

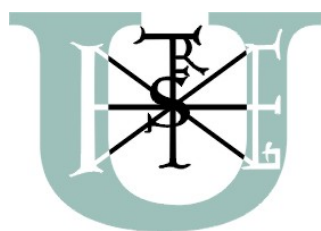
SZENT ISTVÁN UNIVERSITY
GÖDÖLLŐ

**EVALUATION OF THE FIRST OPERATIONAL PROGRAMME
FOR AGRICULTURE AND RURAL DEVELOPMENT**

THESIS

GABRIELLA IGLÓI

GÖDÖLLŐ
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1. PREFACE

1.1 Actuality and importance of the matter

Hungary became a Member State of the European Union on 1st May 2004. The sector of agriculture and the living circumstances of rural inhabitants were affected the most by this event of great political and economic importance, similarly to all those new Member States.

Numerically, enlargement's impact on EU agriculture is dramatic. A further 4 million farmers is added to the EU's population of 7 million that means an increase of 4.3%. The new Member States add about 38 million hectares of utilised agricultural area to the 130 million hectares of the former Member States, an increase of 30 %, while production in the EU will expand by about 10-20 % for most products. The gross value added of agriculture will only increase by 6 %. These numbers confirm that the new Member States have a large agricultural production potential but it is still far from being used to its full extent.

Improving the efficiency of the agriculture activity and the quota regulations of the European Union have a contradictory effect on the agricultural producers creating more and more difficult situation for them. This led the Common Agricultural Policy (CAP) to emphasize during its development **multi-functionality and rural development**.

Simultaneously – even half a year earlier – new Member States became eligible for benefiting from the **Structural Funds of the European Union**, whereby the use of support programme with the largest allocation in the period after the political changes in Central and Eastern- European countries could be started. In the first phase, professionals, scientists as well as practical professionals were interested in – and the rules and procedures of the programmes encouraged them as well – how to ensure proper preparation for the fast and efficient use of the support. The aim was to elaborate the National Development Plan, its Operational Programmes as well as the Programming Complements and parallelly to prepare appropriate number of project proposals well in advance.

Nowadays, when the overwhelming majority of the allocation of Structural Funds is covered by projects and grant agreements, after achieving quantitative success emphasis is rather put on qualitative factors, as efficiency of the implementation of programmes from the aspects of institutions as well as content of the projects. Simultaneously, evaluation, its methodology, possible application fields and future – the next planning period related – use of those became highlighted.

1.2 Antecedents of the research

The paragraph detailing importance and timeliness of the dissertation presents the future crucial role of the means of Structural Funds within rural development and also other sectoral policies in the development policies of the next decade.

Selection of the topic of the research was deliberate and based on the combination of theoretic knowledge and practical experience. Already during my university studies I turned with special interest towards the regional and cohesion policy of the European Union and my diploma study analysed the background of those. Since 1998 - the first steps of institutionalization of the Hungarian implementation of EU assistance - I have been working for the office that is responsible for the planning, programming and national co-ordination of EU support. Therefore, I could follow the launching of certain pre-accession instruments – among these especially the SAPARD programme –

the setting up of the institutional background and the programming activity that is the base for the use of this assistance. Afterwards, I could take part - during the preparation for the use of the Structural Funds – in the development of the institutional background, the rules and procedures and the works led to the elaboration of the National Development Plan. At the present, facing the preparations for the next budgetary period of 2007-2013 the field of activity that gives most of the works is related to the evaluation of the closed as well as the ongoing programmes, because this is the activity that can give a feedback and possibility for correction to the planning procedure.

The theoretical basis of the research and the dissertation was to study **theories related to development policies, their impacts and their evaluation**, i.e. evaluation possibilities of development programmes and projects.

The above has been complemented by summarizing and synthesizing the knowledge concerning **regional and cohesion policy as well as its means, namely the Structural Funds**. Furthermore an analysis is provided on how rural development fits into the framework into these policies and means based on reports of the European Commission on experiences of latest years, related community framework regulations and internal experiences.

During my PhD studies I had the possibility to study theories concerned as well as to gather practical experiences through my work, furthermore **to pass on the knowledge gained** especially for the direct potential beneficiaries of EU support at seminars, workshops and information days and also at project management trainings integrated into higher education.

The dissertation has been prepared based on knowledge gained during doctoral studies and own experiences in practice during the Hungarian application of means and policies of support programmes of the EU. The dissertation comprises a comprehensive overview of methodologies and application possibilities of evaluating EU's support provided to rural development. (The cut-off date for the information and statistics applied was January 31, 2006.)

1.3 Objectives

The overall objective of the research and simultaneously the dissertation is to provide an interim evaluation of rural development support provided by the European Union to Hungary in the period of 2004-2006 through applying the appropriate means and methods of evaluation and impact assessment concerning development policies. By evaluating the results of the planning procedure an analysis is to be provided concerning the functioning, the results and the possible impacts of the Operational Programme for Agriculture and Rural Development within the first National Development Plan.

In relation to the above in order to achieve the mentioned objective, the detailed study of the following topics proved to be inevitable:

- © **To elaborate theories related to development policies and methodology of impact assessment of development policies.**
- © **To summarize and synthesize the historic knowledge concerning regional and cohesion policy of the European Union:** to study how rural development can fit into this framework of policies and means.
- © **To study the role of the SAPARD programme as pre-accession instrument:** to what extent a real relation between the rural development support and the sector of agriculture as a whole can be confirmed, furthermore to analyse with statistical methods whether and to what extent the SAPARD programme, as being a pre-accession instrument, fulfilled its preparatory function for the Structural Funds.

- © **Providing an international overview on the practice of how to make use of rural development support within the new Member States of the EU:** to what extent rural development is emphasized in the development programmes, what kind of measures are intended to improve the quality of rural life, furthermore whether any comparative relation with the objective indicators of agriculture can be justified.
- © **To study the first Operational Programme for Agriculture and Rural Development from the aspect of possibilities of evaluation:** seeking for application possibilities of already summarized impact assessment and evaluation methods, merging several research categories and further developing them in order to make it appropriate for the evaluation of rural development measures. Following the different aspects of evaluation in practice to study to what extent is it possible to carry out an interim evaluation, to enumerate the results already achieved and their impacts, to compare them with the original plans, indicators set, furthermore to assess the functioning of the programme, drawing consequences, formulating recommendations related to future development programmes.

In relation to the overall objectives of the research, I have been concentrated on the functioning of the first Operational Programme for Agriculture and Rural Development while providing its interim evaluation. Applying a macro-level approach the core of the dissertation is focusing on the programme itself and its functioning. Nevertheless, the series of events leading to the existence of the programme and the technical side of functioning are considered as given, therefore the dissertation does not detail the following aspects:

- the methodology and process of planning, i.e. the stages that led to the functioning of the present and valid programme;
- the setting-up of the institutional background of implementation and its dilemmas of functioning. (The matter of the institutional set-up is a complex and comprehensive topic, however within the doctoral school a separate dissertation has been recently elaborated.)

The independence of the analysis and the results from the actual individual interests and political life was considered as a key aspect in order to ensure the pure professional and scientific basis.

2. MATERIAL AND METHODOLOGY

2.1 Fact-finding methods

The European Commission when setting the framework regulation for Structural Funds has prescribed the set of measures eligible for funding. Member States are not obliged to apply all of them, but they can make a choice based on the analysis of the situation and needs assessment.

Having studied planning and programming documents for Structural Funds of the new Member States, the objective was to analyse the rural development programmes of those countries.

During studying those documents the following research aspects were consequently applied:

- What is the role and position of rural development within the framework of development policy of a given country, what is the proportion of financing rural development within the total allocation of developments;
- What type of measures were chosen and applied in the field of rural development, what is the relation of those to the analysis of the situation;
- Furthermore, to what extent the objective indicators of agriculture were taken into account when planning the use of the funds, whether and what differences can be realized in the countries in question.

