

# **NEMO, rural development and the European Union**

Hanneke Lankveld  
International Agri-Business Management  
Thesis 1 April – 1 November 2004  
International Agricultural College Larenstein Deventer

NEMO, rural development and the European Union

AH Larenstein Deventer  
Brinkgreverweg  
Deventer, the Netherlands  
Thesis  
1st April – 1st November 2004

Nemo, Association for sustainable tourism  
Westerpark 2  
1013 RR Amsterdam, the Netherlands

Hanneke Lankveld  
Kerkstraat 40  
7135 JM Harreveld, the Netherlands

Acknowledgements

I wish to thank the following:

Peter Spruijt, for sharing his ideas and knowledge, and the numerous discussions about Nemo and its future together with the future of the beautiful surroundings of Nemo land. Also I would like to thank Kamila and her son, Maks, and the other students, who were present during the field study. A special thanks goes to my family and friends who have supported me during my research.

And last but certainly not least, I would like to thank Hans Glas, for sharing his personal experiences in Eastern European countries and his knowledge about European legislation and supportive measures.

I hope with all my heart Nemo will be successful in formulating a proper business plan, in order to preserve Poland's untouched environment and develop its rural community in a sustainable way.

Contents	
List of abbreviations	5
Introduction	6
The Mining company versus Nemo	
Introduction	7
Mining and its effects	7
The mineral resources of Poland	9
Conclusion	9
Nemo in Poland	
History of Lower Silesia	11
Description of Lower Silesia	11
Economic profile	12
Agriculture and forestry	12
Stara Kamienica	14
Agriculture in Stara Kamienica	14
European Law and Legislation	
Introduction	15
Policy of the EU on agriculture: CAP	15
Policy instruments	16
Domestic price support	18
Direct payments	18
Additional aspects of 2003 reform	19
CAP in Poland	20
Direct payments in Poland	20
Prices in Poland	21
Credit in Poland	22
Sustainable rural development in Poland	
Introduction	24
Rural development in a model	24
Structural funds in Poland	26
European Union regional policy	27
Funding the Second Pillar: Rural development	28
Supportive opportunities for Nemo	
Introduction	30
Interreg III	30
Interreg III and Nemo	31
Sectoral Operating Program	37
Assistance and guidance	37
Case study: Interreg III A in practice	39
Conclusions	45
Recommendations	46
Bibliography	49

## List of abbreviations

AMA	Agency for Agricultural Markets
ARMA	Agency for Restructuring and Modernising Agriculture
CAP	Common Agricultural Policy
CEEC	Central Eastern European Country
CMO	Common Market Organisation
EAGGF	European Agricultural Guidance and Guarantee Fund
ERDF	European Rural Development Fund
ESF	European Social Fund
EU	European Union
FAO	Food and Agriculture Organisation
FIFG	Financial Instrument for Fisheries Guidance
IACS	Integrated Administration and Credit System
NGO	Non-governmental Organisation
SFP	Single Farm Payment
SOP	Sectoral Operational Program
WTO	World Trade Organisation

## Introduction

Robert Gronski once stated:

*"We need a culture of agriculture that recognizes the multiple benefits of farming — ecological, environmental, social, and cultural — rather than just the economic production of food and feed stuffs,"*

This statement reflects the ideology of the Dutch / Polish NGO Nemo, which is active in agro-tourism in a small municipality of Lower Silesia. After 5 years of promoting sustainable tourism, they are now focusing on sustainable methods of farming and the development of the surroundings of the municipality, in order to sustain and protect the small-scale countryside and provide a social security net for the rural community.

These efforts are made in order to formulate a proper alternative for a mining company, threatening to destroy the direct surroundings of Nemo land and the municipality, in both environmental aspects as in human and social factors.

This thesis is the concluding part of the extracurricular curriculum of the study program "International Agri-Business Management" for the International Agricultural College Larenstein, in Deventer, the Netherlands. The report will examine the possibilities of (financial) support, in order to realise the dreams and ideas in the form of a business plan, which will hopefully uplift and develop the rural area of Stara Kamienica.

The first section will deal with the mineral resources of Poland and the threat a mining company can oppose to the environment, and thus to Nemo land.

The second section will deal with the surroundings Nemo land finds itself in plus a description of Lower Silesia.

The third section is the actual main body of the report and deals with the European Law and legislation plus a description of CAP in Poland.

The fourth section will deal with sustainable rural development in Poland and the accompanying structural funding structures and the European regional policies.

The last part of this report holds the conclusion and recommendations, where an advice will be given to NGO Nemo.

Throughout the report, references are made to certain appendices, which are put together in a separate report, in order to create a more transparent structure.

The mining company versus Nemo

## **Introduction**

A verse in the bible states the following:

‘A poor man’s field may produce abundant food, but injustice sweeps it away’

A recent report on poverty in the American agriculture began with this quote from the Bible, but can easily be applied to the agricultural sector in the municipality of Stara Kamienica. As the report will show, there are many opportunities for the agricultural sector in Stara Kamienica to develop into a healthy and sustainable sector. However, the overwhelming power of a mining company can destroy all the potential this sector might have. Nemo and the municipality have so far been successful in fighting off the mining company, even though the company purchased a great deal of land already.

To demonstrate the injustice threatening Nemo and the rural community of Stara Kamienica and before showing any opportunities for Nemo to realise its goals, this section will display some facts about mining companies and the gruesome results of their activities.

## **Mining and its effects**

The definition of mining used here is the following, according to WordIQ.com:

“Mining is the extraction of valuable minerals or other geological materials from the earth, usually (but not always) from an ore (a mineral containing a metal as a proportion of its content) body or vein”

Mining can have devastating impacts on the environment due to the massive rearrangement of minerals within the earth. The result can be unnatural high concentrations of some chemical elements over a wider surface. Combined with the effects of water and the new 'channels' created for water to travel through, collect in, and contact with these chemicals, a situation is created where mass-scale contamination can occur.

Mines usually occur in developing countries, where people die in accidents, where mines collapse and the environment is suffering heavily under the mining activities. These scenarios all came together in the most recent major mining ‘accident’, the March 1996 tailings dam bust at the Marcopper mine, owned by a Canadian company on Marinduque island in the Philippines. Almost 9 years later, the island and its inhabitants are still suffering.

According to the website of Project Underground, [www.moles.org](http://www.moles.org), an organisation which helps communities resist unsustainable activity through a variety of activities states that, the fact that mining companies operate mostly in developing countries, is because of two major reasons:

- Its richness in mineral resources hasn’t been ‘harvested’ by the local communities, because of lack of knowledge and money to exploit these resources; and
- The relative easiness to corrupt officials to exploit mineral resources, without consulting any environmental standard or social conditions.

The Marcopper disaster in the Philippines is a classic case, regarding the reasons mentioned above. The population of the island did not have any intention to exploit the mineral resources, because they build up their livelihood around agriculture and fisheries. According to Western standards, they lived a very basic life, without any luxury, and thus, not having any capital or knowledge to exploit the resources at commercial rate.

Also corrupting officials happened in the Philippines, however, corruption here was not an exception on its own. Corruption and bribery also happens in Poland, where farmers are being framed, by selling their land for a relatively low price and not knowing the consequences of their actions. One of the local farmers Nemo was working with, sold his land just before the proposed business plan was realised.

This was a major setback for Nemo, as a Dutch farmer was found to establish a agricultural holding at Nemo land.

Rural communities are often being fooled, when mining companies promise the communities jobs and social benefits if the mines are accepted. Rather rule than an exception, these promises are not being kept and jobs are given to specialised employees, usually from abroad, and thus, the local communities gains nothing out of the mines, except for the devastating results the mines leave behind (see image below).

### **The mineral resources of Poland**

Poland is relatively well endowed with natural resources. Its principal mineral asset is bituminous coal, which is a soft coal containing a tar-like substance called bitumen. When used for many industrial processes, bituminous coal must first be "coked" or baked in order to remove the bitumen. Most of the output is derived from the rich Upper Silesian coalfield. Brown coal is mined as well. Other fuel resources include small amounts of petroleum and moderately large deposits of natural gas.

Sulfur is Poland's second most important mineral, and the republic ranks among the world leaders in both reserves and production. Other important nonmetallic minerals include barite, salt, kaolin, limestone, chalk, gypsum, and marble. Among metallic minerals, copper, silver, and zinc are the most important.

The Sudeten and its foreland, part of the larger Bohemian Massif, have a long and complex geologic history. They owe their present rugged form, however, to earth movements that accompanied the Carpathian uplift, and the highest portion, the Karkonosze ("Giant Mountains"), reaches 5,256 feet above sea level (see image below).

The region contains rich mineral deposits, notably coking coal, which has occasioned the growth of an industrial centre around Walbrzych. Resorts and spas are found in more secluded areas. The foreland of the Sudeten, separated by a large fault from the larger mass, contains many granite quarries.

Image:           Satelite image of the Carpathian Mountain Range

Source:           <http://visibleearth.nasa.gov/cgi-bin/viewrecord?25420>

Environmental problems in these areas existed due to these coal mines, which was accentuated during the period of the 'Black Triangle', where enormous amounts of pollution entered the natural environment due to intensification of secondary industry.

Roughly half the size of West Virginia (12,356 sq. mi; 32,000 sq. km), the Black Triangle is comprised of the Dresden and Chemnitz districts of Germany, Northern Bohemia in the Czech Republic and the Jelenia Gora and Walbrzych provinces of Poland. (See figure below).

This environmental problem is due to acid mine drainage. According to Daniel Lim's "Microbiology", a bacterium, that is also used in commercial microbial leaching, attacks sulfide mineral contaminations in coal. When the coal is undermined and below the ground under anaerobic conditions, this obligate aerobe is inactive. When coal is exposed to oxygen in mining, however, the bacterium begins to grow and oxidizes the sulfide minerals. The sulphuric acid, produced by oxidation, drains from the mines and pollutes rivers and streams in the immediate vicinity.

