier to making the Phare projects sustainable in this area;

<b>Rural Development</b>	
<b>Relevance</b>	Most projects were well designed; most candidate countries lack experience of rural development measures; commencing of the Special Accession Programme for Agriculture and Rural Development has helped to generate interest in the area.
<b>Efficiency</b>	Some projects were hampered by lack of experience and lack of organisation; performance and efficiency of twinning partners has generally been high, but their problem has frequently been that counterparts have not existed in the ministries to receive the assistance available;
<b>Effectiveness</b>	Candidate countries have limited understanding of the possibilities and benefits to be obtained from rural development;
<b>Impact</b>	Impact of rural development measures will not be as great as the potential need because of the institutional weaknesses that are apparent in the administrations of the applicant states. The experience of the Special Accession Programme for Agriculture and Rural Development will clearly help to stimulate demand, but, from the evidence of the Phare projects in the Agriculture sector covering rural development plans initially submitted by some countries could cover mainly agricultural issues;
<b>Sustainability</b>	Greatest threat to sustainability remains the slowness in creating the necessary institutions and the lack of staff numbers involved in rural development issues and the high staff turnover; Special Accession Programme for Agriculture and Rural Development, and in particular the creation of SAPARD Agencies played a key role in the sustainability of projects;

<b>Veterinary and phytosanitary issues, including related border control and food safety</b>	
<b>Relevance</b>	Phare assistance was generally relevant and the standard of the design was high at least in some accession states; purchases of equipment sometimes appeared to err on the generous side;
<b>Efficiency</b>	Some projects were administered very efficiently; this was especially the case with phytosanitary and food safety projects;
<b>Effectiveness</b>	In the majority of the accession states the projects were effectively delivered; however economic case for all of the delivered information technology and scientific equipment is not immediately apparent;
<b>Impact</b>	Most of the projects were properly implemented and are likely to result in useful impact; there appeared to be little assessment as to whether all the purchases of equipment represented good value for money, thus adversely influencing long-term impact;
<b>Sustainability</b>	A greater emphasis on training rather than equipment supply might have provided better sustainability;

<b>Preparation for Special Accession Programme for Agriculture and Rural Development</b>	
<b>Relevance</b>	Where projects were sought by candidate countries they were relevant to the purpose of meeting the management requirements for the Special Accession Programme for Agriculture and Rural Development;
<b>Efficiency</b>	Because of the difficulties that all the accession states found in co-ordinating and managing programmes the creation of fully functioning agencies took a lot longer than expected and was a major cause in the delay suffered by the Phare Programme;
<b>Effectiveness</b>	Once the agencies were established the practical value of the experience gained from Phare in terms of operating the Special Accession Programme for Agriculture and Rural Development was soon apparent;
<b>Impact</b>	The immediate impact of Phare towards meeting the requirements of the Special Accession Programme for Agriculture and Rural Development is positive as the various agencies have started to operate on promoting rural development;
<b>Sustainability</b>	Lack of trained human resource and the high staff turnover are the main threats to the sustainability of the Phare projects in this area;

<b>Forestry and Fisheries</b>	
<b>Relevance</b>	All the projects appeared relevant to the requirement;
<b>Efficiency</b>	Forestry project appeared to be progressing well; Some fisheries projects had been delayed by slowness in establishing institutions and lack of human resources;
<b>Effectiveness</b>	Prospects for effectiveness were good; reasonably effective projects should be capable of producing successful outcomes;
<b>Impact</b>	The projects should achieve a positive impact;
<b>Sustainability</b>	It was too early to be confident as to the sustainability of the projects in this area;

## Cross Cutting Issues

<b>Type of assistance</b>	<p>Twinning was the preferred type of assistance and worked well in the main. However a lack of knowledge of the requirement and lack of adequate preparation affected the start of many twinning projects. Furthermore a lack of institutional and managerial capacity affected often their implementation.</p> <p>Twinning partners were generally of a high standard, but had sometimes had difficulty in identifying satisfactory resource input from their counterparts.</p> <p>Technical assistance was seen as very much a second best option compared to twinning. Where applied, technical assistance was successful.</p> <p>Substantial investment was a major characteristic for the Sector. However, some equipment projects were generous and not subject to firm economic scrutiny. Grant schemes were not significant for the Sector.</p>
<b>Administrative capacity</b>	<p>Candidate countries lacked administrative machines needed to create the sophisticated institutions required by the agriculture requirement.</p> <p>All Candidate countries have had great difficulty in accepting change and developing the administrative capacity to operate the agriculture arrangements. More attention should have been given to explaining the size of the task facing the candidate countries in the Agriculture Sector and in assisting them develop the project management and administrative techniques needed.</p> <p>In the last two or so years the Delegations of the European Commission have tended to adopt a more 'hands on' approach, have tried to monitor projects more closely, and, in some cases, have delayed the start of projects until the beneficiary country has the legislation and resources in place to undertake the work required.</p> <p>The Phare Programme in the Sector in each candidate country would probably have benefited if more use had been made of technical support at the planning stage, and also if existing member states could have provided help and advice on questions such as the size of a paying agency or the need for laboratories.</p> <p>Lack of administrative capacity and institutional structures may be an issue in other sectors besides agriculture and more assistance might be useful on a horizontal basis covering support to the civil services as a whole.</p>
<b>Co-financing</b>	<p>Delays in certain projects could lead to the co-financing that had been available in the year that the project was planned to start not being available by the time that the project actually started.</p> <p>The joint co-financing principle is being applied now which is a pragmatic step forward.</p>

## Conclusions and lessons learned

Overall, the Phare projects in the Agriculture Sector have had a powerful impact in assisting candidate countries to apply the agricultural accession requirement. Without help from Phare it is unlikely that some candidate countries could be in a position to benefit from the funding available under the Common Agriculture Policy or to meet the requirements in the veterinary, phytosanitary and food safety areas. The major problem for Phare in the Agriculture Sector has been that the size and complexity of the task of meeting the requirement has not been fully appreciated by most of the senior politicians and officials in the candidate countries. This has meant that too often not enough beneficiary resource was invested in most of the Phare projects in the Sector at a sufficiently early date, and therefore the creation and introduction of the institutions in the Sector such as a fully functioning Paying Agency and the Integrated Administrative and Control System are running late and, in some cases, may not be fully in place at the time of accession.

In general terms where a technical service has had to adapt to EU practise this change has been achieved, but where a new institution has had to be created, and people supplied and trained in new skills the beneficiaries concerned have been less capable of making use of Phare and meeting the requirement. This sometimes insufficient impact by the time of accession is not due to any particular failure in the system of Phare assistance, but due to a lack of capacity and/ or early political commitment on the part of the administrations of most of the candidate countries. However more pro-active 'hands on' approach and co-ordination efforts by the



Commission Services already appearing in the earlier days of Phare might have been also beneficial for an increase of the success rate and impact of the Phare interventions.

## **Recommendations**

### Recommendations addressed to the Commission Services

- At the start of the admission process the Commission Services in co-operation with the member states should develop regular training courses for senior decision makers in agricultural departments in acceding countries that would explain how the agricultural institutions of the EU work and what role is played by member states.
- The Commission Services should encourage the establishment of networking arrangements between member state and candidate country administrations. Particular attention should be paid to the close involvement of the new member states.
- The Commission Services should consider carrying out an evaluation of the agricultural administration of each future applicant country in order to determine a multi-annual programme for overcoming any administrative weakness before accession.
- The Commission Services should establish precise roadmaps needed by the applicant state in order to deliver the agricultural requirements. For some areas the Commission Services should provide best practise and non-binding templates for institution building projects.
- Candidate countries should be encouraged to alter their agricultural support arrangements over a four year timescale and not to leave all changes until the date of accession.
- The Commission Services should carry out independent surveys of the information technology needs and the scientific equipment needs of the Sector in each candidate country. The provision of Phare funded equipment would be based and justified on the results of the surveys.
- The Commission Services should consider providing the agricultural administrations of candidate countries with more regular and clearly focused technical assistance covering programme preparation and project management.
- The Commission Services should seek to better co-ordinate and communicate the advice on agriculture given under Phare to the candidate countries. In each European Commission Delegation there should be preferably an EU official responsible for the Phare agriculture assistance that has worked on agricultural or related matters in the EU Directorate General for Agriculture and/ or EU member state administrations.

### Recommendations addressed to new Member States, second and third wave Candidate Countries

- All future agriculture related project fiches should set out how the training or other benefits from the assistance are sustained until EU accession. If it is apparent at the programming stage that follow-up projects are required the project fiches should clearly set out this necessity.
- All Phare agriculture projects where training of staff is involved should include provisions/ commitments for a refresher programme to ensure that the skills are sustained and enhanced.
- No Phare project in the Sector should preferably last longer than one year, and all projects should be an integrated part of a multi-annual assistance programme.

## PREFACE

This Phare Agriculture Sector Review is an overview of the implementation of Phare Agriculture (AGR) Programmes in ten candidate countries (CC), highlighting key success, effectiveness and impact of the instrument in supporting the accession process. It is mainly based on Interim Evaluations (IE) of the Phare Programme carried out by the EMS Consortium<sup>1</sup> between August 2001 and November 2003. In total, 24 IE reports were produced by EMS relevant to the AGR area:

Country	IE Report Number	Programmes/ Components Covered	Date of Issue of IE Report
Bulgaria	BG/AGR/02.002	BG-9806.01, BG-9810.01, BG-9810.02.01, BG-9812, BG-9913, BG-0006.05, BG-0006.06	26/04/2002
	BG/AGR/02.013	BG-9806.01.0, BG-9806.01.02, BG-9812.01, BG-9913.01-.03, BG-9913.05, BG-9913.06, BG-0006.05, BG-0006.06, BG-0101.03-.05, BG-0103.08	10/12/2002
	BG/AGR/03.117	BG-9812.01.02, BG-0006.05, BG-0006.06, BG-0105.02, BG-0101.03, BG-0101.04, BG-0101.05, BG-0103.08, BG-0205.02.04, BG-0205.02.05, BG-0201.02-.06	10/12/2003
Czech Republic	CZ/AGR/02.028	CZ-9903, CZ-0005, CZ-0105, CZ-0109.04	21/08/2002
	CZ/AGR/03.007	CZ-0005, CZ-0105, CZ-0205, CZ-0109	07/03/2003
Estonia	EE/AGR/02.043	ES-0008.01, ES-0101.01, ES-0105.01, ES-0105.03	28/08/2002
	EE/AGR/03.012	ES-0008.01, ES-01.01.01, ES-01.05.01, ES-01.05.03, ES-01.01.02.01, 2002/000-579.05.01, 2002/000-579.05.02, 2002/000-579.05.03, 2002/000-579.05.04, 2002/000-579.06.01	30/07/2003
Hungary	HU/AGR/02.053	HU-9909, HU-0003.01, HU-0102.03, HU-0102.04, HU-0102.07	10/07/2002
	HU/AGR/03.016	HU-0003.01, HU-0102.03, HU-0102.04, HU-0102.07, 2002/000-180-01-01-06, 2002/000-180-06-01	28/07/2003
Latvia	LE/AGR/01.019	LE-9804.01, LE-9904.02, LE-0009	25/01/2002
	LV/AGR/02.074	LE-9904.02, LE-0009, LE-0102.02	14/02/2003
Lithuania	LT/AGR/02.080	LT-9803, LT-9909, LT-0105	15/05/2002
Poland	PL/AGR/02.095	PL-9906.01-.04, PL-0003.08, PL-0006, PL-0104	30/12/2002
	PL/AGR/03.030	PL-9906.01, PL-0006.05&06	26/05/2003
	PL/AGR/03.100	PL-9906.01, PL-9906.02, PL-9906.03, PL-0003.08, PL-0006.01 - .09, PL-0102.04, PL-0104.01 - .10	27/06/2003
	PL/AGR/03.101	PL-9906.03, PL-0003.08, PL-0006.04, PL-0006.07, PL-0102.04, PL-0104.01, PL-0104.03-.06	23/06/2003
	PL/AGR/03.102	PL-0006.01, PL-0006.02, PL-0006.03, PL-0006.08, PL-0006.09, PL-0104.02, PL-0104.07, PL-0104.08, PL-0104.09, PL-0104.10	23/07/2003
Romania	RO/AGR/02.110	RO-0006.07-.12, RO-0106.07, RO-0107.07, RO-0107.08, RO-0107.09	08/10/2002
	RO/AGR/03.036	RO-0006.08-.12, RO-0106.07, RO-0107.07, RO-0107.08, RO-0107.09, RO-2002/000-586.04.07, RO-2002/000-586.04.06, RO-2002/000-586.03	23/08/2003
Slovakia	SK/AGR/01.044	SR-9909, SR-9910, SK-0005	18/01/2002
	SK/INT/03.047 (AGR part)	SK-0005, 2002/000-610.05-.08	17/07/2003
Slovenia	SI/AGR/02.129	SL-9905.01, SI-0101.01, SI-0104.02	22/07/2002
	SI/AGR/02.131	SL-9905.01, SL-9906.01.01.0009, SI-0101.02, SI-0101.03.01	06/09/2002
	SI/AGR/03.049	SI-0101, SI-0104.02.01.0001, SI-0201, SI-0206.03, SI-0209.01	18/06/2003

<sup>1</sup> The authors of this report are Dietmar Aigner and Short Term Technical Expert Richard McIvor. The report was reviewed by EMS Central Office, Richard Haines.

The Programmes evaluated in the IE Reports were those set out in the local EMS Work Plan, agreed with the respective National Aid Co-ordinator and the European Commission Delegation (ECD), and endorsed by the Joint Monitoring Committee (JMC).

The IE Reports followed a standard methodology, which developed over time and took account of changing needs. They were designed to be management tools. Evaluation was normally of a cluster of Phare Programmes grouped by sector or sub-sector. The clusters included all the Phare Programmes that were on-going at the time of each evaluation. Implementation was evaluated on the basis of the five criteria: relevance, efficiency, effectiveness, impact and sustainability. Comments were sought from key actors on both the fact base and the evaluation itself. Debriefing meetings followed the issue of the report and were the basis for follow-up actions.

The IE Reports are the views of independent EU and local evaluators. IE Reports are snapshots in time. Some of them will be two years old, and it may be expected that corrective actions have been taken, that circumstances have changed, or that even goals have changed. Although the Review is a collection of snapshots, it can nevertheless form the basis of a general picture of the state of play in CC's.

This Phare Agriculture Sector Review also makes use of a number of country related and thematic reports produced by the EMS Consortium, and external reports, such as ex-post evaluations or also the Commission's regular reports on the progress of the individual CC's towards accession. In order to update some of the relevant information and thus to allow a more accurate comparison of the main achievements and deficits occurring in the individual accession states, some mailing activities (questionnaire), addressed to CC AGR administrations and EU counterparts took also place. Moreover a number of personal interviews (see Annex 6) with selected CC AGR administrators and Commission Services representatives have been done as well in the course of preparing this Review.

This Report is intending to take an overall view of what Phare has achieved between 2001 and 2003 with an aim to evaluate how Phare has impacted on the AGR sector across all ten CC, and what lessons have been learned. There should be also identification where the assistance was not effective, and what needs to be done in the short to medium term in design and implementation of such assistance to improve the success rate. The output of this Review can be used for future assistance programming in the accession (second and third wave of CCs) and in the post-accession context (new member states) or for any successor of the Phare programme.

## MAIN REPORT

### 1. INTRODUCTION

#### 1.1 The EU-Candidate Countries Relationship: Co-operation to Accession

1. Following the decisions from the EU Copenhagen summit in December 2002, accession negotiations with the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia have been successfully completed and the respective accession treaty has been signed at the Athens summit at 16 April 2003. By 1 May 2004 all of these countries will join the EU as new member states. For Bulgaria and Romania, accession is currently envisaged for the year 2007. The 2003 Opinion of the Commission on the progress towards accession for all these countries (in the context of AGR) can be seen from Annex 5.

#### 1.2 Strategies and other key documents relevant in the context of Agriculture and Enlargement

2. AGR is the largest of the negotiation chapters due to the size of the relevant *Acquis* and the financial implications for CC and member states and therefore has been an important part of the accession process. Key strategies and action plans for AGR relevant to the accession context are summarised in the table below:

Year	Strategies and Action Plans
1995	• Europe Agreement
1998	• First Round of 'Accession Partnership' and of 'National Programme for the Adoption of the Acquis' (revised in 1999, 2000 and 2001)
1999	• Berlin Summit: Adoption of Agenda 2000 Reform
1999	• SAPARD Regulation
2001	• Multi-annual and annual SAPARD financing agreements signed with 10 CC.

#### 1.3 Phare and SAPARD

3. Phare is one of the three pre-accession instruments financed by the EU to assist CCs in their preparations for joining the EU. Among other supported areas Phare is also a main provider of co-financing for institution building and investments needed to bring the CC institutions and systems in line with the AGR related accession requirement.

4. Phare was originally demand-driven from 1995 to 1997, with CCs undertaking infrastructure projects in preference to addressing the critical issues of either capacity building or investing in institutions. This completely changed in 1997 when Phare became accession-driven, as detailed in the conclusions of the Luxembourg Council of December 1997. However, the 1997 reforms were fundamental and took upwards of 18 months to complete. Thus, 1999 was effectively the first year of operation of the reformed Phare programme. New management structures were put in place: Phare programming was fully oriented to accession objectives in the Accession Partnership (AP) and the National Programmes for the Adoption of the *Acquis Communautaire* (NPAA); also twinning was introduced to transfer knowledge from member state civil services to those in the CCs. For the new member states with the date of accession Phare assistance will gradually phase out and a transition facility for the years 2004-2006 will provide further institution building support for a number of areas.<sup>2</sup>

<sup>2</sup> At the time of this Review, the project proposals for AGR related support under the transition facility were still at an early stage of consideration in most of the new incoming member states.

5. To facilitate the implementation of (Phare) projects after accession and to help prepare for Structural and Cohesion Funds (which are managed on a decentralised ex-post basis) on accession, further decentralisation of Phare, by waiving the requirement for *ex ante* approval by the Commission Delegations for tendering and contracting, has been envisaged. For this to be possible, strict pre-conditions covering programme management, financial control and structures regarding public finance must be met. Therefore an extended decentralised implementation system (EDIS) is being put in place for each negotiating country.

6. In June 1999 the European Council adopted the SAPARD<sup>3</sup> regulation on assistance to contribute to the restructuring of the AGR Sectors of the CC in the run-up to accession. More specifically, SAPARD aims to help CC deal with the problems of the structural adjustment in their agricultural sectors and rural areas, as well as in the implementation of the *acquis communautaire* concerning the CAP and related legislation. SAPARD came in effect on 1 January 2000 and is budgeted until the end of 2006. As a pre-accession instrument SAPARD will be phased out on accession and will be replaced by standard EU rural development instruments. Annual indicative budget allocations for SAPARD (in M€) are:

BG	CZ	EE	HU	LT	LV	PL	RO	SK	SI	Total Amount
52.1	22.1	12.1	38.1	29.8	21.9	168.7	150.6	18.3	6.3	520.0

Source: SAPARD Annual Report 2000

7. Implementation of SAPARD is based on an approved rural development plan for each applicant state and takes place on a fully decentralised programme management basis. A number of Phare assistance actions have been undertaken to help prepare for SAPARD implementation (see also paragraph 2.5).

#### 1.4 The Interim Evaluation Process

8. In April 1996 the Commission Services introduced a system of Monitoring and Assessment (M&A) of Phare Programmes. The M&A system has developed over time as an integral part of the Phare Programme management cycle. Following the decentralisation of the monitoring function by the end of 2000 a complementary Interim Evaluation (IE) Scheme has been introduced.

9. In 2001 IE cells were established in each of the CC staffed with independent external assessors. Annual IE workplans were defined by the JMC for each country. The JMC reviews the progress of all Phare Programmes annually and has an opportunity both to make recommendations to the Commission Services concerning the development of on-going Programmes and to prepare measures to improve programme linkage to NPAA priorities. In view of the imminent accession of the new member states, the Commission Services have decided to decentralise responsibility for the IE of Phare to the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia for the remainder of Phare's implementation period. Since the end of July 2003, IE in all first wave accession states is becoming the responsibility of the accession state rather than the Commission Services.

10. The IE system is intended to provide an independent and external review of all ongoing Phare Programmes<sup>4</sup>, including their constituent components and projects, indicating the

<sup>3</sup> SAPARD = Special Accession Programme for Agriculture and Rural Development.

<sup>4</sup> On-going Programmes are those which have not reached the expiry date for the disbursement of their funds.

progress achieved in implementation, together with an independent appraisal of the extent to which the specific objectives of the Programme are being achieved and recommendations for improvement. The standard form of IE reporting was changed on 1 August 2002 to enhance the transparency of the evaluation, by making use of five standard evaluation criteria:

- The *relevance* to the identified problems or needs addressed;
- The *efficiency* of the conversion of inputs (Phare funding) to results;
- The *effectiveness* with which the results are converted into benefits;
- The *impact* the results have on the problem; and
- The *sustainability* of the results.

11. The very nature of the IE process is to deal with the evaluation of on-going programmes. This means that it is not usually planned that activities will have resulted in any significant impact before the end of a programme and it is therefore unlikely that any impact can be entirely and definitively measurable at the time of the IE. However, during the IE process, the Evaluators can provide an opinion on impacts and sustainability. Of course, this opinion will be a tentative one, although it is likely to be objective and founded. The reason for the reliability of the Interim Evaluator's opinion is that although it is considered difficult and/or risky to apply the impact and sustainability criteria to on-going projects, it should nevertheless be recognised that the pre-accession programme frequently involves programmes/projects that are either very similar to already completed programmes or are contingent on the implementation of other programmes/actions. It is therefore quite possible/feasible to reach robust conclusions/forecasts on both impact and sustainability.

12. In the period 1999-2002, Phare has allocated around 346 M€ to national AGR Programmes in ten CCs. EMS IE Reports have been compiled covering AGR Programmes totalling approximately 312 M€<sup>5</sup>. Details on the individual IE's carried out by EMS in the AGR Sector during the a.m. period can be seen from the Annexes 2, 3 and 4.

### 1.5 Key Evaluation Questions

13. Key evaluation questions to be raised in this Thematic Review are:
- How did Phare contribute to the implementation of the AGR accession process between 2001 and 2003?
  - Was the assistance effective, and what needs to be done in the short to medium term to improve the success rate?
  - How has Phare impacted on selected AGR sub-sectors across all ten CC?
  - What Lessons have been learned?

