



# FINANCIAL EXECUTION AND RISK OF DE-COMMITMENT

**Anna Nowak-Wood**  
**Programme Manager**  
**DG AGRI, European Commission**

**IPARD Monitoring Committee, 28.11.2019, Vrdnik, Serbia**

# Total IPARD financial allocation

Measures	Total public aid	EU contribution	EU contribution	National contribution	National Contribution
	(EUR)	(EUR)	rate (%)	(EUR)	rate (%)
<b>Investments in physical assets of agricultural holdings</b>	101,386,667	76,040,000	75	25,346,667	25
<b>Investments in physical assets concerning processing and marketing of agricultural and fishery products</b>	87,346,667	65,510,000	75	21,836,667	25
<b>Agri-environment-climate and organic farming measure</b>	10,294,118	8,750,000	85	1,544,118	15
<b>Implementation of local development strategies – leader approach</b>	5,833,333	5,250,000	90	583,333	10
<b>Farm diversification and business development</b>	20,000,000	15,000,000	75	5,000,000	25
<b>Technical assistance</b>	5,235,295	4,450,000	85	785,295	15
<b>Total</b>	<b>230,096,080</b>	<b>175,000,000</b>		<b>55,096,080</b>	

## Annual allocation, N+3 rule

Year	2014	2015	2016	2017	2018	2019	2020	2014-2020
Total (EUR)	-	15,000,000	20,000,000	25,000,000	30,000,000	40,000,000	45,000,000	175,000,000

- 2015+3 → 31/12/2018
- 2016+3 → 31/12/2019 !
- 2017+3 → 31/12/2020
- 2018+3 → 31/12/2021
- 2019+3 → 31/12/2022
- 2020+3 → 31/12/2023

## Financial execution of 2015 & 2016 allocation

- 2015 – EUR **15 million**, EC granted a *pre-financing of 22,5 million*
- 2016 – EUR **20 million**, *6 million of additional pre-financing*

Available	EC paid pre-financing
<b>35.000.000</b>	<b>28.500.000</b>
Serbia paid to beneficiaries:	<u>2.097.623</u>
Total paid to Serbia	30.597.623
<b>Risk of de-commitment:</b>	<b>4.402.377 !</b>
Payments Q4 still to come (about 3 million)	



## How to avoid de-commitment (loss of EU funds)

- Serbia should pay as much as possible of IPARD projects by 31/12/19.
- European Commission can extend N+3 to N+4 but:
- Exceptionally
- Serbia, together with N+4 request, should submit to the EC an Action Plan to solve bottlenecks.
- Think about 2017 allocation !



Thank you for your attention !



MINISTRY OF AGRICULTURE, FORESTRY  
AND WATER MANAGEMENT  
DEPARTMENT FOR RURAL DEVELOPMENT



**IPARD**  
EU4Rural Areas

# **ACTION PLAN FOR THE TECHNICAL ASSISTANCE MEASURE 2020**

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**6<sup>th</sup> Session of the IPARD II  
Monitoring Committee**

**Sanja Prodanović  
Head of the Group for Technical Assistance and Promotion**

**28 November 2019, Vrdnik, Serbia**

# M9 - TECHNICAL ASSISTANCE

**Objectives:** Assistance in preparation, modification and implementation of the IPARD II Programme

Monitoring of the IPARD II Programme

Evaluation of the IPARD II Programme

Promotion of the IPARD II Programme

## Specific objectives:

- Monitoring the implementation of the IPARD II Programme (sessions of the IPARD Monitoring Committee, WG, etc ...)
- Adequate flow of information and promotion
- Studies, study visits, seminars
- External expertise
- Evaluation of the programme
- Support to potential LAGs and preparations for the LEADER measure of the IPARD II program;
- Establishment and support to the national network for rural development





# Content of presentation

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## **BUDGET FOR ACTION PLAN 2020**

**9.1. Expenditures on meetings of the Monitoring Committee**

**9.4. Expenditure on information and publicity campaigns**

**9.6. Expenditures associated with visits and seminars**

**9.7. Expenditure associated with the preparation or streamlining of implementation of measures in the Programme**

**9.8. Expenditure associated with “Acquisition of skills” to prepare potential LAGs for the implementation of the measure “Implementation of local rural development strategies – LEADER approach”**

**9.9. Expenditure for evaluations of the IPARD II Programme**

**9.10. Expenditure associated with the Network for Rural Development**



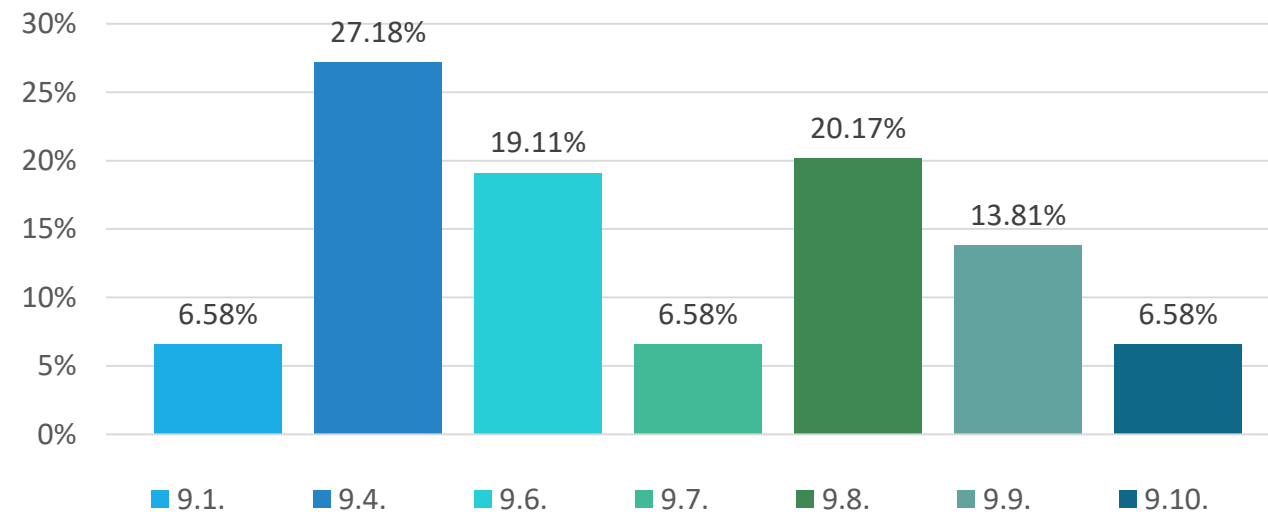
# BUDGET FOR AP TA 2020

TOTAL BUDGET FOR 2020  
456,180.00

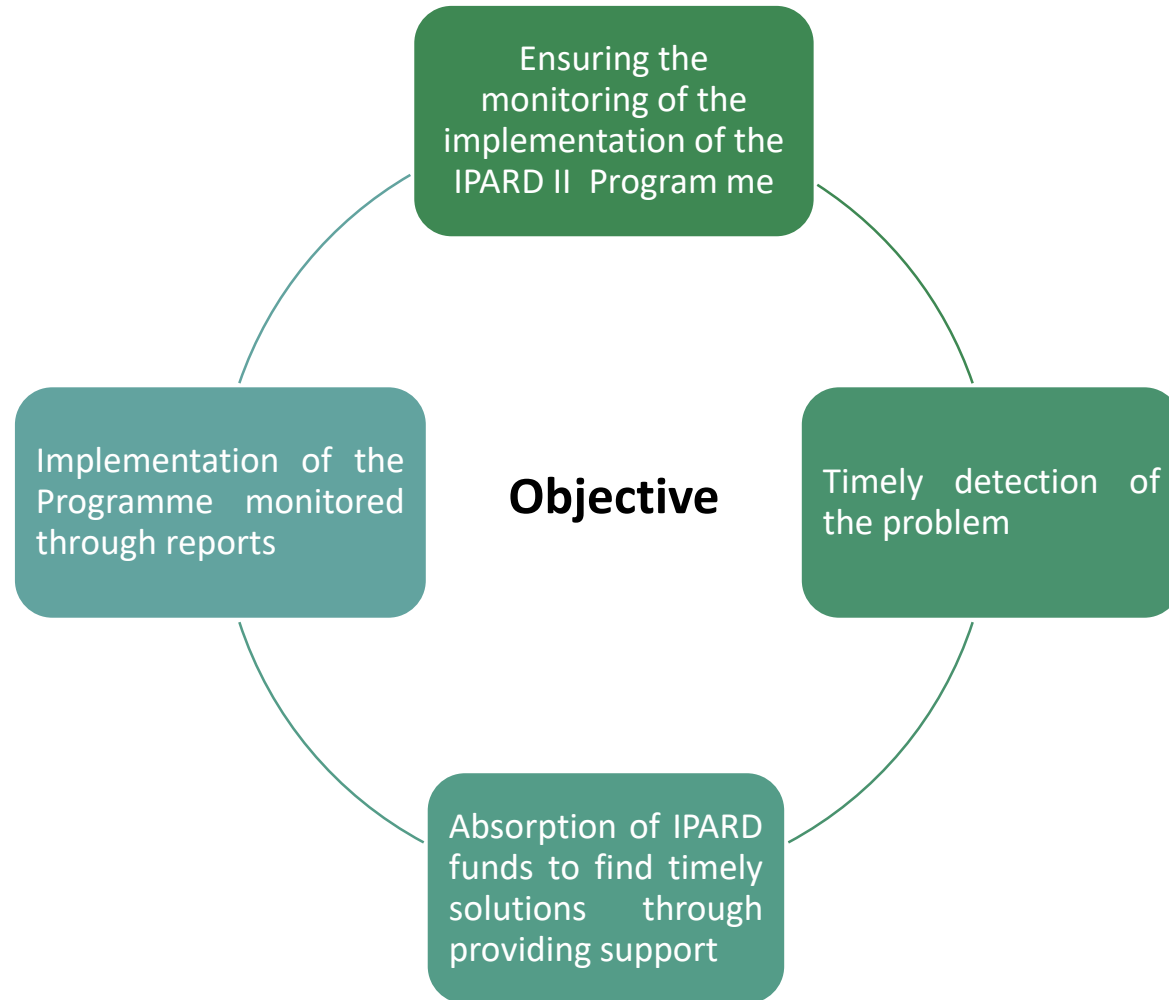
EU CONTRIBUTION  
387,753.00



Structure of the expenditures per group of activities in total budget for 2020



# 9.1. Expenditures on meetings of the Monitoring Committee



## Monitoring Committee

The Managing Authority is the permanent secretariat of the IPARD Monitoring Committee

MC meetings shall be organized at least twice a year for a period of three days:

- Preparatory meeting;
- Session of the IPARD Monitoring Committee for at least 70 participants;
- Field visit.



# 9. 1. Expenditures on meetings of the Monitoring Committee

Organization of two MCs including all costs.



- Rental of facilities
- Equipment
- Accommodation
- Catering
- Translation
- All costs of participants



Indicative allocation for MC in Belgrade 10 thousands EUR

Indicative allocation for MC out of Belgrade 20 thousands EUR



## 9.4. Expenditure on information and publicity campaigns

Information and publicity campaign for measures in implementation (M1, M3, M7) and measures in preparation

WELL INVESTED, **IPARD** RETURNS WELL



Printing materials (M1, M3, M7)

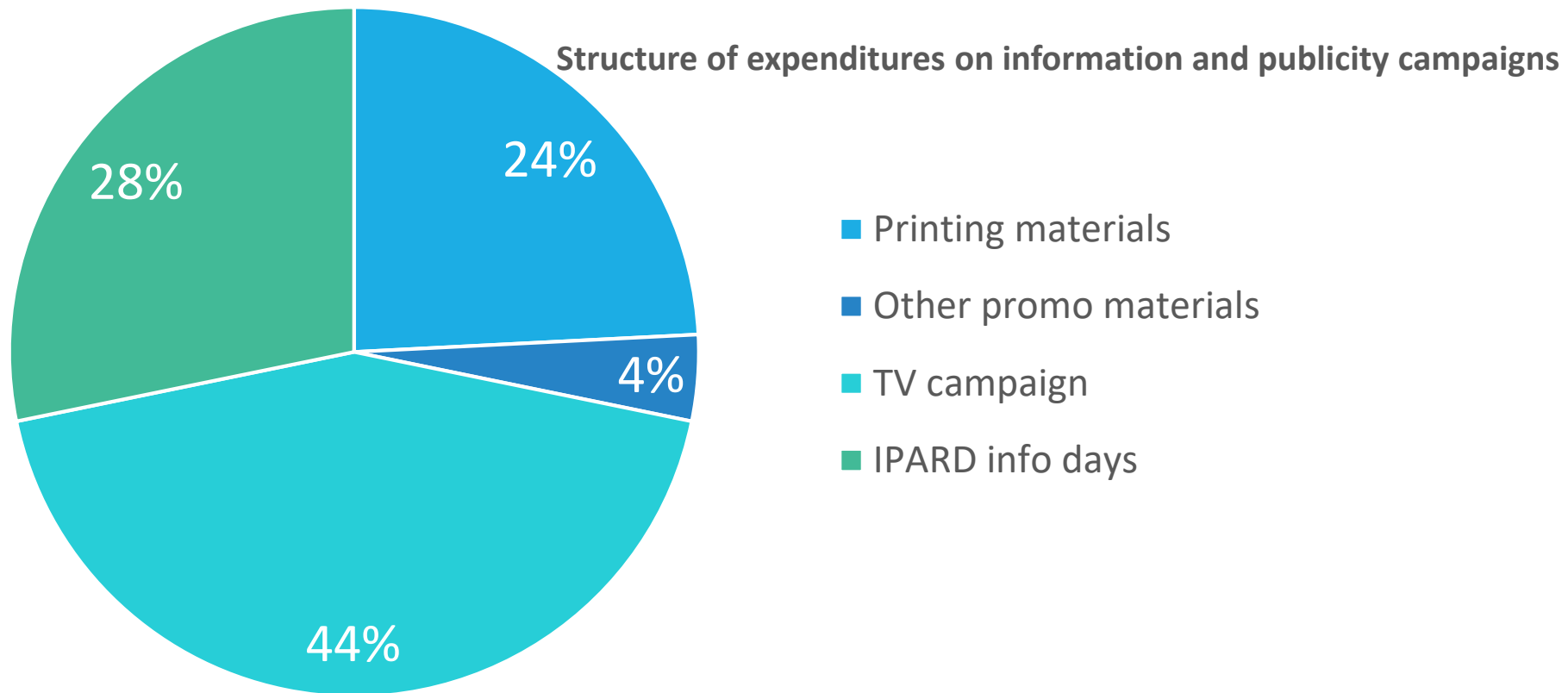
Other promo materials (pencils, USB stick, folders, T-shirts)

TV campaign (M1, M3, M7, M5)

IPARD info days (M1, M3 and M7)