Fact-finding was carried out on the basis of documents of continental countries¹ joined the Union May 1, 2004 (i.e. the Czech Republic, Estonia, Poland, Latvia, Lithuania, Slovakia and Slovenia), the results of the analysis have been made open to the public. These countries can serve a basis for comparison to Hungary for the reason of their history, geographical fundamentals and economic structure. (Cyprus and Malta are not included, as being small island-countries and having substantially different fundamentals, therefore they cannot serve as a basis for any comparison.)

The international overview enables a more comprehensive study of the Hungarian Operational Programme for Agriculture and Rural Development, the comparative analysis of the different measures, furthermore the mapping up and getting acquainted with the best practices of the field.

2.2 Multi-variable analytical methods

The importance of the principal component analysis is that it enables to identify fictitious uncorrelated background variables instead of mutually correlating real variables, thus the original characteristics of observed units can be substituted by a lower number of artificial coordinates, i.e. information is congregated. Leaving information with lower importance the number of variables decreases and therefore the mutual correlation can be better identified and characterized. Principal components qualified to be significant – if there are 2 or 3 as a maximum – can be easily plotted thus the correlations and grouping possibilities easily identifiable.

¹ Under 'continental countries' – similarly to the Anglo-Saxon terminology – countries on the European peninsula of the Euro-Asian continent are meant with the exception of the island-countries

2.3 Impact analysis of development policies

The increasing presence of financial assistance programmes of the European Union put into the front the theories of development policy and policy evaluation. However, overseas, in the Far East and even in Western Europe great amount of related bibliography has been cumulated already in the mid 20th century. In Hungary, we have just started to acquaint with the schools and methodology of those.

Four basic categories of impact assessment can be summarized as follows:

	<i>Descriptive</i>	<i>Explanatory</i>
<i>Ex-post</i>	Impacts and by-impacts occurred	Objective – mean – impact mechanisms, by-impact mechanisms
<i>Ex-ante</i>	Impacts and by-impacts expected	Objective – mean – impact mechanisms, by-impact mechanisms

The assessment of the impact of a certain intervention, and consequently choosing the appropriate indicators would be impossible without the availability of a base of comparison. In order to assess the impacts of an intervention to implement the intervention and afterwards to measure its impacts is insufficient. One should clarify what would have happened in the absence of the intervention. The impact of an intervention is the difference of these two situation

Evaluation of the impact of a certain intervention, thus the selection of appropriate indicators would be impossible without the availability of a base of comparison. In order to assess the impacts of certain interventions it is not enough to implement the intervention and consequently to measure the impacts, but also to assess what would happened in the lack of the intervention. The impact a certain intervention equals to the difference of these two situation – the one after implementing the intervention and the hypothetic one in the lack of the intervention. There are several alternatives:

- To study the target group of the intervention before and after implementing the intervention assuming that the hypothetic situation equals to the one before implementation. Practically, this means **a projection** of the “before” situation to the one after the implementation and then to compare this hypothetic projected one with the real situation after the implementation of the intervention.
- A further alternative is **to involve a control group** into the observation further to the target group. In case of this control group the intervention is not implemented. In this case the requirement should be fulfilled that the difference between the target and the control group is the consequence only of the intervention implemented.

From the aspect of group equality three categories of research can be identified:

- 1) Researches that uses the method of randomising when compiling the target and control groups are called **real testings**;
- 2) Researches whereby groups are set up by self-selection or using already existing groups are **quasi-testings**;
- 3) Finally, researches whereby the group is set up according to the value of a variable are called **regression discontinuity design**.

These three categories of researches are basically the main methods of impact assessment. The most comprehensive one out of these is the quasi-testing therefore it is further detailed. Categories and types of quasi-testing and their logical sequencing are summarized in the following chart.

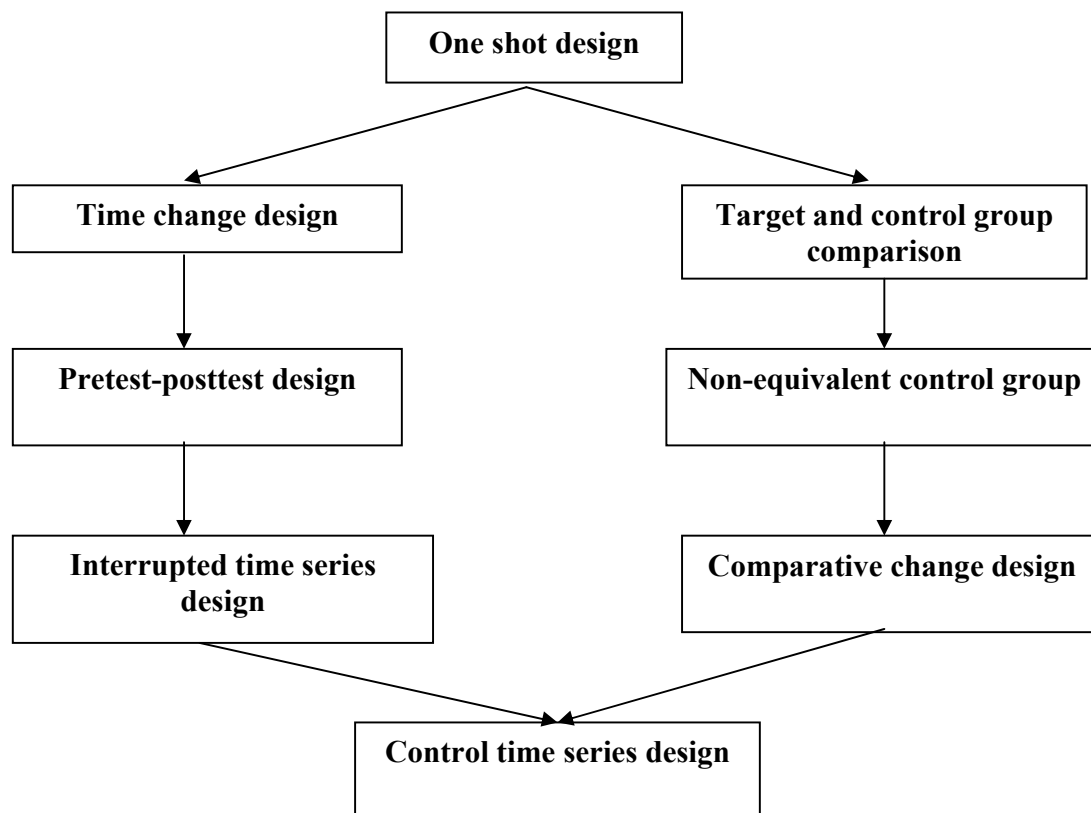


Figure 1: Research categories of quasi-testing

Source: TÁRKI, 2005.

3. MAJOR FINDINGS AND RESULTS OF THE DISSERTATION

3.1 Development policy and its impacts

Based on the studies concerning the history, development and actual situation of *development policies*², this scientific field has three branches:

1. *Reform branch with Keynesian background*: the main task of development policy is to handle the inequalities caused by international trade;
2. *The new left-wing branch*: inequalities caused by international trade can be eliminated by decreasing the gap between the income level of developed and developing countries;
3. *Neo-Marxist branch*: international trade and monopolistic prices are further deepening the inequalities.

However, all three branches have the common position that there is a need for a strong state especially in less developed countries.

The concept of '*developmental state*' was first used by Chalmers Johnson in 1982.³ The concept of developmental state was spread after the outstanding economic development of Far-East countries. Adelman and Yeldan in their study⁴ analysing the question why a state becomes developmental, however every country has the aim of encouraging economic growth. Why is a developmental state different? Economic development should have include 5 elements in order to be more than simple economic growth:

- the process should be self-sustainable;
- structural shift in production should be realized;
- progress in technique;
- social, political and institutional modernization;
- improvement of living conditions for wide-range of society.

