# Analysis of the implementation process of SAPARD and IPARD programme in Slovenia and Macedonia \_\_\_\_\_\_

FACULTY OF ECONOMY AND INFORMATION TECHNOLOGY, EUT

### **Abstract**

The Special Accession Programme for Agriculture and Rural Development (SAPARD) and the Instrument for Pre-Accession Assistance in Rural Development (IPARD) are two pre - accession instruments designed by European Union for the preparation of agricultural sector and rural areas of candidate countries. The aim of this study is to analyse the performance and the effect of the implementation process of the two preaccession programmes for agriculture and rural development in Slovenia and Macedonia, which have implemented the respective programmes within a specific period of time. The study has been carried out by calculating and comparing the same appropriate indicators within the programmes: timeline of programs, implemented measures, financial support and agricultural holdings supported by the programs The results revealed that both programmes in respective countries, faced difficulties on setting up in due time the administrative system of SAPARD and IPARD programmes, by causing a delay in the implementation process with negative effects on the performance of the programmes. The results also revealed that both countries approved and completed only a few projects. This effect is probably due to the high rate of bureaucracy associated with project preparation (extremely demanding and time-consuming) and the not well-defined functioning of the submission process which ended in the rejection of a large number of applications. This rejection explains why both programmes reached only a few agricultural holdings in the respective countries.

**Keywords:** Pre-accession instruments, SAPARD and IPARD, Implementation process, Financial support, Agricultural holdings.

#### Introduction

The pre-accession policy of the European Union consists in assisting the candidate and potential candidate countries in their process of EU membership, by meeting the accession criteria and bringing their institutions and standards in line with EU acquis¹ before accession. The pre – accession assistance started in 1990 by supporting the countries of Central and Eastern Europe (CEE) in restructuring their economies during the transition process. Follows by the addition of other assistance instruments designed to assist the candidate countries in their preparations for joining the European Union.

The EU introduced two pre-accession policies (Special Accession Programme for Agriculture and Rural Development and Instrument for Pre-Accession Assistance in Rural Development) for the preparation of agricultural sector and rural areas of the candidate countries before their accession to European Union (EU, 2001). Specifically, SAPARD and IPARD programmes were designed to support the countries in their efforts towards the implementation of the acquis as well as to solve specific problems of rural areas before their accession into EU.

SAPARD was the European Union's pre-accession programme for agriculture and rural development support in the applicant countries of CEE during the pre-accession period 2000-2006. The overall assessment of SAPARD in ten countries of CEE had positive results (EC, 2010). However, the experience of SAPARD highlighted some problems and difficulties faced by applicant countries during the implementation process (EC, 2010). Lessons learned was taken in consideration by the European Commission in designing the substitute instrument of pre-accession of rural development (IPARD) for the period 2007-2013.

# Pre - accession assistance of the European Union

European Union assists candidate countries during the whole process of the preaccession by providing financial support through relevant financial instruments.

<sup>&</sup>lt;sup>1</sup> The *acquis* is the body of common rights and obligations that is binding in all the EU member states. It is constantly evolving and comprises (EC, 2016):

<sup>&#</sup>x27; the content, principles and political objectives of the Treaties;

<sup>·</sup> legislation adopted pursuant to the Treaties and the case law of the Court of Justice;

<sup>&#</sup>x27; declarations and resolutions adopted by the Union;

instruments under the Common Foreign and Security Policy;

International agreements concluded by the Union and those entered into by the member states among themselves within the sphere of the Union's activities.

# *Pre-accession assistance for the countries of Central - Eastern Europe* (2000-2006)

The EU introduced three pre-accession financial instruments under the pre-accession strategy for the countries of CEE during the period 2000-2006: The Assistance for restructuring the Economy of Poland and Hungary (PHARE programme), the Instrument for Structural Policies for Pre-Accession (ISPA) and the Special Accession Programme for Agriculture and Rural Development (SAPARD). The pre-accession aid started with PHARE programme and was followed by the addition of two other new instruments ISPA and SAPARD (Council Regulation, 1999; EU, 2001).

