

Minutes No. 5

Minutes from the Fifth session of the IPARD III Monitoring Committee

18th June 2025, Belgrade

I List of participants

The session was attended by the following voting members of the IPARD III Monitoring Committee:

1. Ministry of Agriculture, Forestry and Water Management: State Secretary;
2. Ministry of Agriculture, Forestry and Water Management: Department for Management of IPARD Programme in the capacity of Deputy Chairperson;
3. Ministry of Agriculture, Forestry and Water Management: Sector for Agricultural Policy;
4. Ministry of Agriculture, Forestry and Water Management: Directorate for Agricultural Land;
5. Ministry of Construction, Transport and Infrastructure;
6. Ministry of Tourism and Youth;
7. Ministry of Public Administration and Local Self-Government;
8. Ministry of Mining and Energy;
9. Ministry of Rural Welfare;
10. Statistical Office of the Republic of Serbia;
11. Institute for Nature Conservation of Serbia;
12. Fund for the Development of the Republic of Serbia;
13. Republic Geodetic Institute;
14. Chamber of Commerce and Industry of Serbia;
15. Standing Conference of Towns and Municipalities;
16. Provincial Secretariat for Agriculture, Water Management and Forestry;
17. Provincial Secretariat for Regional Development, Interregional Cooperation and Local Self-Government;
18. Serbian Cooperative Union;
19. Network for Rural Development of Serbia;
20. Serbian Milk Producers Association;
21. Association "Network of Local Action Groups of Serbia";
22. National Association for Development of Organic Production "*SERBIA ORGANICA*";
23. Serbian Young Farmers Association "SYFA";
24. Poultry Business Association "Poultry Community" and
25. Association "*Natura Balkanika*".

Representatives without voting rights:

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

Representatives without voting rights as observers:

1. Faculty of Agriculture, University of Belgrade;
2. Tourism Organisation of Serbia and
3. Business Association of 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. Ministry of Agriculture, Forestry and Water Management: Sector for Rural Development;
2. Ministry of Environmental Protection;
3. Ministry of Economy;
4. Ministry of Science, Technological Development and Innovation;
5. Environmental Protection Agency;
6. Development Agency of Serbia;
7. National Society for Fruit Production "Our Fruits of Serbia";
8. Farmers Association;
9. Association of Agricultural Producers "Club 100P plus";
10. Association of Primary Agricultural Producers "Vojvodina Agrar" LLC Bečej;
11. Serbian Dairies' Association "SEDA";
12. National Association "Rural Tourism in Serbia";
13. Association "Independent Association of Farmers of Serbia";
14. Association of Serbian Winemakers and Winegrowers;
15. Ministry of Finance;
16. Institute for Science Application in Agriculture and
17. Association of Serbian Banks.

The Fifth session of the IPARD III Monitoring Committee (hereinafter: IPARD III MC) was also attended by representatives of the Directorate General for Agriculture and Rural Development of the European Commission (hereinafter: DG AGRI) in an advisory role, the Accounting Body, as well as representatives of the IPARD Managing Authority and the IPARD Agency.

The result:

The session was attended by 25 member/deputy members out of a total of 39 members/deputy members with the voting right, while written consent to the documents that were subject to adoption at the IPARD III MC meeting was obtained from the representative of the Association "Independent Association of Farmers of Serbia". A quorum was reached and decisions could be made.

Annex 1 of the Minutes: Lists of participants;

Annex 2 of the Minutes: Agenda.

II Outcome of the IPARD III Monitoring Committee session

Item 1 of the Agenda: Introductory speeches

The Fifth session of the IPARD III MC began with an address by **Mrs Jasmina Miljković**, *Head of the IPARD Managing Authority, Head of the Department for Management of IPARD Programme, Ministry of Agriculture, Forestry and Water Management (hereinafter: MAFWM)*, who welcomed the participants and the IPARD III MC members, representatives of the European Commission (hereinafter: EC) and State Secretary Mrs Stana Božović, who addressed the attendees in the introductory part of the session, due to the inability of the Minister, Prof. Dragan Glamočić, PhD, to attend the MC session.

Item 1.1 of the Agenda

Mrs Stana Božović, *State Secretary, MAFWM*, at the beginning of the introductory speech, greeted all participants on behalf of the MAFWM and emphasized that the MAFWM will continue to make great efforts in order to enable that the IPARD funds reach the recipients. She pointed out that the total financial resources available to potential recipients are significantly higher than in the IPARD II Programme, as well as that the implementation of the IPARD III Programme

started with the publishment of the first public calls in 2024. She emphasized that the preparation of the Rulebook for the implementation of Measure 7 is ongoing in order to publish the first call for this Measure. She also emphasized the need to focus on educating the potential recipients within this programming period, as well as that the experiences gained in the previous programming period are important in terms of increasing the efficiency of the implementation of the Programme. Mrs Božović wished successful work in the continuation of the session.