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<sup>5</sup> Including also re-allocations and funds originally not explicitly dedicated for AGR (e.g. support under twinning light facilities, unallocated institution building facilities). There have been no IEs covering the Phare 2002 AGR support as regards Latvia, Lithuania and Poland. The EMS Reports available have additionally evaluated AGR support in the amount of 14.7 M€ resulting from the 1998 Phare Programme.

## 2. EVALUATION FINDINGS OF PHARE AGRICULTURE PROGRAMMES 2001-2003

14. For the purpose of this Review the analysis in the main text is based on the a.m. standard evaluation criteria and will focus on six selected key sections of the Phare AGR assistance namely:

- Preparation for Common Agriculture Policy (CAP) Market Mechanisms;
- Integrated Administrative and Control Systems (IACS);
- Rural Development;
- Veterinary and Phytosanitary Issues, including related Border Control and Food Safety;
- Preparation for SAPARD; and
- Forestry and Fisheries.

### 2.1 Preparation for Common Agriculture Policy (CAP) Market Mechanisms

#### *Introduction*

15. The CAP, in its current form is the result of 47 years of negotiation, legislation, interpretation and practise. The policy is not the result of a single act, but the result of many different compromises between many different players adopted over the years, and the policies that make up the CAP change to meet shifts in economic or political circumstances. Applying the CAP is not a simple task for the existing member states. It is a much more difficult task for the new members all of which have AGR ministries that are not used to having to undertake the task of passing the legislation, creating the institutions and applying the systems that are required, and some of which have small populations, and therefore have limited human resources to administer the system. They are also seeking to implement a system that does not take into account the particular circumstances of AGR in the acceding countries.

#### *Relevance, including design*

16. The Phare projects designed to help applicant CCs to apply the CAP were, in the main, well designed for the purpose. If fully applied they would have led to the delivery of the legislation and the institutions required to deliver the CAP. The main criticism was that the projects were frequently overlarge as they tried to deliver all the requirements of the CAP, including IACS, in a single project rather than using a succession of projects to deliver each stage in the process. Examples of such overlarge projects were HU-9909 which was a 2 year project attempting to provide assistance for legislation, training, institutions and the IACS, and CZ-1005.01 which was an 18 month project seeking to establish CAP institutions and IACS. Neither was a success because although the design of both projects was satisfactory their implementation in the time period allowed required too high a degree of administrative capacity. The recipients sometimes lacked the administrative capacity to handle such a large and complex project over such a timescale. It is possible that the minimum size requirements for projects tended to encourage projects that were beyond the capacity of CCs to manage effectively. The objectives of individual projects were frequently not properly addressed and this made the monitoring and

#### **Relevance and design of CAP projects**

- Individual projects often well designed;
- Some projects were delayed but given sufficient time still flexible enough to allow satisfactory completion;
- Earlier projects were sometimes too large and required more skilled managed than the CC was able to mobilise;
- In later years smaller, more focused CAP projects were developed;
- Objectives of projects were often imprecise and not measurable.

the evaluation of projects difficult. The expected achievements of projects were often not properly defined and were rarely quantified or measurable. Meeting the requirements of the *acquis* is not a sufficiently precise objective to enable progress to be measured and assessed reliably, yet this was often the only objective set out in the project fiche. The logframe analysis rarely appeared to be used to plan projects, and, in some CCs, the plans were too ambitious for the resources available, and the related project fiche required several revisions. This need to make changes to the project fiche caused considerable delay to the start of some projects.

17. Moreover, the management of projects was least adequate in this section compared to the other key AGR sections under review. There seemed to be an expectation in the ministries of some states that applying the CAP was easy and could be done in a matter of weeks rather than years, and so many of the CAP projects were started late, and were seeking to cover in a few months work that needed to be undertaken over one or two years. The projects were basically good projects that were either being applied too quickly, or were so large that the recipient institution lacked the capacity to receive and retain all the lessons that were being provided for them. The need for the delivery of equipment to be in advance of the training programme for the staff was not recognised in some projects. Usually the provision of the necessary legislation was late but achievable. The individual CC's plans did not always recognise the difficulties of providing human resources to implement and sustain the institutions required to implement the CAP, and, in some CCs, domestic budgetary constraints were a major factor limiting the recruitment and retention of appropriately qualified staff. It is surprising that the Commission Services continued to be willing to accept large projects without measurable objectives especially given the experience gained with such projects in other CCs. This reluctance to pass on experience gained elsewhere was a weakness in the AGR section of the Phare Programme as a whole. In the later years of Phare some CCs concentrated on smaller, better focused CAP projects, but quantification of objectives remained often a weakness. Examples of such projects were SI-010101.01.0001 Accounting Systems of Reporting and System of Securities Management for the European Agriculture Guidance and Guarantee Fund and 2002/000-180-01-01 Pre-Accession Introduction of CMO Procedures.

### ***Efficiency***

18. A major problem in all the accession countries has been a lack of administrative capacity in the respective AGR ministries that has made it difficult for them to carry out the day to day work and, at the same time, to introduce a new system that involves the scrapping or radical change to their existing systems. The ministries did not have the capacity or the experience to manage the radical changes required, and their ability to cope with this requirement has varied considerably. In some CCs the senior officials in the AGR ministry appeared not to recognise the extent of the changes required to apply the CAP in their country. This meant that in several states the human and national financial resources were not put in place to enable the projects to be completed successfully. Poor commitment of resources meant that not all the funds available under Phare could be used in some states. The most successful accession state in meeting the CAP obligation, Slovenia, introduced an AGR policy similar to the CAP some three years before accession, and then used the three years to bring the institutional arrangements up to the standard required by the CAP. This was one of the few instances in this sector where a long

#### **Efficiency of CAP projects**

- Lack of administrative capacity and financial resources in CC AGR ministries;
- Lack of local experience in managing projects and co-ordinating across different sectors;
- Failure to appreciate the extent of the changes required in the existing system by the CAP.



term strategy devised by the CC was followed making use of the Phare Programme. Other states were mostly seeking to introduce the CAP obligations at accession. This meant that the organisations that they were seeking to create, such as the Paying Agency, would not have been able to try out the systems that were being developed until they were needed in the EU context. If they did not function adequately the Paying Agency could not receive accreditation and the states would suffer disallowance. While some aspects of the EU requirement were tried and in place, such as the market reporting obligations, there were Phare projects under way in these countries that were designed to implement aspects of the Paying Agency such as market organisation that would only be completed at accession and could not, therefore, be trialled in advance of accession. It would be very fortunate if they procedures worked without a hitch when first put into practise.

19. All CCs had difficulty in meeting the manpower requirement for the new institutions required by the CAP, and several countries found it difficult to establish the new institutions and allow them to take over the running of payments or other services. This is mainly because of the reluctance of the existing institutions to surrender powers. Decisions on re-organisation were often not made or were made late and reluctantly. Also the co-ordination of decision making was often poor. In some countries different ministries and even units within the same ministry did not communicate with each other so that the mechanism for co-operation did not exist, and in applying the CAP this was a major drawback. The Phare implementation units often did not know much about what was happening in regard to the Phare projects, and a policy unit could accept a project and then fail to provide the officers that the project was intended to train. Often the Pre-accession Adviser (PAA) of a twinning project had to carry out the necessary co-ordination activities rather than the national administration because there was no national project leader responsible for a project. In one CC the local project director changed four times during a two-year project, and each new director had different priorities that involved changes to the project fiche and the covenant. Most of these changes were not formally approved so that the project fiche and the covenant no longer reflected the project as it was being implemented. Project monitoring by the CC was mostly non-existent in some states, and the Phare co-ordinator in the ministry frequently did not have sufficient authority to require that resources should be provided for a project even though a covenant had been agreed, approved and signed. The procedures required by Phare were often not understood by the policy units applying for funds or even, sometimes, by the local Phare co-ordinators, and this resulted in projects being delayed as numerous rewrites of the project fiche took place. The delays sometimes meant that the IT hardware failed to be delivered on time to enable officers to receive training.

20. Clearly the ability of some countries to use the Phare Programme to apply the CAP efficiently was better than others. Only one country – Slovenia - seems not to have underestimated the size of the task and the time that it would take, and even that country experienced difficulty in meeting the manpower requirements.

### *Effectiveness*

21. The effectiveness of Phare in assisting CCs apply the CAP has varied considerably from country to country.

22. One state, Slovenia, has used Phare assistance so successfully so that it would be surprising if the Slovene administration is not able to meet the main requirements of the CAP on accession. In the case of the others there remains a lot of work to do before the date of accession if they are to apply the main requirements of the CAP successfully. The reason for the uncertainty lies not in the quality of the Phare support on offer as the training and assistance has in most cases been of a high standard, but the capacity of the accession state to absorb and implement the assistance in the short time available before accession. Administrations have tended to underestimate the size of the task that they face, the volume of resources needed to implement the requirement and the time needed to bring the institutions and arrangements into full operation. Several CC AGR administrations refused to take urgent action justifying their refusal by saying that until a favourable vote had been passed in their country's referendum they could not introduce such significant institutional changes. It may have been more sensible to ask the Commission Services whether any Phare support for institutional change was appropriate in view of this attitude. Other CCs set up one paying agency but failed to give it the resources or the authority to use the Phare Programme to introduce the necessary CAP arrangements, and then changed the arrangements to establish two paying agencies thus in some ways duplicating the requirement. These uncertainties have undoubtedly made it harder for the countries concerned to apply the CAP, and therefore harder for the accession state to benefit from EAGGF<sup>6</sup> payments after accession. In some countries a stronger commitment to applying the CAP from an early date would have made the assistance provided by Phare more effective.

#### **Effectiveness in applying the CAP**

- Lack of political commitment in certain CCs to applying the CAP;
- Uncertainty as to the capacity of some CCs to introduce the measures needed to apply the CAP.

### ***Impact***

23. The impact of Phare CAP assistance in every CC has been a positive one. Without the Programme it is inconceivable that the applicant countries would have been in a position to apply the requirements of the CAP. However, at this late stage before accession it is doubtful if the majority of the accession states will be able to apply the CAP fully on accession. This is because they do not have all the basic arrangements in place such as a fully functioning and resourced paying agency. In some cases the arrangements will probably be in place in the first year after accession, but only one state will definitely have a tried and tested system in place by 1 May 2004 that should meet the essentials of the CAP requirement. The reason for this uneven impact is that the accession states have tended to underestimate the difficulties of meeting the requirements of the CAP, and have been reluctant to establish and resource the new institutions that are needed. They have therefore not been able to absorb all the information and training that has been available to them under Phare. In general terms where a technical service has had to adapt to EU practise such as over the provision of statistical returns this change has been achieved, but where a new institution has had to be created, and people supplied and trained in new skills, as is the case with the organisation of commodity markets, the ministry concerned has been less capable of meeting the requirement.

#### **Impact of CAP projects**

- CCs could not have met the CAP requirement without the assistance available from Phare;
- Most CCs have had difficulty in establishing new institutions such as the paying agency and in empowering and finding resources for those institutions.

<sup>6</sup> EAGGF = European Agriculture Guidance and Guarantee Fund.

24. Accession states have been reluctant to monitor their progress in the absorption of these new skills against the requirement, and so, in some cases they seem unaware of the consequences of failing to meet the requirement. Only one CC, Slovenia, had a Phare project to assess whether it had reached the necessary standard to achieve accreditation for its paying agency far enough before accession so that any deficiencies revealed could be corrected. In general terms there is a confidence about the ability to apply the CAP on accession that does not seem entirely justified by events on the ground, and a reluctance to consider contingency measures should that confidence be misplaced. The response of the Directorate-General Agriculture (DG AGRI) to any failure to meet the requirement in this section by a full member state of the EU would be disallowance.

### ***Sustainability***

25. For the states joining the EU the achievements of the Phare Programme in enabling the applicant states to apply the CAP will need to be sustainable if the governments are to draw down money from the EAGGF. Accession states have a strong financial interest in meeting the requirements of the CAP, and several states have put extra effort into meeting those requirements as they have recognised that the date of accession is rapidly approaching. The difficulty is that access to EAGGF funding will require a sound institutional framework and a continuing financial commitment, and not all the CCs have shown themselves capable of delivering either the institutions or the commitment.

26. Some AGR ministries still do not appear to be aware of the standard of administration that they will have to attain and maintain. In all the accession states the supply of a sufficient number of trained officers to administer the CAP is a major problem.

#### **Sustainability in applying the CAP requirement**

- Phare results are sustainable if the CCs make the necessary resources available;
- Doubt is whether all the AGR administrations in CCs have the capacity to operate the system in the long term.

Several CCs are seeking to restrict the size of their state bureaucracies and the demands for more human resources are not welcome. The main threat to the sustainability of the Phare training is whether the local officers that have been trained can be retained in the posts for which they have been trained. Also the equipment provided under the Phare will require to be renewed and the respective AGR ministry will have to find the funds from its own resources. However, in general terms, much of the Phare assistance for meeting the requirements of the CAP is sustainable provided the accession states make the necessary resources available.

## **2.2 Integrated Administrative Control System (IACS)**

### ***Introduction***

27. IACS is an essential part of the mechanisms of the CAP, and involves the creation of a number of databases and the control and management system to make them work together. Its creation involves complex project management skills; the co-operation of a number of different units; and the investment of substantial financial resources. To work the system also needs to obtain valid input from farmers who require training and support to meet the necessary standard of input. This is a difficult and complex task for the AGR ministries in each of the accession states.

***Relevance, including design***

28. The Phare projects covering IACS were soundly based, and usually involved twinning with an agency responsible for IACS payments in a member state. Technically the content of the projects was of a proper standard, and, in several CCs the projects covering IACS were regarded as highly relevant although some of the design faults set out in the previous section applied here also.

29. The difficulty lay in the lack of understanding on the part of some of the accession states as to the complications of the IACS. This meant that they were frequently embarking on an IACS project before they had determined which organisation would be responsible for IACS and before the responsible managers were in place.

**Relevance of IACS projects**

- IACS projects were usually well designed but poorly implemented and managed;
- Need for adequate monitoring and co-ordination of IACS projects were generally underestimated in the design;
- Most CCs failed to recognise the complexity of the system required.

Inevitably this meant that adjustments were required in the project fiche during the lifetime of the project, and the original objectives and outputs of the project designed to deliver the technical content were either so wide as to be virtually meaningless or could no longer match the expected outcomes by the time the project came to be evaluated. The management of the projects was therefore sometimes inadequate, and the co-ordination of the IACS work was almost non-existent in some countries.

30. The Phare project covering IACS in some CCs might not cover the creation of the databases, as responsibility for creating these might be given to an outside contractor. Even the IT work needed to create the management and control system might be contracted out. This would have been satisfactory if the co-ordination and management system was working well, but this was not always the case as some states did not appoint a manager with overall responsibility for the project, or relied on the PAA of the Phare project to provide any necessary co-ordination. In some states the manager changed frequently. It is not surprising therefore that the objectives set were not always achieved.

***Efficiency***

31. Every accession state found that the delivery of IACS tested the management capabilities of the administration to the full. This was because IACS requires the creation of a number of complex databases and the co-ordination of those databases under a single management and control structure. Those states that had established a paying agency in name only inevitably lacked an organisation to introduce IACS.

32. Some CCs tried to contract out the delivery of IACS relying on the twinning partners and the private contractors not part of the IACS project. In one case the private contractor failed to deliver the project on time, and also did not communicate the methodology that had been used to the twinning partner of the Phare project.

**Efficiency in delivering IACS projects**

- Lack of political affected the ability of CCs to deliver the IACS introduction process;
- Inability to manage and monitor projects properly caused avoidable delays in projects.

The Phare project was then left with very little to deliver as the CC officials did not appear to be aware of the methodology used either. Because little monitoring of the contractor had been undertaken by the CC there appeared to be very little awareness as to how IACS was going to be

delivered. There is a problem when nothing has been delivered and no one in the CC ministry can understand the IACS methodology.

33. Another CC expressed its political commitment to applying IACS, but failed to establish the organisation needed to bring it into being. A third unilaterally abandoned the IACS part of a large CAP project because it was too demanding of resources leaving the twinning partner to continue on other aspects of the CAP work. This CC had to return to the work on IACS when the political will to introduce IACS returned with a change of government. Nearly all states failed either to start preparations for IACS early enough or to assign sufficient resources for its delivery. In one CC the twinning contractor failed to deliver trainers and all work on the project was halted. Only Slovenia has managed the process so that an IACS is in place that has been demonstrated to work. None of the other states have so far succeeded in delivering a system that has been demonstrated to work by being applied in a full field trial covering a complete season.

### *Effectiveness*

34. Creating the IACS can be regarded as a major exercise in project management, where co-ordination and project management skills are tested to the full. Some CCs relied for help in delivering the project on the sympathetic co-operation and help of the twinning partner and the PAA, as they lacked expertise in managing a project of this complexity.

35. At the present time IACS has probably been successfully delivered in one accession state, and several others are working towards delivery, whilst others have settled for a simplified version that should be available on accession with the full IACS to follow later. Most of the CCs have left the completion of IACS very late in the accession process. This means that they will not have the opportunity to test the system to check that it works nor to give their farmers practise in completing their returns. Most states find that a trial is needed to ensure that meaningful returns are produced, but only one accession state has tested their system and been able to adjust the procedures because only one state had a working IACS in place over a year before accession.

### *Impact*

36. By the date of accession only one accession state will be able to introduce a more or less fully functioning IACS. Some other states will be well on the way to producing IACS, but the introductory date will probably be after accession despite their best endeavours to have the system operating on time. It is also not possible to test the systems fully in the time available to ensure that all aspects of the system will work to the required standard although, in theory, the systems should work. Thus the achieved impact by the time of accession will be rather limited in most countries and will materialise more substantially only after some years.

#### **Effectiveness and Impact of delivering IACS projects**

- Only one CC is very likely to have used Phare assistance to deliver IACS successfully;
- The effectiveness of IACS projects has been very patchy;
- Lack of political will to introduce IACS and lack of administrative capacity are major problems for achieving full impact.

37. This insufficient impact is not due to any failure in the system of Phare assistance, but to a lack of capacity on the part of the administrations of most of the CCs to manage and drive through the IACS project. There was a tendency to underestimate the complexity of introducing IACS, a failure to sort out the responsibilities for introducing IACS, and to provide adequate financial and human resources for completing the IACS projects successfully. All this could have adverse consequences on the funding that they receive from the EAGGF, especially in the first year after accession unless some special short term arrangements are introduced to overcome the absence of a fully functioning IACS.

### ***Sustainability***

38. Given the doubts that arise over the ability of some accession states to be able to introduce IACS at the time of accession there must also be doubts about the sustainability of the assistance given under Phare for the introduction of the IACS. The doubts stem from the same cause, and that is the ability of the accession states to be able to find and fund the manpower needed to run the complex systems required by the CAP, and to fund the renewal of the hardware on which the IACS runs. There must also be doubt as to whether in certain states the level of commitment exists to fund the systems required, given the likely return in money received.

#### **Sustainability in the delivery of IACS projects**

- IACS is the most difficult of the CAP requirements to implement because it is complex and new as far as CCs are concerned;
- The new institutional arrangements needed for IACS and the large human resource requirement is a barrier to making the Phare projects sustainable in this area.

39. Of all the requirements in the AGR section of the accession agenda IACS is probably the most likely part not to be delivered as it is complex and expensive to install, and requires a completely new approach to AGR policy for the accession states.

## **2.3 Rural Development**

### ***Introduction***

40. Rural development embraces care for the environment and the sustainable management of the countryside as well as the development of industries and sources of employment within the countryside such as tourism and AGR. A rural development plan must therefore seek to reconcile environmental concerns with economic development. It is in this area that an increasing amount of effort is being put by the EU. Given the problems that will face the AGR Sectors in the acceding states - competing produce from the existing member states after accession, finding better ways of marketing home grown produce and finding alternatives to jobs in AGR - rural development will be of importance in all the CCs. Once in the EU accession countries will need to apply rural development measures on an increasing scale.

### ***Relevance, including design***

41. Phare has played an important role in assisting the CCs to prepare and implement their SAPARD programmes in particular through the Special Preparatory Programmes (SPP). These played an important capacity building role, not simply for SAPARD, but for the future programming and implementation of EU rural development programmes. IACS plays an important role in rural development measures, and in many ways the projects covering the CAP, IACS and rural development are all inter connected.

42. Phare projects have been designed to assist AGR administrations in the handling of rural development issues as an integrated part of the CAP, and these projects have been highly relevant to the recent shift in the CAP towards the promotion of rural development measures. The problems have not been associated with the relevance of the design of the projects but rather with the execution on the ground. In most of the accession states the respective ministry has concentrated on AGR in the past, and there is little experience of policy making for rural development. This means that new institutional arrangements have often been needed to handle rural development issues, and there has tended to be little interest in organisational change in the ministries of CCs.

**Relevance of rural development projects**

- Most projects are well designed for the purpose;
- SAPARD Programme has helped to generate interest in rural development and to prepare, in a practical manner, for accession through reinforcing and developing administrative capacity;
- Most CCs lack experience of rural development measures.

43. The availability of funding through the SAPARD Programme has been an incentive to create capacity for rural development measures, but the establishment of accredited SAPARD agencies has not always led to rapid progress on rural development issues in the policy making sections of ministries. This is because, in some CCs, the policy function is separated from the operating function, and the policy unit have not always consulted the SAPARD Agency when drawing up their future plans. Also a policy unit has often been understaffed and subject to a high staff turnover and this has restrained its effectiveness.

***Efficiency***

44. The performance and efficiency of twinning partners for rural development has generally been high, but their problem has frequently been that counterparts have not existed in the ministries to receive the assistance available. Experts have arrived to find that no officials are available to receive advice and training, and the response to projects has been poor. Accession countries may call the relevant ministry the Ministry of Agriculture and Rural Development, but there is often not much activity on the rural development side of the ministry, which has adversely influenced proper efficiency of rural development interventions.

45. There appears to be a lack of awareness as to the policies and trends that apply to AGR and rural policies in the EU among senior officials in the ministries of applicant states, and therefore the importance of rural development issues is underestimated by them. This situation may have been corrected now that officials of CCs attend EU meetings, but, from the point of view of Phare, earlier awareness of the policy trends within the EU would have been useful. Some countries lack a policy making focus for rural development issues and there is the usual reluctance to co-ordinate policies with other interested ministries such as those responsible for environmental and regional issues. There is also reluctance in some CCs to consult the national SAPARD agency on policy issues concerning rural development although they now are gaining practical experience as to which measures work and which do not.

## *Effectiveness*

46. From the limited evidence available from the Phare projects evaluated in the AGR Sector this lack of interest in rural development in some CCs has meant that these issues are only being addressed in the final months before accession. As with CAP and IACS issues there is a similar belief in certain states that a final rush of activity can make up for years of inaction, but the lack of institutional capacity and the low priority given to rural development issues means that the ministries will probably not be able to access all the potential assistance available to member states on accession.

