LATVIAN RURAL TRAINING AND ADVISORY CENTRE

Ministry of Foreign Affairs Republic of Latvia

EMBASSY OF THE UNITED STATES KYIV, UKRAINE

ДОРАДА

Дорожня карта для приєднання до Інструментів передвступної підготовки для сільського розвитку

Final conference

23.10.2024

Zemkopības ministrija

Contents

Terms and abbreviations used in this document
EU Legal framework
Setting-up the public institutions and national legislation
Involvement of relevant stakeholders
Writing up the programme - process
Programme content
Negotiations with EC on Programme
Setting up the Paying agency and Management and Control system
Accreditation of Paying Agency
Communication strategy
Timeline of preparatory steps
Annex Latvian SAPARD program

European Commission

Ministries responsible for Finance, EU affairs etc.

Monitoring and coordination of the Instrument for Pre-accession (e.g. Ukraine Facility etc.)

Monitoring Committee

National co-ordinator

Monitoring Committee for the Instrument in Agriculture

National Authorising officer
+ Accounting body

Competent Accreditiing officer

Audit authority

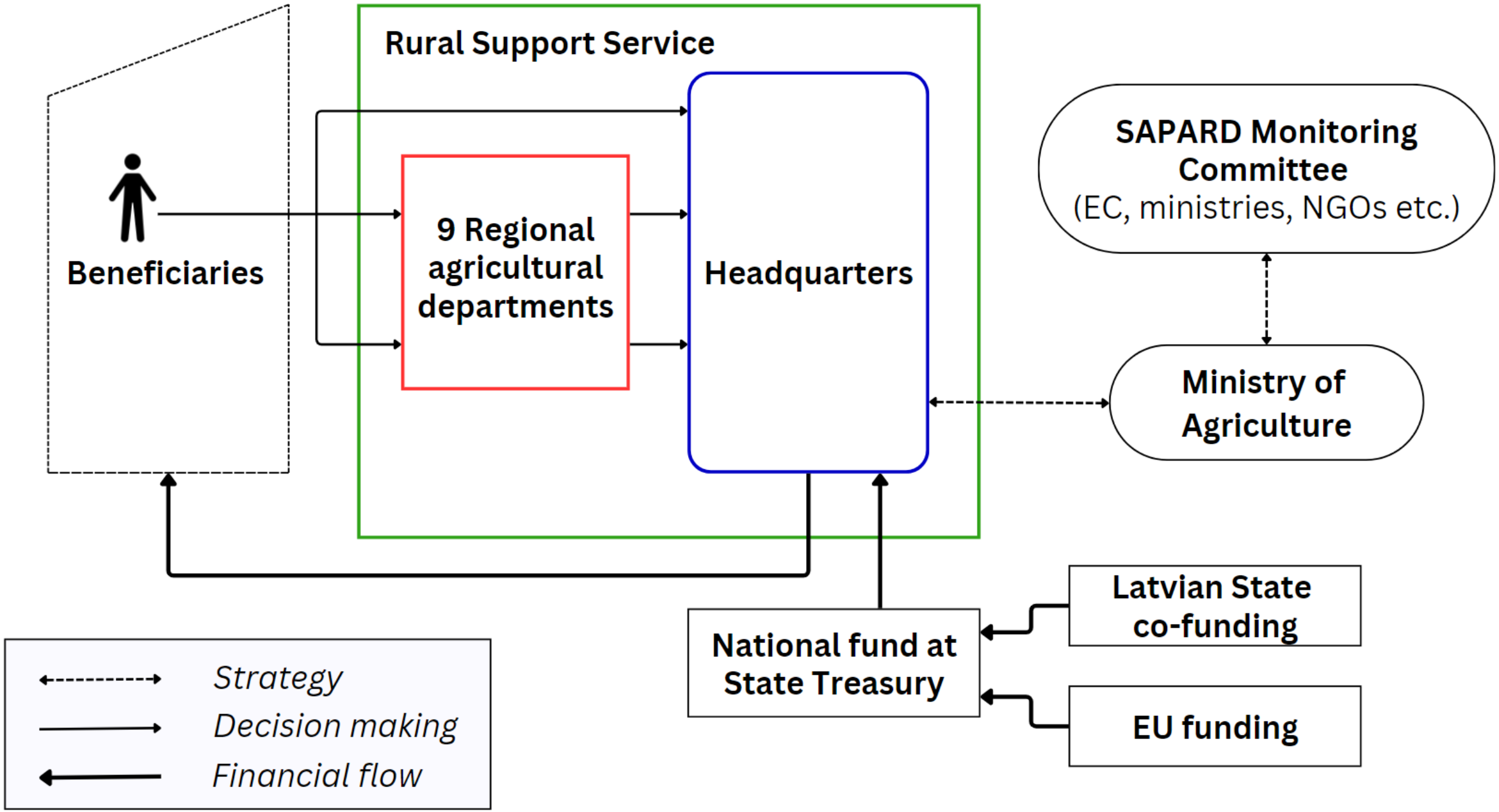
Ministry of Agriculture (Managing authority)