## **Conclusion**

This short introduction on mining and its effects on the environment, makes it clear that the mines cannot operate near Nemo land, if Nemo wants to preserve the cultural and environmental aspects of its property.

If Nemo formulates a solid business plan, it may well serve as a good alternative against the granite quarries, the mineral reserves in Lower Silesia.

The following section will discuss briefly the region Nemo finds itself and some characteristics of the region.

## **Nemo in Poland**

Lower Silesia is the province in which NEMO operates, thus a brief description of the province will be given, including the history of Lower Silesia in a nutshell, a description of the area, an economic profile and an impression of the agriculture in Lower Silesia (see figure below).

## **History of Lower Silesia**

The province of Dolnoslaskie, southwest Poland, was created in 1999 from four old Polish provinces: Wroclawskie, Jeleniogorskie, Legnickie and Walbrzyskie. The name of Dolnoslaskie was taken from the name of region, where the province lies: Dolny Slask (Polish), Lower Silesia (English), Niederschlesien (German).

In the previous millennium, Lower Silesia passed through the hands of many rulers. It was under the rule of the Piast princes since 990, was taken over by the Czech kings in 1335, then by the Austrian emperors from the Hapsburg dynasty in 1526, and the Prussian kings in 1741. In the first half of the 20th century it belonged to Germany, and after the fall of Hitler's Third Reich in 1945 it became part of Poland again.

After the second World War the names of towns and other places were converted from their former German to their present Polish equivalent, archival resources are divided between Polish and German archives, some of them were burnt or lost during and after the second World War. German people, who lived there before WWII was expelled across the border to the Germany. Poles, Ukrainians, Lemkos from eastern provinces were resettled after the second World War in the deserted towns and villages.

## **Description of the province**

Located in south-western Poland and occupying 6.4% of its area, Lower Silesia is one of the country's 16 provinces.

The Lower Silesia Province (Województwo Dolnoslaskie) borders on the Czech Republic in the south (state border length - 432 km) and Germany (Saxony) in the west (state border length - 80 km). The neighbouring provinces are the Lubusz, Great Poland and Opole Provinces (Województwo Lubuskie, Wielkopolskie and Opolskie).

The region has a varied landscape and three distinctive zones: the lowland occupied by the Lower Silesian Forests (Bory Dolnoslaskie) and the humid Milicz Forests (Lasy Milickie) in the north of the region; the Silesian Lowland along the pro – glacial stream valley of the Oder River in the central part; and the rugged foothills of the picturesque Sudeten mountains in the southern part. The region's main river is the Oder (Poland's second biggest river, over 700 kilometres long), and the highest peak is niezka (1602 m above sea level).

The capital of the Province is Wrocław, one of the country's main economic, scientific and cultural centres of international significance.

One of the features characteristic of the Lower Silesian climate is the changeability of the weather. It is here that masses of oceanic and continental air come together. Despite that, the climate of Lower Silesia is mild, and the lowlands of the Province are the warmest area of Poland. The climate of the mountainous and submontane regions is different: in terms of temperature, the climate of the Giant Mountains (Karkonosze), the highest range of the Sudeten, is similar to that of sub-polar regions. The average annual temperature here is low, the winter long, and the summer short and cold. The mountainous regions of the Province are famous for their strong winds, with *nieżka* being one of the most windy places in Europe.

### **Economic Profile**

Since Lower Silesia is also one of the country's most industrialized regions, its contribution to Polish GNP has for some time been at a constant and relatively high level. The companies seated in Lower Silesia are numerous and the scope of their business activities is very diversified. The region's leading industry sectors include electrical machinery, electronics, motor vehicle, power, construction, chemical and food-processing industries, while the traditional industries include coal, copper ore and mineral resources mining and the production of clothes, fabrics and china. The Lower Silesia Province is Poland's leading supplier of many types of industrial goods.

Tourism also plays an important role in the region's economy. Thanks to favourable natural conditions, amplexness of historical buildings and the relatively well-developed infrastructure, Lower Silesia is one of Poland's main tourist regions.

### **Agriculture and forestry**

The central, lowland part of the Province offers perfect conditions for agriculture. Fertile soils, predominantly class I and II, provide good crops of cereals, potatoes and sugar beet. The vegetation season, when the mean daily temperature remains above 5°C, is the longest in Poland and lasts more than 245 days in a year, which makes the local farming very productive.

There are more than 65 thousand farms registered in Lower Silesia. An average farm occupies approximately 10 ha (30% more than the national average). Arable land accounts for 58% of the Province's area. Close to 165 thousand people (15% of the total number of the working population of the region) work in agriculture and forestry.

Forests occupy close to 30% of the area of the Province. The prevailing part of the woodland are protected areas (in total, they comprise approx. 20% of the Province's area). The Lower Silesian forests enhance the tourist attractiveness and health resort aspects of the region. Special protection is provided for the woodland areas located in 2 national parks (Giant Mountains National Park and Table Mountains National Park, see figure below), 12 landscape parks and 14 protected landscape areas.

The Lower Silesian Agricultural and Foodstuffs Wholesale Market was established in Wrocław. It is one of the eight commodity exchanges of supra-regional importance, whose technical facilities make it possible to monitor the prices of foodstuffs and agricultural products quoted by other exchanges in Poland and abroad.

1. Bóbr River Valley Landscape Park
2. Rudawy Janowickie Mountains Landscape Park
3. "Chełmy" Landscape Park
4. Książ Castle Landscape Park
5. Sowie Mountains Landscape Park
6. Śnieżnik Massif Landscape Park
7. Mt. Ślęza Landscape Park
8. Bystrzyca River Valley Landscape Park
9. Jezierzyca River Valley Landscape Park
10. Barycz River Valley Landscape Park
11. Przemków Landscape Park
12. Wałbrzych Landscape Park
- I. Karkonosze National Park
- II. Stołowe Mountains National Park

### **Stara Kamienica**

Nemo land is situated in the municipality or gmina of Stara Kamienica. The name of Stara Kamienica can be translated as 'old house', the surrounding villages within the municipality have similar translations: Mała Kamienica means 'small house of stone', and Nova Kamienica means 'new house of stone'. The name of Stara Kamienica is a unique reference to the former settlement of Polish people, as it didn't change during the time of German occupation, whereas most Polish names of towns and cities changed during this period.

### **Agriculture in Stara Kamienica**

The agricultural sector in Stara Kamienica is small-scaled, but very diverse. Diverse in the sense that small patches of land are used for different kinds of crops and for different types of production, e.g. own production, feed production for the few animals on the farm, hay production for the neighbouring farms with horses or goats or production for a small self-created market. These are typical characteristics of the agricultural situation Poland finds itself: small-scaled and mostly self-sufficient. Much of the land in the municipality lies fallow and lost its value over time. Reforestation occurs at many pastures, and mostly, next to pioneering vegetation, birch trees can be found on these pastures.

During the field study several interviews took place, among which two were interviews with a fulltime and a part-time farmer. These interviews can be found in Appendix 2. The network of assisting institutions, to provide guidance and advice to the farmers, is present. Another interview during the field study was with an agricultural organisation in the town nearby, Jelenia Góra, of which the report can also be found in Appendix 2. Despite the presence of this organisation, plus other institutions in Jelenia Góra, the actual role of these agricultural organisations has yet to establish its full meaning. Farmers are aware of these institutions, but are hesitant of applying for help and advice, which is even acknowledged by the interviewed resource persons in Poland.



The following section will examine European law and legislation.

## **European law and legislation**

### **Introduction**

Since the 1st of May 2004, formerly Communist Poland became a Member of the European Union, following a 14-year period transition process.

The pre-accession strategy, which were to be adopted by the new Member States to prepare themselves for accession to the European Union, is defined in the so-called "Acquis Communautaire". This Acquis comprises a series of conditions and European legislation that the new Member States had to put in place before they joined the EU.

The Common Agricultural Policy was and still is one of the elements that were of major importance in the preparation for accession. The Integrated Administration and Control System (IACS) aimed to adequately manage the applications for agricultural subsidies for a series of crops and for livestock. The establishment of an operational IACS was an absolute prerequisite for accession to the EU.

The implementation of IACS in Poland was severely delayed. Consequences of this delay is that specific subsidy levels for farmers are not yet determined and will be determined only at the end of this year. This means that subsidy levels for Nemo could not be predicted, however, this section will deal with the programs on European level, which are a possibility for Nemo when applying for subsidies. Recommendations will also be given at which institution Nemo should ask assistance when applying for subsidies.

### **Policy of the EU on agriculture: CAP**

Agriculture and transportation are the only two sectors of the European Union (EU) where there is a common policy. Agricultural policy is proposed by a supranational authority—the European Commission, agreed to or amended by agricultural ministers of EU member nations, and reviewed by the European Parliament. Historically, the EU's Common Agricultural Policy (CAP) has played a very important role in connecting very diverse European countries and, thus, has helped strengthen national commitment to the EU.

Initiated in 1962, the CAP is a domestically oriented farm policy based on three major principles:

- a unified market in which there is a free flow of agricultural commodities within the EU;
  - product preference in the internal market over foreign imports through common customs tariffs;
- and
- financial solidarity through common financing of agricultural programs.

The primary objectives of CAP are to:

- increase agricultural productivity;
- ensure a fair standard of living for farmers;
- stabilize markets;
- guarantee regular food supplies; and
- ensure reasonable prices to consumers.

### **Policy instruments**

The CAP's main instruments include agricultural price supports, direct payments to farmers, supply controls, and border measures. Because of policy reforms in 2003 and 2004, farmers must more fully comply with environmental, animal welfare, food safety, and food quality regulations in order to receive direct payments (Franz Fischler Cabinet, 2003).

Major reform packages have significantly modified the CAP over the last decade. The first reform, adopted in 1992 and implemented in 1993 – 1994, began the process of shifting farm support from prices to direct payments. The 1992 reforms reduced support prices and created direct payments based on historical yields, and introduced new supply control measures. These reforms affected the grain, oilseed, protein crop (field peas and beans), tobacco, beef, and sheep meat markets.

