



# **Leader+ in the new Member States**

Cases of Latvia, Lithuania and Poland

---

January 2004

## **General Presentation**

---

The year 2004 represents a new stage in the European Union history. The so-called Enlargement is a key issue, considered by the European Commission as a unique task to further the integration of the continent by peaceful means, extending a zone of stability and prosperity to new members. This accession process includes ten countries, three of them members of the Seagull project.

This new step challenges more than ever the access to new and clear information that clarifies the concrete situation in these countries inside the topics of interest to the Seagull project. This document aims in this understanding, to present the actual and future circumstances in the Rural Development strategic area, with special attention in one of the Structure Programmes, the LEADER+ one.

The progression behind the Accession Process will be followed from backgrounds and roots to one of the last lectures of Rural Development and documents that have shaped the present and future conditions in these new Member States. All the information here is an effort of recapitulation in order to facilitate the process understanding but deeper information is available.

## **Accession Process**

---

### **Background**

After the fall of the Berlin Wall in 1989, the European Community established diplomatic relations with the Central and Eastern European countries. At the same time a financial support was provide to help the efforts to reform and rebuild their economies, the PHARE Programme, becomes then, one of the worlds largest assistance programme in this area.

In 1993 at the Copenhagen Council, the EU agrees that: “the associated countries Central and Eastern Europe that so desire shall become members of the European Union.” By the moment they assume the “Copenhagen Criteria” or membership criteria and the appropriate administrative and judicial structures.

In order to assess each countries progress, the Commission Opinions submits Regular Reports on yearly basis. On 5<sup>th</sup> November 2003, the Commission released 10 Country Monitoring Reports on the acceding countries, accompanied by a summary Comprehensive Monitoring Report covering the main overall findings. The Commission has given further guidance to the acceding states in their efforts to assume the responsibilities of membership and has given the necessary assurance to current Member States. The Comprehensive Monitoring Reports are a final, public, overall report on the state of preparations for membership.

## **The Comprehensive Monitoring Report**

---

### **Background**

On 9<sup>th</sup> October 2002, the Commission recommended to close negotiations with Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, the Slovak Republic and Slovenia. Negotiations were concluded in December 2002.

On September 2003 the last Comprehensive Monitoring Report is publish. Based on individual country the reports present the remaining gaps and present policy options for dealing with them. Pointing certain important tasks that still must be undertaken between now and the accession date.

To six months before the date of accession, the situation in each country is different but all efforts must be directed to the outstanding issues in the transposition and implementation of the *aquis communautaire*<sup>1</sup>. This is a summary of that situation in Latvia, Lithuania and Poland in the sector of Agriculture and mainly in Rural Development:

|                  | IMPLEMENTATION   | EFFORT   | CONCERN   |
|------------------|--|--|---|
| <b>Latvia</b>    | <i>Agriculture:</i><br>Market organization<br>rural development<br>Horizontal areas<br><br><b>High level of alignment with the acquis</b>  | <i>Regional policy and co-ordination of structural instruments:</i><br><br>legislative framework<br>financial management<br>Control<br>institutional structures  | <i>Free movement of persons</i><br><i>Taxation</i><br><i>Agriculture:</i><br>TSE  |
| <b>Lithuania</b> | <i>Agriculture:</i><br>Market organization<br>rural development<br>Horizontal areas<br><br><b>High level of alignment with the acquis</b>  | <i>Regional policy and co-ordination of structural instruments:</i><br><br>financial management<br>Control<br>institutional structures   | <i>Free movement of persons</i><br><i>Fisheries</i>   |
| <b>Poland</b>    | <i>Agriculture:</i><br>Market organization<br>rural development<br>Horizontal areas<br><br>animal disease control<br>zoothechnics<br><br><b>High level of alignment with the acquis</b> <sup>2</sup> | <i>Agriculture:</i><br>common market organization for milk, beef and eggs<br><br>rural development<br>horizontal areas<br><br>trade mechanisms<br>trade in live animals<br>common measures<br>animal welfare | <i>Free movement of persons</i><br><i>Agriculture:</i><br>Paying Agencies<br>Integrated Administration and Control Systems<br>agri-food |

<sup>1</sup> This reports and the next to follow are based in the degree of achievement of the *aquis communitaire*, concept that permits the EU to maintain the cohesion and proceed with its objective of deeping despite its increasing number of members state accedes to the Union constitutes an indivisible whole, the *aquis communitaire*, that each member state is obligated to accept and effectively implement.