Item 1.2 of the Agenda

Mr Vincent Cordonnier, Deputy Head of the Unit G.4 – Neighbourhood, Enlargement and Pre-Accession Assistance, Directorate General for Agriculture and Rural Development, European Commission, began his address by referring to the results of the IPARD II Programme implementation and in this regard pointed out that only 56% of the available Programme budget was spent. He emphasized that the de-commitment amounts to EUR 76 m and pointed out the need to use lessons learned from the previous programming period during the implementation of the IPARD III Programme. He appraised the great interest of potential recipients within a total of four published calls for the IPARD III measures, as well as the fact that the amount of requested funds exceeds the funds allocated per calls. At the same time, he reminded that the IPARD III Programme was adopted by the EC in March 2022 and that not a single project has been contracted yet, which indicates a high risk of de-commitment. In order to avoid the de-commitment, EUR 27 m should be paid by the end of this year by the IA, which will be difficult to accomplish. At the end of his address, he pointed out the need to speed up the processing of applications and the entrustment of budget implementation tasks for new measures.

Item 2 of the Agenda: Approval of the Agenda for the Fifth session of the IPARD III Monitoring Committee

Mrs Jasmina Miljković stated that a quorum was reached and voting procedure for the adoption of the Agenda for the Fifth session of the IPARD III MC began.

Decision No. 1

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

Item 3 of the Agenda: Approval of the Minutes from the Fourth session of the IPARD III Monitoring Committee

After the voting procedure has been carried out, **Mrs Jasmina Miljković** noted that the Minutes from the Fourth session of the IPARD III MC was adopted, with one abstaining vote.

Decision No. 2

The Minutes from the Fourth session of the IPARD III MC was adopted with one abstaining vote.

Item 4 of the Agenda: IPARD Programme – Brief overview and update

Mrs Anna Nowak-Wood, Programme Manager, Unit G.4 - Neighbourhood, Enlargement and Pre-Accession Assistance, Directorate General for Agriculture and Rural Development, European Commission, presented an overview of the state of play regarding the IPARD II and IPARD III programmes' implementations in candidate countries with an emphasis on the execution rate of IPARD funds. In her address, she pointed out that Serbia is the second country in terms of the amount of allocated funds, but that the execution rate is not at a satisfactory level. Regarding the IPARD III Programme, she informed the attendees that the legal basis was adopted almost simultaneously in all countries, as well as that an amendment to the Financing Agreement is expected soon, after the approval of the budget implementation tasks for Measure 4 and Measure 5. She noted that Serbia has confirmed the entrustment of budget implementation tasks (roll-over process) for four measures out of the 11 measures offered, while the submission of the accreditation package for entrustment of budget implementation tasks for three additional

measures is expected within the IPARD III programming period. In the continuation of her presentation, she referred to the current state of measures implementation, pointing out the great interest expressed by the potential recipients within the four published calls. On the other hand, not a single project has been contracted, which can affect the overall absorption of the IPARD fund.

Item 5 of the Agenda: Discussion

Opening the discussion, *mrs Miljković* stated that at this moment we have a preliminary ranking list and noted that when it comes to the payments, both in Albania and Montenegro is similar situation, to which *mr Cordonnier* responded that there is also a risk of de-commitment by the end of this year in Montenegro, but that it is significantly limited due to the fact that a certain number of projects have been contracted, while the situation in Albania is completely different.

Item 6 of the Agenda: Information on the implementation of decisions taken at the Fourth IPARD III Monitoring Committee session and information on changes of the MC members and brief overview of Final Implementation Report on IPARD II Programme

Mrs Jasmina Miljković informed the attendees about the changes in the structure of the IPARD III MC in the period between the two sessions. In continuation, she emphasized that the Rulebook for the implementation of Measure 7 has been finalised, which will be followed by the normative procedure, giving the reasons for the delay of Rulebook adoption. She also noted that the first call for Measure 7 can be expected to be published by September at the latest. She also pointed out the activities carried out towards the development of the Action plan for entrustment of Measure 4 and Measure 5 under the IPARD III Programme (hereinafter: AP for Measure 4 and Measure 5). She emphasized that in the period between the two sessions of the IPARD III MC, the Third Call for Measure 1 and the First Call for Measure 3 were completed. In the continuation of presentation, she informed the participants that the Final Implementation Report of the IPARD II Programme has been prepared and that it is under the written procedure for approval, with the aim to be submitted the EC by the end of June this year. At the same time, she briefly presented the results of the IPARD II Programme, with a review of the lessons learned from the previous programming period.

