

IPARD IN FOCUS

27

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IPARD



Ministry of Agriculture, Forestry
and Water Management



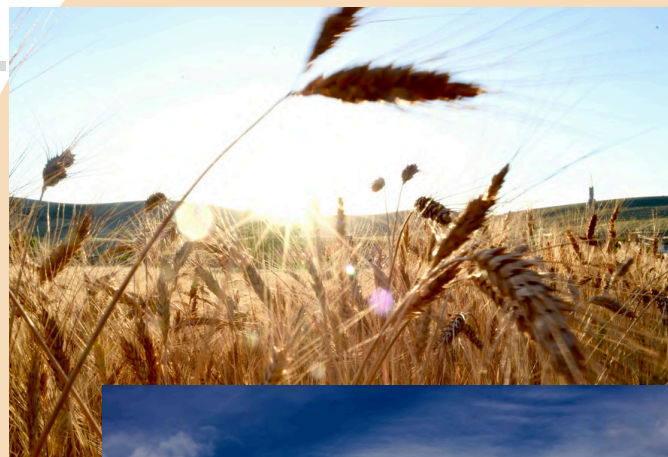
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IN THIS ISSUE YOU WILL READ: THE THIRD SESSION OF THE IPARD III MONITORING COMMITTEE

THE DEADLINE FOR SUBMISSION OF
APPLICATIONS FOR PROJECT
APPROVAL FOR IPARD SUPPORT FOR
INVESTMENTS IN PHYSICAL ASSETS OF
AGRICULTURAL HOLDINGS IN THE
CONSTRUCTION AND EQUIPPING OF
FACILITIES HAS BEEN EXTENDED

NOVELTIES IN THE RULEBOOK FOR
IMPLEMENTATION OF MEASURE 3
ACTIVITIES RELATED TO THE
PREPARATION OF LEADER MEASURE
UNDER THE IPARD III PROGRAMME

EXAMPLE OF GOOD PRACTICE



The Third session of the IPARD III Monitoring Committee

The Third session of the Monitoring Committee for monitoring the implementation of the IPARD III Programme (hereinafter: IPARD III Monitoring Committee) was held on 2nd July 2024 at the Chamber of Commerce and Industry of Serbia. The session was chaired by the Minister of Agriculture, Forestry and Water Management, Aleksandar Martinović, PhD.

“The Ministry will continue to make great efforts in order to enable that the IPARD funds reach the end recipients. This is supported by the data that a total of 1,554 projects were approved with approx. EUR 148.1 m of EU support until 28th June within the IPARD II programming period, while 1,151 projects were paid with approx. EUR 80.0 m of EU support, including advance payments. When it comes to the IPARD III Programme implementation, the First Public Call for Measure 1 - Investments in physical assets of agricultural holdings was published on 23rd February and the deadline for submission of applications for project approval was extended until 26th July. A great interest of recipients in IPARD Programme is confirmed by the fact that 244 applications have been submitted within the Call so far”, said the Minister and added that investments in the construction and equipping of facilities, as well as establishment of perennial production and mother plantations are eligible within the Call.



Outlining the next steps within the Programme, the Minister said that according to the indicative plan of calls for 2024, it is expected to announce a public call for all types of investments in physical assets concerning processing and marketing of agricultural and fishery products under Measure 3, and a call for all types of investments within Measure 7, which relates to farm diversification and business development. For the fall, he announced the measures for which there is the greatest interest, namely two calls within Measure 1, one for the procurement of equipment, machines and mechanisation and another call for the purchase of a new tractor.



“When it comes to the IPARD III Programme implementation, focus is on signing the Financing Agreement, adoption of the legal framework for the implementation of entrusted measures and publishing of calls. Furthermore, one of the goals for this year is preparation of entrustment package for new measures under the IPARD III Programme”, announced Martinović and especially underlined that the task in this programming period is to educate potential recipients more efficiently and to use experience gained during the previous period in a most productive way, in order to increase the efficiency of the IPARD Programme implementation. Before the session, Minister Martinović had a meeting with the European Commission representatives and discussed the IPARD II Programme implementation in Serbia, as well as future plans.

The main topics of the session presented, were related to the of the draft Rulebook for the implementation of Measure 3 - Investments in physical assets concerning processing and marketing of agricultural and fishery products, the implementation of Measure 9 - Technical Assistance and the IPARD website, the results achieved during the IPARD II Programme implementation, as well as plans and activities related to the IPARD III Programme implementation. In addition, the representatives of the Statistical Office of the Republic of Serbia presented the results of the Census of Agriculture 2023, significant for directing IPARD funds to priority areas.