The success story of Europe, Ireland had a tendency of economic development in the 1990s that can be compared to the one of the Far-East countries, and for the reason of that we can consider Ireland also a developmental state. The only difference between Ireland and the bureaucratic Far-East countries is that Ireland is far more flexible in realizing the co-existence of principles of organizing economy by market and state. It is not introverted, but extroverted, aspires to be open however the engine for economic development has remained the state.

The use of the concept of development policy is relatively new in the terminology of Hungarian public administration. Its counterpart in the European Union can be structural policy. Therefore, its exact definition has not been carried out yet. The major instrument of structural policy of the European Union is the system of Structural Funds, for the use of those elaboration of long- and mid-term development plans is inevitable. The subject of development policy is primarily community (state) expenditures and their benefit.

² FARKAS Péter (2002): Development theory on relations between the state and the market and on their effects on the peripheries of the world economy. MTA Working Paper, Budapest,

³ BEESON, M. (2004): The rise and fall(?) of the developmental state: The vicissitudes and implications of East Asian interventionism. University of Queensland, Australia,

⁴ ADELMAN, I. – YELDAN, A. E. (1999): The end of the developmental state? University of California, Berkeley Working Paper,

Impacts and by-impacts during applying development policy instruments can be classified from different aspects:

- 1) Impacts arising from using instruments in order to realize development policy objectives can be considered as ***intended***, whereby the by-impacts of each of the instruments as non-intended.
- 2) Contentwise, three main groups of (by-)impacts can be identified: ***environmental, economic and social***. Theoretically, development policy concepts can divide into the same three groups according to their objectives. Nevertheless, by-impacts of development policy concepts can belong to any of these groups.
- 3) Based on the assessment of (by-)impacts, impacts of instruments ensuring the realization of objectives are ***advantageous***, however the different types of by-impacts can be disadvantageous as well.

In summary:

<i>Types of development policies</i>	<i>Advantageous by-impact</i>	<i>Disadvantageous by-impact</i>
Environmental	Environmental and/or economic and/or social	Environmental and/or economic and/or social
Economic	Environmental and/or economic and/or social	Environmental and/or economic and/or social
Social	Environmental and/or economic and/or social	Environmental and/or economic and/or social

Source: own creation

3.2 Development of regional and cohesion policy within the European Union

Regional policy was included into the Treaty of Rome as a community level objective, the Treaty has only formulated the requirement of harmonic economic development of Member States. In the 1970s, the consequences of the first round of enlargement and the economic crisis had drawn the attention to the fact that for proper functioning of the common market supporting underdeveloped areas is inevitable. Therefore, in 1975 the European Regional Development Fund was brought into existence that had the task to decrease economic and social disparities among regions and to support structural changes through structural measures. Importance of regional support policy within common policies was strongly influenced by subsequent enlargement rounds whereby disparities among Member States substantially increased. In the 80s, as a consequence of the reform process of the regional and structural policy co-ordination of management of different funds was established. In the 90s, structural and cohesion policy considered to be the greatest of the achievements of the European Union.

The strengthening and extension of support policy and its financing mechanism in the 1980-1990s the increase of regional disparities, falling behind of deficient regions of wealthier countries was managed to be impeded, underdeveloped Member States succeeded to develop remarkably.

By the time of accession Hungary became beneficiary of the Structural Funds of the EU, the use of those however could start already half a year earlier. Through the implementation of the Operational Programme for Agriculture and Rural Development the largest development of Hungarian rural policy could be started.

3.3 Rural areas and rural development within the European Union

Rural development was first highlighted only in 1996 in Cork (Ireland) on the occasion of the first European Rural Development Conference, where rural development had been emphasized to become integral part of the Common Agricultural Policy, furthermore the means and measures of a multi-disciplinary rural development shall be advantaged. By the time of introducing Agenda 2000, rural development became the second pillar of the Common Agricultural Policy and a real single common rural development policy was born.

Simultaneously with the historic changes **the financing mechanism of rural development** was formulated. It has been part of the European Agricultural Guidance and Guarantee Fund already since 1964. Substantial changes have been introduced first in 1974 and afterwards with the Agenda 2000 again, and these create the basis of the financing structure in force nowadays. Nevertheless, this is still a strongly fragmented structure that will however be transformed in the budgetary period of 2007-2013 by the establishment of a unified financial mechanism and fund: the European Agricultural Fund for Rural Development.

3.4 Preparing for the implementation of OPARD, the analysing the correspondence between the SAPARD programme and OPARD

The aim of the analysis is to compare the use of the SAPARD programme and the rural development support of the Structural Funds and to study the correlation between both calls for proposals and the indicators of the certain territories (counties) based on principle component analysis.

The task of a researcher is to always question the results of the own researches and to carry out control analysis to confirm the assumed results. Therefore, in my analysis I used not only one analysis for the correlation between the SAPARD programme and OPARD and mutual impacts. Several data groups are analysed from the points of view of time as well as measures, nevertheless the result at the end was the same. This means that no change has occurred in time in the correlation of the data groups, similarly in a certain point of time the analysis of data concerning several measures led to the same results.

Based on the analysis we can state that the **SAPARD turned and kept the attention towards the assistance programmes of the European Union**. At the same time, in those counties where the number of winning projects within the SAPARD programme was higher the more project proposal was submitted for the Structural Funds as well, furthermore they were more successful in the evaluation phase. This fact supposes that **knowledge and experiences gathered during the SAPARD programme in the pre-accession phase as well as the basis of expertise was inherited to the use of Structural Funds**. Consequently, the SAPARD programme as pre-accession instrument has fulfilled its function to prepare beneficiaries for the use and benefit of post-accession Structural Funds, namely the EAGGF rural development support.

Having rural development measures in the framework of EAGGF and also comparing this support with the indicators of agriculture led to the assessment that **rural development measures do not fit into the supporting framework of EAGGF**, furthermore do not comply with the definition of “rural areas” provided by the European Commission. Analysing the content of different windows of rural development measures I can suppose that these measures do rather fit into the framework of objectives of the European Regional Development Fund.

Assumingly this was the reason also for the European Commission's Third cohesion report, that resulted to separate agriculture and rural development measures from Structural Funds in the next budgetary period of 2007-2013.

3.5 Agriculture and rural development measures within the development programmes of new Member States

In assessing the Hungarian agriculture and rural development measures it is worth to have an overview to the development plans of other new Member States.

According to the Council Regulation 1260/1999 laying down general provisions of the Structural Funds basic document for assistance can take a form of a National Development Plan or a Single Programming Document, nevertheless it should contain a summary description of measures intended to be implemented. These documents have been serving as basis for the comparative analysis. However, only those new Member States are dealt with, whose experience can be relevant and of benefit to Hungary as well, therefore for climatic, geographical, economic reasons only continental countries are included – in alphabetical order - and Malta and Cyprus are disregarded.

The comparative analysis of the EU assistance in the field of agriculture and rural development within Structural Funds explains the similarities and differences from two main aspects:

Financial representation within the total national allocation (Budgeting)

The agriculture and fisheries related investments are financed from both the European Agricultural Guidance and Guarantee Fund (EAGGF) and from the Financial Instrument for Fisheries Guidance (FIFG).

Rural development is mainly financed also from the EAGGF Guidance Section, however in case of some countries (Czech Republic and Hungary as well) actions with similar objectives, but with well-separated specifications, can be financed from the European Regional Development Fund.

