

# IPARD IN FOCUS

# 13

No. 13 - NOV/DEC 2021



Ministry of Agriculture, Forestry  
and Water Management, Serbia



**IPARD**  
EU4Rural Areas



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## **IPARD III Programme of the Republic of Serbia for the period 2021-2027 year**

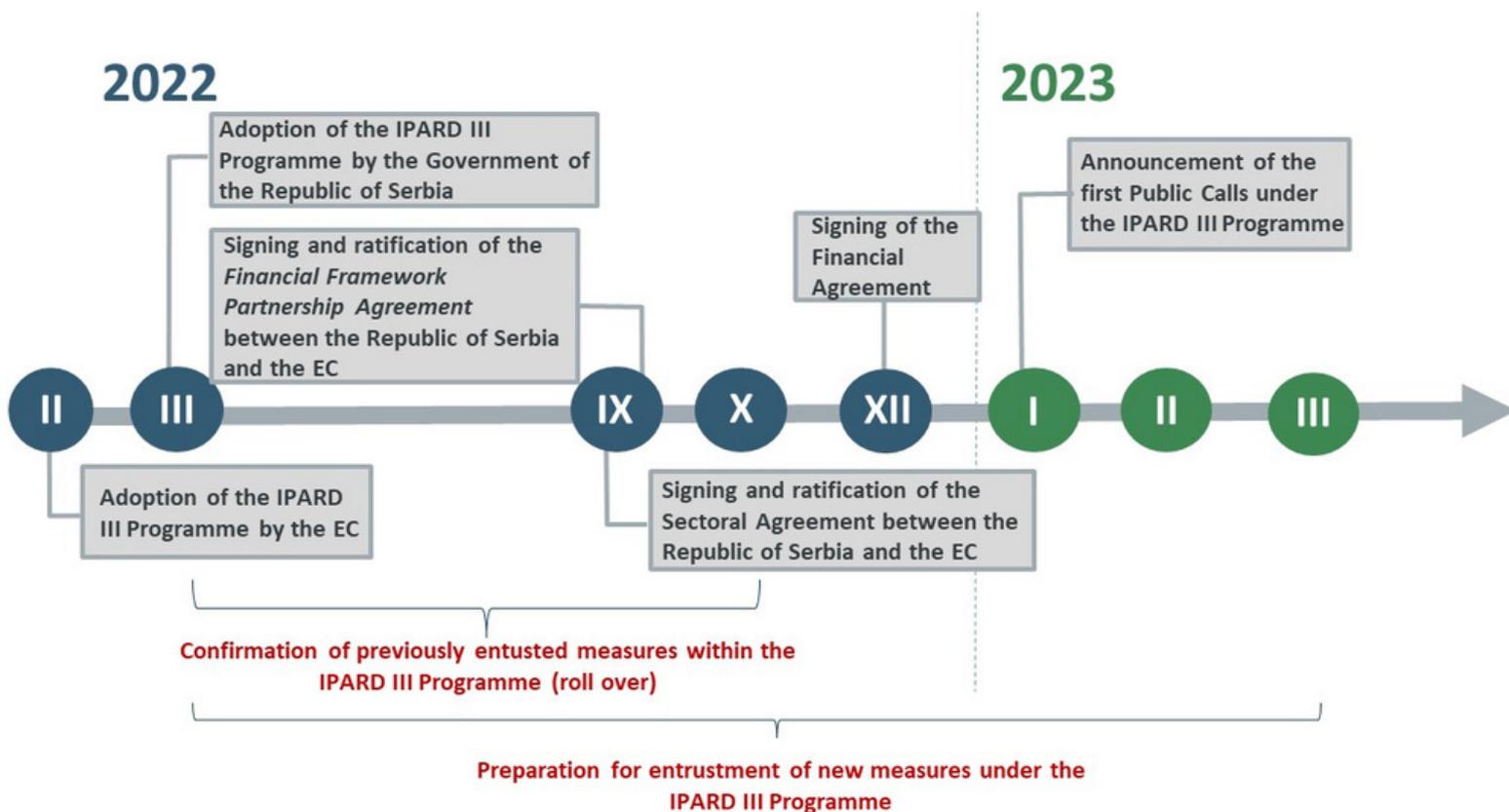
The IPARD Managing Authority has prepared the IPARD III Programme for the Republic of Serbia for the period 2021-2027 year, which was submitted to the European Commission (EC) for adoption on 16<sup>th</sup> November 2021 year.