The second reform, Agenda 2000, began implementation in 2000 in preparation for EU enlargement. Similar to the first CAP reform, Agenda 2000 used direct payments to compensate farmers for half of the loss from new support price cuts. Agenda 2000 reforms focused on the grain, oilseed, dairy, and beef markets.

The most recent reforms began as a midterm review of Agenda 2000 and resulted in a third major set of reforms in June 2003 and April 2004. The latest reforms represent a degree of re-nationalization of farm policy, as each member state will have discretion over the timing (from 2005 – 2007) and method of implementation. The 2003 reforms allow for decoupled payments—payments that do not affect production decisions—that vary by commodity. Called single farm payments (SFP), these decoupled payments will be based on 2000 – 2002 historical payments and replace the compensation payments begun by the 1992 reform. The SFP's are applicable for most of the Common Market Organisation (CMO) products.

When member states implement the reforms, compliance with EU regulations regarding environment, animal welfare, and food quality and safety will be required, in order to receive SFPs. Moreover, land not farmed must be maintained in good agricultural condition. Coupled payments, which can differ by commodity and require planting a crop, are allowed to continue to reinforce environmental and economic goals in marginal areas. Cuts in intervention prices were made for rice, butter, and skim milk powder, to begin in 2005. Intervention support for storage was limited for rice and butter and eliminated for rye in 2004. In addition, the CAP budget ceiling has been fixed from 2006 – 2013, and, if market support and direct payments combine to come within 300 million euros of the budget ceiling, SFPs will be reduced to stay within budget limits.

According to a 2003 report of Ecologic, Institute for International and European Environmental Legislation, the positive aspects of the SFP's, and the removal of the link between subsidies and products, are:

- Intensification, specialisation and concentration will be reduced;
- Due to provided income support, among others in Poland, capacity of farmers to undertake investment could lead to environmental benefits, e.g. better technology to apply fertiliser, better manure storage;
- Increase in private profitability could help to keep small farms in business and therefore maintain traditional landscape features;

The same report mentions the following negative aspects of SFP's:

- Intensive/high yield region, large farming systems are still favoured, extensive regions still disadvantaged, and marginalisation and abandonment of farm lands are a great risk with this policy;
- Market distortion between different kind of land uses will be maintained (CMO and non-CMO). Potatoes, vegetables, fruits and grassland not included in this scheme.

Poland is a large producer of the mentioned non-CMO products, e.g. fruits, potatoes and vegetables, and these products will not receive the SFP's. The EU is now considering the Common Market and discussing whether to change this policy, in order to provide more opportunities, mostly for the new Member State farmers.

## **Domestic price support**

Domestic price supports are the historical backbone of CAP farm support. Prices for major commodities such as grains, oilseeds, dairy products, beef and veal, and sugar depend on the EU price support system, although price support has become less important for maintaining grain and beef farmers' incomes under the CAP reforms.

The major method of maintaining domestic agricultural prices is through price intervention and high external tariffs.

Authorities buy surplus supplies of products when market prices threaten to fall below agreed minimum (intervention) prices.

The CAP applies tariffs at the borders of the EU so that imports of most price-supported commodities cannot be sold in the EU below the internal market price set by EU authorities.

Farmers are guaranteed intervention prices for unlimited quantities of eligible agricultural products. This means that EU authorities will purchase, at the intervention price, unlimited excess products meeting minimum quality requirements that cannot be sold on the market. The surplus commodities are then put into EU storage facilities or exported with subsidy. While less important from a budget perspective, exports of processed products that contain a portion of a CAP-supported commodity also receive an export subsidy, based on the proportion of the commodity in the product and the difference between the intervention price and the world price.

Other mechanisms, such as subsidies to assist with surplus storage and consumer subsidies paid to encourage domestic consumption of products like butter and skimmed milk powder, also support domestic prices. The 2003 reforms, however, cut storage subsidies by 50 percent. Some fruits and vegetables are withdrawn from the market in limited quantities by authorized producer organizations when market prices fall to specified levels. Reforms have lowered the cost of the CAP to consumers as intervention prices have been reduced. However, taxpayers now bear a larger share of the cost because more support is provided through direct payments.

## **Direct payments**

While price support remains a principal means of maintaining farm income, payments made directly to producers provide substantial income support. Compensation payments for price cuts generated by the 1992 reform began in 1994 and were increased for the price cuts of the Agenda 2000 reform. These compensation payments were established on a historical-yield basis for arable crops by farm, and farmers had to plant to receive the payment.

In contrast, the payments specified in the 2003 reform will be made to farmers based on the average level of payments made during 2000 – 2002 and no production is required. In the livestock sector, headage payments (payments per animal) will be made in the beef and sheep sectors based on 2000 – 2002 average payments with no production required. Other special payments are made, but they are relatively minor in value. Direct payments currently account for about 35 percent of EU producer receipts and for an even higher percent of net farmer income (once input costs are subtracted from receipts).

## **Additional aspects of 2003 reform**

In June 2003, the EU agreed on some important reforms to the CAP:

- Direct payments will be consolidated into a single farm payment (SFP), based on the producer's historical payments. These will be close to fully decoupled, although member countries will have the option to retain partial coupling of some payments.
- The intervention system for rye is eliminated.
- The intervention price for rice is cut by 50 percent, and intervention purchases are capped at 75,000 metric tons for the entire EU.
- Cuts in intervention prices for butter (25 percent) and skim milk powder (15 percent)—with partially decoupled compensation payments to farmers—will be phased in over 2004-07. Dairy compensation payments will be converted to the single farm payment by 2008. Intervention purchases of butter are capped and phased in over 2004-08, remaining at 30,000 metric tons from 2008 on.
- Farmers will be required to comply with the full range of EU environmental, food safety, and animal welfare requirements in order to receive direct payments (this provision is known as cross compliance). Farmers will be required to keep their land in “good agricultural and environmental condition.” Failure to comply will result in a reduction of payments. Many CEE producers do not currently meet all these requirements.
- There is to be a gradual reduction in direct payments (referred to as modulation) beginning in 2005.

Important components of the 2003 reform reflect a philosophical change in the approach to EU agricultural policy. For the first time, much of the pressure to reform the CAP came from environmentalists and consumers. The requirement to comply with environmental and animal welfare standards to qualify for the SFP reflects these pressures. Moreover, farmers must meet food quality and food safety regulations for payments to continue.

Another important feature of the 2003 reforms is the move from a price support policy to an income support policy through decoupled payments. EU farmers will have more choices in their planting decisions because of decoupled payments. Commodity support prices continue to exist but at lower levels, while direct payments to farmers without requirements to plant a crop are more widespread.

There is also a marked shift in the way rural development is treated. The 2003 CAP reforms established two pillars in the budget: Pillar I for market and price support policies and Pillar II for rural development policies. In the reforms, a ceiling was imposed on Pillar I spending, while Pillar II spending seems open-ended. The intended budget for rural development will more than double over the next 10 years, while the CAP budget for Pillar I may only increase by 1 percent per year in nominal terms from 2006 – 2013. This will result in all amounts of direct payments exceeding EUR 5 000 a year being reduced - by 3 % in 2005, 4 % in 2006 and 5 % from 2007 onwards.

Moreover, in a concept called modulation, SFP payments greater than 5,000 euros are reduced by 5 percent, while farmers whose SFP is less than 5,000 euros are not penalized. The budget funds saved through modulation are transferred to the Pillar II rural development fund. At least 80 percent of the funds from the penalties will remain in the country where the SFPs were reduced and are to be used for rural development purposes.

Analysis of the impacts of the latest reforms is difficult because of all the options available to member states. They can choose any year from 2005-2007 to implement the reforms and they can choose varying methods of payment and degree of decoupling within agreed limits. The SFP can be made on a regional per hectare historical base or on a per farm basis. These implementation decisions could have a significant influence on farmers' planting decisions.

## **CAP in Poland: Impacts**

It is too early to forecast the implications of CAP reform for Poland. It is likely that the commodity impacts will be minimal. With the elimination of intervention in rye markets, Polish rye output will likely decline. But it is not clear what Polish producers will do with the land that would be planted to rye under the current CAP. Since cross-compliance provisions will require that producers keep the land in good agricultural condition, producers may want to keep the land under cultivation. Some of them might plant more barley. On the other hand, Polish farmers can convert the land to pasture and still receive the payments, which is most probably the decision of the smallest farmers in Poland.

The impact of the proposed cuts in dairy support has yet to be determined. The dairy quota that Poland agreed to at the Copenhagen Summit, December 2002 is less than current fluid milk output. Poland's milk output will be severely constrained, so much so that the proposed cuts in support prices for butter and skim milk powder may not constitute any further constraint.

The cross-compliance provisions could hurt Polish producers. Many Polish producers do not currently meet all the EU requirements. Upgrading their farms will require large investments, and smaller farmers do not have the necessary capital.

On the other hand, modulation and financial discipline provisions will not be enforced in the new member states until their payments reach 100 percent of the level in the former EU-15, so the reductions will not take effect until 2010 or 2013. Also, farms with an income under 5,000 euros will be exempt from payment reductions. This provision will benefit Poland, where most farms remain under that ceiling.

## **Direct payments in Poland**

The most difficult agricultural issue in the negotiations for EU accession was whether or not Central and East European (CEE) producers would be immediately eligible for the full range of direct payments that EU producers receive. These payments include "compensation payments" intended to compensate EU grain and oilseed producers for the cuts in support prices that came with the 1992 reform of the Common Agricultural Policy.

They are now more commonly called "direct payments" and are paid on a per hectare basis, calculated from per ton amounts tied to regional historical average area and yields, so that they do not influence current production decisions.

EU cattle and sheep breeders also receive direct, per hectare payments tied to historical herd levels and regional stocking densities (animals per hectare).