### **Efficiency and effectiveness of rural development projects**

- CCs were greatly assisted by experience gained in operating the SAPARD Programme;
- Projects hampered by lack of experience and lack of organisation in some CCs;
- CCs have limited understanding of the possibilities and benefits to be obtained from rural development.

47. There remains an unwillingness to restructure CC ministries and to put human resources into new areas of activity because this shifts the power base of senior officials. Lessons learnt from operating the SAPARD Programme may change this approach, but in most applicant countries there remains a need to strengthen the effort put into rural development activities especially when AGR is no longer going to be able to provide the current number of jobs in rural areas. Some draft rural development plans may not feature environmental measures, other than the required agri-environment measures, or economic assistance other than assistance to the AGR industry. This illustrates the lack of understanding of the opportunities in rural development assistance and this reluctance to look beyond AGR is sometimes apparent in the individual contractors on rural development projects as well as their counterparts. The slow progress being made in most applicant countries on IACS will affect the capacity of accession states to access EU assistance on direct payments. Also the lack of effective extension services in some CCs will make communication with the farmer and rural worker difficult and hold back rural development. It is acknowledged that the information available for this report may give only a limited view of the progress on rural development in CCs, because the Rural Development Plans and the results of the SAPARD Programmes were also not available to the authors.

## *Impact*

48. It is inevitable that the impact of rural development measures will not be as great as the potential need because of the institutional weaknesses that are apparent in the administrations of the applicant states. The experience of SAPARD will clearly help to stimulate demand. In these circumstances, it is a question of managing decline rather than stimulating new growth. One PAA is quoted as saying that he had advised the CC to limit the draft Rural Development Programme to AGR measures in view of the limited capacity in the benefiting administration. The ability of some of the accession administrations to review policies radically and determine new approaches to rural problems is limited, and it is the lack of this capacity that will limit the ability of the accession states to take full advantage of the opportunities available from joining the EU.

49. The Phare projects will have enabled the CCs to benefit from assistance for rural development. However, because of the lethargic attitude in some states to administrative change, the benefit in terms of more substantial mid term impact will not be as much as would



have been possible if greater interest had been shown in rural issues by senior management in the AGR ministries over the last three to four years.

### ***Sustainability***

50. As in the other sections of this part of the report the greatest threat to sustainability remains the slowness in creating the necessary institutions and the lack of staff numbers involved in rural development issues. Although most of the Phare interventions

#### **Impact and sustainability of rural development projects**

- SAPARD programme assisted the likely sustainability of projects;
- Lack of an institutional framework and of human resource limited the impact of projects.

concerning rural development will be completed successfully there is strong likelihood that those who have been trained will not be in the jobs where the training is relevant on accession. This is because time will have led some of the officers to leave; others were on short term contracts and will have moved elsewhere; and relatively few were involved in the training in the first place. However, the need for immediate remedial measures such as the development and implementation of national human resources actions plans has not materialised yet for most CCs.

51. It could be asked whether the CCs should be required to have the human, financial and technical resources in place before the start of projects so that they can take full advantage of the expertise available in the twinning partner. The existence of the SAPARD Programme will certainly assist sustainability in this section. The Phare projects will certainly bring sustained improvement, and more human resource, but it is always open to question whether more could have been achieved and consequently secured.

## **2.4 Veterinary and Phytosanitary Issues, including related Border Control and Food Safety**

### ***Introduction***

52. Veterinary, phytosanitary and food safety issues are all familiar to the administrations of the CCs, and they all possess a body of expertise in these matters. The respective local administrations are, therefore, starting from a position of some knowledge of the basic requirements. The immediate accession need is to adapt the existing legislation to the requirements of EU legislation in these areas; to learn about and train staff in the specific techniques required by the new legislation and to equip laboratories to undertake the sophisticated diagnostic and testing work required under EU procedures. One substantial difficulty for all CCs has been the volume of veterinary legislation that needed to be described. The human resource needed to undertake some of this work already existed in the form of inspectorates, although the inspectorates needed to be trained and, in some cases, strengthened to undertake the role set out under EU legislation. In this section the accession states were in more familiar territory than when dealing with IACS or some of the requirements of the CAP.

### ***Relevance, including design***

53. Phare assistance under this section was generally relevant and the standard of the design of that assistance was high at least in some accession states. In some CCs projects were designed to enable legislation, equipment and training to be introduced in an orderly timetable, and even the building of new border inspection posts went almost to plan. Full use was made of Phare to provide assistance and the organisers of the veterinary, phytosanitary or food safety

programmes mostly understood the requirements of Phare and sought to take full advantage of the assistance on offer. In other states the problem of inadequately planned projects causing delays in the adoption of legislation, the procurement of equipment and the training of staff persisted. Also some projects were too large. A two year project designed to teach the veterinary service of a CC about all the relevant EU veterinary and food safety procedures was tried in several CCs and was generally found to be less effective than smaller one-year projects covering limited, but specific areas of knowledge. Contractor and counterpart both wanted smaller, more concentrated projects, and these tended to proliferate later in the individual Programmes' design.

54. There was also a tendency to use the assistance on offer to re-equip every office with the latest IT equipment and every laboratory with the latest scientific instruments without seeking to identify whether, in the new EU circumstances, the continued existence of every office and every laboratory was justified. A study across the whole sector identifying the need and how the new equipment could be placed and used to the best advantage would have saved and/or re-directed a lot of Phare money in most accession states. It is understood that a strategy of this kind was required by the Commission Services in Poland. In some CCs the logframe analysis was not properly used, and the objectives of projects were too broad. The lack of quantifiable objectives meant that the projects were almost impossible to monitor and most states did not appear to have a procedure in place that assessed whether a project achieved its objective. This meant that the same mistakes were repeated in successive projects. The European Commission Delegations (ECDs) only started to question seriously the supply of equipment towards the end of the Programme, and some did not even do so then. There seemed to be very little co-ordination between the various ECDs, so that widely differing practises were adopted in each state receiving Phare aid, and the attitude of the Delegations appeared to be that as long as the projected supply was technically justified there was no need to question whether an economic case had been made for each item in the purchase or for the purchase as a whole.

**Relevance of individual veterinary/  
phytosanitary projects**

- Training assistance was generally relevant;
- Purchases of equipment sometimes appeared to err on the generous side.

### *Efficiency*

55. In some CCs the projects under this section were administered efficiently. This was especially the case with phytosanitary and food safety projects. Food safety projects frequently required co-operation between different parts of the administration of the accession states and there were instances where this co-operation seemed to work well. The linkage between projects supplying equipment and projects providing training worked efficiently, and the timing was such that the equipment was in place before the training began.

56. However there appeared to be little contact or co-ordination between the organisers of veterinary and phytosanitary projects, although many of the administrative problems faced in developing and managing projects were similar. In the best projects legislation was adopted and both information technology (IT) and scientific equipment delivered and officers trained efficiently. In some CCs the projects were over-ambitious and failed. Legislation was not fully transcribed often because of inadequate resources. Equipment contracts failed because no one understood the procedural requirements, and the lack of trust between the respective ECD and the beneficiary led to a need to carry out additional checks of the specification of equipment and project fiche and twinning covenant were subject to frequent change. ECDs too often concentrated on the fulfilment of the procedural requirements and not on whether the

equipment was justified in economic terms in the first place. Some of these problems stemmed also from an inadequate system of local project management.

### *Effectiveness*

57. In the majority of the accession states the projects were effectively delivered. The greatest difficulty was experienced with the setting up of border inspection posts where the need to build new facilities and install new equipment caused problems. The posts required building permission usually from another branch of the government that often gave no priority to the establishment of inspection posts. They then needed to be built and this could be a cause of endless delay despite the high priority given to the establishment of effective border controls by ministers. Even the building of extensions to existing laboratories could cause difficulties especially if the project required co-ordination between different units. The frequent lack of a single project director and a regular system of co-ordinating committees could mean that projects were delayed and thus not as effective as expected because no one had responsibility for taking the necessary action. However in most CCs the delivery of projects and consequently the achievement of set goals was far less of a problem than in the application of the CAP and IACS.

#### **Efficiency and effectiveness of individual veterinary/ phytosanitary projects**

- Projects generally effective but of questionable efficiency;
- Economic case for all the IT equipment and the scientific equipment is not immediately apparent;
- In some CCs the balance between training projects and the purchase of equipment seemed to over emphasise the purchase of equipment.

58. Mostly, there was plenty of human resource available in the veterinary area but a shortage in the phytosanitary field. In the food area the resource often existed, but co-operation was required between ministries to make it effective, and, in this area, such co-operation was often effective. The veterinary sector rarely saw the need to co-operate with any other sector, and veterinary projects were significantly less well managed than projects in the phytosanitary or food sectors.

### *Impact*

59. Because on the whole projects were successfully delivered in most states therefore, the likely impact of Phare is favourable. Most of the accession states will be able to carry out most of their EU obligations at accession or very soon after. Inevitably there are some exceptions. The ability of some states to enforce the EU legislation is in doubt because of the perceived weakness of the local inspectorates, but this is not a widespread problem.

60. There are rather too many well-equipped laboratories in the accession states with equipment that is unlikely to be fully utilised, and a greater scrutiny of the requirement and some rationalisation of laboratories in advance of the authorisation of equipment contracts could have saved EU taxpayers' funds. Some equipment is unused because the buildings do not exist to house the equipment. In some cases equipment has been received but the scientists and other users have received no training in the EU procedures required. The veterinary sector in one country re-equipped all their laboratories, including some that they later decided to close, but received no training in the EU procedures that the equipment was designed to assist the veterinary officers to carry out. The system should perhaps have required equipment projects to be linked to an explanation as to how the users would receive training not just in how to use the equipment but in how to use the equipment to carry out the EU requirement.

There must also be doubts as to whether all the laptops supplied under Phare projects represent a satisfactory expenditure of EU taxes, considering the very limited likely impact.

61. One of the difficulties in meeting all of the requirements in the food safety sector is that the policy is moving forward rapidly in this area, with the creation of a Food Safety Agency for the EU, and accession states are trying to catch up with a requirement that is constantly subject to change. Also the technical analysis required by the EU is becoming more and more sophisticated. The CCs are therefore trying to keep up with a constantly moving target, and this may mean that some aspects of that requirement may not be fully met on accession.

### ***Sustainability***

62. Most CCs have enough trained veterinary officers, but some need more phytosanitary officers, especially in their central administration. The existence of only one expert on plant passports, for example, leaves the administration very exposed to the loss of expertise if that expert were to move elsewhere. Also the equipment received will need to be maintained and renewed by the recipient institution, and there is often no indication that the funding is in place to meet this commitment. There is no indication that in all states the training received has been sufficient and that the personnel trained are still in post to carry out the relevant tasks.

#### **Impact and sustainability of individual veterinary/ phytosanitary projects**

- Most of the projects in these areas were properly implemented and are likely to result in useful impact;
- There appeared to be little assessment as to whether all the purchases of equipment represented good value for money, thus adversely influencing long-term impact;
- A greater emphasis on training rather than equipment supply might have provided better impact and sustainability.

## **2.5 Preparation for Special Accession Programme for Agriculture and Rural Development (SAPARD)**

### ***Introduction***

63. The mid-term reviews of the SAPARD Programme are currently being conducted and they are not therefore available to the authors of this report on the Phare Programme. This section of the report only seeks to cover the contribution made by Phare to the ability of the accession states to prepare the SAPARD programming documents and to meet the requirements of SAPARD for the conferment of the right to manage the aid available under the SAPARD Programme. The comments in this section are based on the available annual reports on SAPARD implementation and the Phare IE reports.

### ***Relevance, including design***

64. Where projects were sought by CCs they were relevant to the purpose of meeting the management requirements for SAPARD. All of the CCs were slow in coming forward with projects and this in part reflected their difficulties in establishing agencies for receiving and making payments under the CAP. Without an agency for making SAPARD payments a project had no recipient for the assistance on offer, and it was the creation of this capacity that was a major problem for all potential recipients.

### ***Efficiency***

65. The creation of the respective CC agencies took time and effort. Some states made the payments agency responsible for SAPARD payments; others created an entirely separate agency for SAPARD work. As accession drew near it rapidly became apparent to those CCs that had created a separate SAPARD Agency that the lessons learnt in creating and running the SAPARD Programme were of direct relevance to the running of a large part of the work of the payments agency. This was not always clear in every CC at the start of the SAPARD Programme. The creation of a second agency merely increased the volume of work that needed to be done. Because of the difficulties that all the accession states found in co-ordinating and managing programmes the creation of fully functioning agencies took a lot longer than expected, as was indicated in the various SAPARD reports, and was a major cause in the delay suffered by the Phare Programme in this section.

### *Effectiveness*

66. Once the SAPARD agencies were established either as separate agencies or as part of the payments agency the practical value for the Phare Programme of the experience gained in operating the SAPARD Programme was soon apparent. The auditing and procedural requirements, for example, became less daunting when they had been experienced as part of the SAPARD Programme, and, if the accession states had started their SAPARD payments at the start of the SAPARD Programme they, without doubt, would have been more able to meet the many of the requirements of the EAGGF on accession.

67. Indirectly, two years experience of operating SAPARD might even have made the introduction of IACS less of an ordeal for some accession states. As it is the introduction of SAPARD will make some of the payments procedures easier. However the separation of work on the SAPARD Agency from the policy work of the AGR ministries in some CCs did mean that the experience gained in SAPARD was not always used to the full in meeting the rural development requirements of the CAP. This separation happened despite the advice of the Commission Services.

### *Impact*

68. The immediate impact of Phare assistance towards meeting the requirements of the SAPARD Programme is positive as the various SAPARD agencies have started to operate on promoting rural development in the CCs. It may be that if a template for a SAPARD project had been available under Phare, all beneficiary states would have been able to qualify for assistance under SAPARD at an earlier date, and this would have benefited the uptake of Phare projects covering the introduction of the CAP.

#### **SAPARD preparation projects**

- Problem in the view of the CCs with slowness with which the institutions were set up;
- Projects helped create SAPARD agencies;
- SAPARD Programme will provide valuable support for establishing payment agency for CAP.

## *Sustainability*

69. As with most of the projects in the other AGR sections under review lack of trained human resource is the main threat to the sustainability of the Phare projects together with the high turnover of staff. Given the need to continue to secure and pass on aid under the SAPARD Programme there are powerful political incentives to ensuring that the requirements of the EU in regard to SAPARD payments are met in every state benefiting from Phare assistance.

## **2.6 Forestry and Fisheries**

### *Introduction*

70. Where projects covering forestry or fisheries formed part of the Phare Programme in a CC the project was usually promoted by the technical specialists covering these matters in the CC. They had the necessary technical expertise; wished to adapt their current practise to the requirement of the EU in that sector; and also wanted to enable their sector to be in a position to benefit from any aid available to that sector. The CC, therefore, had officers who were interested in making the projects work because to some extent their jobs and professional expertise depended on the success of the projects concerned.

### *Relevance, including design*

71. Only very limited activities were evaluated by EMS in the sub-area of Forestry. This reflects the situation that Phare support for forestry has not been a priority for most of the CCs. Only in the case of Hungary and Bulgaria has a forestry project been evaluated. The design of the forestry project in Hungary was excellent and highly relevant to the purpose of enabling the forestry administration meet in full the requirements of joining the EU. The only criticism was that the project was too large and that a number of smaller projects over a period of years might have put less strain on the capacity of the forestry administration to absorb the information and training on offer. However the forestry administration had only obtained agreement for one project and wanted to cover as much ground as possible.

72. More considerable support has been provided to the sub-area of Fisheries as can be seen from evaluations undertaken in Bulgaria, Latvia, Lithuania, Poland and Romania. The Fisheries projects were designed to enable accession countries to meet the requirements of the Common Fisheries Policy (CFP) and to apply that policy in the beneficiary state. The assistance was typically focusing on modernisation and restructuring of the fisheries sector, on harmonisation of the local fisheries legislation with the EU's CFP and/or on the creation of producer associations for the fisheries sector. In general terms the projects were relevant for the purpose, but their design suffered from the same general management problems of other projects in Phare in that insufficient time and effort was put into the preparation of projects and this meant that the project fiche and the twinning covenant were subject to frequent change. This inevitably delayed the start of projects.

#### **Relevance of forestry/ fisheries projects**

- All the projects appeared highly relevant to the requirement.

### *Efficiency*

73. Phare support for the Hungarian Forestry has been evaluated twice by EMS. The forestry project in Hungary was handled with great efficiency by both the beneficiary administration and the twinning partner. Although a large programme was being covered the recipient organisation appeared to be managing the project well, and the twinning partner was proving adaptable in meeting the requirements of the beneficiary and the project was being taken forward efficiently. The only problem was that the IACS project was delayed and part of the forestry project depended on the successful delivery of IACS.

74. The Fisheries projects in most of the accession states were being taken forward efficiently although there were delays in some CCs caused by the lack of experience in managing projects and by the problems associated with understanding and adapting to such a complicated arrangement as the CFP. A project studying the dioxin levels in fish in the Baltic was slow to begin, and this was an example of the problems that existed in the beneficiary states in managing projects. Inexperience meant that everything took longer than expected.

### *Effectiveness*

75. The Forestry project was reasonably effective in providing the local forestry administration with assistance in transcribing and implementing the necessary changes to both the legislation and the procedures and practises of the state so that the requirements of the EU could be met. The officers were experienced in forestry administration and practise and they were available for the training provided. However the project did place an enormous strain on the staff of the forestry administration because they were trying to carry out their normal duties and implement the project in a relatively short period of time before accession. No additional staff had been provided to cover the new tasks, and officers were working long hours over many months. The additional strain put on staff could endanger the successful outcome of the project.

76. The Fisheries projects should be capable of producing successful outcomes as the officers being trained were generally experienced in fisheries matters and it was a question of introducing them to EU requirements rather than needing to train officers who had no concept of the CFP for example. In one country there appeared to be no institution in existence that would benefit from the Phare fisheries project. Where the projects are underway the difficulty has been in persuading fishermen of the value and importance of producer organisations and in explaining the role played by producer organisations in the CFP.

#### **Efficiency and effectiveness of forestry/ fisheries projects**

- Forestry project appeared to be progressing well;
- Some fisheries projects had been delayed by slowness in establishing institutions and lack of human resources;
- There was some reluctance by fishermen to participate in producer organisations.

### *Impact*

77. Both the Forestry and the Fisheries projects should achieve a positive impact despite the difficulties. The forestry project in Hungary should result in an Administration being able to fulfil all the requirements of EU rules concerning forestry matters except where a functioning IACS is required. There will be a functioning IACS, but it is difficult to state with confidence when a fully functioning IACS will be in place. The Fisheries projects should enable the

requirements of the EU fisheries legislation to be fulfilled, but it may be a little time before producer organisations are functioning in practise as they should.

### ***Sustainability***

78. Again the main question in regard to sustainability of the evaluated Forestry and Fisheries interventions is whether there is a sufficient number of staff in post to sustain the system. Great efforts involving long hours cannot be sustained forever and, as elsewhere, the administration may collapse because staff leave or go sick. Greater efficiency can compensate for some staff shortages, but, in the long run, a more efficient administration based on a rational assessment of staff numbers is needed in most of the beneficiary states.

#### **Impact and sustainability of forestry/ fisheries projects**

- The forestry project would have a high impact, but the shortage of human resources in the respective forestry administration raised concerns about sustainability;
- It was too early to be confident as to the impact or sustainability of the main fisheries projects.

79. The following table provides an overview of the evaluation findings according to the given evaluation criteria:



	<b>Preparation for CAP</b>	<b>IACS</b>	<b>Rural Development</b>	<b>Veterinary/ Phytosanitary</b>	<b>SAPARD Preparation</b>	<b>Forestry/Fisheries</b>
<b>Relevance</b>	Individual projects were often well designed. Some projects were delayed because of inadequate planning by the recipient. Earlier projects were sometimes too large and required more skilled management than the CC was able to provide.	Projects were usually well designed. The need for adequate monitoring and co-ordination of IACS projects was often underestimated in the design of projects. Most CCs failed to recognise the complexity of the system required.	Most projects were well designed. Most CCs lack experience of rural development measures. SAPARD has helped to generate interest in rural development.	Some projects lacked quantifiable objectives and this made such projects almost impossible to monitor. Training assistance was generally relevant. Purchases of equipment appeared often generous.	Projects were relevant to the purpose. CCs were slow in coming forward with projects, and in establishing an agency that could make payments under SAPARD.	All evaluated projects appeared highly relevant to the requirement.
<b>Efficiency</b>	Lack of administrative and financial resources in CC AGR Ministries affected the efficient delivery of projects. Also the lack of local experience in managing projects and co-ordinating across different sectors within Ministries affected projects. In some CCs there was a failure to recognise the extent of the changes required to enable the existing AGR systems to be adapted to the systems required by the CAP.	Lack of the political will to provide the resources to implement IACS affected the efficiency of projects. The inability of some CCs to provide the capacity to manage and monitor projects properly caused avoidable delays in projects.	Projects were hampered by a lack of experience of rural development activities and a lack of organisation in some CCs. CCs have still limited understanding of the possibilities and benefits to be obtained from rural development.	Projects were generally delivered efficiently.	The creation of an agency took time because of the high cost in resources that an agency represented.	The Hungarian Forestry project appeared to be making good progress and to be efficiently administered. Some fisheries projects had been delayed by slowness in establishing the necessary institutions and a lack of human resources.
<b>Effectiveness</b>	There was a lack of political commitment in certain CCs to applying the CAP. There was uncertainty as to the	Only a few of the many IACS projects have been effective in delivering an IACS.	Some CCs were reluctant to introduce the necessary the institutional arrangements for rural development and to	The economic case for all the IT equipment was not fully made out. In some CCs the balance between training projects and the	Once established and making payments the SAPARD Agency became an example for the creation of the paying	There was reluctance on the part of some fishermen to participate in producer organisations.