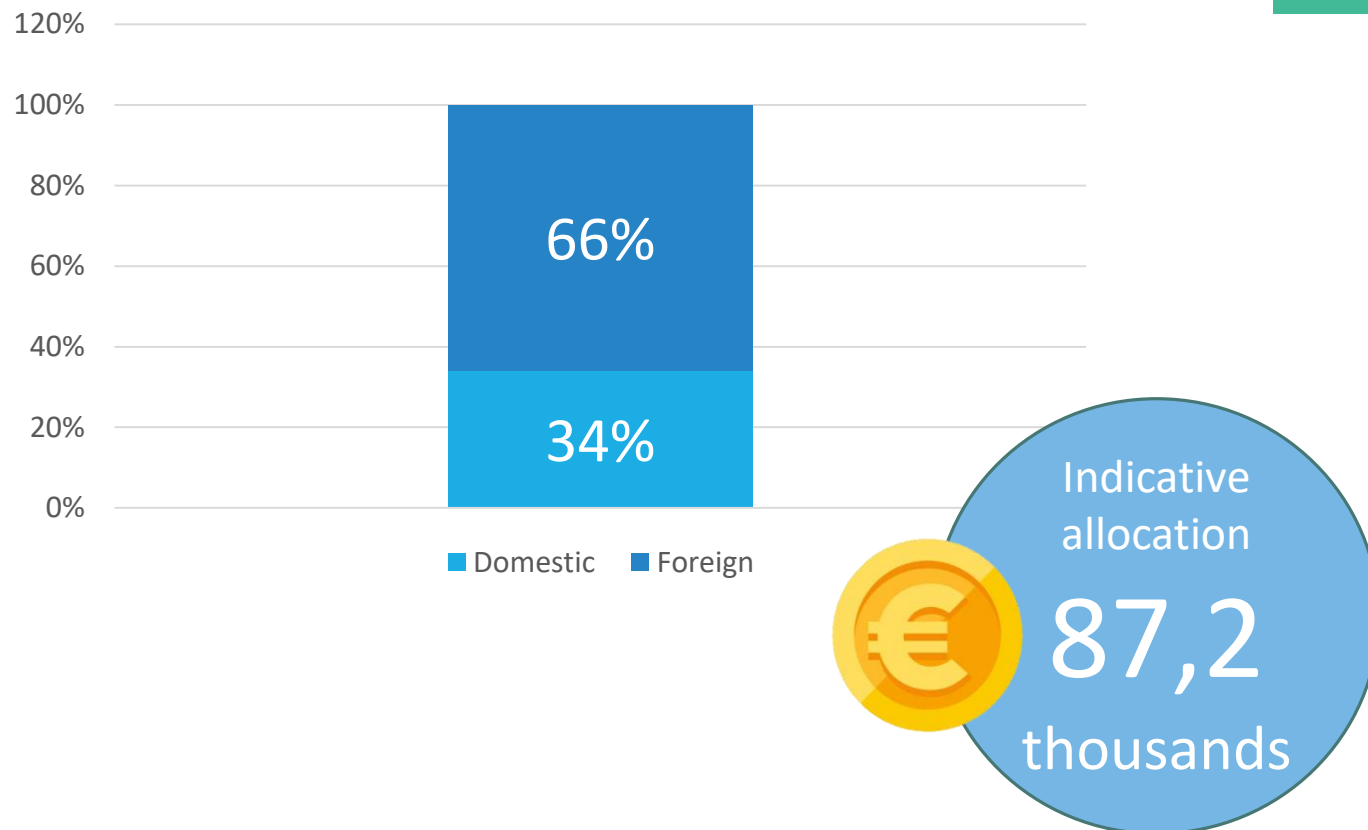


# 9.4. Expenditure on information and publicity campaigns



## 9.6. Expenditures associated with visits and seminars

Capacity building and participation of IPARD OS



**Topics shall cover needs expressed in Training needs analyses and training plan of IPARD Operating structure staff such as:**

- Irregularities management
- Practical on-the-spot control experiences gained for checking of different aspects of construction in M1, M3 and M7
- Public procurement according to PRAG
- Renewable energy - utilization and construction of plants for the purposes of sustainable rural development
- Training on feasibility studies (legal obligations, mandatory elements...)
- Communication skills and conflict management
- Etc.

## 9.7. Expenditure associated with the preparation or streamlining of implementation of measures in the Programme

### Engagement of experts:

- Engagement of experts regarding revision and the implementation of certain measures of the IPARD II programme





## 9.8. Expenditure associated with “Acquisition of skills” to prepare potential LAGs for the implementation of the measure “Implementation of local rural development strategies – LEADER approach”

### The following activities should be undertaken in 2020:

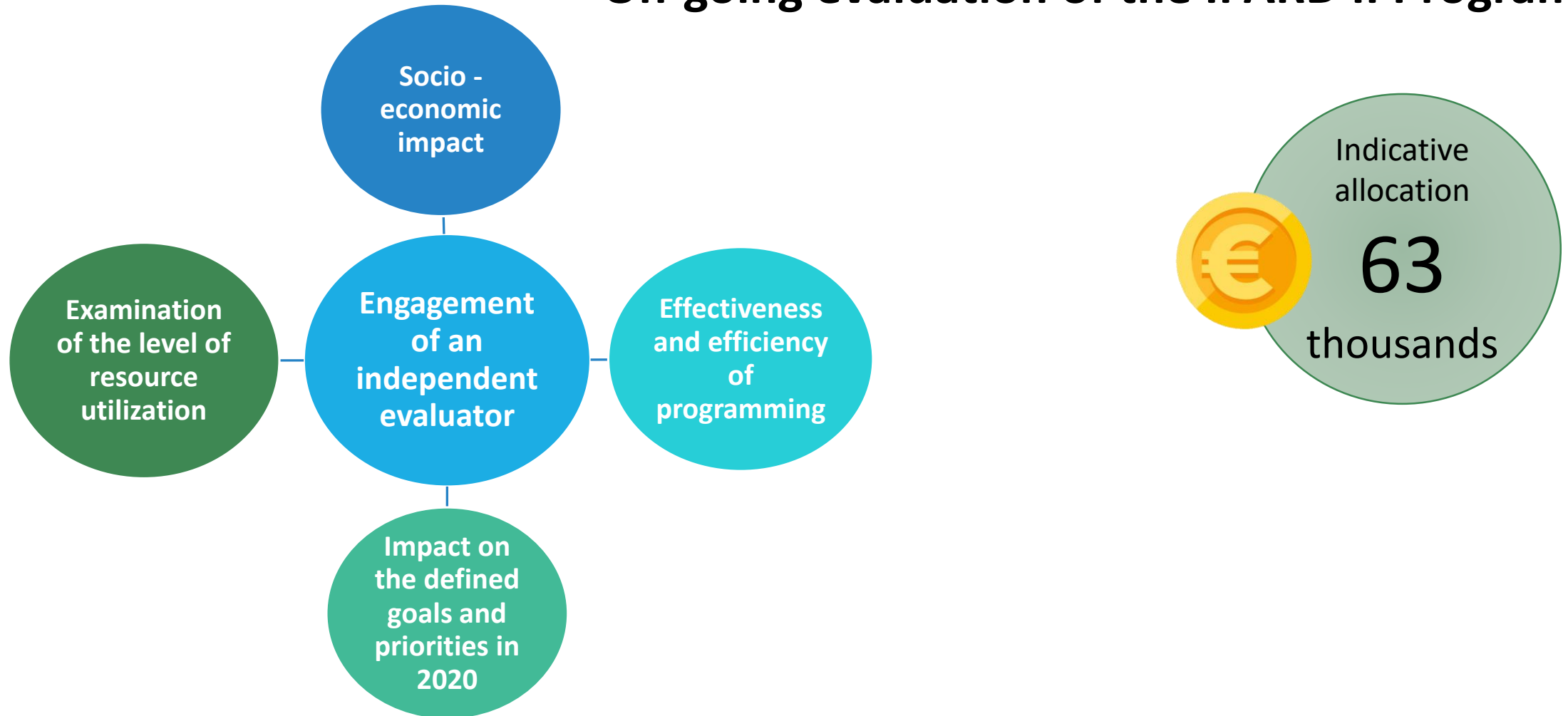
- **Guide for the Establishment of LAGs and the support in preparation of Local Development Strategies (LDS)** – expert services and organizing two full-day workshops to present the guide
- **5 educational modules** for capacity building of animators, managers, members of the steering board, IPARD OS, local people and municipalities - expert services and organization of workshops
- **Participation of the LAG members in** seminars, workshops, meetings, study visits, including events of the national and the ELARD and/or European RD Network
- **2 study visits** for the representatives of MA, IPARD Agency, representatives of potential LAGs and RDN, from Serbia to the MS who performed LEADER approach within IPARD with the aim to exchange experiences and good practice.

Support to the awareness raising, animation process and building of local capacities for revival of LEADER in Serbia



# 9.9. Expenditure for evaluations of the Programme

## On-going evaluation of the IPARD II Programme



# 9.10. Expenditure associated with the Network for Rural Development

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## Activities related to establishment and future activities of RDN:

- Participation of representatives of Serbian RDN and MA in the European Network for Rural Development annual meetings
- Expert support for capacity building of Network for Rural Development of Serbia – experts from ENRD and national rural development networks from EU MS
- Production of one TV spot on networking and broadcasting





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AND WATER MANAGEMENT  
DEPARTMENT OF RURAL DEVELOPMENT



**IPARD**  
EU4Rural Areas

# THANK YOU FOR YOUR ATTENTION!

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**Sanja Prodanović**

**Head of the Group for Technical Assistance and Promotion**

**Ministry of Agriculture, Forestry and Water Management**

**Belgrade, Bulevar kralja Aleksandra 84**

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MINISTRY OF AGRICULTURE, FORESTRY  
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# PROMOTIONAL AND VISIBILITY ACTIVITIES

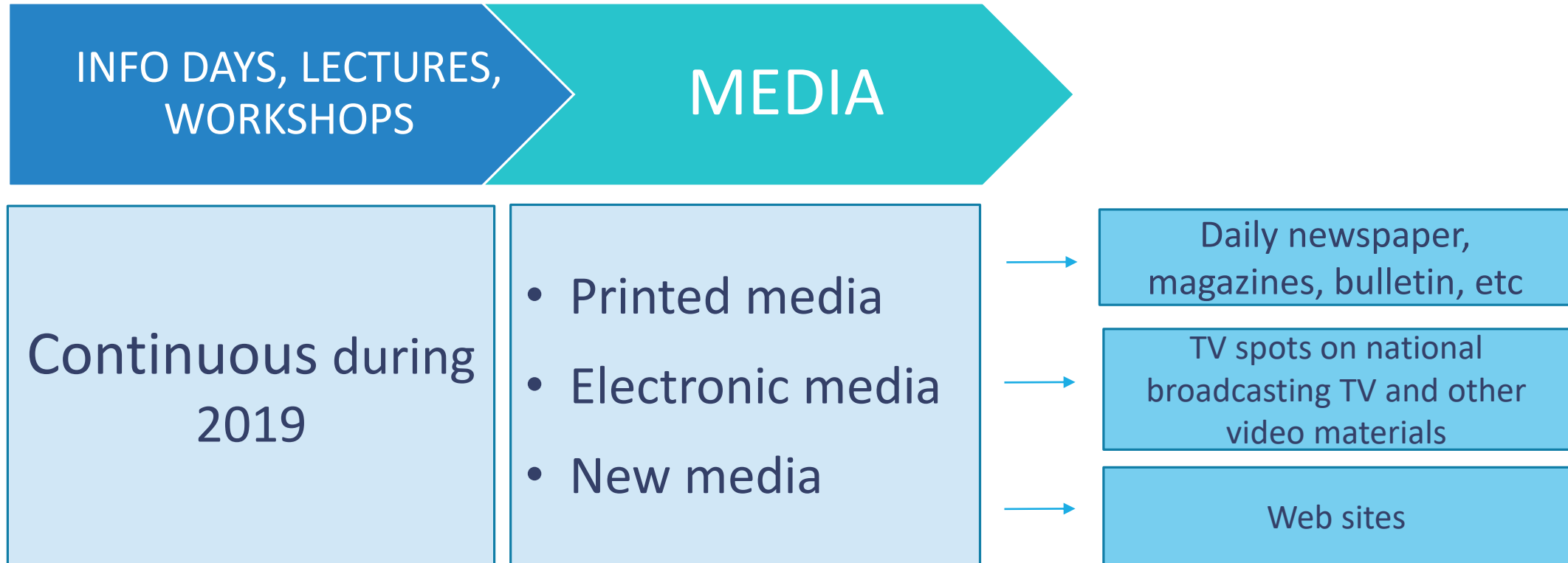
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**6<sup>th</sup> Session of the IPARD II  
Monitoring Committee**

**Sanja Prodanović**  
Head of the Group for Technical Assistance and Promotion

**28<sup>th</sup> November 2019**

# PROMOTION



IPA 2013 project "Support to IPARD Operating structure (MA, IPARD Agency and AAS)"



# INFO DAYS, LECTURES, WORKSHOPS IN 2019

## INFO DAYS

# 22

for representatives of:

- potential recipients,
- agricultural cooperatives,
- farmer's associations,
- regional development agencies,
- regional chambers of commerce,
- consultants,
- bank representatives and
- local self-governments.

## LECTURES

Within the Agricultural Fair in Novi Sad in May 2019 one national event is organized in cooperation with IPA 2015 project:

**Capacity building for the alignment with the acquis in the area of agriculture, rural development, food safety, veterinary and phytosanitary policy.**

## WORKSHOPS

TAIEX workshop in October 2019 in Kragujevac:

**Preparation and support to national and local administration, potential Local Action Groups under IPARD how to use Technical Assistance funds to prepare rural associations to establish LAGs and to draft Local Development Strategies.**

The most recent informational events were for the potential recipients from the South Serbia:

Niš,  
18<sup>th</sup>  
October

Prokuplje,  
19<sup>th</sup>  
November

Egg sector  
22<sup>nd</sup>  
November



# PRINTED MEDIA

## ВОДИЧ ЗА КОРИСНИКЕ ИПАРД II ПРОГРАМА



За Меру 1

ИНВЕСТИЦИЈЕ У ФИЗИЧКУ  
ИМОВИНУ ПОЉОПРИВРЕДНИХ  
ГАЗДИНСТАВА

IPARD Rulebooks for M1 and M3

Guides for Applicants for M1

Guides for Applicants for M3 (prepared)

Leaflets for IPARD II programme funding opportunities

IPARD Brochures – 10 steps to IPARD support

Posters

Roll-ups

1,000

1,000

2,000

1,500

400

5



# ELECTRONIC MEDIA

M1

The beneficiary who applied for roll press and 2 trailers and got subsidies, has the main role in the video

60 time on RTS  
from 25<sup>th</sup>  
September 2019

Prime-time in the following TV shows:

- Jutarnji program (1,2),
- Šarenica,
- Znanje - imanje,
- Dnevnik 2.

M3

It is planned to be broadcasted 60 times on Public broadcasting service RTS (broadcasting shall start after launching of the public call for M3)

To **IPARD** support in **10** steps

for the purpose of the:

- Website
- Social networks
- Guest appearances in TV shows.





