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**ASSESSMENT OF RURAL LAND USE DEVELOPMENT POLICY
IN POLAND AND UKRAINE**

The article identifies the implementation stages of the rural development policy in Poland and Ukraine. It clarifies basic development tendencies, research programs content and typical instruments application. The comparative assessment of the rural land use development policy in Poland and Ukraine is provided.

Keywords: European Union policy; rural development; land use; Poland; Ukraine.

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**ОЦІНЮВАННЯ ПОЛІТИКИ РОЗВИТКУ ЗЕМЛЕКОРИСТУВАННЯ
СІЛЬСЬКИХ ТЕРИТОРІЙ У ПОЛЬЩІ ТА УКРАЇНІ**

У статті визначено етапи впровадження політики розвитку сільських територій в Польщі та Україні. З'ясовано основні тенденції її розвитку, досліджено програмний зміст та характерний інструментарій застосування. Проведено порівняльне оцінювання політики розвитку землекористування сільських територій в Польщі та Україні.

Ключові слова: політика Європейського Союзу; розвиток сільських територій; землекористування; Польща; Україна.

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**ОЦЕНКА ПОЛИТИКИ РАЗВИТИЯ ЗЕМЛЕПОЛЬЗОВАНИЯ
СЕЛЬСКИХ ТЕРРИТОРИЙ В ПОЛЬШЕ И УКРАИНЕ**

В статье определены этапы внедрения политики развития сельских территорий в Польше и Украине. Выявлены основные тенденции ее развития, исследовано программное содержание и характерный инструментарий применения. Проведена сравнительная оценка политики развития землепользования сельских территорий Евросоюза в Польше и в Украине.

Ключевые слова: политика Европейского Союза; развитие сельских территорий; землепользование; Польша; Украина.

Introduction. Rural areas are an integral part of geographical, economic and social structures of the European Union. They occupy approximately 90% of its territory and are inhabited by more than 56% of the EU citizens (Druesne, 1995; Lichorowicz, 1996). In Ukraine rural area occupies above 70% of the total territory, being home for 14 mln people. European experience in regulation of rural land use development ascertains high quality of regulatory policy in the European Union countries and in Poland particularly.

At the same time, rural territories in Ukraine are characterized by serious problems in the sphere of human resource development and ecological parameters of the environment (Mishenin et al., 2011).

Latest research and publications analysis. The nature of the European Union rural development policy was explored by the Organisation for Economic Co-operation and Development, Food and Agriculture Organization of the United Nations, the World Bank.

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However, up to the present the assessment of the European Union rural land use development policy, its implementation stages, basic trends of its development, research programs content and typical instruments application in a comparative manner between Poland and Ukraine has not been studied, thus determining the topicality of this research issue and the need for the study.

The research objective is to determine the key aspects of the EU instruments in rural land use in Poland and Ukraine.

The research method is a comparative analysis of the outcomes of the rural land use development examinations in Poland and Ukraine at different stages.

The EU policy instruments for rural land use development in Poland.

Phare until 1999. Phare is a program of non-repayable financial assistance from the European Union for the countries of Central and Eastern Europe. It was launched in 1989 to support economic and political changes Poland and Hungary (Council Regulation EC No 3906/89).

In Poland, the obtained funds (Table 1) were mainly used for strengthening infrastructure, enterprise restructuring, regional development, education and training, agriculture, environmental protection and administration support.

Table 1. The allocated funds in Poland within the Phare program

Year	Allocated funds
1990–1992	577.8 mln euro
1993	225.0 mln euro
1994	206.8 mln euro
1995	174.0 mln euro
1996	203.0 mln euro
Total program budget	1386.6 mln euro
Budget recalculated per 1 ha of arable land – 74.2 euro	
Budget recalculated per capita (per capita rural) – 36.3 (94.8) ths euro	
Budget recalculated per one farm – 472.8 euro	

Source: The Agency for Restructuring and Modernization of Agriculture.

SAPARD 2000–2006. The SAPARD (Special Accession Programme for Agriculture and Rural Development) primarily contributed to the improved efficiency of the market, creating the conditions for compliance with quality and sanitary standards and to help creating new jobs in rural areas (Council Regulation EC No 1268/99, 21 June 1999). It was financed from both the European Union and the state budget of Poland (Ministry of Agriculture and Rural Development).