The following chart is demonstrating the proportion of each of the Structural Funds within the total national allocation for each of the newly acceded beneficiary countries:

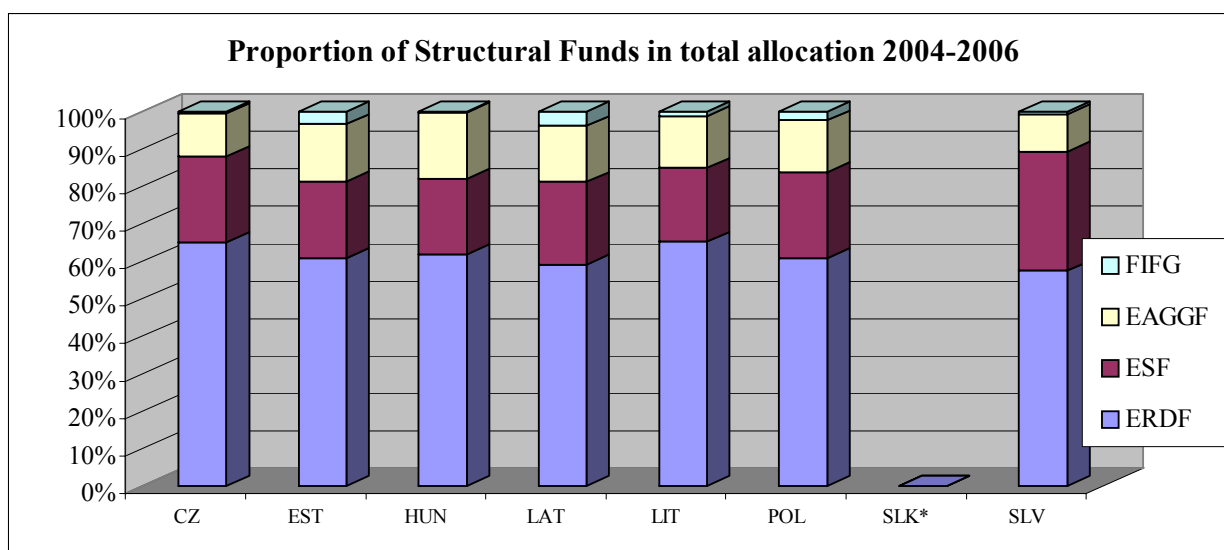


Figure 2: Proportion of Structural Funds in total allocation 2004-2006

Source: own creation

**The financial tables of the National Development Plan of the Slovak Republic were not elaborated in the standard format given by the European Commission, therefore they does not contain data according to the breakdown above.*

According to the chart no major differences can be recognised among the country strategies concerning distribution of funds. The ratio of EAGGF and FIFG resources are varying between 10 and 19 percent that can be considered as stable and balanced.

The balance of budgeting among countries nevertheless does not necessarily means that the proportion of the use of EAGGF and FIFG funds is in correlation with the role of agriculture within the economy of each of the countries. The main objective indicators of agriculture within national economies are introduced in the table below.

Table 1: Agriculture indicators and rural development support in the new Member States 2004-2006

	Agriculture in GDP (%)	Employment in agriculture (%)	Agricultural land (%)	EAGGF + FIFG ratio (%)
Czech Republic	3.40	5.20	54.30	12.00
Estonia	3.70	28.40	19.70	18.66
Hungary	3.70	6.50	66.50	18.00
Latvia	4.70	15.50	38.30	18.81
Lithuania	7.00	19.90	51.60	15.08
Poland	2.90	27.50	59.00	16.20
Slovenia	3.30	n/a	40.00	10.00
EU-15 average	1.70	4.30	42.00	not relevant

Source: own creation

According to the table the following conclusions can be drawn:

- a) The role of the agricultural sector within annual GDP – no major differences with the exception of Lithuania where its proportion is almost double as much as in the other countries. However these figures are substantially higher than the average of the EU-15. At the same time the ratio of EAGGF and FIFG funds is the one of the lowest one in Lithuania that seems breaking the balance. Also in Slovenia the ratio of financial assistance for agriculture and rural development can be considered as lower than justifiable compared to Estonia or Hungary where the proportion of agriculture within GDP is almost the same.
- b) Taking into consideration the labour force employed in the agriculture sector, the picture is rather comprehensive as the indicator has a great magnitude between 5 and 30 percent. No correlation can be identified with the allocation of agriculture related financial support. Comparing the countries' indicators, in the Czech Republic and in Hungary the financial assistance is highly over-represented as their employment indicator could justify it, alternatively in other countries the financial assistance of rural development is under-represented.
- c) Comparing the proportion of agricultural land within the whole territory of each country and the use of EU assistance, in Latvia and Estonia the proportion of the latter seems to be over-represented that can be explained with the similar geographical situation and bad quality acidic soil that requires increased efforts to be handled.

However, no major difference can be confirmed in the allocation strategy within Structural Funds of the countries, this fact does not refer to the internal financing structure of OPARD and equivalent operational programmes. According to the rules and regulations concerning the Structural Funds these operational programmes are financed from 3 different sources:

- the Structural Funds themselves, in this case from the EAGGF Guidance Section;
- co-financing ensured by central budgetary resources;
- own contribution of the beneficiaries of the individual projects.

Beneficiaries of individual projects considered to have the heaviest burden by ensuring the own contribution, therefore the following chart presents the average level of own contribution required in the countries' operational programmes for agriculture and rural development respectively.

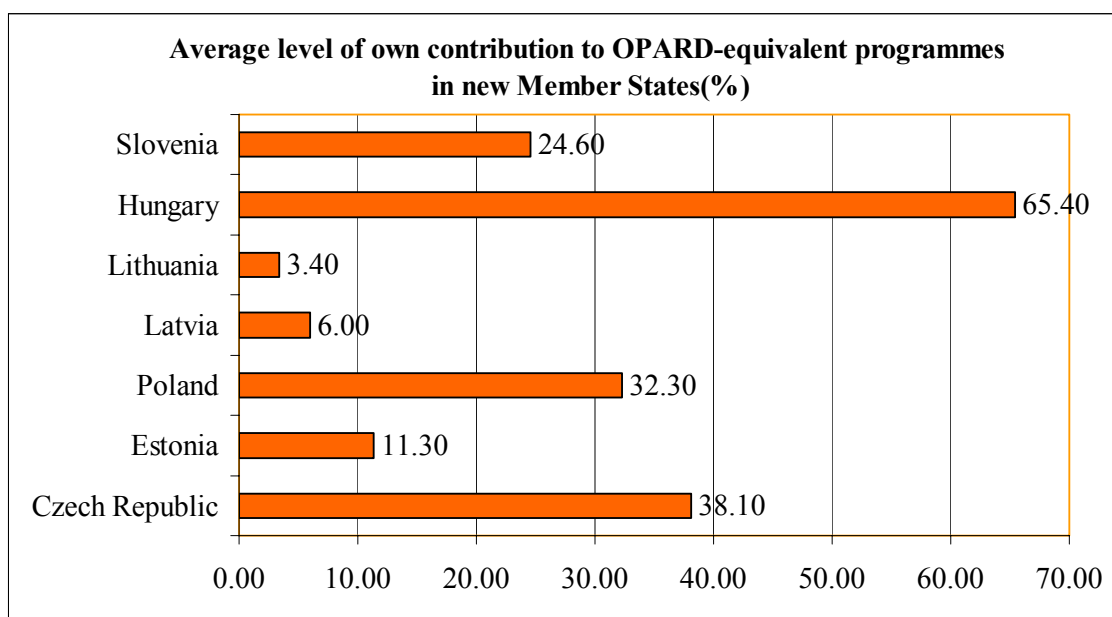


Figure 3: Average level of own contribution to OPARD-equivalent programmes in new Member States

Source: own creation

Several countries (e.g. Lithuania and Latvia) used the possibility during the planning procedure to cover the additional finances to the Structural Funds entirely from budgetary resources. Nevertheless, even in these countries the support to the sector of agriculture and rural development cannot be considered as full, beneficiaries should contribute a low rate of own financing as well.

The average levels of own contribution in the countries above are varying between 3 and 65%. The lowest is in Latvia and Lithuania where all the other operational programmes are financed fully from state resources, at the same time in Hungary the rate of required own contribution is surpassingly the highest.

The high rate of own contribution can have a dual effect on the implementation of OPARD. On one hand, developing the financing structure of the sector by encouraging the involvement of substantially more private (market) resources, furthermore increasing the measures thus the number projects to be implemented. In this way, above the own resources additional capital is involved into the implementation.