## NEW MEDIA

### IPARD II Programme Website

<http://www.minpolj.gov.rs/ipard-program-2014-2020/>

<http://uap.gov.rs/ipard-ii-u-srbiji>

No. of access  
**23 000/month**



**860** questions/ answers - [ipard.info@minpolj.gov.rs](mailto:ipard.info@minpolj.gov.rs) (from January 2018)



**571** questions/ answers – telephone line (from January 2019)



# Publicity and visibility actions

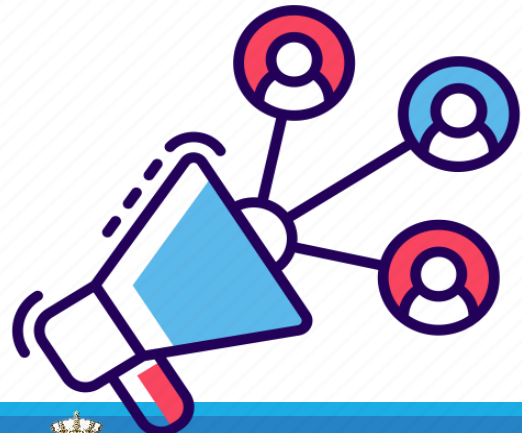
Information regarding the responsibilities of recipients of IPARD funds on visibility

Decision on project approval of the IPARD II support



Information and publicity actions for the general public:

- TV and/ or radio presentations - 148
- Printed media - 97 daily/ 53 periodical/ 50 local
- Press conferences - 3
- Press releases - 22 (92 national and regional media reached by informational materials)



# IMPLEMENTED ACTIVITIES IN 2019



# ACTIVITIES of AAS of Republic of Serbia and AAS AP Vojvodina

Information tool	AAS Serbia		AAS Vojvodina	
	No. of events held	No. of participants	No. of events held	No. of participants
Events (winter schools, forums, lectures, workshops)	71	2538	40	696
Media (local TV, radio, newspapers)	100	/	3	/
Bulletin / Portal of Advisory Services	39	/	/	/

**IPARD 50** hours  
certificate



**8**



**Business plans**

AAS Serbia

**28**



AAS AP Vojvodina

**68**



# PLANNED ACTIVITIES in 2020



Continuous promotion activities of the IPARD II funding for potential recipients and presentation of the best supported projects

AAS  
AAS AP  
Vojvodina

MODULES

M1 M3 M7  
recipients  
potential recipients  
consultants  
promotional partners  
stakeholders

20 INFO DAYS

TV campaign  
(M1, M3, M7, M5)

Websites

Printed materials  
(leaflets, guides)

IPARD Newsletter

MEDIA

## Building capacity of:

- advisory services,
- municipal support services,
- private consultants

support to potential recipients to prepare good quality applications and business plans





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**THANK YOU FOR  
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*Basic information on the organization and activities  
of the Statistical Office of the Republic of Serbia and  
the results of Farm Structure Surveys*

Dragana Marković, Head of Division  
Agriculture and Forestry Statistic division

The sixth session of the IPARD II Monitoring Committee  
28th November 2019



# Historical overview

1824	Register of the tax payers and counting of the cattle
1834	Regular census in five-year intervals is established
1843	Regular monitoring of the statistics of foreign trade, internal turnover, prices and wages is established
1862	Prince Mihailo Obrenovic executed an act obliging the Ministry of Finance, the Department of Commerce to carry out all activities relative to statistics – national statistics in Serbia is introduced
1881	The Act on statistics passed
1919	The Directorate of national statistics with the Ministry of Social Policy of the The Kingdom of Serbia, Croatia and Slovenia is established
1945	The Statistical Office of the Republic of Serbia (SORS) is established
1945 - 2006	SORS conducts unique program of statistical surveys and methodologies brought by Federal Statistical Office
2006	SORS operate as special organization
2009	Law on official statistics in the Republic of Serbia was adopted

## Office today



- Statistical Office of the Republic of Serbia (SORS) is a specialized, professional organization within the public administration of the Republic of Serbia
- SORS carries out more than 80% of all statistical activities within the system of official statistics of the Republic of Serbia
- Serbian official statistics is based on the observance of the single standards, definitions and basic principles, in accordance with the Official Statistics Law and the European Statistics Code of Practice
- All statistical surveys are conducted in compliance with the Plan of statistical surveys

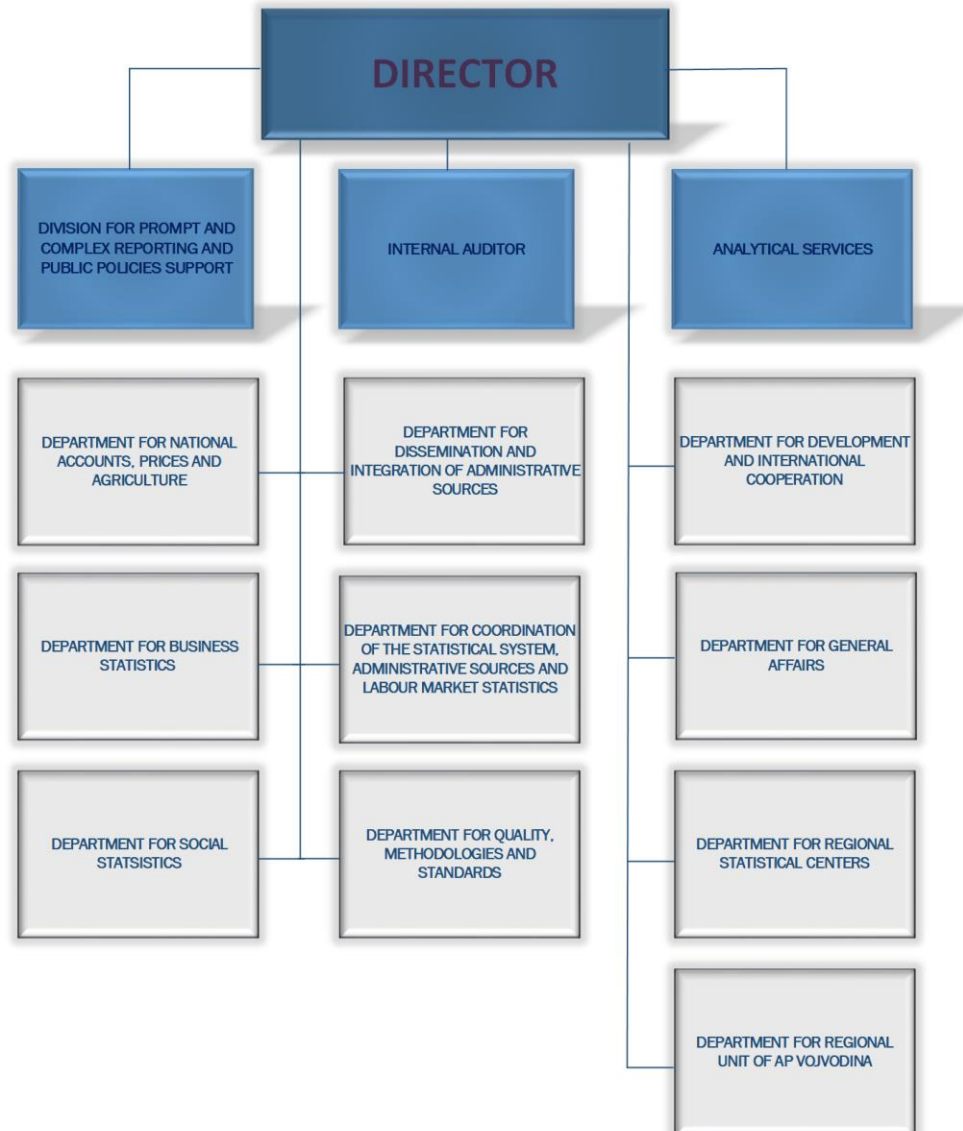
# Scope of activities



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- Collection, processing and dissemination of statistical data and information that are of good quality and accessible, on equal basis, to all users
- Ensuring and strengthening of the institutional position and professional independence of official statistics
- Strengthening the trustworthiness of official statistics, both domestically and for international public
- Active international cooperation and participation in working with the relevant national and international institutions
- Other activities prescribed by law

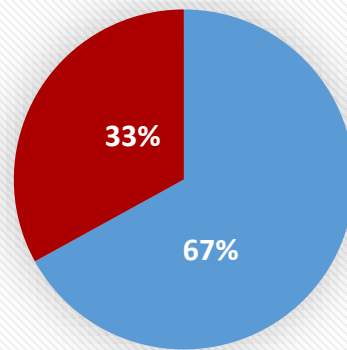
# Organizational chart



# Number and structure of employees, 2019

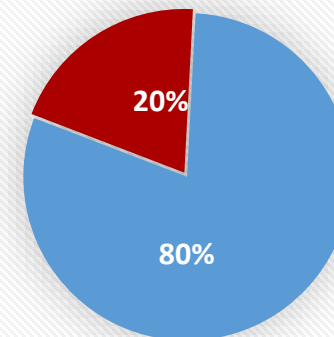
Number of employees			Educational attainment	
Total	Belgrade	Regional offices	University	Other
455	305	150	365	90

Employees according to the place of work, 2019



■ Belgrade ■ Regional Office

Employees according to education attainment



■ University ■ Other

# Division of agricultural and forestry statistics

- ❑ Composed of three integral units:
  - Structural agricultural surveys and Statistical Farm Register
  - Crop production statistics and forestry
  - Livestock and fishery statistics
  
- ❑ 11 employees

Calculation of prices and price indices for agriculture and – Price statistics division/Macroeconomic statistics

Economic accounts for agriculture – National accounts division/Macroeconomic statistics

# Farm structure surveys FSS

- ❑ Structural surveys were established with Census of Agriculture, conducted in October 2012 in accordance with the Law on the Census of Agriculture 2011
- ❑ Sample based FSS was carried out in 2018
- ❑ Applied instruments, coverage, features and standardized concepts and definitions are in compliance with Eurostat methodology and EU legislative
- ❑ The funds for financing the FSS were provided partly from the budget of the Republic of Serbia, and partly from the instruments of pre-accession assistance within the EU multi-beneficiary program – IPA
- ❑ Next Census of agriculture will be conducted in October 2021

# Agriculture Production Statistics

- Crop production statistics
- Livestock, meat and eggs statistics
- Milk and dairy products statistics
- Fishery statistics
- Forestry statistics
- Economic Accounts for Agriculture has been calculated since 2015
- Prices and producer price indices for agricultural and fishing products are calculated on monthly and annual basis, in compliance with the EU recommendations

Intensive process of harmonization of agricultural statistics with the EU standards and recommendations has been carried out under IPA programs from 2013

<https://data.stat.gov.rs/?caller=SDDB>

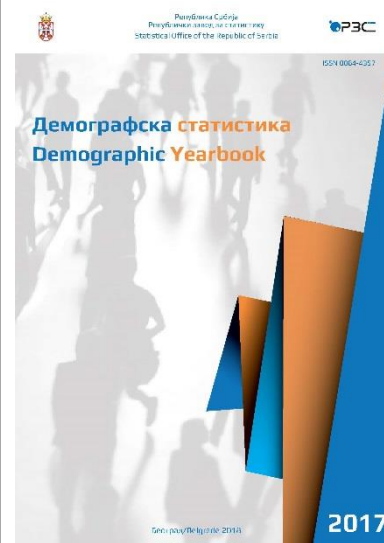
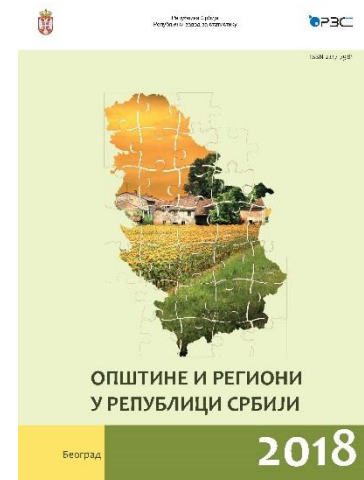
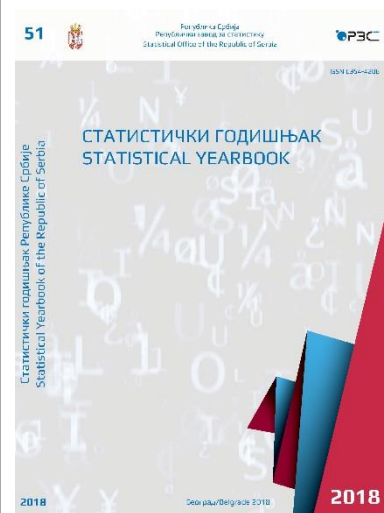


# Availability of statistical data

- Website
- Data base  
(Dissemination bases of aggregated data)
- Electronic publications and statistical releases
- Open Data Portal
- Sustainable Development Goals Portal
- The social networks

The screenshot shows the homepage of the Statistical Office of the Republic of Serbia. The header includes the logo 'P3C' and the text 'Statistical Office of the Republic of Serbia'. The main navigation menu includes 'HOME', 'STATISTICS BY THEME', 'SURVEYS', 'PRODUCTS', 'SERVICES', and 'ABOUT US'. Below the navigation, there are five key indicators: POPULATION (6 963 764), GDP (2.9 % growth), INDUSTRY (3.7 % growth), CONSUMER PRICE (1.6 % growth), and GROSS SALARY (74 009 RSD). There are three main content blocks: 'Database', 'Publications', and 'Release Calendar'. Below these are 'Latest Indicators', 'Sustainable Development Goals', and 'Open Data'. A 'News' section is also visible at the bottom, with a 'See All' link. The footer shows a row of image thumbnails for 'trendovi.jpg', 'demografika.jpg', 'opstine i regioni 2...jpg', and 'godisnjak 2018.jpg'.

- Complete statistical publication materials of the Statistical Office of the Republic of Serbia and the Federal Statistical Office
- Statistical publications of all the republics of the former Yugoslavia, 1945 -1991
- Statistical Yearbooks from more than 60 countries of the World
- Particularly interesting are old and rare publications of the 19th century



## Statistical Office of the Republic of Serbia Belgrade, Milana Rakića 5

- Phone : 011/2412-922
- Fax: 011/2411-260
- Information : 011/2401-284
- Library : 011/2412-922 /ext. 251
  
- E-mail: [stat@stat.gov.rs](mailto:stat@stat.gov.rs)
- Web site: [www.stat.gov.rs](http://www.stat.gov.rs)
- Twitter: [@StatistikaSrb](https://twitter.com/StatistikaSrb)
- YouTube: [Republički zavod za statistiku](https://www.youtube.com/Republički_zavod_za_statistiku)

- Farm Structure Survey 2018 was carried out in the period from 1 October to 30 November 2018.
- Applied methodology is in compliance with that prescribed by Eurostat and the respective EU regulations.
- Financial assets amounting to EUR 2.59 million were ensured from the EU instruments of pre-accession assistance, the National IPA 2016 programme (85%) and from the RS Budget (15%).

