

## Minutes No. 1

Minutes from the First session of the IPARD III Monitoring Committee

28<sup>th</sup> June 2023, Belgrade

### I List of participants

**The session was attended by the following voting members of the IPARD III Monitoring Committee (hereinafter: IPARD III MC):**

1. Ministry of Agriculture, Forestry and Water Management – the Chairperson;
2. Ministry of Agriculture, Forestry and Water Management: Sector for Agricultural Policy;
3. Ministry of Agriculture, Forestry and Water Management: Sector for Rural Development;
4. Ministry of Agriculture, Forestry and Water Management: Directorate for Agricultural Land;
5. Ministry of Environmental Protection;
6. Ministry of Economy;
7. Ministry of Construction, Transport and Infrastructure;
8. Ministry of Tourism and Youth;
9. Ministry of Public Administration and Local Self-Government;
10. Ministry of Science, Technological Development and Innovation;
11. Ministry of Mining and Energy;
12. Ministry of Rural Welfare;
13. Statistical Office of the Republic of Serbia;
14. Environmental Protection Agency;
15. Fund for the Development of the Republic of Serbia;
16. Republic Geodetic Authority;
17. Development Agency of Serbia;
18. Chamber of Commerce and Industry of Serbia;
19. Standing Conference of Towns and Municipalities;
20. Provincial Secretariat for Agriculture, Water Management and Forestry;
21. Provincial Secretariat for Regional Development, Interregional Cooperation and Local Self-Government;
22. Serbian Cooperative Union;
23. Farmers Association;
24. "Vojvodina Agrar" Association of Primary Agricultural Producers D.O.O. Bečej;
25. Network for Rural Development of Serbia;
26. Serbian Milk Producers Association;
27. Serbian Dairies' Association "SEDA";
28. Association "Network of Local Action Groups of Serbia";
29. National Association for the Development of Organic Production "SERBIA ORGANICA";
30. Serbian Young Farmers Association "SYFA";
31. Association "Independent Association of Farmers of Serbia";
32. Association "Natura Balkanika";
33. Association of Serbian Winemakers and Winegrowers;
34. Poultry Business Association "Poultry Community" Belgrade and
35. Cluster of Aquaculture "Our Fish".

**Representatives without voting rights:**

1. Ministry of Agriculture, Forestry and Water Management, Directorate for Agrarian Payments (IPARD Agency, hereinafter: IA);
2. Ministry of Agriculture, Forestry and Water Management, Department for Management of IPARD Programme (IPARD Management Authority, hereinafter: IPARD MA);
3. Ministry of Finance (hereinafter: MF);
4. Governmental Audit Office of EU Funds (Audit Authority) and
5. Ministry of European Integration.

**Representatives without voting rights as observers:**

1. Institute for Science Application in Agriculture;
2. Association of Serbian Banks;
3. Tourism Organisation of Serbia;
4. Agricultural Machinery Importers and Exporters.

**The session was not attended by members of the IPARD III Monitoring Committee (with and without voting right), representatives of:**

1. Institute for Nature Conservation of Serbia;
2. National Society for Fruit Production "Our Fruit Serbia";
3. Association of Agricultural Producers "Club 100P plus";
4. National Association "Rural Tourism in Serbia";
5. Faculty of Agriculture, University of Belgrade;
6. Institute BioSens.

The First session of the IPARD III MC was also attended by representatives of the Directorate General for Agriculture and Rural Development of the European Commission (hereinafter: DG AGRI, EC) in an advisory role, the Delegation of the European Union to the Republic of Serbia (hereinafter: DEU) and National Authorising Officer Support Office, as well as representatives of the Institute for Nature Conservation of Serbia and the Institute BioSens and representatives of the IPARD Managing Authority and the IPARD Agency.

**The result:**

The session was attended by 35 members/deputy members out of a total of 39 members/deputy members with the voting right. A quorum was reached and decisions could be made.

Annex 1 of the Minutes: List of participants;

Annex 2 of the Minutes: Agenda.

