

**Sustainable and
competitive agricultural
supply chains in
pre- and post- European
Union accession countries**

(EU Access)

Annual Report 2003

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EU Access Annual Report 2003

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EU Access Annual Report 2003

I. General

1. **Programme number:** 400-VI
2. **Title:**
Sustainable and competitive agricultural supply chains in pre- and post- European Union accession countries
From institutional support to practical development
3. **Abbreviation:** EU Access
4. **Programme leader and organising institute:**
A.P. Everaarts, Applied Plant Research (APR)
5. **Participating institutes:**
Applied Plant Research (APR)
International Agricultural Centre (IAC)
Agricultural Economics Institute (LEI)
Research institutes, Universities and Governmental Organisations in the European Union accession countries.
6. **Duration of programme:**
January 1 2003 – December 31 2006
7. **Budget:**
The budget for 2003 was € 240.000,-
8. **Type of programme:**
Policy development and policy implementation
9. **Relevant organisations and potential users of programme results**
The main objective of the programme is to support the general policy of the Dutch Government with respect to European Union accession, in particular on sustainable and competitive agricultural supply chains. Especially the Directorates “International Affairs”, “Agriculture” and “Industry and Trade” of the Ministry of Agriculture, Nature and Food Quality, have an interest in increasing agricultural sustainability, competitiveness and food safety in the pre-accession countries.
Programme activities are directed at all key-players in the pre-accession countries involved in agricultural production chains, such as government organisations, producers’ organisations, product boards, distribution and retail organisations operating at a national or European Union level, private companies involved in agri business, local research institutes, extension service, certification organisations, local farmers’ organisations and farmers.
10. **Programme board members of the Ministry of Agriculture, Nature and Food Quality and contactperson Directorate of Science and Knowledge Transfer (DWK)**
Chairman: Drs. S. Mohamed (Dir. International Affairs)
Secretary: Ir. P.P.L.M. Verhagen (Knowledge Centre, EC-LNV)
Members: Ir. R.M.J. Sonnemans (Dir. Industry and Trade), Ir. J.A.F. van de Wijnboom (Dir. Agriculture). During 2003 Ir. R.M.J. Sonnemans was replaced by drs. H.J. Niermeijer (Dir. Industry and Trade).
Contactperson DWK: Dr.T. Breimer

II. Report on 2003

Relevance of the programme for the policy of the Ministry of Agriculture, Nature and Food Quality

The European Union will be enlarged with 10 countries in 2004 and other countries are likely to join in later years. The area increase of the European Union will be 34% and in particular the agricultural production potential increases considerably. The European Union population will increase with approximately 105 million people. This considerable enlargement of the European Union common market will influence developments in all European Union countries, including The Netherlands. The objectives and results of programme 400 – VI (EU Access) are supportive to the policy of the Dutch Government with respect to pre-accession countries.

Specific questions and deliverables, as formulated in the workplan of the programme, are addressed in the sections on the projects executed in 2003.

Co-operation with partners in Wageningen University and Research centre and with partners in pre-accession countries

Successful co-operation was established with partners from the International Agricultural Center, who at conditions of travel expenses only participated in the Producer and Organics projects. The Agricultural Economics Institute participated in the project Research and Development by project funds.

In all projects difficulties were met from time to time and in varying degrees, in finding the right and motivated partners in the pre-accession countries. Especially the condition for co-operation in the programme, that only travel expenses can be provided for, frequently proved an obstacle for potential partners. Often requests were made for daily allowances, as funds for research and time spend on research co-operation, in the pre-accession countries are usually limited. This is the main reason why Slovenia at the end of 2003 was not actively involved in any of the projects. However, the financial conditions for co-operation were made clear at the start of the programme (see Letter to Colleagues, on CD).

Communication

Agricultural Counsellors at the Dutch Embassies in the pre-accession countries involved

The full text and aims of the programme were brought to the attention of the Agricultural Counselors at the Dutch Embassies in the respective pre-accession countries by the Chairman of the Programme Board (see Letter to LNV raden on CD). Enthusiastic response was met. In the case of the Czech Republic this considerably speeded up the making of the relevant contacts for the Organics project. In Hungary the Agricultural Counsellor was much interested in and instrumental for the programme by aiding in the preparation for a January 2004 programme wide progress workshop.

Knowledge Centre (EC-LNV)

In December a presentation was held on the EU Access programme for the Knowledge Centre of the Dutch Ministry of Agriculture, Nature and Food Quality (EC-LNV), to introduce the programme, to evaluate deliverables and to explore possibilities for co-operation (see presentation on CD). Deliverables of interest to the Knowledge Centre were identified and agreed upon. It was decided to explore possibilities for co-operation, especially towards EU funds.

Programme Board

Two times a meeting was held with the full Programme Board, to present the 2003 Programme and the Workplan 2004 (see presentations and text on CD). There were

frequent contacts with the Chairman and Secretary of the Board for adhoc advise and decisions. Together with the Chairman and Secretary of the board activities were initiated to further broaden the relevance of the programme for the Ministry of Agriculture, Nature and Food Quality.