Slobodan Nikolovski, Acting Director of the Directorate for Agrarian Payments – IPARD Agency, has presented the achieved results under the IPARD II Programme implementation, as well as the preparation of institutional and human capacities for the implementation within the new programming period. The conducted activities between the two sessions of the IPARD III Monitoring Committee were presented by Jasmina Miljković, Head of the Department for Management of IPARD Programme and Head of the IPARD Managing Authority.

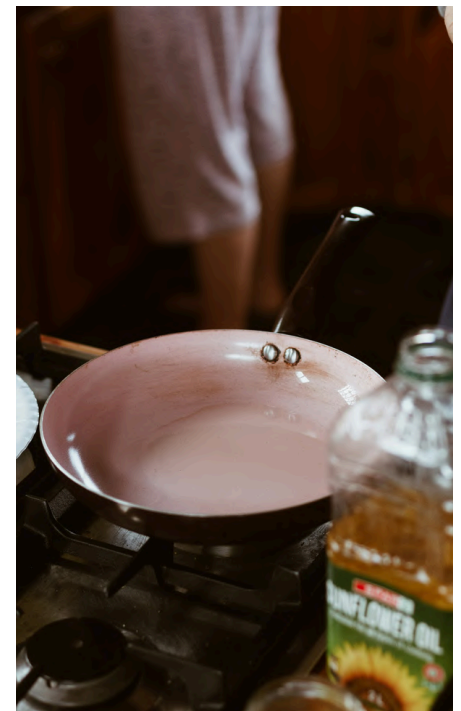
The session was attended by IPARD III Monitoring Committee members, representatives of the European Commission, Frank Bollen and Anna Nowak-Wood, the Ministry of Finance, the Ministry of European Integration and others.

After the session, representatives of the IPARD Managing Authority and the IPARD Agency, together with representatives of the European Commission, visited IPARD recipients.

THE DEADLINE FOR SUBMISSION OF APPLICATIONS FOR PROJECT APPROVAL FOR IPARD SUPPORT FOR INVESTMENTS IN PHYSICAL ASSETS OF AGRICULTURAL HOLDINGS IN THE CONSTRUCTION AND EQUIPPING OF FACILITIES, AS WELL AS THE ESTABLISHING PERENNIAL PRODUCTION AND MOTHER PLANTATIONS, WITHIN THE IPARD III PROGRAMME HAS BEEN EXTENDED UNTIL AUGUST 30, 2024

NOVELTIES IN THE RULEBOOK FOR IMPLEMENTATION OF MEASURE 3 - Investments in physical assets concerning processing and marketing of agricultural and fishery products under the IPARD III Programme

Experiences gained during the implementation of the IPARD II Programme, as well as the introduction of new investment sectors and new types of investments, influenced the drafting of the Rulebook for the implementation of Measure 3 of the IPARD III Programme. The most significant novelties are related to definition of investment sectors, new types of investments and other terms. Procedure for administrative control of application in approval and payment phase is described in detail. Eligibility criteria for project approval, followed by the requirements for advance/final payment approval of IPARD support are listed within the Rulebook. The eligibility criteria are divided into common eligibility criteria and specific eligibility criteria. Specific eligibility criteria are prescribed depending on the type of investment and investment sector.



Under the Measure 3 of IPARD III Programme, investments in processing and marketing are foreseen in milk, meat, egg, fishery, fruit, vegetables, cereals and industrial crops and grape sector. Measure 3 is intended for entrepreneurs, legal entities and agricultural cooperatives, in categories of micro, small and medium-sized entities.

The methodology prescribed by the IPARD III Programme, in accordance with the regulations of the European Union (EU Recommendation 2003/361), will be used when determining the size of a legal entity, for the purpose of this measure.