**II Outcome of the session of the IPARD III Monitoring Committee****Item 1 of the Agenda: Introductory speeches**

The First session of the IPARD III MC began with an address by *Mrs. Jasmina Miljković, Head of the IPARD Managing Authority, Department for Management of IPARD Programme, MAFWM*, who welcomed the participants and IPARD III MC members, representatives of the EC and DEU and expressed gratitude that members accepted the invitation to attend.

**Item 1.1. of the Agenda**

*Mrs. Milica Đurđević, State Secretary, MAFWM*, at the beginning of the introductory address, greeted all participants on behalf of the MAFWM and in herself personally and thanked everyone for taking part in the IPARD III MC work. In her address, she reminded on the selected measures



under the IPARD III Programme, as well as that the EU financial contribution has increased compared to the previous programming period. Furthermore, she referred to the activities related to the beginning of the IPARD III Programme implementation, which are in the final phase, and primarily refer to the preparation of new rulebooks and procedures for the Programme implementation. She emphasised that in this programming period, special attention will be given to the joint work on better information and education of potential recipients, with the aim of increasing the effectiveness of the Programme implementation.

#### Item 1.2. of the Agenda

**Mrs. Jovana Zdravković**, Assistant Minister, Department for EU Funds Management, Ministry of Finance, spoke on behalf of the National Authorising Officer. She used the opportunity to greet all participants and to express satisfaction for participating at the IPARD III MC session. In her address, from the aspect of the Management Structure, she presented the activities related to the beginning of the IPARD III Programme implementation, which primarily refer to the roll-over process of already entrusted measures, but also to the preparation for the entrustment of new measures. She emphasised that activities on exploring new solutions in order to improve the Programme implementation are performed. At the end of her address, she expressed her belief that in the coming period, more significant results will be achieved in terms of the absorption of funds.

#### Item 1.3. of the Agenda

**Mr. Frank Bollen**, Head of Unit G.4 – Neighbourhood, Enlargement and Pre-Accession Assistance, European Commission, at the beginning of his address, thanked for the introductory speeches and greeted all participants at the session. He stressed out the importance of this session considering that we are at the beginning of a new programming period. In his further address, he referred to the results achieved under the IPARD II Programme, pointing out that although there is a need to invest in agriculture sector, still a significant amount of IPARD II funds was not utilised. In this regard, he emphasised the necessity of taking steps to improve the system and reminded of the increase in EU contribution for the new programming period, but also pointed to new challenges in the Programme implementation. Also, in his address, he mentioned several examples from the aspect of improving the Programme implementation. First of all, it refers to the qualified staff within IPARD structures, primarily in the IPARD Agency, then to the simplification of procedures and finally, he emphasised the importance of advisory services in the process of informing and preparing applications for recipients. In his further address, he pointed to the new opportunities under the IPARD III Programme, such as financing of the retention policy. He then referred to the advance payments and pointed to insufficient utilisation due to the obstacles regarding the bank guarantees. In addition, he pointed out that in order to start the IPARD III Programme implementation, it is necessary to ratify the Sectoral Agreement, as well as to submit roll-over request, noting that Serbia is the only country implementing the IPARD Programme that has not submitted this request. Considering that by the end of 2025, Serbia has to pay EUR 26 m of EU contribution, the Programme implementation has to start as soon as possible. He concluded his address by thanking for the good organisation of the IPARD III MC session and encouraging participants to take an active part in the MC work.

#### Item 2 of the Agenda: Adoption of the Draft Agenda

**Mrs. Jasmina Miljković** noted the existence of a quorum, after which voting procedure began for the adoption of the Agenda of the First session of the IPARD III Monitoring Committee.

**Decision No. 1**

The Agenda of the First session of IPARD III MC was adopted unanimously.

