

SZENT ISTVÁN UNIVERSITY GÖDÖLLŐ

PHD SCHOOL OF MANAGEMENT AND BUSINESS ADMINISTRATION

**IMPACT OF THE SAPARD PROGRAMME ON THE RURAL
DEVELOPMENT SYSTEM IN EASTERN-CENTRAL EUROPEAN
COUNTRIES**

THESIS OF DOCTORAL (PHD) DISSERTATION

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PhD School

Name: **PhD School of Management and Business Administration**

Scientific Branch: **Management and Business Administration**

Head of School: **Dr. István Szűcs**

Professor univ, doctor of the Hungarian Academy of Sciences

SZIU, Faculty of Economics and Social Sciences

Institute of Economics and Methodology

Supervisor: **Dr. István Fehér PhD, közgazdaságtudomány**

SZIU, Faculty of Economics and Social Sciences

Institute of Marketing

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Signature of the Head of School

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Signature of the Supervisor

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1. INTRODUCTION, OBJECTIVES

1.1 The actuality of the topic

Hungary joined the European Union on the 1st of May 2004 prior to and at that time several changes occurred in the country's political and economic life-cycle, as well as in the other nine new member countries. The change started well before 2004, and since we were "Candidate Country" we could use the available pre-accession programmes. These programmes aimed to help the Candidate Countries in the preparation of the implementation of the "acquis communautaire" and to teach them how to use the EU funds after accession. The agriculture and the rural development and its preparation for the accession had a particular importance in these countries and they had a relatively short period to provide better position of farmers, of the rural population and of the life in rural areas before joining the EU.

Being a Candidate Country the "competition" had started among the countries. In order to use and take advantage of the available the rural development funds two things are required: on one hand a well prepared institutional background and on the other hand, well prepared beneficiaries, applicants. The common objective is to maintain the viability of the rural economy with the use of central and local funds, subsidies.

The SAPARD¹ programme, began with the initiative of the European Union, in contrast with the Phare programme was aimed at providing Community support for pre-accession measures for agriculture and rural development (to farmers, rural population, producers, etc.) in order to contribute to the implementation of the previously mentioned "acquis communautaire" concerning the common agricultural policy and in solving priority and specific problems for the sustainable adaptation of the agricultural sector and rural areas in the applicant countries. The SAPARD was the first rural development programme in the Candidate Countries, which operated, as a rural development programme in a Member State and therefore this is the first fully implemented EU rural development programme, which can be assessed and evaluated.

Currently, while the "New Hungary Rural development Programme" is half way through its implementation, we may want to look back and analyse the results and lessons learned. In light of the results we receive, we can continue its implementation and we can prepare for the next programming period, the post 2013. The current Candidate Countries should take into account, these leaning experiences in order to better prepare for the planning and implementation of future pre-accession programmes. During the implementation of the IPA II programme, they have to avoid the "mistakes" of the "predecessors". In addition, it is important to the Member States and to the Candidate Countries that they prepare rural development programmes which promote competitiveness in agriculture and ensure efficiency and sustainable development and create employment opportunities for people living in rural areas.

¹ Special Assistance Program for Agriculture and Rural Development

1.2 Hypotheses, objectives and the structure of the dissertation

The area of the study focused on rural development, on the SAPARD programme and its impacts.

Motivation was to combine theoretical knowledge and practical experience in my dissertation, in particular to assess the implementation of the SAPARD programme and to answer to the following hypotheses:

1. Hypothesis: Based on the similarity of the chosen measures and its financial allocation, groups can be created among the countries, which implemented the SAPARD Programme.
2. Hypothesis: The relative financial importance of the "*Investment into agricultural holdings*" measure was significant in the SAPARD programme (more than 20%), and if so, this "strategy" was carried out in these countries in its own future rural development programmes. Similarly to the SAPARD, this trend can be observed in the new rural development pre-accession programme, it is also evident in IPARD² as well.
3. Hypothesis: The SAPARD program reached its original, overall objective to provide assistance the Candidate Countries in the implementation of the CAP and rural development programmes. In addition, the SAPARD program was successful in achieving each countries national goal.
4. Hypothesis: The SAPARD programme left behind experiences and lessons that can be used both, by the current Member States and by the Candidate Countries in the post 2013 rural development programming period (EAFRD and IPARD).

The main objective of my dissertation is to review the whole implementation of the SAPARD programmes in eight selected countries. To achieve this objective, I synthesised evaluation reports, **and I examined the goals set and reached in order to evaluate the effects of the programme implementation.** In parallel to this assessment, I studied the changes of the European rural development policy from the beginning and I reviewed the chosen measures and implementation of the current rural development pre-accession programme, IPARD, in the Candidate Countries.

My objectives were the followings:

- C.1. To examine the SAPARD plans the chosen and actually implemented measures to reach the objectives set and to find possible correlations between the countries.

² Instrument for Pre-accession Assistance for Rural Development (2007-2013 programming period)

- C.2. To assess the relative financial weight of each of the SAPARD measures, with special focus on the "Investments in agricultural holdings" one in different rural development programmes and periods.
- C.3. To examine whether the SAPARD programme achieved its general objective and the impacts on the agriculture and on the rural development in these countries.
- C.4. To summarise the experiences and the lessons learned from the implementation of the SAPARD programme in order to draft proposals and recommendations to the planning and implantation of future rural development programmes.

The structure of my dissertation follows the logic listed below:

1. The first part introduces the topic, its actuality, my search history, my personal interest and in my commitment to the topic chosen.
2. The second part deals with two main issues. First of all, I introduce and explain the major milestones of the European rural development policy, its objectives and how it measures up to today. Then I review – based on the currently available information – the proposals and the possible ways, paths of the future of rural development policy. Second, I examine in details the pre-accession instruments for rural development - I present the SAPARD programme, its aims, measures, institutional background and implementation.
3. In the third part, I present the methods, which were applied. I also reference the documents, as well as the databases, which were used (e.g. programme documents, evaluation reports, etc).
4. Then I summarise the results based on the following criteria.
 - a. The objectives and the measures of the SAPARD programmes (1., 2. and 3. hypotheses),
 - b. The implementation of SAPARD programmes (4. hypothesis),
 - c. Role of the SAPARD programme (3. hypothesis) and
 - d. The impacts of the SAPARD programme to the implementation of rural development programmes in the 2007-2013 programming period (2. hypothesis).
5. Finally, after examining the findings and formulating new scientific results, I answer my hypotheses, draw my conclusions and devise my recommendations and suggestions.

2. METHODOLOGY

In the case of the SAPARD programme I examined the implementation of the programme in eight countries joined the EU at the same time: the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia. Concerning the IPARD program, the IPARD plans were analysed in Macedonia, Croatia and Turkey.

The **methodologies were applied** are listed below:

1. Literature review

I systematically collected, reviewed and processed both the international and national sources concerning to my topic.

2. Analysing papers

I extensively analysed the papers concerning the operation of the CAP, the rural and regional policy in the EU (Structural Funds). In addition, I analysed the program documents (SAPARD, IPARD plans and ERDF programmes) and the ex post evaluation reports of each country.

3. Statistical analyses

The statistical analyses of selected indicators are aimed at examining the financial weight and role of each measures of SAPARD/IPARD/EAFRD.

4. Structuring theoretical approaches

It covered the analysis of information and data used for drawing the conclusions.

5. Participation in scientific conferences, seminars, debates and study tours

During my research and in the preparation of the dissertation, these activities permitted me deeper insight into the rural development of the EU and its implementation.

6. Giving presentations

Lectures and participation in professional meetings contributed to my work. In addition, questions after the presentations and discussions shed new light on particular problems, and drew my attention to some - even missing – research areas or problems.

7. Mathematical and statistical methods

In order to answer to the hypotheses raised that groups can be formed among the countries based on the original financial allocation, hierarchical cluster analysis (Ward's aggregation procedure) were used as a multivariate statistical method. The analyses were carried out with using the SPSS 18.0 (PASW Statistics 18) for Windows, a statistical software package.

3. RESULTS

3.1 Comparison of the objective and the eligible measures of SAPARD programme

The SAPARD plans were in line with other pre-accession instruments, there was no overlap among them, as ISPA³ supported large-scale (transport and environment) infrastructure development projects, while Phare focused on institutional building.

