EUROPEAN PARLIAMENT

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Committee on Agriculture and Rural Development

2004/0222(CNS)

20.4.2005

OPINION

of the Committee on Agriculture and Rural Development

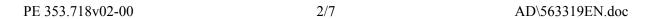
for the Committee on Foreign Affairs

on the proposal for a Council regulation establishing an Instrument for Pre-accession Assistance (IPA) (COM(2004)0627 - C6-0047/2005 - 2004/0222(CNS))

Draftsman: Milan Horáček

AD\563319EN.doc PE 353.718v02-00

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SHORT JUSTIFICATION

The experience gained with the pre-accession instrument for agriculture and rural development (SAPARD) showed that difficulties in connection with the establishment of administrative and monitoring procedures, co-financing and the disbursement of appropriations can give rise to serious problems, with the result that the original objectives - preparing agriculture and the rural economy in general for accession - were achieved only to an unsatisfactory degree and, above all, very late.

The resulting economic setbacks and disappointments suffered by many people in rural areas have left the individuals concerned with a very critical attitude towards Europe, a development which could have been avoided. The factors determining that attitude included the excessively bureaucratic nature of the programme and inadequate efforts to prepare civil society for and involve it in the implementation of the measures.

The purpose of the Council proposal establishing an instrument for pre-accession assistance (IPA) is now to deal with these problems as far as possible. Rightly, there is concern that the merging of the existing programmes, PHARE, ISPA and SAPARD, to form a single instrument, IPA, will make it impossible to meet the specific requirements of the new candidate countries, given the danger that the flexible arrangements for allocating funding to the proposed 'components' of the IPA might work to the detriment of the rural economy, thereby placing the rural population at an even greater disadvantage. The allocation of funding under the multiannual framework plan should therefore be laid down by Parliament and the Council acting under the codecision procedure.

Your draftsman is thus advocating a clear division between the instruments and the funding earmarked for individual pre-accession measures. Although the IPA, as a new, overarching pre-accession instrument, could make for more effective and simpler administration, responsibility for planning and implementation must nevertheless still be entrusted to the competent bodies, i.e. DG Agriculture and the ministries for rural development and agriculture. Taking the issue of the preparation of agriculture and the rural economy as a whole, it is important not only that the candidate countries should be made ready to cope with the *acquis communautaire*, but also that each country's requirements in terms of the safeguarding of jobs, the environment and sustainable food production should be met. With a view to avoiding any repeat of past errors, effective payment agencies must be set up at an early stage and additional private and public investors must be won over and given an active part to play in the programmes. In this connection, banks, foundations and producer organisations have an important role to fulfil.

Parliament ensured that a bottom-up approach to rural development was incorporated into the continuing SAPARD programme, thereby clearing the way for an integrated, regional approach which actively encourages the involvement of civil society. This method should play a key role in the new components dealing with the development of the rural economies of the candidate countries and neighbouring states. Placing the emphasis on partnerships and networks will ensure that small farmers and small undertakings active in rural areas can be reached and alternative jobs which are not, or not yet, available in urban areas can be secured.

Your draftsman calls on the Commission to specify that assistance for the rural economy in

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the candidate countries will be geared towards the safeguarding of jobs, the diversification of production and incomes and the revitalisation of local and regional markets for foodstuffs and commodities, thereby serving, above all, to prepare those states for the *second pillar of the common agricultural policy*. Turkey, Croatia and the Balkan States, where the overwhelming majority of people live in rural areas, will not be able to cope with any further flight from the land until such time as alternative sources of employment have been created in urban areas.

Above all, measures to encourage local action groups, in keeping with the LEADER method employed in the Community, should form part of the new national pre-accession programmes. The candidate countries and partner states receiving assistance should also be offered training and exchange programmes with the EU Member States, in particular the new Member States. In recent years, on the basis of funding in the form of comparatively small public subsidies, the LEADER programmes have mobilised people to play an active role in the development of the rural economy.