**Item 3 of the Agenda: Information on the appointment of the IPARD III Monitoring Committee members**

*Mrs. Milica Đurđević, State Secretary, MAFWM*, informed that during the previous period the IPARD III MC was established by adoption of the Decision. According to the Decision of the IPARD III MC, there are 39 members with the voting right, five members without voting right, as well as six members as observers. In addition, the EC representatives participate in the Committee work in an advisory role. In the continuation of her address, she referred to the prerequisites from the aspect of starting the IPARD III Programme implementation and added that the First Modification of the IPARD III Programme was prepared in the previous period. The prerequisite for submission of a roll-over request to the European Commission for existing measures and entrustment of new measures within the IPARD III Programme was related to the establishment of relevant legal framework. In this regard, at the end of 2022, the Law on Confirmation of the Financial Framework Partnership Agreement between the Government of the Republic of Serbia and the European Commission on specific arrangements for implementation of Union financial assistance to the Republic of Serbia under the IPA III was adopted. In her further address, she referred to the address of Mr. Bollen regarding the Sectoral Agreement, pointing out that both parties have signed this Agreement and that its ratification is expected in the coming period. Finally, she emphasised that, depending on the dynamics of the mentioned activities, the announcement of first public calls under the IPARD III Programme can be expected in the fourth quarter of 2023.

**Item 4 of the Agenda: Rules of Procedures of the IPARD III Monitoring Committee**

*Ivana Slović, Advisor, Group for Monitoring, Evaluation and Reporting of IPARD Programme, IPARD Managing Authority*, presented the Rules of Procedures of the IPARD III MC, which was followed by the voting procedure.

After the voting procedure was carried out, Mrs. Miljković stated that the Rules of Procedures of the IPARD III MC were adopted unanimously.

**Decision No. 2**

The Rules of Procedures of the IPARD III Monitoring Committee were adopted unanimously.

**Item 5 of the Agenda: IPARD III Programme - next steps and the First Modification of the IPARD III Programme**

*Ms. Jasmina Miljković, Head of the IPARD Managing Authority and Head of the Department for Management of IPARD Programme*, presented the next steps related to the beginning of IPARD III Programme implementation, as well as the proposal for the First Modification of the IPARD III Programme, which was followed by a short discussion and voting procedure.

**Point 5.1. of the Agenda: Discussion and voting procedure**

*Mrs. Jasmina Miljković* invited participants to start a discussion related to the previous presentation.

*Mr. Aleksandar Bogičević, Acting Assistant Minister, Sector for Rural Development, MAFWM*, joined the discussion and greeted everyone present. He pointed out that the lessons learned from IPARD II Programme were taken into account during IPARD III Programme preparation and expressed the hope that the absorption of funds will increase in the new programming period. He used the opportunity to praise the initiative to support investments in rural public infrastructure



and at the same time suggested that the implementation of this measure should start as soon as possible. Considering that the implementation of Measure 6 requires work on capacity building not only of the state administration, but also of local self-government units, he pointed to good cooperation with the Standing Conference of Towns and Municipalities, which can provide significant assistance in that regard.

**Mrs. Jasmina Miljković** agreed with the previous statement and added that there is a great need for investments in rural public infrastructure, as well as that special attention will be given to the entrustment and the implementation of Measure 6 in order to avoid delays in the utilisation of funds.

**Mr. Radivoj Nadlački**, "Vojvodina Agrar" Association of Primary Agricultural Producers D.O.O. Bečej, joined the discussion and took the opportunity to praise the work of IPARD MA and IA. In his further address, he referred to the selection criteria, indicating that he agrees that farmers in areas with difficult working conditions in agriculture should receive additional points, but that the number of points should be lower, especially under the Measure 1. When it comes to the criteria related to the manure management, he emphasised that in this way farmers engaged in the plant production are in less favourable position and that this issue should be overcome. He also praised the selection criteria regarding education and at the same time suggested that a difference should be made in the number of points according to the level of education. With regard to the selection criteria related to cooperatives, he pointed out that this criterion should be defined in more detail through the rulebook, as well as the criterion related to women. In his further address, he pointed out that an additional number of points for investments in construction should be considered. He also referred to the proposal for the First Modification of the IPARD III Programme regarding eligible investments in the Vegetables Sector, which concerns the replacement of existing irrigation systems, and added that in this way the procurement of new systems will be ineligible. Regarding the criteria related to cooperation with R&D organisations, he suggested that the rulebook should define those organisations, as well as how to check this criteria. Furthermore, he stressed that additional points should be given to persons professionally engaged in agriculture. He concluded his address by pointing out the issue of demarcation between the IPARD III Programme and the National Rural Development Programme.