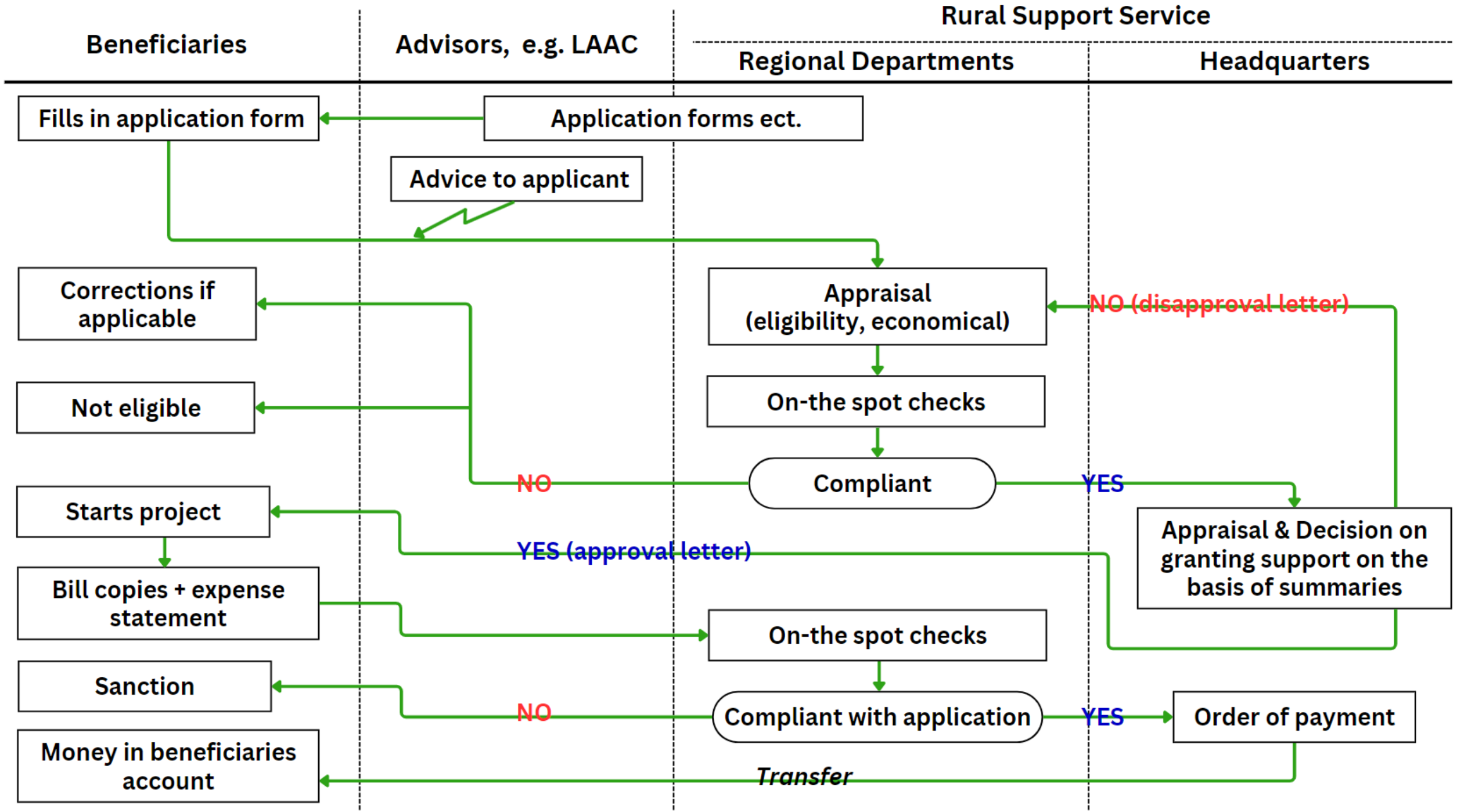
Agency for the Pre-accession instrument in Agriculture