	<b>Preparation for CAP</b>	<b>IACS</b>	<b>Rural Development</b>	<b>Veterinary/ Phytosanitary</b>	<b>SAPARD Preparation</b>	<b>Forestry/Fisheries</b>
	ability of some CCs to introduce the measures to apply the CAP.		provide the required level of human resources. Some draft rural development plans were of limited scope.	purchase of equipment seemed to over emphasise the purchase of equipment. In most CCs there was a lack of resource in the Phytosanitary sector for implementing related EU legislation.	agency for CAP payments.	
<b>Impact</b>	CCs could not have met the CAP requirement without Phare assistance. Most CCs have had difficulty in establishing new institutions and in empowering and finding resources for those institutions. Most CCs have not monitored their progress in the absorption of these new skills against the requirement and seemed unaware of the consequences of failing to have the new institutions in place.	Only Slovenia appears so far to have used Phare successfully to deliver a functioning IACS. The lack of both the political will to introduce IACS and the administrative capacity to deliver the system are major problems in achieving a functioning IACS.	In some CCs the lack of an institutional framework and of human resources has limited the impact of projects.	Most of the projects were properly implemented and are likely to result in a useful impact. There appeared to be little assessment as to whether all the purchases of equipment represented good value for money thus adversely influencing the long term impact of the projects.	Phare had an immediate impact on the creation of the institutions required to handle SAPARD payments.	The forestry project should have a high impact. It was too early to assess the likely impact of the fisheries projects.
<b>Sustainability</b>	Results are sustainable if the CCs make the necessary resources available. The doubt is whether the AGR administrations have the capacity to operate the system in the long term.	The new institutional arrangements needed for IACS and the large human resource requirement are barriers to making the projects sustainable.	The introduction of SAPARD assisted the likely sustainability of projects.	A greater emphasis on training rather than equipment might have provided better sustainability. Lack of human resource could have affected the sustainability of projects in some CCs.	Sustainability of the SAPARD arrangements will depend on whether the trained human resources will continue to be available after accession.	All projects lacked sufficient resource and this raised doubts over the sustainability of projects.

### 3. THEMATIC/ CROSS CUTTING ISSUES

#### 3.1 Types of Assistance

##### *Preparation for CAP Market Mechanisms*

##### *Twinning*

80. Twinning was the preferred type of assistance under the Phare Programme where accession states were seeking to apply the CAP, and only where a twinning partner could not be found was technical assistance (TA) used. The procedure used in Phare assumed that the CC knew both the requirement and how they wanted to implement that requirement, and also that the CC had the institutions in place and the human resource available to be trained under the twinning agreement. In the CAP section this was rarely the case.

81. Most CC MoAs did not have a clear idea of the requirements of the CAP before they embarked on a project; they generally did not have the legal basis for the necessary institutions in place and they certainly had no human resource available to be trained. They also did not appreciate the considerable management requirement that would fall on them once they started a twinning project. This meant that the twinning project and the covenant of a project were subject to frequent amendment and that most twinning activities started late. By the final years of the Phare Programme some CCs had improved their preparation and management of projects, but some were still unable to follow a consistent strategy, and then wondered why their projects failed. Phare did seem to assume sophistication in the level of knowledge of the CAP and planning and management skills in accession states that rarely existed in the AGR sector at the start of the programme. More help in setting out the requirements of the CAP and in establishing a template for projects which, if followed, would have provided a CC with the ability to meet the requirement might have been useful and secured better value-for-money from the Programme as a whole.

82. Most twinning projects covering the CAP were too large. Every aspect of the CAP including IACS might be covered in one project lasting two years, and inevitably the management of such large projects caused some to fail. A speedy change to the project fiche or the covenant would be used to hide the failure as neither the ECD nor the CC administration usually wished to acknowledge failure. The Phare requirements for a minimum size of project only encouraged projects that were too large for CCs to manage effectively. In the latter years of Phare some CCs sought to limit projects to six months or a year and to have a single subject matter, such as accounting procedures, using especially the twinning light procedure. This seemed a far more useful approach especially as the project could be better aimed at a particular group and that group could be made responsible for managing the project and supplying officers for training.

83. Failure to provide officers for training or to provide co-financing sometimes hindered the delivery of twinning projects. The covenant set out the resources that the member state should provide but too often only mentioned the financial resources that the accession state should provide in co-financing. Trainers would be available as required by the contract and no officers would be available to be training, and, despite contractual obligations the co-financing would

not be in place. Often the project was late and the co-financing was not available because it had been provided in the previous year's budget when the demand should have occurred and was not in the current year's budget. Again some CCs were more conscientious than others but all states had a problem with the manpower demands of the CAP and some with providing co-financing. Every state underestimated the demands of the requirement, or perhaps some thought that EU funding would be available even if the requirement was not met. Also the risks in proceeding with the project were not always properly stated in the covenants.

#### **Preparation for CAP/ intervention tools**

- Twinning was the main form of assistance in this section;
- Twinning light worked well;
- Lack of knowledge of the requirement and lack of adequate preparation affected the start of twinning projects;
- Lack of institutional and managerial capacity affected their implementation;
- Equipment projects were generous and not subject to firm economic scrutiny.

84. In this section the performance of EU member state partners was mostly good. The personality and the ability of the PAA were generally critical in the success of a project. Frequently the PAA had to carry a large proportion of the burden of managing the project and to deal with counterparts who however willing were carrying a heavy burden of work. The link between the PAA and the counterparts needed to be strong; the PAA needed to interpret the covenant loosely and to be willing to undertake duties and identify and meet needs that were not set out in the covenant; and the PAA needed to have the confidence of the member state partner and know where to locate any additional expertise that proved to be needed. Delivery required a successful partnership between the PAA and the recipients of the training and assistance, and all needed to work together successfully. There were examples of twinning partners who did not provide trainers on time; who refused to provide more than was set out explicitly in the covenant or to continue with the contract if the counterpart did not meet the letter of the covenant. Given the lack of knowledge concerning the requirement it was not surprising that the counterpart often found that the need changed and a flexible approach on the part of the member state partner was needed. One EU twinning contractor did not regard the PAA as part of the twinner's team. This did not produce a helpful relationship.

85. Visits to the EU member states to see how a paying agency operated produced a very valuable result of twinning. Those who went came back with a clearer understanding as to what was required and also with contacts who could be contacted to provide help and advice when problems arose.

#### *Technical Assistance*

86. TA was seen as very much a second best option in seeking to apply the CAP, partly because all the expertise on the CAP was contained in governments or the Commission Services. TA contractors did not always have the hands-on experience that was of greatest value for the recipients in the accession state. They were used perhaps for training in accountancy procedures, but except where TA contractors were introduced by an accession state to work on CAP matters outside the Phare Programme they were not a major part of the work involved in applying the CAP.

### *Investment*

87. Investment projects were an important part of preparing for the CAP. IT equipment was being purchased in order to operate systems even when the accession state had not yet created and empowered the institution to carry out the measures that the IT hardware was designed to implement. The hardware was, in some cases ordered and delivered long before the officers who would use the hardware were in post or the necessary systems in place. The equipment contracts were too often not tied to a training project and the purchases were made without the advice of the contractor providing training and other assistance. Much of the equipment consisted of laptops which were purchased some years before the date of accession and would have been obsolete by the date of accession. Laptops can also be used for non-EU purposes especially if they are not immediately needed. Laptops are a consumer item and advanced accession states should be able to meet their needs out of their national budgets. Other IT hardware should only be provided when the accession state has the systems and organisation in place to make use of it. The provision of equipment should perhaps be linked to a training project and the legal and institutional framework and the necessary manpower should be in place before the equipment is delivered. The Commission Services might have provided stronger scrutiny and supervision of investment contracts in some CCs especially in the early days of the Programme looking not just at the technical specification of the equipment but also at the economic case and whether the equipment provided value for money.

### *Grant Schemes*

88. Grant schemes (GS) were not a feature of this AGR section under review.

### **IACS**

#### *Twinning*

89. Twinning was the usual form of assistance for creating IACS, although often it formed part of a large contract covering all the requirements of the CAP. Such projects were over-large and difficult to manage. Many of the difficulties described in the previous section applied to all twinning contracts, but the difficulties involved in establishing IACS were especially acute and almost always underestimated (see chapter 2.2). IACS requires the co-operation of a lot of different interests to be developed successfully and this is precisely what the accession countries found most difficult to achieve. One country abandoned that part of the contract covering the establishment of IACS as it was too complicated and expensive, and then had to seek more assistance later when it was accepted politically that IACS was an essential part of the CAP and the country needed a functioning IACS to be able to receive EU funding. Another country accepted a twinning covenant to deliver IACS and then let a contract outside the Phare Programme with a private company to deliver the necessary software. The respective AGR Ministry was unable to manage and link up the two contracts with a result that no software was delivered before the finish of the Phare twinning and very little was achieved.

90. Some recipient countries thought that the EU twinner should play the major role in delivering the project. All CCs underestimated the effort and resources needed to set up a working IACS, and this is why reports on IACS tend to stress the likelihood of future achievement rather than actual current achievement. To make the system work effectively a full scale trial is usually needed so that all concerned, including the farmers, can gain experience of the role that they have to perform. The system requires the co-operation of the IT system, extension services and farmers, and the extension service and the farmers have sometimes been ignored in some CCs. This was an area where twinning covenant followed twinning covenant each appearing to cover the same objective, the establishment of IACS, but somehow that objective was not really achieved. Again a template twinning specification might have been useful as well as an insistence that projects covered single aspects of the requirement; that the operating agency was established and staffed before the project began; and that if work was contracted to a private contractor the ministry retained full rights of ownership over the resulting software and that there were experts in the ministry who understood how the software functioned.

#### IACS/ intervention tools

- Lack of political will to implement a complicated and difficult system hampered various twinning projects;
- Institutional and managerial capacity not always adequate to implement system;
- Need to integrate and test the system not generally appreciated;
- Provision of equipment not always tied to establishment of the system.

#### *Technical Assistance*

91. Because the main knowledge about IACS existed in the governments of member states the most practical method of gaining that knowledge was a twinning contract, especially as the twinning would establish contacts that would be of use after the covenant ended. There was no reason why TA contracts could not function successfully in this area provided that the contractors had suitable experience of IACS in a Member State and the respective CC ministry retained a full knowledge of and the legal title to the software. Also the ministry had to be able to manage the contract adequately.

#### *Investment*

92. IACS always involved investment in expensive IT equipment. In some countries there was an insistence that the supply of the equipment was linked to progress on establishing the system, but this was not the case in every accession state. Most CCs liked to receive equipment although some found the Phare procedures for tendering difficult to operate. This was perhaps because the standard of project management in these states was inadequate, and the political will to improve that standard weak. Clearly the supply of all equipment needed to be linked to the successful delivery of the systems and training needed to establish IACS, and if for example, the state abandoned plans to introduce IACS any equipment contracts should have been cancelled. The procedures did not always appear sufficiently strict to guarantee that money was spent as carefully as possible.

#### *Grant Schemes*

93. GS were not a feature of this section.

## ***Rural Development***

### *Twinning*

94. Twinning was the normal method of delivering the rural development side of the CAP requirement, and the same comments about twinning in this section can be made as have been made in the previous sections of the Report. One of the main difficulties for assistance in this section was a lack of a counterpart capable of responding adequately to the EU twinning partner. Rural development was a new activity for some ministries in accession states and they lacked the institutional arrangements and the resource to handle the issues raised adequately. Rural issues were handled at low level in the AGR ministry and given a low priority. Some EU twinning partners found no one available to be trained or to respond to their short-term experts, and no organisational arrangements in place for handling rural issues. This meant that the Rural Development Plans that were usually one of the outputs of these projects were frequently not very ambitious. Indeed some of the EU twinners, especially those who had spent long careers in the MoA of a member state, appeared not very enthusiastic about rural measures unless they directly supported AGR, and did not encourage the accession state to include environmental or rural diversification measures. Some EU twinning institutions seemed to use a twinning contract to find a job for officers nearing retirement. In areas such as the CAP their experience was valuable, but in less established areas like rural development, they could lack innovation. The lack of capacity in the ministries of certain CCs will undoubtedly mean that rural development measures will not reach their full potential, despite the assistance being given under the SAPARD Programme. In some cases the SAPARD agency in an accession state would not be consulted about the content of the Rural Development Programme despite their practical experience, and the EU twinning partner would accept this situation.

95. Most twinings involved a single member state as the major contracting partner, but one twinning in this section had two co-equal partners, with two PAAs. One of the partners had secured the major share of the resources and the second partner was under-resourced for the work that was required. This led to unnecessary friction especially as the involved CC also had put an inadequate volume of resources to the task. Rural development work was complex as it required co-operation between AGR, environment and regional development ministries in accession states and also co-operation with projects delivering IACS and other CAP requirements.

### *Technical Assistance*

96. This category was not significant in this section.

### *Investment*

97. The comments regarding investment in earlier sections apply also in this section.

*Grant Schemes*

98. GS were not frequent in this area and preceded the introduction of SAPARD. The problem was the lack of a robust administrative capability and the inability to forecast demand accurately. It is probably most useful if Phare assistance in the future concentrates in building up the administrative capability of applicant states. The Phare assistance in the whole of the AGR programme assumed a certain degree of administrative capability in the acceding states. The level of administrative capacity assumed was probably greater than the level that existed in any acceding states at the start of the Phare Programme in the AGR Sector. Limited pilot projects might provide a way of applying and testing the extent of the administrative capacity that has been created.

**Rural Development**

- The introduction of SAPARD brought greater understanding and enthusiasm for rural development activities, but there was still a lack of capacity in this section;
- Twinning partners were generally of a high standard, but had difficulty in identifying a significant resource from their counterparts;
- CCs generally lacked experience of rural development activities and were reluctant to put the required level of effort and resources into this area.

***Veterinary and Phytosanitary Issues, including related Border Control and Food Safety****Twinning*

99. Support under this section was characterised by the existence of substantial assistance from other sources than Phare. In other sections additional aid was also delivered through bilateral and other means, but in this section there was also significant assistance from TAIEX<sup>7</sup>, and the specialists had close links with their colleagues in the member states and went on unofficial training courses if they saw one that was appropriate. Certainly veterinary specialists sometimes tended to consider that their professional training meant that specialised training was unnecessary.

100. In the Czech Republic the Phytosanitary Service developed a system of combined twinning and TA projects that followed each other in a planned sequence. The first project would provide twinning training on one subject and equipment for another aspect of phytosanitary work; the next project a year later would provide for the training on the equipment delivered under the first project and the equipment on which officers would be trained in following year. Equipment was taking about a year to deliver and the system seemed to be working very well, as the officers were being trained in EU procedures as soon as the equipment arrived. In other CCs equipment was ordered and arrived sometimes a year before the training project started.

101. As in other areas the early twinning projects were too large and caused management problems. The best projects selected a twinning partner to cover a particular subject for one year, and then selected another subject for the following year. All recipients found the training in EU procedures valuable whether they were in the veterinary, phytosanitary or food safety sectors. In most CCs each area tended to manage their own twinning projects and there was little or no co-ordination between sectors so that lessons learnt on how to handle aid to the phytosanitary sector were not transferred to the veterinary or rural development sectors.

<sup>7</sup> TAIEX = Technical Assistance Information Exchange.



*Technical Assistance*

102. Most projects involved twinning or equipment purchase in the veterinary and phytosanitary areas, but TA made a significant contribution in the food safety area. Sometimes the contractor was a semi-independent public body and the project operated in a similar way to a twinning contract in the delivery of assistance. The French food body ran a highly successful project in this way in Slovenia. Sometimes the contractor was more remote from government. Usually the success of a TA project still depended on the resources and enthusiasm of the counterpart, as the expertise of the contractor was often high, and any contractor needed a large degree of flexibility if a project was to reach a successful conclusion.

*Investment*

103. One of the sustained results of the Phare Programme is the extensive re-equipment of veterinary, phytosanitary and food safety laboratories in all the accession countries and the introduction of new IT equipment to aid communication both with the EU and internally. Most of the specialist services had long lists of equipment that they wanted, and they saw Phare as a means of securing such equipment. In most CCs the procedures for obtaining equipment were rapidly learnt and used, and equipment was ordered and delivered often before any training to meet the EU procedures that entry required to be introduced and was even planned. The Commission Services was pleased to approve scientific and IT contracts as they showed that Phare funding was being used and the scientific evaluation demonstrated that the funding was fully justified.

104. Little consideration was given as to whether some money could have been saved and expensive equipment better utilised if consideration was given to a rationalisation of the existing laboratories, before ordering equipment. Also the volume of laptops and IT equipment requested was not always seriously challenged. A laptop enables reports to be written on site but it must be asked whether such instant reporting was really cost effective in every case. It is anyway arguable that laptops are like pens or paper and not project specific, and therefore not a suitable object of Phare support. It has been argued that an independent assessment should have been required in each accession state seeking Phare funding for equipping laboratories setting out how those laboratories could be rationalised and the use of the equipment requested maximised before any equipment projects were approved. Also the buildings themselves should have been scrutinised to check that they were suitable to house the equipment. Only if all the queries and recommendations contained in the assessment were acted on in advance would the equipment contracts have been approved subject to the equipment itself being judged by experts as suitable for the purpose suggested. IT equipment requests should have been subject to similar scrutiny with the warning that as laptops cannot be purpose specific they cannot qualify for Phare funding. It must be doubted whether the CCs will be able to maintain the volume of equipment received after entry. In current member states as equipment has increased in cost and sophistication laboratories have been amalgamated so that the equipment is utilised to the maximum of advantage.

**Veterinary, phytosanitary and food safety**

- There was a level of expertise in these areas that meant that the CCs could identify their need more readily than in the CAP area;
- Some excellent twinning projects, but there was little co-operation or apparent communication between the different areas so that the successes of one field was rarely copied by another;
- The quantity of equipment purchased, both IT and scientific seems difficult to justify in economic terms;
- The evaluated GS appeared to fail to justify the work involved.

105. Some CCs concentrated on securing large quantities of equipment and received no training under the Phare Programme. Equipment is provided so that the accession state can meet an EU obligation, and should be used to meet that obligation. If no training is received it is not possible to know if the specialised service can meet that obligation. Before an equipment contract is approved it would have been beneficial to request the recipient to explain in detail who will use the equipment and how they will be trained in the EU requirement that requires the use of that equipment.

### *Grant Schemes*

106. The main GS evaluated by EMS under the Phare Programme in the AGR sector in the period under review involved the assistance given to the dairy industry in Poland under a joint Phare/EBRD<sup>8</sup> project. The scheme was intended to support small dairies and to upgrade their produce to enable it to meet EU standards. The scheme has been described as failing, and the uptake was poor, for there appears to have been inadequate publicity for the scheme and the conditions of the scheme seem not to have been sufficiently attractive. Those few dairies that did participate achieved a high standard, but better targeting and assurances of a larger uptake would seem to be needed to make schemes such as this provide value for money.

### ***Preparation for SAPARD***

#### *Twinning*

107. Twinning assistance for preparing for SAPARD was not a major part of assistance offered the AGR Sector of the Phare Programme in the period under review. Here, more assistance was provided through the Phare Programmes focusing on the preparation for Structural and Cohesion Funds (SPPs), which however are covered by a separate EMS thematic report. Only Bulgaria made extensive use of Phare assistance to establish the necessary institutions for SAPARD funding. If the SAPARD agency was not in place for the CCs joining in 2004 the SAPARD assistance would be too late to be significant. Projects that did take place were generally useful and helpful. The main problem was the lack of resource in the ministries, and the reluctance to introduce a new institution such as the SAPARD agency. By opting for an agency separate from the paying agency needed for the EAGGF some states merely made the situation worse by trying to spread meagre resources between two organisations. If the resources were not available then the type or quantity of assistance on offer was a secondary consideration.

#### *Technical Assistance*

108. TA was not significant in this section.

#### *Investment*

109. Investment was not significant in this section. Where IT equipment was purchased the same problems apply as in other sections.

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<sup>8</sup> EBRD = European Bank for Reconstruction and Development.

### *Grant Schemes*

110. GS were not significant in this section.

### ***Forestry and Fisheries***

#### *Twinning*

111. In the area of Forestry and Fisheries twinning appeared to be the only instrument used for institution building and legal harmonisation. In most cases twinning has been complemented by some smaller investment activities. This approach has in most cases been appropriate, also allowing some flexibility between various assistance tools for achieving the given objectives.

#### *Technical Assistance*

112. As regard the evaluated assistance under Forestry and Fisheries there has been no significant use of TA interventions.

#### *Investment*

113. The same comments that have been made in earlier sections apply to investment elements of projects in this section.

### *Grant Schemes*

114. GS were not significant part of the assistance made under the Phare Programme in this section.

## **3.2 Administrative Capacity**

### ***Candidate Countries***

115. The requirements that CCs have undertaken to meet in the AGR Sector have evolved over 40 years in the EU, as a reaction to the problems that have arisen in the sector. The CAP and IACS have become a complicated system of regulation that demand sophisticated machinery to carry out and manage the many individual arrangements that have to be met. To handle the necessary response member states has had to establish and maintain a complicated bureaucratic administration that is capable of meeting the input requirements established by the EU Council of Ministers and the Commission Services. The CCs are expected to establish this complex machinery from scratch in a very short period of time so that it is all functioning efficiently and effectively on accession. They are also expected to establish the machinery to meet the administrative requirements of policies in the AGR sector covering rural development, veterinary and phytosanitary affairs, the food safety, forestry and fisheries sectors and other areas like animal feeding stuffs. Much of the work needed to introduce this new administrative machinery is being carried out in three years or less in many CCs because the introduction of the necessary arrangements has been delayed and/ or poorly planned.

116. The AGR administration in every CC was not as complex as in the EU, and introducing the EU arrangements requires new legislation, new administrative institutions, and the recruitment of more officials and the training of those officials. At the same time until accession most CCs have had to maintain their existing administration. One CC, Slovenia,

introduced the EU system of AGR support on a national basis before accession, and also started to prepare for accession over a five or more year period. They, therefore, have in place a system that at least in part has been tested and adapted to produce the required results. But all the others are seeking to introduce new, untried machinery on accession and are hoping that it will work to a satisfactory standard as soon as it is introduced. Some of the requirements in the veterinary, phytosanitary and food safety areas follow international requirements and therefore are familiar to the administration in the CCs, but a lot of other requirements in AGR do not (for instance IACS, rural development). Even if therefore all the Phare projects are successful and the administration in the CCs has the necessary legislation and institutions in place it is open to question whether the system will work on accession as it will be untried; whether the CC is capable of enforcing all the EU requirements on accession; whether the human resource is in place and trained to carry out all these requirements. It has taken the wealthier administrations in the existing member states many years to introduce all these requirements, and to judge by the infraction proceedings every member state has failed to meet all the requirements established in the sector. It is asking a lot of the CCs to have all the necessary institutional arrangements in place and fully functioning on accession.

