

IPARD IN FOCUS

23

No. 23 - SEP/OCT 2023



IPARD



Ministry of Agriculture, Forestry
and Water Management



Co-funded by
the European Union



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IPARD III Programme

The procedure for the adoption of the Conclusion proposal, by which the Government of the Republic of Serbia adopts the IPARD III Programme for the Republic of Serbia for the period 2021-2027 has been initiated. In this regard, by the end of the year, the first public Calls within the IPARD III Programme are expected, starting with the Measure 1, for which the recipients had the most interest, and then followed by other accredited measures.

The investments that will be supported by the IPARD III Programme will relate to the procurement of equipment, machinery and mechanization, the construction and reconstruction of production and supporting facilities, which will significantly contribute to the achievement of European standards in the field of hygiene, food safety, animal welfare, environmental protection, as well as strengthening the agricultural producers and processors for the placement of products on the EU market.

In this sense, the implementation of measures expanded to new sectors and intended to support the development of primary agricultural production, processing capacities and diversification of activities in rural areas, which will continue. Thus, Measure 1 will include the fishery sector and Measure 3 will include two new sectors – fishery processing sector and cereals and industrial crops processing sector. Measure 7, in addition to supporting the construction and equipping of categorised accommodation facilities, will also include the support for direct marketing of agricultural – food products and other homemade products on the farm, in local shops, as well as on the market. Also, this measure will cover the construction and equipping of facilities for the provision of small-scale service activities.

It is important to point out that certain categories of recipients will have a higher aid intensity, for example, young farmers up to 40 years of age and producers of certified organic products, could achieve the aid intensity of up to 70% of eligible expenditures, the residents of mountainous areas, may achieve a return of up to 65%, while an additional 10% is intended for investments related to waste and wastewater management and renewable energy sources.

Possibilities for financing of energy production projects and energy efficiency through the IPARD III Programme 2021 - 2027

In the organisation of the Serbian Chamber of Commerce and Industry (SCCI), the Chamber of Commerce of Belgrade and in cooperation with the Association for crop production and food industry of SCCI, an expert meeting on topic “Possibilities of financing renewable energy projects and energy efficiency through the IPARD III Programme 2021 - 2027” was held on 22nd of September 2023, in Belgrade.

Representatives of the IPARD MA presented IPARD III Programme and novelties in the new programming period. Main topics included general and specific eligibility criteria, selection criteria, amount of support and types of investments, obligatory documentation and other elements important for project approval and payment of subsidies for measures 1, 3 and 7 of IPARD III Programme. Bearing in mind that one of the goals of IPARD III Programme is reducing level of dependence of agriculture on non-renewable energy sources and transition to renewable energy sources, which could significantly meet the energy demands of agriculture, possibilities for financing of IPARD projects regarding investments in production and storage of renewable energy, were especially emphasised. Also, during the expert’s meeting it was stressed that IPARD III projects with investments in renewable energy sources during ranking process score more points, and have increased aid intensity as well.



Examples of good projects were presented by “Jovanović Fruit” Ltd. Osečina and “Fungo Jug” Ltd. Leskovac, recipients that received the IPARD II support in fruit and vegetable sector through Measure 3, for investments in renewable energy sources. As part of the expert meeting, special attention was paid to the acquisition of prosumer rights in the context of the rules and framework of the IPARD Programme, with an emphasis on the profitability of the investment.

List of eligible expenditures

All supported investments within the IPARD III Programme will be presented in the List of eligible expenditures and it will be published as an Annex to the rulebooks for the implementation of each of the investment measure of the IPARD III Programme (Measure 1, Measure 3 and Measure 7). Unlike the previous programming period in which the list of eligible expenditures and investments was adopted by the Commission, in the case of the IPARD III Programme the EC has submitted categories of eligible expenditures, while the IPARD Managing Authority has to develop and prepare the broader list of investments and expenditures.

Considering that without the application of modern technologies is very difficult to achieve the good results expected in today's market-oriented agriculture, this new approach will enable the continuous introduction of new agricultural production technologies and processes. One of the innovations eligible under Measure 1, brought by the IPARD III Programme at the initiative of agricultural producers is the introduction of a drones.

Presentation of IPARD Measure 7 in Novi Pazar



In the Cultural Center of Novi Pazar, at the invitation of the mayor of Novi Pazar and with the support of AAS Novi Pazar, representatives of the Ministry of Agriculture, Forestry and Water Management and the IPARD Managing Authority presented the IPARD III Programme Measure 7 to numerous interested legal entities, employees of AAS, tourist organizations and agricultural producers from Novi Pazar, Sjenica and Tutin.



As an effort to achieve the objectives of the Measure, which should support and strengthen the development of non-agricultural activities in rural areas with the aim of improving the quality of life, increasing the income of agricultural producers, creating conditions for the creation of new jobs and reducing the migration of the rural population to the cities, the participants of the meeting were presented, in detail, the three sectors that have been developed within the Measure 7, namely: Sector of direct marketing of agricultural - food products and homemade products, Sector of rural tourism and Sector of small-scale services.

The participants were particularly informed about the conditions that potential recipients should fulfil when submit project application, eligible and ineligible expenditures within each sector, amount of support that can be realized within each sector, administrative processing of applications for project approval and requests for final payment, the scoring and ranking procedure during the processing of applications for project approval, conditions and national regulations that should be fulfilled at the end of the realisation of the investment as well as the obligations of the recipients, after the final payment of IPARD support.