Altogether 15 measures were available for the Candidate Countries and 12 were finally chosen. For example, the Czech Republic and Slovakia chose the highest number of measures (10-10 pc.), Slovenia the lowest five. The most noticeable difference between the chosen and in the end, implemented measures, was in Hungary and Estonia. Fortunately, it did not result in the loss of SAPARD funds, because they had been reallocated to other measures.

The following matrix presents the chosen and finally implemented measures per country. (The "●" represents the chosen measures and the „√" shows the implemented ones.)

Measures	CZ	EE	HU	LV	LT	PI	SK	SI
Investments in agricultural holdings	●√	●√	●√	●√	●√	●√	●√	●√
Processing and marketing ...	●√	●√	●√	●√	●√	●√	●√	●√
Improving structures for quality, vet. ...	●√							
Agricultural production methods ...	●√	●	●	●	●	●	●√	
Economic diversification	●√	●√	●√	●√	●√	●√	●√	●√
Setting up producer groups			●				●√	
Renovation and development of villages	●√	●√	●√					
Land improvement and reparation	●√			●			●√	
Vocational training	●√		●	●√	●√	●√	●√	
Dev. of rural infrastructure	●√	●√	●√	●√	●√	●√	●√	●√
Forestry		●		●√	●	●	●√	
Technical assistance	●√	●	●√	●√	●√	●√	●√	●√

Figure 1 The chosen and implemented measures of the SAPARD programme

Source: Based on programming documents (SAPARD plans), 2011

After the analysis of the internal logic, coherence and structure of the SAPARD plans I concluded that the structure of the plans was not consistent in the majority of the Candidate Countries because the rationale of choosing a measure was not justified. For example, I found in the Hungarian SAPARD plan that the selection of the "Developing and improving rural infrastructure", the "Improving vocational training" and "Renovation and development of villages" measures were not justified under the Specific objectives part of the plan. The need of "Investments in agricultural holdings", the "Processing and marketing of agricultural and fishery products" and "Economic diversification" measures were well explained, however, the justification of "Renovation and development of villages" measure were missing (neither under the targets, nor under the part of the SWOT analysis). After analysing the program-specific goals and the underlying needs, I found that the Hungarian SAPARD plan did not

³ Instrument for Structural Policies for Pre-Accession

propose solution for two shortcomings, namely the low educational level in agriculture and land ownership and land use problems. To mention further examples, in the Estonian SAPARD Plan, the objectives related well to the chosen measures, consistently supported the selection of each measure, only project/programme plans to implement the "*Forestry*" measure were not elaborated. In the Polish SAPARD plan – similarly to the Hungarian one - the justification of the „Forestry” measure was omitted both from the objectives and the SWOT analysis part of the plan. Other similarities are that the necessity of the "*Investments in agricultural holdings*", the "*Processing and marketing of agricultural and fishery products*" and "*Economic diversification*" measures are properly justified. As a deficiency, they did not provide expected outcomes and impacts to their measure with the largest financial weight, the "*Developing and improving rural infrastructure*".

This can be improved upon in the future if **a strategy is obligatory in order to prepare to the pre-accession programmes as well, which focus on the analysis of the current situation** (SWOT analysis), **accurately define the problem and shortcomings. The tools/measures chosen should be based on this analysis and definitions and also the quantification of its effects are required** as well. It is important to emphasize that the SAPARD programme was the first strategy based agricultural and rural development programs for seven years. Consequently, it contributed to the strategy based planning in the Candidate Countries as it is expected now. Since only a short amount of time was available before the accession of these countries, the fulfilment of the "partnership principle" was not achieved fully during the preparation of the SAPARD plans. Therefore, many suggestions and or proposals could not be included into the plans, and the mistakes of the programming were corrected later with programme modifications. Due to the relatively short period of time allotted before the joining the EU, the Candidate Countries focused on the implementation of measures which had high absorption capacity and which had implementation experiences already in the national systems, these measures were incorporated into the SAPARD plans, and these were launched first. In order to avoid the latter programme modifications and the mistakes of programming it is suggested giving more place and possibility to the bottom-up approach and to involve the social partners, stakeholders in the phase of programming and implementation.

We can conclude that the **logical structure of the plans was not consistent** among the majority of the Candidate Countries because the choice of many measures was not justified. In addition, **there was a significant reallocation of funds between measures** during the implementation of the SAPARD programme, which of **course affected the originally defined objectives**. As a result **the application of the strategic planning was not appropriate** and in my opinion, **the SAPARD programme could not be successful in achieving the individual (national) objectives**.

The allocation of financial sources at measure level was unequal. Taking into account the original SAPARD plans, the "*Processing and marketing of agricultural and fishery products*" measure had the highest financial importance and it was followed by the "*Investments in agricultural holdings*" measure.

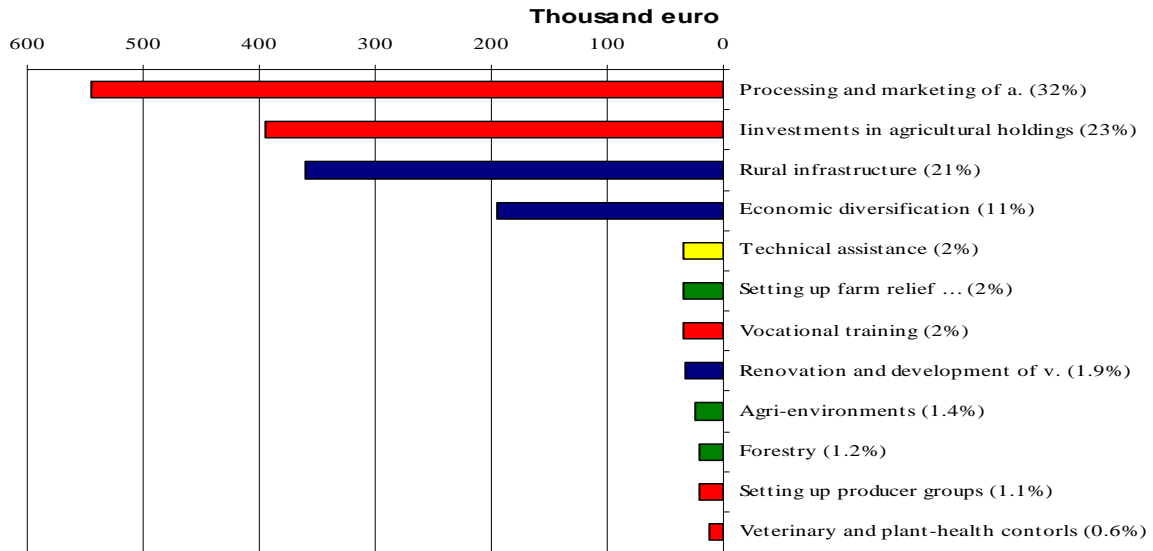


Figure 2 The order of SAPARD measures based on the original allocation of funds

Source: SAPARD plans, elaboration in 2011

We cannot ignore the fact that there was a significant reallocation of funds during the implementation of the SAPARD programme. When we take into account the final, allocated budget the order and the financial weight of the measures have changed: the "Developing and improving rural infrastructure" measure became the first one to do so. The figure below shows the change between the originally and finally allocated budget in the case of the six measures illustrated below (the bubble size shows the share concerning the finally allocated budget, x-axis shows the change in share in percentage, the y-axis represents the share rate of change shown in percentage).