- FFS is an important structural survey within the system agricultural statistics that provides the data on:
  - Utilized agricultural area (UAA)
  - Number of livestock
  - Agricultural machinery and equipment
  - Labour force at holdings
  - Applied agro-technical measures
  - Organic farming

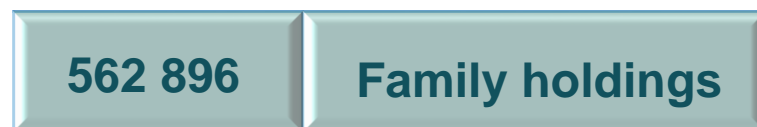
120 000 holdings were interviewed

- 535 interviewers and
  - 70 controllers
- were hired for FSS 2018

Applied methods of data collection

- CAPI – family holdings
- CAWI – holdings of legal entities

## FSS 2018: Results



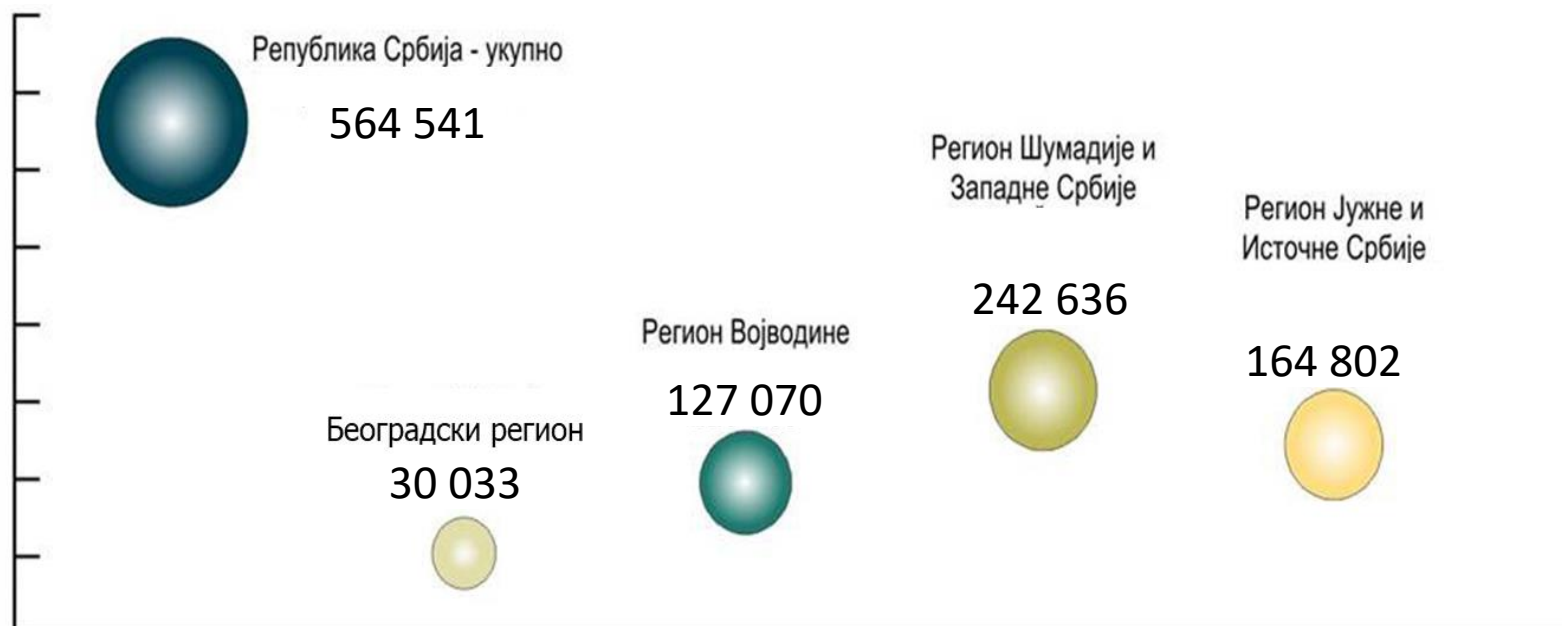
↓ 10%

Census 2012



↓ 38%

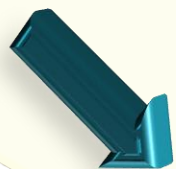
## Distribution of agricultural holdings by RS regions





The largest number of agricultural holdings was found for Region Šumadije i Zapadne Srbije (242 636)

The major fall in the number of holdings when related to 2012 was noted for Region Vojvodine



13%





3 475 894 ha

Utilized agricultural area UAA

↑ 1%

Census  
2012

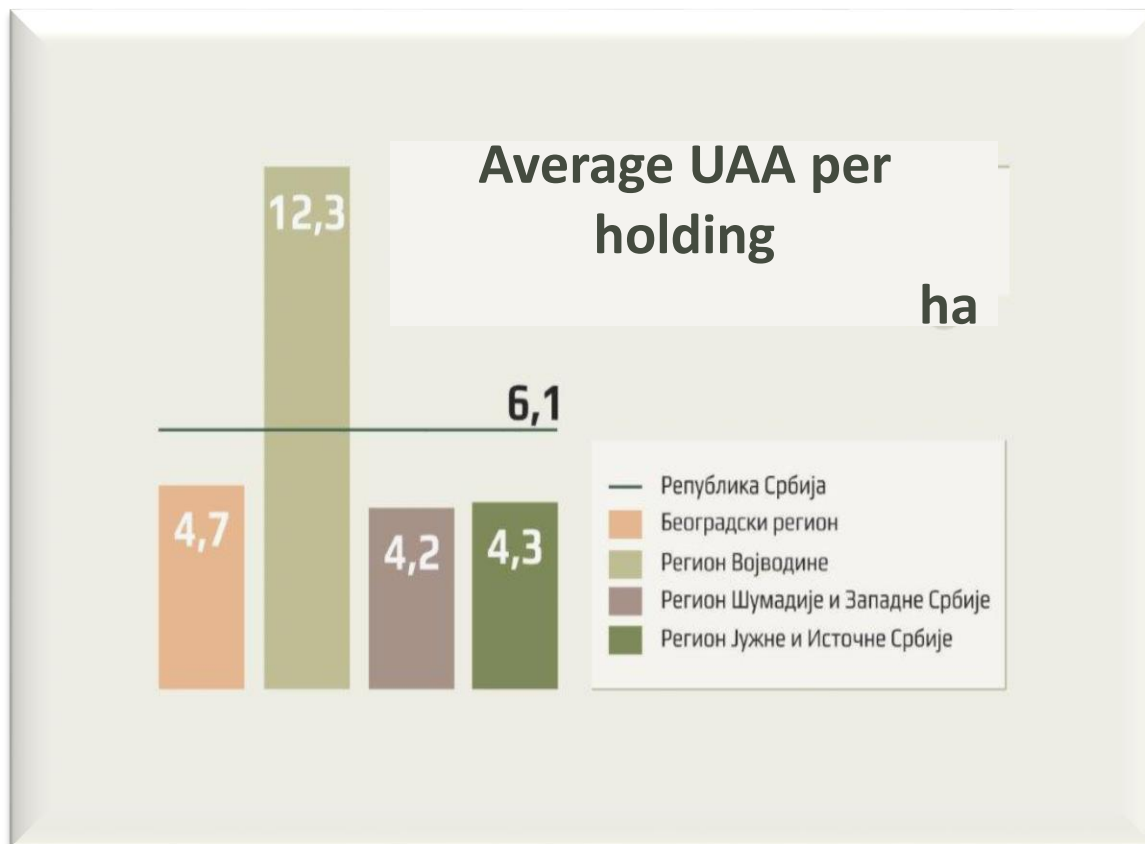
When related to 2012, the most expressive increase of UAA was noted for the category of perennial crops.

↑ 10%

	UAA, ha	%
Beogradski region	145,533	4
Region Vojvodina	1,574,366	45
Region Šumadije i Zapadne Srbije	1,035,998	30
Region Južne i Istočne Srbije	719,997	21

## Average UAA per holding

	<b>FSS 2018</b> ha	Census 2012 ha	<b>↑↓ %</b>
Total	<b>6.1</b>	5.4	<b>↗ 12.2</b>
Family holdings	<b>5.2</b>	4.5	<b>↗ 14.3</b>
Holdings of legal entities	<b>304.1</b>	204.1	<b>↗ 49.0</b>



 over 50%

Increased average UAA per holding  
in Region Vojvodine

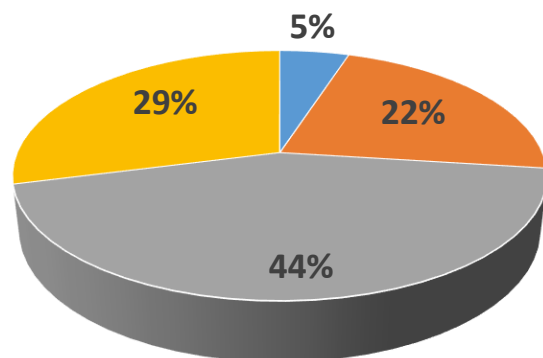


435 053

holdings with livestock

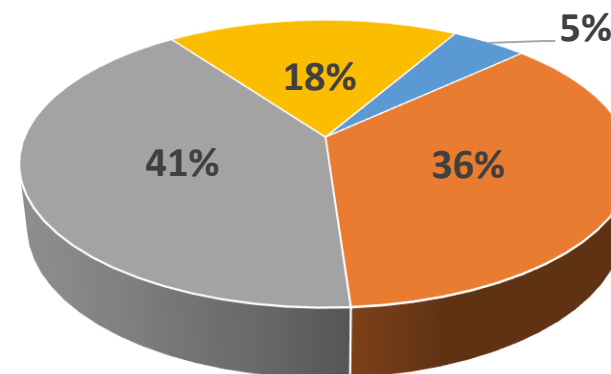
77%

### Share of holdings engaged in livestock raising by regions



- Beogradski region
- Region Vojvodine
- Region Šumadije i Zapadne Srbije
- Region Južne i Istočne Srbije

### Share of livestock units by regions



- Beogradski region
- Region Vojvodine
- Region Šumadije i Zapadne Srbije
- Region Južne i Istočne Srbije



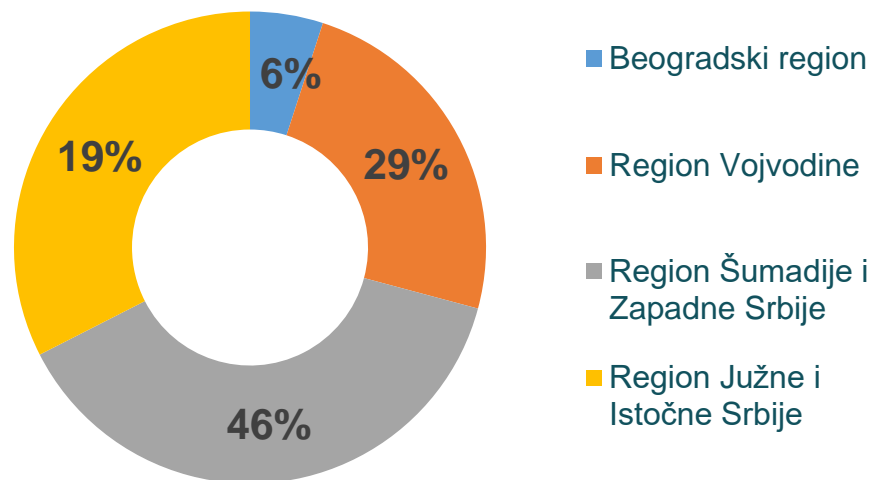
881 152

heads of cattle

3%

Census  
2012

### Number of cattle: structure



Regarding the number of cattle, Region Šumadije i Zapadne Srbije holds the top position in RS

3%

Region Vojvodine

13%

Beogradski region



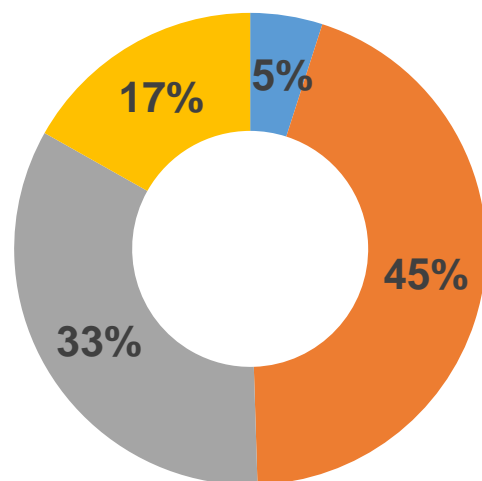
3 266 102

heads of pigs

4%

Census  
2012

### Number of pigs: structure



- Beogradski region
- Region Vojvodine
- Region Šumadije i Zapadne Srbije
- Region Južne i Istočne Srbije

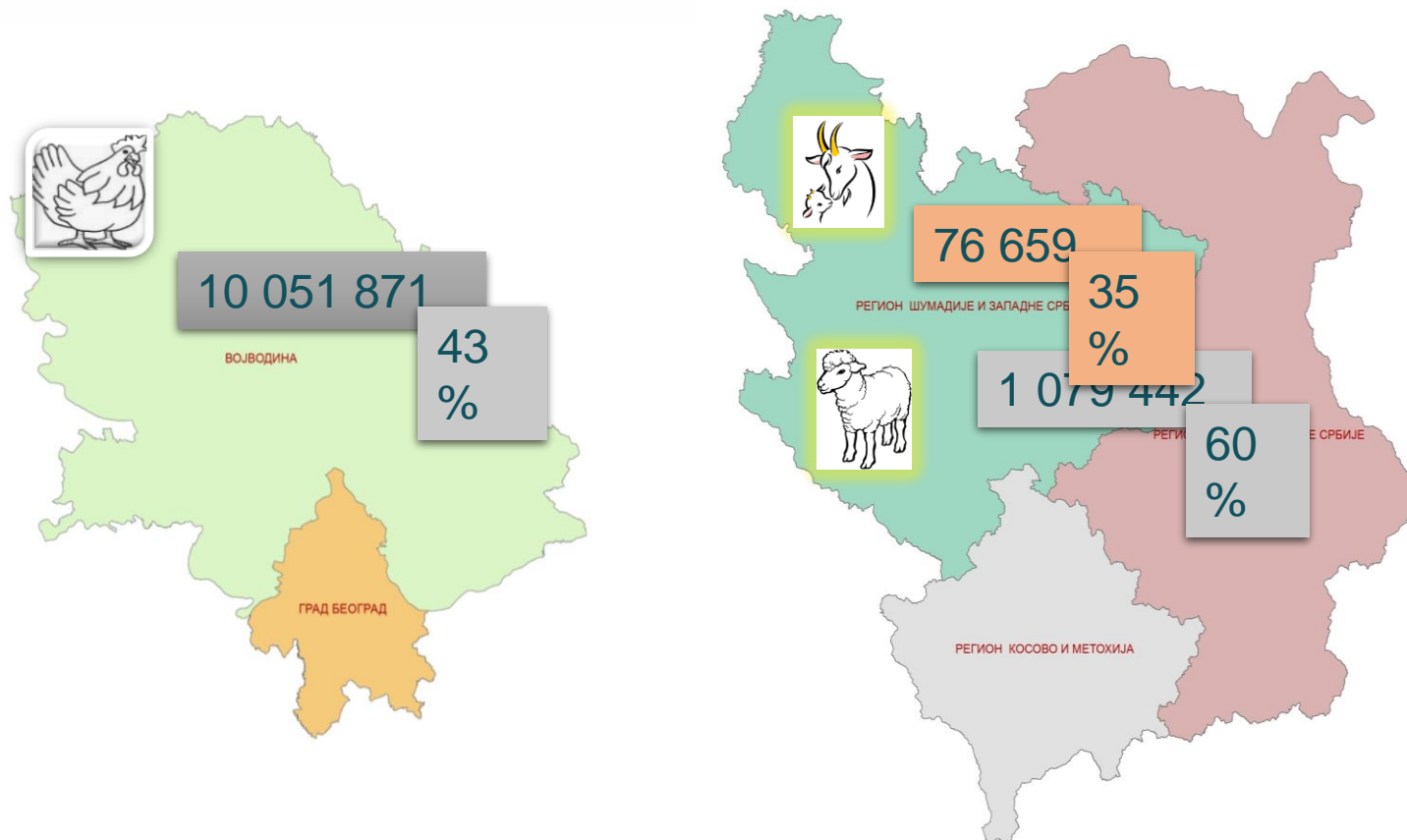
Regarding the number of pigs, Region Vojvodine holds the top position in RS with 1 465 000 heads