In order to properly prepare the IPARD III Programme, during 2019 and 2020, sector analyses were conducted to identify the situation and needs in the field of agriculture in the priority investment sectors: sectors of production and processing of meat, milk, fruits, vegetables, cereals and industrial crops, as well as the fisheries sector. Also, analyses were conducted related to financial instruments, capacities of local self-government units in the area of rural public infrastructure and the impact of the Green Deal of the European Union on the Republic of Serbia. A consultative process was conducted with all stakeholders for the development of the IPARD III Programme, which aimed to gather different opinions and experiences and define guidelines for future IPARD support. All relevant proposals received during the consultation process, as well as ex-ante evaluation recommendations are included in the IPARD III Programme.

The indicative EU financial contribution to the IPARD III programme is EUR 288 million. The main goal of these investments is achieving European standards in the field of hygiene, food safety, animal welfare and environmental protection, but also empowering farmers to place products on the EU market, as well as preparing to use European funds to domestic farmers and processors be available upon accession to the EU.



## Plan for the next steps:



## Adopted Law on Amendments to the Law on Agriculture and Rural Development

The Law on Amendments to the Law on Agriculture and Rural Development was published on 30<sup>th</sup> November 2021 ("Official Gazette of the RS", No. 41/09, 10/13 - other law, 101/16, 67/21 - other law and 114/21). The reasons for adoption of this Law are primarily reflected in the need to meet the requirements of the Sectoral Agreement between the Government of the RS and the EC setting out provisions for the implementation of European Union financial assistance to the Republic of Serbia under the IPARD Programme, as well as the need to improve the efficiency of application processing and facilitate access to the IPARD fund for potential recipients.



The introduction of advance payments, together with favorable commercial bank loans, represent a significant relief for the realisation of IPARD high-value investments.

The most significant modification made by the Law refers to the **possibility of advance payment to IPARD recipients in the amount of up to 50% of the approved amount of IPARD support**, with a bank guarantee corresponding to 110% of the requested advance payment. In addition, after adoption of Decision on Project Approval, IPARD recipients will be able to provide a significant part of financial resources for realisation of the planned investment, while the use of advance payments will improve the absorption of EU financial contribution and reduce the risk of de-commitment of the EU funds.

In order to avoid bad practice of submitting “empty envelope”, i.e. incomplete applications by the IPARD recipients, which extends the time of administrative verification of applications, the Amended Law on Agriculture and Rural Development **prescribes mandatory documentation** submitted by IPARD recipients when submitting an Application for Project Approval for investment measures under the IPARD Programme. Accordingly, the Application for Project Approval will be rejected without consideration if it does not contain the following:

- duly completed application form,
- proper offers for the procurement of the subject of the investment,
- business plan and,
- inventory of movable and immovable property as of 31<sup>st</sup> December of the previous year in relation to the year in which the application is submitted.

The provisions of the Law also define the procedure for the Application for Project Approval that is not legally and formally correct, and as such requires a correction, i.e. supplementation. In that case, the application can be supplemented **at most once, and the deadline for supplementing the application is from at least eight to a maximum of 20 days**.



Another important novelty that the Amendment to the Law on Agriculture and Rural Development brings to IPARD recipients refers to the possibility **of only one amendment to the approved project** in the procedure for exercising the right to IPARD support.

