

INTRODUCTION AND IMPLEMENTATION OF COMMON MARKET ORGANISATION MEASURES

Dimitre Nikolov

Agricultural Academy, Institute of Agricultural Economics, Sofia, Bulgaria,
dnik_sp@yahoo.com

The policy of CMO was given little emphasis in the overall accession agenda of the Republic of North Macedonia, in the period 2007-2013. The priority was mainly given to the introduction of direct payments and rural development support measures, and, the policy generally favoured a liberal approach with less-regulated market environment except for incidental non-trade barriers applied for import of wheat and flour. With the economic and financial crisis in 2009, the approach was slightly amended and markets regulation measures were incorporated in the national policy.

A system to monitor the markets and improve its certainty was established according to the Law on Agriculture and Rural Development provisions and aimed at improving contractual relations between economic stakeholders (farmers, processors, traders). It includes imposing additional requirements to the buyers of the agricultural products, their registration and having obligatory contracts for all trading transactions. In addition, a sectorial partnership with economic and social partners (the Sub-sectorial Standing Working Groups -SSWGs) at national level was set up to stimulate better market relations and foster private-public communication. However, the implementation of these policies has not been successful. It is estimated that many of agricultural products transaction are taking place outside the legal framework and that the SSWGs, after the initial enthusiasm, are not operational.

The new 2014-2020 National Strategy for Agriculture and Rural Development (NARDS) firmly recognizes the need for overcoming structural deficiencies as the key obstacle for increasing the competitiveness. Considering that restructuring of the sector is one of the key strategic objectives till 2020, the government has started with creating the institutional, legal and policy setup for implementation of restructuring policies (land consolidation, support to cooperatives, etc). However, the administrative capacity is still insufficient for upgrading current pilot phase activities into full-size implementation mode, while the beneficiaries of the policies are not fully informed about new opportunities. The other NARDS objectives toward increasing competitiveness are (i) improving the marketing of agricultural products, and (ii) envisage implementation of minimum quality standards according to the EU approximated Law on quality of agricultural products and respective by-laws.

To this end the present intervention logic will focus on better alignment of the legal environment to enable implementation of the selected priority policies. To address the gradual alignment of the national regulations with EU CMO policies and commodity regimes and strengthen the monitoring systems for market policies, the project activities have been designed to promote the role of SSWG as market monitoring committees, which will be also enabled to monitor the implementation of CMO related policies assist both public institutions and private actors to implement the demanding set of national marketing standards for fresh fruits and vegetables on the internal and EU export markets. This set of activities will be implemented mainly through capacity building activities of State Agriculture Inspectorate to perform the necessary controls and producers of fruit and vegetables to grasp the need for modernisation in reaching the market and policy requirements.