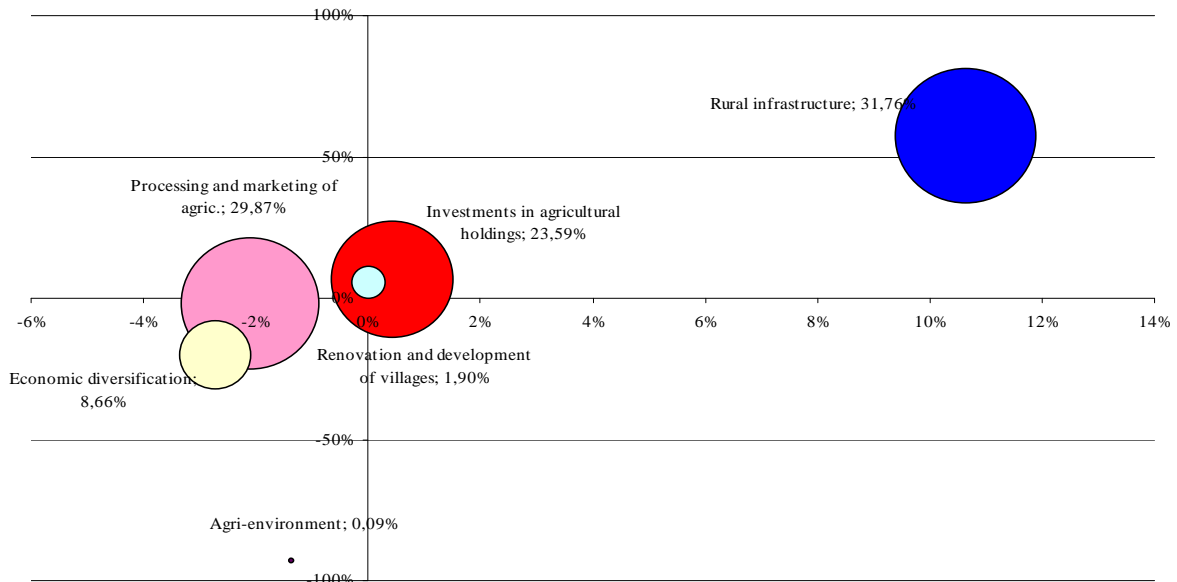


Figure 3 The change of financial importance of six measures during the implementation of the programme

Source: Financial tables in SAPARD plans, elaboration in 2011

The figure shows that the share of "Investments in agricultural holdings", "*Processing and marketing of agricultural and fishery products*" and "*Developing and improving rural infrastructure*" measures in the final budget allocation is respectively, about 24%, 30% and 32%. The planned and final share of the first measure shows 0.4% growth, and the final allocation is approximately 7% higher than the amount originally grouped for this measure. The financial share of the "*Developing and improving rural infrastructure*" measure increased by 11% (comparing the original and the final allocation). Due to the budget reallocations the financial importance of the following measures decreased significantly: "*Agricultural production methods protecting environment and maintaining the countryside*", "*Setting up producer groups*", "*Economic diversification*", "*Forestry*" and "*Technical assistance*".

In addition to the statistical analysis, which was carried out, a cluster analysis is used in order to compare the support for "structure" of the countries examined based on the share of originally allocated budget and to look for correlation between the countries and to create groups if possible. According to the result of the cluster analysis, three groups can be created based on the same importance of significant measures:

1. Group: Hungary, Latvia, ("*Investment in agricultural holdings*" (HU-26.8%, LV-25.5%), "*Processing and marketing of agricultural and fishery products*" (HU-26.7%, LV-27.5%), "*Developing and improving rural infrastructure*" (HU-11%, LV-12%)).
2. Group: Lithuania and Slovenia ("*Investment in agricultural holdings*" (LT-42.6%, SI-33.9%), "*Processing and marketing of agricultural and fishery products*" (LT-29.9%, SI-38.7%), "*Developing and improving rural infrastructure*" (LT-15.2%, SI-12.9%)).
3. Group: The other four countries. Poland and the Czech Republic differ from the other countries. It is because the Czech SAPARD programme shows the most balanced budget allocation among the measures. The financial weight of the measures aimed at improving the competitiveness in agriculture, such as the "*Investment in agricultural holdings*" and the "*Processing and marketing of agricultural and fishery products*" measures are between 16 and 18%. These are the lowest comparing with all of the countries. Poland planned the "*Developing and improving rural infrastructure*" with exceptionally high financial weight (30%).

3.2 Assessment of the implementation of SAPARD programme

In parallel with the preparation of the SAPARD plans, the Candidate Countries had to set up **the institutional background** for the implementation of the current and the future rural development programmes. This process was a great challenge for all Candidate Countries, and this process took a lot of time. In some cases, the risk of losing SAPARD funds was raised. (Accreditation/conferral of the management of paying agencies took an average of 21 months.) Accreditation of the individual measures per country varied. The first measures were

accredited in 2001 (Estonia, Latvia, Lithuania and Slovenia) and then in 2002 (Czech Republic, Hungary, Poland and Slovakia). Each country was given a conferral on the management of measures in 2003 (Czech Republic, Estonia, Lithuania, Latvia, Poland and Slovakia). This also includes the year of the accession, in 2004 (Hungary and Slovenia). It shows that the program was significantly delayed. I ask: What would be the role of measures in the preparation of the accession that were accredited or launched in 2004? Additionally, I examine which measures were accredited. I examined the measures, which were first accredited in the Candidate Countries and the results show that all countries, without exception, first accredited and implemented the "Investments in agricultural holdings" and "*Processing and marketing of agricultural and fishery products*" measures. This is partly justified by the fact that the SWOT analysis of all candidate countries mentions the low level of farm and processing industries equipment supply. In addition, these measures have excellent absorption capacities; consequently, their allocated budgets could be spent relatively fast. The quick commitment and disbursement of the SAPARD budget had strong political interests in these countries, since the Annual Financing Agreement determined the use of SAPARD funds and after the closing date, the SAPARD funds would have been lost.

In my opinion, the institution-building experience was established, and could later be used in the implementation of latter rural development programmes. Some experiences on the institutional background should be highlighted:

- The staff was involved throughout the entire implementation process (programming, implementation, payment, control, monitoring, etc), the implementing institutions built the necessary internal structure and communication lines, which were already in place and as a result, were used in the implementation of future rural development programmes.
- Despite the fact that the candidate countries have not put emphasis on the operational monitoring system because the preparation for accreditation had the priority the monitoring system were established in all of the Candidate Countries (setting up the SAPARD monitoring committees, definition and inclusion of monitoring indicators per measure, data collection, etc.). It strongly contributed to the monitoring systems in the next rural development programming periods.
- Due to error and the lack of available monitoring data, the programme evaluation, which is based on the monitoring system - could not be effective. I believe that the requirement of three mandatory evaluations (ex ante, interim and ex post) was excessive in relation to the duration of the programme. However, the evaluation reports provided information and suggestions for decision makers to incorporate into their conclusions regarding current and future agricultural and rural development policy (for example, proposals on the structure of a rural development programme, partnership, etc.).
- It has been proven that the paper-based implementation of SAPARD programme imposed a burden on the entire administration, and did not allow for fast and efficient extraction of data for management, for the decision makers and for the members of the

monitoring committees. Consequently, it became apparent that software support would be crucial for the implementation of further rural development programmes.

- The implementation of the SAPARD programme helped in the preparation for the post-accession rural development programmes not only for the institutional background, but for the beneficiaries/applicants as well. It introduced a new approach of application (call for tenders, preparing business plan, provide certificates, planning by milestones) and of implementation of a project (contracting, reporting, sound management, audits and on the spot controls, etc.) in the field of agriculture and rural development.

Concerning the financial implementation of the SAPARD programme, the total paid assistance (including the EU funds and related co-financing) was € 1.77 billion. The largest share having been paid under the "*Developing and improving rural infrastructure*", to "*Processing and marketing of agricultural and fishery products*" and to "*Investments in agricultural holdings*" measures. The payments were negligible (less than 1% of the total) for the following measures: "*Improving structures for quality, veterinary and plant-health controls*" (0.5%), "*Agricultural production methods protecting environment and maintaining countryside*" (0.1%), "*Vocational training*" (0.5%), "*Forestry*"(0.2%) and „*Technical assistance*” (0.2%). (These measures have a higher financial share in the following programming periods (2004-2006 and 2007-2013). Concerning the payments in the eight countries, the order of measures is the following:

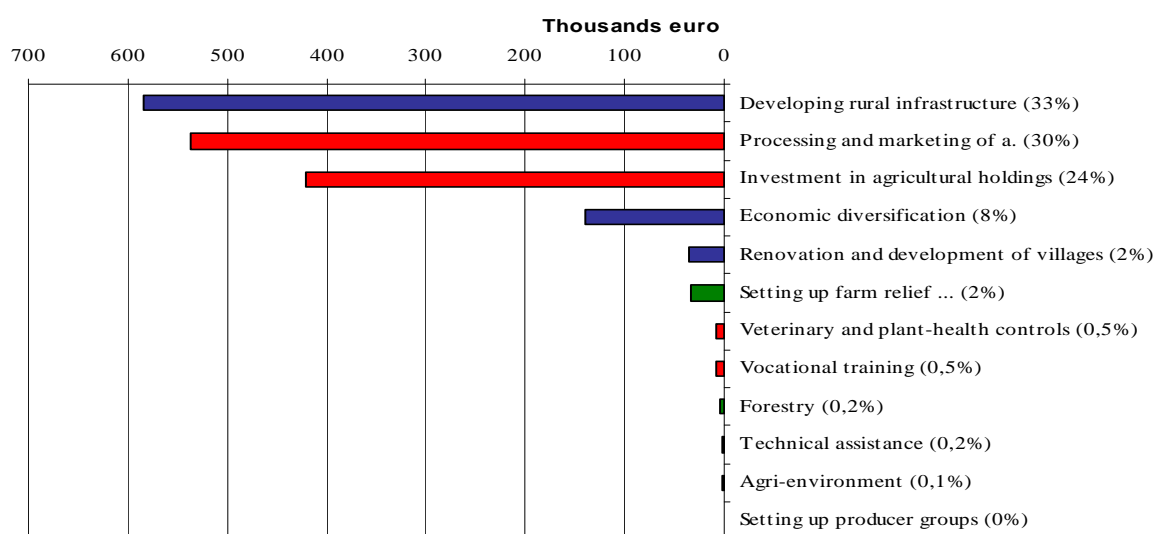


Figure 4 The order of SAPARD measures – based on the payments in the eight Candidate Countries

Source: Financial tables of ex-post evaluation reports, elaboration in 2012

As an overall conclusion, the SAPARD programme had very good absorption capacity, due to the fact that, 100% of the available budget was used by the Candidate Countries. The measures with the highest rate of use are as follows: "*Investments in agricultural holdings*", "*Processing and marketing of agricultural and fishery products*", "*Improving structures for quality, veterinary and plant-health controls*", "*Agricultural production methods protecting*

environment and maintaining countryside". In contrast, the final allocated budget was not fully used for the "*Economic diversification*", "*Setting up producer groups*", "*Vocational training*", "*Forestry*" and the "*Technical Assistance*" measures.

Unfortunately, originally, planned measures have not been implemented in more than half of the eight countries (EE, HU, LV, LT, and PL). Without exception, the "*Agricultural production methods protecting environment and maintaining countryside*" and the "*Forestry*" measures are among them.

It is evident, that the 2nd and the 4th figure differ from each other, because both the order of the measures and their share in the total SAPARD budget has changed. I note that **the nature of financial reallocation during the implementation of the programme was the same in all countries**. The original budget decreased, or remained the same of the "*Improving structures for quality, veterinary and plant-health controls*", the "*Agricultural production methods protecting environment and maintaining countryside*" and "*Economic diversification*", the "*Setting up producer groups*", the "*Land improvement and re-parcelling*", the "*Vocational training*" and "*Technical assistance*" measures. The originally allocated budget decreased in the case of "*Investments in agricultural holdings*", the "*Processing and marketing of agricultural and fishery products*", the "*Renovation and development of villages*" and "*Developing and improving rural infrastructure*" in the majority of Member States. The most significant change is illustrated in "*Developing and improving rural infrastructure*" in Poland, where the originally planned budget was increased by 17 percentage points. The reduction was the most significant in the case of "*Economic diversification*" measure in Hungary (-13 percentage, point decrease).

To complement the statistical analyses, I carried out cluster analyses taking into account percentage shares of SAPARD payments per measure. The result was significantly different from the previously described findings. The composition of groups had changed. It also confirms that there were significant changes during the short implementation of the SAPARD programme, due to the reallocation of originally planned budget and also indicated by the decreasing number of measures implemented. During the implementation of the programme the nature of budget-reallocation was the same in all countries. Just to highlight few examples, the original budget decreased or remained unchanged concerning the following measures: the "*Agricultural production methods protecting environment and maintaining countryside*" and the "*Economic diversification*" and the "*Setting up producer groups*", the "*Vocational training*" and the "*Technical assistance*". The originally allocated budget for the "*Investments in agricultural holdings*" and "*Developing and improving rural infrastructure*" measures increased significantly for the majority of the Candidate Countries.

My results show that the SAPARD programmes, plans were not properly established, their implementation did not follow the original plans and strategies, and as a result, some of national objectives, targets of the SAPARD plans could not be achieved. Both the experiences of programming and implementation justify the necessity of a strategic document

even in the pre-accession programmes. With the preparation of a strategy the “programmer” is forced to assess and think over - with the involvement of economic and social partners and stakeholders - the possibilities, problems and objectives and the best measures, in which to achieve them. In addition, it gives a framework to implement the rural development plan; it is more difficult to deviate from this strategy during the implementation of the programme. Of course, the modification of the programmes cannot be avoided because many external factors (economic, social, natural, etc.) can be changed in seven years, but it was not the case in the SAPARD programme. During its short implementation period it was not influenced by external, unexpected economic or social event.

The following two tables (Table 1. and 2.) summarise the experience of the implementation of the SAPARD programme per country, and per measure.

In parallel with the preparation of the SAPARD plans, the Candidate Countries had to set up **the institutional background** for the implementation of the current and the future rural development programmes. This process was great challenge for all Candidate Countries, and this process took a lot of time, therefore in some cases, the risk of losing SAPARD funds raised. (Accreditation/conferral of the management of paying agencies took an average of 21 months.) Accreditation of the individual measures per country has varied. The first measures were accredited in 2001 (Estonia, Latvia, Lithuania and Slovenia) and then in 2002 (Czech Republic, Hungary, Poland and Slovakia). Every country had conferral of the management of measures in 2003 (Czech Republic, Estonia, Lithuania, Latvia, Poland and Slovakia), and even in the year of the accession, in 2004 (Hungary and Slovenia). It shows that the program significantly delayed. I would ask the following question: What could be the role of measures in the preparation of the accession that were accredited or launched in 2004? In addition, I examined which measures were accredited first in the Candidate Countries and the results show that all countries, without exception, accredited and implemented first the "Investments in agricultural holdings" and "*Processing and marketing of agricultural and fishery products*" measures. This is partly justified by the fact that the SWOT analysis of all candidate countries mentions the low level of farm and processing industries equipment supply. In addition, these measures have excellent absorbing capacities; therefore the allocated budget on them could be spent relatively fast. The quick commitment and disbursement of SAPARD budget had strong political interest in these countries, since the Annual Financing Agreement determined the use of SAPARD fund and after the closing date the SAPARD funds would have been lost.

In my opinion, the institution-building in the experience could be built, could be used later during the implementation of latter rural development programmes. Some experiences on the institutional background should be highlighted:

- The staff was involved in the whole implementation (programming, implementation, payment, control, monitoring, etc), the implementing institutions built the necessary internal structure and communication lines, which are already existed therefore, were used in the implementation of future rural development programmes.

- Despite the fact that the candidate countries have not put emphasis on the operational monitoring system because the preparation for accreditation had the priority the monitoring system were established in all of the Candidate Countries (setting up the SAPARD monitoring committees, definition and inclusion of monitoring indicators per measure, data collection, etc.). It strongly contributed to the monitoring systems in the next rural development programming periods.
- Due to the errors and the lack of available monitoring data the programme evaluation – which is based on the monitoring system - could not be effective. I believe that the requirement of three mandatory evaluations (ex ante, interim and ex post) was excessive in relation to the duration of the programme. However, the evaluation reports provided information and suggestions for the decision makers to incorporate in their decisions regarding to current and future agricultural and rural development policy (for example, proposals on the structure of a rural development programme, partnership, etc.).
- It has been proven that the paper-based implementation of SAPARD programme imposed a burden on the entire administration, and did not allow for fast and efficient extraction of data for management, for the decision makers and for the members of the monitoring committees. Consequently, it became clear that a software support is crucial for the implementation of further rural development programmes.
- The implementation of the SAPARD programme helped in the preparation for the post-accession rural development programmes not only for the institutional background but for the beneficiaries/applicants as well. It introduced a new approach of application (call for tenders, preparing business plan, provide certificates, planning by milestones) and of implementation of a project (contracting, reporting, sound management, audits and on the spot controls, etc.) in the field of agriculture and rural development.