117. Inevitably MoAs in all countries tend to be long established and conservative in their outlook. Ministries tended to have the task of implementing policies determined elsewhere rather than being responsible for the initiation of change in the CCs. In meeting the new requirements demanded by the EU the CCs have to develop a policy making capacity and a willingness to change completely their existing systems and to handle a massive expansion in their numbers all at the same time. This is asking a lot of any organisation. It is not surprising that in every CC there have been delays in establishing new institutions; a reluctance to take on new methods of working; and real difficult in finding the number of officials needed of the right calibre to carry out all the necessary tasks. The skill of managing large projects has had to be learnt, with varying degrees of success, by all the CCs. Most of the CCs have probably underestimated the task of introducing the EU arrangements in the sector, and, therefore, now find themselves trying to do work in a year that, ideally, should have been handled over four or five years. Also the lure of the private sector and the low salaries often paid in the public sector has meant that all CCs have had difficulty in retaining trained officers because they could leave and earn more money elsewhere.

118. The traditional CC ministry tended to be very hierarchical and departmentalised. The skills of the most senior were often no longer appropriate in the new situation, yet the young and officers recruited from outside found the restrictions imposed by senior officers prevented them doing the work that was needed as rapidly or as thoroughly as they would have liked. Work was often compartmentalised so that different departments failed to work together or accept changes in the organisation. Co-ordination was often initially poor in all CCs. Sometimes the political will was not there to force through the changes that were needed. Politicians wanted to join the EU without making any change that might be unpopular in the AGR arrangements. Slovenia had to create a MoA from scratch at independence, and this may have meant that there was less of a legacy from the past to overcome in handling EU arrangements.

119. The CC administrations also did not have the human resource in place to undertake the tasks that were required. Most administrations did not have a mechanism that could switch the resource from their current tasks to the new tasks required by the EU, and, initially they lacked the project management skills to undertake the transfers that were needed. Furthermore many of the officers that were available were on non-permanent contracts and therefore did not

expect to remain in post until accession. Some Phare projects trained officers who had left the posts within a year. In some administrations the managers were changed whenever the Minister changed and this could be several times in a year. This lack of skilled and experienced officers was a major problem for the CCs as all CCs were reluctant to increase the size of their bureaucracies, and none had fully understood the size of the resources that would be needed to become full members of the EU.

120. These circumstances have meant that all CCs have had great difficulty in accepting change and developing the administrative capacity to operate the AGR arrangements. Paying agencies have been under-resourced and under-powered; co-ordination of activities has been poor; delays have been frequent. Phare projects that attempted to help CCs create the necessary administrative capacity and resource have been relatively unsuccessful. It can be argued that more attention should have been given to explaining the size of the task facing the CCs in the AGR Sector and in assisting them develop the project management and administrative techniques (co-ordinating committees etc.) needed. The reality is that in the AGR Sector the CCs have been required to meet a standard of performance from the date of accession that certain member states have failed to reach after decades of membership of the EU. That they are developing the administrative capacity to cope as well as they are speaks much for their determination and will to succeed.

#### **Administrative Capacity**

- CCs lacked administrative machines needed to create the sophisticated institutions required by the AGR requirement;
- CCs lacked experience in managing projects;
- CCs lacked skilled human resource to handle the new arrangements;
- ECDs and DGs tried to help but could have been better co-ordinated;
- More use could have been made of TA at the preparation/ planning stage;
- More use could have been made of the experience of the member states, particularly in the earlier days, on raising awareness and understanding for the fulfilment of the requirement.

### ***Commission Services***

121. The ECDs in the CCs have also had to gain experience during the Phare Programme as to how to administer the Programme and the projects. The initial approach had been to leave it to the CCs to develop a strategy and proposals for projects, and while this approach respected the sovereignty and particular circumstance of each CC it did assume that each CC knew the requirements of the AGR Sector in some detail and were able to formulate satisfactory projects covering their needs. ECDs have tended to work in isolation so that different procedures have developed in each CC for handling equipment tenders for example, and they have also found themselves unable to monitor on-going projects in a satisfactory manner because the projects proposals formulated by the CCs have generally lacked measurable indicators.

122. It is important for each CC, the current member states and the Commission Services that at accession the new member states are able to carry out the obligations of EU membership and, in the AGR Sector these obligations are extensive and onerous. It is in the interests of all the parties involved that the CCs should be made clearly aware of the detailed requirements and given help in achieving those requirements. If a CC rejects such help the possible consequences should be made clear that will follow if they are unable to operate the institutions required, and in particular that they cannot qualify for EU funding if they cannot operate to the EU requirement. In these circumstances the setting out of the requirement in detail, the offer of help in formulating a programme of assistance to meet that requirement and the extensive monitoring of the arrangements that are put in place to meet that requirement can

be seen as a joint programme designed to assure both the CC and the member states and the Commission Services that the CC will on accession be able both to meet the obligations of EU membership and benefit from the maximum amount of EU funding.

123. In the last two or so years ECDs have tended to adopt a more 'hands on' approach, have tried to monitor projects more closely, and, in some cases, have delayed the start of projects until the CC has the legislation and resources in place to undertake the work required. Since 1998 DG AGRI and DG SANCO<sup>9</sup> have become involved in assessing whether the CCs do have the necessary capabilities to meet the requirements in this sector. The difficulty for the ECDs is that they do not have technical experts in all aspects of the AGR requirements in their Delegations. It is clear that all CCs would have benefited from technical assistance/advice both in formulating their AGR Programme and in formulating individual projects. The Phare Programme in the sector in each CC would probably have benefited if more use had been made of technical support at the planning stage, and also if existing member states could have provided help and advice on questions such as the size of a paying agency, the introduction of IACS, or the need for laboratories.

124. Also there might have been gains if the work of the individual ECDs had been more closely co-ordinated and harmonised from the Commission Services Headquarters/DG ELARG<sup>10</sup> so that a more common approach to the same problems had been adopted by each ECD combined, perhaps with a more 'hands on' approach already appearing in the earlier days of the Phare Programme. The closer and more timely involvement of DG AGRI and DG SANCO in providing more advice and assistance in preparing programmes and projects including both templates for projects for the guidance of CCs and also examples of best practise that could be followed by the administrations of the CCs might also have improved the outcomes from the Phare Programme in the AGR Sector, and made projects easier to monitor by ECDs. The closer involvement of DG AGRI and DG SANCO in providing both templates for projects for the guidance of CCs and also examples of best practise that could be followed by the administrations of the CCs might also have improved the outcomes from the Phare Programme in the AGR Sector, and made projects easier to monitor by ECDs. Certainly the more assertive approach adopted by some ECDs in the last two years does seem to have improved the results of projects.

### 3.3 Co-financing

125. Although the benefiting CCs contribute significant co-financing, the provision of local co-finance has been problematic at times. One aspect of this issue has been the poor quality of reliable information on co-financing. Although the line ministries have information about commitment and disbursement of national co-financing funds, this was not consistently reported in a formal way up to 2002.

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<sup>9</sup> DG SANCO = Directorate General Health and Consumer Protection.

<sup>10</sup> DG ELARG = Directorate General Enlargement.

126. As far as the Phare projects are concerned delays in projects could lead to the co-financing that had been available in the year that the project was planned to start not being available by the time that the project actually started. It was unusual for the resources, financial and human to be provided by the CC to be fully stated in the covenant at the start of the project, and the binding nature of the obligation to deliver their share of the resources for any project did not always appear to be fully understood by the CC. Thus projects could fail to deliver because the CC did not have the finance or the human resource available or had failed to create or empower institutions necessary to carry out the project. ECDs tended not to want to cancel projects so that they were reluctant to halt projects when the inputs from the CC were not delivered according to the schedule. Sometimes the late arrival of co-financing was a symptom of the lack of administrative capacity in the AGR administration of the CC. Mostly the finance would arrive while the arrival of adequate human resource was more doubtful. Based on the request of the Commission Services the joint co-financing principle (preferably in cash) is being applied now which is a pragmatic step forward.

**Co-financing**

- Most problems caused when projects ran late and the co-financing was required in a later year than was originally planned;
- One country appeared to have difficulty in identifying funds for co-financing;
- Joint co-financing of projects should be strictly applied in future.

127. Moreover, at least one of the CCs did appear to have real difficulty in raising finance for project co-financing, and this may have reflected wider problems of tax collection and borrowing ability that go beyond the boundaries of this thematic review.

## 4. CONCLUSIONS AND LESSONS LEARNED

### 4.1 Preparation for CAP Market Mechanisms

128. The difficulty for CCs in meeting the requirements in this section was that no country had any experience in setting up the institutions and organisation that was needed. Most politicians and administrators in the AGR administrations of the CCs did not fully appreciate the magnitude of the task or the rigour with which the regulations governing the CAP needed to be applied by the CCs despite the efforts of DG AGRI to explain the full extent of the requirement. There appeared to be a need for courses for senior politicians and officials in the CCs in 1998 when Phare projects were being designed to assist the accession process. The courses would explain to the leaders of the AGR ministries in the CCs the nature and size of the paying agency that would be needed and how the various arrangements involved in the CAP fitted together, so that before they started on the task they had a clear idea of the size and importance of that task. There also may have been a case for each ECD to have an official seconded from/permanently liased with DG AGRI who would have experience of administering the CAP and could have passed on that experience to the AGR administration of the CC on a continuing basis.

129. The list of legislation that needed to be enacted was long and all the CCs appear to have had difficulty in drawing up the initial specification for the project fiche for CAP projects. There was a tendency to underestimate the size of the task and to seek to cover all aspects of preparation for the CAP including IACS and, occasionally rural development, in one large project. The size of the project and the fact that the project required new systems allowing co-operation across what had hitherto been rigid divisional boundaries meant that such large projects were difficult to manage and in some States they failed to achieve all their objectives. More TA at the planning stage covering programme preparation and for project management might have meant that projects were divided into manageable slices with a clear beneficiary within the AGR administration and a readily identifiable manager in overall charge. Most of the CCs AGR ministries were not sufficiently accustomed to taking responsibility for policies and projects. Most administrations did succeed in identifying how to plan and manage projects as Phare developed, but the learning process delayed the start of projects, and not every MoA in the CCs had successfully established the necessary institutions and market mechanisms a few months before accession. By 2003 most CCs favoured projects lasting no more than one year and targeted at a particular need such as market price reporting or the preparation of manuals for cereal commodities. Also by 2003 the ECDs were seeking to play a more active role in encouraging the CCs to follow best practise. Their efforts might have been helped if DG ELARG had been more active in co-ordinating the individual efforts of the Delegations, and tried to identify and publicise examples of best practise in the Programme of a CC among all the beneficiaries of Phare. It might have been also useful if DG AGRI had produced a list of the requirements in the Sector and if each of the CCs had been invited to explain how they intended to meet each requirement and what assistance would be required. This return might have proved to have been a useful monitoring tool for DG ELARG and DG AGRI.

130. Most CCs found it difficult to fit their requirements into the yearly allocations demanded by Phare and this yearly allocation was one reason for the failure of large projects to achieve in full their objectives in the early days of the Programme. The Commission Services have now tried a multi-annual approach for Bulgaria and Romania, and such an approach might have made the planning of projects easier for all the CCs. Also the ECDs came to adopt a more



demanding listing of objectives and required measurable milestones for projects in the last two years. This was helpful as it made it clear what results were expected of CAP projects and it made it easier to monitor projects effectively and identify at an earlier stage where more effort and resource was needed. Most CCs made little or no use of the logframe analysis for planning purposes until late in the Phare process, and this meant that their programmes and projects often lacked measurable objectives. This made all programmes and projects difficult to monitor. Certainly without a lot of unofficial help from ECDs and individual PAAs achievements in this section would not have been as great as they have been.

131. The introduction of the necessary CAP legislation was achieved successfully in most CCs notably with the help of Phare, but actually giving the necessary powers enacted to the new institutions was frequently delayed. This was connected to the problem that senior politicians and officials in the CCs did not recognise the nature and size of the task that faced them.

#### **Conclusions - Preparations for CAP**

- Need for training for politicians and senior officials in CCs on the size and complexity of the task of creating a paying agency, IACS and achieving accreditation;
- Need to start introducing the CAP market mechanisms at least four years before the date of accession so that the arrangements can be tested before accession.

132. The creation of the paying agency was a particular problem for the CCs. In-depth visits at the start of the planning process to one or more of the current member states to see how paying agencies were developed and functioned might have helped the CC administrations avoid some of the mistakes that were made later in the process and also appreciate the size of the organisation needed and especially the staffing requirement. The tendency of some CCs to develop a paying agency for the market work and another for direct payments often complicated the task that had to be done and divided up the scarce expertise available. Generally the task of the paying agency was not always properly understood and its creation was delayed in most CCs until shortly before accession, as ministries appeared reluctant to concede powers to a new institution. Only once the SAPARD process had started did the role of the paying agency become clearer as did the difficulties caused if the decision had been taken to establish a separate SAPARD Agency. The tasks of the two agencies overlapped and most CCs came to realise that the skills available in the SAPARD agency were essential for operating the paying agency needed for the EAGGF. This meant that the two agencies had to be amalgamated causing more disruption. More technical explanations at the start of the process might have avoided some of the difficulties identified later. Most agencies continued to have insufficient numbers of staff undertaking the many tasks that had to be done. No ministry in a CC appeared to have a proper human resources policy so that officers could be transferred relatively smoothly from areas within the ministry where work was declining to the new EU work. The greatest threat to the long-term sustainability of the Phare achievements in this section is the lack of trained officers in the new institutions that have been created with Phare assistance.

133. While Phare was successful in this area some of the paying agencies in the CCs will probably not be fully operational at accession. This may partly be because until the date of accession was confirmed some administrations lacked the political will to commit the necessary resources, especially the human resources, to the projects. But some of the delays might have been avoided if the Commission Services adopted a more 'hands on' approach already from the start of the refashioning of the Phare Programme and offered more assistance so that the senior officers in CCs were more aware of the magnitude of the task that faced them in this area. Ideally the CCs needed to bring their AGR policies and procedures into line with

those of the EU over at least a four year period so that they ran a partial EU style system before they joined as this would have meant that on the date of accession they would have had the full EU system in place and been able without difficulty to access funding from the EAGGF. Only Slovenia had the confidence to follow this course.

## 4.2 IACS

134. This was probably the most problematic area in the Phare AGR Sector to deliver successfully, and is undoubtedly where the greatest difficulties occurred. Most CCs looked on the establishment of IACS as largely a technical IT problem that was subject to a technical solution. They did not understand from the beginning that IACS also required the solution of organisational problems and the delivery of a system that extended all the way down to the farmer in the field imputing the basic information. Again there have been problems involving over-large projects, and insufficient time to implement such projects, and a lack of political will to commit the large amounts of money and resource needed to produce a solution. Therefore many of the conclusions made in the previous section of the Report apply here also.

135. Some CCs tried to combine a Phare twinning project on IACS with a TA project that was designed to produce the software and the necessary databases. This approach required the administration of the CC to have a strong management capability that could co-ordinate the different projects, and make sure that the work being undertaken on the separate projects was compatible and could deliver a fully functioning whole. Sometimes this co-ordination was not sufficiently strong and the Phare project delivering the working instructions were not aware of the functionality of the IT software that was being produced by private contractors.

136. Also the delivery of the hardware under a Phare contract did not always coincide with the delivery of the fully functioning system. Sometimes it was delivered late and was not available to test the system; sometimes early so that equipment remained unused or, in the case of laptops, might be diverted for other uses. More assistance from the Commission Services with the planning and management of the IACS component was probably needed along with assistance in identifying the economic as well as the technical case for the IT hardware.

### Conclusions - IACS

- Need to prevent underestimation of the complexities of introducing IACS;
- Some testing of the IACS before accession should be included in the planning process for future CCs.

137. An undertaking in the covenant of twinning projects that set out the detailed resources that the counterpart as well as the EU twinner would devote to the project might have assisted progress. In the last two years of Phare some of the ECDs have been willing to delay the start of projects until the necessary resources for the success of the project are in place, and this firm attitude towards both EU twinners and counterparts benefiting from Phare funding might have secured greater success from projects if it had been adopted by the Commission Services once the prime purpose of Phare became the immediate preparation of the CCs for accession. However, the main difficulty was that most CCs underestimated the time that it would take to implement IACS successfully. IACS needs to be fully tested over at least a full year so that all those involved, including farmers, can become accustomed to the system. Such a test has so far only taken place in one country - Slovenia. In most of the CCs farmers do not have a tradition of providing accurate returns to authority; therefore the potential for problems in this area is considerable.

## 4.3 Rural Development

138. The main problem in this area was that there were few officials in the MoAs of the CCs who knew what a rural development policy covered. Phare rural development projects tended to be starved of resources, and this meant that sometimes contractors had no counterpart to teach or even that the projects

as a whole were inadequately resourced. A visit by senior officials in the CC to a member state so that they could be aware of the content and administrative requirements of rural development programmes in the EU before they started formulating projects in their own country might have helped also in the development of Phare projects in this area. Understanding of the purpose and objectives of rural development among the CCs did improve considerably following the start of SAPARD, and once the SAPARD funding was available the awareness of rural development measures and their importance increased considerably in some CCs. However there was a tendency for SAPARD activities to be consigned to the SAPARD agency and for rural development policy plans and projects to be developed separately without taking fully into account the experience gained in SAPARD. The plans were being delivered in most CCs, but they were sometimes limited to AGR projects and failed to take full advantage of the environmental and development assistance that rural development aid could give to a CC. Some of these plans may require further work before they are accepted by the Commission Services. Rural development still received a low priority within the ministries of some of the CCs, and delays in the introduction of IACS adversely affected the development of rural development programmes.

#### Conclusions – Rural Development

- SAPARD greatly helped understanding of what could be achieved with rural development;
- Lack of experience within CCs on rural development issues;
- Tendency for plans to concentrate on agricultural development.

#### 4.4 Veterinary and Phytosanitary Issues, including related Border Control and Food Safety

139. In most of the CCs veterinary, phytosanitary and food safety fields of the requirement were handled well, and the Phare projects were successful in meeting their objectives. The professional officers in the CCs were, generally, of a high standard and because of their international contracts the senior officers had background knowledge of the EU requirement and what needed to be put in place in their own country. They also had contacts that enabled them to visit member states and see the EU arrangements in operation before they started planning their own programmes. Each service tended to operate separately with little co-operation even over border inspection posts. Certainly co-operation between the veterinary and the phytosanitary administrations would have strengthened the delivery of projects in both areas, although usually the phytosanitary administration could have taught the veterinary service how to plan and deliver projects rather than the other way round. The building of border inspection posts usually caused difficulties because of problems over the purchase of land and the need to co-operate with other state authorities that had not much interest in the delivery of the project. Food safety in most CCs had to start with the amalgamation of different inspectorates and this could cause problems, but mostly these were successfully overcome, and the main difficulty was that the EU requirement was developing at a fast rate during the pre-accession period so that CCs were trying to keep up with a constantly moving target.

140. In most countries the legislation under this section was successfully introduced with the aid of a Phare project. One or two countries are having problems over the introduction of the necessary legislation especially in the veterinary and food safety sectors. These problems reflected the difficulties that the local administration was having in developing the capacity to implement the EU requirement as a whole in the AGR Sector. Keeping up with the latest EU

requirements in the food sector was a problem especially as new the Food Safety Agencies were a new institution for all the member states and therefore little experience existed that was available for twinning projects. Also some CCs while they have enacted the necessary legislation have not sufficiently created the means of enforcing that legislation.

141. As in the CAP section some of the early projects tended to be too large, and therefore to be difficult to manage. Also some services concentrated on equipment projects and had no projects that taught their experts how to use the equipment to carry out the procedures required by the EU. Although some training was being supplied in some CCs outside the Phare Programme there did seem to be a need to require CCs benefiting from the supply of equipment under Phare to provide evidence as to how their experts were to be trained in the procedures that they would be required to use in the EU to ensure that the equipment supplied would be used for the proper purpose.

142. The delivery of IT and other technical equipment was a major part of the Phare assistance in this area. IT equipment was needed to improve the communications of the technical services with the border inspection posts, with the regional branches of each service and with the EU Commission. Scientific laboratories needed the latest equipment to carry out the scientific procedures required by the EU. All services probably tended to see Phare as an opportunity to obtain the latest equipment. While much of the equipment was needed there was probably some scope to trim the requirement to ensure that the equipment bought was fully utilised and housed in optimum conditions in laboratories. Assessments in each country of the need for IT equipment and especially how the equipment could be utilised for the best

advantage would have been a useful way to identify savings as it is doubtful whether the CCs will be able to provide replacements for the equipment purchased when the current hardware no longer functions to the required standard. It also is doubtful whether the number of separate laboratories each supplied with similar equipment can be justified in economic terms or is sustainable after accession. Independent assessments in each CC of the economic case for providing both the IT and the scientific equipment in the quantities requested before any equipment projects were accepted would probably have led to less equipment being delivered to fewer offices and laboratories. There was also a case for looking at whether some of the CCs should not have been encouraged to contract out some of the scientific testing to a neighbouring state as already occurs with existing member states. Such prior assessments could be a requirement for the approval of equipment contracts under Phare. Some equipment was also placed in unsuitable accommodation where it could not be fully utilised, and on some contracts equipment unsuitable for the task was purchased. An assessment of the need for scientific equipment was carried out in Hungary but not until the supply of equipment had started. Such an assessment needed to be before the programme of supply began to be fully effective. Also it was not always clear how the scientists were to be trained to carry out the EU

#### **Conclusions – Veterinary, phytosanitary, food safety**

- Professional experience that was already in place was an advantage in this section in all the CCs;
- In most of the CCs veterinary, phytosanitary and food safety fields of the requirement were handled well, and the Phare projects were successful in meeting their objectives;
- Some CCs while they have enacted the necessary legislation have not sufficiently created the means of enforcing that legislation;
- Need for prior assessment of the IT and scientific equipment needs of each CC in order to ensure that there is not over-provision of supply;
- Need to secure an overall view of the need for assistance and the provision of assistance as assistance was provided from Phare, TAIEX, and bilaterally and sometimes the need for training was not covered from any of these sources.

procedures, yet the procedures were the justification for the purchase of the equipment, nor was it apparent how the laboratory receiving the equipment was to achieve EU accreditation. All these aspects should be covered in any Phare projects concerning the purchase of major items of scientific equipment.

143. Assistance in this section tended to come from a variety of sources and not just through Phare. There seemed to be little overall monitoring of assistance either by the CC or the Commission Services to assess whether the total assistance being provided met the EU requirement in the area. This meant that at least one CC was having no training programme in EU procedures although the same country was having a very full programme of equipment under Phare procedures. There did seem to be a need to correct this kind of imbalance.

#### 4.5 Preparation for SAPARD

144. Not all CCs seem to feel in need of a Phare project to assist them in the preparations for SAPARD, and most CCs were very late in introducing SAPARD and therefore benefiting from any funding available. Where projects were used they were generally found to be helpful.

