



vol. 9 Rural areas
and development



European
Rural
Development
Network

Rural development policies from the EU enlargement perspective

Editors:

Zbigniew Floriańczyk

Drago Cvijanović

EUROPEAN RURAL DEVELOPMENT NETWORK

INSTITUTE OF AGRICULTURE AND FOOD ECONOMICS - NRI

INSTITUTE OF AGRICULTURAL ECONOMICS BELGRADE

Rural areas and development – vol. 9

Editors: Drago Cvijanović, Zbigniew Floriańczyk

Rural development policies from the EU enlargement perspective



WARSAW 2012

Editors:

Prof. dr Drago Cvijanovic

Institute of Agricultural Economics Belgrade

Volgina Str. 15

11060 Belgrade, Serbia

Dr. ing. Zbigniew Floriańczyk

Institute of Agricultural and Food Economics - National Research Institute (IAFE-NRI)

Świętokrzyska 20 street

00-002 Warsaw, Poland

Reviewers:

Vesna Popovic

Zorica Vasiljevic

Vesna Rodic

Zoran Njegovan

Jonel Subic.

Vladimír Székely

Dan Marius Voicilas

Zbigniew Floriańczyk

Marek Wigier

Adam Wasilewski

Judit Katona-Kovács

Andrew F. Fieldsend

PUBLISHED by the Institute of Agricultural and Food Economics - National Research Institute

COPYRIGHT by the Institute of Agricultural and Food Economics - National Research Institute

The opinions expressed in the individual papers are the sole responsibility of the authors

Prepared for print by

Krzysztof Kossakowski (IAFE-NRI)

ISBN 978-83-7658-275-7

Contents

<i>Introduction to the volume</i>	5
Cvijanović Drago, Mihailović Branko, Paraušić Vesna <i>The rural development policy of EU in context of improving rural areas of Serbia</i>	7
Fieldsend Andrew <i>Evaluation of investment support in rural development programmes: results for selected measures</i>	25
Ortner Karl <i>Evaluation of investment support in rural development programmes: results for selected measures</i>	39
Gadomski Jan, Owsinski Jan <i>MODROL: an econometric model for analyzing and forecasting the impact of the EU CAP instruments on Polish agriculture</i>	51
Popović Vesna, Vasiljević Zorica, Bekić Bojana <i>HNV farming in the area of the Radan mountain and the role of agri-environment payments</i>	67
Wieliczko Barbara <i>Polish rural development programmes – evaluation results and lessons learned</i>	89
Bedrač Matej, Cunder Tomaž <i>Implementation of rural development programme 2007-2013 in Slovenia and challenges for the future</i>	107
Arsić Slavica, Kljajić Nataša, Ivić Milenko <i>Livestock and the development of organic livestock production in hilly and mountainous areas on the basis of available resources in Serbia</i>	121
Štrbac Maja, Ivančević Savo, Jovanović Marijana <i>Improving the quality of life and promotion of economic activities in rural areas EU</i>	139

Roljević Svetlana, Grujić Biljana, Sarić Radojica	
<i>Organic agriculture in terms of sustainable development and rural areas' development</i>	<i>155</i>
Monasterolo Irene	
<i>Analyzing the effect of the EU membership on agricultural and rural areas: the case of Hungary</i>	<i>173</i>
Katona Kovács Judit, Kalmár Hollósi Erika, Bóta Horváth Noémi	
<i>Possible role of the Universities in Shortening the Timescale of Change of Social Embeddedness through participatory actions</i>	<i>195</i>
Rusu Marioara, Tudor Monica, Voicilaş Dan Marius	
<i>Socio-economic inequalities: Romanian rural area typologies</i>	<i>205</i>
Salputra Guna, Erjavec Emil	
<i>Rural and agricultural policy in Bosnia and Herzegovina and the EU CAP: development in line with moving targets</i>	<i>215</i>
Kuzman Boris, Puškarić Anton, Potrebić Velibor	
<i>External trade of agro-industrial product of Serbia and Republic of Macedonia within the CEFTA agreement</i>	<i>229</i>
Mijajlović Nada, Milojević Ivan, Vuković Predrag	
<i>Harmonization of legislation on food safety in Serbia according to European legislation</i>	<i>243</i>
Voicilaş Dan Marius, Popescu Gabriel, Andrei-Jan Vasile	
<i>Institutional implications on the development of the Romanian business environment – lessons for candidate countries</i>	<i>257</i>
Székely Vladimír	
<i>Selected aspects of rural development in long term vision of spatial development of Slovakia</i>	<i>277</i>
Zekalo Marcin	
<i>The economic results of organic agricultural production activities and the prospects for the development of organic farming in Poland</i>	<i>291</i>
Subić Jonel, Jeločnik Marko, Ivanović Lana	
<i>Evaluation of economic sustainability on the agricultural husbandries in the Upper Danube region</i>	<i>305</i>



Introduction to the volume

The ninth volume of the series “Rural areas and development” includes the papers discussed during the ERDN Conference hosted by the Institute of Agriculture Economics in Serbia, October 2011. During the conference outcomes of research on policies facilitating rural development effectiveness and their ability to stimulate development processes were discussed with special attention to their potential impact in the Candidate Countries.

Researchers from the Member States presented analyses on the basis of their experiences of the EU agriculture and rural development, cohesion policies as well as managing funds for structural development. The effectiveness and adequacy to challenge contemporary problems of the EU rural areas were presented in respect to regional differences. The long-term aspects of rural development regarding the settlement and population structures in urban and rural municipalities pointed out diffusion of growth impulses from towns throughout their zones of influence into rural surroundings. The interrelationship and interdependency between regional and rural socio-economic development were highlighted in the research. The analysis of implementation of EU rural development policy measures allowed to formulate the policy recommendations to improve consistency between the strategic goals and actual effects. In this area the economic and environmental aspects were in opposition to social and spatial issues of sustainable development. These phenomena are in high contrast with the main directions of EU rural policy aimed at improving the quality of life and should be explained by low flexibility of measures regarding local development constraints and diminishing importance of agriculture as economic activity.

Among the identified sources of regional development inequality in rural areas the demographic ones followed by the territory technical infrastructure disequilibria are most influential. Therefore, the need to focus on social aspects of rural areas development is becoming critical for the European countries. Analysis of the state of development of agricultural and rural areas in countries willing to join EU indicated their potential for development as well as needs for national policy adjustment to EU standards. However, the results of simulations indicate that direct application of the Common Agricultural Po-

licy measures would adversely affect the process of agriculture productivity improvement. On the other side the increase of support is justified according to the rule of comparable conditions on single market and high demand for modernisation resources.

Organic production expansion was discussed from the competitiveness viewpoint. Despite the fact that the organic farms are economically viable and supported by EU agricultural policies the social conditions and environmental requirements are critical for their development. This direction of agricultural production is regarded as promising in applicant countries as well, especially if they are rich in mountains areas. However, the access to the EU market is crucial.

Sustainability of on-going rural development process was discussed regarding improvement of rural population living standard. To forecast possible impact of the EU policies on agriculture and rural development, econometric models were applied. Critical analysis of specific instruments of EU agriculture and rural development policies were followed by recommendations to policy making process. Necessity of local resources efficient utilization as a base for local development was stressed together with the need of stronger coordination of the action at the regional level. Final discussion indicated the moderate effectiveness of EU rural policies while evaluated from regional and national perspectives. However, some of the measures could be considered to be effective at the micro level (a farm and a local community).

The editor