Concerning the financial implementation of the SAPARD programme, the total paid assistance (including the EU funds and related co-financing) was € 1.77 billion. The largest share have been paid under the "*Developing and improving rural infrastructure*", to "*Processing and marketing of agricultural and fishery products*" and to "Investments in agricultural holdings" measures. The payments were negligible (less than 1% of the total) for of the following measures: "*Improving structures for quality, veterinary and plant-health controls*" (0.5%), "*Agricultural production methods protecting environment and maintaining countryside*" (0.1%), "*Vocational training*" (0.5%), "*Forestry*"(0.2%) and „*Technical assistance*” (0.2%). (These measures have higher financial share in the next programming periods (2004-2006 and 2007-2013)). Concerning the payments in the eight countries, the order of measures is the following:

As an overall conclusion, the SAPARD programme had very good absorption capacity because the 100% of the available budget was used by the Candidate Countries. The measures with the highest rate of use are the follows: "*Investments in agricultural holdings*", "*Processing and marketing of agricultural and fishery products*", "*Improving structures for*

quality, veterinary and plant-health controls", *"Agricultural production methods protecting environment and maintaining countryside"*. In contrast, the final allocated budget was not fully used for the *"Economic diversification"*, *"Setting up producer groups"*, *"Vocational training"*, *"Forestry"* and the *"Technical Assistance"* measures.

Originally planned measures have not been implemented unfortunately in more than half of the eight countries (EE, HU, LV, LT, and PL). Without exception, the *"Agricultural production methods protecting environment and maintaining countryside"* and the *"Forestry"* measures are among them.

It can be seen that the 2nd and the 4th figure differ from each other, because both the order of the measures and their share in the total SAPARD budget have changed. I note that **the nature of financial reallocation during the implementation of the programme was the same in all countries**. The original budget decreased, or remained the same of the *"Improving structures for quality, veterinary and plant-health controls"*, the *"Agricultural production methods protecting environment and maintaining countryside"* and *"Economic diversification"*, the *"Setting up producer groups"*, the *"Land improvement and reparation"*, the *"Vocational training"* and *"Technical assistance"* measures. The originally allocated budget decreased in the case of *"Investments in agricultural holdings"*, the *"Processing and marketing of agricultural and fishery products"*, the *"Renovation and development of villages"* and *"Developing and improving rural infrastructure"* in the majority of Member States. The most significant change is occurred with the measure *"Developing and improving rural infrastructure"* in Poland, where the originally planned budget was increased by 17% points. The reduction was the most significant in the case of *"Economic diversification"* measure in Hungary (-13% points decrease).

To complement the statistical analyses, I carried out cluster analyses taking into account percentage shares of SAPARD payments per measure. The result is significantly different from the previously described, the composition of groups changed. It also confirms that there were significant changes during the short implementation of the SAPARD programme, due to the reallocation of originally planned budget and also the number of measures implemented is decreased. During the implementation of the programme the nature of budget-reallocation was the same in all countries. Just to highlight few examples, the original budget decreased or remained unchanged concerning the following measures: the *"Agricultural production methods protecting environment and maintaining countryside"* and the *"Economic diversification"* and the *"Setting up producer groups"*, the *"Vocational training"* and the *"Technical assistance"*. The originally allocated budget for the *"Investments in agricultural holdings"* and *"Developing and improving rural infrastructure"* measures increased significantly in the majority of the Candidate Countries.

My results show that the SAPARD programmes, plans were not properly established, their implementation did not follow the original plans and strategies, therefore some of national objectives, targets of the SAPARD plans could not be achieved. Both the experiences of

programming and implementation justify the necessity of a strategic document even in the pre-accession programmes. With the preparation of a strategy the „programmer” is forced to assess and think over - with the involvement of economic and social partners and stakeholders - the possibilities, problems and objectives and the best measures to achieve them. In addition, it gives a framework to implement the rural development plan; it is more difficult to deviate from this strategy during the implementation of the programme. Of course, the modification of the programmes cannot be avoided because many external factors (economic, social, natural, etc.) can be changed in seven years, but it was not the case in the SAPARD programme. During its short implementation period it was not influenced by external, unexpected economic or social event.

The following two tables (Table 1. and 2.) summarise the experience of the implementation of the SAPARD programme per country and per measure.

	CZ	EE	HU	LV	LT	PL	SK	SI
Original financial allocation.	117 million €	65 million€	202 million €	116 million€	158 million €	911 million €	97 million €	39 million €
Final f. allocation.	122 million €	68 million €	213 million €	122 million€	167 million €	946 million €	102 million €	41 million €
Paid assistance	123 million €	68 million €	213 million €	107 million€	167 million €	945 million €	110 million €	41 million €
No. of supported p.	1 557 pc	1 474 pc	2 616 pc	1 702 pc	866 pc	22 775 pc	903 pc	563 pc
Rate of budget-use	104%	105%	105%	92%	106%	104%	113%	106%
Rate of budget-use comp. with the final f. allocation	100%	100%	100%	88%	100%	100%	107%	100%
Measures with the highest financial share (originally)	Melioration (19%), Processing and marketing (18%), Investment in agric. holdings (16%)	Investment in agric. holdings (44%), Processing and marketing (19%), Diversification (19%)	Investment in agric. holdings (27%), Processing and marketing (27%), Diversification (14%)	Processing and marketing (28%), Investment in agric. holdings (26%), Diversification (22%)	Investment in agric. holdings (43%), Processing and marketing (30%), Rural infrastructure (15%)	Processing and marketing (37%), Rural infrastructure (30%), Investment in agric. holdings (17%),	Investment in agric. holdings (28%), Processing and marketing (27%), Melioration (11%)	Processing and marketing (39%), Investment in agric. holdings (34%), Diversification (14%)
Measures with the highest financial share (finally)	Processing and marketing (20%), Investment in agric. holdings (20%), Melioration (17%)	Investment in agric. holdings (48%), Processing and marketing (27%), Diversification (19%)	Investment in agric. holdings (37%), Processing and marketing (33%), Rural infrastructure (24%)	Investment in agric. holdings (35%), Processing and marketing (30%), Diversification (22%)	Investment in agric. holdings (41%), Processing and marketing (36%), Rural infrastructure (15%)	Rural infrastructure (47%), Processing and marketing (29%), Investment in agric. holdings (14%),	Processing and marketing (33%), Investment in agric. holdings (31%), Rural infrastructure (17%)	Processing and marketing (38%), Investment in agric. holdings (33%), Rural infrastructure (15%)
Measures lost budget (accredited, implemented)	Plant health..., Vocational training	Rural infrastructure	Diversification	Rural infrastructure	Investment in agric. holdings	Processing and marketing	Forestry, Diversification, Technical assistance	Processing and marketing and Investment in agric. holdings
Non implemented measures	-	Agri-environment, Forestry, Technical assistance	Agri-environment, Producer groups, Vocational training	Agri-environment, Melioration	Agri-environment, Forestry	Agri-environment, Forestry	-	-

Table 1 Summarising matrix on the implementation of SAPARD programme per country

Source: Ex-post evaluation reports per country, elaboration in 2011

	Investment in agric. holdings	Processing and marketing	Plant health...	Agri-environment.	Diversification	Producer groups	Village renewal.	Melioration	Vocational training	Rural infrastr.	Forestry.	Technical assistance
Countries who chose the measure	CZ, EE, HU, LV, LT, PL, SK, SI	CZ, EE, HU, LV, LT, PL, SK, SI	CZ	CZ, EE, HU, LV, LT, PL, SK	CZ, EE, HU, LV, LT, PL, SK, SI	HU, SK	CZ, EE, HU	CZ, LV, SK	CZ, HU, LV, LT, PL, SK	CZ, EE, HU, LV, LT, PL, SK, SI	EE, LV, LT, PL, SK	CZ, EE, HU, LV, LT, PL, SK, SI
Countries who implemented the measure	CZ, EE, HU, LV, LT, PL, SK, SI	CZ, EE, HU, LV, LT, PL, SK, SI	CZ	CZ, SK	CZ, EE, HU, LV, LT, PL, SK, SI	SK	CZ, EE, HU	CZ, SK	CZ, LV, LT, PL, SK	CZ, EE, HU, LV, LT, PL, SK, SI	LV, SK	CZ, HU, LV, LT, PL, SK, SI
Original financial allocation (time prop.).	395 million €	545 million €	11.4 million €	24.7 million €	194 million €	20 million €	32 million €	34 million €	34 million €	360 million €	20.9 million €	35 million €
Final budget allocation	421 million €	533 million €	8.4 million €	8.4 million €	154 million €	0.7 million €	34 million €	31 million €	20 million €	566 million €	4.7 million €	7.7 million €
Paid amount	421 million €	536 million €	8.4 million €	8.4 million €	141 million €	0.47 million €	35 million €	33 million €	8.3 million €	583 million €	3.5 million €	2.7 million €
Project supported	17 590 pc	2 312 pc	193 pc	193 pc	5 082 pc	2 pc	527 pc	415 pc	156 pc	5 731 pc	285 pc	115
Use of budget compared to the final allocation	100%	100%	100%	100%	91%	66%	104%	103%	41%	103%	74%	35%
Highest number of the beneficiaries	PL (12 927 pc projects)	PL (1 268 pc projects)	-		PL (4 071 pc projects)	-	HU (227 pc projects)		LT (102 pc projects)	PL (4 483 pc projects)		-
Average support level is the highest	LT (147 thousand €/project)	LT (1 552 thousand €/project)	44 thousand €/project	SK (118 thousand €/p)	LT (168 thousand €/project)	-	CZ 169 thousand €/project	SK (107 thousand €/project)	PL (392 thousand €/project)	SI (155 thousand €/project)	SK (44 thousand €)	-
Average support level is the lowest	PL (10 thousand €/project)	CZ (83 thousand €/project)	-	CZ (11 thousand €/project)	PL (17 thousand €/project)	-	EE (16 thousand €/project)	CZ (68 thousand €/project)	CZ (4 thousand €/project)	EE (20 thousand €/project)	LV (8 thousand €)	-