Programme team

Three meetings were held with the full programme team to discuss the progress in the programme. There were frequent contacts between programme leader and project leaders. Progress in the projects was monitored by an internal quarterly report by each project, stating activities and financials.

Knowledge transfer

Knowledge transfer was achieved through meetings, workshops and presentations with the respective partners in the pre-accession countries and others, and by making reports available. Details are given in the reports on the projects.

Highlights and deliverables per project

Development and training of Producers' Organisations in pre-accession countries (PRODUCER)

The main aim of the project in 2003 was to identify potential partners in the pre-accession countries and to make a quick scan of the existing, starting and planned fruit and vegetable producer organisations in the participating countries. Visits were made to Poland, Czech Republic and Slovak Republic. Successful contacts were established in these countries. A visit to Hungary had to be delayed due to difficulties in identifying the right and interested partners. For Slovenia no partners could be found. For Poland, Czech Republic and Slovak Republic quick scans of the fruit and vegetable producer situations were made. A report on the producer organisations with details on each of these countries was made available. Preparations were made for a visit to Hungary and workshop with all partners in January 2004.

Platform for research and development of organic vegetable production in pre- and post-accession countries (ORGANICS)

The project aims to organise a platform for knowledge exchange on organic vegetable growing in the candidate European Union member states. A base line survey by literature search has been made on organic production in the participating European Union candidate member states. This exercise has resulted in working documents for each participating country.

Together with representatives of the Slovak Republic a successful conference on organic farming, supported by the regional government, was organised in Košice. For the Czech Republic the Organics project is invited to participate in the organisation and preparation of the prominent Central European Pro Bio summer academy in 2004. During 2003 Cyprus joined the Organics project. At the end of the year good contacts had been established. Preparations were made for a first multiparty workshop in Hungary in January 2004.

Comparative study on the economic importance of applied horticultural research in pre-accession countries (R&D)

The participating countries at the start of the project were: Czech Republic, Hungary, Netherlands, Poland, Slovak Republic and Slovenia. As progress on collaboration was slow in some countries, it was decided in December to continue the project activities with three countries: Netherlands, Poland and Hungary. Only Poland has produced an overview of the fruit and vegetable sector. Other countries have not produced an overview, as in the course of time priority was given to selecting cases and collecting the data for these cases. The methodology for the ex-post cost-benefit assessment was supplied by the Agricultural Economics Institute. The availability of the methodology has

led to the application at project level for a selected number of crops and a selected number of projects. Crops were selected on the basis of size of the national acreage. Project selection within crops was based on similarity in research theme as to allow for comparison between the participating countries. It appeared to be difficult to select cases. This is caused by the general absence of a detailed administration of completed research projects. None of the participating countries appeared to have a database of completed research projects in horticultural crops. The absence of documentation meant the actual search of completed projects at the level of the research institutes. The Agricultural Economics Institute has assisted in making a questionnaire for additional information. This questionnaire is required for providing information to allow better interpretation of the data and the outcome.

In general progress in the project was hampered by the lack of readily available data and by the time it takes to collect the data. This situation was discussed with the Chairman and Secretary of the programme board and conditions for continuation were formulated.

5. Programme information on CD

- Letters (letter to LNV Counsellors, letter to colleagues)
- Presentations (for Programme Board and general)
- Programme Board (Advices)
- Programme Text (Programme, Projects, Summary)



Figure 1. The programme was initiated in Prague 2002.

III. Financial report 2003

EU Access financial rapport 2003

Project number	Project title	Projectleader, Institute	Budget 2003	Realisation 2003	Transfer to 2004
510305	R&D	Wustman, R., APR	60.000	59.096	0
510308	Programme management	Everaarts, A.P., APR	40.000	35.033	4.967
510315	"Vrije ruimte"	Everaarts, A.P., APR	19.500	7.750	11.750
530087	ORGANICS	Sukkel, W., APR	60.000	41.585	18.000
610456	PRODUCER	Groot, M.J., APR	60.000	47.724	12.233
Total Programme			239.500	191.188	46.950

The 2003 budget was € 240.000,- Five hundred Euro was used by Wageningen University and Research centre (WUR) for communication and information towards the Ministry of Agriculture, Nature and Food Quality and others. At the conclusion of this report no financial reporting on this was yet available from WUR.

On behalf of the programme board, the Chairman of the board approved of transferring the remaining budget, as indicated, to 2004.



Figure 2. The programme aims were the result of mutual interests among pre-accession countries

IV. Project Reports

Development and training of Producers' Organisations in pre-accession countries
(PRODUCER)

Platform for research and development of organic vegetable production in pre- and post-accession countries
(ORGANICS)

Comparative study on the economic importance of applied horticultural research in pre-accession countries
(R&D)



Figure 3. Successful production must mean successful supply chain management.