On the other hand, a clearly negative effect of this requirement can be the discrimination of potential beneficiaries. Own co-financing of an average 65% of the programme together with the system of subsequent payments is giving advantage to wealthier producers and production companies having wider range of financing possibilities and simultaneously practically excluding producers deficient in capital.

Measures and activities intended to be implemented under the agriculture and rural development chapter of planning documents (Substance)

As far as the objectives, measures and activities are concerned, they are identified based on the SWOT-analysis of each country and therefore can vary on a wide scale. However, we can characterise them as unimaginative as the same measures are repeated only with different emphasis, even at the level of eligible activities only slight differences can be recognized. Therefore, in case of some countries (especially those with smaller amount of assistance compared to the high number of measures and activities) the financial resources seem to be trifled away among the large number of measures.

Measures applied by the countries can be classified based on two important factors: (i) by implementing a measure results can be achieved and demonstrated in how long time; and (ii) whether and how long these results are sustainable. Based on these factors, ***measures can be classified into the following groups:***

- *quick result – short sustainability:* these measures can be implemented relatively easier, the results can be demonstrated practically immediately, however these do not have long-term impacts. Equipment supplies are characteristically belonging to this group of measures, so the typical measures of this group are e.g. investments in agricultural holdings, modernization of processing of agricultural, fishing and forestry products. Interesting notice is that all of the countries studied have applied this group of measures, however in case of some of the countries – like also in Hungary – these measures represents the overwhelming majority of the measures.
- *quick result – long sustainability:* the characteristic of these measures is the easy implementation and short-term results, however they succeed to achieve impacts only on the longer term. Example of this class is e.g. support to young farmers, or trainings, vocational training, education providing stable knowledge base.
- *slow result – short sustainability:* these measures are characterized by more complicated, difficult and therefore time-consuming implementation, however afterwards the impacts are realized only on the short-term. This is the primary characteristic of all (re)construction works and investments applying modern technologies or serve to comply with animal health, hygiene requirements.
- *slow result – long sustainability:* justification and verification of this type of measures is the most difficult since their implementation is time-consuming and their impact can be demonstrated on the long-term. However, these measures can contribute to structural changes and sustainable development, in the lack of those all the above measures would mean only wasting of money. These measures (e.g. land consolidation, innovation) were applied and supported only in a small number of countries – in Poland and Slovenia -, supposingly for the reason of constraints in terms of time and money.

Considering the substantive elements of development priorities, objectives and eligible activities – and certainly in relation to similarities in geographical factors – ***beneficiary countries can be divided into the following groups:***

- a) *Czech Republic, Slovakia, Slovenia as well as Hungary* - only ‘traditional’ agricultural, forestry and rural development activities are initiated. Emphasize is rather put on investment type of projects: infrastructure development, modernization of equipments, even in case of preserving the rural heritage primarily reconstruction activities are financed. Simultaneously, in the field of rural development in all of these countries the measure aiming the diversification of activities

and ensuring alternative income in rural areas is included. Soft type of measures (e.g. trainings, establishing networks, etc.) directly linked to the above is less advantaged.

- b) *Estonia, Latvia, Lithuania, Poland* - countries with substantially long seashore at Baltic Sea and related fishing is the major element of their development programme. Especially emphasized is the modernization of the fishery fleet in connection with the fishing quotas of the European Union and to help alleviate the social and economic impact of restructuring in the fishing fleet severance by compensations. Furthermore, substantial resources are allocated to increasing fish processing facilities and safety measures. The most outstanding role of these measures are given in Poland, where a separate operational programme is established and elaborated for fisheries related support. Concerning the other measures these countries follow the same practice and tendencies as the countries in the above group.

Slovenia is the only country that cannot be classified in these terms. However from geographical point of view, Slovenia has coastal part – but in much smaller scale than the above countries in the second group - at the Mediterranean Sea, therefore fisheries is included into its development programme, but rather freshwater fish farming is favoured and fishing fleet related measures are completely missing. The fact of emphasizing education, training, R+D and networking activities and measures, brings Slovenia in an outstanding situation.

The explanation for this distinguished position is to be sought in the regulations concerning Structural Funds and the indicators of economic development of Slovenia. However, Slovenia has elaborated a National Development Plan for the period of 2004-2006 and benefited from the support of regional policy under Objective 1, from the year 2007 the GDP of Slovenia – on its all territory - will exceed the 75% of EU average and therefore will not be eligible any more for Objective 1 type of support. In the budgetary period of 2007-2013 Slovenia will be eligible for structural support only under the priorities of ‘regional competitiveness and employment’ and ‘European territorial co-operation’. These priorities are basically the counterparts of Objective 2 and 3 and the relevant community initiatives in the present mechanism. In case Slovenia intended to ensure the continuity and sustainability of present support mechanism in the next budgetary period, a logical decision is made to give an advantage to this type of measures.

3.6 Interim evaluation of the Operational Programme for Agriculture and Rural Development

3.6.1 Methodological possibilities of the evaluation

The methodological possibilities of evaluation are analysed - based on the theoretical background of categories of researches already presented in a previous chapter – from the following two aspects:

a) In time

The use of the Structural Funds as well as the Cohesion Fund is evaluated from micro- and macro-economic aspect. At micro-level, according to community rules and regulations each and every programme and projects should be evaluated. In case of a macro-level evaluation compliance with community policies and macro-economic impacts of structural measures are assessed. Behind all of these, discussions concerning the awarding and amount of support are hidden.

Depending on the moment of evaluation compared to the implementation of the programme, three main types of evaluation can be identified:

- ex-ante evaluation;
- mid-term (interim) evaluation;
- ex-post evaluation.

Taking into account the rules and regulations concerning the use of Structural Funds in the period of 2004-2006 – according to these the implementation of programmes and projects should be terminated by the end of 2008 – the subject of the present research can be only the analysis of aspects of interim evaluation. Hungary has joined the EU exactly at the halfway of the budgetary period and started to implement its programme for Structural Funds, therefore for the implementation of the programme and the projects there is only 5 years – taking into account the fact of becoming eligible half a year before accession and also the rule of $n+2$ – compared to old Member States that have 9 years in total. With regard to this difference the European Commission has not required the usual mid-term evaluation from new Member States in the budgetary period of 2004-2006. However, in my understanding especially in this period mid-term evaluation can carry special importance on one hand to practice new activities and on the other hand to have feedback and to enable corrections on implementation.

Major objective of interim evaluation is the comparison of plans and initial results of implementation. Based on the progress managed to be realized the programme can be modified and also the reallocation of financial resources can be justified. It can provide an initial assessment on impacts already achieved and expected as well as on the financial absorption capacity of the measures of the programme. Interim evaluation enables to get acquainted and understand the programme and its mechanisms.

The main elements of an interim evaluation are the followings:

- quality, relevance of data gathered during the monitoring activity as well as the impacts;
- the analysis of the environment of the intervention and the process of implementation based on resource and output indicators;
- assessments concerning implementation reserves and horizontal policies;
- realization of objectives set in advance in percentage.

The evaluation of the programme determines the value of projects implemented in the framework of the programme. The pre-condition of an interim evaluation is the functioning of projects and procedures in reasonable period of time to achieve expected results and impacts.

b) Methodological aspects

During evaluation of programmes the independent evaluator is seeking for answers for the following questions:

- Has the programme achieved the objectives set in advance? If not, why?
- What kind of conclusions can be drawn based on the results and impacts achieved?
- What kind of modifications is needed or possible within the remaining period of implementation?

In order to answer the first two questions we should apply one of the categories of research presented in the methodological chapter. With regard to the fact that the target areas of structural measures is the entire territory of Hungary and the target group is the whole population of the country, therefore the research category based on the comparison of target and control groups is excluded, only any of the time series designs can be considered.

Research types based on change in time series are all appropriate to carry out the mid-term evaluation required by the European Commission. Regarding their level of development, they are able to sort out the impact of all of the disturbing factors. However, the European Commission decided to apply the most simple one, the pretest-posttest design.