The original EU position statement, issued on January 30, 2002, supported a 10-year transition period before CEE producers would be eligible for the full range of direct payments enjoyed by current EU producers. CEE producers were to receive only 25 percent of the payments for eligible commodities in the first year following accession, gradually increasing to 100 percent during the 10th year.

Poland and other CEE candidates strongly resisted such a transition period, and the final agreement reached at the 2002 Copenhagen Summit—where negotiations for accession were completed—resulted in a significant compromise. The 10-year phase-in remains, and the EU will still provide only 25 percent of the payments during the first year. However, national governments are allowed to top off these payments each year by a maximum of 30 percent, so that payments during the first year of accession could be as much as 55 percent of what current EU farmers receive. CEE governments are allowed to use part of the rural development funds that the EU will provide after accession to finance the higher direct payments.

## Prices in Poland

The Polish government's Agency for Agricultural Markets (AMA) was established in 1990, and until the eve of European Union (EU) accession was responsible for setting minimum prices for wheat, rye, and dairy products. AMA also supported prices of pork and sugar through intervention purchasing and, occasionally, subsidized exports.

The original objective of the AMA was to stabilize commodity markets through intervention purchasing—buying up stocks when prices were falling and releasing them back onto the market when supplies were tight. The role of the AMA expanded in 1992 when it was given authority to set guaranteed minimum prices for wheat, rye, and dairy products, which it supports through intervention purchasing. Later in the 1990s its role expanded further, and it took on responsibility for managing the strategic reserve and providing preferential credit to grain producers and warehouses.

Before Poland's accession to the EU, the AMA intervened in grain markets in the following ways:

- Direct intervention purchasing.
- Procurement through a network of authorized warehouses. A warehouse agreed to purchase wheat and rye at the intervention price and AMA provided guarantees for preferential credit to the warehouse. After 3 months, the AMA purchased the grain at the intervention price plus storage, interest, and handling.
- Advance payment to selected producers. Wheat producers willing to store at least 100 kilograms of wheat received an advance payment of 45 percent of the intervention price. The producer was obliged to leave his grain in storage for 3 months. At the end of that period, the producer would either repay the advance plus interest in cash or forfeit 45 percent of the grain to the agency and take back the remaining 55 percent.

In 1999, the AMA changed its system of direct intervention purchasing in an effort to reduce market distortions and to align its procedures with those of the EU intervention agencies. Previously, AMA established two sets of prices—a minimum price and an intervention price. The minimum price was regarded as "indicative" while the actual intervention price was negotiated with producer groups and frequently ended up above the world level. After 1999, the AMA set only a minimum price and paid producers the minimum price plus a per-ton supplement. The supplement rose throughout the marketing year in order to encourage producers to store their wheat for a few months rather than sell immediately after harvest. In another change, the AMA began its intervention in November (as it does in the EU). Previously, the AMA began intervention purchasing immediately after the harvest, which tended to distort the natural seasonal pattern of commodity prices.

The AMA also set and administered minimum prices for dairy products and carried out intervention purchasing of pork and sugar. At times, the AMA imported or exported these commodities, subsidizing some of the exports. It did not directly engage in trade, but contracted with commercial companies to carry out transactions on its behalf. The AMA role in foreign trade varied considerably from year to year depending on the domestic market situation.

Now that Poland has joined the EU, the AMA is Poland's official "paying agency" and administers all EU intervention programs in Poland. It is responsible for intervention purchasing of all commodities eligible for intervention under the EU's Common Agricultural Policy.

## Credit in Poland

Until EU accession, the mission of the Agency for Restructuring and Modernizing Agriculture (ARMA) was to reduce input costs for farmers by granting credit at preferential interest rates. ARMA offered the following programs:

- Credit for construction of new buildings, food processing plants, etc. Loans were offered at half the commercial rate (the commercial rate was about 35 percent);

- Five-percent loans for new farmers under 40 years of age;
- Five-percent loans for the purchase of additional farm land; and
- Loans for the creation of new farms as approved by the Ministry of Agriculture. Interest rates for these loans were between 5 and 13 percent.

In 2002, ARMA became the “paying agency” for the EU SAPARD (Special Accession Program for Agriculture and Rural Development) Program. This program was created to support sustainable agricultural and rural development during the pre-accession period through improvements in conversion structures, marketing channels, and food quality control. The total EU allocation to Poland through 2006 under SAPARD is 1.2 billion euro.

The fund carries a 50 percent co-financing requirement, and in order to receive the funds, Central and East European (CEE) governments were required to demonstrate they had established government structures capable of administering the funds.

The SAPARD Program began in 2000, but Poland did not begin disbursing funds under the program until 2002. Initial delays were caused by difficulties in setting up the appropriate government agencies, called "paying agencies", to administer the funds. Farmers also had trouble accessing funds due to complicated forms; the requirement that they provide up-front cash to be reimbursed later; and strict age, education, and farm ownership criteria. But in 2003, Poland had obligated nearly the full amount allocated under the program. The main beneficiaries were processing firms, but a number of larger farmers also took advantage of the program. Beneficiaries have until the end of 2006 to complete their projects.

## **Sustainable rural development in Poland**

### **Introduction**

Sustainable rural development is the way in which Nemo tries to preserve and conserve the typical characteristics of Nemo land and its surroundings. This section will show what sustainable rural development is all about.

Researching sustainable development, the following definition from the UN Food and Agricultural Organisation in Rome is used:

"Sustainable development is the management and conservation of the natural resources base, and the orientation of technological and institutional change in such a manner as to ensure the attainment and continued satisfaction of human needs for present and future generations. Such sustainable development in the agriculture, forestry and fisheries sectors conserves land, water, plant and animal genetic resources, is environmentally non-degrading, technically appropriate, economically viable and socially acceptable." (FAO, 1988)

The European Environment Agency uses the following definition for rural development:

“Rural development is closely linked to the common agricultural policy and measures to support employment. Rural development has become the second pillar of the agricultural policy.

With its links to agricultural activities and conversion, it is concerned in particular with: a) modernisation of farms,

b) safety and quality of food products,

c) fair and stable incomes for farmers,

d) environmental challenges,

e) supplementary or alternative job-creating activities, in a bid to halt the drift from the country and to strengthen the economic and social fabric of rural areas, and

f) improvement of living and working conditions, and promotion of equal opportunities.”

## Rural development in a model

The definitions mentioned above reflect exactly the goals and thoughts of Nemo and their efforts in Poland. As rural and sustainable development take an important position within the organisation, a model has been used to define the rural development of Stara Kamienica.

Professor in rural sociology at the Wageningen University, Jan Douwe van der Ploeg, designed a model for rural development in 2002, which was applied during the field study in Poland, see figure.

This model does not encourage to totally end the conventional farming systems and abandon the primary food production, but encourages to develop and expand the activities besides food production.

The inner core of the triangle represents the traditional and conventional farm holding, which relies and is based on certain resources.

Next to this, these resources are transformed into meat, milk, potatoes and tomatoes, which again are basic materials for the feeding and processing industry.

Finally, the farm holding has a place in its surrounding landscape, in the neighbouring local community and in the regional economy. Relations can be positive, but can also be negative.

Rural development can be displayed as a continuous expansion of this triangle. Through widening, expanding and re-foundation, the outer triangle is created. This expansion, called rural development, satisfies the increasing demand of the consumer, new trends within the market are answered and income of the rural community increases.

Widening and expanding are the two essential elements of rural development. Re-foundation regards another process. The combination of the two essential elements of rural development is most common and forms the base of a new, solidified agricultural sector.

Widening is an extension of the conventional production on the farm holding. With widening it is tried to earn more per unit of a certain product, by offering products and services and by this, satisfy the increasing demands from the society.

Widening includes the following activities:

- Organic production;
- Processing of products into quality – and/or regional products; and
- Creation of an own market via short supply chains.

Expanding can be described as the extension of a common agricultural farm holding into a new, non-agricultural direction. Next to the common use of the resources of the farm holding (water, land, crops, labour, buildings, knowledge and expertise), these resources are also used, besides the conventional production, for the development of new activities such as:

- Nature and landscape management;
- Agro-tourism;
- Energy production;
- The development of new economic carriers ;
- Water management; and
- Diversification (forestry and cultivation of non-food crops).

When applying this model during the field study in Poland, it became clear that Poland is following the Netherlands, in a sense that the agriculture tries to survive.

Farmers as well as Polish institutions promote both strategies, widening and expanding: organic agriculture, production of regional products (e.g. DIR) and agro-tourism. The implementation of these strategies do not go as far as for example in the Netherlands, but show a definite tendency in agricultural and rural development.



## **Structural Funds in Poland**

Funds like SAPARD are now being replaced by the EU Structural and Cohesion Funds, which are available to all regions of the EU whose per capita income is less than 75 percent of the EU average (less favoured areas).

Poland will be by far the largest recipient of Structural Funds and of the Cohesion Fund amongst the new Member States. The Copenhagen European Council of December 2002 committed to Poland for the period 2004-2006 almost 8.3 billion euro under the EU Structural Funds and 4.2 billion euro under the Cohesion Fund. This represents approximately 1.8 per cent of Polish GDP for that period. Poland has 16 regions, all of which are eligible for Objective 1 assistance (Development of the least favoured areas).

Since 1 January 1999 a three-tier self-governing administrative system has been functioning in Poland, with independent, elected legislative and executive authorities at each level (local, poviats and regional). The new territorial organisation of the state which has been introduced combines unitary state features with a decentralised system of government. This new organisation is composed of:

1. 16 large voivodships (provinces) (NUTS II regions) with Voivodes as representatives of national government, and regional authorities (Marshals and Regional Assemblies);
2. 315 (as of 19 April 2002) poviats (districts), and 65 cities with poviat status (units corresponding to NUTS IV); and
3. 2,489 gminas (basic territorial government units corresponding to NUTS V).

The gminas (municipalities) are expected to be main beneficiaries of Structural Funds and Cohesion Fund (environmental part), as they enjoy a wide range of competences backed with appropriate financial potential.

