

# Annexes

## Annex 1. Rural Development Strategy

**TABLE 1.A. STATUS OF AGRICULTURAL REFORMS IN CEE AND CIS COUNTRIES AT END-1999**  
(1 = Centrally Planned Economy; 10 = Completed Market Reforms)

Year	Price and market			Land reform			Agroprocessing			Rural finance			Institutional			Total score		
	1999	1998	1997	1999	1998	1997	1999	1998	1997	1999	1998	1997	1999	1998	1997	1999	1998	1997
Hungary	8	9	9	9	9	9	10	10	9	9	9	8	8	8	8	8.8	9.0	8.6
Czech Rep.	9	9	9	8	8	8	9	9	8	9	9	8	8	8	8	8.6	8.6	8.6
Estonia	9	9	10	8	6	6	8	8	7	8	8	7	9	9	9	8.4	8.0	7.8
Latvia	9	8	7	9	9	9	8	8	7	8	8	7	8	8	8	8.4	8.2	7.6
Slovenia	9	9	8	9	9	9	8	8	8	7	7	8	8	8	9	8.2	8.2	8.4
Poland	7	8	9	8	8	8	9	8	7	7	7	6	8	8	8	7.8	7.8	7.6
Bulgaria	9	8	6	8	8	7	8	7	5	6	5	4	7	6	5	7.6	6.8	5.4
Lithuania	8	8	7	8	8	8	8	8	7	6	6	6	8	8	7	7.6	7.6	7.0
Slovak Rep.	7	7	7	8	8	7	8	8	8	8	8	8	7	7	7	7.6	7.6	7.4
Armenia	7	7	7	8	8	8	7	7	7	7	7	7	7	8	8	7.2	7.4	7.4
Albania	8	8	8	8	8	8	8	8	8	5	3	3	5	5	5	6.8	6.4	6.4
Croatia	6	6	6	6	6	5	7	7	6	6	6	6	8	8	6	6.6	6.6	5.8
Macedonia	8	8	7	7	7	7	7	7	8	4	4	4	7	7	6	6.6	6.6	6.4
Romania	7	6	7	8	7	7	7	6	6	6	5	6	5	5	4	6.6	5.8	6.0
Kyrgyz Rep.	7	7	6	7	7	6	6	6	6	6	7	6	6	6	5	6.4	6.6	5.8
Azerbaijan	7	7	6	8	8	6	6	5	5	5	5	4	5	5	4	6.2	6.0	5.0
Georgia	8	7	7	6	6	7	5	5	5	6	6	6	5	5	6	6.0	5.8	6.2
Moldova	7	8	7	7	7	6	6	7	7	5	5	5	5	5	4	6.0	6.4	5.8
Bosnia and Herzegovina	6	6	-	6	6	-	6	6	-	6	6	-	5	5	-	5.8	5.8	-
Kazakhstan	6	5	7	5	5	5	6	6	7	6	6	5	5	5	5	5.6	5.4	5.8
Russia	6	6	7	5	5	5	7	7	7	5	5	6	5	5	5	5.6	5.6	6.0
Ukraine	6	6	7	6	5	5	6	6	7	5	5	5	4	4	3	5.4	5.2	5.4
Tajikistan	5	5	4	5	5	2	5	4	5	2	2	3	4	4	5	4.2	4.0	3.8
Turkmenistan	2	2	2	3	3	2	1	1	1	1	1	1	3	3	3	2.0	2.0	1.8
Uzbekistan	3	3	4	2	2	1	1	1	1	1	1	1	3	3	4	2.0	2.0	2.2
Belarus	2	2	3	2	1	1	2	2	2	2	2	2	1	1	1	1.8	1.6	1.8
Average score	6.8	6.7	6.7	6.7	6.5	6.1	6.5	6.3	6.2	5.6	5.5	5.3	5.9	5.9	5.7	6.3	6.2	6.0

Note: An explanation of the numerical ratings is given in table 1.B.

Source: World Bank estimates.

**TABLE 1.B. KEY TO NUMERICAL RATINGS USED IN TABLE 1.A**

<i>Market-conforming policy environment</i>	<i>Land reform</i>	<i>Privatization of agroprocessing and input supply</i>	<i>Rural financial systems</i>	<i>Institutional framework</i>
1–2. Direct state control of prices and markets	1–2. System dominated by large-scale farms	1–2. Monopolistic state-owned industries	1–2. Soviet-type system with Agrobank as the sole financing channel	1–2. Institutions of command economy
3–4. Deregulation with indicative prices and price controls; significant NTB on imports or exports	3–4. Legal framework for land privatization and farm restructuring in place; implementation launched only recently	3–4. Spontaneous privatization and mass privatization in design of early implementation stage	3–4. New banking regulations are introduced; little or no commercial banking	3–4. Modest restructuring of governmental and public institutions
5–6. Mainly liberalized markets constrained by the absence of competition and some remaining controls on trade policy	5–6. Advanced stage of land privatization, but large-scale farm restructuring is not fully complete	5–6. Implementation of privatization programs in progress	5–6. Restructuring of existing banking system; emergence of commercial banks	5–6. Partly restructured governmental and local institutions
7–8. All command-economic-type interventions are removed. Market and trade policies are in compliance with WTO; however, domestic markets are not fully developed	7–8. Most land privatized, but titling is not finished and land market is not fully functioning	7–8. Majority of industries privatized, within a framework conducive for foreign direct investment	7–8. Emergence of financial institutions serving agriculture	7–8. Government structure has been refocused, and research, extensions, and education are being reorganized.
9–10. Competitive markets with market-conforming trade and agricultural policies and no more than modest protection	9–10. Farming structure based on private ownership and active land markets	9–10. Privatized agro-industries and input supply, with improved international competitiveness	9–10. Efficient financial system for agriculture, agro-industries, and services	9–10. Efficient public institutions focused on the needs of private agriculture

*Source:* World Bank estimates.