Advisors

Final beneficiaries

Banks


Rural Support Service
Beneficiaries
9 Regional agricultural departments
Headquarters
SAPARD Monitoring Committee
(EC, ministries, NGOs etc.)
Ministry of Agriculture
National fund at State Treasury
Latvian State co-funding
EU funding
Strategy
Decision making
Financial flow


Beneficiaries
Advisors, e.g. LAAC
Rural Support Service
Regional Departments
Headquarters
Fills in application form
Application forms ect.
Advice to applicant
Corrections if applicable
Appraisal (eligibility, economical)
NO (disapproval letter)
Not eligible
On-the spot checks
NO
Compliant
YES
Starts project
Appraisal & Decision on granting support on the basis of summaries
YES (approval letter)
Bill copies + expense statement
On-the spot checks
Sanction
NO
Compliant with application
YES
Order of payment
Money in beneficiaries account
Transfer

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Stakeholder involvement

1. Organisations representing Farmer's/Food industry/Cooperatives
2. Forestry and fisheries organisations in case if the pre-accession instrument provides for the possibilities for measures not only in agriculture but also forestry and fisheries
3. Local and regional municipalities
4. Environmental organisations
5. Banks and financial institutions pursuing lending to sectors concerned.
6. Research and scientific institutions, which form and essential part of Agriculture knowledge and innovation system (AKIS)

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Programme - process

1. **Ministry itself** not outside contractor responsible for the writing up the Programme.
2. One **concrete** **department** and also person responsible for writing the Programme as well as chief negotiator at technical and strategic level in relations with the European Commission. Political level to involve only if so exceptionally required and at the stage of Programme approval if so decided jointly with European Commission.
3. **Political** leadership **defines** policy. Mechanism of **continuous reporting** of the progress on writing up the Programme at the level of **Minister** as well as **top-level management** of the Ministry
4. Budget for:
   a. **interpretation** of the Programme text between Ukrainian and English
   b. **ex-ante** assessment.
   c. involvement of **experts** and outside Ministry institutions if necessary to **collect** and finetune additional **information** during the negotiations with the stakeholders and the European Commission.
   d. **missions** to Brussels for negotiations.
   e. **training** of key specialists.
5. Timely involvement of **researchers and analysts** from different domains who can help finding the best **evidence for the analysis** part of the Programme.