Regarding the research types based on change in time series, all of them can be considered as deficient for the reason of disregarding the fact that governmental interventions are carried out not in a moment but in a period of time. Nevertheless, the research types are based on the comparison of the situations before and after the moment of implementation. Indeed, the use of Structural Funds of the European Union is realized through interventions implemented not in a moment but through a process of implementation for years that generally lasts for 9 years, but at the present for Hungary is 5 years. This fact justifies the necessity of a mid-term evaluation.

Research types of quasi-testings based on change in time series do not constitute of elements that enable them to model an interim evaluation, however they can serve as a good basis for creating the model for interim evaluation.

The starting point is the ex-post evaluation mentioned and the pretest-posttest design applied by the European Commission, furthermore having regard to the followings:

- trying to plot the continuity in time of the intervention using the already applied markings and supposing to mark every year of the intervention,
- in order to be able to carry out an interim evaluation and to assess the time-proportionate impacts of interventions the availability of the variable observed should be ensured at least once in the period of intervention – possibly around the halfway of the total period, i.e. measuring the value of the variable should be ensured,
- in order to sort out the disturbing impact of chance and trend – according to the sample of interrupted time series design – the number of measuring can be increased, so that we can assume that the two groups of data – one is before and one is after the mid-term point – are statistically significantly differ from the difference between neighbouring data deriving from random oscillation. Observations before the mid-term moment can determine the trend on the longer term and also that the time series after the intervention significantly differ from this trend,

the model is the following:

- in case of Hungary and also the other new Member States:

O X X/O X/O X/O X O

- in case of old Member States that benefited from the Structural Funds in the entire budgetary period of 2000-2006:

O X X X/O X/O X/O X/O X/O X X O

However this analysis – compared to the previous ones – enables more solid conclusions, but is not able to sort out the impact of event occurred simultaneously with the intervention as an alternative explanation. This method itself is complicated and difficult to carry out to be applied by the European Commission and to request it from the Member States. Instead, the Commission requires the most simple and easiest method to be applied that is not the most appropriate to give a clear picture on the economic and social impacts of the Structural Funds.

3.6.2 The analysis of the Operational Programme for Agriculture and Rural Development according to the traditional set of criteria of evaluation

a) Relevance

Relevance – to comply with the objectives set in advance – shows to what extent the objectives of the programme fit to the individual needs and political priorities.

Priorities of OPARD correlate to the priorities and specific objectives of the Community Support Framework. Priorities of OPARD are directly linked to the specific objective ‘more competitive economy’ and implemented through the first priority of CSF. Simultaneously, priorities of OPARD through their measures contribute to the realization of further specific objectives of the CSF.

Objectives of OPARD are in compliance with the SWOT-analysis, however at the level of indicators deficiencies can be identified and shifting of emphasis. Furthermore, these differences were further strengthened during implementation, therefore the implementation of the programme is getting more and more separated from the planning activity.

b) Efficiency

The criterion of efficiency points out how resources available were used for individual activities in order to transform them into measurable real outputs.

Analysing the use of – primarily financial - resources available, we can conclude that it is not time-proportionate and does not comply with the expectations as well. However, the evaluation procedure of submitted projects has been accelerated and therefore grant agreements have been concluded in case of 91-93% of projects endorsed by the Managing Authority, the fulfillment of further stages of the project cycle is lagging behind. Disbursements do not reach the 24% of the amount of contracts under implementation, whereby priority 4 – technical assistance - should be emphasized with its 60.4% whereas priority 3 aiming at the development of rural areas is lagging behind with 16.4%. The situation is even worse with the project closures. At exactly the halfway of the implementation period 1.8% of all grant agreements concluded ended with fulfillment of contract amounting less than 0.2% of all contracted financing resources. Two of the priorities are in a distinguished position from this aspect: in case of modernization of food processing none of the 108 grant agreements contracted has been closed, at the same time out of the 610 contracts in the field of developing rural areas 47 have already been fulfilled.

The outstanding results of the priority of developing rural areas from contracting and disbursement points of view can be explained by the fact that all of the fulfilled agreements belonged to the measure of LEADER+ that has a 100% rate of completion. Analyzing the financial aspects of the above: only 23.2% of financial resources already contracted has been used, that means that the remaining 76.8% (i.e. approximately 162.5 million HUF) is not used and therefore practically lost from the aspect of the beneficiary. This originates from the following two circumstances: on one hand during the programming procedure – i.e. elaboration of projects – financial needs were overbudgeted, on the other hand in the evaluation procedure of submitted projects there was a lack of appropriate checking mechanism concerning finances and budgeting.

Conclusions concerning efficiency and the facts are determining two major deficiency of the programme implementation:

- Institutions having role in the implementation – primarily the Managing Authority and the Intermediate Body – have slow, bureaucratic and complicated procedures, though they are not functioning in the most efficient way, that could have several reasons, e.g. lack of

capacity in terms of human resources, not sufficient training or not well elaborated appropriate procedures, etc.

- Beneficiaries – even if they have experiences gained during the implementation of the SAPARD programme – not enough prepared for planning and implementation of projects, they are lacking of knowledge concerning project cycle management and project management.

c) Effectiveness

Effectiveness shows to what extent the objectives set have been realized, the appropriate instruments have caused the impacts expected and whether other instruments would have been reached better results.

Analysing the theoretic possibilities of impact assessment a serious problem occurs in the lack of indicators or inappropriate definition of them, furthermore the value of variables used as a basis of comparison is given only in case of one and only priority, furthermore that the year(s) of the basis of comparison are different.

Having regard to the use of the financial resources available we can state that the implementation is not time-proportionate and does not comply with expectations. Consequently, the measuring of impact indicators are useless because we cannot mention any impact based on the phase of implementation. However, outputs and in some cases results are already measurable.

Evaluating the achievement of output indicators gave an ambivalent result. While the number of contracts and beneficiaries are lagging behind in case of every measure, from the aspect of the amount contracted the performance is exceeding the expectations. This means a significant difference compared to the planned indicators in point of view of amount, that indicates large investments became core elements of the programme.

d) Sustainability

The principle of sustainability indicates that continuous presence of results and impacts of projects and programmes should be ensured. In other words, the supported period should serve the basis for long-term functioning of the initiative. The instruments of ensuring sustainability are largely determined by the characteristics of activities supported. The major task of evaluation is the qualification of and compliance with measures selected in order to ensure sustainability and program-specific characteristics.

At the level of (sub-)measures activities supporting structural changes in the longer term (e.g. trainings, vocational education, innovation) are represented in the plans however they are not as much emphasized as it would be desirable. Instead, large investments (construction works and simple equipment supplies) already at the level of planning are over-estimated, that do not contribute to sustainability in the lack of the previous measures, thus do not contribute to the achievement of the long-term objectives of OPARD. This tendency is further strengthened by the statistics of implementation that indicates a substantial reallocation for the benefit of agricultural investments.

Finally, in the framework of OPARD substantial and spectacular – but basically local infrastructure – investments will be implemented that in the longer term do not contribute to the sustainable rural development.