Table 2 Summarising matrix on the implementation of the SAPARD programme per measure

Source: Ex-post evaluation reports, elaboration in 2011

3.3 Evaluation of the role of the SAPARD programme

I assessed the role of the SAPARD programme from three aspects and I summarise my results and findings below:

1. The SAPARD, as the first pre-accession instrument operated in decentralised way, was a learning process not only for the Candidate Countries but also for the European Commission. **The programme significantly contributed to the preparation of the latter rural development programmes** (institutional background, preparation of the applicants, beneficiaries, monitoring, evaluation, etc.).
2. Due to its limited budget, the **SAPARD programme had limited impact on the agricultural sector in all Candidate Countries**. But looking at individual levels, businesses, beneficiaries, the programme helped them **to meet EU animal welfare and hygienic requirements and thus it helped them to be competitive both in the internal and external markets**. Creation and saving jobs was a general objective, but I conclude that **the SAPARD had only minimal effect on creating and maintaining jobs in rural areas**.

Based on my results, I consider that the “*Vocational training*” measure in the SAPARD programme – in a small extent but – **contributed to the development to the professional knowledge those farmers who participated in the trainings** (trainings related mainly to agriculture, business management not to write application and manage and execute a SAPARD project). Therefore this measure could not give a solid basis for a long-term vocational training system in the Candidate Countries.

3. It is my opinion, that **the SAPARD programme had positive impact on the development of rural infrastructure, but only to a limited extent** due to its restricted budget. The ISPA supported the large-scale, regional level infrastructural investments and for example the wastewater treatment investments of the SAPARD remained small scale, local investments. **The SAPARD programme did not contribute directly to the diversification of activities in the rural areas**. In the frame of "*Renovation and development of villages*" measure, buildings, public areas, playgrounds, churches were renovated or renewed therefore, **the SAPARD programme improved the living conditions in villages and rural areas**.

3.4 The impact of the SAPARD programme on the implementation of the rural development programmes of 2007-2013

All but one country the main objective of the SAPARD programme was the sustainable development of agriculture and rural territories, adopting it to the changed ownership structure. The programme focused on the modernisation of production structures, on the improvement of the efficiency of agricultural production and in processing of agricultural and fishery products. The EAGGF Guidance Fund (2004-2006) replaced the SAPARD after the accession in these countries, and it meant, in a way, the continuation of SAPARD (aims, objectives, programme structure).

The strategies of the SAPARD programme therefore lived further in latter rural development programmes such as in EAGGF Guidance between 2004 and 2006 and in the EAFRD from 2007. I found that **the measures with "SAPARD experience" still kept a relatively high financial share in the rural development programmes of 2007-2013**. The proportional share was shifted having regard to the fact that **EAFRD offered an increased number of measures and that the "Agri-environment payments" measure was obligatory to incorporate in all rural development programmes and obligatory minimum financial allocation per axis, which contributed to a balance between objectives**.

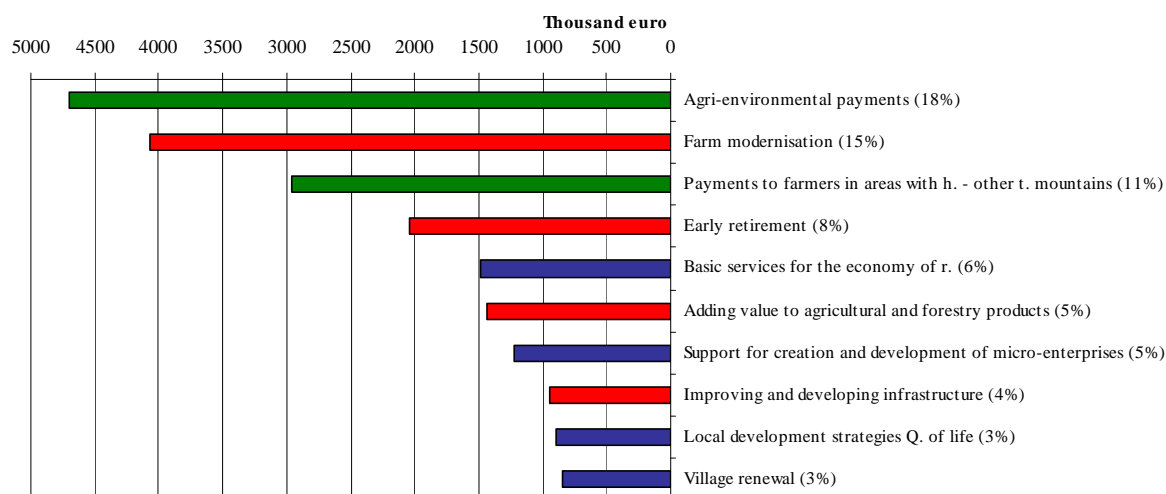


Figure 5 The order of measures in EAFRD – taking into account the original financial allocations in the eight countries, 2007-2013

Source: Data of the Rural Development in the European Union Statistical and Economic Information Report 2011, own elaboration in 2012

In my opinion, the proportion of the financial allocation among measures in the SAPARD Programme and the structure (internal logic, objectives) of this pre-accession programme affected the structure of latter rural development programmes, namely EAFRD. As an example, examined the changes of the relative financial importance (the financial weight) of the "Investments in agricultural holdings" measure over successive rural development programming periods. Taking into account the eight countries or even the new Member States (EU-12), the relative financial weight of the measure was the highest in the pre-accession

period, as in the subsequent programming periods. It decreased in the EAFRD but still remained relatively high if we compare it to the EU-15 (9%) and EU-27 average (11%).

The impact of the SAPARD programme is most visible and striking on the structure and on the implementation of the IPARD programme. In this new pre-accession rural development instrument the number of available/eligible measures decreased from 15 to 9 compared to the SAPARD programme. However, the beneficiaries of the IPARD programme integrated almost all of them into their rural development programmes. Therefore they did not focus their objectives and resources to a limited number of areas; they chose a wide range of measures available as it could be seen in the SAPARD programming. Consequently, the effective implementation of the IPARD program had a significant delay as well as of the SAPARD programme. Furthermore, the Candidate Countries corrected the mistakes of IPARD programming later (where appropriate, even before the program starts, or immediately after), which demonstrates that the planning, the design of IPARD programmes were not well established. The order of measures to be accredited was determined by their absorption capacity similarly with the SAPARD programme. The Candidate Countries tried to speed up the implementation (start) of their IPARD programmes with this strategy.

The results showed that the current Candidate Countries faced with the same problems during the programming and the setting up the institutional background as the SAPARD countries, therefore they did not learn from the previous experiences available.