On July 8, 2004, the EU Commission approved a 1.192 billion euro rural development program for Poland for 2004 – 2006. These funds include 839 million euro for support of Poland's agriculture and food industries, 335 million for support to rural areas (mainly infrastructure development), and 18 million for technical assistance.

## **European Union Regional Policy**

The European Union's regional policy is based on financial solidarity inasmuch as part of Member States' – contributions – to the Community budget goes to the less prosperous regions and social groups. For the 2000-2006 period, these transfers will account for one third of the Community budget, or €213 billion:

- €195 billion will be spent by the four Structural Funds (the European Regional Development Fund, the European Social Fund, the Financial Instrument for Fisheries Guidance and the Guidance Section of the European Agricultural Guidance and Guarantee Fund);
- €18 billion will be spent by the Cohesion Fund.

The Structural Funds concentrate on clearly defined priorities:

- 70% of the funding goes to regions whose development is lagging behind. They are home to 22% of the population of the Union (Objective 1);
- 11.5% of the funding assists economic and social conversion in areas experiencing structural difficulties. 18% of the population of the Union lives in such areas (Objective 2);

- 12.3% of the funding promotes the modernisation of training systems and the creation of employment (Objective 3) outside the Objective 1 regions where such measures form part of the strategies for catching up.

There are also four Community Initiatives seeking common solutions to specific problems. They spend 5.35% of the funding for the Structural Funds on:

- cross-border, transnational and interregional cooperation (Interreg III);
- sustainable development of cities and declining urban areas (Urban II);
- rural development through local initiatives (Leader +);
- combating inequalities and discrimination in access to the labour market (Equal).

Europe's regional policy is a shared policy based on financial solidarity. It permits the transfer of over 35% of the Union's budget, which comes mainly from the richest Member States, to the least favoured regions. This approach not only helps the beneficiary countries but also those which are net contributors to the Community budget, as their enterprises profit in return from major investment opportunities and of economic and technological know-how transfers, particularly in regions where various types of economic activity have not yet really taken off. Regional policy enables all regions to help make the Union more competitive.

In all, 213 billion will be available from 2000 to 2006 to improve the economic situation of the least favoured regions, areas with specific handicaps and at-risk groups in society. In addition, many specific projects will acquire a European dimension thanks to the Commission's guidelines and exchanges of know-how among the various regions.

### **Funding the Second Pillar: Rural Development**

The increasingly important rural development measures aim at encouraging environmental services, providing assistance to difficult farming areas and promoting food quality, higher standards and animal welfare. These measures are jointly funded (co-financed) by the EU and by Member States. The new system of compulsory modulation (i.e. switching of funds from production to rural development) will be used to finance the introduction of the new rural development measures agreed in the June 2003 CAP reform, or to reinforce existing measures. The 2003 reform will lead to additional rural development funds of EUR 1 200 million per year.

The majority of expenditure for rural development measures is funded by the EAGGF Guarantee section, though a significant part comes from the Guidance section. The Guidance section is one of four European Structural Funds that aim to assist regions that lag behind in their development, including rural areas. The other structural funds are the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Financial Instrument for Fisheries Guidance (FIFG).

The "Guidance" Section of the European Agricultural Guidance and Guarantee Fund (EAGGF - Guidance) finances rural development measures and aid for farmers, mainly in regions lagging in development. The "Guarantee" Section of this Fund also supports rural development under the Common Agricultural Policy in all other areas of the Union.

The European Regional Development Fund (ERDF) finances infrastructure, job-creating investments, local development projects and aid for small firms.

The European Social Fund (ESF) promotes the return of the unemployed and disadvantaged groups to the work force, mainly by financing training measures and systems of recruitment aid.

The Financial Instrument for Fisheries Guidance (FIFG) helps adapt and modernise the fishing industry.

The Structural Funds do not finance separate individual projects but multi – annual regional development programmes drawn up together by the regions, the Member States and the Commission.

## Supportive opportunities for Nemo

### Introduction

There are two options for Nemo when applying for financial support; they can choose between an European program or a national Polish program. This section will show the several options Nemo can decide to pursue.

When analysing the possibilities, among the European programs, to apply for a grant from the European Union, Nemo should be focussing on the Community Initiative INTERREG III. INTERREG III can offer multiple opportunities for Nemo;

- Exchanging ideas and knowledge from cross-border regions;
- Attracting interested persons to exploit the ideas of Nemo; and
- Create a network of partners in the process of rural development.

For example, if Nemo wants a farmer to create a true farm holding at Nemo land, it might attract organic farmers from southern Germany, which has a great amount of knowledge on organic farming. This can be moulded into a project proposal, where Nemo tries to find candidates and expertise on organic farming.

Another option for Nemo would be to apply for a national program. The most convenient option would be the Sectoral Operating Program “The Restructuring and Modernisation of the food sector and rural development”. This program is similar to SAPARD, a pre-accession program designed for the agricultural sector.

Since July this year (2004), there is a possibility to apply for financial aid through the ARMA and it is expected that this SOP will be launched at the end of August, beginning of September.

### INTERREG III

Interreg III is a Community initiative which aims to stimulate interregional cooperation in the EU between 2000-06. It is financed under the European Regional Development Fund (ERDF) and designed to strengthen economic and social cohesion throughout the EU, by fostering the balanced development of the continent through cross-border, transnational and interregional cooperation. Special emphasis has been placed on integrating remote regions and those which share external borders with the candidate countries.

Interreg III holds the biggest budget within the Community Initiatives:

- |    |          |                       |
|----|----------|-----------------------|
| a) | Interreg | 4,9 billion euro;     |
| b) | Leader   | 2,0 billion euro;     |
| c) | Equal    | 2,8 billion euro; and |
| d) | Urban    | 0,7 billion euro.     |

Interreg III is made up of 3 strands and has a total budget of 4,875 billion euro (1999 prices):

- Strand A : cross-border cooperation

Cross-border cooperation between adjacent regions aims to develop cross-border social and economic centres through common development strategies. Strand A holds 67% of the total Interreg III program.

- Strand B : transnational cooperation

Transnational cooperation involving national, regional and local authorities aims to promote better integration within the Union through the formation of large groups of European regions. Strand B holds 27% of the total Interreg III program.

- Strand C : interregional cooperation

Interregional cooperation aims to improve the effectiveness of regional development policies and instruments through large-scale information exchange and sharing of experience (networks). Strand C holds 6% of the total Interreg III program.

**The programs of importance for Nemo are the following:**

Interreg III A – Phare CBC Saxony (D) – Lower Silesia (Pl)

Interreg III B – CADSES

Interreg III and Nemo

Projects which could be submitted by Nemo must comply with the general Interreg III objectives and with the specific priorities and measures established for each programme. They must be of cross-border, transnational or interregional nature and should demonstrate the value added provided by the Community funding.

Each programme will define the arrangements and mechanisms for launching calls for proposals and for the joint selection of the projects. The Monitoring Committee will establish the criteria to be used in the selection of projects.

When each individual programme has been approved, the Monitoring Committee will establish the procedures, modalities and deadlines for project submission and selection. For each project, the amount of co-financing and the grant conditions should be set. This is valid for both Strands A and B.

Each project will in principle have a lead applicant (or partner) who will submit the project, in the name of the partnership. Each lead partner should be responsible for project execution.

It is advisable for Nemo to follow this Lead Partner strategy, or the 'LP' approach.

When the "lead partner approach" is applied, the Lead Partner (entity) is usually the body which is "legally" responsible (liable) for the entire implementation of the project, including for the other partners located in other Member States. It will receive all ERDF funding and will then pay it to other partners.

It will be responsible for paying any claim made against the project and their project partners. It will pass the necessary contracts with other partners specifying the partnership terms and conditions. It may require bank guaranties from other eligible partners. The lead partner must always be located in the EU, at least as regards transfers of ERDF funding.

The Lead Partner will also ensure the coordination and day-to-day management of the project, acting as the permanent contact point for the Programme Secretariat.

This might create some problems for Nemo, as the Dutch co-partner of NGO Nemo is only present in Poland a few months a year. However, constructions can be designed to appoint a person during the period when the Dutch partner is absent.

For some programmes, managing authorities may require that the Lead Partner of a project should always be a public body or similar.

It is in principle financially responsible, unless otherwise established in the framework of each programme. The LP is responsible towards the Managing authority for ensuring that the project partners fulfil their financial and other obligations as set out in the project application and in the "grant offer letter". The LP, therefore, will be made accountable for the use of EU funds on behalf of all project partners.

On behalf of all project partners, the LP will be responsible for submitting proper and timely progress reports to the Joint Secretariat. The accounting systems should provide detailed and complete summaries of all transactions. All transactions must have supporting documents.

Only partners from within each programme area will be considered eligible for funding. They must, in any case, fulfil the selection criteria and follow the procedures established by the managing authorities.

For each partner belonging to an objective 1 area the maximum grant rate is 75% of the eligible costs. This goes for Lower Silesia, which belongs to an Objective 1 region, see the figure on page 26.

Nemo has to decide in its project proposal, whether it wants to establish a 'cross-border' project or a 'transnational' project. The difference between these two are:

- a) A "cross-border" project will include in principle partners in both sides of the border or, otherwise, will be required to demonstrate the interest and impact for the overall cross-border region.
- b) A project will usually be of "transnational" nature if the three following conditions are met:
  - It involves at least two co-operating partners (from two different States);
  - It has an overall impact on the cooperation area;
  - It is not limited to "cross border" co-operation, i.e. it could not have been carried out in the framework of strand A.

### **Small Project Funding of Interreg III A**

In the framework Interreg III A, "Small project fund" (free state Saxonia - Woiwodschaft Niederschlesien), interested agencies responsible for the execution of small projects can request for a subsidy or grant and receive a subsidy at height from maximally 15,000 EUR.

Subsidy or grants can be obtained through the "Small Project Fund" with a cross-border character. Co-operation and communication between the citizens of the border regions, associations and authorities should strengthen the following:

- Economic development and enterprise co-operation;
- Environment;
- Rural and urban development (in particular regional planning and – development);
- Education; and
- Cultural and social aspects.