**Mrs. Jasmina Miljković** in response to the previous address, emphasised that it is clear that the selection criteria cannot satisfy the needs of all farmers and reminded that after the Tenth session of the IPARD II MC, meetings with stakeholders precisely on scoring and ranking criteria were held. She stated that areas with difficult working conditions in agriculture are of strategic importance for the MAFWM. She pointed out that investments in manure management are important for environmental protection, and regarding plant producers she proposed the targeted calls. Regarding the criteria related to cooperatives, she pointed out that the associating should be encouraged.

**Mr. Jovica Jakšić**, Association "Independent Association of Farmers of Serbia", emphasised that due to the great interest of recipients for Measure 1, the first calls should be published in the last quarter of this year, followed by calls for Measure 6 in the first quarter of 2024. In the continuation of the discussion, he pointed out that it is important to reconsider the scoring criteria in order to avoid the creation of artificial conditions, and that young farmers and cooperatives should be additionally motivated.

**Mrs. Jasmina Miljković** in response to the previous address, emphasised that the verification of fulfilment of the selection criteria will be defined in more details through rulebooks for IPARD support.

After the discussion, the voting procedure was carried out, Mrs. Miljković noted that the Proposal for the First Modification of the IPARD III Programme was adopted, and that there were no members who voted against, but one member abstained.

<b><u>Decision No. 3</u></b>	The proposal for the First Modification of the IPARD III Programme was adopted.
------------------------------	---

**Item 6 of the Agenda: Presentation of the Selection Criteria for Measure 7 – Farm diversification and business development**

*Mrs. Lidija Aćimović, Head of the Group for Programming of IPARD Measures for Improvement Quality of Life in Rural Areas, IPARD Managing Authority*, presented the Proposal of Selection Criteria for Measure 7, followed by the voting procedure.

After the voting procedure was carried out, Ms. Miljković noted that the Proposal of Selection Criteria for Measure 7 was adopted unanimously.

<b><u>Decision No. 4</u></b>	The proposal of Selection Criteria for Measure 7 – Farm diversification and business development was adopted unanimously.
------------------------------	---

**Item 7 of the Agenda: Presentation of the Plan of Visibility and Communication Activities**

*Mrs. Sanja Prodanović, Head of the Group for Technical Assistance and IPARD Programme Promotion, IPARD Managing Authority*, presented the Plan of Visibility and Communication Activities, which was followed by a discussion and voting procedure.

**Item 7.1. of the Agenda: Discussion and voting procedure**

*Mrs. Jasmina Miljković* invited participants to start a discussion related to the previous presentation.

*Mr. Rade Škorić, Poultry Business Association "Poultry Community"*, pointed to the issue of table egg producers regarding the legal deadline for replacing cages for laying hens, as well as the opportunities provided by the IPARD Programme in this regard.

*Mrs. Jasmina Miljković* pointed out that the intention was to overcome the mentioned problem through the IPARD II Programme, but, unfortunately, the representatives of this sector did not show much interest.

*Mr. Laszlo Arendas, Delegation of the European Union to the Republic of Serbia*, pointed out that the funds under the IPARD III Programme are significantly higher, so promotional and communication activities must be intensified accordingly, as well as that in order to expand the range of recipients, new means of communication should be implemented, and in this sense he encouraged the MC members to present their proposals and ideas.

*Mrs. Sanja Prodanović, Head of the Group for Technical Assistance and IPARD Programme Promotion, IPARD Managing Authority*, pointed out that on the above issue MC members are a very important link between policy makers and recipients, as well as that the IPARD MA is open to any type of cooperation.