The proportion of original financial allocation, therefore the structure of the IPARD programme is similar with the SAPARD programme. The largest relative financial emphasis is on measures aimed at improving the competitiveness ("*Investments in agricultural holdings*" and "*Processing and marketing of agricultural and fishery products*"), their share from the total IPARD budget exceeds 60%. In addition, financial allocation, the financial share among the measures shows a great similarity with the SAPARD programme:

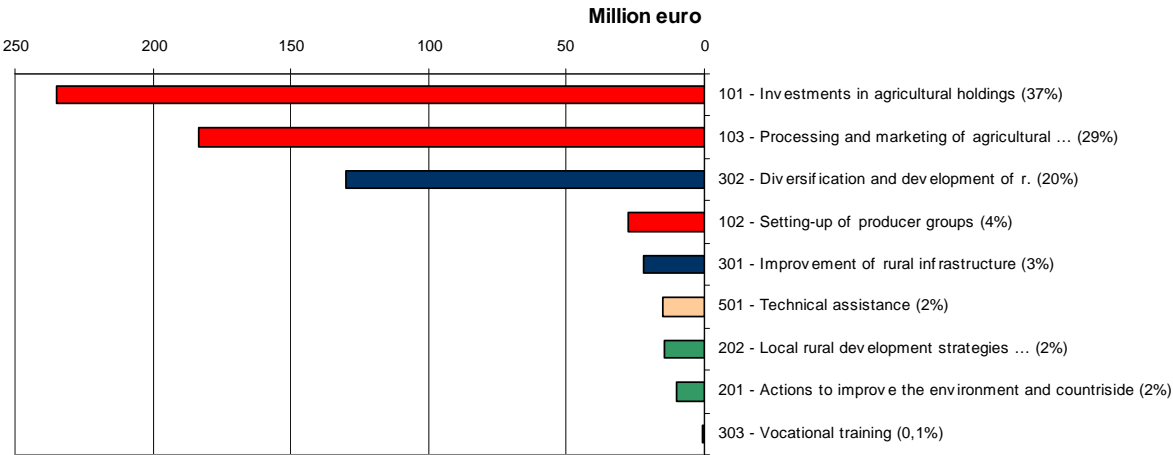


Figure 6 The order of IPARD measures based on the original financial allocation in the three countries, 2007-2011

Source Financial tables of the European Commission, Rural Development in the EU Statistical and Economic Information Report 2011, own elaboration in 2012

3.5 New scientific results

In my research concerning the topic of "*Impact of the SAPARD programme on the rural development system in the Eastern-Central European countries*" the new scientific results are the follows:

1. In the frame of my work, **I reviewed and synthesised the changes of the European rural development policy, I assessed its driving factors and the future of it with taking into account the lessons learnt during the implementation of rural development programmes.**
2. **I comprehensively assessed and compared the SAPARD plans and the whole implementation of the SAPARD programmes** of eight Candidate Countries joined the EU on 1st May 2004. I analysed the SAPARD plans, the intervention logic of the plans, including an assessment of measures chosen, the institutional background and the implementation. I compared first the financial allocation, the actual payments of each Candidate Country right after the closure of the programme and I drew my conclusions based on the results. My assessment was not limited to analysing the financial data only because beyond the analysis of financial allocations and payments, I synthesised all SAPARD ex-post evaluation reports and their answers to the common evaluation questions in order to take into account the lessons learnt from the implementation of the SAPARD and to them to develop the effectiveness of the future rural development programmes and pre-accession programmes as well.
3. Besides the analysis of the programme in eight countries, I incorporate my results **on the implementation of the Croatian SAPARD programme and of the IPARD programme in the current Candidate Countries.** I assessed and showed correlations between the structures of SAPARD and of IPARD, EAFRD concerning the measures chosen and their financial weight. Beyond the analysis at national level, I assessed the implementation of the SAPARD programme to answer the question whether it achieved its original objectives at Eastern and Central European level.
4. **I formulated strategic proposals for the preparation and the implementation of future rural development programmes** based on the analytical work I carried out. These proposals can be useful for policy makers and for those who are executing the decisions in the Member States and for the current Candidate Countries during the preparation and implementation of rural development programmes of post 2013. Despite the fact that my analytical work concerned a closed rural development programme, the results are useful and current and its relevance will increase in the following years.

4. CONCLUSIONS, RECOMMENDATIONS AND FURTHER TOPICS FOR RESEARCH

Based on the results of my analytical work, on the experiences of the implementation of pre-accession programmes and on the results of literature review the conclusions and my recommendations are the followings:

- Nowadays, restoring, preserving, enhancing ecosystems and fostering knowledge transfer, employment are priorities in the rural development policy therefore the Member States and the Candidate Countries **have to follow the European model of multi-functional agriculture and rural development.**
- The new Member States and the Candidate Countries have to take into account the principles of the Common Agricultural Policy and of the rural development in Europe when they are achieving their sectoral aims and objectives. **They have to establish and develop an "adaptive" strategy,** not a separate one. The SAPARD programme was the first strategy based rural development programme for seven years in the eight countries. Consequently **the SAPARD programme contributed to the creation of the long term strategic approach and thinking in the programming.** This method should be required from the beneficiaries of the pre-accession programmes in the future. The long-term integrated strategical planning should be achieved with wide partnership with social economic and scientific stakeholders. It can be achieved with sound strategic planning starts well in advance and which puts emphasis on the results of SWOT analysis, identifies key problems and establish objectives and concentrates the measures on the well defined problems, challenges with following the principles of cost-effectiveness. The strategy – apart from exceptional cases - should be respected during the whole implementation of the programme in order to decrease the number of programme modifications.
- The Commission should provide and finalise the guidelines and the implementation rules well in advance – not in parallel - of the actual beginning of a pre-accession programme.
- The partnership principle was applied in a limited extent during the programming phase of the SAPARD programme because of the time constraints. **Efforts should be made to the implementation of the partnership principle during the whole implementation of pre-accession rural development programmes,** should be given place to the bottom-up approaches and initiatives, and this should be verified in the ex-ante evaluation.
- In order to ensure **targeting and streamlining implementation and delivery of the pre-accession rural development programmes,** the Candidate Countries **have to focus on limited number of objectives and on limited number of chosen**

measures⁴, maximum five ones. As a result, they could use their financial sources more streamlined with less programme modifications and reallocation of the budget. In order to provide balance between objectives, the Commission should require minimal financial allocation per objective/axis in percentage which cannot be changed during the implementation of the pre-accession programme. In addition the Commission should require obligatory measure(s). In my opinion the following two measures are recommended to incorporate into pre-accession rural development programmes:

1. The "*Processing and marketing of agricultural and fisheries products*" because it contributes directly to the adoption and the implementation of the acquis.
 2. The "*Agricultural production methods protecting environment and maintaining the countryside*" because first, taking into account the change and the possible future of the rural development policy in the EU. Second, Managing, preserving and maintaining the landscape provide a new business opportunities to farmers. Consequently, it **should be given more emphasis on the agri-environmental measures** in the implementation of pre-accession rural development programmes. Besides the fact that the measure is obligatory, an action-plan should be required as well. The beneficiary of the pre-accession programme should report regularly on the status of the implantation to the Commission or to the monitoring committee and if there is a delay the Commission should apply sanction in order to force the implementation of this measure.
- **The administrative and delivery system** – Paying Authority, Managing Authority - of the implementation of pre-accession rural development programmes **should be set up on newly created institutions than on the existing ones**, learning from the SAPARD experiences.
 - **A pre-accession programme including agricultural and rural development ones cannot be efficient and successful without development of human resource background.** The problem is that that the farmers and the rural population were not well prepared to implement and manage rural development projects; therefore there is a need for a continuous vocational training. Trainings and developing the human resource should be the responsibility of the governments and the network for it should be established during the implementation of the pre-accession or well in advance of the membership. In order to achieve this, **the vocational trainings, information activities should be emphasised** during the implementation of pre-accession programmes (or in national schemes), **the knowledge transfer in rural areas should be fostered.** This should provide a solid human background to implement rural development programmes more efficiently and should contribute to the competitiveness of business activities in rural areas. It should give priority to the practical knowledge (how to prepare a business plan, how to fill correctly an

⁴t is recommended also to reduce the number of sub-measures within a measure.

application form, how to manage a project, etc.) the syllabus/topic of the training programmes.

I found it important the establishment of rural development centres or network in order to share good examples. These networks or individual organisations could cover wide range of activities concerning rural development from project planning to project proposals as well.