Requests for subsidies can come from associations, municipalities, districts and churches, educational facilities, initiatives of individuals and other bodies of the public right. Only projects of such applicants are allowed, which are not aligned to realization of profits.

The project has to lie within the area of Interreg III A, which is true in this case (see the figure on page 33).

Allowances may be granted only for such projects, which have not begun yet. The small project requests are submitted to transnational steering committees in the area of the four Saxonian Euroregions for confirmation.

## **Criteria of the applicant projects**

Contents of promotional small projects of transnational co-operation, which are of importance to NGO Nemo, can be:

- The organization and execution of seminars, conferences, information meetings, presentations and competitions;
- The production and/or recess of common regional and local concepts.

The execution period of the projects are not to exceed one year.

## **Financial aspects**

Allowances are granted as project promotion in form of a portion financing and in the exceptional case in the context of a fixed amount financing with a rule promotion ratio of 70 per cent of the expenditures. If a project in special kind causes transnational effects, can amount to the subsidy up to 90 per cent of the expenditures.

The maximum limit of the subsidy for a small project amounts to 15,000 EUR.

Project requests for small projects can be submitted constantly with Small Project Co-ordinators at the offices of the four Saxonian Euroregions. For the qualification and examination of a small project the carrier should approximately calculate four months time. The small project may begin only after this period with confirmation by the locally responsible steering committee and grant by the responsible district administration.

Accordingly a sufficient course must be taken into account, so that the project request must be delivered at the latest to the deadline, which lies at least four months before the start of the project. The documents are to be submitted in digital form and in printed out version with original signature of the applicant.

## **Process of applying a project request**

### a) Preparation of the project request

Project requests for small projects can be submitted constantly with Small Project co-ordinator at the offices of the four Saxonian euro regions. The Small Project Co-ordinator manufactures the contact to the responsible specialized place, which is responsible for the technical examination of the project request. On Saxonian side the district administrations Chemnitz and Dresden act as specialized places for the small project funds and provide technical statements for available project requests. After internal tuning with the specialized place the Small Project Co-ordinator gives concrete suggestions and references to the applicant concerning the criteria for choice and is helpful in the qualification of the project request.

On the basis of the references the applicant specifies his documents, if necessary.

### b) Examination and decision

The conclusive project documents are finally conveyed by the Small Project Co-ordinator to the regionally responsible specialized place and examined there technically. After positive technical examination the project request is submitted to the members spatially responsible steering committees for Interreg specific evaluation. Steering committee consists of representatives of different mechanisms and organizations of the respective Euroregion and decides finally on the financial promotion of the project from means Interreg III A - to small project funds. For this the committee meets usually to five times annually.

### c) Grant and realization

According to the decision of the steering committee, which meets in the spatially responsible Saxonian euro region, the responsible person in the district administration Chemnitz and/or Dresden provides the formal answer to the project request and informs thereby the agency responsible for the project. After receipt of the allowance, the agency responsible for the project can begin with the realization of its small project. The grant authority is likewise responsible for the completion of the disbursements as well as the statement on the use examination.

When NGO Nemo has formulated a project proposal, it can send its request to the following address:

Kommunalgemeinschaft Euroregion Neisse e.V.  
Rathenaustraße 18a  
D - 02763 Zittau

Another helpful address would be the contact person for Small Project Funding for the area in which NGO Nemo finds itself in:

Frau Martina Wagner  
Telefon: +49 (0)3583 - 575 011  
Telefax: +49 (0)3583 - 512 517  
e-mail: wagner@euroregion-neisse.de

The formats, needed when applying for the regular Interreg III program as well as the Small Project Fund, can be found in Annex.

Why the Small Project Fund of Interreg III A?

The Small Project Fund projects the ideology of NGO Nemo, namely, sharing experience, expertise and ideas across the borders. Interreg III A embraces culture, history and sustainable development, all of which are common thoughts of the NGO.

NGO Nemo tries to find a 'success formula' which can, perhaps in the near future, be copied in other CEE countries, in order to create an (extra) source of income to local communities and preserve the rural environment. The Small Project Fund reflects these ideas and has, therefore, been selected in this report, as a Funding Program to realise its goals.

### **Sectoral Operating Program**

If it is decided to choose a national program, instead of an European Program, Nemo should focus on the SOP "The Restructuring and Modernisation of the food sector and rural development". This SOP is a Polish national program, which includes the Single Farm Payments, SFP's. The institution which handles the SOP and the application for financial aids, is the ARMA office.

There are seven (7) measures in the SOP and there are four (4) of them which might be of interest to Nemo. These are the following:

- Investments in farm holdings;
- Setting up young farmers;
- Diversification of agricultural activities and activities close to agriculture; and
- Development and improvement of the infrastructure related to agriculture.

However, mostly this requires a legal entity or the 'beneficiaries' which have a agricultural holding or pay agricultural tax. This beneficiary is not present at the moment, but Nemo is planning to attract a farmer, be it Dutch or Polish, to cultivate the pastures of Nemo land and thus, legally able to apply for financial aid.

As of the 18th of October 2004, the Minister of Agriculture presented the SFP's, which amount up to PLN 210.53 per hectare. However, as this information is very recent, specified information could not be found during the writing of this thesis.

If Nemo wants to pursue the SFP's, it should keep close contact with institutions like the DIR, as they are the link between the national and regional government and the farmer.

In Appendix, a description can be found about the four (4) measures of the Polish SOP.

#### Assistance and Guidance

When Nemo decides to apply for any kind of subsidies or to enter a program of the EU, there are several possibilities of institutions to ask for help. These are the following:

- a) The Euroregion, Jelenia Gora, Poland
- b) Interreg III A agency in Germany
- c) Dolnoslaska Izba Rolnicza (DIR), Jelenia Gora, Poland
- d) ARMA

Nemo already has several contacts with the Euroregion, however, only regarding cultural projects. If Nemo decides to apply for a Interreg III program, it can obtain more information and assistance at the Euroregion.

There is a close link between the institutions mentioned above, as they are closely linked to each other through programs, which are organised together, for example student exchange programs and projects concerning organic farming at DIR and the Euroregion.

The Euroregion would be a good starting point, as they hold knowledge about all the institutions related to agriculture and structural funding by the EU.

Also INTERREG III is a very familiar program within the Euroregion in Jelenia Gora.

The DIR is an excellent place to apply for specific subsidies, e.g. the SFP's and special subsidies like bird protection through delayed mowing activities. They offer personal guidance and even courses for farmers, when converting to organic farming. They are recommended because they are geographically an easy information point for Nemo, as they are situated in Jelenia Gora, which is nearby Nemo land.

Interreg III A and b have their own agencies and the addresses of these institutions will be mentioned in the Appendix. Of course when having questions and when submitting the project proposal, Nemo has to turn to these institutions themselves.

ARMA would be an excellent information point to gain information about the financial aid, which is available for the region Lower Silesia.

Another possibility of obtaining more information about subsidies and related items, agrotourism and new regional products, can be found at the Polagra Farm, International Agricultural Trade Fair, which is held every year in Poznan.

Fairs like these will offer the opportunity for Nemo to consult other farmers, producers of regional products and receive information about the subsidy applications.



## **Case Study : Interreg III A in Practice**

To give a concrete example of the possibilities for NGO Nemo to make use of the subsidy programs, like INTERREG III, this section will provide a practical example of how to implement a subsidy program.

### **Case “Izery Original” Sheep Cheese - Introduction**

NGO Nemo is active in the south western part of the Republic of Poland, where its goals are to develop the rural community through sustainable tourism and the promotion of ecological / sustainable agriculture. One aim of reaching these goals will be through the production of regional products, which have a labour-intensive character and high quality. Poland is already well known by its ‘health products and spa’s’ but now NGO Nemo wants to introduce a new product, which will economically contribute to the living standards of the neighbouring local community.

Sheep cheese has been chosen in this case, as NGO Nemo is exploring the possibilities of sheep cattle at the Nemo estate, in combination with the desired realisation of regional products at the Nemo estate.

Cheese has been made for thousands of years from sheep's milk. Some well-known cheeses made from ewes' milk are: Roquefort, Pecorino Romano, Feta (genuine Greek, Bulgarian, etc.), and Ricotta (industry now makes it from cows' milk in the USA). Due to the composition of sheep's milk, it takes very little milk compared to other species to make one pound of cheese. In the beginning of a lactation yields can average 5 lbs milk/ 1 lb of cheese--at the end of a lactation it can then be around 2 lbs milk/ 1 lb of cheese (1,000 lbs. = 454 kg.).

### **Sheep Cheese Production**

Equipment needed are, among other things, a filter (to filter the milk), a cheese-cloth or gauze (to drain the water from the cheese), a strainer and weights to press the cheese into its shape, several barrels in which the milk can be processed and, last but not least, the rennet. When the cheese is produced it should be kept in a room for a period of time, with a temperature around 10 degrees Celsius.

Cheese is made by coagulating milk to give curds which are then separated from the liquid, whey, after which they can be processed and matured to produce a wide variety of cheeses. Milk is coagulated by the addition of rennet. The active ingredient of rennet is the enzyme, chymosin (also known as rennin). The usual source of rennet is the stomach of slaughtered newly-born calves.

Vegetarian cheeses are manufactured using rennet from either fungal or bacterial sources. Vegetarian cheeses are made with rennets of non-animal origin. In the past, fig leaves, melon, wild thistle and safflower have all supplied plant rennets for cheese making. However, most widely available vegetarian cheeses are made using rennet produced by fermentation of the fungus *Mucor miehei*. Vegetarian cheese may also be made using a rennet from the bacteria *Bacillus subtilis* or *Bacillus prodigiosum*.

Advances in genetic engineering processes means they may now also be made using chymosin produced by genetically altered micro-organisms.