SAPARD as such greatly assisted CCs in recognising the requirements of a paying agency and in identifying how the different components of an agency fitted together. SAPARD also greatly helped in developing an awareness of the scope and benefits of a rural development policy among CCs. Delays were partly caused because all CCs were very short of the skilled human resource needed to run agencies and establish the institutions required. The introduction of SAPARD meant another call on those resources. Also no CC was used to managing resources on the scale required. Even deciding on priorities was an exercise of considerable complexity that taxed the capacity of some ministries. Phare projects that sought to reform and increase the capacity of ministries were not usually highly successful as the success of the projects depended on senior officials taking decisions that would lead to resources and power being taken from one sector of the ministry and given to a newly created section such as the paying agency. Innovation was not popular within CC ministries and that was partly why SAPARD was so delayed.

##### Conclusions – Preparation for SAPARD

- SAPARD was a new activity and therefore was difficult for CCs to introduce;
- Once introduced CCs found that SAPARD did develop skills needed for the introduction of CAP market mechanisms and especially rural development measures.

#### 4.6 Forestry and Fisheries

145. Given that most projects evaluated in this section have not yet concluded it is difficult to draw proper conclusions about their results. The projects seemed sensible and well designed although some countries did have difficulties in providing the necessary institutional arrangements for Fisheries projects and it might be queried whether the projects should have started if the necessary institutional arrangements were not in place.

##### Conclusions – Forestry and fisheries

- Too early to draw proper conclusions on Phare projects in this section;
- Some countries have difficulties in providing the necessary institutional arrangements.

#### 4.7 Overall Conclusions

146. The Phare projects in the AGR Sector have had a powerful impact in assisting CCs apply the requirements in the AGR Sector. Without help from Phare it is unlikely that some CCs could be in a position to benefit from the funding available from the EAGGF or to meet the requirements in the veterinary, phytosanitary and food safety areas. Phare also had a positive affect on the way that local officials worked in MoAs. Through the contact with Phare projects officials were stimulated to take a more positive approach to their work, as they were brought into contact with administrations in existing member states and in the EU Commission that were used to finding their own solutions to problems rather than relying on instructions from some other source.

#### **Overall Conclusions/ Commission Services**

- Phare projects in the AGR Sector have had a clear impact in assisting CCs apply the AGR requirements;
- All CCs lacked experience of the type and scale of the new institutions and organisations that was required by the EU;
- More assistance was needed from the Commission Services in guiding CCs as to the requirement and the content of Phare programmes to meet the requirement;
- A multi-annual programming approach could lead to better allocation of resources.

147. In looking at the AGR projects as a whole it is clear that the evaluated Phare projects do not cover the whole range of needed activities for the Sector. There are only two forestry projects, for example, only one on animal feeding stuffs and none on horticultural marketing standards. CCs did obtain assistance also from bilateral projects with member states, from TAIEX and from TA projects financed wholly by the CC. If Phare is really to be the engine for enabling CCs to meet the EU requirement in the AGR Sector it could be asked whether there should not be a table setting out those requirements and a table from each CC explaining how each of those requirements is going to be met and from which source any assistance in helping the CC to meet the requirement is going to be obtained. A comprehensive view could then be available of where the strengths and weaknesses of the particular CC were and where aid should be concentrated.

148. In one country there were complaints that too much assistance was available and that the country did not have sufficient capacity to absorb all the assistance being offered. There is a pressing need to improve the administrative capacity of all CCs and Phare attempted to do this with varying degrees of success. However a major problem in all CCs was that officers once trained under a Phare project in general administrative skills could then leave the ministry and earn more money in the private sector. The high turnover of staff especially in senior management positions was a major reason for the lack of capacity in some CCs. There seemed to be a case for regarding joining the EU as a four or five year project and making it a condition that officers trained under a Phare project should be required to agree to serve in that ministry for four or five years at least until accession. Also all Phare projects do need to set out how the skills being taught are to be kept up to date until the date of accession. The skills imparted by a project that finished in 2001 will have been forgotten by 2004 if no effort is made to provide some refresher training between 2001 and 2004.

#### **Overall Conclusions/ future new Member States**

- Without help from Phare it is unlikely that some CCs could benefit from future EAGGF funding or meet the requirements in the veterinary, phytosanitary and food safety areas;
- Phare projects cover only part of the AGR requirement; some CCs never came up with a project for certain AGR areas;
- Projects, once completed could have no follow up and the skills gained could be lost;
- It would seem to be in the interests of CCs and the EU for CCs to be invited to explain how they intend to meet every aspect of the EU requirement;
- More effort needs to be taken by CCs on conserving the skills gained from Phare projects until and after the date of accession.

149. In summary the major problem for Phare in the AGR Sector has been that the size and complexity of the task of meeting the requirement in the AGR Sector has not been fully appreciated by most of the senior politicians and officials in the CCs. This has meant that too often not enough beneficiary resource was invested in most of the Phare projects in the Sector at a sufficiently early date, and therefore the creation and introduction of the institutions in the Sector such as a fully functioning paying agency and IACS are running late and, in some cases, may not be fully in place at the time of accession. For some of these obvious difficulties the upcoming transition facility might offer useful support. The present stage of preparation in some CCs however could cause considerable difficulty, as DG AGRI would want to disallow payments if the new member state institutions are not fully accredited and operational. Also some of the border controls on foodstuffs may not be in place and it could be difficult for DG SANCO to accept that the single market arrangements can be put in place if the border is inadequately protected.

**Overall Conclusions/ second and third wave of CCs**

- Politicians and officials in CCs need to start preparing for accession several years in advance and should plan to bring their policies into line with the requirement over at least a four year period;
- The need has to be recognised to assess and improve the AGR administrations of all present and future CCs, based on a multi-annual approach;
- Bulgaria and Romania should be implementing IACS in 2005 if they are to join the CAP in 2007.

## 5. RECOMMENDATIONS

REF	KEY ISSUE/ CONCLUSION	PARAGRAPH #	RECOMMENDATION	DEADLINE
<b>A) RECOMMENDATIONS ADDRESSED TO THE COMMISSION SERVICES</b>				
<b>Future Programme Planning</b>				
1	The major problem in the Agriculture Sector has been that the size and complexity of the task of meeting the requirement in the Sector has not been fully appreciated by most of the senior politicians and officials in the candidate countries. This has meant that too often not enough beneficiary resource was invested in most of the Phare projects in the Sector at a sufficiently early date. There is a need therefore to reinforce the existing help to enable the senior administrators in CCs to understand the task that has to be undertaken.	128, 149	<ul style="list-style-type: none"> <li>At the start of the admission process the Commission Services/ Directorate General Agriculture in close co-operation with the member states should develop regular specialised training courses for senior decision makers in agricultural departments in acceding countries that would explain how the agricultural institutions of the EU work and what role is played by member states so that these decision makers realise what happens in the EU and why their ministry must be capable of playing a full role in the EU arena.</li> <li>In this instance the Commission Services should from the early beginning of a so-called accession process on encourage the establishment and maintenance of informal networking arrangements between member state administrations and candidate country administrations thus helping to stimulate information exchange and communication on the requirement – preferably through Phare or any other future pre-accession support - between these bodies already prior to any twinning intervention.</li> <li>Particular attention should be paid to the close involvement of the new member states (for instance via expert panels from new member state administrations), since here the most recent expertise on institution building can be found and the related difficulties and possibilities are still well remembered.</li> </ul>	With immediate effect at the beginning of any admission process for membership
2	There is a pressing need to improve the administrative capacity of all candidate countries and Phare attempted to do this with varying degrees of success. The greatest threat to the long-term sustainability of the Phare achievements is the lack of trained officers in the new institutions that have been created with Phare assistance. Existing systems need to be reinforced.	132, 148	<ul style="list-style-type: none"> <li>The Commission Services should consider carrying out an evaluation of the agricultural administration of each future applicant country that would list their strengths and weaknesses and, in consultation with the applicant country, determine a multi-annual programme for overcoming any administrative weakness before accession. This would include a personnel plan and suggestions for helping candidate countries retain officials who have received training under the Phare Programme until after the date of accession.</li> <li>Funding should be available from the Phare Programme and if a satisfactory progress had not been made future projects should be re-oriented or even abandoned.</li> </ul>	With immediate effect at the beginning of any admission process for membership



REF	KEY ISSUE/ CONCLUSION	PARAGRAPH #	RECOMMENDATION	DEADLINE
3	If Phare is really to be the engine for enabling candidate countries to meet the EU requirement in the Agriculture Sector it could be asked whether there should not be a table setting out those requirements and a table from each candidate country explaining how each of those requirements is going to be met and from which source any assistance in helping the candidate country to meet the requirement is going to be obtained. Existing arrangements need to be reinforced.	147	<ul style="list-style-type: none"> <li>• The Commission Services should establish precise roadmaps by means of a complete lists of the laws, institutions (e.g. payment agency) and returns (e.g. market prices) needed by the applicant state in order to deliver the Common Agriculture Policy and the other agricultural and food requirements.</li> <li>• The applicant country should be invited to check off and benchmark their needs and achievements against such check lists, and explain how they intended to meet any deficiencies whether with a Phare project or by other means.</li> <li>• For some areas the Commission Services should - in close co-operation with present and new member states – provide best practise and non-binding templates for institution building projects - such as the creation of paying agency - that can be taken up and adapted by the administration of the candidate countries.</li> <li>• Candidate countries should be encouraged by the Commission Services to alter their agricultural support arrangements over a four year timescale and not to leave all changes until the date of accession.</li> </ul>	With immediate effect at the beginning of any admission process for membership
4	More assistance from the Commission Services was probably needed in identifying the economic as well as the technical case for the various information technology hardware/ scientific equipment.	136, 142	<ul style="list-style-type: none"> <li>• The Commission Services should carry out independent surveys of the information technology needs and the scientific equipment needs of the Sector in each candidate country taking into account the scope for rationalising the provision for delivery of the service concerned.</li> <li>• The provision of Phare funded equipment would be based on the results of the surveys and every project proposal should explain how the officers using the equipment are to be trained in EU procedures. No equipment should be delivered until officers are in post that can be trained to operate it. Laptops are a consumer good and should not be provided under a Phare Agriculture Programme at an advanced stage of the accession process.</li> <li>• All Phare projects requesting laboratory equipment should explain how the provision of the equipment is justified in terms of the independent survey; how the laboratory receiving the equipment is to be accredited; why no alternative laboratory could provide the scientific service for which the equipment is needed; why the option of contracting out the scientific service to another EU member state would not provide a more cost-effective alternative to the purchase of the equipment.</li> </ul>	With immediate effect at the beginning of any admission process for membership

REF	KEY ISSUE/ CONCLUSION	PARAGRAPH #	RECOMMENDATION	DEADLINE
5	More technical assistance at the planning stage covering project preparation and project management might have meant that Phare agriculture projects were divided into manageable slices with a clear beneficiary and an identifiable manager in charge. Existing arrangements need to be reinforced.	123, 129	<ul style="list-style-type: none"> <li>The Commission Services should consider providing the agricultural administrations of candidate countries with more regular and clearly focused technical assistance covering programme planning and preparation and project management.</li> <li>In order to ensure ownership of the beneficiaries on the technical assistance the joint financing of such activities should be envisaged. Moreover any technical assistance support in this area should whenever possible also contain an element focusing on the involvement and strengthening of the local administrative capacity for planning and management, in order to increase sustainability.</li> </ul>	With immediate effect at the beginning of any admission process for membership
<b>Future Programme Implementation</b>				
6	There might have been gains if the Phare agricultural work of the individual European Commission Delegations had been more closely co-ordinated and harmonised by the Directorate General Enlargement so that a more common approach to the same problems had been adopted by each Delegation.	123, 124	<ul style="list-style-type: none"> <li>The Commission Services should seek to better co-ordinate and communicate the advice on agriculture given under Phare to the candidate countries so that the same technical procedures are followed and best practise for Phare agriculture support is regularly identified and communicated to the candidate countries.</li> </ul>	With immediate effect for any second and third wave candidate countries + transition facility programming
7	There also may have been a case for each European Commission Delegation to have an official seconded from/permanently liased with Directorate General Agriculture who would have experience of administering the Common Agriculture Policy and could have passed on that experience to the agriculture administration of the candidate country on a continuing basis.	128	<ul style="list-style-type: none"> <li>In each European Commission Delegation supervising Phare assistance for agriculture to an applicant state there should be preferably an EU official responsible for that assistance that has worked on agricultural or related matters in the EU Directorate General for Agriculture and/ or EU member state administrations, and thus who can advise the applicant administration from a position of highly relevant personal experience.</li> </ul>	With immediate effect for any second and third wave candidate countries

REF	KEY ISSUE/ CONCLUSION	PARAGRAPH #	RECOMMENDATION	DEADLINE
<b><i>B) RECOMMENDATIONS ADDRESSED TO NEW MEMBER STATES (PHARE AND/ OR TRANSITION FACILITY), PRESENT AND FUTURE CANDIDATE COUNTRIES (PHARE AND POST-PHARE)</i></b>				
<b>Future Programme Planning</b>				
8	A major problem in all candidate countries was that officers once trained under a Phare project in general administrative skills could then leave the ministry and earn more money in the private sector. The high turnover of staff especially in senior management positions was a major reason for the lack of capacity in some candidate countries.	148	<ul style="list-style-type: none"> <li>All future agriculture related Phare project fiches should set out how the training or other benefits from the assistance are sustained until EU accession.</li> <li>If it is apparent at the programming stage that follow-up projects are required the project fiches should clearly set out this necessity and should already identify the additional resources required for future work.</li> </ul>	With immediate effect for any second and third wave candidate countries + transition facility programming
9	All Phare projects do need to set out how the skills being taught are to be kept up to date until the date of accession. The skills imparted by a project that finished in 2001 will have been forgotten by 2004 if no effort is made to provide some refresher training between 2001 and 2004.	148	<ul style="list-style-type: none"> <li>All Phare agriculture projects where training staff is involved should include provisions/ commitments for a refresher programme lasting until accession that would ensure that the skills are sustained and enhanced.</li> </ul>	With immediate effect for any second and third wave candidate countries
10	Most candidate countries found it difficult to fit their requirements into the yearly allocations demanded by Phare and this yearly allocation was one reason for the failure of large projects to achieve in full their objectives in the early days of the Programme.	130	<ul style="list-style-type: none"> <li>No Phare project in the Agriculture Sector should preferably last longer than one year, and all Phare projects in the Sector should be an integrated part of a multi-annual assistance programme. Twinning agreements should not cover more than one area of activity, and each area should have its own separate twinning agreement.</li> </ul>	With immediate effect for any second and third wave candidate countries + transition facility programming
11	Too often not enough beneficiary resource was invested in most of the Phare projects in the Sector at a sufficiently early date, and therefore the creation and introduction of the institutions in the Sector are running late.	149	<ul style="list-style-type: none"> <li>No Phare project in the Agriculture Sector should be allowed to start unless EU twinner/contractor and local counterpart have in detail agreed and listed the resources needed in the covenant/contract. If the agreed resources are not provided on time the project should be halted.</li> </ul>	With immediate effect for any second and third wave candidate countries + transition facility programming

## **ANNEXES**

**ANNEX 1. Total Phare Agriculture Funding per Candidate Country 1999-2002**

Country	National Phare allocated (M€)				
	1999	2000	2001	2002	Total
Bulgaria	10.6	3.0	7.1	11.5	<b>32.2</b>
Czech Republic	1.1	6.2	8.4	12.4	<b>28.1</b>
Estonia	-	2.0	6.5	6.2	<b>14.7</b>
Hungary	16.9	8.0	8.4	11.1	<b>44.4</b>
Latvia	2.5	2.0	2.0	0.9	<b>7.4</b>
Lithuania	5.4	6.5	3.8	8.1	<b>23.8</b>
Poland	27.6	43.7	36.2	31.8	<b>139.3</b>
Romania	-	14.6	13.5	6.0	<b>34.1</b>
Slovakia	6.0	1.0	1.2	6.6	<b>14.8</b>
Slovenia	2.5	-	2.8	1.8	<b>7.1</b>
<b>Total</b>	<b>72.6</b>	<b>87.0</b>	<b>89.9</b>	<b>96.4</b>	<b>345.9</b>

Source: Financing Memoranda, EMS reports

## ANNEX 2. Summary of Ratings for Each Interim Evaluation Report

The qualitative overall rating of the sector and its components has been based on the following rating scale:

Highly Satisfactory	HS	The programmes reviewed are expected to achieve or exceed all the objectives set during their lifetime
Satisfactory	S	The programmes reviewed are expected to largely achieve the objectives set during their lifetime
Unsatisfactory	U	The programmes reviewed are not expected to achieve most of the objectives set during their lifetime
Highly Unsatisfactory	HS	The programmes reviewed are not expected to achieve any of the objectives set during their lifetime

Country	IE Report Number	Total Phare allocation	Relevance	Efficiency	Effectiveness	Impact	Sustainability	Overall Rating
Bulgaria	BG/AGR/02.002	26.7 <sup>11</sup>	1	0	1	1	0	S
	BG/AGR/02.013	24.5 <sup>12</sup>	0	-1	-1	-1	0	U
	BG/AGR/03.117	26.7	1	-1	0	0	0	S
Czech Republic	CZ/AGR/02.028	15.8	1	0	1	0	0	S
	CZ/AGR/03.007	26.2	1	0	0	0	-1	U/S <sup>13</sup>
Estonia	EE/AGR/02.043	8.5	-1	-1	0	0	0	U
	EE/AGR/03.012	14.7	0	-1	-1	0	1	U
Hungary	HU/AGR/02.053	28.4	-1	0	0	0	0	U
	HU/AGR/03.016	28.6	2	-1	0	0	-1	U/S <sup>14</sup>
Latvia	LE/AGR/01.019	6.1 <sup>15</sup>	1	-1	0	-1	-1	U
	LV/AGR/02.074	6.5	2	1	1	1	1	S
Lithuania	LT/AGR/02.080	16.4 <sup>16</sup>	1	0	1	1	1	S
Poland	PL/AGR/02.095	104.1	1	-1	-1	0	-1	U
	PL/AGR/03.030	10.9	2	1	1	1	1	S

<sup>11</sup> Including 12.4 M€ from FM 1998;

<sup>12</sup> Including 6.4 M€ from FM 1998;

<sup>13</sup> The rating in this IE was split as follows: Preparation for CAP and Food Safety – U; Veterinary and Phytosanitary part – S;

<sup>14</sup> The overall rating in this report was given as ‘Adequate’;

<sup>15</sup> Including 1.6 M€ from FM 1998;

<sup>16</sup> Including 0.7 M€ from FM 1998;

Country	IE Report Number	Total Phare allocation	Relevance	Efficiency	Effectiveness	Impact	Sustainability	Overall Rating
	PL/AGR/03.100 (Sectoral Summary)	88.7	1	-1	-1	0	0	U
	PL/AGR/03.101	40.6	2	0	1	0	0	S
	PL/AGR/03.102	37.0	2	-1	-1	0	0	U
Romania	RO/AGR/02.110	28.1	0	0	0	0	0	S
	RO/AGR/03.036	40.9	1	1	1	1	0	S
Slovakia	SK/AGR/01044	7.0	1	1	1	1	0	S
	SK/INT/03.047	7.8	1	1	0	0	0	S
Slovenia	SI/AGR/02.129	1.1	1	1	1	1	0	S
	SI/AGR/02.131	4.9	1	1	1	1	0	S
	SI/AGR/03.049	4.5	2	-1	0	0	0	U

### ANNEX 3. Ratings of Achievement of Programme Objectives by Year<sup>17</sup> (Sector Agriculture)

Country	2001	2002	2003	Total No. of Reports
Bulgaria	-	S, U	S	3
Czech Republic	-	S	U/S	2
Estonia	-	U	U	2
Hungary	-	U	U/S	2
Latvia	U	S	-	2
Lithuania	-	S	-	1
Poland	-	U	2 S, 2 U <sup>18</sup>	5
Romania	-	S	S	2
Slovakia	S	-	S	2
Slovenia	-	2 S	U	3
<b>TOTAL</b>				<b>24</b>

HS – Highly Satisfactory; S – Satisfactory; U – Unsatisfactory; HU- Highly Unsatisfactory

<sup>17</sup> According to cut/off date of the respective IE report.

<sup>18</sup> Including IE Agriculture Sectoral Summary.