The session continued with a discussion on the possibility of projects overcontracting, which is of utmost importance for the absorption of funds, given that not all approved projects will be implemented. It is underlined that this option is used as an effective method by other IPARD countries.

Item 7 of the Agenda: Achieved results under the IPARD III Programme implementation

Mr Slobodan Nikolovski, Director of the Directorate for Agrarian Payments, IPARD Agency, at the beginning of his presentation pointed out the key reasons for the lower absorption of the IPARD fund, which primarily concern the longer period for obtaining construction permits, noting that the lessons learned from the previous programming period will be used in the current IPARD III programming period. He informed the participants that potential recipients expressed great interest within the four public calls, emphasizing the challenge related to Article 56 of the Rulebook concerning the period of legal force of decisions. In this regard, he pointed out that aforementioned Article of the Rulebook will be amended in order to accelerate the procedure for ensuring the legal force of decisions. He informed attendees that the preliminary ranking list for the First Call of Measure 1 has been published, while the preliminary ranking list for tractors is expected in 15 days at the latest. He also pointed out the advantages of introduction of a contract instead of issuing a decision. In addition, he emphasized that the IPARD Agency is conducting an intensive campaign to inform potential recipients about the possibility of using advance

payments, with the support of the IPARD Agency in terms of securing a bank guarantee depending on the value of the project, in order to increase the absorption of the IPARD fund.

In the discussion that followed, technical obstacles were pointed out regarding transfer of farms to younger members, property-legal status, transfer of farms to women as holders, the problem of ensuring hygienic-technical conditions for using IPARD support, as well as the length of the appeal procedure in relation with the final ranking list within the First Call for Measure 1.

The session continued with a discussion on the possibility of publishing calls for specific sectors, especially those with significantly lower amount of received support. The importance of implementation of staff retention policy and new employment was highlighted, especially for the purposes of implementing new measures after their entrustment.

Item 8 of the Agenda: Action plan for entrustment of Measure 4 and Measure 5 under the IPARD III Programme

Mrs Katarina Vuković, Head of the Department for Supervision and Monitoring of the Functioning of the Management System for European Union Pre-Accession Assistance Funds, Ministry of Finance, presented the AP for Measure 4 and Measure 5, emphasizing the necessity of prior establishment of the legal, institutional, administrative and procedural framework for the implementation of these measures. She informed the attendees about the implemented activities envisaged by the AP for Measure 4 and Measure 5. Ongoing activities relate to the preparation of the final draft of the Law on the Implementation of the IPARD Programme, rulebooks for the implementation of Measure 4 and Measure 5, finalisation of the Memorandum of Understanding between the IPARD Managing Authority and the IPARD Agency, agreements with the technical bodies, as well as establishment of the IPARD Managing Authority procedural framework for Measure 4 and Measure 5. This will be followed by self-assessment activities by the Internal Audit for all IPARD bodies, an External Audit followed by corrective actions, preparation of the accreditation package and submission of a request for entrustment of budget implementation tasks for Measure 4 and Measure 5 to the EC, as foreseen in the indicative AP for Measure 4 and Measure 5 in May 2026.

The session continued with a discussion on the dynamics of the implementation of the AP for Measure 4 and Measure 5, with an emphasis on the need to accelerate the entire process in order to ensure payment of support, especially considering that it is not possible to reallocate funds from non-entrusted to entrusted measures. It was also emphasized the necessity to entrust Measure 6, to use advance and interim payments, as well as funds from the "Technical Assistance" Measure. It was noted that it is necessary to submit the AP for Measure 4 and Measure 5 to the EC and, in joint cooperation, shorten the deadlines for implementation of activities foreseen by the AP and accelerate the processes.

Item 9 of the Agenda: Discussion

In the discussion that followed, key issue in focus was dynamics for the implementation of activities for entrustment of budget implementation tasks for new measures. The need to accelerate the implementation of activities and engagement of persons that will cooperate with LAGs was identified. It is expected that the preparatory activities for the entrustment of Measure 4 and Measure 5 will be finalised in November. Immediately after that it is planned to start activities related to the entrustment of Measure 6. It was underlined that the Programme allocations refer to the period until 2027, but taking into account the "n+3" rule the IPARD III Programme will regularly end in 2030, unless there is an extension.