The exact processes in the making of cheese varies between different varieties. However, all cheeses are made by essentially the same method. Initially, the milk is usually pasteurised by heating at 72°C for 15 seconds to destroy potentially harmful bacteria. The milk is then cooled to around 30°C and a starter culture of lactic acid bacteria is added to help souring. These convert lactose into lactic acid and help in the coagulation process. In addition, they also have a beneficial effect on the eventual quality, taste and consistency of the cheese. Some cheeses are coagulated entirely by lactic acid bacteria and are known as lactic-curd or acid-curd cheeses.

However, some cheeses sold as lactic-curd cheese may have had rennet added.

The next stage is the addition of rennet, containing the enzyme chymosin. Rennet is usually sourced from the abomasum (fourth stomach) of newly-born calves. Here, chymosin aids the digestion and absorption of milk. Adult cows do not have this enzyme. Chymosin is extracted by washing and drying the stomach lining, which is then cut into small pieces and macerated in a solution of boric acid or brine at 30°C for 4-5 days. Pepsin may sometimes be used instead of chymosin. This is usually derived from the abomasum of grown calves or heifers, or less commonly pigs. Pepsin may be mixed with calf rennin. Rennet coagulates the milk, separating it into curds and whey. This is called curdling.

Chymosin breaks down the milk protein casein to paracasein which combines with calcium to form calcium paracaseinate, which separates out. Milk fat and some water also becomes incorporated into this mass, forming curds. The remaining liquid is the whey. The strength of different rennets can vary, though usual strength varies between 1:10,000 and 1:15,000 i.e. one part rennin can coagulate 10-15,000 parts milk.

Other substances may also be added during the cheese making process. Calcium chloride is added to improve the curdling process, and potassium nitrate is added to inhibit contaminating bacteria. Dyes (e.g. annatto, beta-carotene), *Penicillium roquefortii* mould spores to promote blue veining, or propionic acid bacteria to encourage hole formation may be added.

Following curdling, the curds are cut and drained. The size of the cut and the methods used vary for different cheese varieties. For soft cheeses, the curds are sparingly cut and allowed to drain naturally. For hard cheeses, the curds are heated and more whey is drained off. The curds are then cut into small pieces, placed in vats and pressed.

After pressing, the curds may be treated in a number of ways. They may be moulded into different shapes, soaked in a saltwater solution, be sprayed with mould forming spores or bacteria, washed in alcohol, or covered in herbs.

The final stage is ripening, or maturation. This can vary in length from 4 weeks to 2-3 years, depending on the type of cheese. During ripening flavours develop, the cheese becomes firmer and drier, and special characteristics such as holes, blue veining and crust formation occurs.

## Partners

When considering potential partners of NGO Nemo, the following partner offers several advantages:

- Ecological Organisation, chairman Jazcek Jacubiec;

This organisation is already active in ecological agriculture in Poland and has the knowledge about European legislation, as the chairman works at the Euroregion office in Jelenia Gora. One of its plans is to establish an ecological education centre near Jelenia Gora and already owns a number of hectares for ecological agricultural purposes.

- Jozef Zaprucki, neighbouring farmer

The farmer has shown willingness to co-operate with NGO Nemo, if there is enough capital and a decent business plan present. As a farmer he owns land and stables which can be used by NGO Nemo.

## German Counterpart Search

Considering the conditions the Interreg III program sets, when applying for a subsidy, the region where NGO Nemo has to search its German counterpart is in the area of the Görlitz region.

In co-operation with the Polish partner, NGO Nemo can actively search for a German counterpart. This can be a company or organisation with a wide definition, e.g. a small business selling organic products or health products; an education centre where German students can receive the opportunity to do their placements in Poland at ecological farm holdings. This could be realised in co-operation with the Polish College in Jelenia Gora, with whom NGO Nemo has close contact.

Another opportunity for NGO Nemo to search German counterparts is through the Agricultural Agency in Jelenia Gora, which is active in the German ecological market. They already co-operate with the Euroregion Office in Jelenia Gora, where student exchange already takes place.

A Dutch partner would be in this case preferably a company which has the knowledge and expertise about cheese production and regional products. The following profile can be designed for the Dutch partner:

### Traceability

If NGO Nemo wants to set up a supply chain of regional products, it has to take into account from the beginning, that tracking and tracing has to have a high priority.

Tracking means being able to follow a product throughout the production process; where is the product and where is it going to? Tracing means to determine the history of the product; with what did the product get into contact with?

This concept of traceability is becoming increasingly important at European Union level, and if NGO Nemo wants to be able to start up regional products and find its 'niche' market, then it should consider these items.

Next to the necessity in the near future from European level, it will also create extra value to the final consumer, especially the Dutch tourists. Extra value in terms of being able to locate the product to a specific place; where a holiday has been spent; and with the feeling to have contributed to the local development and preservation of the area.

An example of traceability for NGO Nemo would be the following:

#### 1. The usage of certain sheep species

There are certain sheep with a genotype, called "ARR/ARR". Sheep with this specific genotype are immune for a disease called scrapie, which affects the brain of infected animals and can be contagious for humans in the form of food poisoning (a so-called "zoonosis").

#### 2. Controlling the raw materials used as feed for the sheep

If NGO Nemo wants to promote itself as regional, healthy and perhaps ecological, it has to monitor where it will obtain its feeding stuffs for its sheep. It has to list and track down each supplier of feed stuffs and make sure the feed stuffs are of high quality and meet certain conditions (e.g. grown without any chemical fertilisers, disease and insect free, etc.).

#### 3. Providing tracing possibilities for the final consumer

There are numerous of ways for a consumer to trace its purchased product and maybe one, which is rising at a fast pace, is the Internet. For example, if NGO Nemo decides to implement a tracking and tracing system (T&T system), it can label each product with a unique code, which can be entered at an Internet website and show the consumer the origins of the product and the farm where the sheep came from.

Implementing such a system may take some effort and experience, but if NGO Nemo gets it right, it can add another service of high quality to the consumer. It would be recommended to implement such a system, as the European government is demanding more transparency in each supply chain throughout the Union. A recommended system would be the "Food Print" system, where the consumer traces back the product 'from stable to plate'. Obtaining data from Poland has to be monitored carefully by the Polish counterpart, for example, the Polish Ecological Organisation.

## Financial Estimates of the Project

The financial estimates mentioned below were acquired with regards to Vera Velstra and Theo Wijma (please note; these estimates are in Dutch).

### Aanschaf

50 schapen	a zl.250,--	zl. 12.500,--	
Tractor 60 pk		zl. 30.000,--	
Trommelmaaier		zl. 5.000,--	
Schudder		zl. 5.000,--	
Zwadhark/acrobaat		zl. 5.000,--	
Aanpassing schuur (stelpost)	zl. 2.500,--		
Hekwerk (in schuur)	zl. 1.000,--		
Aanpassing keuken (stelpost)	zl. 1.000,--		
Melkverwerking (stelpost)		zl. 1.500,--	
Elektryzator uniwersalny (220 V)		zl. 586,--	
5 km ijzerdraad	a zl. 89,--/km	zl. 445,--	
250 isolatorpaaltjes	a zl. 4,--	zl. 1.000,--	+
Totaal investeringsbedrag		zl. 65.531,--	(= € 15250,--)

### Winst en verliesrekening

#### Toegerekende kosten

Gezondheidskosten	zl. 2.000,--	alg. preventieve e.a. Behandelingen
Voerkosten	zl. 6.200,--	mengvoer
	zl. 1.000,--	oud brood

#### Niet toegerekende kosten

ROA <sup>1</sup> machines e.d.	zl. 4.500,--	10 % nieuwwaarde machines
ROA <sup>1</sup> gebouwen e.d.	zl. 1.500,--	20 % v. aanpassingskosten

### Gebouwen

#### Grondkosten

Arbeidskosten	zl. 7.200,--	eigen arbeid	12 mnd * zl. 600,-
	zl. 2.000,--	vreemde arbeid	
Overige kosten	zl. 15.000,--	stelpost	
Nuts voorzieningen	zl. 5.000,--	stelpost	
Onvoorzene kosten	zl. 5.000,--	stelpost	
Totale kosten	zl. 49.400,--		(= € 11.488,--)

<sup>1</sup> ROA staat voor rente, onderhoud en afschrijving e.d.

Wol opbrengsten	zl. 4.000,--		
Melk opbrengsten	zl. 29.880,--		
Omzet en aanwas	zl. 9.625,--	55 lammeren	a zl. 175,--
	zl. 4.000,--	20 schapen	a zl. 200,--
Totale opbrengsten	zl. 47.505,--		(= €11.047,--)

### Financial options with Interreg III “Small Project Fund”

NGO Nemo can apply for a “Small Project Fund” of Interreg III A, where a maximum of € 15.000 can be received from the European Union. EU funds may be required for small infrastructure investment or for equipment, relevant to the project’s objectives.

The "Small Project Fund" of Interreg III A is advised here, because it offers the exact financial possibilities NGO Nemo is looking for: the financial means to start up a production line of regional products.

Allowances are granted as project promotion in form of a portion financing and in the exceptional case in the context of a fixed amount financing with a rule promotion ratio of 70 percent of the expenditures. If a project causes transnational effects, can amount to the subsidy up to 90 percent of the expenditures.

It is advisable to apply for a grant from Interreg III for the equipment and materials needed to set up the production line of the production of sheep cheese (see the financial table).

So, if NGO Nemo applies for this grant, there will be a minimum amount to be acquired from the "Small Project Funding" of 70% of the total investments in equipments and adjustments, which is 70% of € 15.250,- = € 10.675,-.

€ 10.675,- can be acquired from the Interreg III Small Project Fund, however, if NGO Nemo and its partners can set up a project with transnational effects, than the amount can increase up to € 13.725,- (which is 90% of the total amount of the expenditures).