In Agenda 2000, the European Commission proposed to focus the PHARE programme on preparing the countries of CEE for EU membership by concentrating its support in the adoption of the acquis on two crucial priorities; Institution Building through the Twinning mechanism and investment support.

Council Regulation 1267/99EC established the instrument for Structural Policies for Pre-accession (ISPA), to enhance economic and social cohesion in the applicant countries of CEE during the period 2000-2006. This instrument has provided additional financial support to the candidate countries in the areas of transport and environment.

The focus of SAPARD programme, unlike the other two instruments, was on providing aid for problems connected with structural adjustment in agricultural sectors and rural areas of the countries of CEE. It is important to be mentioned that the assistance for setting up the national structures of managing SAPARD was provided by PHARE programme (Enlargement, 2001).

The principles, priorities and conditions of these three pre-accession instruments were set out by the Accession Partnerships. The pre-accession funds, made available after the accession of the first new Member States, were reallocated to the other candidate countries. (Enlargement, 2001; EU, 2001) Despite eventual different aims and focuses, the main objective remained the preparation of candidate countries for accession (Enlargement, 2001; EU, 2001).

*Pre-accession assistance for candidate and potential candidate countries of Western Balkan (2007 – 2013)* 

During the period 2007 – 2013, the financial assistance for the countries of Western Balkan was provided by the Instrument of Pre-accession Assistance (IPA). The unified instrument (IPA) was designed on supporting both candidate and potential candidate countries during the period of pre-accession. (Council Regulation, 2006).

Starting from 2007, IPA replaced all previously existing pre-accession instruments: PHARE, ISPA, SAPARD, the Turkish Pre-accession Instrument, including financial instrument (CARDS programme) for the Western Balkans (EC, 2009).

The aim of IPA was to enhance the efficiency and coherence of aid by a single framework, in order to strengthen institutional capacity, cross-border cooperation, social - economic development and rural development as well.

According to the European Commission, IPA instrument took into account the actual differences between potential candidates and candidate countries in terms of administrative, programming and management capacity (Commission Regulation, 2007). The objective was to support countries to move from centralised to decentralised management of assistance.

# **Background of SAPARD and IPARD Programme**

SAPARD was the European Union's pre-accession programme in the field of agriculture and rural development. It was originally introduced in 1999 (Council Regulation, 1999) for supporting countries of CEE for the sustainability of agriculture and rural development during the whole period of the pre-accession. The countries which benefited from this support were the following: Estonia, Latvia, Lithuania, Hungary, Czech, Republic, Slovakia, Slovenia, Poland, Bulgaria, Romania, and subsequently Croatia. The aim of SAPARD programme was to support the applicant countries in their efforts to implement the EU acquis concerning the Common Agricultural Policy and also to help solving specific problems of rural areas (Council Regulation, 1999). It was an important instrument for the countries of CEE and also for the EU institutions and Member States, as a real opportunity for beneficiary countries on developing structures and building capacities on managing EU agricultural funds (EC, 2010).

Rural development instrument (IPARD) is the fifth component of the Instrument for Pre-accession Assistance for the candidate countries of Western Balkan. The main objective of IPARD (2007 – 2013) was to support candidate countries of Western Balkan on the preparation for post-accession rural development programmes, by implementing pre-accession assistance through systems which are similar to those required after accession process. Particularly, related to the sustainable adaptation of the agricultural sector and rural areas and the preparation of candidate countries for the implementation of the acquis. (Council Regulation, 2006). These objectives were previously faced even in SAPARD programme.

# A descriptive comparison of SAPARD and IPARD programme

SAPARD and IPARD are characterized by the same objectives such as the contribution to the adequate adaptation of agricultural sector and rural areas and the preparation for the implementation of the acquits concerning CAP and related policy areas (Council Regulation, 1999; 2006).

