

IPARD IN FOCUS

12

No. 12 - SEP/OCT 2021



Ministry of Agriculture, Forestry
and Water Management, Serbia



IPARD
EU4Rural Areas



IN THIS ISSUE YOU WILL READ:

THE SECOND PUBLIC CALL FOR MEASURE 7 HAS BEEN PUBLISHED

INVESTMENT MEASURES WITHIN IPARD III PROGRAMME

EVENTS AT WHICH IPARD III WAS PRESENTED

QUESTIONS AND ANSWERS RELATED TO MEASURE 7 - FARM DIVERSIFICATION AND BUSINESS DEVELOPMENT

EXAMPLE OF A SUCCESSFUL PROJECT

The Second Public Call for Measure 7 has been published

The Amendment to the Rulebook for IPARD subsidies for farm diversification and business development ("Official Gazette of the RS", No. 76/20 and 87/21) was a result of the Fourth modification of the IPARD II Programme. The Amendment to the Rulebook was aimed at improving and simplifying the administrative procedure for the implementation of this measure.

The Second Public Call for submission of applications for project approval for IPARD Measure 7 was published on 23rd September, with the deadline for application submission until 17th December 2021. The Public Call includes investments in construction and equipping of facilities within the Sector for rural tourism. Eligible recipients are natural persons – holders of family agricultural holdings, entrepreneurs and micro and small legal entities, entered into the Register of Agricultural Holdings.

The allocated fund within this Public Call is RSD 1,763,703,000.00 (approx. EUR 15 million). The support amount is determined as a percentage of up to 65% of the value of eligible investment expenditures, reduced by the amount of value added tax.

A novelty within this Public Call is the modification of minimal support amount, which recipient can obtain when investing in rural tourism. The recipient can realize support in the amount of minimum EUR 20,000 to a maximum of EUR 300,000 per application, regardless of the total investment value.

The Rulebook with relevant annexes, the text of the Second Public Call and the updated Guide for recipients for IPARD Measure 7 shall be downloaded [here](#). For further information about the published Public Call, please contact the Info Centre of the Ministry of Agriculture, Forestry and Water Management by calling 011/2607960; 2607961, as well as the contact centre of the Directorate for Agrarian Payments by calling 011/3020100; 3020101, 3107013, working day from 7.30 to 15.30.

The IPARD Managing Authority is finalizing the preparation of the IPARD III Programme for the programming period 2021-2027. The deadline for submitting the final documents to the European Commission is 15th November 2021. This is just the beginning of the procedure performed by the European Commission, which, beside other, includes the adoption of the administrative and legal framework in order to enable the IPARD III Programme adoption by the European Union and the Government of the Republic of Serbia.

The basic information regarding investment measures under the IPARD III Programme is presented below, while a detailed overview of the Programme will be the topic of a special issue of the newsletter "IPARD in focus".

Investment measures within IPARD III Programme



Measure 1 - Investments in physical assets of agricultural holdings

Support under Measure 1 under the IPARD III Programme 2021 - 2027 aims to increase the efficiency, competitiveness and sustainability of agricultural producers in the RS. In comparison with the IPARD II Programme, potential recipients of the IPARD III Programme can expect a number of novelties:

- Introducing the possibility of financing greenfield investments in all sectors;
- Introducing the Fishery sector through support of investments in the construction and equipping facilities for fishery production;
- Increasing the amount of funds available to be disbursed to the recipient per project from EUR 700,000 to EUR 1,000,000;
- Increasing the total amount of support for the programming period 2021-2027 per recipient, from EUR 1,500,000 to EUR 2,000,000.

Young farmers, under 40 years of age at the moment of submitting the application for project approval in Measure 1, as well as producers of certified organic products, will be able to achieve a higher level of support, in comparison with other recipients, in the amount of 70% of eligible expenditures. This is an increase of 5% compared to the IPARD II Programme.

Furthermore, due to the increased focus on environmental protection, an additional 10% of support will be available to recipients who invest in waste water treatment, waste management and exploitation of renewable energy sources.