Micro-entities	Small entities	Medium-sized entities
Staff headcount < 10	Staff headcount < 50	Staff headcount < 250
Turnover ≤ EUR 2,000,000, or	Turnover ≤ EUR 10,000,000, or	Turnover ≤ EUR 50,000,000, or
Balance sheet total ≤ EUR 2,000,000	Balance sheet total ≤ EUR 10,000,000	Balance sheet total ≤ EUR 43,000,000

Micro, small and medium-sized enterprises for Measure 3 of IPARD III Programme

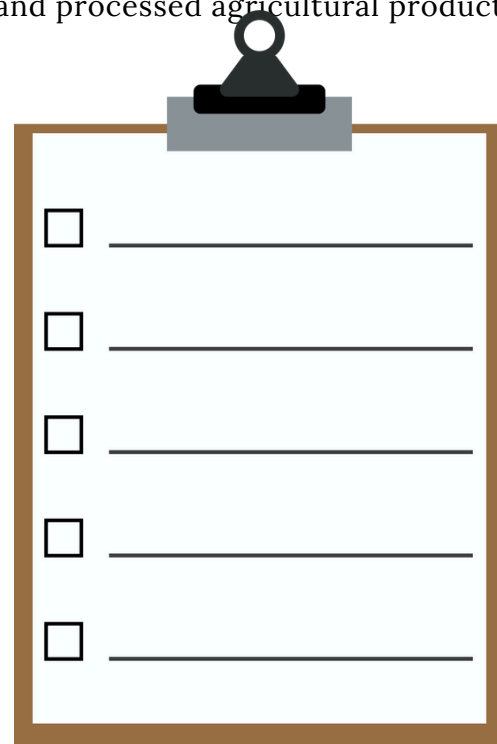
Aid intensity under this measure is up to 50% of value of total eligible expenditures. Additional 10% of support is entitled for investments relating to the treatment of effluents and waste management, circular economy and investments in production and storage of energy from renewable sources.

Potential recipients of IPARD support under the Measure 3 can receive minimum support of EUR 20,000, while the maximum support amounts to EUR 1,300,000 per project. During the implementation of IPARD III Programme, a recipient can receive maximum support of EUR 2,500,000 under this measure.

Investments under this measure are related to construction and equipping of facilities for processing and marketing of agricultural and fishery products, purchasing of machines, mechanisation and equipment for processing and marketing of agricultural and fishery products, investments in production and storing energy from renewable sources, investments in waste and waste water treatment and specialised vehicles for transportation of primary and processed agricultural products.

SCORING AND RANKING

In the case the amount of available funds per public call is not sufficient for submitted applications for project approval, Directorate for Agrarian Payments (IPARD Agency) conducts scoring and ranking procedure, where only applications that meet pre-formal conditions are subject of scoring. The pre-formal conditions include checking the deadline of application submission, the prescribed application form with proper offers for purchasing of investment, as well as business plan and inventory of movable and immovable property on 31st December of the year previous to year in which the application is submitted.



Whether the applicant has submitted another application within the same public call, is also checked as pre-formal condition. After the scoring and ranking procedure, Directorate for Agrarian Payments publishes scoring list of applications for project approval on its official web site. Applicants for project approval can make an objection on scoring list within the 15 days from the day of its publishing, while the decision on objections is made in 15 days.

Directorate for Agrarian Payments publishes the final rank list on its official web site, after decisions on objections on scoring list became final. Final rank list consists the rank list of applications for projects approval for which there are available funds and the rank list of applications for which there are no available funds under the public call in subject. Applications for which there are no available funds will be terminated. This would give opportunity to applicants who are not on the list for available funds, to prepare timely for the next public call.

VERIFICATION OF CONDITIONS FOR PROJECT APPROVAL AND ON-THE-SPOT VERIFICATION

Directorate for Agrarian Payments conducts procedure for verification of other formal conditions, general and specific conditions for project approval, as well as economic sustainability of the project, for all applications for which funds for project approval are available.

In the case of certain types of investments, before issuing a decision on project approval, the Directorate for Agrarian Payments will perform on-the-spot verification based on submitted photos of the place of control of the subject of the investment by the applicant (such as geotagged photos). Geotagged photos cannot be older than 15 days from day of submitting an application for project approval and specifically should contain place, longitude and latitude, as well as date and time when photos are taken. If applicant for project approval do not provide geotagged photo, on-the-spot verification will be performed by physical visit. Furthermore, Directorate for Agrarian Payments shall always perform on-the-spot verification by physical visit for individual type of investments, in accordance with the rulebook for implementation of Measure 3 of IPARD III Programme.

DEADLINES

All applicants for project approval who meet general and special conditions for project approval, will be issued a decision on project approval that contains all information about project, including eligible investments and expenditures, the total approved amount of IPARD subsidies, as well as deadline for realisation of the investment and submission of a request for final payment of IPARD subsidies. Recipients of IPARD subsidies have the right for only one modification of the approved project. Request for modification of approved project can be submitted not later than 30 days from deadline for realisation of approved project or deadline for submitting application for final payment.