In principle, SAPARD and IPARD have the same basis, but IPARD is more focused, detailed and precise (better acknowledgment of the agriculture and rural situation of candidate countries, in depth analysis of the main sectors concerned, better targeting of the investment measures, identification of final beneficiaries). Differently from SAPARD, the measures of IPARD are strongly focused on the EU acquis related with environmental, market efficiency, quality and health standards, concentrated in a limited number of main priorities (from 15 measures under SAPARD to 9 measures under IPARD). Some of the SAPARD measures, such as those related to quality standards and water resources are included under the measures of the priority axis 1 "Improving market efficiency and implementation of EU standards" and priority axis 3 "Development of the rural economy". Excluding the land improvement, land register, forestry and farm relief measures, all the other measures remain the same for both programmes (Council Regulation, 1999; 2006; Commission Regulation 2007). The Implementation process of both programmes start after the fulfillment of the accreditation of the operating structure (accreditation agency), and the conferral of management of aid by the Commission decision. Concerning the evaluation and monitoring system, both programmes are subject of ex post evaluation. SAPARD programme is subject of mid-term appraisal and on-going monitoring, while IPARD programme is subject of ex ante evaluations (Council Regulation, 1999; 2007).

# A descriptive comparison of SAPARD and IPARD programme in Slovenia and Macedonia

Programmes in Slovenia and Macedonia defined the specific objectives (respectively four<sup>2</sup> and two<sup>3</sup> specific objectives) justified by needs identified in their rural development plans by analysing the strengths and the weaknesses of agriculture

<sup>2 1)</sup> Increase competitiveness of the farming and food processing sector. 2) Improvement of farm incomes. 3) Compliance with EU standards. 4) Creation of additional employment on farms and improvement of the quality of life in rural areas.

<sup>3 1)</sup> Improving the technological and market infrastructure of commercial agricultural holdings and food processing industry aimed at increased added value of agro-food products and achieved compliance with EU quality, health, food safety and environmental standards. 2) Improved quality of life of the rural population, increased income and creation of new employment opportunities

sector and rural areas. Specific objectives of the programme are linked to the two overall objectives of programmes, as explained in the section 2.3.

Both countries identified as a priority areas: investments for restructuring and upgrade of agricultural holdings according to the EU standards, investments in the processing and marketing of agriculture products to upgrade to Community standards, the economic diversification and improvement of rural infrastructure. The choice of measures (except technical assistance measure) was consistent with the objectives of the programmes. In Slovenia and Macedonia programmes are implemented under the guidance of the Ministry of Agriculture as a Managing Authority.

Slovenian programme planned to introduce and implement only 5 of all measures designed for SAPARD. Macedonian programme planned and implemented so far 4 of all measures designed for IPARD, while is letting open the possibility that additional measures will be considered to be introduced.

Specific of the Slovenian programme is the higher proportion of funds allocated to the diversification measure compared to other countries, while in Macedonian programme the higher proportion of funds is allocated at the improvement of production and marketing structures in agriculture and food processing industry measures. During the SAPARD implementation, intervention priorities did not change significantly, comparing the final distribution and the originally allocated budget. Slovenia emerged to be the best practice among the other countries as a result of its focused choice of measures (EC, 2010; MAFWE, 2007; MAFF, 2000).

In Slovenia the Monitoring Committee played the role of the supervisory body of Managing Authority. SAPARD Agency of financial support, in Slovenia was developed from an already existing organisation, with national coverage of the programme. The Ministry of Finance carried out the tasks of the Competent Authority, while the National Authorizing Officer was its supervisory institution. The Certifying Body was the Budget Supervision Office within the Ministry of Finance. The administrative procedures in Slovenian programme were essentially paper based; with no IT support. The implementation of IPARD in Macedonia is realised through Department of Rural Development in Agriculture Ministry in collaboration with Sectorial Monitoring Committee of IPARD and the Agency (IPARD Agency) for the financial support concerning Agriculture and Rural Development (MAFWE, 2007). IPARD Agency needs to increase its capacities and the training of the permanent employees, due to the fact of the overload, which at the same time is preparing for accreditation of new measures and works on implementing the national programmes for financial support. The same problem is faced for the Technical Bodies which have lack of staff for performing the operating activities, thus for servicing the potential users of the programme (MAFWE, 2007). Communication with the EU Commission on financial

matters is carried out through the National Fund (Ministry of Finance) and on programming matters through the IPA Monitoring Committee and National IPA Coordinator (EC, 2010; MAFWE, 2007; MAFF, 2000)

# A critical analysis of the pre-accession programmes

The implementation and general operation of the previous and existing preaccession programmes: PHARE, ISPA, SAPARD and IPA (2007 – 2013) have been far from smoothly. The limited capacity to use the allocated funds has been the persistent problem during the implementation of the pre-accession assistance. Even though institution- building and strengthening of the capacities of national administrations were among the main objectives of these instruments, in some countries the progress has been slow and ineffective (GHK, 2011).

