

Framework Contract Beneficiaries 2009 Lot 1

European Union Delegation to Serbia

**“TECHNICAL ASSISTANCE FOR EVALUATION OF AGRICULTURE AND
RURAL DEVELOPMENT SECTOR IMPLEMENTED AND FINANCED BY IPA
PROGRAMME AND OTHER DONORS IN THE REPUBLIC OF SERBIA”**

Contract N° 2012/299327

EVALUATION REPORT

Final version

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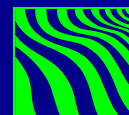
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DELEGATION of the EUROPEAN UNION

Republic of Serbia

**Technical Assistance for Evaluation of Agriculture and Rural
Development sector implemented and financed by IPA Programme and
other Donors in the Republic of Serbia**

**Contract N° 2012/299327
Framework Contract Beneficiaries – Lot 1**

Evaluation Report

Final version

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The views expressed are those of the consultant and do not necessarily represent any official view of the
Commission or the Government of Serbia*

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Glossary of acronyms

CAP	Common Agricultural Policy of the EU
CARDS	Community Assistance for Reconstruction, Development and Stabilisation
CEFTA	Central European Free Trade Agreement
CFCU	Central Finance and Contract Unit
CoM	Conferral of management
CSF	Classical swine fever
CSO	Civil society organisations
DAC	Development Assistance Committee of OECD
DAP	Directorate of Agrarian Payments
DFID	UK Department for International Development
DG REGIO	Directorate-General for Regional Policy
DG SANCO	Directorate-General for Health and Consumers
DIS	Decentralised Implementation System
DNRL	Directorate of National Reference Laboratories
EC	European Commission
EU	European Union
EUD	EU Delegation (to Republic of Serbia)
FADN	Farm Accountancy Data Network
FWC	Framework contract(or)
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GVA	Gross value added
HACCP	Hazard Analysis Critical Control Point
ICT	Information and Communication Technologies
IPA	Instrument for Pre-accession Assistance
IPARD	IPA component V (Rural Development)
ISDACON	Inter Sectoral Development and Aid Coordination Network
LEADER	Liaison Entre Actions de Développement de l'Économie Rurale
LIS	LEADER Initiative in Serbia
MA	Management Authority
MAFWM	Ministry of Agriculture, Forestry and Water Management
MFF	Multi-annual Financial Framework
MIPD	Multi-annual Indicative Planning Document
NAD	Needs Assessment Document
NAO	National Authorising Officer
NGO	Non-Governmental Organisation
NIPAC	National IPA Coordinator
NPI	National Plan for Integration with the European Union
NRL	National Reference Laboratories
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
PA	Paying Agency

PDO	Protected Designation of Origin
PF	Project fiche
pLAG	potential Local Area Group
PPD	Plant Protection Directorate
RBM	Results based management
RS	Republic of Serbia
RTA	Resident Twinning Adviser
SAA	Stabilisation and Association Agreement
SAPARD	Special accession programme for agriculture and rural development
SCM	Steering committee meeting
SEIO	Serbian European Integration Office
SF	Sector fiche
SIF	Sector Identification fiche
SPS	Sanitary and phyto-sanitary
SWAp	Sector-wide approach
SWG	Sector working group
TA	Technical Assistance
TAIEX	Technical Assistance and Information Exchange of the EU
ToR	Terms of reference
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
WB	World Bank
WBIF	Western Balkans Investment Framework
WTO	World Trade Organisation

Executive Summary

This report details the evaluation of the agriculture and rural development sector that has been undertaken for the Delegation of the European Union to the Republic of Serbia in October and November 2012. The work has involved a mix of desk research, document review and consultations with government officials, project staff and personnel from other agencies and donors, performed in close consultation with the Serbian European Integration Office (SEIO). There was a short inception period at the beginning of October which set out the scope of the evaluation based on the terms of reference, the methods and approach that would be used, and the outline of the evaluation questions that have guided the interviews and the analysis of findings.

The evaluation encompasses assistance to the agriculture and rural development sector in the period 2007-11 under the EU Instrument for Pre-accession Assistance (IPA), specifically component I. It has also broadly mapped other bi-lateral and multi-lateral assistance that has been provided to the agricultural and rural development sector and reviewed this from the perspective of the co-ordination and complementarity of official development assistance (ODA).

The evaluation has had limited opportunity to drill down into the data and verify the findings in programme documents and project reports. Far more resources than that available to this evaluation are required for a rigorous theory based evaluation of impact. The judgements made in this evaluation may therefore be open to interpretation and challenge by those with more detailed knowledge of the specific interventions. The evaluation is also fully aware that it has come at a time of change in the political landscape with the new government establishing its priorities and approach (including new key appointments).

There have been five annual programmes of IPA I assistance during the period 2007-11, allocating € 25.9 million to the agriculture and rural development sector. Other ODA has comprised EU Counterpart Funds totalling approximately € 8.53 million (in 5 tranches), and approximately € 50.6 million of other donor commitments (based on estimates from the ISDACON database). Thus, 40% of the assistance to the sector has been committed by the EU.

The EU funding has been used to support a range of activities which have been categorised into key themes in line with some of the main components that need to be tackled as part of the EU integration process – institutional preparedness, safety and standards, animal health, and land markets. A total of 33 contracts (13 advisory and technical assistance and 20 supply contracts) have been signed up to September 2012. Despite programming starting in 2007, the first contracts for IPA assistance were only signed in 2010, and only the supply contracts and studies have been completed by the time of the evaluation, so this is a relatively ‘new’ programme. 82% of the financing allocated to the agriculture and rural development sector in the period has been contracted. Of this contracted amount 57.1% has been disbursed up to end of August 2012. Figures for disbursement obviously can have implications in terms of the pace at which results are likely to be achieved.

Relevance

Since December 2009 and its application for EU membership, the overarching goal of the Republic of Serbia has been to meet the EU accession criteria expressed in the *acquis*. Agriculture is one of the most demanding sectors in terms of reform and compliance in meeting EU membership obligations, as well as the necessity for building the mechanisms to be able to access the pre-accession funding and eventual CAP benefits. IPA assistance programmes have been relevant to tackling these demands and have addressed the strategic priority of EU accession and harmonisation with the *acquis*, whilst other ODA has focused rather more on market reforms and competitiveness of the sector.

The projects that have comprised these IPA programmes of assistance all met important priorities and have been justified on the basis of meeting objectives defined within the national strategies and priorities, and addressing comments in the previous Enlargement Strategy and Progress Reports of the EC. It is noticeable that there has been substantial improvement over time in more closely aligning programming of the assistance to these priorities. The national needs have been well articulated in the document, ‘Needs of the Republic of Serbia for International Assistance (NAD)’. Unfortunately, it is acknowledged that the various national strategies and policies have not been predictably and consistently applied by MAFWM over the period, which has created an unstable environment for following reforms and for restructuring the sector. This has had implications in delaying the delivery of IPA assistance and for the design and performance of individual projects.

Thus, whilst the measures financed have been appropriate, a number of constraints were recognised that had a subsequent effect on the performance and outcomes of the assistance:

- Changes were often needed to the design of measures due to the long lead time before implementation to ensure relevancy of the intervention given changes in the intervening period;
- Design was sometimes based on controversial ministerial decision-making which affected ‘ownership’ and commitment to the project;
- A tendency towards over optimism or over-ambition (especially pre-2009) in the project design in relation to likely progress towards accession negotiations;
- Programming can still be further improved by linking the proposed measures more precisely and cogently to the problems and weaknesses that are identified, so as to emphasise the relevance and priority of the intervention; and
- Programme documents need to include a detailed measurement plan enabling a rigorous assessment of the expected impact and changes that will result from the assistance.

Co-ordination of ODA

Serbia is a signatory to the Paris Declaration on Aid Effectiveness (2005) and has developed a well-structured aid co-ordination system at three levels: national, sector, and at the specific level with bi-lateral donor to donor (D2D) or donor to government/agency (D2G) cooperation. It is seen to operate most effectively at the latter level with good co-operation and co-ordination amongst project funders reported, in the main. This may be expected given the extent of priorities and needs

which means there has been a large ‘space’ for the operations of bi-lateral and multi-lateral assistance. Hence, the assistance has been broadly complementary: IPA assistance has focused on the accession and *acquis* requirements, and whilst all donors support the EU integration process, they have tended to work more on specific aspects of reforming the agriculture sector, working with agri-business and improving the value chain for commodities.

At the national level, SEIO plays the co-ordinating role and there has been a stronger sense of mutual accountability developed as SEIO has initiated stronger national ownership and focus to the assistance over the period. Unfortunately, there has been no formal assessment of aid co-ordination against the key indicators of fulfilling Paris Declaration principles. At the sector level, the Aid Co-ordination Working Group in agriculture has met only annually holding two meetings which have been mainly about information sharing. It was reported that earlier donor led aid co-ordination often with internal ministry departments was more beneficial for the donors addressing specific sector issues, but of course lacked the important strategic Ministry co-operation. There is a need to blend the two elements - strategic information sharing, and also detailed co-ordination when dealing with specific components within agriculture.

Performance of the assistance

The evaluation has found strong positives from the IPA assistance but delays in contracting and slowness of implementation in many cases mean opportunities have been lost to progress and achieve early results and timely impact which can foster and accelerate the EU integration process. Strongest results are seen in the animal health theme, with more partial achievements in the competent authorities for the Paying Agency and Management Authority, the LEADER initiative, in plant protection and food safety, and the viticulture sector. Only in relation to assisting the National Reference Laboratories has there been real concern where the project is struggling to avoid failure. Some of the more recent projects, such as the Farm Accountancy Data Network (FADN) are demonstrating strong provisional results. Thus, overall there is a mixed picture of results from the IPA assistance to the sector to date, and a slower realisation of results in many cases than may have been anticipated. The main reasons for this have been identified as follows:

- In many cases outputs are only just being completed because of the lateness of contracting and the pace of disbursements noted under input efficiency.
- Limitations of the national agriculture budget which slows down the pace of reform and manifests itself in the lack of capacity and resources in many of the institutions with which IPA assistance is working. It also restricts the amount of national co-financing that is available to accelerate and add value to the achievement of results of the IPA assistance.
- Institutions taking on the obligations of reform to meet EU criteria rarely had the full staff complements that were needed to implement the additional measures arising from the twinning advice and technical assistance. Given the complexity and range of changes required by the various Ministry departments, there have been insufficient officials with the management and leadership skills necessary to champion the reforms in their various departments and directorates. Many of the softer skills in human resource development (changing attitudes and mind-set of staff, building commitment towards the organisation, empowering staff, and

building a sense of ownership over responsibilities and tasks) is only weakly developed in the public service.

- Delays and quality to timely achievement of results have also been due in instances where the performance of expertise and advice from twinning partners and contractors has fallen below the standards expected.
- Evidence suggests a longer term perspective to specific areas of assistance may be required if harmonisation with *acquis* requirements are to be met in the circumstances in which Serbia currently finds itself. A longer term perspective to the support can build greater beneficiary ownership and reduce the risks to sustainability.

Impact of the assistance

In evaluation terms, it is premature to be able to make definitive statements about the impact of the IPA assistance at this juncture, as the reality is one of on-going achievement of results from which in most cases there is as yet no or only limited evidence of impact. Neither has this evaluation been able to assess a verifiable and suitable set of indicators at the impact level to be able to make objective statements on the extent of any impact, owing to the lack of appropriate and measurable indicators in programming documents.

Arguably, the most tangible impact has been recorded through the animal health assistance with the measurable improvements to the epidemiological situation in the country, where there is also a recognised methodological approach to record and assess the changes as a result of the various vaccination campaigns.

Impact around the readiness of some institutions in the agriculture sector to take on the obligations of *acquis* requirements and the ability to manage and absorb EU funds (especially via the IPARD instrument) is currently uncertain. Thus:

- The limited results achieved to date in Directorate of Agrarian Payments (especially) and the Managing Authority have put back the timetable for conferral of management. In the short term this denies Serbian agriculture access to IPARD funding and investment. New management in DAP needs to urgently address the problems that have been encountered which have hampered progress, and the newly revised accreditation plan will need to be reviewed after 6 months to ensure the changes being planned and the new resourcing are indeed on track.
- With regard to preparedness for LEADER, whilst there has been strong bottom up planning facilitating and developing the formation of local partnerships and preparing potential Local Area Groups, no institutional mandate has been built owing to the lack of commitment and decision by the Ministry for a national inter-agency forum on rural development. Neither have the mechanisms been developed within DAP for the development of procedures for the implementation of LEADER measures.
- The development of the Farm Accountancy Data Network (FADN) in Serbia is in its early stages, but there is already strong evidence to suggest that the 5-year National Plan for FADN will be achieved. The institutional framework for FADN has been established, capacity strengthening is underway, and the two pilot data collection exercises have been successfully implemented.

The more subjective intangible impact that is difficult to measure of the benefits of the awareness building, improved know-how and strengthened capacity-building, through the substantial training and advisory work, are highlighted throughout the report. The impact of these on personnel and organisations are a necessary condition for the reforms and restructuring in the sector.

Recommendations

A set of key recommendations emanating from the evaluation is provided covering the co-ordination and delivery of the assistance, and a number of strategic issues. These are:

Co-ordination and delivery of the assistance

1. Benchmarking Serbia's aid effectiveness to assess the extent Paris principles on aid co-ordination are being met in Serbia.
2. Aid co-ordination in agriculture needs to combine the strategic information sharing done through the Aid Co-ordination Working group which should meet bi-annually, with smaller sub groups of donors and department (task teams) cooperating on specific components of mutual interest within agriculture.
3. Skilling up SEIO officials and relevant MAFWM staff in indicator development and *ex ante* evaluation, so that considerations of measurement becomes an integrated part of the programming and planning cycle.
4. Recruiting and training for the IPA Unit in MAFWM for monitoring performance of the assistance to provide the interface between implementing departments, SEIO and the EUD.
5. IPA programmes require more active risk management strategies to be put in place.
6. Consideration should be given to broadening participation in steering committees so as to better supervise and direct project outcomes, and to ensure that cross-cutting issues are fully integrated in the delivery of the assistance.
7. In order to better integrate cross-cutting issues in the delivery of the assistance, it is recommended that a systematic and explicit checklist of preparatory steps to take are developed.
8. To improve and maximise the benefits of twinning assistance, the twinning rules and procedures have to be better communicated.
9. It is recommended that the progress to fulfilling the accreditation plan for conferral of management (CoM) is independently reviewed after 6 months, to ensure plans of the new management are on track and any further remedial measures can be undertaken.
10. Ensure appropriate budget allocation for strengthening the LEADER approach from the national budget.

Strategic

11. The Agriculture and Rural Development Strategy should be updated and adopted for 2013-2020 ensuring the more integrated agricultural and rural development measures become embedded in national policy.
12. Provide a national document that sets out the workplan for achieving *acquis* requirements which could be updated annually with better linkage between the SIF, the MIPD and national annual workplans.

13. Noting the benefits of sequential assistance, plan the overall requirements for assistance in those components that will require more than one project cycle to achieve the results and intended impact, even if the PF is only designed for a single programme.
14. Use more opportunities for regional (in former Yugoslav republics) sharing of learning and experiences along the road to accession. There are valuable lessons from Croatia (e.g. in the preparation of SIFs) as it becomes a Member State in July 2013.

Proposals for possible policy objectives for the next Multi-annual Financial Framework (MFF),

The evaluation has set out broad considerations based on evidence and experience for defining policy objectives for the next financial perspective and put forward some suggested key policy objectives in line with the preparations for EU accession. These cover: i) building tri-sector partnerships; ii) access to finance; iii) land and agrarian reform; iv) a strengthened sanitary and phyto-sanitary strategy; and v) supporting climate adaptation for agriculture. In each case, the possible indicators for measuring the expected impact have been elaborated.

Finally, the need for a proper system of defining indicators at the programme level has been highlighted and a commentary provided on existing draft indicators for the NAD that were provided at the commencement of the evaluation. The report goes on to describe a set of prospective measurable indicators that could be considered for different types of programming intervention.

Introduction

1.1 Introduction

This evaluation of the agriculture and rural development sector¹ has been undertaken for the Delegation of the European Union to the Republic of Serbia (EUD) during October and November 2012 by two experienced evaluators drawn from the AESA consortium. The work has involved a mix of desk research, document review and consultations with government officials, project staff and personnel from other agencies and donors. It has been performed in close consultation with the Serbian European Integration Office (SEIO), representing the Government of Serbia.

It is understood that this will be one of a series of evaluations of the EU Instrument for Pre-accession Assistance (IPA) in Serbia now that it has achieved candidate status. This was achieved in March 2012 by decision of the European Council (Article 39). The Republic of Serbia is receiving assistance under IPA from the first two out of the five IPA components, i.e.: IPA I - Transition Assistance and Institution Building, and IPA II - Cross-Border Cooperation. This evaluation encompasses assistance under IPA I to the agriculture and rural development sector.

Following a short inception period at the beginning of October, a report was prepared² that has guided the conduct of this evaluation and provides more details on how the terms of reference (ToR) were to be implemented, the approach adopted and the outline of the evaluation questions that were used to guide the work. The findings of the evaluation were presented to a wide cross section of stakeholders at a workshop in Belgrade on 18th December 2012.

The structure of the evaluation report has been revised from the earlier draft at the request of the EUD following presentation of the findings at the evaluation workshop. It now comprises this introductory section setting out the objectives of the evaluation and the methodology employed. The second section presents the context for the significance of the assistance and the strategic framework in which reforms to the agricultural sector are set out. The third section provides a mapping of the assistance, listing the projects that have been financed by the IPA assistance, and a brief outline of the other relevant ODA to the sector from the key donors. The fourth and main section of the report covers the overall evaluation findings in relation to the funding by the EC and the programmes' performance, together with the overall conclusions and lessons learnt based on the evaluation analysis. Section five makes a number of key recommendations in relation to the existing funding and the sixth section proposes a number of additional possible policy objectives for the sector for future programming. Finally, there is a section addressing the problem of defining appropriate indicators and making suggestions on the sort of measurable indicators that could be used at the programme level.

¹ It should be noted that it was decided at the kick-off meeting on 1st October that the evaluation would primarily focus on the projects implemented and financed by the IPA Programme (2007-2011), but would involve other donors to the agriculture sector from the perspective of the complementarity of their programmes with EU assistance.

² Final Inception Report. Contract No: 2012/299327, Lot 1; October 2012.

1.2 Purpose of the evaluation

Terms of reference for the evaluation sets out the scope and focus for the work described in...*“Technical Assistance for Evaluation of Agriculture and Rural Development sector implemented and financed by IPA Programme and other Donors in the Republic of Serbia”*. These are attached in Annex 1.