Recommended reading for NGO Nemo is the following brochure, which can be acquired at the regional office of Agricultural Advice, such as in Jelenia Gora:

"Niskonakladowe sposoby wypasu owiec w Karpatach Polskich" [Low budget methods of the sheep grazing in the Polish Carpathians]

By Stanislaw Twardy, Robert G. Hamnett, Wydawnictwo IMUZ Falenty 2000

## **Conclusions**

It can be concluded, therefore, that there are several options for NGO Nemo to apply for financial assistance. The enlargement of the European Union and Poland being a new Member, still lies fresh in the minds of many, but it must not be forgotten that it is time to grasp the opportunities that lies ahead of the Polish rural community.

This report has shown both European and national programs Nemo can apply to. However, it might seem like an overwhelming amount of subsidies and programs one can apply to, but flaws and failures still exist in these programs when it comes to (financially) supporting small-scaled projects.

Therefore, the prospects for Nemo wouldn't look very positive, even though the European Union is trying to stimulate sustainable development and rural developing measures. The current policies still discriminate the scattered, small-scaled and self-sufficient farmers against the larger, more commercial farms, despite the fact that the smaller farmers show enthusiasm and eagerness to develop their economic activities.

It is an advantage of NGO Nemo to exploit its knowledge and expertise of organisation and finding co-operative relationships, in order to set up a project which can be submitted at the chosen program. If Nemo were to set up a solid program, it will see its dreams and goals being realised.

The statement of Robert Gronski, which was mentioned in the introduction, reflects not only the ideology of Nemo, but of many other institutions, both at EU level and in Poland. Hopefully Nemo can set an example that even a small project like theirs in Stara Kamienica can be successful, create an economic alternative for the mining activities and provide another source of income for the rural community.

Perhaps, even in the near future Nemo can act as an example for many other enthusiastic people, both in Poland as in other CEEC countries. An example for people and communities, who want develop their surroundings according to the sustainable measures and ideas Nemo has used.

## **Recommendations**

After the first two sections, this report has been created into a structure, where the final parts are the most important parts of this report. They deal with the options Nemo has, when considering applying for financial aid.

Two programs were mentioned, namely Interreg III and SOP.

SOP would be advised only, if there already existed a farm holding and a legal person, who paid (agricultural) tax already. However, these structures do not exist as yet. There are plans and Nemo is preparing to set up such a scheme, where a Dutch or Polish farmer would set up an agricultural holding.

This program would be helpful if Nemo sets up this scheme with a very short period of time, because these programs are designed to be operative till 2006. However, the implementation of this program has been delayed considerably and it is expected that the program will be operative after 2006.

Of course, after 2006, there will be other measures available for the Polish farmer, but a general idea about these new measures could not be created, as the Polish government is still trying to run this program only.

The Interreg III program, especially the "Small Project Fund", would be an ideal program to start up a network of knowledge and expertise, about the ideas and goals Nemo has for its Nemo land. If Nemo wants to set up, e.g. regional products together with the creation of a small farm at its estates, it can

gain experience by setting up a preparing project through the Interreg III program. This can create a base, on which Nemo can further build its ideas for the future.

However, Nemo has to decide whether it wants a transnational or cross-border program. When Nemo will formulate its project proposal, it has to formulate the borders of its network-creation. Even after the many discussions, it could not have been concluded clearly, what Nemo exactly wants when formulating a project proposal for Nemo land. However, regarding the two options NGO Nemo has when entering the Interreg III A program, the two formats, of both the regular Interreg III program and the “Small Project Fund” have been added in Annex.

In short, Interreg III would be the ideal base for Nemo to create a network of knowledge, expertise and experience when trying to develop Nemo land and the rural community of Stara Kamienica. SOP would be the finishing touch when Nemo created a solid business with a stable market and a well organised supply chain.

This report can be regarded as a feasibility study for NGO Nemo, as it is only exploring its possibilities when applying for a subsidy or grant. By the definition of a feasibility study, a preliminary study undertaken before the real work of a project starts to ascertain the likelihood of the projects success, a real research into the possibilities of applying for a grant or subsidy has to be undertaken.

#### **A follow up study from this feasibility study could be the following:**

Formulating an economic profile for NGO Nemo in Poland

(Introduction)

Core activities:

A feasibility study has been conducted in the summer of 2004 and it has been concluded, that NGO Nemo will undertake activities to apply for a grant from European Structural Funds.

The student will formulate a proper business plan, regarding the production of sheep cheese, in combination with detailed information about the financial Interreg options.

The Structural Funding has been identified, which is the Interreg III Small Project Fund, as well as institutions and individuals in Poland and Germany, who can be contacted for further details and specific information.

The student will also find the formats, when applying for a grant at the Interreg III program, in the feasibility study.

Minimum requirements of the assignment are:

- A stay in Poland of the minimum duration of one (1) month.

Preliminary contacts with potentially interesting parties have been made. The student will contact these parties and formulate a detailed business plan, based on recent information and local prices.

- Affinity with sustainable development, regional production and organic farming.

For more information:

NGO Nemo  
Westerpark  
Amsterdam  
Email: nemo@pz.nl

Alternative assignment

Competent partner search for NGO Nemo

Core activities:

The student will identify a competent German partner for NGO Nemo, related to the “Small Project Fund” of a European Union program called Interreg III A.

Minimum requirements:

- A stay in Poland of the minimum duration of one (1) month.

Preliminary contacts with potentially interesting parties have been made. The student will contact these parties and designate interesting potential German partners.

- Preferably a visit to Germany, when a potential partner has been located.
- Affinity with sustainable development, regional production and organic farming.

For more information:

NGO Nemo  
Westerpark  
Amsterdam  
Email: nemo@pz.nl



## Bibliography

### Books

Caalders, J., 2003, Rural Tourism Development: A Network Perspective, 1st edition, Wageningen University, Eburon Delft

Lim, D., 1998, Microbiology, 2nd edition, University of South Florida, WCB/McGraw-Hill

Ploeg, J.D. van der, 2002, Kleurrijk Platteland: Zicht op een nieuwe land- en tuinbouw, 1st edition, Stichting Hart voor het Land en LTO Nederland, Koninklijke Van Gorcum BV

### Articles

The Proximity Principle

by Rose, Julian

Date 5 October 2000

"Niskonakladowe sposoby wypasu owiec w Karpatach Polskich"

Low budget methods of the sheep grazing in the Polish Carpathians

By Stanislaw Twardy, Robert G. Hamnett

Wydawnictwo IMUZ Falenty 2000

### Electronic resources

[www.igipz.pan.pl](http://www.igipz.pan.pl)

Online Report

"Transformation of the spatial and functional structure of rural areas in Poland" by J. Banski and W. Stola

[www.fas.usda.gov](http://www.fas.usda.gov)

Foreign Agricultural Service

Online Reports

"Report on organic products and farming in Poland 2001"

Date 27 July 2001

"Retail Food Sector Report 2003"

Date 13 November 2003

[www.ieep.org.uk](http://www.ieep.org.uk)

Online Report

"Background study on the link between agriculture and environment in accession countries; National Report for Poland"

Date May 2002

[www.iucn-ce.org.pl](http://www.iucn-ce.org.pl)

Online Report

"The future of the Common Agricultural Policy"

December 2002

[www.minrol.gov.pl](http://www.minrol.gov.pl)

Online Report by the Ministry of Agriculture and Rural Development

“Sectoral Operational Programme; Restructuring and Modernisation of the Food Sector and Rural Development 2004 – 2006”

[www.eea.eu.int](http://www.eea.eu.int)

European Environment Agency

Online Report

“Agriculture and the environment in the EU accession countries; Implications of applying the EU common agricultural policy”

Date May 2002

[www.rootsweb.com](http://www.rootsweb.com)

About the history, culture, religion and people of Lower Silesia

Last updated 23 July 2003

[www.fifoost.org](http://www.fifoost.org)

Eastern Europe Internet Review

Reports, articles, statistics, regulations and information for the CEEC and CIS countries

[www.europa.eu.int](http://www.europa.eu.int)

De portaalsite van de Europese Unie

[www.sachsen-euregio.de](http://www.sachsen-euregio.de)

Euroregionen an den Grenzen Sachsen

[www.sachsen.de](http://www.sachsen.de)

Interreg III A site

[www.ers.usda.gov](http://www.ers.usda.gov)

Economic Research Service, United States Department Agriculture

Last updated 15 July 2004

[www.nd.edu/~kielbasa/poland.htm](http://www.nd.edu/~kielbasa/poland.htm)

General information about Poland

[www.pfpz.pl](http://www.pfpz.pl)

Polish Federation of Food Industry

[www.agrobiotest.pl](http://www.agrobiotest.pl)

Organic Certification Body Poland

Last updated February 2003

[www.eubusiness.com](http://www.eubusiness.com)

Economy Poland

Last updated 22 July 2004

[www.wto.org](http://www.wto.org)

World Trade Organisation

[www.oxfam.org](http://www.oxfam.org)

Oxfam International

[www.globalpolicy.org](http://www.globalpolicy.org)

Global Policy Forum

[www.mna.hkr.se](http://www.mna.hkr.se)  
Eco-labels in Poland

[www.ifoam.org](http://www.ifoam.org)  
Organic-Europe  
Last updated 22 October 2004

[www.agriholland.nl](http://www.agriholland.nl)  
Dossier Biologische Landbouw

[www.polen-net.nl](http://www.polen-net.nl)  
Nemo vereniging van vrije wandelaars

[www.evd.nl](http://www.evd.nl)  
Informatiebron voor internationaal ondernemen en samenwerken  
Last updated 22 October 2004

[www.fao.org](http://www.fao.org)  
Country pasture / forage resource profile Poland

[www.nationmaster.com](http://www.nationmaster.com)  
Profile of Poland

[www.umwd.pl](http://www.umwd.pl)  
Wojewodztwo Dolnoslaskie (Province of Lower Silesia)

[www.cbr.edu.pl](http://www.cbr.edu.pl)  
Agroweb Poland

[www.lei.wur.nl](http://www.lei.wur.nl)  
Landbouw Economisch Instituut

[www.pldg.pl](http://www.pldg.pl)  
Poland Development Gateway

References