 5%

Region Vojvodine

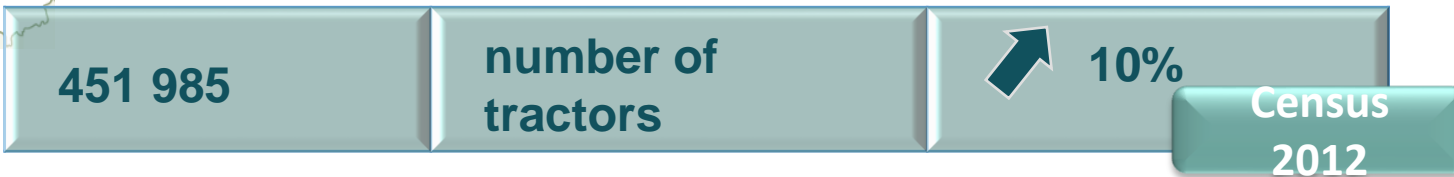
 19%

Beogradski region

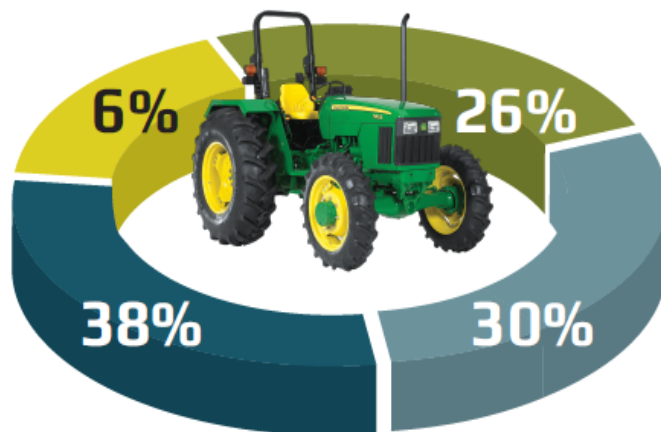


Top position in poultry raising holds Region Vojvodine, and top position in sheep and goats raising goes to Region Šumadije i Zapadne Srbije



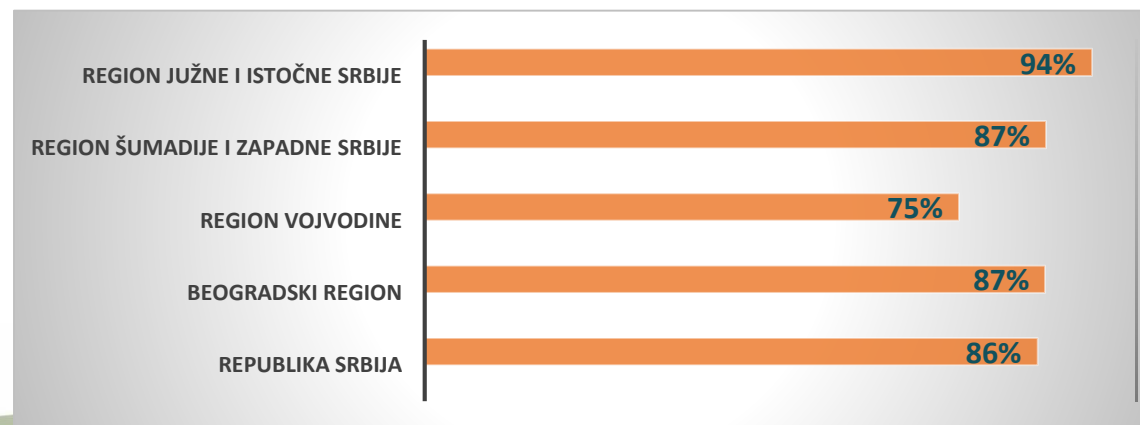


## Tractors: distribution by RS regions, 2018



- Beogradski region
- Region Vojvodine
- Region Šumadije i Zapadne Srbije
- Region Južne i Istočne Srbije

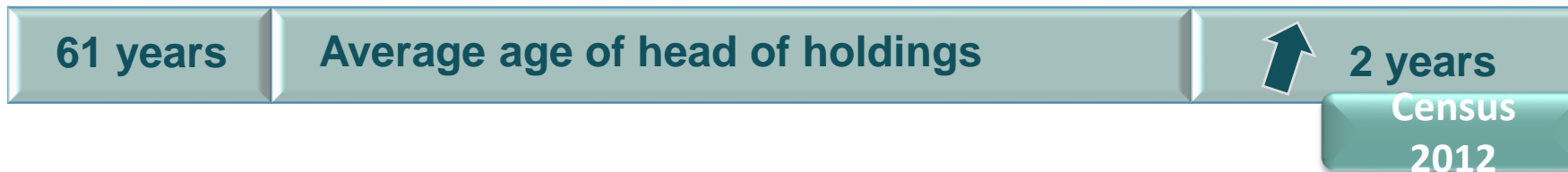
## Tractors old over 20 years: distribution by RS regions, 2018



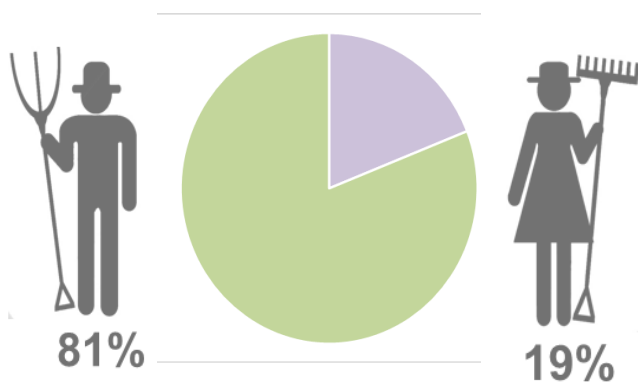
## Members of holdings and permanent labour force at holdings

	<b>FFS 2018</b> number of persons	Census, 2012 number of persons	<b>↑↓ %</b>
Total	<b>1 336 940</b>	1 442 628	↘ 7,3
Family holdings	<b>1 318 593</b>	1 416 349	↘ 6,9
Holdings of legal entities	<b>18 347</b>	26 279	↘ 31,5

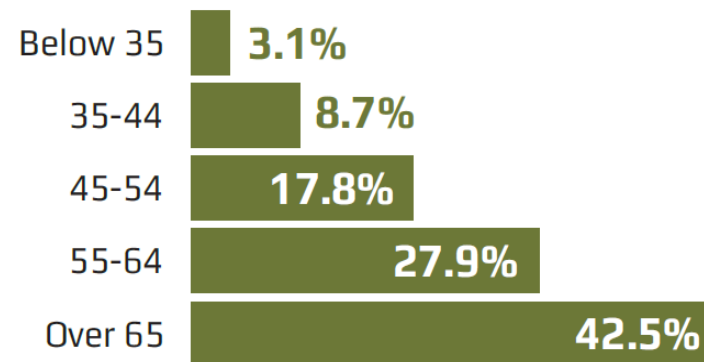
Average number of members and of permanent labour force at holdings is 2.4



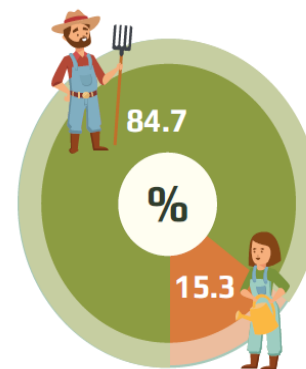
Holders – share of women



Age structure of holders of family holdings



Holding managers - share of women





36 377

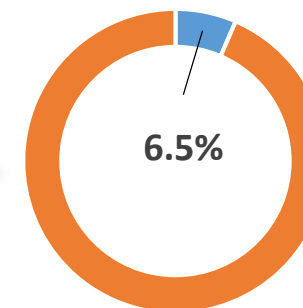
holders younger than 40



34%

Census  
2012

Each 15<sup>th</sup> holder of the holding is aged below 40



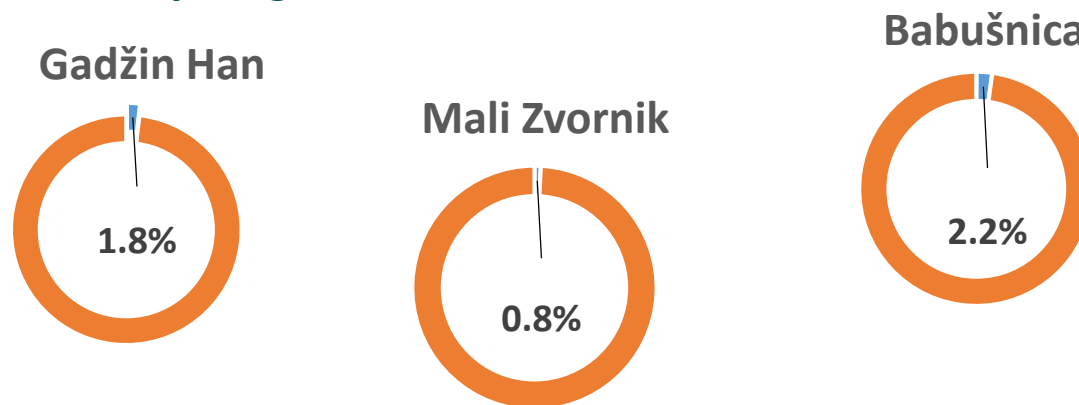
- Holder younger than 40

The largest number of young holders is found in Region Šumadije i Zapadne Srbije.

### Municipalities with most young holders, 2018



### Municipalities with least young holders, 2018



■ Holder younger than 40

12  
%

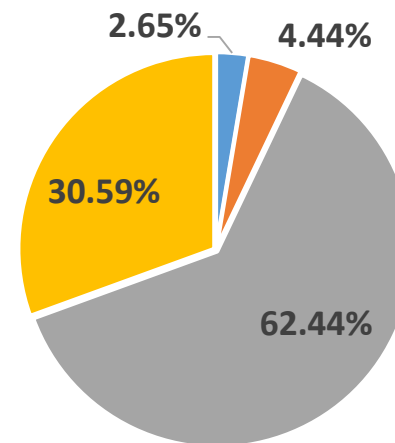
Holdings with OGA

Distribution of holdings by other gainful activities at holdings



Number of agricultural holdings engaged in tourism by regions

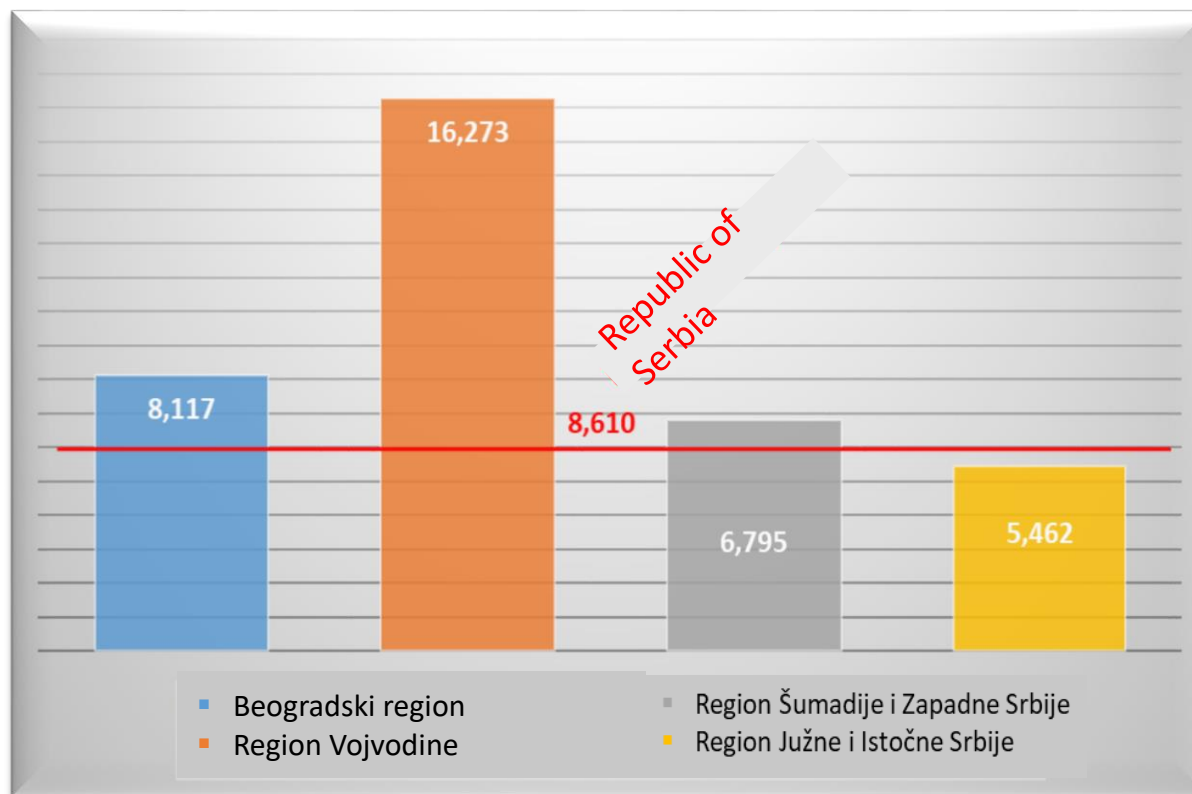
302



- Beogradski region
- Region Vojvodine
- Region Šumadije i Zapadne Srbije
- Region Južne i Istočne Srbije

## Average economic size of holdings by region

*calculated by SO value*



1/3 of holdings are engaged with mixed crops-livestock type of production

53% is specialist field crops in Region Vojvodina



FSS 2018 results see at [www.stat.gov.rs](http://www.stat.gov.rs)

- Dissemination database
- Special publications offering the analysis of status of agriculture

# IPARD – feedback from the field



## **3 field visits realised in the organisation of the Independent Farmers' Association of Serbia (NAPS)**

- 1. Banat, Vojvodina – Bavanište, Pančevo, Dobrica**
- 2. Niš region, South Serbia – Sičevo, Matejevac, Malo Crnice**
- 3. Negotín region, East Serbia – Karbulovo, Bukovče, Samarinovac**

## **A. Problems with the reference price for tractors**

- **Reference prices set on wrong basis (1<sup>st</sup> call)– the invoices used for the initial set of reference prices were not from the required category (Euro3&4)– ELIMINATED**
- **Reference prices are not known for farmers even on approximate basis – some hundred euros difference can mean a lot for the farmers, difficulties in planning.**

## **B. Fulfilling of EU standards**

### **Manure storage**

- **Newly introduced standards, Serbian standards were not gradually adapted to EU standards – missing step, more thousand EUR investments are needed on the farms to be able to apply for IPARD**

### **Liquidation of the empty packaging of pesticides**

- **the agro-pharmacies selling these products have the obligation from the law to take back the empty packaging material, however in some cases they do not have capacities for that**

## **C. More farms on the same address**

- **No general rule applicable, it is evaluated on case by case basis, but definitively a red flag;**
- **Farm structure adapted to the subvention policy – farms supported up to 20 ha => every member of the family above 18 has its own farm;**
- **Examples and clarifications necessary;**

## **D. Support for young farmers**

- **Young farmers are prioritised under IPARD through the selection criteria;**
- **The "old" generation is staying – the young generation is leaving;**
- **More incentives and initiatives needed from the national budget too;**
- **IPARD III – specialised measure???**