The aim of this evaluation is to assist the Government of Serbia with an assessment of the ODA (Official Development Assistance) as defined by the OECD/DAC³ within the **Agriculture and Rural Development** Sector for period 2007-2011.

The overall objective, as specified in the terms of reference is ... *“to maximise impact of financial assistance in the sector of Agriculture and Rural Development in Serbia from the EU and other donors”*.

The specific objectives of the evaluation are to:

1. *Map and assess the impact, effectiveness, efficiency, relevance and sustainability of ODA interventions in the sector Agriculture and Rural Development.*
2. *Provide lessons learned and recommendations for decision-making on improvements of future financial assistance where relevant.*
3. *Propose measurable policy objectives not included in the NAD and related measurable indicators for further assistance.*

The aim has been to meet the European Commission's expectations in order to link this evaluation exercise to the on-going programming and preparations for the next financial perspective beyond 2014.

1.3 Description of methodology and approach

The evaluation follows the methodology of the Commission's Evaluation Guide⁴ and the Project Cycle Management (PCM) Guide of EuropeAid, adopting accepted good practice in evaluation in keeping with DG Budget⁵ and with DAC evaluation guidelines (encompassing the key DAC principles for evaluation – relevance; efficiency, effectiveness, impact and sustainability)⁶.

The work is based on documentary evidence, interviews with key stakeholders, fieldwork, objective analysis of findings and the preparation of a structured report.

³ Official development assistance is defined as those flows to countries and territories on the DAC List of ODA Recipients and to multilateral development institutions which are:

i) provided by official agencies, including state and local governments, or by their executive agencies; and

ii) each transaction of which: a) is administered with the promotion of the economic development and welfare of developing countries as its main objective; and b) is concessional in character and conveys a grant element of at least 25 per cent (calculated at a rate of discount of 10 per cent). See www.oecd.org/dac/stats/dac/directives

⁴ DG ENLARG, November 2008.

⁵ DG BUDGET, Evaluating EU activities – a practical guide for the Commission Services. July 2004.

⁶ OECD-DAC. 1991. *Principles for Evaluation of Development Assistance*. OECD-DAC. Paris.

Information for the compilation of evaluation findings has been principally derived from the following sources:

- Documentary evidence, including Commission opinions on enlargement strategy, national strategic plans in agriculture and rural development, programming documents, sector and project fiches, and reports on the programmes. Additional programme / project reports, as well as published reports on Serbian agriculture were reviewed, both in terms of gaining contextual understanding for the assistance and to examine specific interventions in greater detail.
- Consultations and semi-structured interviews with interlocutors, including officials and others concerned with, or affected by, the assistance. Meetings and interviews were held with key EUD staff, government officials and other interlocutors in Belgrade. A total of some 50 interviews were held during the fieldwork stage, and regular contact was maintained with the Agriculture Programming Officer in SEIO and the IPA Unit in the MAFWM. The evaluators also participated in several individual project monitoring meetings as an observer which contributed to increased understanding of the roles of individual actors and their performance in the implementation of the projects.

The evaluation can be considered essentially as an *interim* evaluation given the nature of the on-going activities of the IPA 2007-2011 programmes, focusing on the ‘outcomes’ achieved to date and has sought to determine and assess the *actual changes* that have been made in relation to the *intended changes* set out in the programme documentation. In particular, the evaluation team has examined the assistance from the perspective of a range of evaluation questions that were outlined in the ToR and elaborated more particularly in the Inception Report.

The approach and the evaluation questions are set out fully in Annex 2. A list of people interviewed in the course of the evaluation is shown in Annex 3, and a list of documents consulted in Annex 4.

Background and Context

2.1 Why the importance of the agriculture sector

“There is general consensus that the potential of Serbia’s agriculture for improvement is massive...there are major opportunities they could seize both within and beyond EU”⁷.

A detailed description of the agriculture and rural development sector is found in numerous strategic documents⁸ and it is not the intention to repeat these details here, but essentially to highlight the key factors of the importance of the sector to the Serbian economy, and also the significance of the sector in the process towards alignment and implementation of the *acquis communautaire*, as Serbia faces the challenges of the European integration process as a key part of preparations to assume the obligations of EU membership.

The agriculture and rural development sectors are of significant importance to the Serbian economy in terms of:

- Providing livelihoods to its rural population (estimated at about 3.47 million or 47.6% of the population), and given that 68% of small rural households identify agricultural activity as a source of income⁹.
- Its contribution to GDP (agricultural production amounted to 10.4% in 2011¹⁰) and exports (agriculture, food and beverages together accounting for 22.9% of exports in 2011¹¹). Agricultural exporters and traders have responded to trade liberalization with access to EU markets and the CEFTA countries, by increasing agri-food exports by 2010, to over € 800 million¹².
- As a source employment, although this has been declining (20.4% of total employment in April 2012¹³) but, of course, is also significant in the informal economy.
- Import substitution; agricultural products consumed on the farm or marketed locally make a highly significant contribution to the balance of payments, as well as contributing to household income and food security of some of the poorest in society.
- Its undoubted potential to contribute to economic growth in the country.

Agriculture as a sector (encompassing rural development, food safety, veterinary and phyto-sanitary policy) is also a major part of the requirements of the *acquis*

⁷ Serbia Country Economic Memorandum, World Bank; October 2012

⁸ See for example, descriptions in the Sector Identification Fiche for IPA National programmes (Component I). SEIO, October 2012 ; Serbia Country Economic Memorandum, World Bank; and [van Berkum, S & Bogdanov, N.](#) “Serbia on the road to EU accession – consequence for Agricultural policy and the Agri-food chain”. 2011.

⁹ Source: World Bank

¹⁰ Source: Republic of Serbia Statistical Office.

¹¹ *ibid*

¹² World Bank figures

¹³ Serbia 2012 Progress Report, Enlargement Strategy & Main Challenges 2012-13. SWD 2012/333 Brussels 10th October 2012.

communautaire and so is important on the road to accession. The sector has to address the required reforms to assume the obligations of EU membership. Whilst these require costly adjustments and investments at all levels for the agriculture producers and food industries in the pre-accession period, there is also evidence from the new Member States that the sector benefits more after accession, through the Common Agricultural Policy (CAP)¹⁴, even though the overall level of CAP funding has been declining.

In order to build a viable and competitive agricultural sector, there must be a focus on quality standards and safety, and the need to diversify the rural economy to provide a wider range of jobs, and to improving the quality of life in rural areas to maintain viable populations in small towns and villages, that can provide the skilled labour force. Hence, the importance of integrating rural development measures with those of agriculture production and processing.

It must be realised that although we speak of agriculture as important to the Serbian economy, it is relatively small in European wide terms. Serbian land accounts for 1.9% of the entire EU, and its total production amounts to 1.1% of EU output. In comparison with the 12 new Member States, Serbia has 7% of their total land resources and only 4% of their exports. Serbia's only really significant products are raspberries, plums, and soybeans; maize accounts for about 11% and peppers for about 7% of European production. Because of its relatively small size, Serbia has little opportunity to influence EU markets and instead must adapt to the price levels and quality standards that it finds there¹⁵.

The development of the agriculture sector and the required reforms have to be seen in the light of the macro-economic situation in the country since the financial crisis of 2008....”*the impact of the economic crisis is being felt throughout the region, with the Western Balkans falling back into recession in conditions of low levels of competitiveness, income and investment and of high and rising unemployment*”¹⁶. There was limited growth in 2011 (GDP increased 1.6%) and contraction of the economy and increased trade deficit in 2012, and the overall stalling of reform in the pre-election period in 2012¹⁷

This has compounded the limited ability to adapt to the many problems of readjustment to the new market realities and coming EU regulations, meaning that in many areas of the industry, agricultural production and processing is weak and uncompetitive. The difficulties and challenges for the sector have included:

- Changes in land ownership structures and uncertainties surrounding land privatisation and the land market;
- Weakly developed institutions and supporting legislative frameworks that have impeded reform;

¹⁴ This comprises access to two funds: i) the European Agricultural Guarantee Fund (EAGF) finances direct payments to farmers and measures to regulate agricultural markets, and ii) the European Agricultural Fund for Rural Development (EAFRD) financing the rural development programmes in Member States.

¹⁵ Agriculture chapter, Serbia Country Economic Memorandum, World Bank; October 2012

¹⁶ Communication from the Commission to the European Council & the Parliament, Enlargement Strategy & Main Challenges 2012-13. Com 2012/600; Brussels 10th October 2012.

¹⁷ *ibid*

- The lack of consistency in the application of agricultural policies over the past decade, with frequent ministerial changes creating uncertainty for farmers, processors and traders to plan ahead ;
- The slow adoption of food safety standards;
- Poorly developed credit markets for agricultural investment;
- The preponderance of large numbers of very small farms that provide only livelihood subsistence (the average size of the family farm in Serbia is around 3.7 ha);
- An aging farm population unable and/or unwilling and slow to adopt modern farming practices; and
- Poorly developed and uncompetitive value chains in the industry.

Institutionally, the EC Progress Report for 2012¹⁸ noted progress in the field of *agriculture and rural development* including with regard to adoption of legislation (mentioning specifically the veterinary and wine components) and agricultural statistics. It noted that the structures and resources for the implementation of rural development under IPARD are advancing, but that alignment in this area remains at an early stage. Whilst progress was being made in the area of food safety, veterinary and phyto-sanitary policy, further strengthening of the administrative capacity of the institutions involved in controlling food chain safety, in particular the veterinary, phyto-sanitary and national reference laboratories was needed. Also crucial was the strengthening of the inspection services. Overall, there was concern with the continuing weaknesses in administrative capacity in the sector and the lack of sufficient trained personnel, and the need for more efficient allocation of resources. This reiterates earlier opinion in 2010 and 2011 demonstrating the priorities that the new government needs urgently to tackle.

2.2 The strategic context

2.2.1 National framework

The strategic framework for agriculture has been set out in a series of strategy and programming documents since 2005. The policy direction for agriculture was provided in the *Agricultural Strategy for Serbia* (2005)¹⁹, although this is now somewhat outdated. It has been updated in the *National Agricultural Programme of the Republic of Serbia* (2010-2013)²⁰ with three overarching aims:

- Restructuring (of producers, ownership and institutions),
- Development of market and market mechanisms, and
- Improving rural development and environmental protection.

This is complemented by *Serbian National Rural Development Programme for 2011-2013*²¹ which identified three strategic objectives relating to improvement of the

¹⁸ Serbia 2012 Progress Report. SWD (2012) 333; Brussels 10th October 2012.

¹⁹ Adopted by Government of Republic of Serbia, Official Gazette of Republic of Serbia 78/05.

²⁰ Adopted by Government of Republic of Serbia, Official Gazette of Republic of Serbia 83/10.

²¹ Adopted by Government of Republic of Serbia, Official Gazette of Republic of Serbia 15/11.

agricultural and food sector; encouraging improvement in food safety, veterinary and phyto-sanitary activities, attaining standards required by the EU *acquis*; and, encouraging sustainable development of the rural economy and rural areas by encouraging diversification.

All these key documents share similar objectives reflecting the broad based needs and priorities of the sector which are unarguable. The broad priorities for the sector are clear and widely shared²². These are: modernisation of agriculture, the economic and social development of rural areas, and agri-environmental and biodiversity protection. However, it has been suggested that there has not always been the consistent commitment to implementing the measures necessary to fulfil the objectives of these strategies, and institutional and political manoeuvring which has diluted their effect.

Based on the overall strategic framework and the current situation in the sector, the following mid-term priorities have been identified in the Needs of the Republic of Serbia for International Assistance 2011-2013 (Needs Assessment Document – NAD):

- Increase competitiveness of agriculture, forestry and fisheries, through managing the quantity and quality of Serbian agricultural production resources;
- Improve food safety, animal health, animal welfare and plant health to harmonise with the EU integrated approach to food safety;
- Support sustainable rural development that encourages diversification of the rural economy, and improves the quality of life in rural areas; and,
- Protect and enhance agri-environmental quality and biodiversity as a contribution to environmental and ecosystem protection.

A series of measures to address these priorities have been identified and these form the focus of plans for sector support over the coming years.

Mention should also be made of a number of related documents that will increasingly impinge on the way the agriculture and rural sectors are organised and developed in the future, focusing on a more holistic approach rather than a narrow commodity and production oriented emphasis. These include²³:

- The National Action Plan for the Development of Organic Farming (2010) with the aim of increasing the amount of land in certified organic production;
- The Forestry Development Strategy of the Republic of Serbia (2006) aimed at the preservation and expansion of forests linked to development of forestry as an economic activity;
- The Energy Development Strategy of the Republic of Serbia and the Biomass Action Plan for the Republic of Serbia (2010);
- The National Sustainable Development Strategy (2008) with a focus on sustainable development (including preservation and improvement) in the areas of water, land (soil) and forests;

²² These are summarised in the Needs of the Republic of Serbia for International Assistance 2011-2013.

²³ Reference: NAD. February 2011.

- The Strategy for Regional Development (2007-2012), which addresses the specific problems of rural areas and obstacles to their development;
- The National Employment Strategy (2005-2010), which aims to support entrepreneurship and establishment of new SMEs through innovation in the agricultural sector and food production;
- The Strategy for the Development of Tourism of Serbia (2005 – 2010), with one objective being promotion and development of rural tourism; and
- The National Programme for Environmental Protection (2010) defines priorities related to protection of nature, biodiversity and forests, fishery as well as agriculture, forestry and hunting for the period of 2010-2014.

What this demonstrates is that Serbia has made the right ‘noises’ in consideration of key strategic issues affecting the wider rural economy and sustainable growth, but as noted (e.g. in earlier Commission opinion) has lacked the consistent commitment to planned reforms and allocative decision-making for the capacity, resources and incentives to implement all these various well intentioned strategies and needed priorities.

Serbia has also prepared a *National Programme for Integration with the European Union (NPI)*. This defines Serbia’s obligations concerning the adoption of the *acquis* into the national legal system and the tasks which must be conducted in order to fulfil the political and economic criteria for accession. A revised and updated version of the NPI was adopted by government in January 2012.

2.2.2 IPA objectives since 2007

The EU’s priorities for assistance to Serbia have been set out in four Multi-annual Indicative Planning Documents (MIPDs) during the period, for 2007-09 (which was updated in 2008 for 2008-10), 2009-11 and the current MIPD for the programming period 2011-2013. The documents are based on the needs identified in the European Partnership with Serbia as well as the appropriate Enlargement Strategy and Progress Report of the EC, and take into account the national strategies. The part covering agriculture in the MIPD 2011-13²⁴ is consistent with these objectives and particularly the priorities within the NAD related to improving capacity for policy formulation and implementation, transposing the *acquis*, further strengthening the food safety and veterinary sectors, increasing the competitiveness and environmental sustainability of the agriculture sector, and improving the capacity of advisory and extension services. Above all, it emphasises developing implementing structures within the management and control system under Component V.

These objectives have been delivered through a series of projects that comprise the IPA programme (a description of the programme follows in the next section). Efforts to adopt a more sector-wide approach (SWAp²⁵) have not been realised to date. The programming process follows an established consultation routine using Sector

²⁴ See Multi-annual Indicative Planning Document (MIPD) 2011-2013

²⁵ See ‘Implementing Sector Approaches in the context of EU Enlargement’: a ‘how to note’. DFID, October 2010.

Working Groups (SWG) made up of SEIO, line ministries, EUD representatives, and Civil Society Organisations (CSOs).

Going forward, based on what has been identified in the MIPD 2011-13, support will focus on the development of a sustainable agricultural sector, improving competitiveness, alignment to the CAP, implementation of EU standards and capacity building for the utilisation of pre-accession assistance under Component V.

The specific objectives for IPA assistance are:

- Improve capacities within state institutions for policy formulation and implementation with respect to agriculture and rural development;
- Progress in transposition of the *acquis* and alignment in line with the Common Agricultural Policy's (CAP) principles and objectives²⁶;
- Develop implementing structures within the management and control system under Component V;
- Further strengthen the food safety and veterinary sectors with a particular focus on the national system of laboratories for food chain control, animal welfare, control of diseases and controls at external borders;
- Increase the competitiveness and environmental sustainability of the agriculture sector and enhance the standard of living in rural areas; and,
- Improve the capacity of advisory and extension services and increase and facilitate access to credits in rural areas.

²⁶ The EC has put forward three broad policy objectives for the CAP for 2014-2020:
1. contributing to viable, market-oriented production of safe and secure food throughout the EU
2. ensuring the sustainable management of natural resources, and
3. contributing to balanced territorial development and thriving rural areas throughout the EU.

Mapping of the Assistance

3.1 ODA to the agricultural sector

3.1.1 IPA assistance for agriculture

The Republic of Serbia has received assistance under IPA from the first two out of the five IPA components²⁷ since 2007, with this evaluation focused on IPA I - Transition Assistance and Institution Building - in the agriculture sector. It has also engaged in the process of preparation for the utilisation of the three other components, working on the development of adequate systems of financial management and control that would allow the Commission to adopt a decision conferring on Serbia the management powers under a decentralised system (Conferral of Management – CoM) for IPA V / IPARD - Rural Development.

There have been five annual programmes of IPA I assistance since 2007²⁸, allocating € 25.9 million to the agriculture and rural development sector (a further € 14.7 million is committed for IPA 2012)²⁹. IPA assistance has been delivered through the centralised management system with contracting undertaken by the EUD. A total of 33 separate contracts have been signed covering twinning arrangements, technical assistance and supply with a value of € 23.83 million (to end August 2012). There is one further contract (which will be a direct agreement) outstanding from IPA 2010 due to be signed by December 2012.

The funding has been used to support a range of activities which have been grouped for the purposes of the evaluation into key themes in line with some of the main components that need to be tackled as part of the EU integration process – institutional preparedness, safety and standards, animal health, and land markets (see Table 1 below). Indeed, IPA interventions in the agriculture sector can be seen to have addressed the strategic priority of EU accession and harmonisation with the *acquis*, rather than market reform and competitiveness of the sector *per se*.

The assistance has focused on the following specific topics³⁰ - strengthening capacity to be able to manage and absorb IPARD funding; establishment of the Serbian Farm Accountancy Data Network (FADN); harmonisation with EU legislation for placing plant protection products on the market and their control; capacity-building and technical support to renewal of viticulture zoning and control of the production of

²⁷ The five IPA components are:

- IPA I - Transition Assistance and Institution Building;
- IPA II - Cross-Border Cooperation.
- IPA III - Regional Development (Environment, Transport, Competitiveness);
- IPA IV - Human Resources Development;
- IPA V / IPARD - Rural Development.

²⁸ See Multi-annual Indicative Planning Document (MIPD) 2011-2013

²⁹ As agreed during the Inception period this description and financial data excludes projects concerned with water management.