The *aquis communitaire* consist of:

- The content, principles and political objectives of the Treaties
- Legislation adopted pursuant to the Treaties, and the case law of the Court of Justice
- Statements and resolutions adopted within the Union framework
- Joint actions, common positions, declarations, conclusions and other acts within the framework of the common foreign and security policy
- Joint actions, joint positions, conventions signed, resolutions and other acts agreed with the framework of justice and home affairs
- International Agreements concluded by the Community and those concluded among themselves by the member states with regard to Union activities.

No permanent derogation from the *aquis* is permitted. Today the *aquis communautaire* consist about 80,000 pages, but it is continually being changed, improved and increased as the EU continues forward.

<sup>2</sup> For more details and information go to:

[http://www.europa.eu.int/comm/enlargement/report\\_2003/pdf/summary\\_paper2003\\_full\\_en.pdf](http://www.europa.eu.int/comm/enlargement/report_2003/pdf/summary_paper2003_full_en.pdf)

Although the programming process is proceeding satisfactorily, enhanced efforts are required, to be able to implement the *Structural and Cohesion Funds*. These efforts are particularly pressing considering that actions will be eligible for EU funding as for 1<sup>st</sup> January 2004, less than two months from now.

It is important to consider the following remark made by the Commission in this document: “A particular problem in all acceding countries is the lack of a sufficient number of quality projects ready to be launched.”

In *agriculture*, preparation for the application of the Common Agricultural Policy are finalized as required in most areas and countries, there are no major foreseeable problems to apply the various common market organization or the rules on state aid, quality and organic farming, etc. Plans for rural development measures involving EU funding are well developed and should be able to start on time.

In view of its role as guardian of the Treaties, the Commission will continue monitoring until accession. Intending to concentrate on the issues requiring enhanced efforts and the specific issues of serious concern, presented in the chart before. These actions should be solved before the 1<sup>st</sup> May 2004.

But, if a new member state does not respect the procedural or substantive rules concerning payment in agriculture or payments for projects and measures under the *Cohesion Fund* or *Structural Fund*, the Commission will not be able to release funds from the Community budget. Affecting everyone’s interests.

After accession, the Commission will assume its normal role as dealing with a Member State, assuming its normal tasks of co-ordination and enforcing the rules of the *acquis*, and where necessary will take administrative and legal action.

## **Single Programming Document**

Laid down in the Regulation (EC) No 1260/1999 and in the Commission’s methodological documents, the Single Programming Document (SPD) or the National Development Plan (NDP) is the document that defines the most important objectives and priorities for economic and social development upon accession to the European Union. It is a further strategic socio/economic development plan for a determined period.

The SPD or NDP sets out the developmental strategy in each country. It is divided in “Priorities” and each priority outlines dedicated areas of intervention known as “Measures”, identified to become the key strategic topics to be implemented in the new member.<sup>3</sup>

---

<sup>3</sup> Priorities identified in documents as: *The national long- term development strategy and The national agreement for economic and social cohesion*. The names could change on each country.

Considering important the knowledge of the location of “Rural Development Area” as a Priority and its different Measures, inside the SPD in each country of our interest, the next chart presents the document and position of this information<sup>4</sup>:

| Country          | Document   | Priorities  | Measures: Rural Development   |
|------------------|--|---|---|
| <b>Latvia</b>    | * Draft Programme Complement of the single Programming Document for Latvia 2004-2006<br>* Draft Single Programming Document, Objective 1 Programme 2004-2006     | 1.Promotion of Territorial Cohesion<br>2.Promotion of Enterprise and Innovation<br>3. Development of Human Resources and Promotion of Employment<br>4. Promotion of Agriculture and Development of Rural Areas<br>5. Promotion of Sustainable Fisheries Development | Investments in agricultural holdings<br>Young farmer support<br>Land improvement<br>Diversification of rural economic activities<br>Leader+ type measure<br>Training  |
| <b>Lithuania</b> | * Single Programming Document of Lithuania<br>* 2003, June Draft Version - Rural development measures  | 1. Development of Social and economic infrastructure<br>2. Human resource development<br>3. Development of Productive Sector<br>4. Rural and fisheries development<br>5. Technical assistance   | Investments in agricultural holdings<br>Setting up of Young Farmers<br>Improving processing and marketing of agricultural products<br>Promoting the adaptation and development of rural areas<br>Forestry development<br>Leader+ type measure<br>Training |
| <b>Poland</b>    | * National Development Plan Poland 2004-2006<br>* Sectoral Organisational Programme: Restructuring and modernisation of the food and rural development 2004-2006 | 1. Growth of competition<br>2. Development of Human Resources<br>3. Development of rural areas<br>4. Fishing industry<br>5. Transport and marine economy<br>6. Environment protection and water management<br>7. Technical assistance                               | Investments in agricultural holdings<br>Young farmer support<br>Land reparation<br>Promoting the adaptation and development of rural areas<br>Leader+ type measure<br>Training  |

The measures concerned in this specific summary are the ones involved in the Rural Development Area and mainly the Leader+ one. With the purpose of reaching a clear understanding, this paper will present a resume of what Rural Development means in the new Members, where their guidelines are presented and more general information. So later we can understand the meaning, goals, objectives and methodology of the Leader+ programme in Latvia, Lithuania and Poland.