Furthermore, an important prerequisite for the entrustment of Measure 5: Implementation of Local Development Strategies - LEADER approach within the IPARD III Programme is enabled by amending the Law, which created a legal basis for the implementation of this Measure in the manner prescribed by the EU. Accordingly, the status of LAG is acquired by an association registered in accordance with the regulations governing the legal status of the association, and in a certain territory in RS which includes rural areas, whose founders or members are domestic and foreign natural and legal persons and LSGUs. The association established in this way, as obligatory governing bodies, has an assembly, a board of directors and representatives, whose obligatory objectives are prescribed by the Law and to whom the Local Development Strategy (LDS) has been approved. According to the provisions of the Law, the LDS is a planning document prepared for a certain territory by the LAG for the programming period of the IPARD Programme and approved by the DAP.



## IPARD Plan of Public Calls for 2022

The Indicative Plan of Calls for IPARD subsidies in 2022 was published in mid-December 2021 and envisages announcement of two Public Calls in the total amount of RSD 1,381,438,083.25 (EUR 11,748,780.73).

### INDICATIVE PLAN OF PUBLIC CALLS FOR 2022

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEP	OCT	NOV	DEC
<b>M1</b>		EUR 11,058,578.01 										
<b>M9</b>	EUR 690,202.72											

In the first half of February 2022, it is planned to announce the Seventh Public Call for IPARD Measure 1 – Investments in Physical Assets of Agricultural Holdings, with a planned budget of RSD 1.3 billion (approx. EUR 11.06 million). This Public Call will be open until the end of March 2022. Within this Public Call only investments in **procurement of a new tractor belonging to the STAGE V category shall be eligible**, which is in line with requirements in the field of environmental protection regulated by EU.



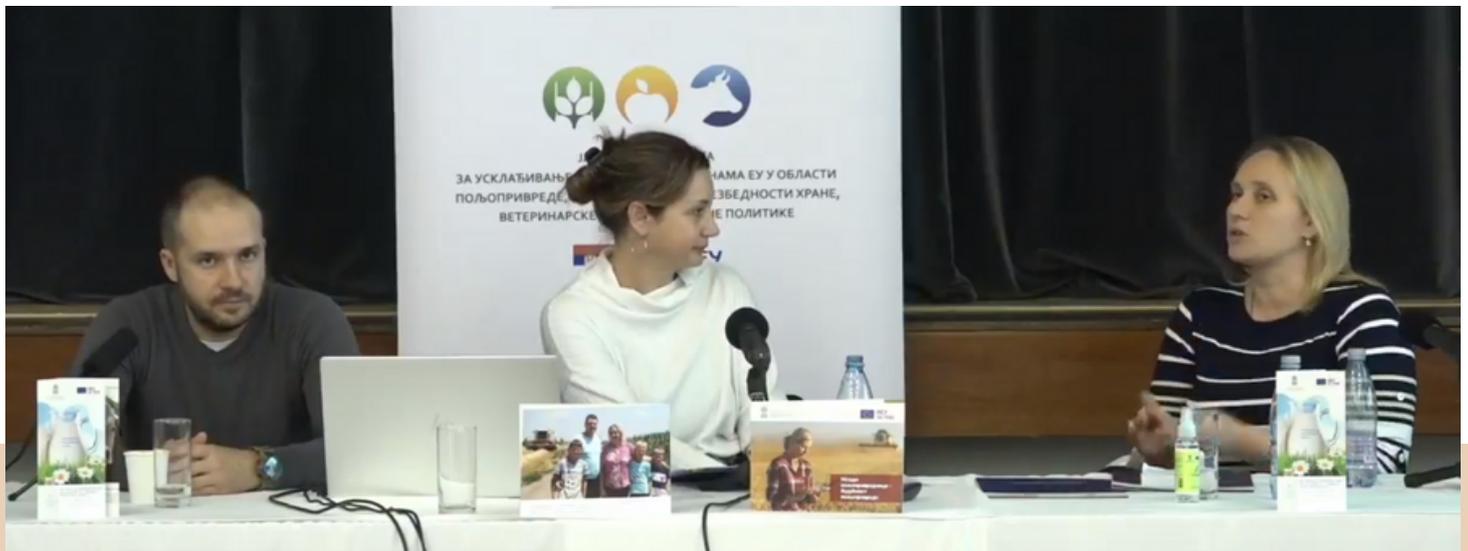
Public Call for IPARD Measure 9 - Technical Assistance, with the aim to provide support to the IPARD Managing Authority in the implementation, monitoring, evaluation of IPARD Programme and to strengthen overall administrative capacities will be open during the entire 2022 year. The planned budget for 2022 for IPARD Measure 9 amounts to RSD 81.15 million (approx. EUR 690 thousand).