3.7 New scientific results

During my studies in the field of '*Evaluation of the first Operational Programme for Agriculture and Rural Development*' the following new and novel scientific results are achieved:

- 🔑 **An overview is provided concerning development policies and their evaluation.** International research results are summarized and synthesized concerning development policies, I have provided a definition for development policy that can nationally used and I have summed up the historic development of theories regarding the evaluation methods of development policies.
- 🔑 New and never applied hypothesis are set for **the relations between the pre-accession instruments, above all for the SAPARD programme and rural development measures of the Structural Funds.** With regard to the actuality of the theme first analysis of the results of rural development measures is provided, furthermore analysing their position a comparison is carried out between the results of calls for proposals and the objective indicators of agriculture. In order to justify and confirm the hypothesis set in advance principle component analysis was applied, and the not quite obvious assuming were confirmed furthermore I have pointed out the contradictions of rural development measures.
- 🔑 **In the framework of an international overview** provided a summary of rural development measures financed from Structural Funds of Hungary as well as the new Member States joined at the same time to the EU. In case of each and every Member State in question the role of rural development in the development programmes was analysed and a summary was provided on the content of rural development measures to be implemented under the Structural Funds. **A comparison of allocation strategies and objective indicators of agriculture of the countries is presented, furthermore conclusions are drawn concerning the best practice of applying rural development measures.**
- 🔑 In contrary to the opinion of the European Commission I have pointed out the **importance of interim evaluation** and in order to give possibility for introduction the methodology of evaluation is re-designed. The already existing research types were not found adequate for the interim evaluation of Structural Fund operations, therefore **a new model and set of pre-requisites are elaborated** based on the combination and further development of the existing ones.
- 🔑 **The interim evaluation of the first Operational Programme for Agriculture and Rural Development was first carried out.** I have analysed the relation and relevance between the strategy and objectives, the clear definition of objectives and measures, the selection and definition of indicators, furthermore the achievements of indicators according to the status of implementation. In summary, according to the four basic criteria of evaluation – relevance, efficiency, effectiveness and sustainability – the conclusions are drawn. (The new model indicated in the previous point cannot be applied for the reason that the pre-requisites set were not available.)

In summary, there is a dual source of new and novel results of my research.

On one hand, the actuality of the topic enables to be the first in analysing data and information already available and in applying analysing methods.

On the other hand, the relative short history of the topic of and methods of evaluation enables to find solutions for not yet covered questions that will be actual in practice around 2010.

All the above provides the fact that however the study is about a presently really actual topic, in longer term its importance will increase and the results will be applicable in practice as well. Furthermore, these results are already to be applied and used in the development of elaborating development policy of Hungary for the next budgetary period of 2007-2013.

4. CONCLUSIONS AND RECOMMENDATIONS

As a consequence of the results of the research activities concerning the use of rural development support of the European Union in Hungary, the following conclusions can be drawn and recommendations can be formulated:

- ① **The SAPARD programme as a pre-accession instrument fulfilled the task of preparing the beneficiaries for the use of resources of the Structural Funds in the field of rural development, namely the EAGGF.** The SAPARD programme has also turned and kept the attention onto the support programmes of the EU. Simultaneously, in certain areas (counties) the higher was the number of winning projects in SAPARD the more projects were submitted to the call for proposals of the Structural Funds' rural development measures, furthermore the more successful they have been evaluated and the more support they were allocated to. This fact set the precondition of transferring the knowledge base gathered during the elaboration of SAPARD projects to help the use and implementation of the Structural Funds.
- ① According to the definition of rural areas within the European Union a positive correlation should be demonstrated among the population and employment in the agriculture in certain areas and the number of projects submitted to the call for proposals of the support of the European Union. Based on the position of rural development support in the framework of EAGGF and on the comparison of these support with the objective indicators of agriculture, we can state that **rural development does not fit into the financing mechanism of the European Agricultural Guidance and Guarantee Fund, furthermore it does not comply with the definition of rural areas** provided by the European Commission. Additional analysis of the content of the application window shows that these supports do fit more likely to the objectives of the European Regional Development Fund.
- ① Regarding to the above, the European Commission in its 'Third cohesion report' draw not surprisingly the same consequence as a result of which **support in agriculture also including rural development measures will be more separated from Structural Funds** in the next budgetary period of 2007-2013.
- ① Measures in agriculture, forestry, fisheries and rural development are financed from two different Structural Funds, from EAGGF and from FIG. According to the overview to new Member States, **there are no remarkable differences in the allocation distribution strategies of these countries**, the proportion of EAGGF and FIG in each of the countries is between 10% and 19%, meaning that during the definition of financial frames the analysis of situation did not fulfilled its role. Simultaneously, **the virtual balance among the countries does not confirm that the proportion of EAGGF and FIG within the total allocation of Structural Funds in the countries in question correlates to the role of agriculture in national economy.**
- ① Also the international overview highlights the fact that in case of each beneficiary country no significant difference can be presented concerning the set of development priorities, objectives and eligible activities, that same priorities and objectives are replied and also at the level of eligible activities only a few differences can be recognized. It can be stated that – following the practice of the SAPARD programme – primary importance is given to investments that alone do not contribute to the structural transformation of agriculture and

rural areas. **Slovenia** is the only country outstanding by the fact that remarkable role is given to measures related to trainings, education, R&D and networking. These are the so-called soft measures that contribute in the longer-term to the sustainable rural development.

- ① With regard to the fact that Hungary has joined the EU in the halfway of the ongoing budgetary period and started the use the financial resources from the Structural Funds, only 5 years are remaining for the implementation of programmes and projects compared to the 9 years of old Member States – taking already into account that the eligibility period started half a year earlier then accession and also the rule of $n+2$. Regarding this difference the European Commission does not request these countries to carry out interim evaluation in the budgetary period of 2004-2006. However, **especially in this period mid-term evaluation can carry special importance on one hand to practice new activities and on the other hand to have feedback and to enable corrections on implementation.**
- ① Analysing the **research types** based on change in time series from the aspect of applicability for interim evaluation, **all of them can be considered as deficient for the reason of disregarding the fact that governmental interventions are carried out not in a moment but in a period of time.** Nevertheless, the research types are based on the comparison of the situations before and after the moment of implementation. Indeed, the use of Structural Funds of the European Union is realized through interventions implemented not in a moment but through a process of implementation for years that generally lasts for 9 years, but at the present for Hungary is 5 years. For this reason methodological framework, i.e. the model of the research type and the appropriate frequency of measuring the indicators should be ensured.
- ① **The analyses of situation in the Community Support Framework and in OPARD are consistent, the objectives of OPARD reflect to the weaknesses** presented in the SWOT analysis. Simultaneously, compared to the financial resources available the number of measure to be implemented is ambitiously high that can lead to a fragmentation of resources. Practically, financial resources available should be split according to the logic of structural changes and to advantage the measures contributing to structural changes and long-term sustainability, and later in the next budgetary period – parallelly to the substantial increase of financial resources – to implement the activities needed for modernization.
- ① **The relation between objectives and measures within OPARD is clearly defined.** However, within certain measures the definitions and their application is not unified. This relates primarily to **the definition of rural areas, that is different** in case of several measures and also differs from the one applied in the European Union. Therefore it is difficult to provide an evaluation for rural development measures that gives a clear picture on real impacts on rural areas and could serve as a good basis for comparative studies with other beneficiary countries. Therefore the analysis impact, result and output indicators could serve only internal communication purposes.
- ① **In the period between 1 January, 2004 and 31 January 2006 the use financial resources available cannot be considered as time-proportionate and lagging behind of expectations.** However, the evaluation process of submitted project proposals accelerated and for 91-93% of projects approved contracts are already concluded, further phases of project cycle are not fulfilled in the same proportion. Disbursements do not reach the 24% of the amount of contracts under implementation, whereby priority 4 – technical assistance - should be emphasized with its 60.4% whereas priority 3 aiming at the development of rural areas is lagging behind with 16.4%. The situation is even worse with the project closures. At exactly the halfway of the implementation period 1.8% of all grant agreements concluded

ended with fulfillment of contract amounting less than 0.2% of all contracted financing resources. Conclusions concerning efficiency and the facts are determining two major deficiency of the programme implementation: (i) institutions having role in the implementation have slow, bureaucratic and complicated procedures, though they are not functioning in the most efficient way, (ii) on the other hand beneficiaries – even if they have experiences gained during the implementation of the SAPARD programme – not enough prepared for planning and implementation of projects, they are lacking of knowledge concerning project cycle management and project management. Technical assistance should serve the elimination of these problems.