Programme number and title: 400 – VI Sustainable and competitive agricultural supply chains in pre- and post-European Union accession countries (EU Access)

- 1. Project title** : **Development and training of Producers' Organisations in pre-accession countries (PRODUCER)**
- 2. Project number** : PPO 610456
- 3. Project leader** : M.J. Groot, Applied Plant Research, The Netherlands
E mail: marianne.groot@wur.nl
- 4. Executing agency** : Applied Plant Research (APR)
P.O. Box 200
6670 AE Zetten
The Netherlands
Tel.: + 31 488 473712
Fax: + 31 488 473717

5. Participating organisations:

- Ministry of Agriculture and Regional Development (G. Padisák, co-projectleader), Budapest, Hungary.
- Research Institute of Pomology and Floriculture (K. Zmarlicki, co-projectleader), Skierniewice, Poland.
- International Agricultural Centre (F. Joosten and J. Helder), Wageningen, The Netherlands.
- Mendel University of Agriculture and Forestry (R. Pokluda, co-projectleader), Brno, Czech Republic.

6. Objectives and short project description:

Producers' Organisations (PO's) will play a pivotal role in the transformation of agricultural production systems towards market and consumer oriented supply chains. The European Union (EU) will only financially support PO's that have organised themselves according to the guidelines from Brussels and have established effective relations with the market (consumers, retailers, wholesalers and middlemen). EU price and income subsidies will gradually be replaced by financial support to PO's.

PO's are still a rather new phenomenon in pre-accession countries and trained cadre to develop and manage the PO's is still lacking. Furthermore existing PO's often miss the required market orientation. It is therefore important that greater awareness is raised on the role and importance of PO's for agricultural sector development. Also capacity has to be developed to assist staff and management of PO's in the formation, development and management of the PO's.

Long-term objectives:

The project is expected to contribute to:

- The institutionalisation of Producer Organisations (PO) in the new European Union member states that meet the standards of the EU to undertake the roles and responsibilities in line with the changing market policy of the EU.
- The development of sustainable market-oriented agriculture in the new EU-member countries.
- The policy of the Dutch government with respect to pre-accession countries, formulated in the strategic policy document "LNV & Pre-accessiesteun Midden Europa".

Short-term objectives:

In order to achieve the above mentioned objectives the project will produce the following results:

- The prevailing needs for training, support, advise and institutional strengthening of (starting) producer organisations in pre- accession countries have been identified.

- Capacity building programmes to strengthen the formation and development of effective Producers' Organisations have been developed in line with the identified needs and potentials.
- The capacity building programmes are implemented and evaluated by the project partners.
- Network of PO's, including selected PO's from The Netherlands, are established to exchange information and experiences leading to a continued strengthening of the PO's in the EU.

Purpose:

By the end of the project the following will have been achieved:

- Partner organisations in the pre-accession states will have adequate capacity and experience to promote the formation and development of effective Producer Organisations in line with EU Directive 412/97.

7. Results

7.1. Output and impact:

The project will be conducted in four years from 2003 to 2006. During the first year, 2003, the following four activities will be focussed upon:

(1) Identification of the potential partners in the participating countries

In close collaboration with the partners in the pre-accession countries the most important contacts and networks for the implementation of the subsequent research activities will be identified.

(2) Quick scan of the existing, starting and planned producer organisations in the participating countries, focus on the fruit and field vegetable sector

This activity will provide: (a) an overview of the actual situation of the PO's in the different countries and, (b) an inventory of needs for technical and institutional support of the (starting) PO's.

(3) Decision about the three pilots

The results of the quick scan must lead to three pilots. The choice of these pilots is an important part of the project, because the training programmes will be developed for and based on the needs of these pilots. The choice must be made in accordance with the participating countries. The pilots must be three PO's in a different stage of development: starting, just started and already working but no longer developing.

(4) Start of programme for institution building development

At the end of the first year (in January/February 2004) a seminar will be organised to discuss the choice of the pilots and to make a start with the development of the training programmes. Depending on the needs of the three PO pilots the programme will contain training, coaching, extension services and / or institution building.

Executed activities in 2003:

(1) Identification of the potential partners in the participating countries

In Poland, Czech Republic and Slovak Republic partners were identified. For Hungary it was difficult to find the right contacts and network. Only in November/December 2003 we succeeded. For Slovenia no partners at all were found. Neither by way of old collegial contacts, nor by the addresses we got from the Agricultural counsellor of the Dutch embassy. We had to conclude that Slovenia has less interest in the project.

(2) Quick scan of the existing, starting and planned producer organisations in the participating countries, focus on the fruit and vegetable sector

The quick scan was made for Poland, Czech Republic and Slovak Republic by desk research and a visit to the countries (visits in October/November). Our partners organised the visits, during which different PO's, research institutes, Ministries of Agriculture and grower organisations were visited. Due to the late contacts in Hungary it was not possible to visit Hungary before the end of the year. A visit is planned for January 2004. A draft version of the report of the quick scan, including the actual situation and the inventory of needs of technical and institutional support of po's, is ready.