## **E. Information campaigns**

- **Still lot of "dirt" in the air – rumours, misinterpretation: "IPARD is complicated"; "IPARD is only for the big ones.." etc.**
- **Most efficient communication channels – TV, Radio?**
- **Fluctuating quality of extension services region by region – constant training needed.**
- **Continue with the information campaigns, roadshows, info events, cooperate with farmer's associations and companies dealing with more thousands of farmers**



# Systematic problems mentioned by farmers

- **No trust at all, no cooperation – mainly on South and East**
- **Problems with the harmonisation of strategy and planning on municipality and central state level**
- **Definition of active farmer is missing – beneficiaries of the subvention policy are many times farmers "on paper" e.g. fuel subsidy**
- **Land market – no reliable evidence, fragmented parcels, in some regions hard access to state owned land**
- **Illegal buildings used by farmers**

# Systematic problems mentioned by farmers

- **Intraville livestock farmers are practically blocked in development – outside of the village the basic infrastructure is missing (Local infrastructure measure under IPARD III?)**
- **Dumping prices of import from Albania and North Macedonia mainly on vegetables**
- **Processing industry disappeared from South and East Serbia, hard situation on the market**
- **Huge investments needed for the future – because of the climate change the irrigation of some areas will be needed**
- **Emigration**

## Where to begin?

- **Law on administration – special treatment of IPARD applications is necessary (in the future all applications under CAP) to ensure a quicker procedure. IPARD Agency should be able to eliminate empty applications**
- **List of reliable consulting agencies with minimum requirements set**
- **Use Technical assistance measure to get the information about IPARD to the farthest points of Serbia by all possible means.**
- **Calls limited for the less developed regions – best promotion for IPARD could be a successful project in every municipality visible for the "neighbours".**

# Thank you for your attention!



# IPARD Monitoring Committee

*28<sup>th</sup> November, 2019*

## Implementation of IPARD II Programme



**Jelena Mitevski**

Ministry of Finance

Head of the Department for Supervision of Functioning of the  
EU pre-accession aid management system (NAO SO)

# Overview of the most important activities 1/3

- **External Audit carried out - Final Report issued on 19<sup>th</sup> August, 2019**
  - IPARD bodies implemented **corrective activities – focus on major findings**
  - IPARD Agency have submitted **new systematization act** which included group for PRAG and increased number of positions
  - **Training** on the topics "Simulation of measure 7 and measure 9" was conducted in IPARD Agency in September and October, participation of all all IPARD bodies was ensured
- **Request for entrustment of budget implementation tasks (M7 and M9) - submitted by NAO to EC on 8<sup>th</sup> November, 2019**
  - **IPARD measure 7** (farm diversification and business development) and
  - **IPARD measure 9** (technical assistance)

## Overview of the most important activities 2/3

- IPARD Agency and MA took **4-days study visit** in October to IPARD MA in Turkey on the following topics:
  - Technical assistance
  - Preparing procedures for Technical Assistance measure and
  - PRAG rules- basic principles, implementation and evaluation, prevention and dealing with irregularities (based on PRAG rules)
- **TAIEX workshop** organized in October on the preparation and support to national and local administration. The aim of this workshop is to provide to the Serbian local and governmental administration guidance on how to absorb TA funds and to be prepared for LEADER measure

# Overview of the most important activities 3/3

## ➤ Declaration of Expenditure and Revenue (D1) - 3Q 2019

- Submitted by NAO to EC on **30<sup>th</sup> October, 2019**
- Eligible expenditure declared in 3Q: **EUR 2,325,604.29** (o/w **EUR 1,744,203.14** IPA contribution)
- Total expenditure declared: **EUR 2.796.831,34** (o/w **EUR 2,097,623.43**)

## ➤ Payment overview

- **28 requests** for funds and 123 beneficiaries
- Total amount paid EUR 5,422,827.01 (o/w **IPA contribution EUR 4,067,120.13** and co-financing EUR 1,355,706.88)

## ➤ Request for pre-financing payment - 2nd instalment

- **EUR 6,000,000** submitted by NAO to EC on 5th November, 2019

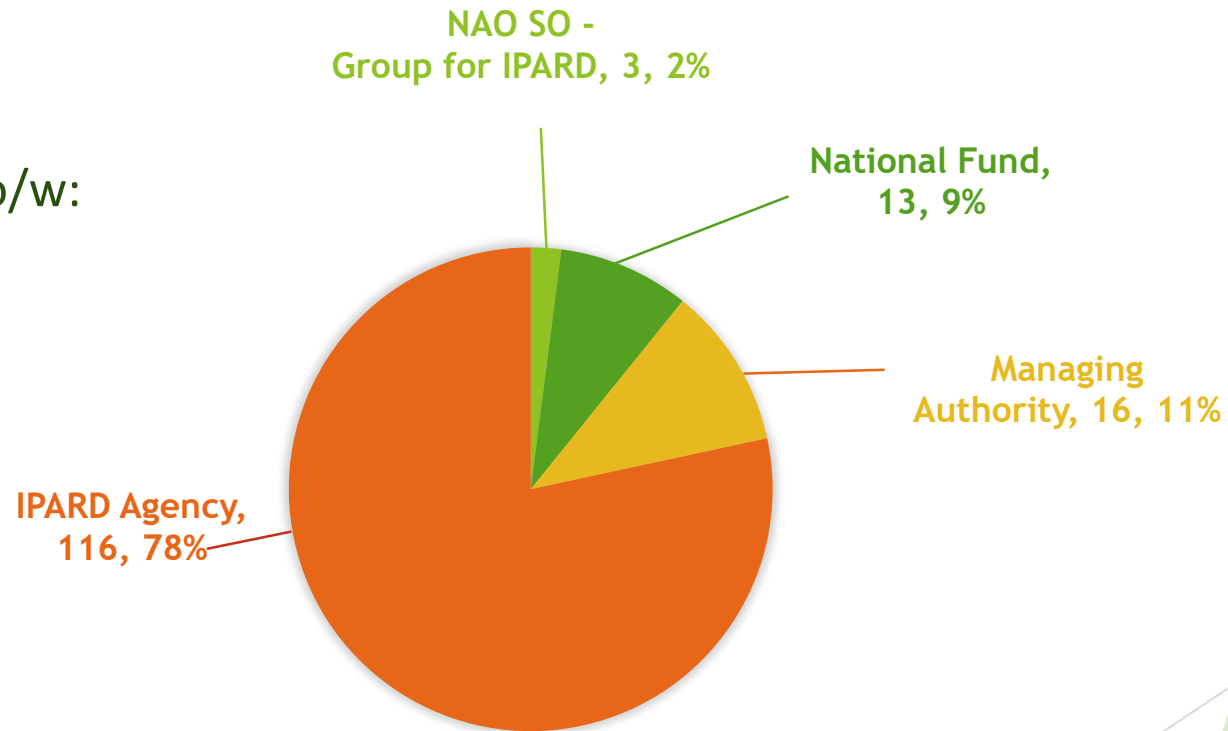


# Forecast of likely payment requests 2019-2020

Estimation of the amounts in euro to be paid by IPARD II in year '2019' for:					
Programme	January - March	April - June	July - September	October - December	Total per year
- TOTAL PER MEASURE 1 - INVESTMENTS IN PHYSICAL ASSETS OF AGRICULTURAL HOLDINGS	172.579,43	180.840,86	1.086.514,17	3.019.414,17	4.459.348,63
- TOTAL PER MEASURE 3 - INVESTMENTS IN PHYSICAL ASSETS CONCERNING PROCESSING AND MARKETING OF AGRICULTURAL AND FISHERY PRODUCTS	0,00	0,00	0,00	606.235,11	606.235,11
<b>Total per quarter:</b>	<b>172.579,43</b>	<b>180.840,86</b>	<b>1.086.514,17</b>	<b>3.625.649,28</b>	<b>5.065.583,74</b>
Estimate of the amounts in euro to be paid by IPARD II in year '2020' for:					
Programme	January - March	April - June	July - September	October - December	Total per year
- TOTAL PER MEASURE 1 - INVESTMENTS IN PHYSICAL ASSETS OF AGRICULTURAL HOLDINGS	441.326,46	579.763,44	1.908.523,50	10.959.664,50	13.889.277,90
- TOTAL PER MEASURE 3 - INVESTMENTS IN PHYSICAL ASSETS CONCERNING PROCESSING AND MARKETING OF AGRICULTURAL AND FISHERY PRODUCTS	182.974,80	1.290.167,60	78.876,95	5.958.264,17	7.510.283,52
<b>Total per quarter:</b>	<b>624.301,26</b>	<b>1.869.931,04</b>	<b>1.987.400,45</b>	<b>16.917.928,67</b>	<b>21.399.561,42</b>

# Administrative capacities of IPARD bodies

- Total number of employees in all IPARD bodies is **148**, o/w:
  - Management Structure (NF, NAO SO) 16
  - Managing Authority 16
  - IPARD Agency 116
- Total gap vs WLA 2019 is 64, o/w:
  - Management structure (NF) 4
  - Managing Authority 7
  - IPARD Agency 53



# Training courses

## ➤ **Training programme for 2019**

- On-going and prepared in cooperation with NAPA
- IPARD topics are covered by the programme: IPARD general training, financial management in the context of IPARD, irregularities in the context of IPARD, implementation of IPARD public calls

## ➤ **On the-job training**

- Conducted in IPARD Agency on the topic „Basics of measure 9, horizontal manual and workflow“

## ➤ **Simulations** of working processes for M7 and M9

## Further activities planned to be taken in relation to the IPARD II implementation

- **Further preparation of procedures and addressing the findings** of internal and external audit according to the audit reports
- **Increased NAO supervision** related to the activities recommended in the approved request for the exceptional situation (extension of the deadlines for processing of the applications)
- **Ensuring staff capacity** in all IPARD bodies, focusing on further recruitment of staff in line with WLA, applying different tools and mechanisms for retaining staff and continuous training and improving institutional capacity
- **Monitoring and supervising key processes** in the context of implementation of both measures 1 and 3

**Thank you for the attention!**



Ministry of finance  
Department for EU funds management



MINISTRY OF AGRICULTURE, FORESTRY  
AND WATER MANAGEMENT  
DEPARTMENT FOR RURAL DEVELOPMENT



**IPARD**  
EU4Rural Areas

# **IPARD MANAGING AUTHORITY**

**6<sup>th</sup> Session of the IPARD II  
Monitoring Committee**

**MSc Jasmina Miljkovic  
Head of the Managing Authority**

**28th November 2019**

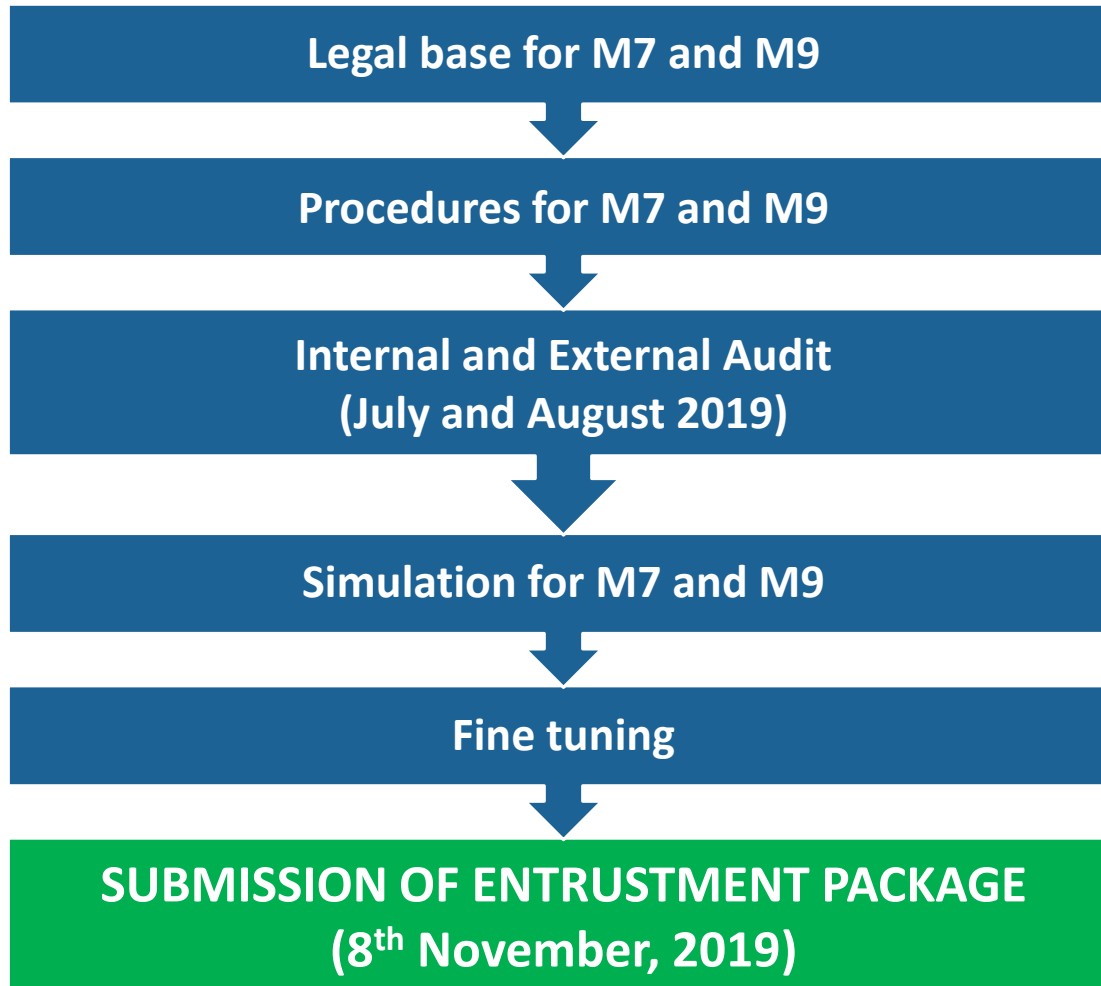
# CONTENT OF THE PRESENTATION

1. ENTRUSTMENT OF NEW MEASURES
2. IMPLEMENTATION OF PUBLIC CALLS WITH ACHIEVED RESULTS
3. ACTION PLAN FOR OVERCOMING THE RISK OF DE-COMMITMENT  
AND HANDLING CHALLENGES IN IMPLEMENTATION OF IPARD  
PROGRAMME



# ENTRUSTMENT OF NEW MEASURES

**Measure 7** (Diversification of Agricultural Holdings and Business Development) and **Measure 9** (Technical Assistance)



- **Draft Rulebook** on IPARD subsidies for farm diversification and business development (Measure 7)
- **Agreement with new technical body** - Tourist inspection, Ministry of Trade, Tourism and Telecommunications
- **Agreement on implementation of TA** between MA & IA
- Memorandum of Understanding between MA & IA
- Memorandum of Understanding between MA, IA and NAO





# IMPLEMENTATION OF PUBLIC CALLS

## Measure 1

**1st Public Call (December 2017)**  
Procurement of equipment and machinery

**2nd Public Call (January 2018)**  
Procurement of tractors

**3rd Public Call (October 2018)**  
Construction of facilities and procurement of equipment and machinery

**4th Public Call**  
**(24th September – 25th November)**  
Procurement of tractors

**5th Public Call**  
**(24th September – 23rd December)**  
Construction of facilities, purchase of equipment, machinery, and multi-annual seed material