<sup>4</sup> Deeper and more detailed information can be founded in each SPD.

## Rural Development

---

The objective of a Rural Development Policy is to introduce a sustainable and integrated Rural Development Policy governed by a single legal instrument to ensure better coherence between rural development and the prices and market policy of the Common Agricultural Policy (CAP) and to promote all aspects of rural development by encouraging the participation of local actors. In this spirit, the new Rural Development Policy, relating to farming and conversion to other activities, aims<sup>5</sup>:

- to improve agricultural holdings,
- to guarantee the safety and quality of foodstuffs,
- to ensure fair and stable incomes for farmers,
- to ensure that environmental issues are taken into account,
- to develop complementary and alternative activities that generate employment, with a view to slowing the depopulation of the countryside and strengthening the economic and social fabric of rural areas,
- to improve living and working conditions and promote equal opportunities.

This guidelines concern each member in the EU and the conditions, programmes and measures are adjusted to each country's needs. It is under this perspective that Chapter IXa of the Rural Development provisions of Accession Treaty describes the specific measures for the new Member States. Here lays down the conditions for transnational rural development measures and addresses the specific needs of the New Member states during the programming period 2004-2006.

## Leader+

---

It is under Article 33f, Chapter IXa, that the legal basis for the Leader+ type measures are founded, aiming to support the measures related to the acquisition of skills intended to prepare rural communities to conceive and implement local rural development strategies by technical support, information and training, the building of representative local development partnerships, drawing up integrated development strategies and financing research and preparing application for support. Granted for the adoption of integrated territorial rural development strategies, of a pilot nature.

All these will be reached by three main actions:

1. Support for integrated territorial rural development strategies based on the bottom-up approach and horizontal partnership;
2. Support for inter-territorial and transnational cooperation;
3. The networking of all rural areas in the Community.

The experience accumulated by the EU shows that the Leader Initiative has a positive and crucial impact on the development of rural areas. Being the essence of this programme, the creation of public-private partnerships for the creation and implementation of development strategies as well as the exchange and dissemination of experience.

---

<sup>5</sup> <http://www.europa.eu.int/scadplus/leg/en/lvb/l60026.htm>

The encouragement to form local organizations and supporting them stimulate civic activity and the participation of local communities in the initiatives aimed at their development.

This priority pretends to contribute to improvements with regard to spatial development and rural infrastructure, including resources linked to economic, social and cultural functions as well as the creation of new sources of income for rural residents.

After this short introduction is time to present the basis for Leader+ in Latvia, Lithuania and Poland<sup>6</sup>:

|                  | Goals  | Objectives  | Scope of aid   | Implementing Agency                                 | Total cost |
|------------------|--|---|--|---|------------|
| <b>Latvia</b>    | To promote sustainable local development in rural areas by building capacity of local people and institutions.<br>Find new and better ways to solve problems<br>Draw out policy lessons for future direction of rural development.<br>Gain better understanding of bottom-up approach. | 1. Develop the capacity and effective administration skills at the local level<br>2. Enable rural communities to conceive and implement local rural development strategies<br>3. Establish pilot Local Action Groups            | Divided in two Scheme and same for all the countries:<br><br>Scheme I:<br>*Technical assistance<br><br>*Information and training population<br><br>*Establishing representative partnerships   | Ministry of Agriculture<br>Rural Support Service    | 2 696 000  |
| <b>Lithuania</b> | To promote local development activities.<br>Increase the capacity of local people to work together.<br>Obtain experiences and knowledge necessary for the implementation of Leader.  | 1. Develop the institutional framework to stimulate the potential of rural actors<br>2. Build a model of local rural development<br>3. Prepare the rural communities to conceive and implement local rural development measures | *Devising integrated rural development strategies<br><br>* Preparing applications for financial support  | Ministry of Agriculture<br>Ministry of Finance      | 2 929 000  |
| <b>Poland</b>    | The multifunctionality of agriculture.<br><br>The improvement in the quality of life and the development of economic and social functions of rural areas.  | 1. The use of new know-how and new technologies<br>2. Improve the quality of life<br>3. Add value to local products<br>4. Make the best use of natural and cultural resources   | Scheme II:<br><br>*The cost of LAG management<br><br>*The cost of promotional and information activities<br><br>*The cost of specialist, certificates...<br><br>*The cost of training courses for inhabitants of rural areas<br><br>*The cost of exchanging experiences and know-how at the inter-regional and international level | Ministry of Agriculture<br>and Rural<br>Development | 3 055 000  |