(3) Decision about the three pilots

In January 2004, after the visit to Hungary a preliminary set of 6 subjects for the programme will be made for discussion during the planned workshop for January 2004.

(4) Start of programme for institution building development

During the planned workshop in January 2004 the set of subjects and the activities for 2004 will be discussed.

7.2. Training, technology transfer and knowledge exchange:

Not yet applicable.

7.3. Reports, publications:

Groot, M.J., F. Joosten, F. School, January 2004. Development and training of Producer Organisations (PO's) – Situation Analysis. Draft. PPO-Report.

7.4. Presentations:

Not yet applicable.

8. Duration:

The research project will be implemented from 2003 to 2006.

9. Project budget:

Available budget in 2003: 60.000 €

Spend in 2003:

Personnel (255 hours x €106)	27.030 €
Personnel (199.5 hours x €81)	16.160 €
Personnel (30 hours x €61)	1.830 €
Materials	0 €
Travel	2.747 €
Total spent	47.767 €

Request to transfer the balance of 12.233 € to 2004

10. Project information on CD:

- Report Producer Organisations (including country reports).

Programme number and title: 400 – VI Sustainable and competitive agricultural supply chains in pre- and post-European Union accession countries (EU Access)

- 1. Project title** : **Platform for research and development of organic vegetable production in pre-accession countries (ORGANICS)**
- 2. Project number** : PPO 530087
- 3. Project leader** : W. Sukkel, Applied Plant Research, The Netherlands
E mail: wijnand.sukkel@wur.nl
- 4. Executing agency** : Applied Plant Research (APR),
P.O. Box 430
8200 AK Lelystad,
The Netherlands
Tel.: + 31 320 291375
Fax : + 31 320 230479

5. Participating organisations (December 2003):

- International Agricultural Centre (H. Schiere), Wageningen, The Netherlands.
- Pro Bio Association (J. Urban), Prague, Czech Republic.
- Agricultural Research Institute (M. Stavrinides), Nicosia, Cyprus.
- Research Institute of Plant Production (Z. Lehocká), Piešťany, Slovak Republic.
- Technical University of Košice (G. Timcák), Košice, Slovak Republic.

6. Objectives and short project description:

The objective of the Organics project is to contribute to:

- Improvement of research and knowledge transfer on organic vegetable farming in the participating countries.
- Improved quality production and sustainability of organic vegetable farming by an improved set of farming methods in the participating countries.
- Harmonisation of certification guidelines and quality demands for organic farming and its produce.

The project aims to organise a platform for knowledge exchange in an effort to make the knowledge and experience of the different European Union certification bodies, research and extension groups available to the relevant parties in the candidate European Union member states. And herewith stimulate research activities and co-operation in research, extension and certification. Finally the project aims to contribute to the development of a strong research, certification and extension complex, supporting organic producers and the supply chain in the development of organic production.

7. Results

7.1. Output and impact:

A base line survey by literature search has been made on organic research, extension, production, certification and supply chain in the participating European Union candidate member states. This exercise has resulted in working documents for each participating country. For the Czech and the Slovak Republics, information about state of the art, needs for knowledge circulation and existing initiatives was gathered during two country visits. Based on the literature survey and country visits a concept program for activities in the Czech and Slovak Republic in 2004 has been formulated.

For the Czech Republic the Organics project is invited to participate in the organisation of the Pro Bio summer academy. This is a prominent conference on organic agriculture in Central Europe. For the Slovak Republic an outline for a participatory workshop was formulated. The preparations

for the conference started with an inventory of possible topics and an inventory on the possible knowledge sources.

Together with representatives of the Slovak Republic a conference on organic farming has been organised in Košice. The conference was supported by the regional government. A wide range of topics related to organic farming (EU regulations, cultivation technique, food health and environment) were presented by various speakers from the Slovak Republic and other central European countries. About 60 persons from various stakeholder groups (research, policy, farmers) visited the conference. In combination with the conference interviews about organic farming and organic farming and the organics project were given and broadcasted for the national and regional radio and television stations.

Resulting from the contacts made during the country visits, information on organic cultivation- and research methods (publications EU project Vegineco) and specific on experiences with biological control of asparagus beetle was provided on request.

The organics project has also been discussed with participants of an IAC organic farming course. There was an interest in Macedonia and Cyprus to participate in the project. These parties have submitted a written request to board of the program to participate in the Organics project. The request of Cyprus has been approved. The request by Macedonia was turned down because this country is not a pre-accession country.

With IAC, their role in the organic project has been discussed and determined. IAC will deliver input in the organisation and realisation of activities concerning knowledge transfer.

7.2. Training, technology transfer and knowledge exchange:

- 02-10-2003, Conference on organic farming in Košice, Slovak republic: Organised by ing. Stephan Baco, free lance co-ordinator for organic farming projects in Slovak Republic and by the Organics project. Supported by the Košice regional government, 50-60 participants.