## Measure 3

**1st Public Call (March 2018)**  
Procurement of equipment

**2nd Public Call (December 2018)**  
Construction of facilities and procurement of equipment and machinery

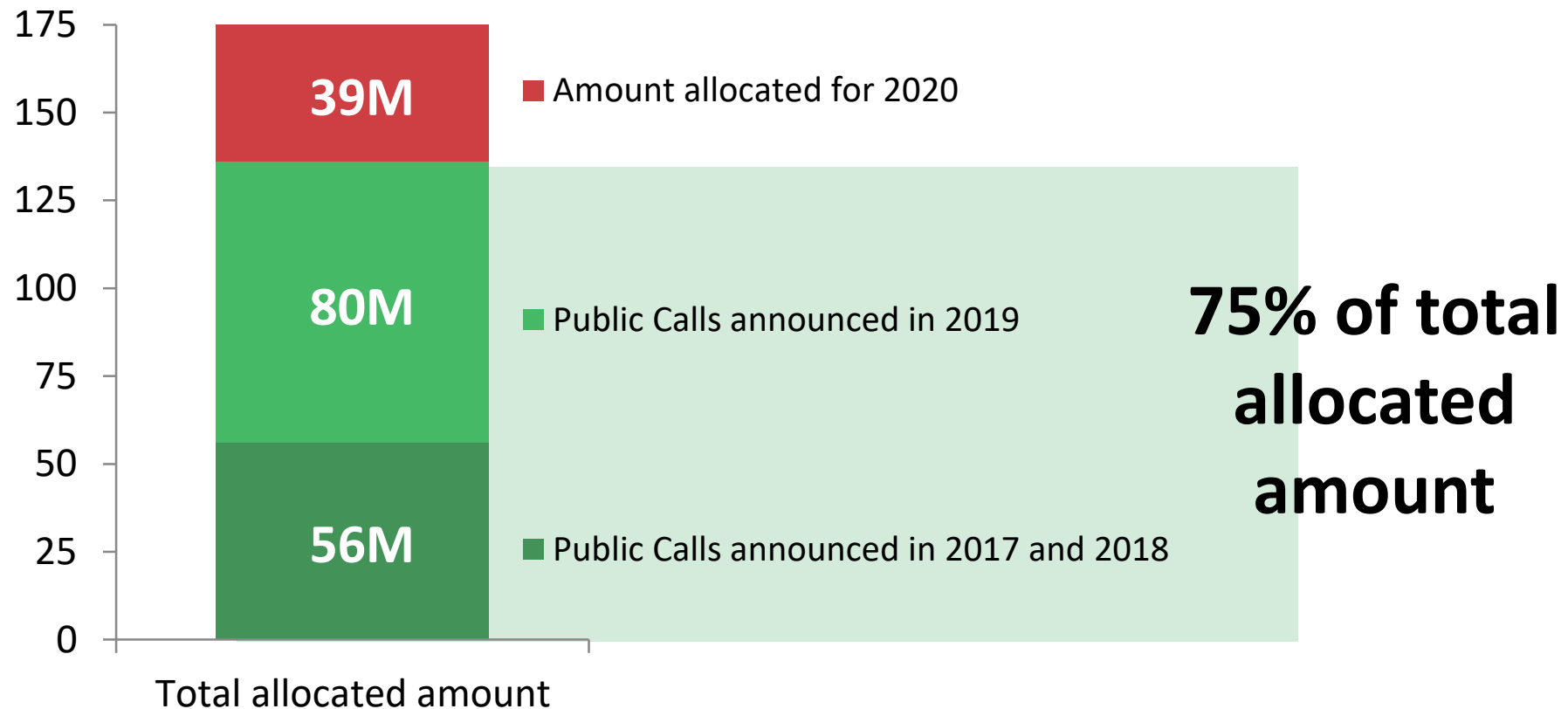
**3<sup>rd</sup> Public Call**  
**(26. новембар – 24. фебруар 2020)**  
All Sectors, all investments

**New Public Calls for M1 and M3 include Eggs and Grape Sectors**



# FINANCIAL DISTRIBUTION OF PUBLIC CALLS

Total amount of all public calls (M1 + M3) published by the end of 2019 is around **130 mil EUR**



# RESULTS FROM THE FIRST FIVE CALLS

Total number of submitted applications in  
the first five public calls for M1 and M3:

# 736

85% for Measure 1 (629)

15% for Measure 3 (107)

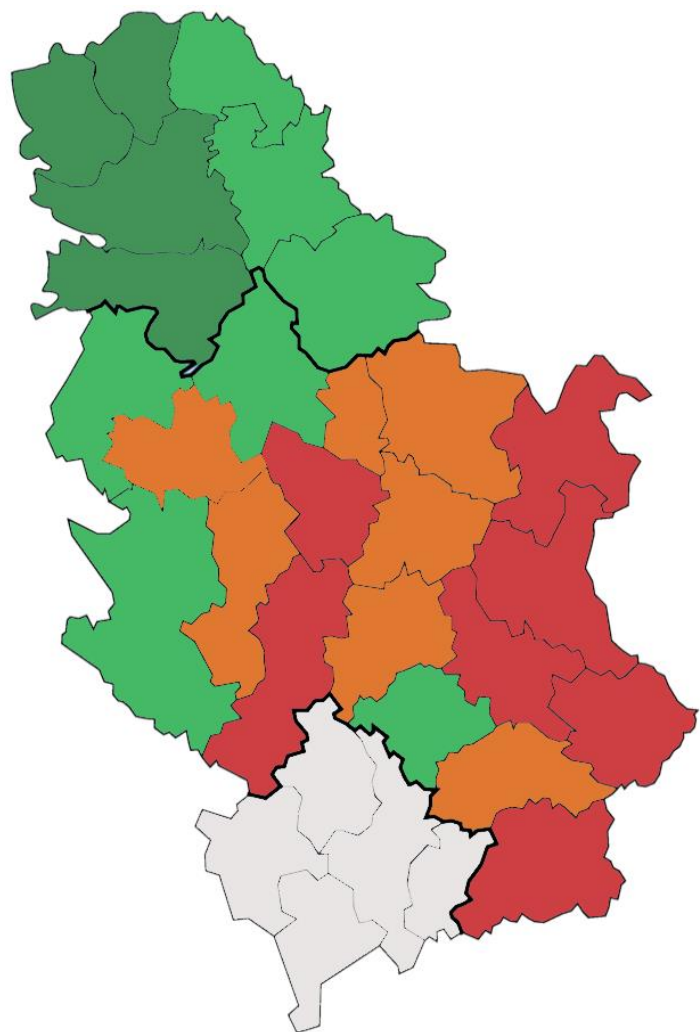
Total amount of investments: **149M EUR**

69% for Measure 1

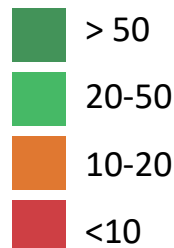
31% for Measure 3



# REGIONAL DISTRIBUTION OF APPLICATIONS: MEASURE 1



No. of applications:



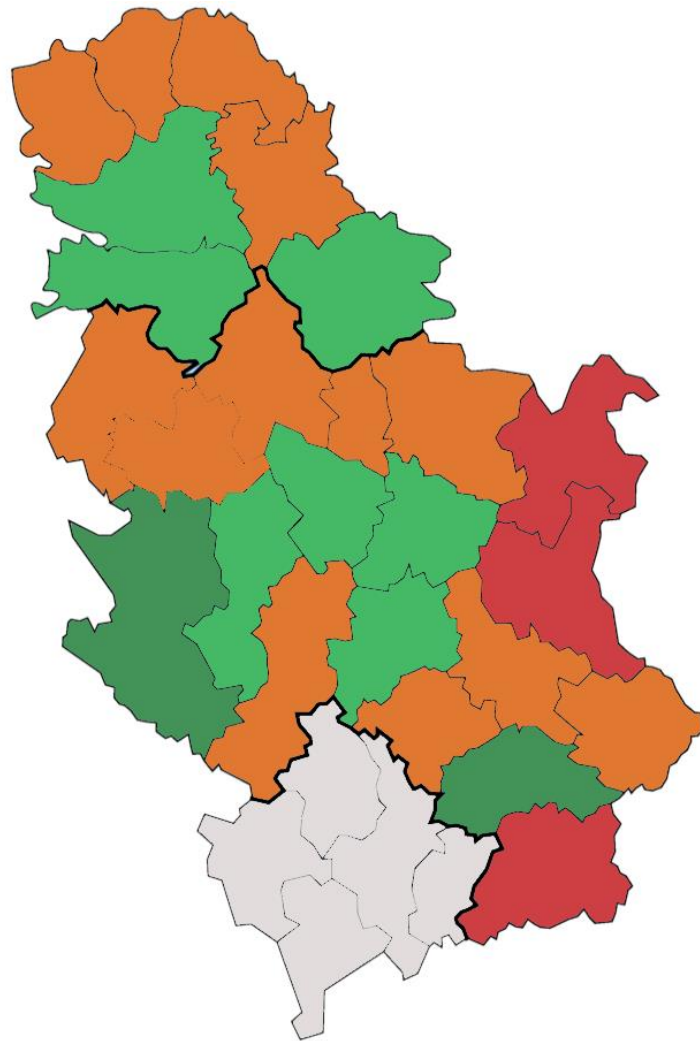
## Regions with most applications:

Vojvodina, West Serbia, Belgrade and Toplički district (South Serbia)

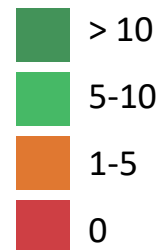
## Districts with less than 10 submitted applications:

- Borski (2)
- Pirotski (4)
- Zaječarski (5)
- Raški (6)
- Pčinjski (7)
- Šumadijski (9)
- Nišavski (9)

# REGIONAL DISTRIBUTION OF APPLICATIONS: MEASURE 3



No. of applications:




50% of applications came from Šumadija and West Serbia Region.

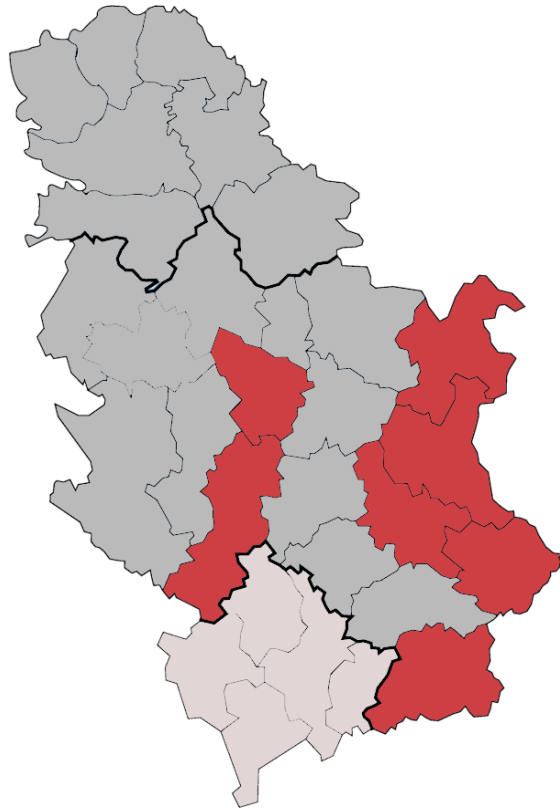
Districts with no submitted applications:

- Borski
- Zaječarski
- Pčinjski

# COMPARATIVE REVIEW OF REGIONAL DISTRIBUTION OF APPLICATIONS



## Measure 1

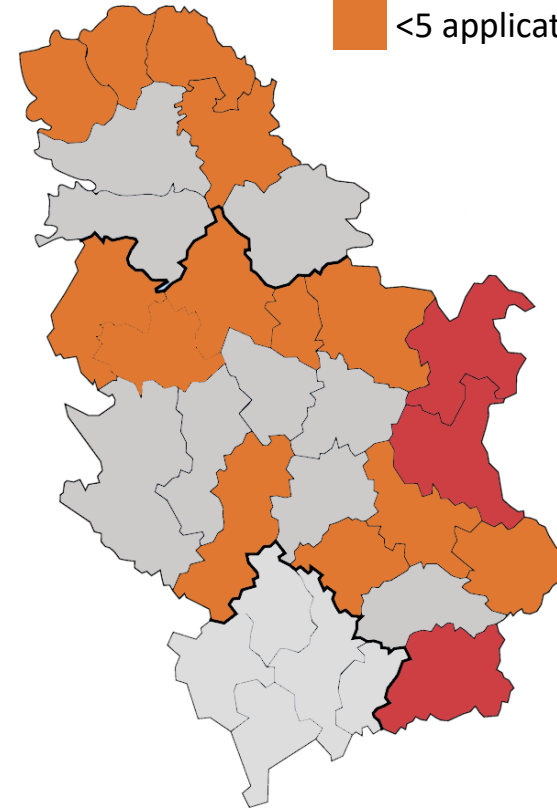
 <10 applications



Borski (2)  
Zaječarski (5)  
Pčinjski (7)  
Pirotski (4)  
Raški (6)  
Šumadijski (9)  
Nišavski (9)

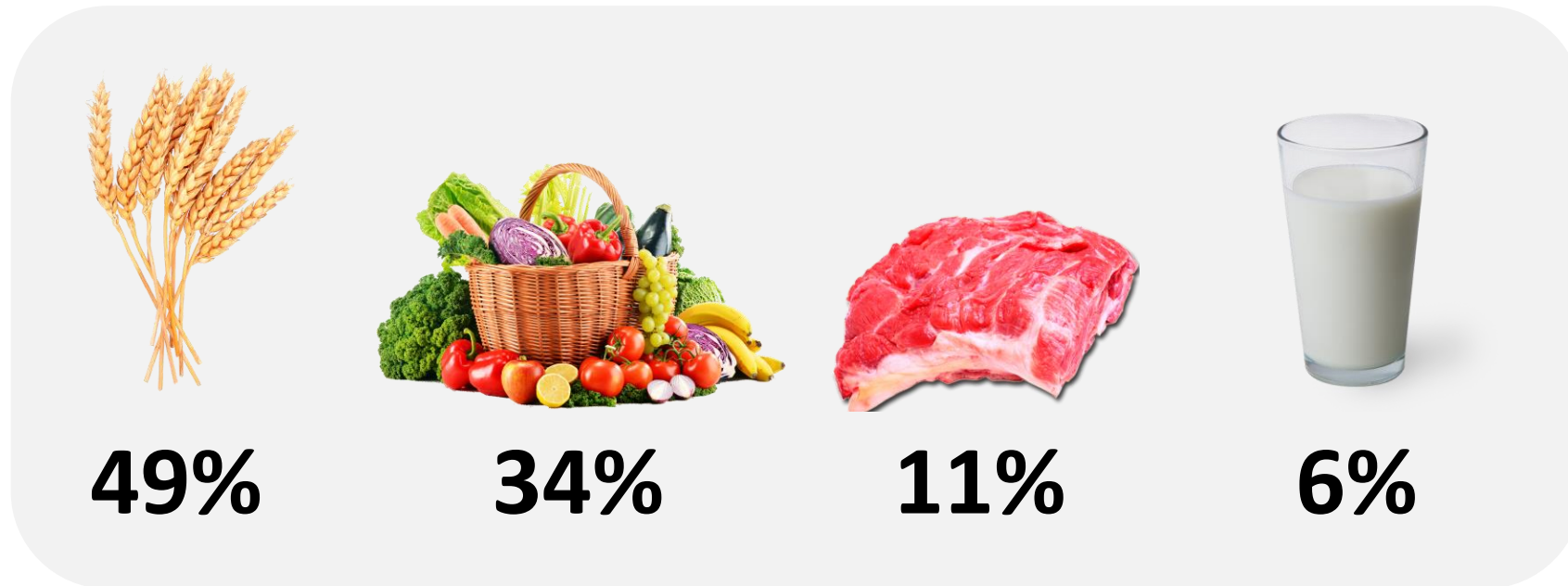
## Measure 3

 0 applications  
 <5 applications



Borski (0)  
Zaječarski (0)  
Pčinjski (0)  
Pirotski (1)  
Raški(3)  
Nišavski (4)  
Šumadijski (5)  
Mačvanski  
Belgrade district  
Severnobanatski  
Severnobački  
Zapadnobački  
Toplički  
...