AMENDMENTS

The Committee on Agriculture and Rural Development calls on the Committee on Foreign Affairs, the committee responsible, to incorporate the following amendments in its report:

Text proposed by the Commission¹

Amendments by Parliament

Amendment 1 Recital 16 a (new)

(16a) Existing economic structures in rural areas must be taken into account and made competitive on regional and other markets. In order to prepare existing agricultural holdings, craft industries and small- and medium-sized undertakings for fair competition vis-à-vis industrial investors, suitable transitional periods will be granted for adjustment to EU standards. However, semi-subsistence holdings should be protected, given the important role they play in contributing to local food supplies and in providing many rural inhabitants with a livelihood.

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¹ Not yet published in OJ.

Amendment 2 Article 9, paragraph 1

(1) The Rural Development Component shall support Candidate Countries listed in Annex II in policy development as well as preparation for the implementation and management of the Community's common agricultural policy. It shall in particular contribute to the sustainable adaptation of the agricultural sector and rural areas and to the Candidate Countries' preparation for the implementation of the *acquis communautaire* concerning the Common Agricultural Policy and related policies.

(1) The Rural Development Component shall support Candidate Countries listed in Annex II in policy development as well as preparation for the implementation and management of the Community's common agricultural policy. It shall in particular contribute to the sustainable adaptation of the agricultural sector and rural areas and to the Candidate Countries' preparation for the implementation of the acquis communautaire concerning the Common Agricultural Policy and related policies. *In* that connection, due account shall be taken of existing rural economic structures and particular support shall be given to the continuation and modernisation of farming and regional food processing.

Justification

Any sustainable adjustment of the agricultural sector must take account of the nature of existing structures and the continuation of farming and regional food processing must be supported.

Access to the Regional Development Component should also be granted to other associated States.

Amendment 3 Article 9, paragraph 2

- (2) It may in particular contribute towards the financing of the type of actions provided for under the Regulation (EC) 1257/1999.
- (2) It may in particular contribute towards the financing of the type of actions provided for under the Regulation (EC) 1257/1999. A key feature of the Regional Development Component shall be a participatory, bottom-up approach. In keeping with the LEADER method, measures shall be based on an integrated, regional approach which employs global subsidies and guarantees the socially equitable allocation of funding. In that connection, the fostering of local partnerships between the public, private and voluntary sectors shall play an important role.

Justification

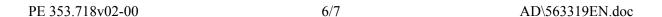
The experience gained with SAPARD shows that the use of the LEADER approach in the Regional Development Component is fundamental to increasing acceptance levels for the programmes and thereby also improving the take-up of funding.

Amendment 4 Article 9, paragraph 2 a (new)

(2a) Responsibility for implementing the Regional Development Component shall rest with the ministries of agriculture and rural development in the Candidate Countries and with the Commission's Directorate-General for Agriculture.

Justification

It is essential that the competent authorities should be given the task of shaping the Regional Development Component.



PROCEDURE

Title	Proposal for a Council regulation establishing an Instrument for Pre-accession Assistance (IPA)
References	COM(2004)0627 - C6-0047/2005 - 2004/0222(CNS)
Committee responsible	AFET
Committee asked for its opinion Date announced in plenary	AGRI 7.3.2005
Enhanced cooperation	No
Drafts(wo)man Date appointed	Milan Horáček 23.11.2004
Discussed in committee	14.3.2005 19.4.2005 -
Date amendments adopted	19.4.2005
Result of final vote	for: 26 against: - abstentions: 1
Members present for the final vote	Filip Adwent, Peter Baco, Thijs Berman, Joseph Daul, Albert Deß, Gintaras Didžiokas, Michl Ebner, María Esther Herranz García, Ioannis Gklavakis, Lutz Goepel, Bogdan Golik, Friedrich-Wilhelm Graefe zu Baringdorf, Elisabeth Jeggle, María Isabel Salinas García, Agnes Schierhuber, Czesław Adam Siekierski, Marc Tarabella, Kyösti Tapio Virrankoski, Janusz Wojciechowski
Substitutes present for the final vote	Liam Aylward, Béla Glattfelder, Ayuso González, Gábor Harangozó, Milan Horáček, Wiesław Stefan Kuc, Anne Laperrouze, Jan Mulder, Zdzisław Zbigniew Podkański, Karin Resetarits
Substitutes under Rule 178(2) present for the final vote	-