³⁰ Information from EUD and a 'Report on the status of implementation of projects funded with IPA I in Ministry of Agriculture, Forestry and Water Management in Republic of Serbia'. MAFWM; October 2012.

wine with designation of origin; strengthening food safety capacity in the Veterinary Directorate; capacity-building of the Serbian National Reference Laboratories Directorate; and support for campaigns for the control and eradication of rabies and classical swine fever (CSF).

TABLE 1: Details of Projects within IPA Programme 2007-11

No.	Programme year	Programme code	Project title
INSTITUTIONAL PREPARDNESS			
1.	2007	07SER01/32/11 237-425	Strengthening the capacities of the Republic of Serbia for the absorption of EU Rural Development funds in pre-accession period
1a.	2007	07SER01/32/22 262-808	Supply of ICT equipment to support implementation of rural development policies
2.	2007	07SER01/32/22 256-341	Capacity Building for the establishment and implementation of a LEADER initiative in Serbia
3.	2010	10SER01/21/11 271- 871	Establishment of the Serbian Farm Accountancy Data Network (FADN)
SAFETY & STANDARDS			
1a.	2007	222-867	Study for the Dairy Sector
1b.	2007	222-871	Study for Fruits & Vegetables Sector
1c.	2007	222-870	Study for the Meat Sector
2.	2008	08SER01/32/11 246-627	Harmonization of national legislation with EU legislation for placing on the market and control of Plant Protection Products (PPP) and implementation of new legal provisions
3.	2008	08SER01/34/11 268-562 (TW) 08SER01/34/21	Capacity building and technical support for the renewal of viticulture zoning and control of production of wine with Designation of Origin
3a.	2008	08SER01/34/21 Supply Lot1 281-115	Supply contract for viticulture project
3b.	2008	08SER01/34/31 Supply 281-018	Supply contract for viticulture project
4.	2010	10SER01/22/21 CRIS 257-706	Capacity building within the Serbian National Reference Laboratories Directorate in the food chain.
4a.	2010	10SER01/22/12/01 Lot1_276-018	Equipment supply for the Serbian National Referent Laboratories Directorate in the food chain
4b.	2010	10SER01/22/12/01 Lot3_275-884	
4c.	2010	10SER01/22/12/01 Lot4_275-972	
5.	2011	11SER01/20/31 (twinning 287-610)	Building Capacity in the areas of Food Safety and Animal Welfare
ANIMAL HEALTH			
1.	2008	FWC 202-716 preparation of ToR for TA	Support for the control/eradication of classical swine fever (Phase 1)
2.	2008	08SER01/33/11 226- 870	Technical Assistance for the Control and Eradication of Classical Swine Fever (CSF) and Rabies

No.	Programme year	Programme code	Project title
2a.	2008	08SER01/33/21 Lot1 249-274	Rabies vaccines for oral vaccination
2b.	2008	08SER01/33/21 Lot2 256-086	Rabies vaccines for oral vaccination
2c.		08SER01/33/31 Lot3 255-889 Verano	
3a.	2008	08SER01/33/41 Lot1 284-882	Supply of emergency equipment for combating and eradication of animal diseases
3b.	2008	08SER01/33/41 Lot2 285-246	
3c.	2008	08SER01/33/41 Lot3 284-939	
3d.	2008	08SER01/33/41 Lot4 284-957,	
3e.	2008	08SER01/33/41 Lot5 285-011	
3f.	2008	08SER01/33/41 Lot6 285-239	
3g.	2008	08SER01/33/41 Lot7 285-255	
4a.	2009	09SER01/07/12/01 276-789	Support for the control/eradication of classical swine fever (Phase 2) Supply of rabies vaccines for oral vaccination
4b.	2009	09SER01/07/11/02 Lot2_281-546	Supply of equipment and consumables for surveillance of rabies and classical swine fever
4c.	2009	09SER01/07/11/02 Lot3_282-178	
4d.	2009	09SER01/07/11/02 Lot4_282-241	
5.	2009	09SER01/07/41 271-780	Publicity Services for Rabies and Classical Swine Fever
LAND MARKETS			
1.	2010	0SER01/20/31 (pending)	Effective Land Management

Source: EUD financial tables.

Complete information on contract timings and financial data for all these projects is shown in Annex 5.

3.1.2 Other ODA for agriculture

Since 2004, the sector has also been in receipt of funding from the EU Counterpart Fund of the Food Commodities Programme and Counterpart Fund of the Fertiliser and Animal Feed Supply Programme. To date, there have been 73 projects implemented in 5 Tranches, with an approximate value of € 8.53 mln. Projects have been undertaken in the area of food safety, including:

- Works at the site complex of the National Reference Laboratories at Barajnica complex, located in Batajnicketi drum, Zemun Polje, together with fixtures and fittings;
- Technological project for List A and BSE laboratory at the Veterinary Institute at New Belgrade;
- Upgrading works at 18 regional laboratories, and purchase of IT equipment at 25 regional centres;
- IT equipment for phyto-sanitary and veterinary inspection;
- Infrastructure work on the Batrovci and Presevo border crossings;
- Licenced software for Veterinary Directorate for animal registers; and equipment for data transfer in the Veterinary Directorate.

Bilateral and multilateral projects also contribute to addressing the sectors challenges. ODA has been received from 15 donors during the period including: Germany, Japan, the Netherlands, Denmark, Norway, Romania, Spain, Sweden, the United States, the United Nations, and the World Bank. Only the EU, Germany and the United States are significant donors with commitments over € 10 million during 2007-11.

Information has been gathered using the ISDACON donor database (Inter-Sectoral Development Assistance Co-ordination Network) managed by the Development Assistance Co-ordination Unit (DACU) in SEIO, and from presentations to the Aid Co-ordination Working Group for agriculture. Table 2 presents a non-exhaustive overview of this assistance.

Whilst all donors expressed their support for Serbia in its key objective of EU integration and harmonisation, their programmes and projects were often of a more specific nature addressing market reforms and competitiveness (e.g. the large USAID Agribusiness Project, or the work with the extension services by the World Bank STAR Project) or had tangible project objectives working to improve one commodity (e.g. the Fruits and Berries project financed by Denmark). There are sectors, where several donors have a mutual cooperation, such as Germany, Sweden and the Netherlands in promoting organic farming in Serbia (since 2003). It is noted that several donors have had a systematic and long-term approach to assisting the sector (e.g. the Swiss SECO office focusing on WTO objectives); and many cooperate directly with specific directorates or departments having built up close relationships over the years. This segmentation of support in the sector will be further addressed under aid co-ordination below.

Extracting data from the ISDACON database, shows a total commitment of € 89.53 million in the period 2007-11 from these 15 donors (€ 50.6 million when the EU allocation is excluded - see Annex 6 for recorded allocations and disbursements of ODA). The majority of these funds were committed to the agriculture sector (€ 88.39 million, or € 49.46 million without EU contribution). The figures for disbursements show that € 77.01 million was disbursed in the period (€34.9 million excluding the EU). However, these figures should be treated with caution and as indicative only, as they rely on what is reported and entered into the database. For example, EU figures are not consistent with records at the EUD, probably due to a lack of compatibility in comparing different data; total allocations and disbursements by the World Bank are certainly under-reported given the work undertaken in the transitional agricultural reform programme during the period; and there are no figures for disbursements by

Germany in the table. It is also not possible to link the commitments with the disbursements, and obviously figures for disbursement do not necessarily relate to what has been committed in any one year, but may reflect commitments made many years earlier.

TABLE 2: Details of Bilateral Assistance to the Sector

DONOR	PROGRAMME / PROJECT SUPPORT IN THE AGRICULTURE SECTOR
Austria	Project on the ' <i>Organic Food Production Support in South Serbia (OFPSSS)</i> ' in Jablanica and Pcinja Districts implemented in 2010-2011 with a budget of € 0.72 mln). Austria has now closed its programme of assistance in Serbia
Denmark	Project on the ' <i>Implementation of a Private Sector programme for Support to the Fruits and Berries Sector in Southern Serbia</i> '. Project started at the end 2010 and because of delays is due to run to 2014. Provides technical assistance (€ 4 mln) and grants (€5.3 mln) through two calls for applications per year.
Czech Republic	Project for ' <i>Support of Cheese Production in the Pester Region</i> ' as part of agri-business development in the Pester (Sandzak). Budget € 0.51 mln., planned duration 2011-2014
Germany	<p><i>Development of a Financial System in Rural Areas in Serbia</i> Part of an agreement in the amount of € 21 million as a loan to be implemented by commercial banks in Serbia. Also provides technical assistance is (€ 0.5 mln).</p> <p>ACCESS ("<i>Assistance to the Competitiveness and Compatibility for the EU of Serbian SME</i>") works with private sector market players, government, universities, organic agri-business value chains, civil society, as well as farmer groups in the organic agricultural and food processing sector. It aims to further Serbia's economic development and facilitate the country's future membership in the EU by supporting the Serbian National Strategy for the Development of SMEs and Entrepreneurship. Programme implemented in three phases (2011-2013, 2014-2016 and 2017-2019) allocated € 4.7 mln for the first phase.</p> <p>The project '<i>Municipal Economic Development in the Danube Region</i>' (GIZ-KWD) supports national, regional and local policy makers in their efforts to facilitate regional development and enable private sector growth. In particular municipalities in Eastern Serbia are being supported in the area of municipal economic development. Currently, phase II covering 3 years (2010-2012) provides € 370, 000 towards rural development to various municipalities, such as</p> <ul style="list-style-type: none"> • Enhancing Vegetable Production in Kladovo, Boljevac and Golubac (Project value € 29,930); • Promoting Fruit Production in the Municipalities of Negotin, Kladovo and Golubac – "Danube Fruit" (Project value € 29,370). <p>Forthcoming programme for '<i>Development of a Sustainable Bioenergy Market in Serbia</i>'. Programme to be implemented by GIZ with TA of € 8 mln. and a total budget of € 110 mln.</p>
Netherlands	<p>Project for '<i>Capacity building for inspection services</i>' in the Veterinary Directorate – implemented by VWA; January 2011 - January 2013. Budget € 350.000.</p> <p>"Capacity assistance to the milk testing laboratory". Worked with milk testing laboratory at the Faculty of Agriculture in Novi Sad, implemented by Dienst Regelingen; February 2010 - August 2011. Budget € 130.000 (this project was put on hold and has been restarted in October 2012. It will be finalised in first half of 2013).</p>

DONOR	PROGRAMME / PROJECT SUPPORT IN THE AGRICULTURE SECTOR
	<p>“Phytosanitary capacity building” – implemented by Netherlands Plant Protection Service; March 2009 - February 2010. Budget € 130,000.</p> <p>"Improvement of official controls of the veterinary inspection service in Serbia" – implemented by VWA; March 2010 - July 2011. Budget € 130,000.</p> <p>“The capacity building development in plant health regulation in Serbia under the EU legislative framework 2010” – implemented by NPPS; NAK and Naktuinbouw.2010-11. Budget € 125,000.</p>
Japan	<p><i>Support to the Agricultural Sector of Serbia through Vitalization of Domestic Fertilizer Production</i> Budget: RSD 202.74 mln. First phase started in 2007 and was completed in October 2008, second phase completed in December 2011</p>
Norway	<p><i>Improvement of work organisation of farmer's cooperatives in Serbia based on the Norwegian model</i> Budget € 1.0 mln. First phase was in 2010, second phase concluded in December 2011</p>
Romania	<p><i>Partnership for revitalization of rural areas</i> implemented by UNDP. Budget € 0.2 mln. Project started in July 2010 and was extended until the end of 2011; further expansion into three new municipalities Kucevo, Žagubica and Golubac is being considered.</p>
Spain	<p>Project on '<i>Sustainable tourism in rural development</i>' financed by Spain and implemented through FAO, UNDP, UNWTO, UNICEF, & UNEP. MAFWM together with Ministry of Economy and Regional Development. Total budget US\$ 4 mln. Project started December 2009 and with extension will run until December 2012.</p>
Switzerland	<p>Project for '<i>Assistance in the field of intellectual property rights</i>' in MAFWM with the Intellectual Property Office implemented by the Swiss Confederation - State Secretariat for Economic Affairs and Institute for Intellectual Property. Budget: CHF 778,300 Period: May 2009 – December 2012</p>
	<p>Project for '<i>Assistance to the know-how of GLOBALGAP standard</i>' Budget: CHF 605,000. Duration: May 2009 – December 2012</p>
	<p>Further assistance is being identified in Integrated Pest Management (IPM) support to introduce EU standards. Interest also in Sanitary & Phyto-sanitary Measures (SPS) for meeting WTO accession requirements.</p>
Sweden	<p><i>Development of South East European Network for Plant Genetic Resources (SEED Net)</i>. Budget € 0.25 mln. Project started in 2004. and ended in December 2011.</p>
USA	<p>USAID '<i>Support sustainable development of dairy sector in Šumadija</i>' Budget: RSD 6.65 mln. Aug 2010 – Aug 11.</p>
	<p>USAID's '<i>Agribusiness Project</i>' 2007-12. A five-year economic development project aimed at increasing the competitiveness of Serbia's agribusiness industry. The project worked in six agricultural sub-sectors: (1) berry fruits; (2) dairy products; (3) herbs & mushrooms; (4) livestock & meat; (5) tree fruits; (6) vegetables. Two main components: Increasing Efficiency & Competitiveness and Improving the Enabling Environment for Serbian Agribusinesses. The project also has implemented a \$3 million matching grant programme for agribusinesses.</p>
	<p>USAID is now working on a Country Development & Co-operation Strategy for 2012-17 focusing on competitive markets and economic development through G2G partnerships; no specific agricultural assistance is planned.</p>

DONOR	PROGRAMME / PROJECT SUPPORT IN THE AGRICULTURE SECTOR
	<p>USDA under its agreement with Government of Serbia has been supporting the agriculture sector since 2001 with technical assistance. This currently includes:</p> <ul style="list-style-type: none"> • Addressing barriers to trade in animal health; • Food safety working with Veterinary Directorate and on inspection services; • Building capacities and skills in the existing network of accredited plant health laboratories; • Support to preparation of 2012 Census of Agriculture in Serbia; • Crop information services and improving of market analysis of agricultural products.
<p>World Bank IBRD</p>	<p><i>Serbian Transition Agriculture Reform</i> Total project IBRD credit: US\$ 17mln including Global Environment Facility (GEF) grant September 2008, now extended until May 2013. The objective is to enhance the competitiveness of Serbian agriculture and amongst its interventions has supported:</p> <ul style="list-style-type: none"> • Strengthening the Payment Agency for delivering rural development investment grants and evaluating their impact; • The capacity of agricultural producers and processors to make use of these funds; • The training programme for extension service providers was expanded from 250 to 1,800 farm advisors since November 2011. • Critical investments in community infrastructure in remote rural areas supported by GEF under the Project have been initiated and contribute to improved accessibility of rural tourism ventures.

The Evaluation Analysis

4.1 Relevance – appropriateness of objectives and design

To what extent has the programming of IPA assistance in the sector been based on priorities identified in strategic documents?

Since December 2009 and its application for EU membership, the overarching goal of the Republic of Serbia has been to meet the accession criteria expressed in the *acquis*. This has been further reinforced by new commitments of the coalition government placing EU accession as a priority³¹. It has been earlier clearly articulated in the Needs of the Republic of Serbia for International Assistance (NAD)³² document, which in the case of agriculture brings together the priorities for the sector (as noted above).

Whilst there has been a plethora of policy and planning statements over the years, the MAFWM acknowledges that the various national strategies and policies have not been predictably and consistently applied during this time. This has often been due to the frequent ministerial changes (7 ministers over the last 7 years); the uncertain vision and meeting populist reaction, e.g. in adjusting the policy with regard to agricultural subsidies; and the extent to which requirements for EU harmonisation should dominate the activities of the various departments and directorates in the Ministry given their limited human and financial resources.

So there has been a situation of explicit commitment to meet the requirements of EU accession as set out in the National Programme for Integration (NPI), and the case of national priorities being increasingly clearly influenced by the EU Opinion in the various progress reports on Serbia's preparations for EU membership, as meeting accession criteria becomes the 'driver' of the policy response. But, at the same time there has been some *ad hoc* planning and decision-making in the MAFWM which has led to the questioning of this commitment. It is in this context that the IPA assistance has been programmed and implemented since 2007.

The various Multi-annual Indicative Planning Documents (MIPDs) referred to earlier sets out the EU's priorities for assistance in the corresponding period. In effect, IPA assistance to agriculture has been evolutionary rather than single-mindedly strategic. It is:

- Based on follow-up from earlier CARDS support; e.g. the wine project, plant protection, and rural development programming and payments;
- Donor driven based on EU requirements; e.g. the Farm Accountancy Data Network (FADN); and
- Demand driven from the beneficiary; e.g. improving animal health and strengthening infrastructure for food safety control and inspection.

³¹ Coalition agreement signed on July 10th 2012 by the Serbian Progressive Party, the coalition around the Socialist Party of Serbia and United Regions of Serbia.

³² February 2011.

The assistance has been highly relevant to national priorities given the prominence to harmonisation of the sector with EU *acquis* requirements. It has been less concerned with the competitiveness aspects of the sector which have been more broadly addressed by private sector and regional development assistance of the EC and by bilateral donors.

This evolutionary approach has also been witnessed in the design of the programme, with ever increasing involvement of the national authorities in the identification of priorities and design of the individual projects, building greater beneficiary ownership over the process. Sector Identification Fiche (SIF) and Sector Fiche (SF) are now collated by SEIO from the various proposals and requirements identified through the initiatives of the Sector Working Group in agriculture, and Project Fiche (PF) in the main now being generated by the beneficiary (in cases with assistance from Twinning partners). The SIFs and SFs have seen a consistent improvement over the period, with more comprehensive sector and problem analyses, a logical connection to strategic priorities, and better arguments for the rationale for the measures described.

This does not mean that improvements to the documents are not required, as noted in the recent EC comments to the IPA SIF for 2013. Importantly, the structure needs to link the proposed measures more precisely and cogently to the problems and weaknesses that are identified, so as to emphasise the relevance and priority of the intervention. As is widely acknowledged, the measurement of expected performance and impact is an area of continuing weakness. Without well defined, appropriate and measurable indicators at the programme level it will remain difficult to objectively verify the impact of the interventions, as this evaluation has found (see commentary on indicators in chapter 5 below).

The projects that have comprised this IPA programme of assistance all met important priorities and have been justified on the basis of meeting objectives defined within the national strategies and priorities.