Item 10 of the Agenda: Amendment to the Action plan for Technical Assistance for 2025

Mrs Sanja Prodanović, Head of the Group for Technical Assistance and IPARD Programme Promotion, IPARD Managing Authority, presented a proposal for amending the Action Plan for Technical Assistance for 2025 (hereinafter: AP for Measure 9), with a special emphasis on the budget reduction caused by the reduction of the national budget for this Measure. Accordingly, certain activities from the AP for Measure 9 have been excluded, while activities that are important for preparation of accreditation package for new IPARD measures have been retained. In the expenditure structure, the largest budget reduction relates to the promotion and visibility activities, while expenditures related to other activities foreseen in the AP for Measure 9 have remained at approximately the same level.

After the voting procedure was carried out, it was noted that the Proposal for Amendments to the Action Plan for Technical Assistance for 2025 was unanimously adopted.

Decision No. 3	Proposal for Amendments to the Action Plan for Technical Assistance for 2025 was adopted unanimously.
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Mrs Anna Nowak-Wood, following the previous presentation, she reminded of the possibility to use Measure 9 funds in order to engage experts for the preparation of the accreditation package for Measure 4 and Measure 5.

Item 11 of the Agenda: Realisation 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 implementation of the Plan of Visibility and Communication Activities under the IPARD III Programme (hereinafter: PVCA), emphasizing that six IPARD III Programme visibility and promotion activities have been conducted since the beginning of this year. During the previous year, promotional materials related to the IPARD III Programme were printed, including the newsletter "IPARD in focus". She informed participants that Measure 9 funds under the IPARD II Programme were used for some of the implemented activities.

Item 12 of the Agenda: Report of Audit Authority regarding the IPARD II Programme implementation

Mr Saša Čelić, Head of the IPARD Programme Audit Group, Governmental Audit Office of EU Funds (Audit Authority), informed the attendees that six system audits of the IPARD structure were performed in the initial phase of the Programme implementation. Audit of *ex-post* control in the IPARD Agency is ongoing, while an audit of operations by the DG AGRI is expected in the coming period. In the continuation of the presentation, he informed the attendees about the audit findings, on-the-spot controls, as well as the identified irregularities. He also pointed out the necessity of ensuring competent staff for conducting IPARD Programme audits, primarily due to the introduction of new IPARD measures.

Item 13 of the Agenda: Discussion

The discussion that followed was focus on a question related to the need for more detailed analysis of the reasons for rejection of applications, including analysis at the sector level, as well as identification of the most common mistakes made by applicants in order to avoid them in the upcoming IPARD calls. **Mrs Miljković** indicated that a more detailed analysis of the factors that influenced the final result of the IPARD II Programme would be carried out by an independent expert as part of the *ex-post* evaluation of the IPARD II Programme. The results of the aforementioned analyses will be available to interested parties on the IPARD Managing Authority and the IPARD Agency internet portals.

Item 14 of the Agenda: Proposals of the Agenda and date of the next session

Within this point it was suggested that the next IPARD III MC session will be held in the last week of November 2025.

Item 15 of the Agenda: Closure of the Fifth session of the IPARD III Monitoring Committee

The Fifth session of the IPARD III MC was concluded with an address by **Mrs Miljković**, who thanked the attendees for their participation and contribution.

III Summary

Conclusion	IPARD III Monitoring Committee	Activities that follow
Adoption of the Draft Agenda for the Fifth session of the IPARD III MC	The Draft Agenda for the Fifth session of the IPARD III MC was adopted unanimously	-
Adoption of the Draft Minutes from the Fourth session of IPARD III MC	The Draft Minutes from the Fourth session of the IPARD III MC were adopted with one abstaining vote	-
Appointment of members/deputy members of IPARD III MC	Information	Adoption of a new Decision on the Establishment of the IPARD III Monitoring Committee
Adoption of the Proposal of the Amendment to the Action plan for Technical Assistance for 2025	The Proposal of the Amendment to the Action plan for Technical Assistance for 2025 was adopted unanimously	Implementation of activities foreseen by the Amended Action Plan for Technical Assistance for 2025
Implementation of the IPARD III Programme	Information	Adoption of Rulebook for Measure 7 and publishing of calls
Preparation of the accreditation package for Measure 4 and Measure 5	Information	Implementation of activities from the Action plan for entrustment of Measure 4 and Measure 5 under the IPARD III Programme

Secretariat of the IPARD III MC

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