7.3. Reports, publications

- Country reports (working documents) on Cyprus, Czech Republic, Hungary, Netherlands, Poland, Slovak Republic and Slovenia.

7.4. Presentations

- W. Sukkel, 26-06-2003, Wageningen, Presentation about organic farming methods and the Organics project, IAC course, 20-25 participants.
- W. Sukkel, 02-10-2003, Košice Slovak Republic. Interview about organic farming and the Organics project for national Slovak radio.
- W. Sukkel, 02-10-2003, Košice, Slovak Republic. Interview about organic farming and the Organics project for the regional East Slovak television.
- W. Sukkel, 02-10-2003, Košice, Slovak Republic: Presentation on organic farming, research,, knowledge transfer and the Organics project. Conference for organic farming, Košice.

8. Duration:

The research project will be implemented from 2003 to 2006.

9. Project budget:

Available budget in 2003: 60.000 €

Spend in 2003:

Personnel (270 hours x €106)	28.620 €
Personnel (175 hours x €61)	10.675 €
Materials	0 €
Travel	2.291 €
Total spent	41.586 €

Request to transfer the balance of 18.000 € to 2004

10. Project information on CD:

Country Reports (working documents) on:

- Cyprus
- Czech Republic
- Hungary
- Netherlands
- Poland
- Slovak Republic
- Slovenia

Presentations:

- Organic vegetable growing for Slovak Ministry of Agriculture
- Organic vegetable growing for University, Kosice, Slovak Republic

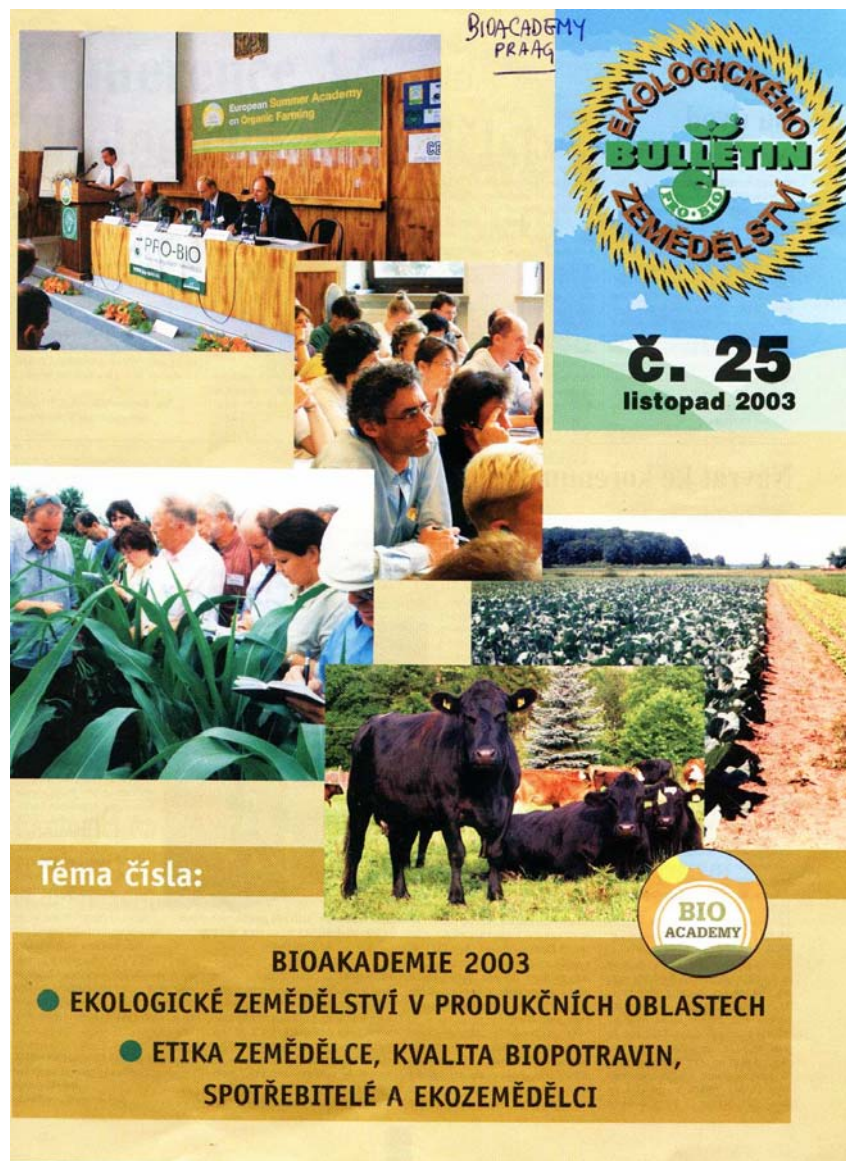


Figure 4. Knowledge exchange is vital for successful integration.