Institutional preparedness

The project ‘*Strengthening the capacities of the Republic of Serbia for the absorption of EU Rural Development funds in pre-accession period*’ and its objective”*To strengthen the institutional capacities of competent bodies within the Serbian Ministry of MAFWM order to implement the Instrument of Pre-Accession (IPARD) (Council Regulation No.1085/2006 and No. 718/2007)*” aimed to strengthen the capacity and competency in the Directorate of Agrarian Payments and the Managing Authority; this is crucial if Serbia is to be able to access IPARD assistance once it had achieved candidate status (which it did in March 2012). The project was methodically designed and planned as a necessary step for Serbia to eventually manage and apply the conditions of the Common Agricultural Policy (CAP) once membership is achieved.

The Farm Accountancy Data Network (FADN) too is a requirement of membership.... “*Serbia will need to establish a farm accountancy data network (FADN) in line with the EU acquis*”.³³ This will contribute to the provision of improved economic, financial and performance data on Serbian agricultural holdings

³³ Noted by the Commission opinion (page 75).

and the agricultural sector in compliance with EU criteria with the aim of increasing agricultural productivity and competitiveness, and integration with the EU. Given its importance both as an accession requirement and its usefulness to improve farm data, it perhaps should have been considered an earlier priority than the 2010 programme. As a five year perspective is foreseen it means that it will be 2017 before FADN compliance is achieved.

This issue of prioritisation and timing within the programme is also pertinent to the Leader Initiative in Serbia (LIS) project. Its prioritisation in the 2007 programme was premature given that funding for initiatives through Local Area Groups (LAGs) was not going to be forthcoming in the immediate future perspective at that time. The project was also poorly designed with insufficient attention to local partnership building and the front line resources needed to create and support any LAG formation. The benefits of a sufficiently long inception period (3 months in this case) are evident as it allowed the project to be redesigned to better accommodate the beneficiary needs and the reality of the situation on the ground.

Safety & Standards

In this theme the relevance to the requirements of the Stabilisation and Association Agreement (SAA) to enable free trade and the successful implementation of the *acquis* is demonstrated by the project ‘*Harmonisation of national legislation with EU legislation for placing on the market and control of Plant Protection Products and implementation of new legal provisions*’ which is a basis for implementation of new standards within the new legislative framework of EU harmonisation, directly addressing the issues by aligning Serbian regulations, procedures and systems with those required by EU Member States. Systematic reform of the control system for Plant Protection Products (PPPs) in Serbia requires significant reform because of limited existing capacity and the fragmented and overlapping involvement of a large number of institutions which is a legacy of the old system.

The aim of the project is helping to build up the whole system of authorisation and control, starting with the legislation and institutional building and going on to providing communication and information systems.

The assistance has also met another of the key priorities with the twinning project in ‘*Building capacity in the area of Food Safety and Animal Welfare*’. The main objective is to assist the beneficiary in strengthening its capacity to enforce and oversee implementation of the Serbian Food Safety Law and Animal Welfare Law which are now aligned with the basic requirements of the *acquis*. This requires an effective system of official control to be put in place in order to safeguard the implementation of the animal health and animal welfare rules. Hence, this project develops the capacity of the veterinary sector to enable the examination of potential risks arising from within the animal evidence base for future action that complies with the *acquis*.

A further objective (in line with the SAA and the 2009-11 MIPD) was to contribute to a sustainable and reliable food chain laboratory network capable of protecting the health of humans, animals, plants, and to improve trade prospects through provision of safe and good quality food to domestic and international markets. The IPA 2010

project aimed at building capacity of the newly established National Reference Laboratories Directorate and to commission the Batajnica laboratory complex and make it fully operational in order to be in line with EU best practice and standards. The Serbian National Reference Laboratories Directorate and its associated network were legally established by Law on Food Safety under jurisdiction of MAFWM in May 2009, and the whole concept originated from recommendations from previous CARDS funded projects³⁴.

However, there have been serious issues around the suitability of the design of this project voiced by the Ministry, the twinning partner (raised in the Inception Report of July 2011) and many other stakeholders. Whilst a national reference laboratory (NRL) is a requirement of EU legislation (Regulation No 882/2004), it does not necessarily need to be placed within a single laboratory, but its functions can be divided among different institutions or laboratories depending on the specific field involved and the expertise already available in existing national laboratories, so this issue of a centralised institution has been keenly debated and key stakeholders have extremely different ideas how a NRL should be organised, even if it must be established at all. The design originated many years ago and the inception period failed to address the changes in the enabling environment and faced the difficulties of an institution seemingly unwilling to accept IPA assistance in the form of twinning and equipment supply. Furthermore, the division of tasks between the NRL and the other sectors of the Ministry, especially the Veterinary Directorate (veterinary inspection), the General Inspectorate (phyto-sanitary inspection) and the Plant Protection Directorate have not been clearly delineated.

Thus, here was a situation that whilst there was the policy imperative and priority to support standardisation and accreditation in food safety, veterinary and phyto-sanitary policy, and consumer protection in line with EU standards, there was a complete lack of clarity and agreement on the design of the intervention. This did not form the basis for achieving ownership over possible results from the implementation of the project.

A more positive story of strong and precise beneficiary demand linked to national priorities, with clear national ownership by all the stakeholders comes from the viticulture sector. There is a two-fold relevance to the support to the viticulture sector, the explicit one of improving the situation in the wine sector, especially by establishing new viticulture zoning (VZ) that will be helpful for small wine producers in poor and less-developed rural areas, who produce specific and geographically typical wines, and as also stated in the PF, supporting the wine sector is one of the ways to encourage and support the development of rural areas. The Project '*Capacity Building and technical Support for the Renewal of Viticulture Zoning and for the System of Designation for Wine with geographical Indications*' has responded to beneficiary institutional demand following an earlier twinning project (again emphasising the protracted length that support to changes to national systems often require) and is consistent with *acquis* requirements.

³⁴ A Policy Advisory Unit (PAU), Technical Assistance to the Reform of the Food Chain Laboratories in Serbia (RFL), Technical Assistance to Serbian Food Chain Safety Laboratories (FCSL) and current Twinning project „Institutional Capacity Building of the Food-Chain Laboratories Administration“(SR 2005/IB/AG/04).

Animal Health

There is wider regional relevance in the field of animal health, Here, the overall objective is to eradicate animal diseases in the Western Balkan countries, in particular those diseases that continue to be a threat to the EU Member States, rabies and classical swine fever (CSF). An appropriate regional response has been adopted in the all seven Western Balkan countries with the aim of improving regional and cross-border cooperation in the Western Balkans and thereby ensuring that the control and eradication of important animal diseases is harmonised and coordinated at a regional level with EC support (including DG SANCO). In Serbia, support to the Veterinary Directorate³⁵ to prevent the spread of rabies in wild animals required a campaign of oral vaccination against rabies (recognised as an effective tool). In order to achieve sustainable results this project has to be implemented for a period of at least five continuous years (2010, 2011, 2012, 2013 and 2014), with vaccinations twice per year in spring and autumn (April-May and October-November). So clearly design of the programme took a longer time perspective.

4.1.1 Co-ordination and complementarity

Have the different donors' interventions been well co-ordinated and complementary?

Serbia is a signatory to the Paris Declaration on Aid Effectiveness (2005) and has developed a well-structured aid co-ordination architecture which can be seen to operate at three levels

1. Development Assistance Co-ordination Unit within SEIO responsible for co-ordination and programming of assistance at the country level and maintaining the ISDACON information system;
2. Sector co-ordination which in the case of agriculture is handled by the Unit for International Co-operation in MAFWM, and the Aid Co-ordination Working Group under the chairmanship of the MAFWM;
3. Bi-lateral donor to donor (D2D) or donor to government/agency (D2G) contacts on specific initiatives.

Whilst systems are in place, the extent to which they are effectively implemented is more questionable. A Country Profile Paper was prepared for the Busan Forum in 2011³⁶, but Serbia has not participated in any of the Paris Declaration monitoring surveys (in 2006, 2008 or 2011). There has thus been no measurement of progress against the key indicators of fulfilling Paris Declaration principles³⁷. The role of the SEIO office fulfilling the role in national co-ordination, improving the dialogue between government and the donor community and bringing stronger national

³⁵ Within the Veterinary Directorate and the General Inspectorate, the project principally liaises with the staff of the Department for Animal Health and Welfare and, the Department of Veterinary Inspection.

³⁶ Fourth High Level Forum on Aid Effectiveness held in Busan, South Korea, from 29 November - 1 December 2011.

³⁷ There are twelve indicators elaborated by the OECD-DAC covering ownership, alignment, harmonisation, managing for results and mutual accountability.

ownership (e.g. through the NAD) has been recognised. It was characterised as a ...”*strong learning organisation*” by some interlocutors.

Previously donors took the initiative in aid co-ordination and met together regularly under a lead agency (a GIZ initiative). This has been superseded with the greater national requirements and commitment to co-ordinating ODA. But, the Aid Co-ordination Working Group in agriculture has only met twice (on 25th October 2011 and 9th November 2012) and has not yet developed terms of reference or procedures for its formal operation. It has, however, provided an important information sharing function and there were significant exchanges between the 26 participating members at the recent meeting in November 2012. Strong statements were made at the meeting by MAFWM about the commitment to more structured aid co-ordination led by the Ministry with its donor partners. However, it is also noted that some bi-lateral donors have been withdrawing assistance to the agriculture sector as aid budgets have been trimmed and Serbia has prioritised its EU integration objectives.

Co-ordination has functioned best at the D2D or D2G level where there has been strong evidence that stakeholders co-operate in the design and implementation of their assistance, although with some exceptions. The co-ordination around organic farming initiatives between donors has already been noted. Donors visited reported on improved co-operation over the years especially in the D2G contacts; Germany mentioned strong links with particular departments and with local partners in the regions. These linkages were less noticeable with the headquarters of the Ministry. Given the wide needs for reform, increasing competitiveness, improving the value chain for commodities, as well as the whole area of EU harmonisation in the sector, there has been no shortage of possible areas of assistance. This has reduced the risk of duplication and overlapping programmes of support, and all donors have bought into the overarching strategy of EU integration.

Efforts at coherence were mentioned at USAID and the World Bank with the EUD and the IPA assistance through the transparent sharing of information and programme plans. There is also the forthcoming cooperation and complementary funding between IPA assistance and GIZ in the land management project.

This has allowed donors to support national beneficiaries in a variety of ways adding value to the assistance rather than duplicating efforts. For example, the Serbia Transitional Agriculture Reform (STAR) project of the World Bank has provided assistance to the needs of strengthening the Directorate of Agrarian Payments which directly complements the work of the IPA Twinning project. Although there is also a cautionary note here over the absorptive capacity of the beneficiary organisation when there are limited staff resources; there was a case of a STAR training event leading to the visit of Twinning advisers having to be postponed because the key staff were thus occupied. In fact, a ROM report³⁸ on this project has noted that where there are multiple donors there needs to be better management oversight and sharing of workplans. USDA (United States Department of Agriculture) operates in the perspective of G2G (government to government). They have co-ordinated through the beneficiary (MAFWM directorates) with the IPA assistance providing technical

³⁸ Results oriented Monitoring Report on ‘Strengthening the capacities of the Republic of Serbia for the absorption of EU Rural Development funds in pre-accession period’. August 2011.

assistance and training in the area of animal health, food safety and plant health. They have worked in strengthening accredited laboratories around the country, but did not support the Directorate of National Reference Laboratories, disagreeing with these organisational arrangements. As with USAID their focus is complementary to IPA assistance addressing standards to comply with WTO accession and entry of products onto the US market. This is not seen as contradicting EU harmonisation, but rather than in enriching the skills in the institutions and broadening the inspection regimes and standards for commodities. The Swiss have worked in co-operation with the Plant Protection Directorate and the Ministry of Health supporting the anti-virus laboratory which has complemented IPA assistance.

Many examples of good co-operation at D2D level were noted; as for example: between USA and Denmark in relation to the work with the fruits sector (there has been an MoU between the ambassadors ensuring co-operation), with the USA and the Netherlands on food safety issues, and between the Czechs and USA in relation to working with local associations in support of milk testing and production of milk products. There has also been evidence of co-operation between individual projects of the IPA assistance and donors, such UNDP working with the LIS project with joint workshops on local partnership building, and the PPP project with USDA mentioned above.

However, the evaluation also noted some critical comments around aid co-ordination: such as the critique of donors working in ‘silos’ causing some polarisation of thinking e.g. issues around the development of payment systems of rural development (the work in DAP); a lack of sharing of results between donors e.g. in food hygiene and standards e.g. GlobalGAP, and sanitary and phyto-sanitary (SPS) standards; and, some duplication of effort e.g. in the animal health area between the Twinning advisers and those of the USDA. There was also concern expressed by all donors about the lack of absorptive capacity of the institutions with which they were working, the limitations of local management, and protracted delays due to recurring political changes. These are persistent themes that have been noted by the evaluation.

4.2 Efficiency

To what extent have the chosen implementation modalities been efficient in delivering results?

The evaluation has not consisted of any auditing of the IPA assistance, and it has therefore not been possible to assess the programme from the viewpoint of ‘value for money’. It has drawn on financial data provided by the EUD to examine the areas in which funding has been contracted and disbursed, and the modalities employed to implement the IPA assistance.

Firstly, it is important to note that this is a relatively ‘new’ programme. Despite programming starting in 2007, the first contracts for IPA assistance were only signed in 2010, and only the supply contracts and studies have been completed by the time of the evaluation. This evaluation can therefore, in reality, be only very much an interim evaluation, as in many cases achieving results are still underway and indications of impact can at best likely to be only emerging.

4.2.1 Expenditure on the IPA programme

As was shown in the description of the IPA assistance, a total of 33 contracts have been signed. Table 3 shows the contract values and disbursements made³⁹ by programme year. The data has also been analysed by key themes in which the assistance has been categorised (Table 4) and by the type of contract (Table 5).

TABLE 3: Contracted IPA assistance by programme year

<i>Programme Year</i>	<i>No: of contracts</i>	<i>Contracted amount (€)</i>	<i>Disbursed (to 31 Aug 2012)</i>	<i>% Disbursed</i>
2007	6	4,636,471.26	3,873,582.56	83.5
2008	16	8,767,275.36	5,548,072.07	63.3
2009	5	3,316,683.04	1,598,159.32	48.2
2010	5	5,111,854.62	1,946,912.76	38.1
2011	1	2,000,000.00	640,000.00	32.0
Total	33	23,832,284.28	13,606,726.71	57.1

82% of the financing allocated to the agriculture and rural development sector has been contracted. Of this contracted amount 57.1% has been disbursed up to end of August 2012. If the programmes years 2007–2009 are taken (thus discounting more recent contracting) the rate of disbursement increases slightly to 62.9%. Figures for disbursement obviously can have implications in terms of the pace at which results are likely to be achieved, and is reflected in a number of projects arranging no-cost extensions e.g. projects in animal health and standards (plant protection).

TABLE 4: Contracted IPA assistance by key themes

<i>Theme</i>	<i>No: of contracts</i>	<i>Contracted amount (€)</i>	<i>Disbursed (to 31 Aug 2012)</i>	<i>% Disbursed</i>
Animal Health	17	9,598,747.88	6,059,525.76	63.1
Safety & standards (incl. studies)	12	8,094,389.14	3,807,262.39	47.0
Institutional preparedness	4	6,139,147.26	3,739,938.56	60.9
Total	33	23,832,284.28	13,606,726.71	57.1

The majority of contracts and 40.3% of the amount contracted have been in the animal health sector, as a result of the large number of separate contracts supplying equipment and vaccines for the eradication programme against rabies and controlling CSF. The higher rate of disbursement (44.5% of all disbursements) is also reflected in the fact of the successful completion of these supply contracts. The lower rate of

³⁹ All data on IPA assistance is based on figures supplied by the EUD in Belgrade up to 31st August 2012 and is shown in Annex 5.

disbursement in the safety and standards theme is due to the two twinning projects, one in the National Reference Laboratory where delays have been experienced and only 39.9% has been disbursed to date, and the more recently contracted food safety project where only the first tranche of funds has been disbursed (32% of the contract value).

TABLE 5: Contracted IPA assistance by type of contracting arrangement

<i>Type</i>	<i>No: of contracts</i>	<i>Contracted amount (€)</i>	<i>Disbursed (to 31 Aug 2012)</i>	<i>% Disbursed</i>
Twinning	5	7,651,220.78	3,788,316.89	49.5
TA (incl FWC)	8	6,524,654.00	3,702,565.89	56.7
Supply	20	9,656,409.50	6,115,843.93	63.3
Total	33	23,832,284.28	13,606,726.71	57.1

When the type of contracting is examined, the preponderance of supply contracts is again noted (60.6% of all contracts); overall, this is 40.5% of all IPA assistance contracted and 45% of all the disbursements made. Twinning contracts have a slightly higher value than technical assistance (32.1% as against 27.4%) but a slower rate of disbursement (49.5% as against 56.7%); explained by the latter including framework contracts which are of a more finite duration. Thus, 55% of IPA funding to date has provided advice and know-how and 45% has contributed to supporting supplies, equipment and infrastructure assistance.

Whilst this picture of disbursements may appear somewhat disappointing this is by no means unique with ODA, due in some part to the inconsistency and changes in strategic direction followed by the MAFWM, and changes in key leadership as remarked on earlier. By way of comparison, in the Transitional Agriculture Reform (STAR) programme of the World Bank, the project suffered severe delays and disbursed only 6% of the loan and 7.6% of the Global Environment Facility (GEF) grant in the first three years. More recently, project performance has improved, and disbursements have reached 48% of the loan and 38% of the grant. This has meant necessary extensions to the programme in the hope of meeting some of its targets. In another case, there have been over 12 month delays in disbursement on the Danish funded fruit and berries project, and issues with the co-financing on its calls for applications for the farmer grant scheme.

4.2.2 Modalities of delivery of the assistance

As shown in Table 5 there has been a mix of contracting arrangements with important twinning (5) and technical assistance (8) contracts being awarded.

Twinning arrangements can offer Serbia key expertise from member state (MS) institutions well versed in harmonising national systems and applying the methods

and approaches required by the *acquis*. Those projects chosen for twinning⁴⁰ were appropriate, but whilst there has been strong reported co-operation between the partners in some projects (e.g. the viticulture project), benefits have not materialised as fully expected in other cases (e.g. in the Paying Agency and the National Reference Laboratory). Sometimes this has been due to issues within the twinning consortium, particularly where there has been a complex arrangement of members, and in other cases where the beneficiary has not fully understood or been able to manage the relationship between the institution and the advisers.

Twinning certainly requires a more concentrated effort by the beneficiary in using the twinning arrangement rather than with TA. To use it to maximum effect requires regular dialogue with the advisers in much more of a mentoring role, and not just being seen as some short-term advisory inputs to address specific issues. The role of the resident twinning adviser (RTA) as the hub between the beneficiary and MS institution is crucial and here, like on technical assistance contracts, leadership skills as much as technical know-how are of paramount importance.