The Indicative Plan of Calls is available on the website of the Directorate for Agrarian Payments, as well as on the website of the Ministry of Agriculture, Forestry and Water Management, which can be downloaded [here](#).

## Young farmers – the future of agriculture

The Regional Conference for Young Farmers was held on 7<sup>th</sup> December 2021 in Sremska Mitrovica, organized by the Ministry of Agriculture, Forestry and Water Management and the EU project: “Capacity building for harmonization with the acquis in the field of agriculture, rural development, food safety, veterinary and phytosanitary policy” and with the support of the local self-government of Sremska Mitrovica.

The aim of the Regional Conference was to inform and educate young farmers about the possibilities of using the EU pre-accession fund for rural development - IPARD, national measures of support, as well as EU support measures for member states. During the panel discussion, the recipients of IPARD funds emphasized that the process of application preparation and submission, although it seems a complex one, is not impossible, and that the benefits of the received funds are multiple. “I would recommend everyone to apply for IPARD funds, and I will definitely do it again”, said Marina Vulović, who bought a new tractor with the support of IPARD funds.



The conclusion of the Regional Conference for Young Farmers is that providing support through the implementation of measures that directly encourage the start of agricultural activities should be continued, including measures aimed to finance rural infrastructure projects in order to respond to challenges and ensure sustainable development of agricultural production, giving special importance to young farmers.



## Example of a successful project

Family company Z.A. Fruit was established in 2000 in Koceljiva. The primary activity of the company is the purchase, freezing, processing and export of frozen fruits, primarily raspberries, blackberries, strawberries, cherries and plums. In its composition Z.A. Fruit has two factories, located in the most important fruit growing areas of Serbia - Koceljeva and Kotraž, which are characterized by a good geographical position and favorable climate conditions for fruit growing.

The company Z.A. Fruit processes about 10,000 tons of fruit annually, which makes it one of the largest processors and exporters of frozen fruit in Serbia. Z.A. Fruit is on the list of all major buyers of the European Union, and part of the range is exported to America. In order to meet the strict requirements of the market and the standards of quality and safety of products and services, the company is constantly working to improve the production process through the procurement of new and modern equipment.



MA Production Manager of Z.A. Fruit, Dragan Matić, presented the experiences in exercising the right to IPARD support within the Second Public Call for Measure 3 - Investments in Physical Assets Concerning Processing and Marketing of Agricultural and Fishery Products.

“By purchasing a sorting machine through Measure 3, we have achieved multiple benefits. We have raised the quality of our products to a high level, increased the production capacity and achieved significant savings thanks to the return of financial funds. When visiting our production facilities, customers react very positively when they see the equipment we bought with the IPARD support” said Matić, emphasizing that the procedure itself was not complicated and that they successfully prepared the project documentation with the help of a selected consulting agency. Positive experience in using the IPARD fund has contributed to the fact that the company plans to apply for IPARD subsidies in the next public calls.

### 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](mailto:ipardnadlanu@minpolj.gov.rs) or Instagram and Facebook pages!



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