The delays in the administrative procedures in the beneficiaries countries have had an impact on the time needed to set up the system, but on the other hand, this was largely influenced by the delays of the European Commission, which failed to prepare on-time detailed principles and rules which would have clarified the policy and accelerated implementation (Gjorgjievski, 2008; GHK, 2011).

According to the public perception in most of the candidate countries, the fundamental problems with the operation of the pre-accession funds are deriving largely from the overly-bureaucratic nature of the structures laid down by the EU and the extremely demanding, expensive and time-consuming process of project preparation. (Gjorgjievski, 2008). National Development Plans have been often prepared in a rush, with inadequate consultation between the responsible ministries and other government departments and also with less consultation with the representatives of civil society (CEE Bankwatch, 2002). Limited attention concerning the views of local and civil society actors, can be seen also in IPA programme, where their involvement in the process occur when the priorities have already been agreed and they have very few possibilities to influence the decisions. The involvement of the regional administrations is limited as a result of their apathy, weakness and the desire of national authorities to retain these matters within their own purview (GHK, 2011).

The implementation of IPA (2007 – 2013) was insufficiently result-oriented. Candidate and potential candidate countries did not receive more (or less) resources as a result of the good performance and progress in meeting the political criteria or achieving good outcomes on specific IPA measures (GHK, 2011). Candidate countries in particular had difficulties in timing their preparatory activities. The absence of a clear timescale for accession weakens commitment to the reform process (GHK, 2011). There are weak links between the process, through which

countries meet political criteria, and the implementation of IPA's measures (2007 -2013). Lacking experience with certain measures, the absorption capacity of final beneficiaries may be limited to a certain extent (GHK, 2011). Low levels of national co-financing required for IPA which couldn't ensure proper ownership of the programme and projects. Limited scope of regional programmes, (important to enhance the effectiveness of policies towards the gradual alignment with European values and standards) result in only 9% of the total IPA (2007 – 2013) funding given to regional projects (GHK, 2011).

The Court of Auditors criticised PHARE programme for the limited impact of the programme on helping candidate countries become familiar with Structural Funds (CES, 2002). It was also claimed that an effective management-information system was lacking and that the Commission had failed to demonstrate that the twinning process offered value for money (CES, 2002).

ISPA and SAPARD programme were set up later. They were focused on preparing the candidate countries for the management of EU funds. Both programmes were slightly more effective in their aim to do so. The synthesis evaluation of the programme confirmed that, despite certain shortcomings (bureaucratic procedures and slow implementation), SAPARD was an "extremely useful learning process for national administrations and a remarkable success in general, with a view to the preparation for SF programmes after accession (GHK, 2011)."

## The main objective of the study and related research questions

The objective of this study is the analysis of the performance of the implementation process of SAPARD and IPARD with reference to two country case studies, i.e. Slovenia and Macedonia - which have implemented the respective programmes within a specific period of time. In reference to this objective we set up the following research questions:

- 1) Slovenian programme showed a delay on accreditation of the first measures which affected the implementation of the programme in time. The delay came as a result of a lengthy process on the setting-up the administrative and delivery systems and the finalisation of detailed guidelines by the Commission. Did Macedonia face the same problem in the implementation time of the IPARD programme?
- 2) Slovenia didn't implement all the 15 measures designed by the Commission for SAPARD programme. Perhaps they were not targeting the right beneficiaries or they were not properly designed. Did the IPARD programme in Macedonia implement all the measures designed?

3) In Slovenia the impact of SAPARD on the primary sector as a whole were limited, since it only reached a small % of the total farmer population. Did IPARD programme reach a larger number of farmers on Macedonia?