## ANNEX 4. Breakdown of Sectoral Evaluations and Programmes

### 4.1 Bulgaria

Report No/ Programme Number	Title/ Description of Programme and Components	Amount M€	Start Date	Expiry Date	Date of Issue
<b>Agriculture</b>					
<b>BG/AGR/02.002</b>		<b>26.7</b>			<b>26/04/02</b>
BG-9806.01	Institution Building for the Ministry of Agriculture, Forestry and Agrarian Reform	8.0	22/12/98	31/12/01	
BG-9810.01	Special Preparatory Programme for Structural Funds	1.7	22/12/98	31/12/01	
BG-9810.02	Project Preparation Facility	0.7	22/12/98	31/12/01	
BG-9812	Pre-Ins. Supporting the Development of a Land Market in Bulgaria	2.0	22/12/98	31/12/01	
BG-9913	Development of the Administrative Capacity to Adopt and Implement the <i>Acquis</i> in the Agricultural Sector	10.3	30/12/99	31/12/02	
BG-0006.05	Restructuring of the Agricultural Statistics system	2.0	14/12/00	31/12/03	
BG-0006.06	Strengthening of the SAPARD Implementation Capacity	1.0	14/12/00	31/12/03	
<b>Agriculture</b>					
<b>BG/AGR/02.013</b>		<b>24.5</b>			<b>10/12/02</b>
BG-9806.01.01	Animal Health and Diagnosis	3.1	22/12/98	31/12/01	
BG-9806.01.02	Plant Health and Quality Control	1.3	22/12/98	31/12/01	
BG-9812.01	Support to the Development of a Land Market	2.0	22/12/98	31/12/01	
BG-9913.01	Improvement in Veterinary Control	2.2	30/12/99	31/12/02	
BG-9913.02	Improvement in Phytosanitary Control	1.9	30/12/99	31/12/02	
BG-9913.03	Improvement in Seed Control	1.0	30/12/99	31/12/02	
BG-9913.05	Policy Support and Alignment	0.6	30/12/99	31/12/02	
BG-9913.06	Implementation of Effective Control in Vine and Wine	2.5	30/12/99	31/12/02	
BG-0006.05	Restructuring of Agricultural Statistics	2.0	14/12/00	31/12/03	
BG-0006.06	Strengthening SAPARD Implementation Capacity	1.0	14/12/00	31/12/03	
BG-0101.03	Improving Phytosanitary Control and Plant Protection	1.5	2001	30/11/04	
BG-0101.04	Improving Veterinary Control	1.7	2001	30/11/04	
BG-0101.05	Restructuring of Fisheries and Aquaculture	1.9	2001	30/11/04	
BG-0103.08	Improving the Quality of Agricultural Statistic	2.0	2001	30/11/04	
<b>Agriculture</b>					
<b>BG/AGR/03.117</b>		<b>23.7</b>			<b>10/12/03</b>
BG-9812.01	Support to the Development of a Land Market	2.0	22/12/98	31/12/01	
BG-0006.05	Restructuring of Agricultural Statistics	2.0	14/12/00	31/12/03	
BG-0006.06	Strengthening SAPARD Implementation Capacity	1.0	14/12/00	31/12/03	
BG-0105.02	Strengthening the Administrative Capacity of the Rural Development Directorate at MAF to Implement Chapter V of EC Regulation 1257/1999	0.2	2001	30/11/04	
BG-0101.03	Improving Phytosanitary Control	1.5	2001	30/11/04	
BG-0101.04	Improving Veterinary Control	1.7	2001	30/11/04	
BG-0101.05	Restructuring of Fisheries and Aquaculture	1.9	2001	30/11/04	
BG-0103.08	Improving the Quality of Agricultural Statistic	2.0	2001	30/11/04	
BG-0205.02.04	Strengthening Administrative Capacity of State Forest Administration and National Forest Company	0.9	2002	30/11/05	
BG-0205.02.05	Upgrade of Eurovet Bulgaria System	0.2	2002	30/11/05	
BG-0201.02	Establishment of a Paying Agency and Preparation for IACS	1.9	2002	30/11/06	
BG-0201.03	Support to Pre-Accession Strategy in the Field of	1.1	2002	30/11/06	

Report No/ Programme Number	Title/ Description of Programme and Components	Amount M€	Start Date	Expiry Date	Date of Issue
	Agri-Environment				
BG-0201.04	Improvement of Veterinary Border Control, Improvement of the Diagnostic System for Animal Health Control and Improvement of Feedingstuffs and Feed Additives Control	3.9	2002	30/11/06	
BG-0201.05	Improvement of Phytosanitary Control, Biological Testing and Registration of Plant Protection Products	1.1	2002	30/11/06	
BG-0201.06	Transmissible Spongiform Encephalopathy Control	2.5	2002	30/11/06	

### 4.2 Czech Republic

Report No/ Programme Number	Title/ Description of Programme and Components	Amount M€	Start Date	Expiry Date	Date of Issue
<b>Agriculture</b>					
<b>R/CZ/AGR/02.028</b>		<b>15.8</b>			<b>21/08/02</b>
CZ-9903.02	Strengthening Institutional and Administrative Capacity in Phytosanitary	1.1	25/07/99	30/09/02	
CZ-0005	Agriculture	6.2	31/10/00	31/10/03	
CZ-0105	Agriculture	8.3	19/06/01	31/10/04	
CZ-0109.04	Twinning Light Reserve	0.2	19/06/01	31/10/04	
<b>Agriculture</b>					
<b>R/CZ/AGR/03.007</b>		<b>26.2</b>			<b>07/07/03</b>
CZ-0005	Agriculture	5.4	31/10/00	31/10/03	
CZ-0105	Agriculture	8.3	19/06/01	31/10/04	
CZ-0109.04	Twinning Light Reserve	0.1	19/06/01	31/10/04	
CZ-0205	Agriculture	12.4	24/05/02	31/10/05	

### 4.3 Estonia

Report No/ Programme Number	Title/ Description of Programme and Components	Amount M€	Start Date	Expiry Date	Date of Issue
<b>Agriculture</b>					
<b>R/EE/AGR/02.043</b>		<b>8.5</b>			<b>28/08/02</b>
ES-0008.01	Development of Agricultural Support System Administration	2.0	24/11/00	31/12/03	
ES-0101.01	Development of Market Regulation System for Agriculture	1.6	30/11/01	31/12/04	
ES-0105.01	Strengthening of the Food Inspection System	2.0	30/11/01	31/12/04	
ES-0105.03	Purchase of Equipment for Foundation of Animal Waste Rendering Plant	3.0	30/11/01	31/12/04	
<b>Agriculture</b>					
<b>R/EE/AGR/03.012</b>		<b>14.7</b>			<b>30/07/03</b>
ES-0008.01	Development of Agricultural Support System Administration	2.0	24/11/00	31/12/03	
ES-0101.01	Development of Market Regulation System for Agriculture	1.6	30/11/01	31/12/04	
ES-0105.01	Strengthening of the Food Inspection System	2.0	30/11/01	31/12/04	
ES-0105.03	Purchase of Equipment for Foundation of Animal Waste Rendering Plant	3.0	30/11/01	31/12/04	
2002/000-579.05.01	Development of Administrative Capacity for Monitoring and Evaluation of the Agri-environment Measures	0.4	2002	31/12/05	
2002/000-579.05.02	Strengthening of TSE Control System in Estonia	0.7	2002	31/12/05	

Report No/ Programme Number	Title/ Description of Programme and Components	Amount M€	Start Date	Expiry Date	Date of Issue
2002/000- 579.05.03	Development of Agriculture Information Management Systems	2.5	2002	31/12/05	
2002/000- 579.05.04	Minimalisation of Number of Rabies Cases among Wild and Domestic Animals in Estonia	2.1	2002	31/12/05	
2002/000- 579.06.01	Successful Implementation of Common Fisheries Policy	0.4	2002	31/12/05	

#### 4.4 Hungary

Report No/ Programme Number	Title/ Description of Programme and Components	Amount M€	Start Date	Expiry Date	Date of Issue
<b>Agriculture</b>					
<b>R/HU/AGR/02.053</b>		<b>28.4</b>			<b>10/07/02</b>
HU-9909	Agriculture	14.9	03/11/99	30/09/02	
HU-0003.01	Animal Health	8.0	12/09/00	30/09/03	
HU-0102.03	Veterinary and Phytosanitary Acquis	2.6	23/05/01	30/11/04	
HU-0102.04	Forestry Information System	2.7	23/05/01	30/11/04	
HU-0102.07	Support for SAPARD Accreditation	0.2	23/05/01	30/11/04	
<b>Agriculture</b>					
<b>R/HU/AGR/03.016</b>		<b>28.6</b>			<b>28/07/03</b>
HU-0003.01	Animal Health	8.0	12/09/00	30/09/03	
HU-0102.03	Veterinary and Phytosanitary Acquis	5.7	23/05/01	30/11/04	
HU-0102.04	Forestry Information System	2.7	23/05/01	30/11/04	
HU-0102.07	Twinning Light Facility (SAPARD and Statistics)	0.3	23/05/01	30/11/04	
2002/000-180-01-01 to 06	Six Projects Covering CAP Institution Building and Food Safety Issues	11.1	15/10/02	30/11/05	
2002/000-180-06-01	Unallocated Institution Building Envelope (Training of BIP Staff)	0.8	15/10/02	30/11/05	

#### 4.5 Latvia

Report No/ Programme Number	Title/ Description of Programme and Components	Amount M€	Start Date	Expiry Date	Date of Issue
<b>Agriculture</b>					
<b>R/LE/AGR/01.019</b>		<b>6.1</b>			<b>25/01/02</b>
LE-9804.01	Technical Assistance to the Ministry of Agriculture to support Modernisation and Restructuring of the Agricultural Sector	1.6	02/12/98	31/10/01	
LE-9904.02	Modernisation and Capacity Building of Food Control at National and Regional Level	2.5	18/08/99	31/07/02	
LE-0009.00	Strengthening Latvia's Fishery Administration to meet the Requirements of the Common Fisheries Policy	2.0	28/12/00	30/11/03	
<b>Agriculture</b>					
<b>R/LV/AGR/02.074</b>		<b>6.5</b>			<b>14/02/03</b>
LE-9904.02	Modernisation and Capacity Building of Food Control at National and Regional Level	2.5	18/08/99	31/07/02	
LE-0009.00	Strengthening Latvia's Fishery Administration to meet the Requirements of the Common Fisheries Policy	2.0	28/12/00	30/11/03	
LE-0102.02	Development of the Management Mechanism of the Latvian Agriculture in line with EU's Common Agricultural Policy	2.0	2001	30/11/04	

## 4.6 Lithuania

Report No/ Programme Number	Title/ Description of Programme and Components	Amount M€	Start Date	Expiry Date	Date of Issue
<b>Agriculture</b>					
<b>R/LT/AGR/02.080</b>		<b>16.4</b>			<b>15/05/02</b>
LT-9803	Agricultural Modernisation	0.7	10/12/98	31/10/01	
LT-9909	Agriculture	5.4	17/12/99	30/10/02	
LT-0004	Agriculture and Fisheries	6.5	14/12/00	30/09/03	
LT-0105	Agriculture	3.8	2001	31/10/04	

## 4.7 Poland

Report No/ Programme Number	Title/ Description of Programme and Components	Amount M€	Start Date	Expiry Date	Date of Issue
<b>Agriculture</b>					
<b>R/PL/AGR/02.095</b>		<b>104.1</b>			<b>30/12/02</b>
PL-9906.02	Veterinary Administration at Future External Borders	8.2	27/07/99	31/12/02	
PL-9906.03	Joint Phare/EBRD Facility	8.0	27/07/99	31/12/02	
PL-9906.04	Preparation for the Implementation of CAP	5.9	27/07/99	30/09/02	
PL-0003.08	Fisheries Administration	2.0	26/09/00	31/10/03	
PL-0006	Agriculture	41.7	26/09/00	31/10/03	
PL-0104	Agriculture	32.9	15/12/01	15/12/04	
<b>Agriculture</b>					
<b>R/PL/AGR/03.030</b>		<b>11.0</b>			<b>26/05/03</b>
PL-9906.01	Phytosanitary Administration at Future External Borders	5.5	27/07/99	31/12/02	
PL-0006.05	Border Inspection Posts Phase II	2.4	26/09/00	31/10/03	
PL-0006.06	Phytosanitary Administration	3.1	26/09/00	31/10/03	
<b>Agriculture (Sectoral Summary)</b>					
<b>R/PL/AGR/03.100</b>		<b>88.5</b>			<b>27/06/03</b>
PL-9906.01	Phytosanitary Administration at Future External Borders	5.5	27/07/99	31/12/02	
PL-9906.03	Joint Phare/EBRD Facility	8.0	27/07/99	30/06/03	
PL-0003.08	Fisheries Administration	2.0	26/09/00	31/10/03	
PL-0006.01	Institution Building for Rural Development	3.0	26/09/00	28/02/04	
PL-0006.02	Institution Building for Agri-environment and Afforestation	2.0	26/09/00	31/10/03	
PL-0006.03	Institution Building for Early Retirement	2.0	26/09/00	31/10/03	
PL-0006.04	Veterinary System for Laboratories and Disease Control	6.1	26/09/00	31/10/03	
PL-0006.05	Border Inspection Posts Phase II	2.4	26/09/00	31/10/03	
PL-0006.06	Phytosanitary Administration	3.1	26/09/00	31/10/03	
PL-0006.07	Food Control Administration	4.2	26/09/00	31/10/03	
PL-0006.08	CAP Common Market Organisations	8.8	26/09/00	31/10/03	
PL-0006.09	Preparation for selected CAP Instruments	5.6	26/09/00	30/04/04	
PL-0102.04	Food Safety System	3.3	2001	15/12/04	
PL-0104.01	Fisheries Market Organisation	3.8	2001	15/12/04	
PL-0104.02	Agricultural Advisory System	4.5	2001	15/12/04	
PL-0104.03	Farm Standards	2.0	2001	15/12/04	
PL-0104.04	Organic Farming	2.5	2001	15/12/04	
PL-0104.05	Animal Feeds Control System	7.0	2001	15/12/04	
PL-0104.06	Classification of European Animal Carcasses	2.0	2001	15/12/04	
PL-0104.07	Training for CAP	2.0	2001	15/12/04	
PL-0104.08	IACS and Animal I&R Systems Control	5.0	2001	15/12/04	

Report No/ Programme Number	Title/ Description of Programme and Components	Amount M€	Start Date	Expiry Date	Date of Issue
PL-0104.09	Implementation of FADN	2.1	2001	15/12/04	
PL-0104.10	Agricultural Information System	2.0	2001	15/12/04	
<b>Agriculture</b>					
<b>R/PL/AGR/03.101</b>		<b>40.6</b>			<b>23/06/03</b>
PL-9906.03	Joint Phare/EBRD Facility	8.0	27/07/99	30/06/03	
PL-0003.08	Fisheries Administration	1.8	26/09/00	31/10/03	
PL-0006.04	Veterinary System for Laboratories and Disease Control	6.1	26/09/00	31/10/03	
PL-0006.07	Food Control Administration	4.2	26/09/00	31/10/03	
PL-0102.04	Food Safety System	3.3	2001	15/12/04	
PL-0104.01	Fisheries Market Organisation	3.8	2001	15/12/04	
PL-0104.03	Farm Standards	2.0	2001	15/12/04	
PL-0104.04	Organic Farming	2.5	2001	15/12/04	
PL-0104.05	Animal Feeds Control System	7.0	2001	15/12/04	
PL-0104.06	Classification of European Animal Carcasses	2.0	2001	15/12/04	
<b>Agriculture</b>					
<b>R/PL/AGR/03.102</b>		<b>37.0</b>			<b>23/07/03</b>
PL-0006.01	Institution Building for Rural Development	3.0	26/09/00	28/02/04	
PL-0006.02	Institution Building for Agri-environment and Afforestation	2.0	26/09/00	31/10/03	
PL-0006.03	Institution Building for Early Retirement	2.0	26/09/00	31/10/03	
PL-0006.08	CAP Common Market Organisations	8.8	26/09/00	31/10/03	
PL-0006.09	Preparation for selected CAP Instruments	5.6	26/09/00	30/04/04	
PL-0104.02	Agricultural Advisory System	4.5	2001	15/12/04	
PL-0104.07	Training for CAP	2.0	2001	15/12/04	
PL-0104.08	IACS and Animal I&R Systems Control	5.0	2001	15/12/04	
PL-0104.09	Implementation of FADN	2.1	2001	15/12/04	
PL-0104.10	Agricultural Information System	2.0	2001	15/12/04	

#### 4.8 Romania

Report No/ Programme Number	Title/ Description of Programme and Components	Amount M€	Start Date	Expiry Date	Date of Issue
<b>Agriculture</b>					
<b>R/RO/AGR/02.110</b>		<b>28.1</b>			<b>08/10/02</b>
RO-0006.08	Support for Agricultural Policy and Co-ordination	4.0	26/07/00	30/11/03	
RO-0006.09	Reinforcement of Agri-food Quality Systems	2.6	26/07/00	30/11/03	
RO-0006.10	Capacity to Manage the Phytosanitary <i>Acquis</i>	2.0	26/07/00	30/11/03	
RO-0006.11	Capacity to Manage the Veterinary <i>Acquis</i>	4.0	26/07/00	30/11/03	
RO-0006.12	Capacity to Manage the <i>Acquis</i> on Wine	2.0	26/07/00	30/11/03	
RO-0106.07	Strengthening the Romanian Institutional Capacity to Apply the Measures Foreseen in the National Plan for Agriculture and Rural Development	2.0	18/10/01	30/11/04	
RO-0107.07	Strengthening the Phytosanitary Administration Capacity to Adopt and Implement the <i>Acquis</i>	7.0	18/10/01	30/11/04	
RO-0107.08	Development and Implementing the Nationwide Bovine Animal Identification System	3.0	18/10/01	30/11/04	
RO-0107.09	Strengthening the Romanian Fishery Institutions and Identification of Development Opportunities	1.5	18/10/01	30/11/04	

Report No/ Programme Number	Title/ Description of Programme and Components	Amount M€	Start Date	Expiry Date	Date of Issue
<b>Agriculture</b>					
<b>R/RO/AGR/03.036</b>		<b>40.9</b>			<b>26/08/03</b>
RO-0006.08	Support for Agricultural Policy and Co-ordination	4.0	26/07/00	30/11/03	
RO-0006.09	Reinforcement of Agri-food Quality Systems	2.6	26/07/00	30/11/03	
RO-0006.10	Capacity to Manage the Phytosanitary <i>Acquis</i>	2.0	26/07/00	30/11/03	
RO-0006.11	Capacity to Manage the Veterinary <i>Acquis</i>	4.0	26/07/00	30/11/03	
RO-0006.12	Capacity to Manage the <i>Acquis</i> on Wine	2.0	26/07/00	30/11/03	
RO-0106.07	Strengthening the Romanian Institutional Capacity to Apply the Measures foreseen in the National Plan for Agriculture and Rural Development	2.0	18/10/01	30/11/04	
RO-0107.07	Strengthening the Phytosanitary Administration Capacity to Adopt and Implement the <i>Acquis</i>	7.0	18/10/01	30/11/04	
RO-0107.08	Development and Implementing the Nationwide Bovine Animal Identification System	3.0	18/10/01	30/11/04	
RO-0107.09	Strengthening the Romanian Fishery Institutions and Identification of Development Opportunities	1.5	18/10/01	30/11/04	
2002/000-586.03	Strengthening and Extension of the SAPARD Programme Implementation System set up in Romania	2.1	2002	30/11/05	
2002/000-586.04.06	Surveillance, Prevention, Diagnosis and Control of Animal Diseases, and Alignment with the <i>Acquis</i> in the Field of Animal Nutrition	7.0	2002	30/11/05	
2002/000-586.04.07	Disposal of Pesticides	3.8	2002	30/11/05	

#### 4.9 Slovakia

Report No/ Programme Number	Title/ Description of Programme and Components	Amount M€	Start Date	Expiry Date	Date of Issue
<b>Internal Market/ part Agriculture</b>					
<b>R/SK/INT/03.047</b>		<b>7.8 (total for INT 34.4)</b>			<b>17/07/03</b>
SK-0005	Upgrade of Veterinary and Phytosanitary Controls at Border Inspection Posts	1.2	21/12/00	31/12/03	
2002/000-610.05	Control TSE	3.4	09/01/03	30/11/05	
2002/000-610.06	Integrated Administrative Control System	1.8	09/01/03	30/11/05	
2002/000-610.07	Phytosanitary Control	0.7	09/01/03	30/11/05	
2002/000-610.08	Registration of Producers	0.7	09/01/03	30/11/05	
<b>Agriculture</b>					
<b>R/SK/AGR/01044</b>		<b>7.0</b>			<b>18/01/02</b>
SR-9909	Agriculture	4.0	02/11/99	31/12/02	
SR-9910	Farm Structure Census	2.0	02/11/99	31/12/02	
SK-0005	Upgrade of Veterinary and Phytosanitary Controls at Border Inspection Posts	1.0	21/12/00	31/12/03	

## 4.10 Slovenia

Report No/ Programme Number	Title/ Description of Programme and Components	Amount M€	Start Date	Expiry Date	Date of Issue
<b>Agriculture</b>					
<b>R/SI/AGR/02.129</b>		<b>1.1</b>			<b>22/07/02</b>
SL-9905.01	Reinforcement of the Capacity to adopt and apply the <i>Acquis</i>	0.8	20/10/99	30/09/02	
SI-0101.01	Accounting, System of Reporting and System of Securities Management for European Agricultural Guidance and Guarantee Fund	0.2	08/06/01	15/09/04	
SI-0104.02	Market Information System based on Economic Analysis	0.1	08/06/01	15/09/04	
<b>Agriculture</b>					
<b>R/SI/AGR/02.131</b>		<b>4.9</b>			<b>06/09/02</b>
SL-9905.01	Reinforcement of the Capacity to adopt and apply the <i>Acquis</i>	2.2	20/10/99	30/09/02	
SL-9906.01.01.0009	Transposition of Foodstuffs in Agriculture	0.3	20/10/99	30/09/02	
SI-0101.02	Veterinary Control of Contagious Diseases	2.0	18/07/01	15/09/04	
SI-0101.03.01	Implementation of the <i>Acquis</i> in the Phytosanitary Sector	0.5	18/07/01	15/09/04	
<b>Agriculture</b>					
<b>R/SI/AGR/02.131</b>		<b>4.5</b>			<b>06/09/02</b>
SI-0101	Reinforce the <i>Acquis</i>	2.8			
SI-0104.02	Market Information System based on Economic Analysis	0.1	08/06/01	15/09/04	
SI-0201	Investment into the <i>Acquis</i>	1.2	09/07/02	30/06/05	
SI-0206.03	Upgrading of Reference Testing Laboratories for Milk and Milk Products	0.2	09/07/02	30/06/05	
SI-0209.01	Internal Assessment of the Agency for Agricultural Markets and Rural Development Qualification	0.2	09/07/02	30/06/05	

## **ANNEX 5. The Commission's 2003 Opinion on Progress towards Accession (Sector Agriculture)**

### **5.1 Bulgaria**

*Bulgaria has made considerable progress in adopting legislation in particular in the veterinary and phytosanitary sector. Administrative structures have been further consolidated and strengthened although further improvements are needed. Substantial work is still ahead in order for Bulgaria to meet EU veterinary and phytosanitary control and hygiene standards.*

*Bulgaria has achieved a reasonable degree of legislative alignment in the field of fisheries. However, further progress is needed with regard to technical capacity of inspection and control systems as well as with regard to compliance with EU hygiene and health requirements.*

### **5.2 Czech Republic**

*The Czech Republic is essentially meeting the commitments and requirements arising from the accession negotiations, in (as far as the horizontal issues are concerned) quality policy and organic farming, the Farm Accountancy Data Network (FADN) and state aid; as far as the common market organizations (CMOs) are concerned, in arable crops, fruit and vegetables, milk, sheep and pigmeat and eggs and poultry; and in rural development. In the veterinary field, the requirements for animal disease control measures are essentially met. The Czech Republic is expected to be in a position to implement this *acquis* in these areas from accession.*

*The Czech Republic is partially meeting the commitments and requirements for membership as regards the Paying Agency, Integrated Administration and Control System (IACS), trade mechanisms, CMOs for sugar, wine and beefmeat, and most for veterinary and phytosanitary issues .... Unless efforts are accelerated in these areas, there is a risk that functioning systems will not be in place at accession.*

*There are serious concerns about the progress with public health protection (upgrading of food establishments). Unless immediate remedial action is taken, the Czech Republic will not be in a position to implement the *acquis* in this area by the date of accession.*

*In the area of fisheries... the Czech Republic is essentially meeting the commitments and requirements arising from the accession negotiations and is expected to be in a position to implement the *acquis* in the area of fisheries as from accession. The administrative capacity is adequate overall, but needs to be strengthened for the management of the fisheries part of the Operational Programme.*