After the discussion, the voting procedure was carried out and Ms. Miljković noted that the Plan of Visibility and Communication Activities was adopted unanimously.

<b><u>Decision No. 5</u></b>	The Plan of Visibility and Communication Activities was adopted unanimously.
------------------------------	--



#### Item 8 of the Agenda: Presentation of the Evaluation Plan of the IPARD III Programme

*Mrs. Verica Lazic*, Senior Advisor, Group for Monitoring, Evaluation and Reporting of IPARD Programme, IPARD Managing Authority, presented the Evaluation Plan within IPARD III programming period followed by the voting procedure.

After the voting procedure, Mrs. Miljković stated that the Evaluation Plan was adopted unanimously.

<b>Decision No. 6</b>	The Evaluation Plan was adopted unanimously.
-----------------------	--

#### Item 9 of the Agenda: Discussion

*Mrs. Jasmina Miljković* thanked for the previous presentations and invited participants to start the discussion.

*Mr. Miroslav Kiš*, Farmers Association, pointed out the insufficient utilisation of IPARD funds, as well as the prejudices of potential recipients from the livestock sector regarding obtaining IPARD support. He believes that in this regard it is necessary to intensify the support provided by agricultural advisory services and to present examples of good practice. In the continuation of his address, he highlighted the issue of co-financing of investments.

*Mrs. Milica Đurđević* reminded that the MAFWM provides a wide range of support, starting from national support schemes, through the SCAP project to IPARD support. Also, she pointed out that part of the loan interest rate could be subsidised from the national budget.

#### Item 10 of the Agenda: Proposals of the Agenda and date of the next session

*Mrs. Milica Đurđević* proposed to organise the next IPARD III MC session in January next year.

#### Item 11 of the Agenda: Closure of the First session of the IPARD III MC

The First session of the IPARD III MC was concluded with an address by Mrs. Đurđević. She thanked to all participants for their participation and contribution.

### III Summary

Conclusion	IPARD III Monitoring Committee	Follow-up activities
Adoption of the Draft Agenda of the First IPARD III MC session	The Draft Agenda of the First IPARD III MC session was adopted unanimously	
Appointment of members/deputy members of the IPARD III MC	Information	
Adoption of the Rules of Procedures of the IPARD III MC	The Rules of Procedures of the IPARD III MC were adopted unanimously	
Start of the IPARD III Programme implementation	Information	Ratification of the Sectoral Agreement, adoption of the First Modification of the IPARD III Programme by the EC and the RS Government, preparation of procedures and rulebooks for the IPARD III Programme, meetings with stakeholders
Adoption of the Proposal for the First Modification of the IPARD III Programme	The Proposal for the First Modification of the IPARD III Programme was adopted unanimously	Adoption of the First Modification of the IPARD III Programme by the EC and the RS Government
Adoption of the Proposal of Selection Criteria within Measure 7	The Proposal of Selection Criteria under Measure 7 was adopted unanimously	
Adoption of the Plan of Visibility and Communication Activities	The Plan of Visibility and Communication Activities was adopted unanimously	
Adoption of the Evaluation Plan	The Evaluation Plan was adopted unanimously	
Discussion on the results of the IPARD II Programme implementation	Exchange of information and recommendations for overcoming challenges and limiting factors in the processing of applications, selection criteria for scoring and ranking procedure, etc.	



CHAIRPERSON

Jelena Tanasković

Minister of Agriculture, Forestry and Water Management

#### Secretariat of the IPARD III MC

Prepared by:



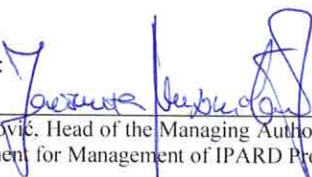
Ivana Slović, Advisor, Group for Monitoring, Evaluation and Reporting of IPARD Programme

Controlled by:



Tijana Marinković Denda, Head of the Group for Monitoring, Evaluation and Reporting of IPARD Programme

Approved by:



Jasmina Miljković, Head of the Managing Authority, Head of the Department for Management of IPARD Programme