In Poland SAPARD was started at the beginning of July 2002. Under the program there have been taken the following actions (Table 2).

SAPARD has played a very important role in Polish economy, having a positive impact on the financial holdings that benefited from its investment support. However, Polish agriculture has not been transformed into a strong economic sector (Ziolkowska, 2005).

Together with Polish accession to the European Union the source of financing instruments to support agriculture became the Community budget.

EAFRD 2007–2013. EAFRD was established to contribute to strengthening economic and social cohesion while reducing regional disparities. The instrument, established by Council Regulation EC 1290/2005, aims to improve the effectiveness of the rural development policy framework in the European Union and to simplify its

implementation. On its basis the management of rural development policy and control was improved in 2007–2013. The Regulation sets out the objectives of rural development policy and the context in which this policy shall be entered (Council Regulation EC No 1290/2005).

Table 2. The allocations under the SAPARD program

Own contributions	235.8 mln +140 mln ¹⁾ euro
The funds from the EU	708.2 mln euro
Total program budget	1084 mln euro
Actions:	Budget:
improving the processing and marketing of agricultural products	260 mln euro
investments in agricultural holdings	127.5 mln euro
development and improvement of rural infrastructure	443.3 mln euro
diversification of economic activities in rural areas	63.8 mln euro
The funds paid under the program – 894.6 mln euro	
Budget recalculated per 1 ha of arable land – 47.87 euro	
Budget recalculated per capita (per capita rural) – 23.4 (61.2) ths euro	
Budget recalculated per one farm – 305.01 euro	

Source: The Agency for Restructuring and Modernization of Agriculture.

¹⁾ the amount transferred with the approval of the European Commission's from the budget of Rural Development Plan.

In 2007–2013 the total amount of 347 bln euro has been earmarked for financing of cohesion policy within 3 objectives (European Commission):

- convergence;
- regional competitiveness and employment;
- European cooperation.

EAFRD attaches great importance to particular territorial conditions. Activities related to urban development are included in its operational programs. As a part of the fund's activities there are also actions undertaken to address economic, environmental and social issues.

As for rural areas and the areas dependent on fisheries, EAFRD focuses on economic diversification.

In case of the areas with natural handicaps EAFRD contributes to the investments aimed at improving accessibility, promoting and developing economic activities related to cultural heritage, promoting the sustainable use of natural resources and stimulating tourism.

EAFRD Fund for the period 2007–2013 has the allocated budget of 96.31 bln euro.

Within the framework of the Common Agricultural Policy of the European Union Rural Development Programme for the period 2007–2013 there were intentions to initiate the action "Improving and developing infrastructure related to the development and adaptation of agriculture and forestry". The aid was granted to two types of investment (Rural Development Programme for 2007–2013):

- land consolidation;
- management of agricultural water resources.

The costs associated with the preparation of both geodetic and legal documentation, or merge projects are subject to the refund from the PROW 2007–2013, as well as the after-consolidation development costs, or reconstruction of existing access

roads to individual plots and farm buildings, as well as demarcation and construction of new roads, culverts, entries etc.

The EU instruments of rural land use development in Ukraine.

TACIS Programme. TACIS (Technical Assistance to the Commonwealth of Independent States) programme is a foreign and technical assistance programme implemented by the European Commission to assist the transition towards market economy and strengthening democracy.

In 1991–1999 TACIS Programme in Ukraine was focused on 3 main directions (Delegation of the European Union to Ukraine):

- institutional reforms and development;
- economic reforms and development of private sector;
- power engineering and environment.

Most projects in the earlier years were focused on enterprises restructuring (former "kolkhoz") into large farms relying on hired labour or small private farms. TACIS projects mainly consisted in the provision of technical assistance in the area of production techniques (Table 3).