Measure 3 - Investments in physical assets concerning processing and marketing of agricultural and fishery products

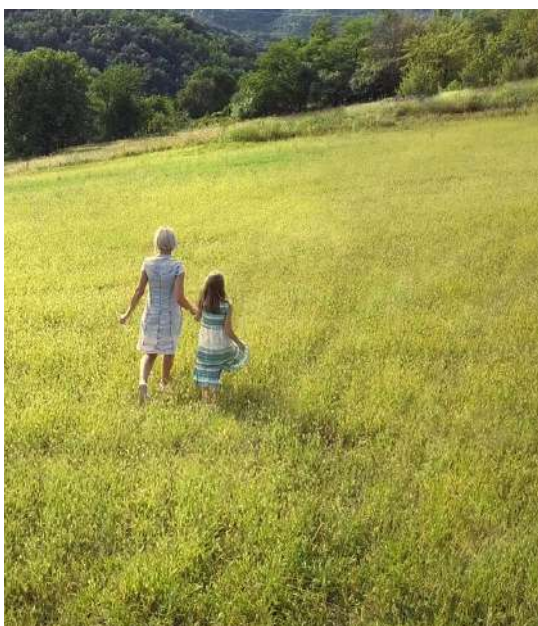
Significant novelties that will be available to the potential recipients under IPARD Measure 3 relate to:

- Introducing the possibility of financing greenfield investments in all sectors;
- Introducing the Fishery processing sector;
- Introducing the Cereals and industrial crops processing sector;
- Increasing the amount of funds available to be disbursed to the recipient per project, from EUR 1,000,000 to EUR 1,300,000;
- Increasing the total amount of support for the programming period 2021-2027 per recipient, from EUR 2,000,000 to EUR 2,500,000.

As well as in Measure 1, due to the increased focus on environmental protection, investments related to water treatment, waste management and exploitation of renewable energy sources, are additionally supported, with an increase of the maximum amount of support, from 50% to 60%.



Measure 7 - Farm diversification and business development



The general objective of Measure 7 is to encourage economic development in rural areas through the diversification of agricultural activities, the establishment of small enterprises, the maintenance of existing jobs and the creation of new ones. Also, this measure provides the subsidies for greater exploitation of energy from renewable sources and the transition to a rural economy with low carbon dioxide emissions.

Beside supporting the Sector for rural tourism, which is part of the IPARD II Programme, in the IPARD III Programme new sectors are introduced, namely: Sector of direct marketing and Sector of small-scale services for local people and tourists.

Through this measure, support will be provided to natural persons, as well as to entrepreneurs and micro and small enterprises, which entered in the Register of Agricultural Holdings. Potential recipients of this measure will be able to apply for several sectors within one project.



Events at which IPARD III was presented

Conference "IPARD III Programme – What is there for me?"

The conference "IPARD III Programme – What is there for me?", was held on 22nd September, 2021, within the 88th International Agricultural Fair in Novi Sad. Representatives of the IPARD Managing Authority presented the possibilities of the new IPARD III Programme, within pre-accession assistance of the European Union and participants contributed to the active discussion with their questions and suggestions.



Participants in the conference had the opportunity to get first-hand information on EU assistance in the field of agriculture and rural development to the Republic of Serbia, within the successful stories of IPARD II support, which were presented at the conference by recipients of Measure 1 - Investments in physical assets of agricultural holdings and Measures 3 - Investments in physical assets concerning processing and marketing of agricultural and fishery products.

In the discussion part, the representatives of the IPARD Agency answered the questions and confusions regarding the implementation of IPARD II measures.

The conference, within the promotional campaign of the EU Delegation to the Republic of Serbia "Za naša polja - # EU za poljoprivredu", was organized by the Ministry of Agriculture, Forestry and Water Management, in cooperation with by EU Technical Assistance project "Capacity building for the alignment with the acquis in the area of agriculture, rural development, food safety, veterinary and phytosanitary policy".

Event "Rural Voice"

The IPARD Managing Authority, within the project Europe Future of Young in Rural Areas – EFYRA, presented the opportunities for young people through EU pre-accession assistance IPARD II and IPARD III Programme, on 1th October on Fruška Gora, as part of the event "Rural Voice".