#### 3. The selected countries and the reasons of selection

Concerning SAPARD programme, I selected the case of Slovenia, as it was one of the countries which showed the ability to successfully implement the programme. For IPARD programme I selected the case of Macedonia, as one of the lead countries and advanced in the implementation process during the period 2007 - 2013. The reasons that make possible the comparison of these two countries are related to the macro-economic situation and some historical facts which show the similarities of both countries.

a) Macro-economic indicators: By going through the macro-economic situation of both countries, we found some similar demographic and economic conditions as shown in table 4.1.

TABLE 4.1: Similar macro-economic data of Slovenia and Macedonia<sup>4</sup>

Indicators	Countries	Countries	
	Macedonia	Slovenia	
Total Population (n. people )	2.063.893	2.049.261	
Rural population (% of total population)	43	49	
Average of real GDP growth rate (%)	4	2	
Average of GVA of Industry(% of GDP)	32	37	
Average of the income from agricultural activity (Index: 2005=100)	102	108	

Source: The World Bank, 2013; Eurostat, 2013; Doing Business, 2013

b) Slovenia and Macedonia were part of Ex- Yugoslavia, which means that under the same regime those countries have the same political and institutional structure.

## Selected period

The appropriate period selected, for the conduction of analysis, was the mid-period (it coincides with the time of the conduction of the research) of the implementation

<sup>&</sup>lt;sup>4</sup> For the calculation of the three economic indicators (average of real GDP growth, average of GVA of Industry, average of the income from the agricultural activity) I took in consideration the data from the period 2001-2011, including the specific periods of both programmes.

(starting from the first year of the implementation) of both programmes. In Slovenia the mid-period of the implementation of programme is 2001-2003, while in Macedonia is 2009-2011. In order to provide a clear framework of the impact, I chose this period for the fact that in the time of the research coincided with the running of the implementation of IPARD in Macedonia.

In order to answer the questions related to the main objective of the study, analysing the performance of the implementation process, I selected and calculated the same appropriate indicators within the programmes as explained below:

- a) Timeline of implementation
  - For the calculation of the timeline of the start of implementation of both programmes, I analysed the period (months) from the time of the approval of each plan, till the moment of the accreditation of the first measures, as a main condition for the start of the implementation process.
- b) Implemented measures
  - By checking the monitoring system of IPARD in Macedonia and the official reports of the evaluation of SAPARD in Slovenia, I selected the same measures that were implemented during the respective selected period in Slovenia and Macedonia.
- c) Number of projects
  - By checking the official annual reports and the monitoring system of Macedonian programme and the official reports of the evaluation of Slovenian programme, I calculated the number of projects that were approved and completed during the respective selected period in Slovenia and Macedonia.
- d) Financial support
  - By checking the official annual reports and the monitoring system of IPARD and the official reports<sup>5</sup> of the evaluation of SAPARD, I calculated the allocated budget per measure during the respective selected period in Slovenia and Macedonia.
- e) Agricultural holdings<sup>6</sup> supported by the programme By checking the official annual reports and the monitoring system of IPARD and the official reports of the evaluation of SAPARD, I calculated the share of the agricultural holdings supported by the programmes and the financial support per agricultural holdings during the respective selected periods in Slovenia and Macedonia<sup>7</sup>.

<sup>&</sup>lt;sup>5</sup> For the calculation of the allocated budget per measure during the period 2001-2003 under the Slovenian programme, I used the number of the approved and completed projects per measure in 2001-2003 and the average of the programme amount per measure in the end of the programme.

<sup>&</sup>lt;sup>6</sup> The project word refers to agricultural holdings for both programmes.

<sup>&</sup>lt;sup>7</sup> For the calculation of the share of the agricultural holdings supported by the programmes, I used the number of agricultural holdings supported by the programmes during their respective periods of implementation and the total number of existent agricultural holdings in Slovenia and Macedonia.