- ① Analysing the theoretic possibility of evaluation the major difficulties are caused by **the lack of indicators or the not appropriate definition of them, furthermore the problem of the base of comparison** from the aspect of basic value as well as time. However, as a consequence of the above mentioned efficiency problems, measuring of impact indicators lost its importance because no mention can be formulated about measurable impact while this implementation performance. Assessing the performance of output indicators brought an ambivalent result. While the number of contracts and beneficiaries are lagging behind in case of every measure, from the aspect of the amount contracted the performance is exceeding the expectations. This means a significant difference compared to the planned indicators in point of view of amount, that indicates large investments became core elements of the programme.
- ① The most important objective of **technical assistance** is to help implementation thus it is a tool for increasing the efficiency of the institutions concerned. No indicator is defined concerning this measure, therefore it is impossible to measure how and in how long period the institutions react to problematic situations, thus **the assessment of institutional efficiency is impossible**. Institutions having role in the implementation divest itself of the possibility of receiving feedback.
- ① At the level of (sub-)measures activities supporting structural changes in the longer term (e.g. trainings, vocational education, innovation) are represented in the plans however they are not as much emphasized as it would be desirable. Instead, large investments (construction works and simple equipment supplies) already at the level of planning are over-estimated, that do not contribute to sustainability in the lack of the previous measures, thus do not contribute to the achievement of the long-term objectives of OPARD. Finally, **in the framework of OPARD substantial and spectacular – but basically local infrastructure – investments will be implemented that in the longer term do not contribute to the sustainable rural development.**

In summary, in the period of 2004-2006 in the learning phase of using Structural Funds disregarding the typical children's diseases we have managed to elaborate and launch a rural development programme, its implementation is functioning and in the mid-term measurable results can be presented. The major result of my research study is that conclusions and recommendations detailed above can dually contribute to the successful further development of rural development measures: first, in the second half of programme implementation the difficulties recognized can be eliminated, secondly conclusions can be taken into account during the planning for the next budgetary period of 2007-2013.

5. SUMMARY

Hungary became a Member State of the European Union on 1st May 2004. The sector of agriculture and the living circumstances of rural inhabitants were affected the most by this event of great political and economic importance, similarly to most of those new Member States. The financing mechanism of the EU will be of crucial importance in case of agriculture and rural development in the development policy of the following decade. This fact justifies the timeliness and importance of the topic.

The increasing presence of financial assistance programmes of the European Union has put into the front the science of development policy and policy evaluation. However, overseas, in the Far East and even in Western Europe great amount of related bibliography has been cumulated already in the mid 20th century. In Hungary, we have just started to acquaint with the schools and methodology of those. Therefore, relevant theories have been summarized and methodologies have been analysed as far as their relevance to rural development programmes with respect of their possible application in Hungary.

Rural development was first highlighted only in 1996 in the Cork Declaration, where rural development had been emphasized to become integral part of the Common Agricultural Policy, furthermore the means and measures of a multi-disciplinary rural development shall be advantaged. By the time of introducing Agenda 2000, rural development became the second pillar of the Common Agricultural Policy and a real single common rural development policy was born. Substantial changes have been introduced also with the Agenda 2000 and these create the basis of the financing structure in force nowadays. Nevertheless, this is still a strongly fragmented structure that will however be transformed in the budgetary period of 2007-2013 by the establishment of a unified financial mechanism and fund: the European Agricultural Fund for Rural Development.

By the time of accession, Hungary became a beneficiary of the Structural Funds of the European Union, however the use of the funds could start half a year earlier. With the implementation of the ARDOP the greatest ever development of Hungarian rural policy has been started. The mathematic half way in the implementation period from 2004 to 2008 provides good occasion for evaluation. In my thesis, I have delivered the mid-term evaluation of the functioning of the Agricultural and Rural Development Operative Programme applying three different approaches:

1. whether potential beneficiaries could successfully prepare for the use of the funds and to what extent SAPARD has a role in this preparation - by using multi-variant analysis;
2. a comparative analysis of development plans of the new Member States reflects to their strategies to bias cohesion and rural development policy;
3. by applying and further developing policy evaluation methods a mid-term evaluation of OPARD is carried respecting the aspects of relevance, efficiency, effectiveness and sustainability.

The new elements of my research activity both from theoretical and practical aspects can be justified and confirmed. In practice, the problems revealed can be corrected and eliminated in the reaming period of implementation, furthermore the next period already in the phase of planning and programming can benefit from the experiences.

6. LIST OF PUBLICATIONS

a) Scientific publications (books, chapters of books, articles, research reports)

Books in Hungarian language

Iglói Gabriella – Récsey Zsuzsanna: Ki kicsoda az Európai Unióban?
(1998, Budapest, 237 p. ISBN 963 550 446 2 – 50-50%-ban készült)

b) Scientific articles

Scientific articles published in Hungarian language

Iglói Gabriella: A dán parlament szerepe az Európa-politika alakításában
(Európai Szemle, 1998/1. p. 100-115., ISSN 0866-0085)

Iglói Gabriella: Önkormányzatok támogatása az Európai Unió
előcsatlakozási alapjaiból (Önkormányzati Hírlevél, 2000/1.)

Iglói Gabriella: A SAPARD program és a Strukturális Alapok
vidékfejlesztési támogatásainak összehasonlítása (EU Working Papers, a
Budapesti Gazdasági Főiskola Külkereskedelmi Főiskolai Karának
szakmai folyóirata, Budapest 2005/1. pp. 3-11., ISSN 1418-6241)

Iglói Gabriella: A vidékfejlesztés kihívásai és új stratégiája a 2007 és
2013 közötti időszakban. (EU Working Papers, a Budapesti Gazdasági
Főiskola Külkereskedelmi Főiskolai Karának szakmai folyóirata,
Budapest - megjelenés folyamatban)

Scientific articles published in foreign language

Iglói, G.: The role and importance of rural development within Structural
Funds in the new Member States (EU Working Papers, a Budapesti
Gazdasági Főiskola Külkereskedelmi Főiskolai Karának szakmai
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Iglói, G.: Possibilities for rural development in Hungary between 2007
and 2013. (Gazdálkodás, Budapest – megjelenés folyamatban)

c) Presentations at scientific conferences published in conference publication

In Hungarian language

Fehér István - **Iglói Gabriella:** Az intézményi felkészültség mérése a
Strukturális Alapok vonatkozásában, Debreceni Egyetem
Agrártudományi Centrum – Agrárgazdaság, vidékfejlesztés és
agrárinformatika az évezred küszöbén (2003. április 1-2) (2003.,
Debrecen, pp.107., ISBN 963 472 721 2)

Fehér István – **Iglói Gabriella**: Az EU vidékfejlesztési politikájának agrár-igazgatási szempontjai, Debreceni Egyetem Agrártudományi Centrum – Agrárgazdaság, vidékfejlesztés és agrárinformatika az évezred küszöbén (2003. április 1-2) (2003., Debrecen, pp. 141., ISBN 963 472 721 2)

In foreign language

Iglói Gabriella: The role and importance of rural development within EU Structural Funds, 4th International Conference of PhD Students (Miskolc, 2003. augusztus 11-17., pp. 81-85., ISBN 963 661 585 3 ö, ISBN 963 661 588 8)

d) Further publication published in printing or electronically

Citation

1. Fehér István – **Iglói Gabriella**: Az EU vidékfejlesztési politikájának agrár-igazgatási szempontjai
 - 1.1. Dr. Fehér István: Organizational structure and functions of the ministries of agriculture (Studies in Agricultural Economics 2004 No. 101, AKII pp. 47)
2. **Iglói Gabriella** – Récsey Zsuzsanna: Ki kicsoda az Európai Unióban? (Budapest, 1998., - 237 oldal)
 - 2.1. Csiffáry Tamás: Az Unió magyar szemmel (Könyvmíves Kiadó, Budapest, 2004. pp. 383)
3. **Iglói Gabriella**: A dán parlament szerepe az Európa-politika alakításában (Európai Szemle, 1998/1. p. 100-115.)
 - 3.1. Győri Enikő: A nemzeti parlamentek szerepe az európai integrációban. Egy Magyarország számára követendő modell (PhD értekezés, BKE Nemzetközi Kapcsolatok PhD program, 1999, pp. 468)