

EUROPEAN COMMISSION

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EaP: In Moldova on results of EU's support to agriculture and rural development



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Minsters, Distinguished guests, Ladies and Gentlemen,

This is the first Eastern partnership ministerial meeting after the Vilnius summit. It shows that we have not lost momentum. The ministers have spent a long day working on agriculture and rural development issues, essential areas that we support as we continue to develop the Eastern Partnership. My intervention today will focus on the political framing of our Partnership, and its agriculture and rural development component, as we move to a new phase after Vilnius.

I would like to start with three remarks about our European neighbourhood policy:

First, it seeks to build and consolidate healthy, stable and prosperous democracies based on solid economic and social development.

Second, it addresses the many challenges faced in the European neighbourhood, including poverty, social inequalities and protracted conflicts.

Third, achieving stability and prosperity means that deep political, structural and economic reforms are inevitable. Postponing them would mean missing the opportunity to modernise and withstand international competition. As discussed today, this applies equally to the agricultural sector, which is essential to our economies and societies.

The Eastern Partnership supports those reforms, bringing our neighbours ever closer to the European Union in the process. This support not only targets governments' reform efforts, it is also designed to strengthen the role of civil society. It plays a key role in democratic, social and economic transformation and should also bring direct and concrete benefits to the citizens.

The Eastern Partnership also focuses on involving local and regional authorities, helping to form important links between central administrations and citizens.

In 2013 we have seen growing differentiation among our partners, and we will reflect this in our approach. The more ambitious countries are in the run-up to signing farreaching Association Agreements, foreseeing in particular the creation of "deep and comprehensive free trade areas" (DCFTAs) with the European Union.

These Agreements are the most advanced contractual relations that can exist between the European Union and a third country. They also present an important challenge for partner countries to adopt and fully apply a broad range of European Union standards and rules.

Considerable assistance is available to put these Agreements in place, ensuring fast and cost- efficient modernisation and the maximisation of the socio-economic benefits stemming from the access that they offer to the European Union market.

One demanding requirement is gradually aligning food safety, veterinary and plant protection standards to European Union norms. This will require sustained political commitment which will be rewarded by concrete economic benefits.

Let me turn now to our cooperation programme of agriculture and rural development. Agriculture is a major sector in the economic fabric of all Eastern partnership countries. It employs a large part of their population and, after decades of difficulties, it still has a vast potential for development. Some Eastern Partnership countries are blessed: Ukraine has long been the "wheat barn" of Eastern Europe and is richly endowed with "chernoziom" (black soils), which are the best soils in the world for agriculture. Moldova's sunny and temperate climate combined with its fertile soil makes it ideal for agriculture and food processing.

But a good resource base alone is not enough. Every effort must be made to ensure that the development of a more productive and export-oriented agriculture sector delivers benefits to farmers and rural areas in general, which are often among the poorer regions in every country.

In that spirit, over the past years, we have launched together with our Eastern partners, a broad set of programmes, ranging from specific technical assistance to very large sector programmes to support in-depth reforms in the areas of agriculture, rural development or food safety.

I would like to share with you some experience from the European Neighbourhood Programme for Agriculture & Rural Development programme (ENPARD), currently underway in Georgia. This programme is already delivering results and could inspire other countries which have expressed a will to work with the European Union in agriculture and rural development. Let me give you three examples of what has been achieved already:

- 1. a new law on Agricultural Cooperatives which foresees the creation of an Agriculture Cooperatives Development Agency;
- 2. a network of 54 "agricultural strategy information and consultation centres" where 250 professionals offer high-quality advice to farmers; and
- 3. grant schemes (4 in all) to support more than 160 cooperatives across Georgia in the next 3 years. The projects will help establish cooperatives in a broad range of activities including procurement of material and technical services for agricultural activity, joint production, storage, transport, processing, marketing and sale of agriculture products to mention but a few.

In Armenia, an ENPARD budget support programme for the Ministry of Agriculture with complementary technical assistance was approved in 2013 (25M€). Further activities in rural development are foreseen for the 2014-17 programming period.

As regards Moldova, the "Economic stimulation in rural areas" programme which has been underway since 2010 has proven to be a useful instrument of job creation in Moldova's provinces. Agriculture and rural development has been identified as a priority sector for the next multi-annual programming period and an ENPARD budget support programme is currently planned for 2014.

I hope that these programmes, together with the on-going or planned programmes in other countries, will lead to sustainable progress in agriculture and improved living conditions in rural areas in the whole Eastern partnership region.

Support for agriculture could become a cornerstone of economic reforms in Eastern Partnership countries, on which stronger economic and trade relations with the European Union could be built - also providing reliable protection against trade disruptions with other partners.

Thank you for your attention.