All these efforts on the launch of the Leader+ Pilot Programme will have results by the implementation of the Measure from 2007. Meanwhile the aid will be alert on projects focusing on the preparation of local rural societies to create and introduce integrated strategies of Rural Development.

## Future

---

<sup>6</sup> Deeper and more detailed information can be founded in each mentioned document.

A new future in the European Union is about to be written, there is not much time left and the challenges are becoming bigger and bigger for both the “new countries” and the “old ones”. Understanding and information will always make this road easier. So the question at this point is: What is going to happen later in the Rural Development Area and in general?

After Accession and once Members, the countries will assume the obligations and rights that they accepted by signing the Accession Treaty in Athens on 16 April 2003. 2004 to 2006 period represent a time for adjustments and preparation, in this understanding the new countries will be able to count with special organisms and processes that their own conditions allow.

The economic and social disparities after enlargement represent an unprecedented challenge, and different kinds of helps are being reinforced in these New Members. Programmes and money is ready to be distributed. In 2000-2006, a total of EUR 235 billion has been assigned to cohesion policy, and another EUR 22 billion in structural assistance for the new Member states, making the total envelope EUR 257 billion.

But is important to remember that if a new Member State does not respect the procedural or substantive rules concerning, for this case, payments in agriculture or payment for projects and measures under the Cohesion Fund or Structural Funds, the Commission will not be able to release funds from the Community budget. From accession, the Commission will assume its normal role vis-à-vis a Member State but monitoring of the fulfillment of the new Member States` obligations will not diminish.

As from accession, further targeted assistance to improve implementation and enforcement of the *acquis* will be available to the public administrations of the new Members through the Transition Facility. The Transition Facility is a new temporary instrument to continue assisting the New Members to develop and strengthen their administrative capacity to implement and enforce Community legislation in a number of key areas. A total amount of EUR 426 million is available for the three first years after accession.

The ISPA and Sapard programmes will be succeeded by the larger Cohesion Funds and the European Agricultural Guidance and Guarantee Fund (EAGGF) respectively. A smooth transition will be assured by on-going actions on rural development under Sapard. In addition, projects in new Member will be eligible for EU structural funding from the European Regional Development Fund and the European Social Fund as of 1 January 2004.

As mentioned by Dr. Franz Fischler Member of the European Commission responsible for Agriculture, Rural Development and fisheries Trade, Reform, and the Future of Europe, at his lecture at the University of Applied Science IMC, Krems Krems: “...we leave behind us a year that has had a profound influence on the future of agricultural policy, and embark on a year that is set to reshape modern European history....” And Seagull is part of it.

Article 33f, Chapter IXa the legal basis for the Leader+ type measures<sup>7</sup>:

1. Support may be granted for measures that are related to the acquisition of skills intended to prepare rural communities to conceive and implement local rural development strategies.

These measures may include, in particular:

- a) technical support for studies of the local area, and territory diagnosis taking into account the wishes expressed by the population concerned;
- b) information and training of the population to encourage an active participation in the development process;
- c) building representative local development partnerships;
- d) drawing up integrated development strategies;
- e) financing research and preparing application for support.

2. Support may be granted for the adoption of integrated territorial rural development strategies, of a pilot nature, prepared by local action groups in accordance with the principles laid down guidelines for the Community initiative for rural development (Leader+)\* This support shall be limited to regions where there is already sufficient administrative capacity and experience of local rural development type approaches.

3. The local action groups referred to in §2 may be eligible to participate in inter-territorial and transnational cooperation actions in accordance with the principles laid down in items 15 to 18 of the Commission Notice referred to §2.

4. The new Member States and local action groups shall be given access to the Observatory of Rural Areas provided for in point 23 of the Commission Notice referred to in §2.

Annex 1

---

<sup>7</sup> For text see Annex: Article 33f. [http://europa.eu.int/comm/agriculture/rur/access/treaty\\_en.pdf](http://europa.eu.int/comm/agriculture/rur/access/treaty_en.pdf)