Common to all technical inputs is getting the right personnel. Ministry officials and beneficiaries mentioned cases of dissatisfaction with the quality and suitability of twinning and technical assistance staff; and there were examples of replacement of team leaders (e.g. the LIS project) or twinning project leaders (e.g. with the DAP project and with Plant Protection). These cases necessarily interrupt the smooth progress of project implementation. Twinning works best when advisers are officials of the MS institution; cases of using contracted ‘experts’ when the twinning partner is short-staffed itself compromises the benefits of twinning.

Contracting arrangements with TA have been competitive. Here again, a strong beneficiary knowing what it wants can influence TA inputs to maximise benefits for the project (e.g. Publicity Assistance to the control and eradication of CSF and rabies, and LIS project again). Mention was made of the benefits of bringing in national junior experts as part of the TA teams, but this also raises the risk of ‘poaching’ suitable young expertise from organisations unable to pay junior consultancy rates, and thereby maybe undermining capacity building in national institutions.

All twinning and TA contracts operate in projects where there is an advisory or supervisory steering committee. These can provide a valuable oversight and approval role. The evaluators attended a number of steering committee meetings as observers during the evaluation, and these seemed in the main to operate to the mutual benefit of all parties. Only in the case of the National Reference Laboratories project does the role of the steering committee appear to have failed in its functions, and thereby also contributing to the problems with that assistance, rather than being able to provide the strategic advice and guidance to enable the project to fulfil its objectives. In most

⁴⁰ i) Strengthening the capacities of the Republic of Serbia for the absorption of EU Rural Development funds in pre-accession period;
ii) Harmonization of national legislation with EU legislation for placing on the market and control of Plant Protection Products (PPP) and implementation of new legal provisions;
iii) Capacity building and technical support for the renewal of viticulture zoning and control of production of wine with Designation of Origin;
iv) Capacity building within Serbian National Reference Laboratories Directorate in food chain; and
v) Building Capacity in the areas of Food Safety and Animal Welfare.

cases there is a need to broaden participation in steering committees so as to better supervise and direct project outcomes, for example, representatives from legal affairs where legislation changes are part of the project, and to ensure that cross-cutting issues are fully addressed relevant representatives from civil society, minority groups or environmental bodies as appropriate should be invited onto the committee.

As noted much of the assistance has been in the form of supplying equipment or infrastructure – vehicles, IT, software, laboratory equipment, supplies and vaccines – and given the volume of financing for these supply contracts, its significance needs to be considered. Superficially, this may not seem to be the best use of the critical advantage and added value of IPA assistance, rather than using World Bank credits for example. However, to use the advice and know-how contributed by twinning and TA and ensure its sustainability often requires the tools and supporting infrastructure for institutional capacity-building. Thus, to be relevant for IPA assistance all the equipment and infrastructure provision should be linked to advice and know-how capacity building. This is indeed the case with these contracts. There should also be an element of national counterpart funding to ensure local commitment to the work and ownership. There is also the case of the control and eradication vaccination programmes having regional and indeed wider EU significance, and therefore arguments that Serbia should be supported in carrying out such campaigns.

Whilst these provisions are thus justified, such supply contracts must not become an easy option for programming assistance and neither should they be used to ‘over engineer’ what is really required e.g. appropriateness and suitability of some of the supplies and laboratory equipment could be questioned when lower cost options would have met needs (all the issues around the commissioning and equipment supply to the Batajnica laboratory complex for the NRL).

Considerations on the duration of the assistance

It is noted that that animal health component has received sequential assistance over succeeding programme years. This has certainly been necessary given the nature of the project to control CSF and eradicate rabies, where one-off interventions would fail to address the needs, and has demonstrated the benefits of more continuous support.

IPA assistance was really designed as a kick start mechanism rather than a longer duration development mechanism, meaning that the beneficiary institution is intended to buy-in and take up the initiative within a single project cycle. Given the situation in Serbia (the legacy of a late start to reforms, for example) and the current financial constraints following the financial crisis of 2008 provides a very different scenario to the accession process than that experienced by more recent new members (the cohort that joined in 2004) and this suggests that a longer term perspective to specific areas of assistance may be required if harmonisation with *acquis* requirements are to be met.

In these cases the benefits of more sequential assistance needs to be considered. This is the case with the FADN project where the need for a 5 year time horizon to properly move from a pilot exercise to fully establish the data mechanism means that further assistance is required, together with the necessary infrastructure (transport facilities for visits, IT and PDAs etc.). An extension to the project is being planned

and seeking derogation to enable to current contractor to continue with its work, with which this evaluation concurs. A similar situation is likely to arise with the land management project that is about to be contracted. Here a 3 year pilot project involving land consolidation and restoration of abandoned lands is likely to require further assistance into the future to really have an effect on this complex area of change. A longer term perspective can reduce the risks to sustainability.

4.2.3 Organisational arrangements

The key parties involved in the delivery of the IPA assistance are the EUD, SEIO and the MAFWM and its Department for International Co-operation within which is the IPA Unit. Under the centralised management system the EUD has the major responsibilities for agreeing to the priorities for assistance, developing the MIPD, and for the contracting arrangements. EUD and its staff have been seen to take a positive role in supporting the implementation of the assistance and there is a strongly co-operative approach with all stakeholders. Individual projects remarked favourably on the benefits of the consultations and advice from all the operational Project Managers in dealing with project issues and facilitating the implementation process (e.g. in rectifying design issues, budgetary changes and supporting further resourcing) without falling into the role of micro-managing.

SEIO performs the key co-ordinating role between the Government and the EUD and EC in the domain of European Union accession issues. It has key programming and monitoring functions. Whilst programming has seen notable improvements over the years, the latter is in an embryonic stage and has not yet been formalised in a consistent fashion. Thus, there have been no evaluation reports on the performance of assistance on which this evaluation could draw⁴¹, although there are Annual Reports which analyse the delivery of development assistance on an annual basis⁴². There was strong positive feedback from many of the donors interviewed on the value and significance of SEIOs co-ordination role and the transparent way the organisation shares its planning and programming issues.

On the other hand, an example of weak coordination of IPA project programming and implementation among SEIO, IPA Unit in MAFWM and the relevant project holder has been observed in case of Department for Veterinary Inspection (food safety project). The Department for Veterinary Inspection formulated a proposal to develop a central database for inspection support and designed the new project over a year ago, but was unaware that this had been included in the SF for IPA 2102. This suggests some improvement in communication between SEIO, IPA Unit and the department is required.

The IPA unit in MAFWM which should co-ordinate and monitor the performance of the individually financed projects and the counterpart funding, has been rendered ineffectual after being decimated by the ministerial changes when the trade functions

⁴¹ For example, it was noted that the evaluation to be initiated by SEIO (*“Evaluation of effectiveness and efficiency of development assistance to the Republic of Serbia per sector”*) mentioned in the ToR (page 10) had not yet been launched and could not therefore be a source of data for this evaluation.

⁴² The latest being the Report on International Assistance to the Republic of Serbia in 2011. SEIO, Belgrade, April 2012.

were separated from the Ministry. It has been left with a head of unit and one newly recruited assistant, whereas there were 8 personnel formerly fulfilling its crucial liaison functions. It urgently requires resourcing with capable personnel if it is to prepare for the IPA programming and implementation responsibilities that will be required under a decentralised implementation system.

4.3 Results – effectiveness of the assistance

To what extent have the IPA investments been effective in achieving results?

There have been important results achieved in each of the themes of institutional preparedness, safety and standards, and animal health (nothing yet has been contracted under land markets), but because of the lateness of contracting and the pace of disbursements noted under input efficiency there has been a slower realisation of results in many cases than may have been anticipated. There are also examples where the expected changes have not occurred. Overall, there is a rather mixed picture of results from the IPA assistance to the sector.

Institutional preparedness

Of perhaps most concern is that only partial results have been achieved in the area of preparing the competent authorities for assuming conferral of management to absorb pre-accession funding. The Paying Agency (PA) has not yet been established in line with EU requirements (result 1). Although know-how of the mechanisms and legal requirements for delivering IPARD measures has been considerably enhanced, there have been well documented problems in the PA (the DAP) which has frustrated progress in achieving its immediate result. These include:

- The original decision to locate the organisation at Sabac causing staffing issues around commuting and recruitment, and uncertainty surrounding timing of its relocation back to Belgrade.
- Management changes and staffing. Particularly, the issue of human resource requirements (the identified need of 134 positions in the plans but only 105 approved posts) and recruitment (only 78 positions are currently filled). This has had implications for the absorptive capacity of the skills and training through the twinning contract.
- The complicated twinning arrangements in a diffuse consortium with many partners which was probably too large for a weak beneficiary to absorb; lack of consistent support from the NAO; and the concerns expressed by the beneficiary over some of the recommended approaches and advice (e.g. in relation to IT systems).
- Absence of consistent prioritisation of staff to this accession work given the demands of national measures, particularly hampering progress in the pre-election period and uncertainties in the immediate post-election period; together with inconsistent real beneficiary ownership over the outputs provided.

A further time extension to the project has been agreed (to March 2013) and in November 2012 MAFWM has appointed new management with a strong mandate for a short-term action plan to restructure the agency management and staffing. A PA management expert from Slovenia is being brought in and there are possibilities of

bridging support before the 2012 SF is implemented from IPA assistance further to the extension. A new accreditation plan is being prepared for the December 2012 Steering Committee meeting. This augers well to bring the results back on track.

More positive results are seen with the Managing Authority (MA) which similarly suffered early issues surrounding its location (it has relocated twice), management and staffing (turnover and appointments). The MA is now established within the department of Rural Development (result 2), although further recruitment of an additional 5 persons beyond those in post (4) is needed. There is also an issue around the salaries of these personnel which is currently being met from the World Bank credit. As evidence of a functioning MA has been the preparation of a draft IPARD programme, including the identification of measures in the meat, milk and fruits sub-sectors⁴³. The training plan for the PA and MA (result 3) has been elaborated and is under implementation during the various mission visits. This has not yet been achieved for the reasons of the various delays which have meant some 200 expert days have been unutilised and are being reprogrammed for the period of the extension.

Mixed results for the IPA assistance are again noted from the LIS project. Capacities and awareness within local communities to participate in the LEADER approach have increased (result 1) due to the strong capacity-building in group formation to form partnerships aided by the use of contracted local facilitators (23) that have worked closely with these groups. Based on this strong bottom-up work with local community groups, a pilot simulation exercise for selecting potential LAGS (local area groups) was evaluated from over 25 submissions in November 2012. From this it is expected that at least 15-20 pLAGs are expected to meet the criteria of selection satisfying the requirement of result 3 that.... *“at least 10 potential LAGs have been identified and assisted.”* However, this doesn't mean that these groups are capable yet of generating and programming suitable project ideas, and as there was no grants scheme in the project⁴⁴ or other funds to test out programming initiatives there has been no tangible practice in implementing measures amongst these embryonic pLAGs.

Less satisfactory has been the progress in achieving result 3 (the “human, technical, organisational and financial procedures and/or resources for the overall support to LEADER approach within the MAFWM are strengthened”). Whilst there are quality outputs in terms of guidelines and modules produced, and a strong website resource, no institutional mandate has been built. The plans for a ‘National Leader Group’ did not come to fruition and ideas for a ‘Leader Advisory Board’ have similarly failed owing to the lack of commitment and decision by the Ministry for a national inter-agency forum on rural development. Neither have the mechanisms been developed within DAP for the development of procedures for the implementation of LEADER

⁴³ This has drawn on the earlier sector studies of milk, meat and fruit and vegetables that were produced and well received in 2010, and used by the Ministry in the preparation of the regulations and in the analysis of the sectors for directing future investments that have been undertaken by the relevant directorates.

⁴⁴ Unusually there was no grants scheme included in the ToR in order to build credibility with potential beneficiaries and enable some tangible initiatives to be undertaken; and efforts during the inception phase to include some budget for this did not come to fruition

measures, largely because of lacking the staff that can be deployed for this future work.

Establishing the Farm Accountancy Data Network (FADN) in Serbia began in October 2011 so there are only early indications of achieving results. The 5-year National Plan for FADN has been developed; the institutional framework for FADN has been established and capacity strengthening is underway; the FADN software is under development (although here again IT tasks are delegated to DAP placing yet more demands on its resources); and all the training, data gathering and methodological issues for the first pilot of 41 farms was successfully implemented in 2011 (although the sample size was reduced from 80 in order to concentrate on highly motivated farms), and the 2012 sample of an additional 170 farms has proceeded to schedule. The expected results can only kick-start full FADN compliance so already a project extension and further financing is foreseen to enable the objectives of the project to be achieved.

Safety & standards

In the Plant Protection Directorate (PPD)⁴⁵ the results of the assistance address 5 components: administrative capacity strengthening, legislation, technical expertise, institutional strengthening, and communication and information systems; all aimed in helping to build up the whole system of authorisation and control. Key reported results include:

- Introduced a large number of specialist staff from Institutes, Faculties and other organisations to all areas of EU risk assessment methodologies and standards. This included three specialist training sessions delivered to interested parties from scientific institutes and university faculties;
- The Draft Law on Plant Protection Product was prepared and publicised on MAFWM website;
- Assessed a wide range of organisations for their suitability to be involved in the future regulatory process and provided drafts of the tender and contract for these to be selected and authorised.

The beneficiary expressed satisfaction with the twinning partner especially for the timely delivery of outputs and capability to solve technical problems. Outstanding issues to be solved in the remaining period to March 2013 (including the two month no-cost extension) concern the recommended organisational structure, which has not been implemented, the additional staff have not been recruited, and thus the training could not be delivered. Innovatively, as an alternative, the PPD has involved external institutions in the project and extended the training to their members to much positive acclaim and widening the ownership of the project results to a broader audience. This has also included building effective relationships with the industry representatives of plant protection product producers.

The food safety project in the Veterinary Directorate is in the early stages of implementation (it started in March 2012 and it is due for completion in September 2014). The expected results of the assistance are: institutional development; capacity

⁴⁵ The competent body for the authorisation for placing on the market and use of plant protection products in the Republic of Serbia.

building including raising public awareness; and strategy, standards and regulations in the field of animal welfare. There has been some concern by the beneficiary to achieving the expected results over the utility of the current outputs by the twinning advisors on the risk assessment and internal audit work, and on the inputs used in assessment of legislation to little effect, given a lot of legislative work has been already done in the framework of a previous twinning project (financed under CARDS⁴⁶). A better understanding needs to be developed between the twinning partner and the beneficiary. There are also issues with the quality and content of reporting by the partner (2nd Quarterly report, November 2012) which highlighted more wider concerns by the evaluation over the weaknesses of the progress reporting structure (which tends to be activity focused) and the lack of information in respect of performance to achieving target results, and their measurement.

Much more problematic has been the Project ‘*Capacity building within Serbian National Reference Laboratories Directorate in food chain*’, where there have been protracted disagreements and lack of clear policy direction that has severely curtailed the performance and achievement of results. This is seen as due to a number of factors, harking back to the design problems mentioned above: i) a missing managerial structure and no clear policy decisions on how to proceed; ii) the lack of DNRL staff (indecision and stalling on the recruitment of the 55 approved positions within the DNRL); iii) with the institutional uncertainties the supply contracts for equipment have not been fulfilled and what has been procured remains unutilised⁴⁷; and iv) political obfuscation around the election period has further delayed the resolution of issues.

The achievement of the expected results has therefore been poor (overall only 26% of results had been achieved to the end of September 2012). It is reported that 35% of results have been achieved in Component II (building, a Laboratory Information Management System), and 33 % in Component III (accreditation)⁴⁸. The buildings in Batajnica which were allocated to house the network of laboratories remain fully refurbished, but empty and expensive to maintain. The project has been categorised as a ‘bottleneck’ project (meaning it is an at risk project and subject to regular review) and much management time has been spent in attempting to resolve the problems since the decision of the 2nd PSC in September 2011, together with the EUD to restrict the range of activities and ensure utilisation of the facilities before further procurement. Given the project contract ends in March 2013 there seems little prospect of achieving the intended purposes of the assistance to the DNRL.

The viticulture project has been well embedded in national priorities and in the legislation, with the relevant by-laws already approved by the Serbian Parliament. Performance of the assistance is reflected in the positive relationships between the

⁴⁶ Within CARDS 2005, a Twinning Programme “Institutional Capacity Building for the Veterinary Directorate” began in January 2006 in partnership with Germany and Austria.

⁴⁷ The Delegation of the EU decided in May 2012 to proceed partially with the provision of equipment and instruments through the tenders for lot 1, 3 and 4. This decision followed the actions deployed by the national authorities on the recruitment of staff for the new laboratory at Batajnica. But, the recruitment procedure did not proceed as planned. Therefore, the EUD also decided to cancel three other lots (Lots 2, 5 and 6). These lots will be re-launched if the Beneficiary will take sufficient measures to meet the requirements set by the EUD.

⁴⁸ Whilst reports mention percentages of progress and achievement there is no defined basis for the calculation of these figures or how they are gathered.

beneficiary and twinning partner and the project is on track to achieve the expected results⁴⁹ by close of project in July 2013.

Animal Health

In animal health, ‘*Technical Assistance for the Control and Eradication of Classical Swine Fever (CSF) and Rabies*’ (IPA 2008) is the overarching project began in January 2010 and running until January 2013 with a 6 month non-cost extension. Results are being achieved without any significant deviation from the planned schedule, and as approved by the beneficiary. These have included:

- Action Plan for improvement of the current institutional framework for eradication, control and monitoring of the CSF and Rabies;
- Strategic operational multi-annual action plan for eradication, control and monitoring of Rabies;
- Strategic operational multi-annual action plan for eradication, control and monitoring of CSF including a plan for non-vaccination eradication of CSF;
- Contingency plan and operational manual for CSF;
- Training programme agreed with the beneficiary has been implemented;
- Procedure manuals or protocols for monitoring and surveillance of the number and spatial distribution of foxes and feral pig population adopted by the beneficiary; and,
- GIS based surveillance system for rabies and CSF customised with the Veterinary Information Management System (VIMS).

Positive results have been achieved in preparing *Procurement Plans* and tender dossiers for procurement and application of vaccines and installation and operation of equipment funded from IPA 2008 and subsequent IPA programmes. Furthermore, the Project TA experts fulfilled the role of verifying agent for the equipment delivered to the beneficiary⁵⁰. The TA project, *Publicity Services for Rabies and CSF* (IPA 2009) has been especially effective in communication and media with the production of informative / promotional materials for various target groups (Veterinary Institutes, children, general public and for hunters and veterinarians). The beneficiary considers this success especially due to well prepared and thorough terms of reference.