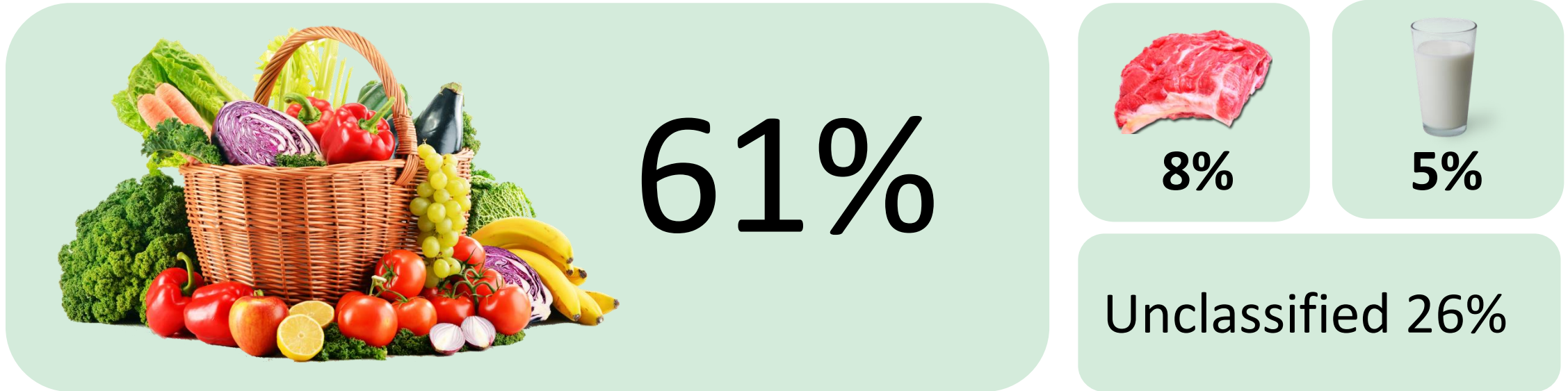
# APPLICATIONS BY SECTOR AND TYPE OF INVESTMENT: MEASURE 1



1. Tractors - 62%
2. Equipment and mechanization (excluding tractors) – 25%
3. Construction of facilities and warehouses – 13%



# APPLICATIONS BY SECTOR AND TYPE OF INVESTMENT: MEASURE 3



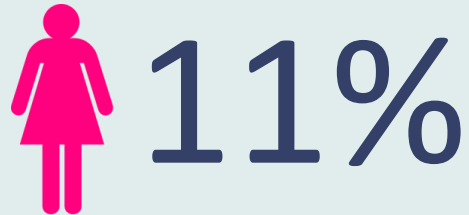
1. Modernisation of the processing and packing equipment
2. Construction and modernisation of processing facilities



# APPLICATIONS BY TYPE OF APPLICANT

## MEASURE 1

Share of female applicants:



Share of young applicants:



## SHARE OF NATIVE AND LEGAL PERSONS

### Measure 1

Individual farmers 85%

### Measure 3

Companies 87%





## PROGRESS ACHIEVED IN PREVIOUS YEAR

	4 <sup>th</sup> MC	5 <sup>th</sup> MC	6 <sup>th</sup> MC
REQUESTED AMOUNTS	376K €	3,56M €	7,27M €
PAID TO APPLICANTS	0 €	286K €	5,09M €



**3,8M € paid investments**  
(5M € by the end of 2019)

# RISK OF DE-COMMITMENT

**n+3 rule** for spending budgetary commitment for each year:

**2016 → 2019**

2017 → 2020

2018 → 2021

2019 → 2022

2020 → 2023

Budgetary commitment for 2015+2016	35M €
Advance payment from EU	22,5M + 6M €
Amount expected to be spent by the end of 2019	5M €
Amount at risk of de-commitment	1,5M €



Letter to EC to request extension of period from n+3 to n+4 for spending the budgetary commitment for 2016, with action plan



# ACTION PLAN FOR OVERCOMING THE RISK OF DE-COMMITMENT AND HANDLING CHALLENGES IN IMPLEMENTATION OF IPARD

## MAIN GOALS

1. Increased number of applicants
2. Speeding up the processing of applications
3. Timely submission of complete payment requests



# ACTION PLAN FOR OVERCOMING THE RISK OF DE-COMMITMENT AND HANDLING CHALLENGES IN IMPLEMENTATION OF IPARD

## 1. GENERAL ACTIVITIES

- Recruitment of new staff (MA, IA)
- Further simplification of procedures (IA)
- Introduction of monthly monitoring of implementation at the project level with close communication with the recipients (MA)



# ACTION PLAN FOR OVERCOMING THE RISK OF DE-COMMITMENT AND HANDLING CHALLENGES IN IMPLEMENTATION OF IPARD

## 2. PROMOTION AND EDUCATION

- Increased number of info days for potential recipients
- Innovative approach in rising visibility of IPARD in Serbia – Monthly IPARD newsletter, Establishment of social networks (fb, In), etc.
- Workshops for consultants
- Continued education of Advisory Services
- Education of targeted recipients (by region, sectors, type of investment, etc.)
- Education of members of NRDN, banks, employees from municipalities, development agencies etc.



# ACTION PLAN FOR OVERCOMING THE RISK OF DE-COMMITMENT AND HANDLING CHALLENGES IN IMPLEMENTATION OF IPARD

## 3. OTHER

- Cooperation with Chamber of Commerce and Advisory Services with the aim of identification of potential recipients
- Pre-check of applications of potential recipients by Advisory Services
- Cooperation with relevant services in order to avoid long-lasting procedures for obtaining permits
- Start of implementation of M7 and M9



# NEW STEPS TAKEN TOWARDS ACHIEVING KNOWLEDGE BASED APPROACH



**KNOWLEDGE BASED APPROACH = USING DATA AND EVIDENCE FOR IMPROVING IPARD PROGRAMME, IN ACCORDANCE WITH THE NEEDS OF FARMERS**

## 1. ON-GOING EVALUATION

Evaluation of IPARD II Programme has began at the beginning of October, and the results of evaluation would be included in Annual Implementation Report. **It is conducted trough 2 activities:**

1. Common context indicators
2. Administrative simplification





## 2. SECTORAL ANALYSES

Expert team for conducting sectoral analyses has been engaged, with the following aims:

1. Setting the realistic demarcation lines and eligible criteria
2. Avoiding the overlap of IPARD and National measures
3. Diminishing the Risk of creating the unfavourable position of the producers and processors





MINISTRY OF AGRICULTURE, FORESTRY  
AND WATER MANAGEMENT  
DEPARTMENT FOR RURAL DEVELOPMENT



**THANK YOU FOR YOUR  
ATTENTION!**

MSc Jasmina Miljkovic,  
Head of Managing Authority  
[jasmina.miljkovic@minpolj.gov.rs](mailto:jasmina.miljkovic@minpolj.gov.rs)  
[www.minpolj.gov.rs](http://www.minpolj.gov.rs)



# IPARD - STATE OF PLAY IMPLEMENTATION OF PUBLIC CALLS



**ZEMЉA JE SVE**

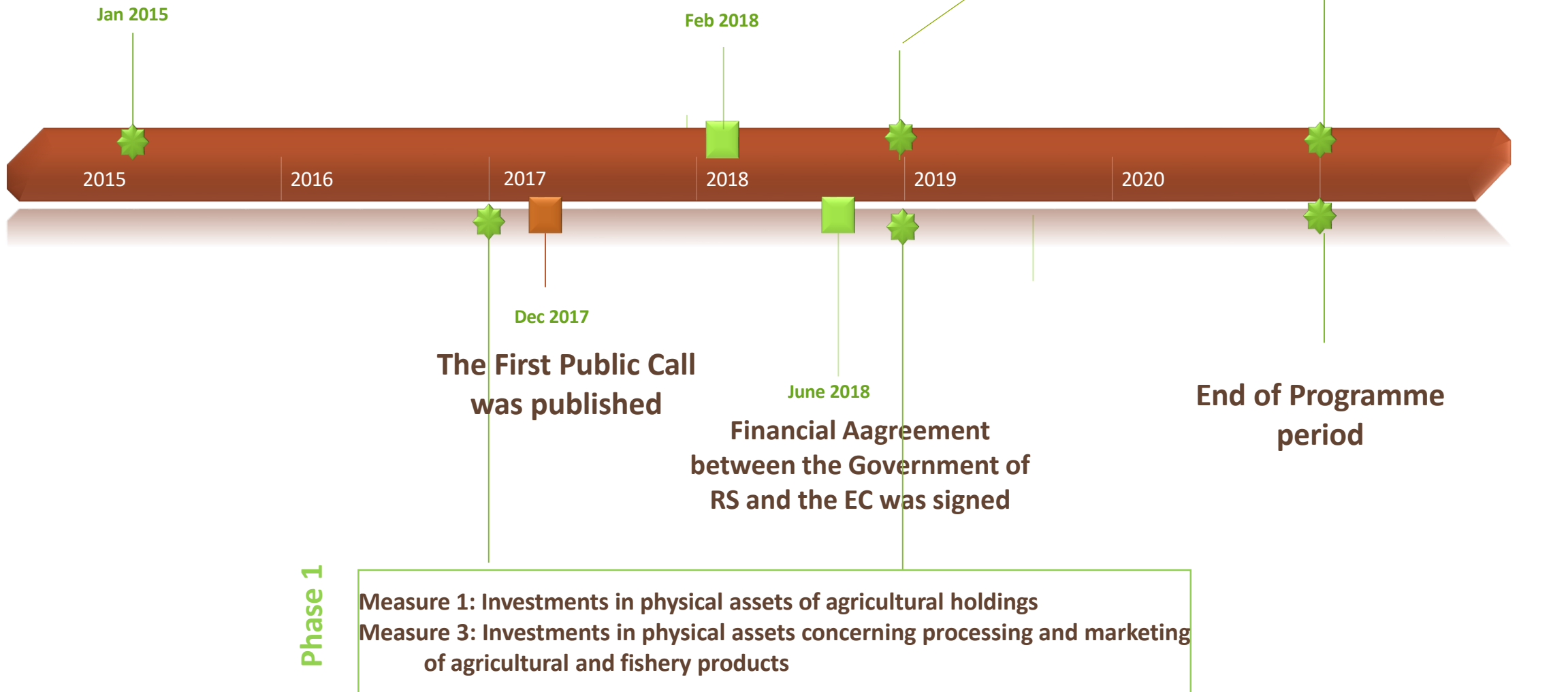
Mrs. Biljana Petrović  
Acting Director of the Directorate  
for Agrarian Payments  
IPARD Agency

Vrdnik, November 2019 year



# IPARD II Programme was adopted by the European Commission

DG AGRI officially confirmed that the RS has met all the requirements necessary for free implementation of the IPARD II Programme



# IMPLEMENTATION OF IPARD PUBLIC CALLS



- Five public calls have been implemented
- **736** Applications in total
- **252** awarded contracts
- **195** payment requests
- **123** applicants received funds
- In 2019 two public calls are ongoing for M1
- Public Call for M3 published on 26<sup>th</sup> November 2019
- Two new sectors are introduced in M1 and M3
- Two new measures in the process of accreditation



# MEASURE 1



<b>M1 - The First, Second and Third Public Call</b>	<b>November 2018</b>	<b>May 2019</b>	<b>November 2019</b>
Number of Applications	478	629	629
Requested amount of funds	31,13 million EUR	72,27 million EUR	72,27 million EUR
Completed Applications	<b>16,51%</b>	<b>58,35%</b>	<b>67,25%</b>
Adopted	<b>20</b>	<b>187</b>	<b>212</b>
Approved amount of support	1.96 million EUR	7.36 million EUR	8,71 million EUR
Number of Payment Requests	9	84	189
Requested amount of support	<b>375.916 EUR</b>	<b>3,56 million EUR</b>	<b>6,69 million EUR</b>
Paid funds	/	<b>285.733 EUR</b>	<b>5,42 million EUR</b>



# ONGOING PUBLIC CALLS

## ✓ Measure 1: Investments in physical assets of agricultural holdings

### The Fourth Public Call for the purchase of new tractor

- subsidies for the purchase of a new tractor
- from **24 September** to **25 November** 2019 year
- allocated funds: around **10,28** milion of EUR
- applications: **416**
- requested amount of support : **123%** of allocated budget (sample of 330 applications)

✓ Visibly improved quality of Applications

### The Fifth Public Call for the investments in physical assets of agricultural holdings

- subsidies for the purchase of new equipment and mechanization and construction
- from **24 September** to **23 December** 2019 year
- allocated funds: around **33,04** milion of EUR
- applications: **22**



# ONGOING PUBLIC CALLS

- ✓ **Measure 3: Third public call for submission of applications for IPARD projects for investments in physical assets concerning processing and marketing of agricultural and fishery products**

- subsidies for the purchase of new equipment, mechanization and construction
- from **26 November 2019** to **24 February 2020** year
- Sectors: milk, meat, fruit and vegetables, eggs, grape
- allocated funds: around **46,04** milion of EUR



# MEASURE 3

<b>M 3 - The First and Second Public Call</b>	<b>November 2018</b>	<b>May 2019</b>	<b>November 2019</b>
Number of Applications	26	107	<b>107</b>
Requested amount of funds	10,03 million EUR	45,44 million EUR	45,44 million EUR
Completed Applications	0%	<b>46,15%</b>	<b>58,88 %</b>
Adopted	0	3	29
Approved amount of support	0	<b>439.492</b>	<b>5,61 million EUR</b>
Number of Payment Requests	0	0	6
Requested amount of support	0	0	<b>536.810 EUR</b>



# ONGOING ACTIVITIES

- Special focus on the improvement of IA work process with the aim to raise efficiency and effectiveness

investments in construction included under the latest calls with the aim to absorb more funds

new sectors included

expanded List of eligible expenditures

simplification of IA procedures and accelerating the processing of applications

automatization of the process

new measures in the process of accreditation

human capacity: employment and trainings

# ONGOING ACTIVITIES

➤ Special focus on raising awareness and communication with beneficiaries and visibility

continuous education of stakeholders  
beneficiaries, consultants  
and extension services

mitigation of potential  
risks of rejection and  
withdrawal from  
Application

close communication  
with the beneficiaries in  
order to prompt them to  
finalize the investment  
realization and submit  
their payment requests

reducing administrative  
burdening of the  
beneficiaries

Naša jabuka  
fruit sector



Ms Dragiša Kovačević  
fruit sector



## SUCCESS STORIES

Mrs Borka Savanović  
fruit sector



Mr Branislav Bagić  
milk sector



On-the-Spot Check  
meat sector



# THANK YOU FOR THE ATTENTION!



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