Programme number and title: 400 – VI Sustainable and competitive agricultural supply chains in pre- and post-European Union accession countries (EU Access)

- 1. Project title** : **Comparative study on the economic importance of applied horticultural research in pre-accession countries (R&D)**
- 2. Project number** : PPO 510305
- 3. Project leader** : R. Wustman, Applied Plant Research (The Netherlands)
E mail: romke.wustman@wur.nl
- 4. Executing agency** : Applied Plant Research (APR)
P.O. Box 430
8200 AK Lelystad
The Netherlands
Tel.: + 31 320 291362
Fax: + 31 320 230479

5. Participating organisations:

- Research Institute for Vegetable Crops (F. Adamicki), Skierniewice, Poland.
- Agricultural Economics Institute (T. Achterbosch), Den Haag, The Netherlands.

6. Objectives and short project description:

Long-term objectives:

- Continuation or establishment of an economically sound horticultural research and development network in pre- and post-accession European Union countries, including an effective knowledge transfer.
- Establishment of a market-oriented horticultural production sector in new European Union membership countries.

Short-term objectives:

- Evaluation of the current methodology for assessment of the economic importance of horticultural research in pre- and post-accession European Union countries.
- Analysis of the cost-benefit ratio of horticultural research in these countries.
- Contribution to the continuation of applied horticultural research services, funded by both governmental and non-governmental sources.

Project description

Privatisation and restructuring of agricultural research and extension systems are key topics in the present European Union countries, as well as in future European Union membership countries. As a result applied horticultural research is rapidly changing in pre-accession countries. This development is likely to continue after these countries have become a member of the European Union.

In general, a sound infrastructure for horticultural research and development had previously been established over decades. Because of the presently rapidly changing conditions, especially with regards to funding, this structure, however, could face disintegration when no appropriate action is taken. A re-orientation and re-organisation of applied horticultural research is nevertheless necessary and unavoidable.

A shortcoming in the discussion about applied horticultural research is, that the value and contribution of research and development to the horticultural sector is generally not quantified, or even taken into discussion. This contribution indeed is difficult to measure or to quantify. However, efficient and cost-effective horticultural research and development, may considerably contribute to strengthening horticultural production systems.

The work in this project is aimed at calculating and evaluating the macro- and/or micro-economic effects of horticultural research in five pre-accession countries, as well as in the Netherlands. The work will be aimed at applied research as this type of research has a direct impact on the production by growers. The results of this study must evaluate the cost-benefit ratio of having a well-organised network of applied horticultural research and development activities.

7. Results

7.1. Output and impact:

Partner countries

The Programme Board decided to increase the initial number from five to six participating countries. Participating countries at the start of the project were: Czech Republic, Hungary, Netherlands, Poland, Slovak Republic and Slovenia. As progress on collaboration was slow in some countries, the chairman and secretary of the Programme Board agreed in a meeting in December 2003 to continue the project activities with three countries: Netherlands (NL), Poland (PL) and to concentrate data collecting on Hungary (HU) (see **Annex 1**).

Overview of the economic importance of the fruit and vegetable sector and the current situation of the research network for these commodities in each country

Poland has produced an overview of the sector. Other countries have not produced an overview as in the course of time priority was given to selecting cases and collecting the data for these cases. The latter proved to be a time consuming effort in a number of participating countries.

Methodology

The methodology for the ex-post cost-benefit assessment was supplied by the Agricultural Economics Research Institute (LEI) at The Hague (Netherlands). LEI recommended application of the Economic surplus method developed by W. Masters at Purdue University (Lafayette, USA). This model assesses the benefits of a selected research project on the hypothesis of reconstructing a situation without research (counterfactual). The method has been available to PPO since April 2003.

Two parameters obtained by applying the model provide insight in the cost-benefit ratio of applied research:

- Internal Rate of Return (IRR). The Internal Rate of Return gives an indication of the effectiveness of the money invested in the studied applied research project. The IRR is the calculated rate of interest in the project and can be compared to other interest rates. The IRR is used to assess the economic attractiveness of investments in infrastructural development projects but can also be used for ranking research proposals (when dealing with priority setting in research).
- Net Present Value (NPV). The NPV represents the net gains to society (social gains) from a particular research project. NPV calculations are used to establish the sensitivity of critical factors affecting the costs and the benefits of projects (for instance when dealing with priority setting).

Criteria for case selection, case analysis.