# Results of the implementation analysis of SAPARD and IPARD in Slovenia and Macedonia

The indicators which analyse the performance and the effect of the implementation process of SAPARD and IPARD in Slovenia and Macedonia are:

- a) Timeline of programmes
- b) Implemented measures and financial support
- c) Agricultural holdings supported by the programmes

# a) Timeline of programme implementation

SAPARD and IPARD in Slovenia and Macedonia had a delay on the accreditation of the first measures, which is the main condition for the start of the implementation of the programme. This should be put in relation with the difficulties faced at country level in setting up in time the administrative system of the programmes. In Macedonia this delay influenced negatively on the performance of the implementation process due to the low number of approved and completed projects. In Macedonia the accreditation of the first measures required more time (15 months) than in Slovenia. By taking into consideration the initial implementation date for both programmes and countries, I set up the period of analysis as explained in table 5.1.

**TABLE 5.1:** Timeline of programmes implementation

Countries	Accreditation of measures (months)	Selected period of analysis (months)
Slovenia (*)	11	18
Macedonia (**)	15	23

Source: \*EC (2010); \*\* MAFWE (2012)

# b) Implemented measures and financial support of SAPARD and IPARD in Slovenia and Macedonia

Both countries had implemented a third of all measures designed by European Commission (table 4.2; respectively 27% and 33% of all measures). In fact, among 15 measures designed for SAPARD, Slovenia planned and implemented only 4 (Investment in agricultural holdings, Processing Investment, Diversification and Rural Infrastructure) during the mid-period of the programme implementation.

The same situation is seen in Macedonia in which out of 9 measures designed for IPARD, only three were implemented (Investment in agricultural holdings, Processing Investment, Diversification).

**TABLE 5.2:** Implemented measures and financial support of SAPARD and IPARD

	Slovenia		Macedonia	
Indicators	2001-2003		2009 - 2011	
	Total (€/000)	Per project (€/000)	Total (€/000)	Per project (€/000)
Investment in agricultural holdings	1.439,40	96	362,9	15,1
Processing Investment	1.627,40	135,6	984,7	98,5
Diversification	431,4	13,1	351,8	44
Total	3.498,30	244,7	1.699,40	157,6

Source: MAFF (2004); MAFWE (2011); IPARD Monitoring System (2011)

The allocated budget in Slovenia was two fold higher than in Macedonia. This situation occurred due to the fact that the allocated fund for SAPARD (17% of budget for pre-accession instruments) was higher than the one for IPARD (10% of IPA budget). This situation occurred even due to the fact that Slovenia has approved and completed more projects (60) than Macedonia (42). From the point of view of IPARD Managing Authority the rejection of the projects (54% of the submitted application) was due to the failure of meeting certain criteria under the IPARD (minimum and maximum production capacity, age of the manager of the legal entity, the definition of potential beneficiaries). But, from the point of view of the potential applicants, the preparation of the projects was a time-consuming process due to the weak function of IPARD administrative structure (lack of quality advisory services to support applicants in preparation for application package, high demanded cost of consultants for preparing the application) and the highest requirement criteria for application (MAFWE, 2012).

The highest proportion of total funds, for both programmes, is allocated on the improvement of production and marketing structures of processing sector, due to the priority given to this sector (respectively 65% and 61% out of total programme approved budget for the selected period) as the highest requirement sector (MAFWE, 2012) for improvement.

## c) Agricultural holdings supported by the programme

Both SAPARD and IPARD supported a very small number of farms (0.1 %). However, the financial support granted to each holding in Slovenia was higher

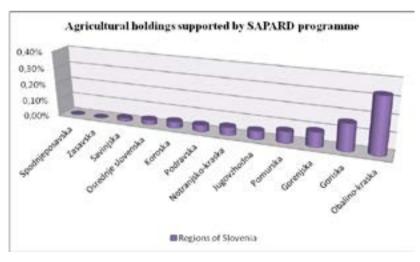
than in Macedonia. This can be related with the different type of investment funded (on average, investments in Slovenia are more capital intensive than those in Macedonia, in line with the higher access to technology of Slovenian farmers). In Macedonia this effect can be regarded even as an inappropriate identification of the priority areas in their Rural Development Plan, given that a few number of the target agricultural holdings was approved and supported by the programme (25% of all the target agricultural holdings).