Cross-cutting issues

⁴⁹These results contribute to:

1. Improve sustainable capacities for implementing the System of Designation of Origin (PDO) for Wine with Geographical Indications (PGI) and Viticulture Zoning
2. Collection and analysis of data for Viticulture Zoning
3. A System of designation for Wine with GIs and identification of new system for Viticulture Zoning in alignment with EU requirements.

⁵⁰ This has included: i) Supply of emergency equipment for combating and eradication of animal diseases completed; ii) Supply of IT and GIS hardware associated basic software and digital maps was completed as well. Sample Management and Tracing System, as part of the GIS based surveillance System has been developed and presented to the Veterinary Directorate. The installation on the IT infrastructure has been under way; iii) At the end of 2012, the contract was signed for IPA 2011 about supply and distribution of rabies vaccines for ORV campaign autumn 2012, spring 2013 and autumn 2013; iv) During the remaining period in 2012 the supply and installation of surveillance equipment and equipment for the Disease Control Crisis Management Centre (CMC) tenders from IPA 2008 and IPA 2009 will be completed. The Centre is already functioning.

IPA assistance mentions mainstreaming cross cutting issues – gender, disadvantaged groups (especially Roma), disability, governance (rule of law), environmental protection, localism – but although project design and plans reinforces this in their workplans and reporting no substantial evidence was forthcoming that these issues were favourably discriminated in a positive fashion were they were not already part of the objectives. Thus, the LIS project of course worked with local groups (emphasising community localism) but there were no specific plans to emphasise the inclusion of women or the disabled, for example, in the partnership formation. Overall, in relation to cross-cutting issues, the approach adopted seemed more of the ‘do no harm’ principle e.g. in regard to the environment in the viticulture project, rather than specifically targeting environmental measures or the inclusion of ethnic minorities. Neither has the composition of Steering Committee members allowed for wide cross cutting representation. Some good practice was identified amongst bi-lateral donors; e.g. practice by Germany and Switzerland in relation to gender mainstreaming.

4.4 Impact

Have the results of the assistance been translated into the desired/expected impacts in meeting the strategic objectives/priorities in the sector? To what extent can impacts be sufficiently identified and/or quantified? Are there any elements which could hamper the impacts of the assistance and are there additional impacts?

Much of the evaluation was intended to examine what impact had been achieved through the IPA assistance and its sustainability. In the event, due to the on-going nature of the assistance and the fact that many results are only now, or have recently, been achieved it is somewhat premature to be able to make definitive statements about the impact of the IPA assistance⁵¹. Neither has the programme nor its constituent projects been good at telling the story of the changes and impact that may be expected from the IPA assistance. This is largely due to the lack of verifiable and suitable indicators at the impact level making the objective measurement of impact an inexact assessment at this point in time.

But what must not be forgotten nor discounted is the more intangible impact that is difficult to measure of the benefits of the awareness building, improved know-how and strengthened capacity-building that precedes change and is a necessary condition for the reforms and restructuring in the sector. IPA assistance through all the projects has to a greater or lesser extent contributed to these knowledge and learning factors.

Institutional preparedness

The partial results at the Paying Agency (PA) and the Managing Authority (MA) mean neither are yet accredited or in the process of accreditation (procedures of self-assessment) to implement IPARD measures which was the expected impact from this

⁵¹ Concern here is with the ‘specific’ impacts which occur after a certain lapse of time but which are directly linked to the action taken and the direct beneficiaries. This is in contrast to the ‘global’ impacts which are the longer-term effects affecting a wider population and to which the assistance may make some partial contribution. In the latter case, the measurement of attribution is a much more methodological complex issue.

institutional strengthening project. Perhaps this was over-optimistic in the timeframe given the experiences of the accession process in other new Member States, where even achieving the former SAPARD accreditation (seen as less complicated than IPARD) usually took 3-4 years. Nevertheless, the implications of these delays are serious for Serbia. Given that the timetable for conferral of management (CoM) is now 2014, it may be 2015 before Serbia can access pre-accession funding for IPARD measures at the earliest, thus delaying investments for important changes and restructuring across the sector. It also has to be realised that with Croatia becoming a MS in June 2013 with access to CAP and structural funds, this will also have implications for Serbian agriculture, with increased competitive pressures of imports from Croatia and competition in the CEFTA (Central European Free Trade Agreement) markets where Serbia sells most of its exports.

Similarly, partial results in LIS and the lack of progress with establishing a functional national institutional framework for LEADER means there is only limited impact from the assistance to date especially when measured against the indicators of impact that were set out for the LIS project⁵². There seems to have been inadequate support until recently at the national level for the LEADER type measures, although there is a clear recognition among local actors of the need to lobby the national administration for timely implementation of LEADER in the period 2014–2020. The impact made with a number of the pLAGs was threatened with the ending of the project support, although the Ministry is now making commitments for a modest budgetary allocation in 2013 and 2014 to support LEADER initiatives in the interim.

The impact from assistance to building the FADN will be whether Serbia is compliant with requirements and has the institutional operating capacities by the planned target date of 2017. In the interim, it will be interesting to note the extent to which farm data as it materialises is used in policy analysis by the government. The fact that extensions and additions to the assistance for FADN are being planned, demonstrates that achieving the expected impact often demands more time and resources than are often available within a single project cycle.

Safety & Standards

Impact in PPD is being realised through the continuous education and training provision that has contributed to the increased knowledge of Serbian specialists in the field (the intangible benefits as noted above, and remarked on during the SCM on 27 September 2012). Assistance has also brought with it a positive development of increased international cooperation and prestige of Serbia in the area of plant health, veterinary, and food safety. However, a number of risks to achieving the desired impacts have been identified, such as: the selection of authorised institutions, delays in adoption of new legislation, limited resources in the Plant Protection Directorate, and implementation of the new procedures. There is the situation here of likely impact

⁵² These were defined in the project documents as:

- Institutional/policy system in place for LEADER.
- Budget for a National LEADER scheme allocated.
- Number of staff hired/allocated to LEADER within the MATFWM increased.
- Number of potential LAGs ready to participate in a National LEADER scheme increased.
- Available instruments, procedures, guidelines and administrative documents for LEADER approach are put into practice.

being compromised due to conflicts for the limited staff between twinning training and their on-going work; the lack of resources to plan for organisational change; and complicated by further disruptions due to political changes.

Strong beneficiary ownership of the food safety project will likely drive the performance of the twinning partner to eventually achieving desired results and leading to the expected impacts in food safety and animal welfare from the assistance. Obviously, given the early stage implementation of the project assessment of any impact is not yet pertinent.

There is little likelihood of impact being realised from the assistance to the DNRL in the immediate future, given the problems encountered by the project. Currently there is no possibility of achieving international accreditation (according to EN ISO/IEC 17025:2005, EN 45003) nor having the work plan for courier service in force; nor without the trained staff is there the possibility of certification based on EU practice and best available science in the food chain. Without decisions from the national authorities and clear beneficiary commitment and ownership to the NRL it is difficult to see how the network of laboratories can function. The MAFWM needs to broker an achievable solution that the sector will support.

In contrast, the expectation of impact is highly likely in the viticulture sector because it has had a clear national mandate, a well-defined design, strong beneficiary ownership and commitment, and a professional partnership with the twinning advisers. The 2009 Law on Wine is being followed up with specific legislation and by-laws pertaining to wine sector governance covering the Vineyard Register and the application form required for registration in the Vineyard Register, methods and procedure of production and on quality of wines without geographical indications and wines with geographical indications, conditions to be met by a laboratory authorised for testing the quality of grape must, wine and other products in terms of technical and professional capacities, reference methods for physical-chemical and microbiological analysis of wine and sensory evaluation. Alignment with the *acquis* in the area of wine is on track.

Animal health

There is tangible impact of the animal health assistance after the completion of the three rabies vaccination campaigns, with good progress reported in terms of the levels of immunity achieved and a fall in the number of confirmed cases of the disease (with a 75% reduction compared to the 2009 baseline)⁵³. The epidemiological situation in the country as a whole has improved considerably; however, outbreaks still occur in both wild and domestic animals. Fourteen positive cases have been detected in 2011 in four districts. With by far the largest pig population of any country in the region and strong trading links with most of the others, Serbia plays a pivotal role in determining the CSF vaccination strategy for the Western Balkans.

⁵³ Based on evaluation of the Mission report 'Evaluation of the oral vaccination of foxes in Serbia, Campaign Spring 2012'/Activity 8.1 – Supervision of vaccination campaigns, Rabies. Technical Assistance for the control and eradication of CSF and Rabies in Serbia. June 2012.

4.5 Sustainability

Are the identified results and impacts sustainable? Are there any elements with could hamper the sustainability of the assistance? Particularly is there sustainable capacity within beneficiary institutions?

The importance to sustainability of clear and agreed national and sector policies is axiomatic, as this gives explicit recognition of the need to support and fund the organisational arrangements, and the operational and maintenance (and/or replacement) costs together with details of their scale and timing. Given the congruence of the aims of IPA assistance with the NAD and the recent reiteration and commitment of Serbia to the EU accession agenda, this provides a strong basis for the durability of results and impact of the assistance.

The institutional reforms (e.g. in DAP and the MA, in PPD, and Veterinary Department) and legislative harmonisation (e.g. in the areas of food safety, plant protection and animal welfare) that have been made as necessary to meet the requirements of the *acquis* are guaranteed in the prevailing policy context. What is more uncertain based on recent experience is the stability of these changes in terms of ensuring sufficient capacity (recruiting and retaining trained manpower) and the provision of sufficient resources from the national budget for effective operations.

Institutional preparedness

Thus, the creation of the PA and MA as part of the policy reform to access IPARD funding and eventually absorb the principles of the CAP is being embedded in the national institutional structure. But these structural changes have not yet been translated into the necessary amendments to the IPA regulation and the resourcing commitments required. The constraints noted above of the problems of the PA in terms of management commitment, staffing, and prioritisation of the IPARD measures, mean that the sustainability which would be achieved with the conferral of management powers is yet to be realised. There are the uncertainties surrounding the resourcing of the MA which again may threaten its functions and operational effectiveness going forward, if the Ministry does not commit to providing and funding suitably trained staff.

There are grave risks to the sustainability of the LEADER initiatives with the lack of any functional national institutional framework having been put in place, nor any committed resources at this time to sustain the work of those local groups that have formed pLAGs. It may have been premature to instigate these LEADER measures⁵⁴ as part of the 2007 IPA programme, but having contracted and build up the interest and commitment of local community groups, credibility could quickly ebb away if these pLAGs do not proceed to registration and suddenly find themselves unsupported. To its credit the LIS project has from an early stage focused on the needs of an exit

⁵⁴ Financing LEADER projects is only possible through Pillar 2 of the CAP, the second priority axis: preparatory actions for implementation of the agri-environmental measures and local rural development strategies.

strategy and has investigated alternative funding sources for these local groups to be able to proceed to actually planning and implementing some small interventions⁵⁵.

It has been particularly pro-active in trying to secure funding going forward from the national budget. The EUD too has complemented this need for national buy-in, giving an undertaking that if the Ministry finances some seed capital to the LEADER initiatives, then further technical support through a framework contract will be forthcoming in order to sustain and build on what has so far been achieved. This once again points to the need for a longer time perspective for some of the IPA assistance if not only impact is to be achieved but also sustained in the long run.

In the case of FADN, strong institutional arrangements are required (and have been put in place), given the different actors that must play a part in implementing FADN. Sustainability will be dependent once again on these institutions allocating resources and committing to the data gathering requirements although they will be outside the direct line management control of the executive managing the FADN.

Safety & standards

Notwithstanding the risks to impact mentioned above in plant protection, there are firm indications from the beneficiary and its staff to commitment and ownership over the results of the assistance. A further Twinning fiche has been prepared and adopted for IPA 2012 funding (€ 2.5 million) to cover IT issues for the relevant Ministry directorates.

Through the project strong links have been forged with industry and some joined up consultation established with other relevant IPA twinning projects which all build the prospects for sustainability. There is mutual attendance in SCMs between the National Reference Laboratories Directorate in the food chain, and in area of food safety and animal welfare (IPA 2011) starting good practice in exchanging learning and avoiding duplication of effort e.g. cooperation in the field of controlling pesticide residues with experts from the DNRL project.

One of the aspects to sustaining the capacity-building in the area of food safety and animal welfare is the need to develop a central database for inspection support. In this regard, the design of an additional project was completed and it has been understood that the forecasted project is included in IPA 2012 funding. Sustainability will also be dependent on the manifest needs for equipment especially regarding IT systems in the Department for Veterinary Inspection at both regional and local level.

Positive results and emerging impact in the wine sector are threatened only by risks around institutional capacity development and availability and retention of human resources. Most of those trained in the earlier twinning project were released by the Ministry, and the current situation is that there are 2 employees and 1 person on temporary contract in the section. It is judged that there needs to be at least 8 people allocated to the seven main areas considered crucial for the proper management of the

⁵⁵ This has included the possibilities of EU Exchange funds for rural development, cross border links with Hungary and Croatia, the Danish funded business clustering programme, UNDP and discussions with France for a small TAIEX project. LIS is completing a study of these and other financing opportunities.

bureaucratic system aligned with the EU standards⁵⁶. This points once again to the crucial issue of human resource planning if sustainability of the institutional arrangements linked to the changes and reforms is to be achieved.

Animal Health

In animal health there are strong indications of sustainability of the disease eradication programmes due to: i) strong beneficiary ownership of the projects and satisfaction with the results, ii) substantial commitment by the government in co-financing under IPA 2008 and going forward, including an established funding mechanism to enable compensation payments to farmers for the culling of their animals when CSF is identified (culling pigs that are infected or in regions immediately around infected animals); and iii) involvement of a wide range of stakeholders (representatives of NGOs, hunter associations, pig breeders association etc. have been broadly integrated in activities of working groups), whose cooperation has been an integral part of the project business approach and which have been subject of frequent awareness and information dissemination activities. There is also, significantly, the on-going commitment of IPA assistance linked to cross-border disease eradication for continued support for rabies eradication and CSF control programmes. The SIF 2013 supports the importance of the continuation of IPA interventions in the animal health area in 2014/2015.

On the other hand, sustainability in Serbia is also dependent on the regional perspective and the success and impact of campaigns in neighbouring countries, so that re-infection is not introduced across borders. This argues for a much stronger regional co-ordination to the assistance to meet the overall objective

4.6 Visibility

Very low levels of awareness and understanding of EU funds and IPA assistance is evident in the population at large, based on the public opinion polls that have been carried out by SEIO for the past two years⁵⁷. There have been various initiatives and media events to improve the communication so as to build a better understanding amongst opinion formers, planners, politicians and wider civil society⁵⁸.

It is also the responsibility of individual projects (following EU visibility guidelines) to promote awareness and knowledge about the source of funding and the purposes of the project with leafleting, promotional material, and labelling at project offices and sites. It was noted that this has been done well, for example, within the FADN project, LIS project (website, training module material, and guidelines), and animal health projects (including production of a CD on the vaccination campaign). In other cases, and more evident amongst twinning projects, there seems to have been more perfunctory attention to these matters, as seen for example with the partners led by the Hungarian Agricultural and Rural Development Agency on the DAP/MA

⁵⁶ Based on the assessment of the Italian twinning experts' experience in EU MS, in relation to the size of the wine sector in Serbia (4th quarterly report).

⁵⁷ See "Report on International Assistance to the Republic of Serbia in 2011". SEIO, Belgrade, April 2012.

⁵⁸ *Ibid*, page 13-14.

strengthening project, and at the National Reference Laboratories led by the Dutch Ministry of Economic Affairs, Agriculture and Innovation (VWA). Perhaps public institutions are less aware than private contractors of the significance of self-promotion, good publicity and the need to communicate the project benefits. Some examples from EU member states of publishing information are discussed in Annex 7. Whatever the factors, important opportunities are being lost in Serbia both to promote the presence and the facts of IPA assistance and the benefits of the assistance to the wider community.

4.7 Conclusions and lessons from the IPA assistance

4.7.1 General remarks

The evaluation is fully aware that it has come at a time of change in the political landscape with the new government establishing its priorities and approach (including new key appointments), but it re-emphasises the uncertainties that have characterised the policy and enabling environment in which the IPA assistance has been planned and implemented since 2007.

For reasons explained in the introduction to this report, the evaluation has focused on the IPA assistance provided by the EU to Serbia, but has also reviewed other bi-lateral and multi-lateral assistance from the perspective of the co-ordination and complementarity of ODA that has been provided to the agricultural and rural development sector. These conclusions are also broadly framed around the specific issues that have been highlighted in the ToR:

- The impacts of the assistance and the extent to which this can be measured;
- How well co-ordinated the support to the sector has been; and
- The extent of institutional preparedness in relation to:
 - How well prepared are the supported institutions for the conferral of management.
 - Extent to which the LEADER concept is developed.
 - State of readiness of the development of FADN.

There have been five annual programmes of IPA I assistance during the period 2007-11, allocating € 25.9 million to the agriculture and rural development sector. Other ODA has comprised EU Counterpart Funds totalling approximately € 8.53 million (in 5 tranches), and approximately € 50.6 million of other donor commitments (based on estimates from the ISDACON database). Thus, 40% of the assistance to the sector has been committed by the EU.

4.7.2 Relevance

Agriculture is one of the most demanding sectors in terms of reform and compliance in meeting EU membership obligations, as well as the necessity for building the mechanisms to be able to access the pre-accession funding and eventual CAP benefits. IPA assistance programmes in agriculture are shown to be relevant to tackling these demands and are contributing to the overarching goal of the Republic of Serbia to achieve the accession criteria expressed in the *acquis*.

The projects that have comprised this IPA programme of assistance all met important priorities and have been justified on the basis of meeting objectives defined within the national strategies and priorities. Sector Identification Fiches (SIFs) and the four Multi-annual Indicative Planning Documents (MIPDs) during the period have been based on the needs identified in the European Partnership with Serbia as well as the appropriate Enlargement Strategy and Progress Report of the EC, and provide a comprehensive sector and problem analyses, and a logical connection to strategic priorities. It is noticeable that there has been substantial improvement over time in more closely aligning programming of the assistance to national strategies and priorities. These have been well articulated in the document, 'Needs of the Republic of Serbia for International Assistance (NAD)'. Unfortunately, it is acknowledged that the various national strategies and policies have not been predictably and consistently applied by MAFWM over the period, which has created an unstable environment for following reforms and for restructuring the sector. This has had implications in delaying the delivery of IPA assistance and for the design and performance of individual projects.

Thus, whilst the measures financed have been appropriate, a number of constraints were recognised that had a subsequent effect on the performance and outcomes of the assistance:

- Changes were often needed to the design of measures due to the long lead time before implementation to ensure relevancy of the intervention given changes in the intervening period;
- Design was sometimes based on controversial ministerial decision-making which affected 'ownership' and commitment to the project;
- A tendency towards over optimism or over-ambition (especially pre-2009) in the project design in relation to likely progress towards accession negotiations;
- Programming can still be further improved by linking the proposed measures more precisely and cogently to the problems and weaknesses that are identified, so as to emphasise the relevance and priority of the intervention; and
- Programme documents need to include a detailed measurement plan enabling a rigorous assessment of the expected impact and changes that will result from the assistance (more akin to an *ex ante* evaluation).