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Programme – content – around 400 pages

1. Current situation in agriculture and the rural areas (i.a. Analysis of strengths, weakeneses, oppportunities and threats) (150)
2. Overview of national support to agriculture and rural development and pre-accession agreements (30)
3. Objectives of the strategy (2)
4. Eligible measures (60)
5. Administrative set-up and procedures (8)
6. Financial plan (3)
7. Information and promotion (2)
8. Monitoring and evaluation (3)
9. Partnership (5)
10. Summery on prior assessments (ex-ante) (20)
11. Annexes (100)

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Negotiations with the EC

1. Having people negotiating with the EC sufficient negotiation and language proficiency, but also with professional knowledge. **Fluent English** is a minimum and other EC official language esp. French or German which may also help but is not a must.
2. Having **Mission of Ukraine in Brussels** assisting in the process
3. To make process smooth before the real negotiations begin first shall the **draft Programme be translated into English**. Although even before this step if so **EC** agrees any **meetings** going through what is deemed necessary can always be useful. Such meetings and contacts can in the initial phase be left to the Mission of Ukraine to the EU.
4. Always good to have **more than 2 people in the negotiating** team to be able to stand on equal footing with the EC.
5. Advisable having **experts who know** the most critical parts of the Programme nearly by heart, e.g. analysis of the overall situation or how Ukrainian legal is aligned to the EU legislation and other parts of the Programme
6. **Informal communication, lobbying** by the Mission in Brussels can not be underestimated but will little help if the **quality of work from capital** will not be sufficient.

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Setting up paying agency

1. Selecting **existing structures** forming a core of the Paying Agency
2. Selection of the **top management** with **motivated** professional **top-level managers**.
3. Attributing the **state budget resources** for **recruitment and training** of the Paying Agency staff.
4. Involvement of the relevant state and local **administrative services** in the set-up of MCS, e.g. **construction, environment, food and veterinary service, phytosanitary services, drainage and irrigation supervision services** who will be involved in the detailed appraisal of the aid applications.
5. a professionally strong **information technology** unit in Paying agency, which could lead and control the development of information systems while the development itself like writing the codes etc. will most likely be an outsourced service.
6. In **IT development** it is utmost important to **involve** all types of **real end-users** in defining the system parameters and interfaces and not to leave it to IT experts alone since the overall success, efficiency and productivity lies in how user-friendly is the system design and functionalities. Example can be used from long-standing ever evolving system for e-applications for all kinds of agriculture support in Latvia by the Rural support Service having among others been attributed various aknowledgements at international level.

Zemkopības ministrija

Setting up Paying agency - functions

1. Register of Agriculture **holdings**.
2. Land **parcel** register for the pilot territories in case Ukraine chooses to implement the agri-environmental area payments.
3. **Application** system: simplest way would be to provide a standard business plan template in Excel-like format. Development of more sophisticated web based applications would require following pre-requisites and may be time consuming and costly thus should be left for later stages.
4. **Payment** system linked with the State treasury.
5. **Control** system.

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Paying agency - accreditation

Accreditation shall be carried out by the **independent** audit company complying with the **world** class top standards in auditing in order to be enough independent from other institutions in the overall system of pre-accession instrument

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Communication

1. Provide information to public **relevant to the stage** you are at and given the vested interest of the **respective audience**, e.g.:
2. Nowadays a lot of information can be done via **video-conferencing tools** and their use cannot be underestimated since it involves significantly lower transaction cost.
3. **Designate institution outside** of the Ministry for serving the **Rural development network secretariat** with a network across entire Ukraine. Such network would facilitate **timely and uniform information** dissemination not only about the Programme but also any other national measures that exist for agriculture and rural development.
4. Set-aside budget for advisory services to be able to reach out to most local level to explain the relevant opportunities for final beneficiaries in the framework of the Programme
5. Agree with the local municipalities to also get involved in the information flow on programme. Several options may be considered:

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Timeline

-Q12	-Q11	-Q10	-Q9	-Q8	-Q7	-Q6	-Q5	-Q4	-Q3	-Q2	-Q1
Setting-up the public institution											
Writing up the programme - process											
				Negotiations with EC on Programme							
				Setting up the PA							
									Accreditation of PA		

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Дякую за увагу!

Дякуємо за спільну роботу заради майбутнього України та Європейського Союзу!