**TABLE 5.3:** Agricultural holdings supported by the programmes in Slovenia and Macedonia

Indicators	Slovenia	Macedonia
indicators	2001-2003	2009-2011
Agricultural holdings supported by the program (No.)	48	24
Share of agricultural holdings supported by the program (% of all agricultural holdings)	0,1	0,1
Financial support per agricultural holdings (€/000 )	30	15,1

Source: MAFF (2004); SI-STAT (2016); OIKOS (2007); IPARD monitoring system (2011); State Statistical Office of Macedonia (2007)

FIGURE 5.1: Agricultural holdings supported by SAPARD programme in Slovenia



Source: Author

In Slovenia almost all regions (except Spodnjeposavska and Zasavska) have received the support of SAPARD for agricultural holdings. The regions with the highest support are Obalino-kraska (0, 33 %) and Goriska (0, 16%).

Agricultural holdings supported by IPARD programme

0,40%
0,20%

0,00%

Regions of Macedonia

FIGURE 5.2: Agricultural holdings supported by IPARD programme in Macedonia

Source: Author

In Macedonia less than half regions have not received IPARD support on agricultural holdings (see Fig.5.2).

#### 6. Conclusions

The analysis has shown that both Slovenia and Macedonia faced difficulties on setting up in due time the administrative system of SAPARD and IPARD programmes. As a result, the implementation process was delayed with negative effects on the performance of the programmes which show a limited implemented of all measures designed. This is in line with what has happened in other countries involved in the pre-accession process and is largely influenced on one side by the lengthy administrative process and, on the other side, by the delays of the European Commission in the finalisation of the detailed guidelines for programme implementation. IPA Implementing Regulation, the base for all national activities of beneficiary countries as concerns the programming activities, has been adopted by the Commission only in June 2007, with the consequence that beneficiary countries had to prepare their programme structures on the basis of unofficial documents and had to make frequent changes.

Both countries approved and completed only a few projects. This effect is probably due to the high rate of bureaucracy associated with project preparation (extremely demanding and time-consuming) and the not well-defined functioning of the submission process which ended in the rejection of a large number of applications. This is confirmed, for example, by IPARD Managing Authority, which emphasized

the low quality of submitted applications, the lack of information granted from the institutions involved to the applicants and the lack of staff capacity. As a result, Slovenian and Macedonia programme reached only a few agricultural holdings.

Besides the limited results of SAPARD, the Slovenian experience is recognized as best practice among the last accessed group of countries; and Slovenia has become part of the EU. On the contrary, almost all applicant countries of Western Balkan show a delayed implementation of all IPA components, especially the IPARD programme. While Macedonia has at least partially implemented the programme, some countries (e.g. Montenegro and Serbia) have not yet started. For this group of countries the Pre-accession Instrument (IPA), especially the IPARD programme, has not been functional in supporting the candidate countries towards EU membership. It seems that the experience of SAPARD has not been taken into account by policy makers in the design of IPARD.

Unfortunately, the limited data available reduce the validity of such conclusions. Taking into consideration the limitation of the methodology adopted for the research and the data gaps, it is recommended that a collection of primary data will take place in order to conduct a proper impact analysis and to build samples of programme beneficiaries and non-beneficiaries (control group) for all regions of selected countries.

#### References

- CES 1023/2002 EN/O. Opinion of the Economic and Social Committee on financial assistance for Pre-accession PHARE, ISPA and SAPARD. Brussels, pp.5.
- Enlargement Information Unit. (2001). Enlargement of the European Union: An historic opportunity. Retrieved from http://ec.europa.eu/enlargement/archives/pdf /press\_corner/publications/corpus\_en.pdf
- European Commission. (2010). Synthesis of SAPARD ex post evaluations: Evaluation Report. Brussels: KPMG Advisory Ltd. pp. 24-138.
- European Commission. (2016). Acquis. Retrieved from http://ec.europa.eu /enlargement/policy/glossary/index\_en.htm
- European Union. (2001). Enlargement of the European Union. Retrieved from http://training.itcilo.it/actrav\_cdrom1/english/global/blokit/eularge.htm
- European Commission. (2003). EU-Western Balkans Summit Thessaloniki, C/03/163. Retrieved from http://europa.eu/rapid/press-release\_PRES-03-163\_en.htm
- GHK. (2011). Evaluation to support the preparation of pre-accession financial instruments beyond 2013, Brussels: GHK, 19-33. Retrieved from http://ec.europa.eu/enlargement/pdf/financial\_assistance/phare/evaluation/20110912\_final\_report.pdf
- OJ N. L 161. COUNCIL REGULATION (EC) No 1268/1999 of 21 June 1999 on Community support for pre-accession measures for agriculture and rural development in the applicant countries of central and eastern Europe in the pre-accession period, 80-92.
- OJ N. L 170. Commission Regulation (EC) No 718/2007 of 12 June 2007 implementing Council Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA), .4-63.