Criteria for selection of cases were:

- Similarity in crops and projects in order to facilitate for comparison within crops and between countries
- Research projects (cases) must have been completed
- Proposed themes for research project selection:
 - breeding programmes
 - cultivar selection programmes
 - disease management programmes
 - crop storage programmes
 - crop cultivation techniques programmes
 - and possibly others
- Research benefits must be obvious to growers

- Results must have been adopted by growers
- Data required by model must be available through, basically, four sources:
 - statistical office: acreage, yield levels, market prices
 - research organisation: research cost, research results
 - growers or growers' association: adoption cost, adoption rate
 - economists: elasticity of supply and demand

The selected fruit crops are: apples (international); pears, plums and strawberries (national). The selected vegetable crops are: onions (international); cabbage, carrots, cauliflower and green peas (national). Crop selection criteria was the acreage. Selected cases are:

- Chemical thinning in apples (NL, PL)
- Seed coating in carrots (NL, PL)
- Seed coating onions (NL, PL)
- Root cutting in pears (NL)
- Cultivation technique in strawberries (PL)

Four cases have been analysed and will be presented in a workshop to be held in Budapest in January 2004.

Meetings

A first meeting with the co-project leader from Poland was held on April 4 2003 in Warsaw. The invited co-project leader from Hungary did not attend this meeting due to communication (German language) problems. A second meeting was held at June 23 2003 in Prague. Team members from all six countries were invited, unfortunately the colleague from Hungary could not attend as she was honeymooning. The meeting in Prague concentrated on:

- Objectives of the project
- Methodology (model)
- Information and data required by the model
- Selection of crops
- Selection of cases
- Time schedule

The outcome of the meeting was positive as the objectives and methodology were clarified and a time schedule was agreed upon. Slovak Republic and Slovenia raised the matter of financial support from project funds. It must be noted that Slovak Republic had not attended the Prague Workshop, so had not taken part in the commitments formulated during the Workshop.

A time schedule was discussed, the first deadline being the statistics for crop selection (June 30), the second being the identification of projects within the crops (August 30).

Contacts with research bodies and producers' organisations

Partner countries are represented through research institutes and agricultural universities. Data collecting within a country was mainly carried out through the project partners. Data on the utilisation of research findings at growers' level were not available through statistics or reports and had therefore to be estimated at expert level.

7.2. Training, technology transfer and knowledge exchange:

So far most time has been devoted to case selection (HU), data collection (NL, PL) and data processing (NL).

7.3. Reports, publications:

Poland Country Report (as presentation).

7.4. Presentations:

- Presentation on Masters Economic Evaluation Model on June 23 in Prague.
- Presentation on economic importance of fruit and vegetable sector in Poland, June 23 Prague.

8. Duration:

The research project will be implemented from January 1 2003 to June 30 2004.

8. Project budget:

Available budget in 2003: 60.000 €

Spend in 2003:

Personnel (8 hours x € 106)	848 €
Personnel (488 hours x € 81)	39.528 €
Personnel (127hours x € 61)	7.747 €
Materials	2.006 €
Travel	4.767 €
LEI and others	4200 €
Total spent	59.096 €

9. Project information on CD:

- Masters Economic Evaluation Model (Manual, Summary and Programme)
- Documentation on the meetings in Prague and Warsaw
- Presentations Prague Meeting (Report on Poland)



Figure 5. Research results should translate into revenues.

Annex 1

Project: Comparative study on the economic importance of applied horticultural research in pre-accession countries (R&D)

Progress report of the R&D Project up to November 27 2003

Introduction

Five countries were participating in the Workshop on 'Vegetable and fruit production in an expanding European Union. Implications for Policy and Research' from 7-10 October 2003 in Prague (Czech Republic). The Programme Board decided to add the Slovak Republic to the list of participating countries during spring 2003. Consequently the R&D project took off with six participating countries.

These countries are:

- Czech Republic
- Hungary
- Netherlands
- Poland
- Slovak Republic
- Slovenia

Overview of cases

The overview in the table provides the present state of affairs regarding six participating countries, cases and the estimated chance for completion during the first half year of 2004.

Progress report of the R&D Project during 2003				
Country	Cases		Present status data collection	Estimated chance for completion
	Crops	Field of study		
Czech Republic	apples	not yet identified	0	25
	cabbage	not yet identified	0	25
	onions	not yet identified	0	25
	plums	not yet identified	0	25
Hungary	apples	not yet identified	0	25
	green peas	not yet identified	0	25
	onions	not yet identified	0	25
	plums	not yet identified	0	25
Netherlands	apples	chemical thinning	90	100
	carrots	fungicide seed coating	90	100
	onions	fungicide seed coating	90	100
	pears	root cutting	20	100
Poland	apples	chemical thinning	20	75
	carrots	fungicide seed coating	90	100
	onions	fungicide seed coating	90	100
	strawberries	cultivation technique	20	75
Slovak Republic	apples	new apple cultivar	20	25
	cauliflower	not yet identified	10	25
	onions	not yet identified	10	25
	plums	new plum cultivar	20	25
Slovenia	apples	not identified	0	0
	cabbage	not identified	0	0
	onions	not identified	0	0
	pears	not identified	0	0

A total of nine crops has been identified for the study, all crops being large in acreage either on a national or at an international (= six countries) level. The number of identified fields for study amounts to five, resulting in ten identified cases. These ten cases originate from three out of a total of six countries: Netherlands, Poland and Slovak Republic. The other countries have either partly been able to identify projects (Slovak Republic for fruits) or no projects have as yet been selected (Czech Republic). Slovenia had insufficient financial support for spending time on identifying projects.