IPARD recipient can claim advance payment of IPARD subsidies up to 50% of the value determined in the decision on project approval. The request for approval of advance payment of IPARD subsidies has to be submitted within 60 days from the day of decision on project approval receipt, with written bank guarantee that amounts 110% of requested amount of advance payment. The recipient of IPARD III support can ask for retrieval of bank guarantee, before it expires.

The IPARD recipient can start with the realisation of the investment according to the decision, after the legal validity of the decision on project approval.

Before submitting an application for final payment, applicant has to meet all general and specific conditions, depending of sector of investment. Furthermore, all obligations towards suppliers have to be fulfilled and the subject of the investment has to be put into the function. On-the-spot verifications before the final payment will verify whether the IPARD recipient has realized the investment in accordance with the decision on project approval.

Decision on final payment of IPARD subsidies, among other, determines a total amount of IPARD subsidies, contribution of EU and national budget, as well as obligations of the recipient of the IPARD subsidies. In order to make EU support visible, approved/paid IPARD investments have to be properly marked.

The Directorate for Agrarian Payments will gather all relevant facts necessary for taking the decision in the process of claiming IPARD support from other institutions by e-means.

Activities related to the preparation of LEADER measure under the IPARD III Programme

Under the bilateral cooperation between the Ministry of Agriculture, Forestry and Food of Slovenia and the Ministry of Agriculture, Forestry and Water Management of the Republic of Serbia (MAFWM), the IPARD Managing Authority has support regarding the preparation for start of the implementation of Measure 5 – Implementation of local development strategies - LEADER approach within the IPARD III Programme. Activities within the aforementioned bilateral cooperation will be implemented through four missions, with the purpose of strengthening institutional capacities for establishing Measure 5 within the IPARD III Programme.



The First Mission, with the aim to animate the MAFWM employees and to draft Plan of Visibility and Communication Activities of the MAFWM for the implementation of LEADER measure, was held from 17th to 19th June 2024.



The Second Mission, with the objective to prepare selection and approval criteria of local action groups, their annual plans and guides for the preparation of local development strategies, was held from 15th to 17th July 2024.

In addition to the representatives of the IPARD Managing Authority and the IPARD Agency, the meetings were attended also by the representatives of potential local action groups, the Network for Rural Development of Serbia, Network of Local Action Groups of Serbia, the Standing Conference of Towns and Municipalities and the Regional Rural Development Standing Working Group in South East Europe (SWG).

Example of good practice

The "Spasić Farm" LLC, has grown from a rented farm into a company that is on the home market among the leading producers of the day-old chicks of light line for consumption eggs and the heavy line for fattening. In addition, this farm cooperates with the Torlak Institute on the production of influenza vaccine materials.

Since the "Spasić Farm" LLC is export focused, this company from Stalać, always adheres to the European standards and innovations. The entire production process at the poultry farm is automated, and an aviary system for raising chicken has been introduced. The goal of having circled work process, serves them as a guide in that organisation.



„Spasić Farm“ LLC participated within the Third Public Call for IPARD Measure 1: Investments in physical assets of agricultural holdings. They submitted an application for the construction of two facilities for breeding and exploitation of heavy-type parental flocks, construction of a fixed fences around the farm and ground floor arrangement of the complex with an area of 1400 square meters, and the construction of a manure basin. They also submitted an application for the purchase of machinery and equipment for food preparation and animal feeding, equipment for housing the parent flock (Roxell automatic nests), and other equipment for the constructed facilities, such as equipment and devices for ventilation, fire protection, air conditioning, and heating. The value of the investment was approx. EUR 650,000. After the successful realisation of the project, the company received support of a total of EUR 361,097.57, out of which the EU contribution is EUR 270,823.18 and national contribution EUR 90,274.39.



This IPARD recipient is still working on expanding its production capacity and intends to submit another application for IPARD support in order to finance the expansion, automation, and modernisation of equipment at three additional facilities.

One click to first-hand information

For the newest information on events, announcements, calls and rules regarding the implementation of the IPARD 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!



Photos used in the newsletter are from the following sources: <https://unsplash.com/>, MAFWM photos, EU Info centre. and Radio Television Kruševac (RTK).

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