- The "*Technical assistance*" measure did not contributed to the effective implementation of the programme, its budget was not fully used. In order to improve the effectiveness, the budget of this measure should be used in wider scope to inform the general public, to share the experiences and good examples of the implementation of pre-accession programmes.
- **The Commission should require strictly the development and use of an IT system** for implementing the rural development pre-accession programme. The system would store and manage of all relevant data of the implementation (registering applications, eligibility criteria, contracts, implementation of the projects per milestones, monitoring indicators, project closure, on the spot controls, etc.). The IT system should contribute to the general management of the pre-accession programme as a whole that means it should help the programme modifications, decisions taken by the monitoring committee or by the policy makers, for example. In addition, the IT system should be transparent, and some of its applications should be available or visible by the general public, the applicants (registration data, timeline to follow the application).
- I would suggest **the consideration the simplification of the monitoring system of the pre-accession programmes**. Taking into account the SAPARD experiences besides **the elaboration of the monitoring system it should be put emphasis on the collection of robust, reliable and comparable data**. In the accreditation procedure, it should be checked (beyond the approval of the plans). It improves the efficiency if the number of monitoring indicators should decrease because it would simplify and harmonise policy delivery.

For practical reasons, I would propose to reduce the number of programme evaluations. Efforts should be made to the evaluation of the implementation of the programme should be continuous therefore the Managing Authority could receive continuous feedback on the effectiveness of program implementation, to facilitate any necessary program modifications, and the next programming. The findings and recommendations of the ongoing evaluation could be a separate chapter of the annual implementation report, thus the monitoring committee members and the European Commission would receive up-date information on the implementation of the programme and on the objectives achieved. In addition the Commission should establish a uniform structure (for example, mandatory tables) for evaluations to ensure the comparability of different reports of the Candidate Countries.

- **Do not implement two supports for the same purpose in parallel from EU and national resources, the competition of different support system should be avoided in order to speed up the implementation of pre-accession rural development**

programmes. If a measure is implemented, I would suggest that the countries stop the support of this objective in the national scheme and only one single opportunity should have been open for the future beneficiaries to apply.

- I suggest **to simplify the administration and delivery of the pre-accession programmes and to change that practice that the projects are selected only on the basis of compliance with the eligibility criteria.** This helps to avoid the problems before the closure of the programme (the financial source is available to a limited extent) when the best projects cannot be selected to support. A distinction should be made between the size of the project (between small and large projects, for example the value of investment is less/more than 50 thousand €) and apply different procedures on them according to the size. As result, there would be less administrative burdens on the applicants and maybe it reduces the number of applicants demanding advisory services.
- To ensure targeting the support, to deliver it to disadvantaged rural areas, the **Candidate Countries could give preferential treatment to farmers, applicants on the basis of the territory disadvantage.** It would contribute to streamline the rural development support to applicants which are living in disadvantaged area or to local governments which are in difficult financial situation. The rate of the support should reach up to the 100% level. Concerning the ratio of the support, it can be considered that it should be higher in the Candidate Countries than in the current Member States thereby reducing the burden on the Candidates Countries' budget. **To connect micro-credit guarantee schemes to pre-accession rural development programmes, such as JEREMIE, would be helpful.** If it is not the case, the Candidate Countries have to begin negotiations with financial institutions well in advance of the implementation of the pre-accession programme in order to provide loans to applicants.

Further attention should be paid - in a future research project - the assessment of the implementation of the IPARD programme and the way how the pre-accession programmes follow the changes of the rural development policy and this changing elements when and how can be incorporated into further individual pre-accession programmes after 2013. In addition, it would be interesting to analyse the implementation of EAFRD, its financial allocations and reallocations, programme modification in the EU-27. With this assessment we could evaluate two whole and consequent implementation of rural development programmes (2000-2006 and 2007-2013) the experiences can be summarized and synthetised.

5. SUMMARY

Exactly 10 years after the first conferral, management decision was taken in Hungary and the implementation of the SAPARD programme started in the Candidate Countries, it can be stated that the SAPARD programme was a very unique and significant learning opportunity for the institutions and for its applicants.

It clearly provided support for agriculture and rural development for the applicant countries of Central and Eastern Europe. The national SAPARD plans were the first systematic, strategy based multi-annual development programmes in these countries. SAPARD was mainly agriculture-focused, wider rural development having smaller role. Due to the limited funds of SAPARD, it could not provide solution for the sectoral problems and structural adjustment needs of each country, but overall it could be concluded that, the programme had a considerably positive impact on individual beneficiaries, because it helped to improve their competitiveness, better quality and value added of products and technological modernisation and helped them prepare for EU accession, comply with EU standards. Therefore, the SAPARD programme managed to reach its general objectives, but due to the several and significant modifications and financial reallocations during the implementation of the programme, the objectives which were set at national levels, could not be achieved in full. In order to avoid this phenomenon in the future it is recommended (also for the current Candidate Countries) that, agricultural and rural development plans should be based on a strategic approach, which is based on an effective partnership consultation. It is also recommended to limit their chosen measures according to their well defined objectives and not to manage two similar measures in parallel from different sources (national and EU) in order to maximize the interest of the potential applicants.

In coherence with the objectives and to be in line with the priorities and objectives of the proposal to the future of rural development policy in the EU it is important to give more emphasis on wider rural development, vocational training, agri-environment and integrated rural development projects in the pre-accession period as well.

Concerning the hypotheses defined, I would like to briefly sum up the results per objective:

Objective 1. I examined the internal logic of the objectives and chosen measures per country, and in the financial allocation, per measure and I searched out connections, similarities among the 8 countries. The results showed that they share similarities and groups can be created based on the financial allocation per measure. In summary, Hypothesis 1 could be concluded to be correct.

Objective 2. I put noteworthy emphasis on the measure "*Investments in agricultural holdings*" and its financial importance during different programming periods. The results illustrated that the relative importance of this measure in the 8 countries was relatively high, more than 20% - as it was mentioned under Hypothesis 2 - in SAPARD (taking into account the original financial allocations). The relative importance of investments in agricultural holdings was the

highest in the pre-accession period and it has decreased during the following the subsequent, programming periods. The financial importance of this measure remained high in the IPARD programmes.

Objective 3. I examined whether or not SAPARD was able to reach its objectives and its impact on the 8 mentioned, Central-Eastern-European countries. According to my results, the Hypothesis 3 is true but partially: the SAPARD programme reached its general, overall objective because SAPARD provided support for Candidate Countries in contributing to the implementation of the "acquis communautaire" concerning CAP, but since it's financial source it had very limited effect on agriculture and rural development of these countries. SAPARD was not successful in implementing and reaching the national objectives because of the significant financial allocations during the implementation and of the measures have not been implemented at all or just partially.

Objective 4. In order to contribute to the next rural development programming activity, post 2013, I synthesised the experiences of the whole implementation of the SAPARD programmes in 8 countries (programming, setting up institutional background and the implementation). Hypothesis 4 seemed to be true because (remove because) based on the experiences of the implementation of the SAPARD programme I defined some recommendations that should be taken into account during the preparation of the next rural, development programming period both in the EU-27 and in the participating, Candidate Countries.

6. LIST OF PUBLICATIONS RELATED TO THE TOPIC OF THE DISSERTATION

A) Articles in scientific periodicals

In Hungarian

1. Maác M. – Kónya E. (2004): Új vidékfejlesztési politika az Európai Unióban 2007 és 2013 között. A Falu, XIX. Évfolyam 4. szám, 2004 tél, ISSN: 0237-4323
2. Maác M. – Kónya E. (2006): Az új vidékfejlesztési politika intézkedései és intézményrendszere. A falu, 2006. tél, XXI. évf., 4. szám, 5-19. p. ISSN 0237-4323
3. Kónya E. (2012): SAPARD program – múlt jelen és jövő. Gazdálkodás, Agrárökonómiai Tudományos Folyóirat. Megjelenés folyamatban, befogadó nyilatkozat kelt. 2012. február 28.

In English

4. M. Forgó – E. Kónya (2008): Analysis of measures of rural development programmes in the EU and in SAPARD Programmes (period 2000-2006). Hungarian Agricultural Research, March 2008, 14-19. p. ISSN 1216-4526

B) Scientific publications (book chapters)

5. Kónya E. (2002): A SAPARD Program. Felkészülés a Strukturális Alapok felhasználására, válogatott tanulmányok, Budapest, 2002, Tempus Közalapítvány, 21-30. p., ISBN: 963 206 334 1
6. Kónya E. (2003): A SAPARD Program bemutatása. SAPARD Program, Tananyag a SAPARD Program magyarországi működtetéséhez, FVM Képzési és Szaktanácsadási Intézet, Budapest, 2003, ISBN: 963 9317 42X, p. 5-32.

C) Presentation published in scientific conference proceedings

In English

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