4.7.3 Co-ordination

Aid co-ordination mechanisms have been installed, with the Development Assistance Co-ordination Unit within SEIO responsible for co-ordination and programming of assistance at the country level and maintaining the ISDACON information system. Co-ordination has been most effective at the specific level with bi-lateral donor to donor (D2D) or donor to government/agency (D2G) cooperation in relation to particular project initiatives and in working with local partners in the regions.

At the sector level, the Aid Co-ordination Working Group in agriculture has met only annually holding two meetings which have been mainly about information sharing. It was reported that earlier donor led aid co-ordination often with internal ministry departments was more beneficial for the donors addressing specific sector issues, but of course lacked the important strategic Ministry co-operation. The linkages were less

noticeable with the headquarters of the Ministry. There is a need to blend the two elements - strategic information sharing, and also detailed co-ordination when dealing with specific components within agriculture.

There has been less success on the broader national level of assessing the extent of aid co-ordination e.g. measurement of progress against the key indicators of fulfilling Paris Declaration principles has not been undertaken. A stronger sense of mutual accountability has grown as SEIO has developed stronger national ownership and focus to the assistance (especially through the NAD). Given the extent of priorities and needs there has been a large 'space' for the operations of bi-lateral and multi-lateral assistance.

It is therefore perhaps not surprising that the evidence is overwhelmingly, with few exceptions (where respondents spoke of the tendency of some donors to work in 'silos'), that there has been good co-ordination amongst project funders and that the assistance has been broadly complementary. IPA assistance has focused on the accession and *acquis* requirements, and whilst all donors support the EU integration process, they have tended to work more on specific aspects of reforming the agriculture sector, working with agri-business and improving the value chain for commodities. In areas more closely linked with the IPA assistance such as food safety (USA), standards (Switzerland) or capacity building in institutions (World Bank) most projects reported on the mutual benefits of the assistance, although communication between the parties needs to be improved in cases. Thus, there were many examples of added value being brought by the donor community such as in food safety, veterinary healthcare, addressing product standards, and organic farming. The only problem that really arose is that of absorptive capacity of the beneficiary institutions. Where there are multiple donors, it is important that workplans are carefully synchronised with the beneficiaries and realistic demands on time are made for such things as training, study visits and fieldwork.

4.7.4 Performance of the assistance

Planning and supervision of delivery of the IPA assistance are the responsibility of the EUD, SEIO and the MAFWM and its Department for International Co-operation within which is the IPA Unit. Under the centralised management system the EUD has the major responsibilities for agreeing to the priorities for assistance, developing the MIPD, and for the contracting arrangements. Over the period, the collaboration between EUD and SEIO has achieved higher professional standards, as the latter organisation has improved its programming function. However, monitoring and evaluation responsibilities have lagged behind and not yet been formalised in a consistent fashion. Of yet greater concern is the lack of capacity within the IPA unit in MAFWM which does not have the resources or capability to co-ordinate and monitor the performance of the individually financed projects and the counterpart funding. It urgently requires resourcing with capable personnel if it is to prepare for the IPA programming and implementation responsibilities that will be required under a decentralised implementation system.

IPA assistance has been focused on 4 themes identified by this evaluation, although only in 3 of which have activities been implemented so far. Extrapolating from Table

4 above, shows that 40% of the IPA contracted funding has been committed to the animal health theme, 34% to safety and standards and 26% to institutional preparedness; whilst commitments in land markets remain to be made. Given the widespread needs of the sector (chapter 2) and the enormous demands placed upon it by the EU accession requirements, arguments can always be forwarded that more resources should have been made available. However, the rates of disbursement (at an overall level of 57.1% at the time of the evaluation) and pace of progress suggests that there was not the absorptive capacity for additional funding, meaning that financing has not been a constraining feature on the performance of the assistance.

The emphasis on the animal health theme has been pertinent considering the importance of dairy and livestock production to the rural economy and the effects that diseases (in this case rabies and CSF) have on animal management, market access, and confidence in the sector. Safety and standards are similarly a key theme that required IPA assistance to support national authorities to make the technical and organisational changes if progress towards meeting accession obligations was going to be achieved. Within institutional preparedness, building national capacity for implementing EU measures has been crucial, but a number of questions have been raised around the prioritisation and timing of the interventions, so for example assistance to FADN should have been prioritised before the LEADER initiatives.

When the evaluation reflects on the gaps in the allocation of funding to possible themes, the importance of land and agrarian reform in order to harmonise with EU regulations on land markets means the lack of initiating activities in this theme have been disappointing. Again, if we look back to pre-accession assistance that was provided to the newly acceding Member States, the issue of access to finance for small and medium-scale producers was a feature that has not yet received attention from IPA financed support. These are themes taken up as prospective additional policy objectives for future programming (see 6.2). Thus, by implication, the possible future objectives that are detailed suggest that these were not sufficiently considered in the 2007-2011 programming period.

There are a number of significant results (as described in 4.3 above) that have been achieved in each of the themes of institutional preparedness, safety and standards, and animal health (nothing yet has been contracted under land markets), but overall there is a mixed picture of results from the IPA assistance to the sector to date, and a slower realisation of results in many cases than may have been anticipated. The main reasons for this have been identified as follows:

1. In many cases outputs are only just being completed because of the lateness of contracting and the pace of disbursements noted under input efficiency. Despite programming starting in 2007, the first contracts for IPA assistance were only signed in 2010, and only the supply contracts and studies have been completed by the time of the evaluation, so this is a relatively 'new' programme. 82% of the financing allocated to the agriculture and rural development sector in the period has been contracted. Of this contracted amount 57.1% has been disbursed up to end of August 2012.
2. Limitations of the national agriculture budget, which declined as a share of total public expenditure in the period 2004-10 to 2.5%, and is insufficient for the

MAFWM to fulfil its responsibilities and tasks. This slows down the pace of reform and manifests itself in the lack of capacity and resources in many of the institutions with which IPA assistance is working. It also restricts the amount of national co-financing that is available to accelerate and add value to the achievement of results of the IPA assistance.

3. Institutions taking on the obligations of reform to meet EU criteria rarely had the full staff complements that were needed to implement the additional measures arising from the twinning advice and technical assistance. This meant additional work pressure on existing staff, a lack of absorptive capacity to take on new responsibilities, or the prioritisation of staff in dealing with their everyday responsibilities to the detriment of the EU accession focused tasks, which seemed less of an imminent management priority. Given the complexity and range of changes required by the various Ministry departments, there have been insufficient officials with the management and leadership skills necessary to champion the reforms in their various departments and directorates. All this can have a debilitating effect on the organisation and its ability to buy-in to the reforms and changes being planned through the assistance.
4. Human resource development is also bound up with cultural issues beyond just incentivising staff financially (for which there are limited possibilities in Serbia). It is about changing the attitude and mind-set of staff through encouraging commitment towards the organisation, empowering staff, and building a sense of ownership over responsibilities and tasks; in short creating that service oriented paradigm in a public service.
5. Delays and quality to timely achievement of results have also been due in instances to twinning partners and contractors that have been delivering the assistance. Replacement of team leaders and rotation of experts was noted which disrupts progress, and there have been cases where the advice and training has not met expected standards and inappropriate recommendations have been made, especially in relation to equipment supply and IT systems delivery. There is evidence that tendering in an increasingly competitive environment, whilst driving down the cost of expertise, makes it unattractive for experienced experts to move to the region, and thus denies Serbia the best quality expertise to guide it along the path to reform.
6. Evidence suggests a longer term perspective to specific areas of assistance may be required if harmonisation with *acquis* requirements are to be met in the circumstances in which Serbia currently finds itself. Whilst it is noted that many projects have had additional assistance (with advice and equipment) from succeeding IPA rounds, and the benefits of this sequential assistance have been clearly seen, the actual planning of the support is defined in a specific project cycle rather than taking a more strategic view of the overall requirements for assistance. A longer term perspective can build greater beneficiary ownership and reduce the risks to sustainability.

4.7.5 Impact

In evaluation terms, it is premature to be able to make definitive statements about the impact of the IPA assistance at this juncture, as the reality is one of on-going achievement of results from which in most cases there is as yet no or only limited evidence of impact. Neither has this evaluation been able to assess a verifiable and suitable set of indicators at the impact level to be able to make objective statements on the extent of any impact, owing to the lack of appropriate and measurable indicators in programming documents. A much more rigorous and perhaps theory-based evaluation of impact will eventually be required, but this lies outside the scope of this evaluation at this time.

The judgements reached around impact in this report (4.4 above) show that the key factors that are likely to hamper the realisation of impact are often the weaknesses in the institutional enabling environment (organisational arrangements and availability of suitable manpower), delays in achieving the necessary legal framework (suitable legislation or by-laws), lack of adherence to following a consistent policy direction, and the extent of interest and ‘ownership’ in the planned changes amongst the beneficiaries.

The more subjective intangible impact that is difficult to measure of the benefits of the awareness building, improved know-how and strengthened capacity-building, through the substantial training and advisory work, have been highlighted throughout the report. The impact of these on personnel and organisations are a necessary condition for the reforms and restructuring in the sector.

Arguably, the most tangible impact has been recorded through the animal health assistance with the measurable improvements to the epidemiological situation in the country, where there is also a recognised methodological approach to record and assess the changes as a result of the various vaccination campaigns.

Impact around the readiness of some institutions in the agriculture sector to take on the obligations of *acquis* requirements and the ability to manage and absorb EU funds (especially via the IPARD instrument) is currently uncertain. So finally, the key questions raised by the ToR are addressed as follows:

- ***How well prepared are the supported institutions for the conferral of management.***

The limited results achieved to date in DAP (especially) and the MA have put back the timetable for conferral of management. Whilst the original targets in the project fiche were over-ambitious based on the experience in other former accession countries, the likely delay to 2014 before Serbia can expect to attain CoM on the latest estimates, clearly denies Serbian agriculture access to IPARD funding and investment in the short-term. New management in DAP needs to urgently address the problems that have been encountered which have hampered progress, and the newly revised accreditation plan will need to be reviewed after 6 months to ensure the changes being planned and the new resourcing are indeed on track. The key issues are:

- A management decision on relocation back to Belgrade;

- Commitment to recruiting suitable staffing as the plans demand, so there is the absorptive capacity to carry out not just national measures but the growing demands of pre-accession financing;
 - Clarity of contracting with the right twinning partner to meet the remaining advisory and accreditation needs;
 - A strong management focus in prioritising the training and capacity strengthening of the staff. Human resource development needs to address the mind-set and attitude in the organisation as much as technical know-how.
- ***Extent to which the LEADER concept is developed.***

With regard to preparedness for LEADER, there has been strong bottom up planning facilitating and developing the formation of local partnerships and preparing embryonic groups for the selection process as pLAGs. It is expected that at least 15-20 pLAGs will meet the criteria of selection. However, as yet, such groups have no experience in generating and programming suitable project ideas. This can only happen in 2013 if some seed funding is made available from the national budget, as has been advocated, to enable these groups to put into practice much of the training and facilitation that has been provided.

Up until the recent post-election period, there seems to have been inadequate support at the national level for the LEADER type measures, although there has been a strongly motivated beneficiary. No institutional mandate has been built (the latest plans for a 'Leader Advisory Board' have failed owing to the lack of commitment and decision by the Ministry for a national inter-agency forum on rural development, as did the earlier plans for a 'National Leader Group'). Neither have the mechanisms been developed within DAP for the development of procedures for the implementation of LEADER measures.

This means that there remains much work in building the LEADER institutional framework, and planning and lobbying for timely implementation of LEADER in the period 2014–2020. There is also a need for further technical support to ensure there are fully developed LAGs able to prepare and implement measures. Positively, this has been earmarked by the EUD if the financing is forthcoming from the national budget for LEADER preparation. Otherwise, much of the valuable preparatory work of the LIS project is likely to be lost as the groups will have nothing to sustain their interest and are likely to become completely disillusioned with the process.

- ***State of readiness of the development of FADN.***

The development of the Farm Accountancy Data Network (FADN) in Serbia is in its early stages, but there is already strong evidence to suggest that the 5-year National Plan for FADN will be achieved. The institutional framework for FADN has been established, capacity strengthening is underway, and the two pilot data collection exercises have been successfully implemented. Here is an example where a longer time horizon of support is required, as this current project can only kick-start full FADN compliance. So there are already plans in SIF 2013 for further financing to enable the objectives of Serbia's compliance with FADN requirements to be achieved and ensure it has the complex institutional operating capacities by the planned target date of 2017. In the interim, it will be interesting to note the extent to which farm data

as it materialises is used in policy analysis by the government. Again, progress will be dependent on the implementing institutions allocating resources and committing to the data gathering requirements, although they will be outside the direct line management control of the executive managing the FADN.

Recommendations

5.1Key recommendations

Table 6 provides a list of the key recommendations based on the findings and conclusions of the evaluation. They address the co-ordination and delivery of the assistance, and a number of strategic issues. In making recommendations the evaluation is cognisant of the constraints of human resources and capacity to implement such recommendations and that the suggested timetable for implementation will to an extent be dependent on available capacity.

The programming recommendations that were included here in an earlier draft of this report are now found within the new section 6 below on suggested future measures for the next Multi-annual Financial Framework.

TABLE 6: List of recommendations

<i>No</i>	<i>Recommendation</i>	<i>Responsibility / Addressee</i>	<i>Timing</i>
	<i>Delivery and co-ordination of the assistance</i>		
1	Benchmarking Serbia's aid effectiveness. In order to be able to assess the extent Paris principles on aid co-ordination are being met in Serbia, there should be a survey conducted of the 12 indicators based on the OECD questionnaire. Whilst the arguments by SEIO are understood of why this has not been implemented to date, the evaluation strongly believes this is an effective tool for assessing compliance on aid co-ordination.	Dept. for Planning, Programming, & Monitoring, SEIO	Mid 2013
2	Stronger leadership and direction for assistance from the Sector for International Co-operation, MAFWM to maximize benefits of D2G collaboration. Aid co-ordination in agriculture needs to combine the strategic information sharing done through the Aid Co-ordination Working group which should meet bi-annually, with smaller sub groups of donors and department (task teams) cooperating on specific components of mutual interest within agriculture. Clear terms of reference and agenda setting need to be determined for this sectoral co-ordination with donors.	Sector for International Co-operation, MAFWM	Early 2013
3	Skilling up SEIO officials and relevant MAFWM staff in indicator development and <i>ex ante</i> evaluation, so that considerations of measurement becomes an integrated part of the programming and planning cycle (asking the questions around defining expected changes, what should they look like and how they can be measured).	Dept. for Communication and Training, SEIO; MAFWM	Mid 2013
4	Weaknesses in aid co-ordination and monitoring performance of assistance and national co-financing in MAFWM need to be addressed. Crucial to this is building the capacity through recruitment and training for the IPA Unit in MAFWM for monitoring performance of the assistance to provide the interface between implementing departments, SEIO and the EUD.	State Secretary, Human Resources Dept., IPA Unit, MAFWM	ASAP
5	IPA programmes address assumptions in the logframe, but there are no active risk management strategies put in place (by programmes or projects) assessing the probability of risk, its impact and mitigation measures to address the problems conflicting with the implementation of the measures. Ensure that in designing all programmes a separate risk management strategy is provided with the programming documentation and is regularly reviewed and updated.	Dept. for Planning, Programming, & Monitoring, SEIO	Program- ming in 2013

No	Recommendation	Responsibility / Addressee	Timing
6	Steering Committees perform an important non-executive function at the different levels. However, there composition is mostly very narrowly defined. Consideration should be given to broadening participation in steering committees so as to better supervise and direct project outcomes, and at the sector level to ensure that cross-cutting issues are fully integrated in the delivery of the assistance (this may include relevant representatives from civil society, minority groups or environmental bodies as appropriate).	Head of Operations, EUD; Programme implementers, MAFWM.	March 2013, and as new projects are implemented
7	In order to better integrate cross-cutting issues in the delivery of the assistance guidance and instructions should be issued to contractors / twinning partners. It is recommended that a systematic and explicit checklist of preparatory steps to take are developed in order to ensure that these issues - gender, disadvantaged groups (especially Roma), disability, governance (rule of law), environmental protection, localism -wherever relevant are included during implementation.	Head of Operations, EUD; IPA Unit, MAFWM	Guidance issued as new projects are implemented
8	To improve and maximise the benefits of twinning assistance, the twinning rules and procedures have to be better communicated to strengthen cooperation between the beneficiary (which must play a more proactive role) and the twinning partner (which must provide stronger mentoring). Twinning partners should provide stronger results based (RBM) reporting which may require changes to the progress reporting templates.	Head of Operations, EUD; MS and BC Twinning partners	At commencement of new twinning contracts
9	Given the importance of conferral of management (CoM) to the competent bodies which is crucial to Serbia accessing IPARD funding, the outstanding progress to be made in DAP and the MA should be kept under constant review. Allowing the new management to install arrangements for addressing the key action points, it is recommended that the progress to fulfilling the accreditation plan is independently reviewed after 6 months, to ensure it is on track and any further remedial measures can be undertaken.	Head of Operations, EUD; NAO; Rural Development dept., MAFWM	Jun 2013
10	Ensure appropriate budget allocation for strengthening the LEADER approach from the national budget. Plan for additional technical assistance requirements enabling the formation of qualified LAGs and ensuring the capacity to undertake a successful call for applications for financing measures.	Rural Development dept., MAFWM, Min of Finance	Jan 2013

<i>No</i>	<i>Recommendation</i>	<i>Responsibility / Addressee</i>	<i>Timing</i>
<i>Strategic</i>			
11	Consistent with the 2012 EC Progress Report, the Agriculture and Rural Development Strategy should be updated and adopted for 2013-2020 ensuring the more integrated agricultural and rural development measures rather than a solely narrow commodity and production oriented focus become embedded in national policy.	State Secretary, Sector for Agriculture Policy, MAFWM	July 2013
12	Provide a national document that sets out the workplan for achieving <i>acquis</i> requirements which could be updated annually. This means better linkage between the SIF, the MIPD and national annual workplans. There should be an opportunity with the planned development / revision of the national policy and strategy for agriculture and rural development in 2013 to better integrate national priorities and the additional resources that can be enlisted from the IPA assistance and other donor country programmes.	Dept. for Planning, Programming, & Monitoring, SEIO; Sector for Agriculture Policy, MAFWM; & donors	July 2013
13	The evaluation has noted where there are benefits of more sequential assistance and where there is a need to take a longer time perspective. In identifying and planning the overall requirements for assistance in those components that will require more than one project cycle to achieve the results and intended impact, even if the PF is only designed for a single programme, it is suggested that the initial fiche already sets out the overall needs and thus provides a more holistic view of what is required to achieve the expected impact.	Planning depts. in MAFWM; Dept. for Planning, Programming, & Monitoring, SEIO	Program- ming in 2013
14	Use more opportunities for regional (in former Yugoslav republics) sharing of learning and experiences along the road to accession. There are valuable lessons from Croatia (e.g. in the preparation of SIFs) as it becomes a Member State in July 2013. Such cross learning could be structured through regular bi-annual meetings between EU integration offices in the respective countries in the region.	Dept. for Planning, Programming, & Monitoring, SEIO	Mid 2013

Proposal for policy objectives for next Multi-annual Financial Framework

6.1 The broad considerations

In proposing possible policy objectives in the agricultural and rural development sector for the next Multi-annual Financial Framework (MFF), the evaluation has considered the foregoing IPA assistance and the additional needs to what is being currently delivered, and based on wider considerations detailed below has identified key potential future needs that could be addressed in the next financial perspective. As a result five additional policy objectives are set out in 6.2 below, together with suggestions on the measurable impact that would be expected from such policy implementation.