Table 3. TACIS projects to rural land use development in Ukraine

Sector and type of project	Adaptation year	Amount (mln ECU)
Restructuring at the enterprise level		
Study for the privatization of sovkhozes – Odesa	1991	0.611
Study for the privatization of sovkhozes – Kyrovograd	1991	0.535
Improvement of food wholesale and distribution – Olexandriya	1991	0.647
Privatization of wholesale structures – Donetsk and Dnipropetrovsk	1994	4.797
Pilot project in agriculture restructuring in 3 regions	1998	1.500
Technical assistance to production		
Efficiency improvement of foodstuff transport	1992	1.902
Farm support service for sunflower	1993	1.943
Grain storage improvement	1993	1.035
Policy advice		
Policy formulation advisory and support service	1993	5.400
Development of land registration	1995	2.125
Institutional building		
Assistance to marketing and trade structures	1995	1.699
Agroindustrial postprivatization and extension services – Lviv	1996	1.800
Assistance to the development of agricultural cooperatives and associations	1997	1.500

Source: Ukraine – Evaluation of EC Country Programme. ADE, Final Report Volume I: Main Report. 1998.

The main project of assistance to the policy advice started in 1995 by an assistance to the establishment of a land registration system. Its main objective was to assist in the design of a policy dealing with land tenure and transactions.

TACIS projects were most successful in the area of institutional building rather than other sectors because of the slowness of land reforms and lack of the necessary legislation in Ukraine.

In 2000–2003 the measures within the TACIS Programme were directed at the following 3 fields:

- institutional, legal and administrative reforms;
- support in fulfillment of economic reforms and development of private sector;
- solution of the problems of social consequences of transition period.

During the next period 2004–2006 TACIS Programme favored institutional, legal and administrative reforms, private sector and economic development, as well as extenuating social consequences of the transition period (Programs of the European Union Assistance, 2009: 10–11).

The main differences in the EU support to Poland and Ukraine under PHARE and TACIS consist in their objectives, tasks, principles and instruments (Table 4).

Table 4. Comparison of the PHARE and TACIS programmes, own study

Programme	Objective	Task	Principles	Instrument
PHARE	Preparation of candidate countries for future membership in the EU	Financing of priority tasks on studying and application of the legislative experience of the EU	Technical assistance and investment support	Twinning mechanism
TACIS	Preparation of the EU partners for the enlargement of the EU towards their borders	Support of transition market economies and development of democratic society	Only technical assistance	Short-term expert advice

ENPI 2007–2013. The establishment of ENPI (European Neighborhood and Partnership Instrument) has meant a major shift in the nature of financial assistance given to Ukraine by the European Commission.

The aim of ENPI-Regulation is to promote good governance and equitable social and economic development (Regulation EC No 1638/2006).

The 2007–2013 Country Strategy Paper for Ukraine covers all the headings of the EU-Ukraine Action Plan. These are:

- political dialogue and reform;
- economic and social reform and development;
- trade, market and regulatory reform;
- cooperation in justice and home affairs;
- transport, energy, information society and environment;
- people-to-people contacts (European neighborhood and partnership instrument).

The National Indicative Programme foresees 470.05 mln euro for the following indicative allocations for each priority in the period from 2011 to 2013 (Table 5).

Table 5. ENPI Priorities and Funding for Ukraine (2011–2013)

Priority and Subpriority Areas	mln euro	%
Priority Area 1: <i>Good Governance and the Rule of law</i>	94,000–141,000	20–30
Priority Area 2: <i>Facilitation of the entry into force of the EU-Ukraine Association Agreement (including a deep and comprehensive Free Trade Area)</i>	117,500–164,500	25–35
Priority Area 3: <i>Sustainable Development</i>	211,500–258,527	45–55
Total Indicative ENPI allocations 2011-2013	470,050	100

Source: National Indicative Programme 2011–2013, p. 9.

Conclusions. Owing to the financial assistance of the European Union Poland has undergone much more efficient changes in its political and economic systems. In Poland the obtained funds were mainly used for strengthening infrastructure, enterprise restructuring and development of the agricultural sector. The EU assistance

mainly focused on developing economic activities and the efficiency of Polish market.

The European Union's support at the early stages for Ukraine was based on technical assistance. The main objective of the EU was to assist the transition to market and democracy strengthening.

Currently, the EU assistance focuses on support of good governance as one of the fundamental principles in the new EU-Ukraine Association Agenda. Reforms in this sector will help to combat corruption and increase the efficiency of state administration in the land sector, improve land use policy-making process and its implementation through internal coordination, as well as consultation and partnership with all relevant stakeholders.

The main objectives of rural development as one of subpriorities of sustainable development area is to promote a bottom-up approach through involving community in participating in local land use plan development, increasing living standards and incomes of rural population, promoting off-farm small businesses and state budget support for sustainable development of rural areas.

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