- OJ N. L 210. COUNCIL REGULATION (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA), 85-91.
- OJ N. L161. Council Regulation No. 1267/1999 of 21 June 1999 establishing an Instrument for Structural Policies for Pre-accession, 74-78.
- Report concerning negotiations regarding access of Community undertakings to the markets of third countries in fields covered by the Directive 2004/17/EC, COM (2009)592, final.

#### Articles and other official documents

- CEE Bankwatch Network & Friend of the Earth Europe. (2002). Billions for Sustainability: lessons learned from the use of pre-accession funds. London: CEE Bankwatch Network.
- Census of Agriculture. (2007). Skopje: State Statistical Office of the Republic of Macedonia, 16-34.
- Gjorgjievski, M. (2008). EU Instrument for Pre-Accession Assistance: The path to a successful Start. In: CEUENS, CEU, ed., 2008. Workshop on Using IPA and other EU funds to accelerate convergence and integration in the Western-Balkans. Budapest, Sep.2008. (s.l): CEUENS, CEU, 69-86.
- MAFF. (2000). Rural Development Plan. Ljubljana: MAFF.
- MAFF. (2004). Midterm evaluation of the SAPARD programme 2000-2003.Ljubljana: MAFF.
- MAFWE. (2007). National Plan for Agriculture and Rural Development 2007-2013. Skopje: MAFWE.
- MAFWE, IPARD Managing Authority. (2011). Annual report for the implementation of the IPARD programme 2007-2013 of the Republic of Macedonia. Skopje: MAFWE.
- MAFWE, IPARD Managing Authority. (2012). Annual report for the implementation of the IPARD programme 2007-2013 of the Republic of Macedonia. Skopje: MAFWE.
- MAFWE, IPARD Managing Authority. (2011). Annual monitoring report for the implementation of the IPARD programme 2007-2013. Skopje: MAFWE.
- MAFWE, IPARD Managing Authority. (2012). Monitoring System of IPARD program in Republic of Macedonia (2011). Skopje: IPARD Managing Authority.
- OIKOS. (2007). Ex-post evaluation of the Special Accession Programme for Agriculture and Rural Development in Slovenia for the period 2000-2006. Ljubljana: OIKOS.
- State Statistical Office of Republic of Macedonia. (2007). Census of Agriculture Skopje: State Statistical Office of Republic of Macedonia, 30-39.

#### Different official websites

- Doing Business. (2016). Macedonia, FYR. Retrieved from http://www.doingbusiness.org/data/exploreeconomies/macedonia-fy
- Doing Business. (2016). Slovenia. Retrieved from http://www.doingbusiness. org/data/exploreeconomies/slovenia
- EUROSTAT. (2016). Income from agricultural activity. Retrieved from http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tag00057
- EUROSTAT. (2016). Real GDP growth rate. Retrieved from http://epp. eurostat.ec.europa. eu/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tec00115
- SI-STAT. (2016). Agriculture holdings with the number of livestock by statistical regions, Slovenia, 2003. Retrieved from http://pxweb.stat.si/pxweb /Database/Environment/15\_agriculture\_fishing/03\_agricultural\_holdings/07\_15600\_holdings\_regions/07\_15600\_holdings\_regions.asp
- World Bank. (2016). Rural Population (% of total population). Retrieved from http://data.worldbank.org/indicator/SP.RUR.TOTL.ZS