### **5.3 Estonia**

*Estonia is essentially meeting the commitments and requirements arising from the accession negotiations, among the horizontal issues as regards quality policy and organic farming, the FADN and state aid; among the CMOs as regards arable crops, fruit and vegetables, wine, beefmeat, sheepmeat and pigmeat, and eggs and poultry; and in rural development. In the veterinary field, Estonia is essentially meeting the requirements relating to animal disease control measures, animal welfare and zootechnics. Subject to good progress being maintained in these areas, Estonia should be in a position to implement this *acquis* from accession.*

*Estonia is partially meeting the commitments and requirements for membership as regards the Paying Agency, IACS, trade mechanisms; the CMOs for milk, and in the veterinary field attention must be also paid to public health protection as regards the upgrading of agri-food establishments in the milk and meat sectors. Unless efforts are accelerated in these areas, there is a risk that functioning systems will not be in place at accession.*



In the area of fisheries...*Estonia is essentially meeting the commitments and requirements arising from the accession negotiations and is expected to be in a position as from accession to implement the acquis in the areas of state aid and international agreements. Estonia is partially meeting the commitments and requirements for membership in the areas of resource and fleet management, and inspection and control, structural actions and market policy. In order to complete preparations for accession, necessary legislative alignment must be completed, the Fisheries Information System must become fully operational and the Fishing Vessel Register must be finalized. Moreover, in all areas co-operation between different bodies for fisheries administration should be reinforced.*

#### **5.4 Hungary**

*Hungary is essentially meeting the commitments and requirements arising from the accession negotiations, in (as far as the horizontal issues are concerned) quality policy and organic farming, the FADN and state aid; as far as the CMOs are concerned, in arable crops, fruit and vegetables, milk, beefmeat, sheepmeat and pigmeat and eggs and poultry. In the veterinary and phytosanitary field, Hungary is essentially meeting the requirements in the areas of animal disease control measures, trade in live in animals and animal products, animal welfare, zootechnics and animal nutrition. Subject to good progress being maintained in these areas, Hungary should be in apposition to implement the acquis by accession.*

*Hungary is partially meeting the commitments and requirements for membership in the area of trade mechanisms, CMOs for wine and sugar, and in the veterinary field and phytosanitary measures (only as regards pesticide maximum residue levels). Unless efforts are accelerated in these areas, there is a risk that functioning systems will not be in place at accession.*

*There are serious concerns about Hungary's preparations for setting up its Paying Agency, for implementing the IACS, and in the areas of rural development and public health. Unless immediate remedial action is taken, Hungary will not be in a position to implement the acquis in these areas by the date of accession.*

*Hungary is essentially meeting the commitments and requirements arising from the accession negotiations and is expected to be in a position from accession to implement the acquis in the area of fisheries. However, Hungary needs to finalise a coherent fishery support policy within the Operational Programme for Agriculture and Rural Development and raise the number of staff in bodies administering the Financial Instrument for Fisheries Guidance. Furthermore, Hungary is encouraged to set up producers' organizations.*

#### **5.5 Latvia**

*Latvia is essentially meeting the commitments and requirements arising from the accession negotiations, among the horizontal issues as regards quality policy and organic farming, the FADN and state aid; among the CMOs as regards arable crops, fruit and vegetables, wine, beefmeat, sheep and pigmeat, and eggs and poultry; and as regards rural development. In the veterinary field, the requirements are essentially met as regards zootechnics and animal nutrition. Subject to good progress being maintained in these areas, Latvia should be in a position to implement the acquis from accession.*

*Latvia is partially meeting the commitments and requirements for membership as regards the horizontal issues of the Paying Agency, the IACS, trade mechanisms, the CMOs for sugar, milk, and beefmeat; in the veterinary field as regards veterinary control systems in the internal market, public health protection, trade in live animals and animal product, animal disease control measures, common measures, animal welfare and phytosanitary issues. In the area of beefmeat, significant efforts still need to be made in order to rapidly adopt and implement the necessary legislation and to correctly implement price reporting. Unless efforts are accelerated in these areas, there is a risk that functioning systems will not be in place at accession.*

*There are serious concerns about Latvia's preparations of Transmissible Spongiform Encephalopathy (TSEs) and animal by-products as regards setting up of a system of collection of cadavers and the building of rendering and incineration plants. Substantial efforts are urgently needed in this area. Unless immediate remedial action is taken, Latvia will not be in a position to implement the acquis in this area by the date of accession.*

*Latvia is essentially meeting the commitments and requirements arising from the accession negotiations and is expected to be in a position to implement the acquis in the area of fisheries, in the area of structural actions, state aid and international fisheries agreements. However, some adjustment is needed in order to reach an adequate level of administrative capacity in the area of structural actions.*

## **5.6 Lithuania**

*Lithuania is essentially meeting the commitments and requirements arising from the accession negotiations, among the horizontal issues as regards quality policy and organic farming, the FADN and state aid; among the CMOs as regards arable crops, sugar, fruit and vegetables, wine, sheep and pigmeat, and eggs and poultry; and as regards rural development. In the veterinary and phytosanitary field, the requirements in the areas of animal disease control measures, trade in live animals and animal products, zootechnics and animal nutrition are essentially met. Subject to good progress being maintained in these areas, Lithuania should be in a position to implement the acquis from accession.*

*Lithuania is partially meeting the commitments and requirements for membership in the areas of the Paying Agency, the IACS, trade mechanisms, the CMOs for milk and beefmeat and in the veterinary field as regards TSEs and animal by-products, veterinary control systems in the internal market, public health, common measures, animal welfare and in the phytosanitary field. Unless efforts are accelerated in these areas, there is a risk that functioning systems will not be in place at accession.*

*Lithuania is essentially meeting the commitments and requirements arising from the accession negotiations and is expected to be in a position to implement by accession the acquis in the area of fisheries, in the areas of state aid and international agreements. Lithuania is partially meeting the commitments and requirements for membership in the areas of resource and fleet management and inspection and control, structural actions and market policy. In order to complete preparations, the administrative capacity needs to be strengthened and the Fishing Vessel Register has to become fully operational. There are serious concerns in the field of inspection and control, where special action is required to strengthen the human resources available and to control the landings and the activities of the high seas fishing vessels. Unless immediate remedial action is taken, Lithuania will not be in a position to implement the acquis in this area by the date of accession.*

## **5.7 Poland**

*Poland is essentially meeting the commitments and requirements arising from the accession negotiations, among the horizontal issues as regards quality policy and organic farming, the FADN and state aid; among the CMOs as regards arable crops, sugar, fruit and vegetables, wine, sheep and pigmeat; and in the veterinary field as regards animal disease control measures and zootechnics. Subject to good progress being maintained in these areas, Poland is expected to be in a position to implement this acquis from accession.*

*Poland is partially meeting the commitments and requirements for membership in the area of trade mechanisms; the CMOs for milk, beefmeat, eggs and poultry; rural development; in the veterinary field as regards veterinary control system in the internal market, trade in live animals and animal products, common measures, animal welfare, animal nutrition; and phytosanitary issues. Unless efforts are accelerated in these areas, there is a risk that functioning systems will not be in place at accession.*

*There are serious concerns about Poland's preparations to set up its Paying agencies and to implement the IACS. For veterinary issues, urgent attention must be paid to the adoption and implementation of*

*four basic veterinary acts. Serious concern remains regarding TSE and animal by-products, and movement control of animals and with regard to plant harmful organisms. Urgent progress is needed in public health. Unless immediate remedial action is taken, Poland will not be in the position to implement the acquis in these areas by the date of accession.*

*Regarding fisheries, Poland is partially meeting the commitments arising from the accession negotiations in the areas of structural actions, state aid and international fisheries agreements. Poland will only be in a position to implement the acquis in this area as from accession if the necessary adjustments are prioritized to strengthen the administrative capacity needed to manage structural policy. As regards international fisheries agreements, Poland's progress in withdrawing from them must be accelerated. Urgent attention must be paid to the areas of resource and fleet management and inspection and control and market policy, which give rise to serious concerns as regards compatibility with the acquis of the draft legislation in these two areas. There has been persistent delay in the adoption and full implementation of legislation in the area of control systems, in particular on the use of the Vessel Monitoring System and of the operation of the Fishing Vessel Register. As regards administrative capacity, remedial action is required in order to strengthen the control functions at both central and regional levels but with particular attention to the regional level. .... Unless immediate remedial action is taken, Poland will not be in a position to implement the acquis in this area by the date of accession.*

## **5.8 Romania**

*Further progress has been made in transposing the agricultural acquis and in the restructuring of the agricultural sector. Enforcement of legislation is hampered by limited management and administrative capacity. Particular attention should therefore be paid to reinforcing the administrative capacity to implement and enforce the acquis, in particular in the veterinary and phytosanitary fields.*

*Only limited progress has taken place in the fisheries sector and delays have occurred with regards to the transposition of the acquis, in particular on the Fishing Vessel Register. The administrative capacity needs to be considerably reinforced.*

## **5.9 Slovakia**

*Slovakia is essentially meeting the commitments and requirements arising from the accession negotiations, in (as far as the horizontal issues are concerned) quality policy and organic farming, the FADN and state aid; as far as the CMOs are concerned, in arable crops, fruit and vegetables, milk, sheep and pigmeat and eggs and poultry; and in rural development. In the veterinary and phytosanitary field, the requirements relating to animal disease control measures, trade in live animals and animal products, animal welfare, zootechnics and animal nutrition have essentially been met. Subject to good progress being maintained in these areas, Slovakia should be in apposition to implement the acquis by accession.*

*Slovakia is partially meeting the commitments and requirements for membership as regards trade mechanisms, the CMOs for sugar, wine and beefmeat and in the veterinary field the veterinary control system in the internal market, TSEs and animal by-products, common measures and phytosanitary issues. Unless efforts are accelerated in these areas, there is a risk that functioning systems will not be in place at accession.*

*There are serious concerns about Slovakia's preparations to set up its Paying agency and to implement the IACS and about public health protection as regards the upgrading of agri-food establishments. Substantial efforts are urgently needed in these areas. Unless immediate remedial action is taken, Slovakia will not be in a position to implement the acquis in these areas by the date of accession.*

*Slovakia is essentially meeting the commitments and requirements arising from the accession negotiations, and is expected to be in a position from accession to implement the acquis in the area of*

fisheries. However, as regards structural actions, the legal framework for the establishment of the Paying Agency remains to be completed. Furthermore, administrative capacity needs to be strengthened in general, and, more particularly, administrative structures as regards producers' organizations need to be set up.

### **5.10 Slovenia**

*Slovenia is essentially meeting the commitments and requirements arising from the accession negotiations, among the horizontal issues as regards the Paying Agency, the IACS, trade mechanisms, quality policy and organic farming, the FADN and state aid; among the common market organizations as regards arable crops, fruit and vegetables, wine, olive oil, beefmeat, sheep and pigmeat, and eggs and poultry; and as regards rural development. In the veterinary and phytosanitary field, Slovenia is essentially meeting the requirements in the areas of TSEs and animal by-products, animal disease control, animal welfare, zootechnics, animal nutrition and phytosanitary issues. Subject to good progress being maintained in these areas, Slovenia should be in a position to implement this acquis from accession.*

*Slovenia is partially meeting the commitments and requirements for membership as regards the CMOs for sugar and milk, and in the veterinary field the veterinary control systems in the internal market, trade in live animals and animal products, public health in agri-food establishments and common measures. Unless efforts are accelerated in these areas, there is a risk that functioning systems will not be in place by accession.*

**ANNEX 6. List of Interviews**

<b>Institution</b>	<b>Interviewee</b>	<b>Date</b>
European Commission Delegation to the Slovak Republic Panska 3 SK-811 01 Bratislava	<b>Mr. Daniel ACS</b> Task Manager	11/09/2003
European Commission Delegation to Bulgaria 9 Moskovska St. BG-1000 Sofia	<b>Ms. Elena ARTOLACHIPI</b> Adviser	16/10/2003
European Commission Delegation to Hungary 1016 Budapest, Bérc u. 23	<b>Mr. András BADASCONYI</b> Task Manager	21/10/2003
Delegation of the European Commission to Poland Ul. Emilii Plater 53 PL-00113 Warsaw	<b>Mr. John BARKER</b> Task Manager	29/10/2003
Ministry of Agriculture and Forestry of Bulgaria, Phare Implementation Unit Hristo Botev Blvd. 55, BG-1040 Sofia	<b>Ms. Demina BAYRAKTARSKA</b> Director	16/10/2003
Delegation of the European Commission to Poland Ul. Emilii Plater 53 PL-00113 Warsaw	<b>Mr. Willard BIEMANS</b> Task Manager	29/10/2003
Ministry of Agriculture of the Czech Republic, EU Relations Department Tesnov 17 CZ-117 05 Prague 1	<b>Mr. Ludek BROZ</b> Phare Co-ordinator	12/11/2003
European Commission DG Enlargement – Hungary Team Rue de la Loi 170 B-1049 Brussels	<b>Mr. Egidio CANCIANI</b> Phare Co-ordinator	23/09/2003*
Mission of the Slovak Republic to the European Communities, Avenue de Cortenbergh 79, B-1000 Brussels	<b>Mr. Pavel CERY</b> First Secretary	12/11/2003
European Commission DG Agriculture - Evaluation Unit Rue de la Loi 130 B-1040 Brussels	<b>Mr. Detlev CLEMENS</b> Task Manager	02/09/2002
European Commission DG Health and Consumer Protection Rue Belliard 232 B-1049 Brussels	<b>Mr. Alain DEHOVE</b> Task Manager	05/03/2004
European Commission Delegation to Romania Str. Jules Michelet, 18 Sector 1, RO-010463 Bucharest	<b>Mr. Mihail DUMITRU</b> Task Manager	29/09/2003*
Ministry of Agriculture and Rural Development of Poland ul. Wspólna 30 PL-00930 Warsaw	<b>Mr. Zbigniew FAFARA</b> Counsellor to the Secretary of State	28/10/2003
Ministry of Agriculture of the Slovak Republic, Section of the Agricultural Paying Agency Dobrovicova 12 SK-812 66 Bratislava	<b>Mr. Tibor GUNIS</b> Director	22/10/2003
Ministry of Agriculture and Rural Development of Hungary, Phare Office for Agriculture HU-1055 Budapest Kossuth tér 11.	<b>Mr. Zoltan KISS</b> Head of Office	21/10/2003

<b>Institution</b>	<b>Interviewee</b>	<b>Date</b>
Ministry of Agriculture of the Slovak Republic, Foreign Relations Department Dobrovicova 12 SK-812 66 Bratislava	<b>Ms. Eva KOLESAROVA</b> Director	23/10/2003
European Commission DG Enlargement – Bulgaria Team Rue de la Loi 170 B-1049 Brussels	<b>Mr. Bert KUBY</b> Task Manager	22/09/2003*
Estonian Mission to the European Communities, Rue Marie-Therese 1-3 B-1000 Brussels	<b>Mr. Andres KUNINGAS</b> Attaché for Financial Affairs	11/11/2003
Ministry of Agriculture and Rural Development of Poland, Department of Pre-accession Assistance and Structural Funds Ul. Wspólna 30 PL-00930 Warsaw	<b>Ms. Katarzyna LASKOWSKA</b> Head of the Division	28/10/2003
National Board of Fisheries of Latvia Republikas laukums 2 Riga, LV 1981	<b>Ms. Alise LUSE</b> Deputy Director	07/10/2003*
European Commission DG Agriculture - International Affairs, Enlargement and Pre-Accession, Enlargement Unit Rue de la Loi 130 B-1040 Brussels	<b>Mr. Alex MASON</b> Task Manager	11/11/2003
Ministry of Agriculture of Latvia Republikas laukums 2 Riga, LV 1981	<b>Mr. Gunta NERETNIECE</b> Project Co-ordinator	06/10/2003*
European Commission DG Agriculture - International Affairs, Enlargement and Pre-Accession, Enlargement Unit Rue de la Loi 130 B-1040 Brussels	<b>Ms. Zelig PEPIETTE</b> Task Manager	02/09/2003 11/11/2003
Office of the Committee for European Integration, Department for Co-ordination and Monitoring of Foreign Assistance Al. Ujazdowskie 9 PL-00918 Warsaw	<b>Mr. Leszek PROKOPOWICZ</b> Senior Officer	29/10/2003
Mission of the Czech Republic to the European Communities, Section for Agriculture and Environment Rue Caroly 15 B-1050 Brussels	<b>Mr. Jiri SIR</b> Second Secretary	12/11/2003
European Commission Delegation in Latvia Tornu iela 4 – 1C Riga, LV 1050	<b>Ms. Rota SNUKA</b> Task Manager	05/10/2003*
European Commission DG Enlargement – Slovak Republic Team Rue de la Loi 170 B-1049 Brussels	<b>Ms. Katja TUOMINEN</b> Task Manager	02/10/2003*
European Commission Delegation to Bulgaria 9 Moskovska St. BG-1000 Sofia	<b>Mr. Eric TROTEMANN</b> Adviser	07/10/2003* 16/10/2003
European Commission DG Agriculture - International Affairs, Enlargement and Pre-Accession, Enlargement Unit Rue de la Loi 130 B-1040 Brussels	<b>Mr. Rudy VAN DER STEPPEN</b> Deputy Head of Unit	11/11/2003
Ministry of Agriculture of Slovenia, Department for International Cooperation Dunajska 56-5 SI-1000 Ljubljana	<b>Mr. Marko VERBIC</b> State Secretary	30/09/2003*

<b>Institution</b>	<b>Interviewee</b>	<b>Date</b>
European Commission DG Enlargement – Estonia Team Rue de la Loi 170 B-1049 Brussels	<b>Ms. Myriam VERGER</b> Phare Co-ordinator	02/10/2003*
European Commission DG Health and Consumer Protection Rue Belliard 232 B-1049 Brussels	<b>Ms. Sigrid WIMMER</b> Enlargement Co-ordinator	05/03/2004

\*) e-mail interview

**ANNEX 7. List of Other Documents**

<b>Name of Originator</b>	<b>Date</b>	<b>Title of Document</b>
Commission of the European Communities	05/11/2003	2003 Regular Report on Bulgaria's Progress Towards Accession
Commission of the European Communities	05/11/2003	2003 Regular Report on Romania's Progress Towards Accession
Commission of the European Communities	05/11/2003	Comprehensive Monitoring Report – Czech Republic
Commission of the European Communities	05/11/2003	Comprehensive Monitoring Report - Estonia
Commission of the European Communities	05/11/2003	Comprehensive Monitoring Report - Hungary
Commission of the European Communities	05/11/2003	Comprehensive Monitoring Report - Latvia
Commission of the European Communities	05/11/2003	Comprehensive Monitoring Report - Lithuania
Commission of the European Communities	05/11/2003	Comprehensive Monitoring Report - Poland
Commission of the European Communities	05/11/2003	Comprehensive Monitoring Report - Slovakia
Commission of the European Communities	05/11/2003	Comprehensive Monitoring Report - Slovenia
Commission of the European Communities	11/08/2003	2002 Report on Phare and the Pre-accession Instruments for Cyprus, Malta and Turkey
Commission of the European Communities	07/10/2003	Report from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions – SAPARD Annual Report – Year 2002
Commission of the European Communities	30/07/2002	Report from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions – SAPARD Annual Report – Year 2001
Commission of the European Communities	03/07/2001	Report from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions – SAPARD Annual Report – Year 2000
Commission of the European Communities	09/10/2002	2002 Regular Report on Bulgaria's Progress Towards Accession
Commission of the European Communities	09/10/2002	2002 Regular Report on Czech Republic's Progress Towards Accession
Commission of the European Communities	09/10/2002	2002 Regular Report on Estonia's Progress Towards Accession
Commission of the European Communities	09/10/2002	2002 Regular Report on Hungary's Progress Towards Accession
Commission of the European Communities	09/10/2002	2002 Regular Report on Latvia's Progress Towards Accession
Commission of the European Communities	09/10/2002	2002 Regular Report on Lithuania's Progress Towards Accession
Commission of the European Communities	09/10/2002	2002 Regular Report on Poland's Progress Towards Accession
Commission of the European Communities	09/10/2002	2002 Regular Report on Romania's Progress Towards Accession
Commission of the European Communities	09/10/2002	2002 Regular Report on Slovakia's Progress Towards Accession



Name of Originator	Date	Title of Document
Commission of the European Communities	09/10/2002	Monitoring Report on the Slovak Republic's Progress in its Preparation for EU Membership, September 2002-May2003
Commission of the European Communities	09/10/2002	2002 Regular Report on Slovenia's Progress Towards Accession
Commission of the European Communities	13/11/2002	Roadmaps for Bulgaria and Romania
Commission of the European Communities	30/01/2002	Enlargement and Agriculture: Successfully integrating the new Member States into the CAP – Issues Paper
Commission of the European Communities	2003	Reports on the results of the negotiations on the accession of Cyprus, Malta, Hungary, Poland, the Slovak Republic, Latvia, Estonia, Lithuania, the Czech Republic and Slovenia to the European Union
European Commission Directorate General Enlargement	30/06/2003	Enlargement of the European Union, Guide to the Negotiations, Chapter by Chapter
PLS Ramboll Management/ Eureval-C3E	May 2003	Phare Ex-post Evaluation of Country Support Implemented from 1997-1998 to 2000-2001
Ministry of Agriculture/ Bulgaria	June 2003	Annual Report on SAPARD Implementation in the Republic of Bulgaria, for the Period June 1 <sup>st</sup> 2001 – December 31 <sup>st</sup> 2002
Ministry of Agriculture Republic of Estonia/ Estonian Agricultural Registers and Information Board	June 2003	Annual Report on SAPARD Implementation in the Republic of Estonia, for the Period June 1 <sup>st</sup> 2001 – December 31 <sup>st</sup> 2002
Republic of Latvia	(2003)	Annual Report of SAPARD Programme of Latvia 2002
Ministry of Agriculture/ Lithuania	June 2003	SAPARD Annual Report 2002
Ministry of Agriculture/ Lithuania	01/06/2003	Monitoring Report No. M/LT/AGR/01/0010, Sector: Reinforcement of Institutional and Administrative Capacity/ Agriculture
Ministry of Agriculture, Forestry and Food/ Republic of Slovenia	June 2003	Implementation Report on the SAPARD Programme for the year 2002
EMS Consortium		Key Findings of the Interim Evaluation of the Phare Programme October 2001-August 2002, draft version
EMS Consortium	15/04/2003	First Draft Thematic Report on Twinning
EMS Consortium	June/ July 2003	Drafts of the Country Phare Evaluation Reviews for Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia

This interim evaluation has been launched  
by the European Commission,  
Directorate-General for Enlargement,  
and carried out by the EMS Consortium.  
The EMS Consortium bears the full responsibility  
for the report and its conclusions.