The evaluation reached a highly positive view on the relevance of the IPA objectives in the sector since 2007, and also the appropriateness of the individual projects that were implemented to meet these objectives, as explained earlier in the report. Thus, given the overarching needs of the sector and the limited impact that has been achieved to date, all these objectives contained within the MIPD 2011-2013 should continue to be addressed.

Lessons from conclusions to the evaluation have pointed to the shortcomings in institutional preparedness achieved to date, and a number of gaps within existing themes in safety and standards, and land markets. The former very much in tune with comments made in the Commission Opinion (October 2012), especially in the ability to administratively implement pre-accession funding and in the area of phyto-sanitary policy⁵⁹. These need to be further considered in defining future needs.

The evaluation is also cognisant of the more general perspectives of the Commission Services; the proposal for the revised IPA II regulations introduces, among others, tailoring assistance to the needs and characteristics of each country. Two contextual factors will weigh in establishing priorities and their implementation. Firstly, it is the progress of the mid-term priorities set out in the NAD in preparation for EU accession and the importance of filling gaps in the measures that are being implemented; and secondly, the possible objectives should as far as feasible be aligned with the changes that will come about with the revisions of the CAP so that Serbia is prepared when it enters into negotiations.

The three broad policy objectives for the CAP for 2014-2020 that have been put forward by the EC are:

1. contributing to viable, market-oriented production of safe and secure food throughout the EU;
2. ensuring the sustainable management of natural resources; and
3. contributing to balanced territorial development and thriving rural areas throughout the EU.

⁵⁹ Serbia 2012 Progress Report . SWD (2012) 333. (October 2012), page 38-39; and as noted in 2.1 above.

More broadly, according to OECD best practice guidelines⁶⁰ policy measures should be:

- **Transparent:** having easily identifiable policy objectives, costs, benefits and beneficiaries;
- **Targeted:** to specific outcomes and as far as possible decoupled;
- **Tailored:** providing transfers no greater than necessary to achieve clearly identified outcomes;
- **Flexible:** reflecting the diversity of agricultural situations, be able to respond to changing objectives and priorities and applicable to the time period needed for the specific outcome to be achieved;
- **Equitable:** taking into account the effects of the distribution of support between sectors, farmers and regions.

Also noteworthy in considering interventions in Serbia for the period 2014-2020 are key themes identified in the Fifth Cohesion report⁶¹:

1. Move on from preoccupation with financial ‘absorption’;
2. Fewer, simpler policy priorities (‘concentration’);
3. Focus on results and impacts (i.e. performance);
4. More rigorous evaluation (e.g. CIE, CBA for quantification; case studies for qualitative; beneficiary surveys for both quantification and qualitative);
5. Triangulation; and
6. From productivity to well-being (happiness) and sustainability.

The evaluation has also considered other evidence and experience of the team in formulating and justifying these proposed priorities. In a study commissioned by DG Agriculture⁶², examining the possibilities for economic diversification of non-agricultural activities in rural areas in Albania and Montenegro, it indicates a substantial necessity for technical assistance, consultancy and training on market oriented business competencies, skills development as well as the strengthening of supportive structures and organisations at all levels. The combination of investment measures with capacity-building measures and strengthening institutional governance is highly recommended. These measures are to be accompanied by accessible credit lines for investments, as well as the enforcement of financial mechanisms, such as credit guarantee schemes in order to compensate for the lack of collateral, as well as to assimilate micro and small enterprises to use upcoming EU funds, such as IPARD.

Lessons from the experiences and feedback from the Sapard programme in previous candidate countries, in this case the Czech Republic, are instructional:

- Need to prepare a pipeline of projects for funding. The success of the Czech Sapard in 115% of funds committed was in effective support of potential beneficiaries in preparation of projects, pilot testing from the national budget and an efficient public awareness campaign.
- To determine operative effectiveness of programme administration as a strategic priority and to concentrate on improving the effectiveness of administrative

⁶⁰ OECD, Agriculture in a changing world: which policies for tomorrow? [SG/COM/NEWS(98)22], Paris.1998

⁶¹ Based on Armstrong, H. University of Sheffield, 2011.

⁶² Potential for Diversification of the Rural Sectors in Albania and Montenegro. DG AGRI. 2010. http://ec.europa.eu/agriculture/analysis/external/pot-diversif-albania-montenegro/summary_en.pdf

procedures. The recommendations and efforts to simplify the administrative process as much as possible (primarily in relation to the submission and evaluation of applications concerning lesser amounts) have been generally recognised as an important challenge.⁶³

- The MA should well identify and verify needs of basic industry, especially for measures of an investment nature, and concentrate on priority areas. The question of farm size and access of smaller and mid-size farms to the programme has to be clear. Precisely these categories have found themselves at a disadvantage to large enterprises.
- Measures focused on processing and marketing of agricultural products should focus more on industries which process market diversified products (particularly regional specialities and environmentally friendly products) and complement measures with activities related to the ability to monitor product quality.
- For land consolidation the need to use resources as quickly as possible and as effectively as possible was expressed in view of the fact that land consolidation is absolutely necessary for the development of the agricultural sector.
- For measures of village renewal and development and infrastructure, increased efforts to perform better and more rigorous screening of projects were recommended so that only the bests projects are chosen (for job creation support priority for new, small and mid-size enterprises), that the risk of the effect of dead weight be weighed and at the same time that engagement of rural inhabitants into the programme be increased.
- For measures oriented to the diversification of activities a narrower focus on the rural context, thorough definition of the hierarchy of objectives and a clear description of what types of support are supported by the programme (for example for renewable resources) were recommended.
- For agricultural production approaches intended for the protection of the environment and conservation of the landscape, recommendations were made to increase awareness among farmers and to improve administrative employee training and anchoring of agri-environmental policies as a cornerstone of the rural development strategy.
- Finally, for measures focused on vocational training measure, management should be improved, a database of implemented projects should be monitored and prepared, training parties should be allowed a greater degree of flexibility, an analysis of training needs should be prepared and the market situation of vocational training should be taken into account.

Some changes to Czech agriculture due to EU interventions are described in Annex 8.

6.2 Prospective additional policy objectives

The forgoing would suggest that in general, Serbia should focus on improving efficiency of the governance of the accession process, strengthening the multi-level governance, conditionality, and results based management system, so as to increase

⁶³ With respect to the IPARD programme preparation, the transaction costs are very high. The measures for the diversification of the rural economy should therefore be designed in the simplest and easiest way in order to motivate beneficiaries, but comply with minimum administrative procedures, and to keep transaction cost as low as possible. Simplification of the application procedures especially under Axis 3 would reduce these transaction costs and reduce barriers for potential beneficiaries.

efficiency of the interventions and raising standards of public administration more generally.

Specifically, the intention below is to put forward some suggested key policy objectives in line with the preparations for EU accession that have not been included or elaborated in the current NAD, and that are consistent with the contextual issues mentioned above.

1. *Building tri-sector partnerships*

Change will not only come about through reforming institutions of government and restructuring private business, but also needs strong tri-sector partnerships. Thus, the need to strengthen the formation of industry associations, producer and consumers groups.

It is recommended that assistance is provided to such associations and groups to forge links with EU MS partners, thus building their status and national credibility as representatives of industry and civil society to provide professional and credible lobbying (rather than only political grandstanding) with government and policy makers.

Impact will be measured by:

- Number of Serbian bodies achieving membership and actively participating in EU industry and trade associations;
- Number of businesses/enterprises reporting benefits to their turnover of industry association initiatives with government;
- Increase in consumer confidence as reported in market surveys due to effective lobbying on behalf of consumer groups

2. *Access to finance*

Developing and implementing access to finance policies that improve the stimulus to investment in the agriculture sector by making capital available to those unable to access financial markets, primarily smallholder farmers. The aim would be to work with the private financial sector through various financial intermediation measures to stimulate wider lending to the smallholder farming sector at concessionary rates to normal bank lending.

Impact will be measured by:

- Number of concessionary credit lines made available by the financial sector;
- Number and profile of farmers securing credit lines for agricultural developments on their farms;
- Gross value added (GVA) to the farming enterprise from the investments made through improved access to credit.

3. *Land & agrarian reform*

Developing policies for improving the effectiveness of land tenure arrangements in Serbia and harmonising legal provisions for the operation of the land market in line with EU regulations. It will be necessary to build on and accelerate the activities and results of the pilot project on Effective Land Management that is just about to be implemented. This requires further land market reform in property rights and rental markets strengthening the property law in Serbia.

The agrarian reform policy framework should also establish the measures for restructuring of land holdings and reduction of land fragmentation through land consolidation and land exchange programmes (using emerging results from the Effective Land Management project).

Impact will be measured by:

- Reported reduction in barriers to land market operations for agricultural investment / increase in number of land transactions (buying, selling, renting);
- Improvements to the time and cost in negotiating property rights, securing title to use, and effecting rental contracts;
- Gross value added (GVA) to the farming enterprise from consolidated land holdings.

4. Strengthen SPS strategy

Initiate and implement a strong SPS (sanitary and phyto-sanitary) strategy, given the need to further embed assistance in food safety and plant health; thus assistance required in supporting : i) Building the plant passport system and plant health information system; ii) Control of seed and seed material; and, iii) Meeting new EU directives on IPM and plant residues.

Impact will be measured by:

- Increase in the uptake and proportion of enterprises complying with standards, using new control measures and applying rules and procedures in working practices;
- The increase in the proportion of number of inspections / cases (etc.) where EU standards are found to be applied by enterprises /organisations in their working practices;
- The increased market share and profitability of enterprises based on compliance with these rules and procedures.

5. Support climate adaptation for agriculture

Provide a grant scheme to business and agricultural groups that would promote the adoption of climate smart technologies and innovation in agriculture consistent with the vision of Europe 2020. This should also be designed to complement the EBRD financed Sustainable Energy Initiative.

Impact will be measured by:

- Number of businesses / grantees reporting and verifying changes in business practices (e.g. around pollution permitting) as a result of adoption of new technologies;
- Changes in costs of production as a result of using clean energy;
- Percentage reduction in energy costs to the enterprise / grantee;
- Percentage reduction in emissions from agricultural activities.

Proposal for indicators

7.1 Issues with indicators

The ToR referred to the establishment of indicators and their measurability which was an important discussion point during the kick-off for this evaluation, and this report has also made reference to the absence of verifiable and suitable indicators at the impact level for the IPA assistance. It is common knowledge that generally, at both project and programme level, the definition of indicators is weak and little thought usually goes in to how they can be measured or providing the wherewithal for their measurement. This evaluation once again makes that point.

The projects comprising the IPA assistance have made little effort to systematically measure the indicators in the logframe beyond the simple indicators at activity and output level which usually refers to the completion of a task or the number of events that have taken place. Indicators at result or objective level should not be just a restatement of the outputs, as is often the case, but needs to measure the ‘change’ in status. In some cases the progress reporting structure, as with twinning projects which tend to be activity based related to the mission outputs, are not conducive to presenting objective measurement of the effectiveness or impact of the intervention. The number of documents, legislative acts or number of trained staff are not proper indicators on which to make an assessment of effectiveness and impact. The lack of well-defined robust (SMART⁶⁴) indicators of achievement and the problem of the lack of well-defined baselines against which to assess performance was already remarked on in the Inception report.

The problem is more acute at a programme level where indicators need to be more holistic and reflect the achievements of the individual interventions in a more collective way. Many of the methodological issues alluded to above (a proper indicator statement for the logic level, mechanisms for measurement, and the definition of the starting point so changes can be measured) are manifestly also crucial at the programme level. It is also important to make a distinction between the two aspects of impact⁶⁵. Impact indicators refer to the consequences of the programme beyond the immediate results and effects. The *specific* impacts which occur after a certain lapse of time but which are directly linked to the action taken and the direct beneficiaries, and *global* impacts which are the longer-term effects affecting a wider population. The latter are lagging indicators measured at a more macro-level and can often be only properly assessed some years after the completion of the investment, usually based on data from national statistical services, such as changes to GDP in a sector, or the reduction in poverty indices⁶⁶.

There seems to have been little understanding of the need to provide measurement of impact, perhaps it was the intention to postpone defining this until the stage of impact

⁶⁴ Specific, Measurable, Attainable, Relevant and Time bound – characteristics of good indicators.

⁶⁵ See, for example; Indicators for Monitoring and Evaluation: a Practical Guide. The new programming period, 2007-2013: methodological working papers [x]. DG Regio; January 2006.

⁶⁶ For example the 2001 Laeken European Council endorsed a set of 18 primary and secondary common indicators of social exclusion and poverty.

had been reached (!); nor that in defining how it could be measured, that there are resource implications. There has not been any real consideration of differentiating between quantitative and qualitative indicators⁶⁷ and how the latter can be used through ranking and scoring techniques to objectively measure beneficiary feedback, stakeholder perceptions and market analysis. But, of course all this requires design and resources for measurement which have been lacking.

There is little evidence that those managing the IPA assistance since 2007 (EUD, SEIO and MAWFM) have properly addressed these points. Although at the time of this evaluation SEIO has been working on improving indicator design and refining the indicators for the NAD.

There is a need for a proper system of defining indicators at the programme level at the time of designing the sector fiche. It is not something tagged on to the end of the final document, but should be an integral part of defining and agreeing the objectives and measures which comprise the programme. It is an iterative process that should involve all key stakeholders at the programming stage so as to obtain commitment to measurement and ownership over the process. This is often best achieved through a participative workshop or in a working group with a facilitator. Indicator design and procedures for measurement cannot be imposed by outside experts (although they can facilitate the process) as this rarely leads to the indicators being completely suitable to needs or properly measured. Thus, it cannot be appropriate to the scope of this evaluation, nor what would be a rather presumptive intention, to make up a set of indicators.

What has been done is to comment on existing draft indicators that were shown to the evaluation and make some suggestions as to the type of indicators that may be considered which are relevant at the programme level.

7.2 Suggestions on indicators at the programme level

Comments have been made to the table of draft indicators prepared for the NAD that were provided by SEIO at the commencement of the evaluation. These are set out in Annex 9.

Based on these considerations, a description of possible measurable indicators is suggested that could be considered for different types of programming intervention. It should be remembered that for each of these indicators, baselines should be established and milestones and targets set in order to measure and evaluate the changes achieved.

⁶⁷ Qualitative approaches in performance assessment,(in combination with various scaling and ranking techniques of the data and information supplied), is especially valid:

- Where clear-cut actions may not be evident and so achievements are difficult to enumerate;
- Quantitative data may not be readily available or the subject being monitored is difficult to quantify;
- Where data collection systems are not organised or well resourced; and
- For simplifying the collection of information.

In relation to competitiveness and commodity market improvements

- Increased incentives to producers from market prices and other direct support for specific commodities measured by the percentage producer support estimate (%PSE)⁶⁸.
- Increased incentives to producers from input market policies.
- Gross value added (GVA) of specific crop/livestock enterprises.
- Changes to rural household incomes as measured by a reduction in income disparity between urban and rural incomes and/or different sector incomes.
- Improved outlook and quality of life issues for farmers measured by qualitative indicators of well-being and perception surveys.

In relation to standards, quality and safety

- Increased adoption of relevant standards / regulations / by-laws by producers and enterprises.
- Reduction in notifiable outbreaks of specified plant and animal diseases.
- Number of inspections at facilities where it is reported that EU standards are adopted and followed.
- Number of enterprises reporting improved market access and/or increased profitability as a result of adopting approved practices.
- Increased promotion of appropriate quality controls assisting producers to meet market demands / conditions.
- Reduction in reported incidences of food borne diseases arising from domestic food production.

In relation to land reform

- Reported reduction in barriers to land market operations for agricultural investment / increase in number of land transactions (buying, selling, renting).
- Improvements to the time and cost in negotiating property rights, securing title to use, and effecting rental contracts.
- Gross value added (GVA) to the farming enterprise from consolidated land holdings.

In relation to credit markets

- Number of concessionary credit lines made available by the financial sector.
- Number and profile of farmers securing credit lines for agricultural developments on their farms.
- Gross value added (GVA) to the farming enterprise from the investments made through improved access to credit.

In relation to sustainable rural development and agri-environment

- Improvements to rural incomes and well-being due to specific grants, measures and targeted assistance as measured by reduction in disparities in economic and social indicators and by qualitative indicators of householder views through perception surveys.

⁶⁸ OECD has developed a set of indicators, including the **Producer Support Estimate (PSE)**, designed specifically to monitor and evaluate the level and composition of this support. See <http://www.oecd.org/agriculture/agriculturalpoliciesandsupport/producerandconsumersupportestimatesdatabase.htm>

- Increase in diversification of sources of income for rural households / reduction in dependency on single source farming activity.
- Increased adoption by producers of environmental measures influencing ‘green’ farming practices.
- Reduction in reported cases of environmental damage (spillage, contamination, etc.) by producers as a result of adopting more beneficial and stringent farm practices.

Annex 9 also provides a case study on the use of indicators in a rural development programme from the Czech Republic⁶⁹. It introduces the complex list of operative, specific, and overall goals and indicators of their outputs, results and impacts for individual measures of the Rural Development Programme 2007-2013 (RDP) and could be an interesting benchmark to the proposed priorities and measures being planned in Serbia.

⁶⁹ For more details see the website of the Ministry of Agriculture of the Czech Republic. <http://eagri.cz/public/web/mze/dotace/program-rozvoje-venkova-na-obdobi-2007/hodnoceni-a-monitoring/zprava-o-strednedobem-hodnoceni-prv.html>

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