The event was attended by representatives of LAGs from Croatia, Slovenia, Macedonia, Hungary, Italy, Estonia and Serbia, as well as representatives of the Provincial Secretariat for Agriculture, Water Management and Forestry and the Provincial Secretariat for Regional Development, Interregional Cooperation and Local Self-Government. The event was organized by Regional Development Agency Bačka and the Danube Association 1245 from Sremski Karlovci. The basic reasons for abandoning rural areas by young people as well as the necessary conditions for their stay in rural areas were established through debate and discussion. As a part of the event, a round table, on networking of local action groups from the region, was held.

Questions and answers related M7: Farm diversification and business development

Is it mandatory for a potential recipient to have a code registered for performing hospitality business when submitting an application for project approval?

At the moment of submitting an application for project approval, the applicant, who does not have categorized facilities for accommodation, for performing hospitality business, does not need to have a registered hospitality business.

The enterprise and the entrepreneur must be registered in BRA under any code, and after the realization of the investment, when submitting an application for payment approval, it is necessary to register the hospitality business, in accordance with the regulations governing the field of hospitality.



Is support for the construction or equipping a restaurant, as a hospitality facility eligible?

In the Sector for rural tourism, the construction and equipping of a hospitality facility for accommodation are eligible, as well as a restaurant, if it is a part of that facility, as well as ancillary facilities for performing hospitality/tourism business, defined in the List of Eligible Expenditures. Restaurant, as a separate facility, in cases when there is no accommodation facility, is not eligible for support.

A handicraft hospitality object is a facility, that provides accommodation, preparation and serving of food, drinks and beverages, or solely accommodation services in facilities such as: house, apartment and room. In this case, equipping the unit, in which food, drinks and beverages will be prepared and served, is eligible for support.

A rural tourist household is a facility or a group of facilities, that provides accommodation, preparation and serving of food, drinks and beverages, or solely accommodation services, located in a rural (countryside) area, with elements of local landmarks and heritage. In this case, support is eligible.



Example of a successful project

Twenty-six-year-old Matija Perčić, from the vicinity of Subotica, decided to stay on the family farm and continue the tradition of farming, which extends to three generations within the family. Matija is engaged in the breeding of fattening cattle of the Simmental and Aberdeen Angus breeds, as well as the cultivation of cereals for animal feed.

Matija purchased a tele-handler within the Fifth Public Call for submitting applications for IPARD subsidies project approval for investments in physical assets of agricultural holdings (Measure 1).

“I was planning to expand and improve my farm, so I came up with the idea to try the IPARD project, about which I heard a lot from our agricultural advisory services and the media”, says Matija, adding that he was greatly supported and assisted in achieving his goals by a consulting company from Novi Sad.





According to this young recipient, the tele-handler has facilitated many jobs on the farm, including the most difficult ones, such as roll bales and manure manipulation. Matija adds: “The value of the investment without VAT was RSD 6.9 million and the approved amount of refund was 65%, and the paid amount was RSD 4.5 million. We procured the tele-handler through a bank loan, that was returned after the subsidies payment.”

“Now, with the help of the tele-handler, model Merlo P27.6 PLUS, I perform activities on my farm much faster and easier. I am planning to apply again for a new investment and recommend everybody to try, given that, even with little effort invested in preparing documentation, there is much to be gained”, concludes Matija.



One click to first-hand information

For the newest information on events, announcements, calls and rules regarding the implementation of the IPARD II Programme in Serbia, follow the official IPARD Managing Authority accounts - on Instagram (@ipardnadlanu) and Facebook (IPARD na dlanu).

DO YOU HAVE A QUESTION FOR US?

For prompt answer, please contact us through e-mail ipardnadlanu@minpolj.gov.rs or Instagram and Facebook pages!



NEWSLETTER PREPARED BY:



PARD Managing Authority, MAFWM
Bulevar kralja Aleksandra 84,
11000 Belgrade, Serbia
www.minpolj.gov.rs

CONTACT US:

✉ ipardnadlanu@minpolj.gov.rs

FOLLOW US:

📷 @ipardnadlanu

📘 ipardnadlanu