Methodology

The methodology needed for the calculations was supplied by our contracted project partner LEI (The Hague). The methodology has been developed by Purdue University (Lafayette, USA). The model has been available to the R&D project since May 2003. The collaboration with LEI is quite satisfactorily.

Meetings

A first meeting with the co-project leader from Poland was held on April 4 2003 in Warsaw. The invited co-project leader from Hungary did not attend this meeting due to communication (German language) problems. A second meeting was held at June 23 2003 in Prague. Team members from all six countries were invited, unfortunately the colleague from Hungary could not attend as she was honeymooning. The meeting in Prague concentrated on:

- Objectives of the project
- Methodology (model from Purdue university)
- Information and data required by the Purdue model
- Selection of crops
- Selection of projects
- Time schedule

The outcome of the meeting was positive as the objectives and methodology were clarified and a time schedule was agreed upon. Slovak Republic and Slovenia (not for the first time) raised the matter of financial support from project funds. It must be noted that Slovak Republic had not attended the Prague Workshop, so had not taken part in the commitments formulated during the Workshop

A time schedule was discussed, the first deadline being the statistics for crop selection (June 30), the second being the identification of projects within the crops (August 30).

Developments per country

Czech Republic

Collaboration with Czech Republic progressed slowly. Despite promises the expert was not able to deliver neither projects nor data of projects. On October 15 a visit was planned for week 44 (27-31 October). The Czech colleague bailed out by sending an email on Friday afternoon 24 October. Increased email communication (as telephone contacts produced no answers) resulted in a list of names of persons who have been approached in week 46. So far no project selection and project data collection.

Hungary

Collaboration started with the withdrawal from the project of the designated co-project leader. His proposed successor withdrew due to workload and problematic communication (German language). Subsequent efforts to obtain a replacement progressed slowly due to communication problems (lack of English speaking experts in Hungary) and workload. The Office of the Netherlands agricultural counsellor (Budapest) could at that time (spring 2003) not release names and addresses of experts for this project. So far seven Hungarian experts have been approached. The AKII (= Hungarian LEI) co-operated by sending statistics for selection of crops. Fruit and vegetable experts (suggested by Dr. Karoly Hrotko) did not send information on projects, neither specific project data. Contacting by telephone was hampered as telephone numbers were not

made available by these experts. Finally with the assistance of the office of the Netherlands agricultural counsellor (Budapest) a list of addresses and telephone numbers was made available in week 48. They have again been approached by email, fax and telephone.

Netherlands

Collaboration within the Netherlands runs rather smoothly. PPO (Lelystad) collaborates with PPO (Randwijk) on data collection and has contracted LEI (The Hague) for selecting a methodology and assisting in implementing the methodology.

Poland

Collaboration with the co-project leader is going well. A visit during week 47 resulted in data of two projects for model calculations. Two fruit crops are due to be week 48.

Slovak Republic

Collaboration with Slovak Republic progresses slowly. Despite promises the expert was not able to deliver neither projects nor data of projects. On October 15 a visit was planned for week 44 (27-31 October). The Slovak colleague responded by organising a number of meetings resulting in the identification of two fruit projects. The visit was followed up by increased email and telephone communication, which may result in data available per week 49.

Slovenia

Both Slovenia experts expressed from the start onwards their lack of financial resources. After discussions the position of the programme was clarified and Slovenia decided to end its participation (week 45). As a consequence no projects have been identified.

Outlook

Activities

The speed of data collection differs per country. One may even say that the data collection process has been hampered by lack of collaboration with Czech Republic, Hungary and Slovak Republic. Major reasons are the lack of (high level) commitment and the lack of financial support resulting in not making available time at expert level to participate and contribute to the R&D project. The question to be answered is how to proceed keeping in mind the experience gathered so far.

We propose for the period up to 30 June 2004:

- To continue the project activities in the Netherlands and in Poland.
- To concentrate on identifying two cases (apples and onions) in Hungary.
- To discontinue the activities in Czech Republic, Slovak Republic and Slovenia.

Budget

As per November 27 2003 9.7 k€ (= 16,3 %) is available for the remaining part of 2003 out of a total 2003 budget of 60 k€. The total budget available for the remaining part of the project time (up to June 30 2004) now amounts to 50 k€.

We propose to spend:

- 10 k€ for the activities in Hungary, with a deadline of April 1 2004 for cessation of activities.
- 25 k€ for collecting the final data for the Netherlands and Poland cases and the reporting, analysis and presentation of ten cases.

We further propose that the remaining 15 k€ for this project remains allocated for this project until June 2004, in case unexpected developments take place. If not used this money than can be allocated for other purposes in the EU Access programme.

Arij Everaarts, Programme leader EU Access
Romke Wustman, Projectleader R&D
28 November 2003