Scoring and ranking within Measure 7

Based on the principles for scoring and ranking within the Measure 7 "Farm diversification and business development", determined by the IPARD III Programme, the IPARD Managing Authority has developed a scoring and ranking criteria. The proposal for the scoring and ranking criteria was adopted during the regular session of the IPARD III Programme Monitoring Committee on June 28th 2023, and will be the part of IPARD Measure 7 "Farm diversification and business development" Rulebook.

Scoring and ranking criteria		Points
I	Status of applicant (professional qualification)	up to 9 at most
1.	The applicant has a three - or four - year secondary education (Secondary vocational school/Gymnasium)	5
2.	The applicant has a higher or higher professional degree obtained in a Higher school of vocational studies, i.e. VI level degree, or obtained 180 ECTS points	7
3.	The applicant has completed academic studies at the University or master's studies, i.e. VII level degree, or obtained 240 and more ECTS points	9
II	Category of applicant	up to 17 at most
1.	The applicant is under 40 years of age on the date of submitting the request for project approval	7
2.	The applicant is female	5

3.	At the time of submitting the request for project approval, the applicant does not have a decision on project approval from the previous IPARD public calls.	5
III	Type of investment	up to 6 at most
1.	The subject of the request for project approval is the construction of a facility	6
IV	Impact of investment on persons with disabilities	up to 9 at most
1.	The request for the project approval includes investments in construction of a facility in accordance with a special regulation regulating the technical standards of planning, design and construction of facilities, which ensure unhindered movement and access for people with disabilities, children and the elderly	9
V	Place of investment	up to 6 at most
1.	The place of investment is located in an area with difficult working conditions in agriculture, namely in a mountainous area or in a devastated area, in accordance with a special regulation that determines areas with difficult working conditions in agriculture	6
VI	Contribution of investment to the employment	up to 12 at most
1.	One new employed	7
2.	At least two new employed	12

VII	Sector criteria	up to 5 at most
1.	Direct marketing sector	5
2.	Small-scale services sector	3
VIII	Impact of investment on the environment	up to 10 at most
1.	The subject of the request for project approval is the construction of a facility for performing non-agricultural activities and the construction and/or equipping of facilities for the production and storage of energy from renewable sources	10
MAXIMUM POINTS		74

Clarification of criteria for scoring and ranking

I Status of applicant (professional qualification)

Points are awarded if the scoring criteria meets:

1. holder of a family agricultural holding;
2. an entrepreneur;
3. a member of the company who has at least 50% of the registered ownership in the company, in case the applicant for project approval is a company.

II Category of applicants

Points are awarded for a applicant for the project approval – natural person, who is under 40 years of age on the date of submitting the request for the project approval.

Points are awarded for an applicant for the project approval – natural person, female.

III Type of investment

In the case of an investment refers to construction, the applicant is entitled to points only if, at the time of submitting the application for project approval, he has a construction permit, i.e. a decision to carry out works.

IV Impact of investment on people with disabilities

Points are awarded if the project has an impact on a vulnerable category of the population - persons with disabilities, and if the project provides easier access and stay in the facility.

V Place of investment

In the case of an investment in the construction and/or equipping of a facility, the place of investment is the cadastral plot on which is the construction and/or equipping of the facility.

VI Contribution of investment to employment

An entrepreneur, i.e. a business company, when submitting the request for the final payment, must achieve the planned number of new employees for the category for which he/she has scored points.

VII Sector criteria

In the case of an investment refers to two or more sectors, points are awarded for the sector in which the largest financial share of eligible investment costs is located.

VIII Impact of investment on the environment

Points are awarded for an applicant in the case of investment in the construction of a facility for performing non-agricultural activities and the construction and/or equipping of facilities for the production and storage of energy from renewable sources.

LEADER approach and LAGs in Serbia

Manifestation “LAGDANI 2023” organised by LAG “Srce Bačke”, was held on 21st of September 2023 in Kula. The aim of this manifestation is promotion of LEADER approach and local action groups in Serbia. On that occasion, the panel discussion “LAG as support for developing of local area” was organized. Some of topic of the panel discussion was support of local self-government units to LAGs, comparative presentation of the state of LEADER approach in Serbia and in region, as well as social entrepreneurship. Participants had an opportunity to hear examples of successful practises, and to visit some stands of small agricultural producers and associations on handicraft festival.



Manifestation “Dvorište tradicije i dobrog ukusa” was held on 30th of September 2023 in Sombor with LAG “Panonski fijaker” as a host. At that occasion, in the City Museum of Sombor, a workshop for representatives of more than 30 associations and small producers from Vojvodina Region was held. Main topics were related to geographical origin protection, improvement of position of women in rural areas and preservation of cultural heritage. The works of local associations and products of small producers from territory of LAG “Panonski fijaker” were presented to manifestation audience.

On initiative of the Network of Local Action Groups of Serbia, on 18th October 2023, IPARD Managing Authority had a meeting with representatives of the LEADER France, Estonian LEADER Union and European LEADER Association for Rural Development within Erasmus + project “European project for Local democracy in Serbia, France and Estonia”. The topic of meeting was LEADER and LAGs in Republic of Serbia, as well as presentation of experiences in implementation of LEADER measure in France and Estonia.

Fungo jug d.o.o. Leskovac: RES - an investment that pays back quickly

The Green Agenda for the Western Balkans is a regional development strategy that aims to address the issues of climate change and the green transition and to help the countries of the Western Balkans to harmonize environmental regulations with European standards and norms. It is based on the European Green Deal and the Economic and Investment Plan for the Western Balkans.

Implementation of the Green Agenda will be in focus in the upcoming IPARD III Programme period through investment in renewable energy sources and the approval of an additional 10% subsidies for this type of investment. A higher level of support is expected to encourage more recipients to invest in renewables.



In the IPARD II Programme period, 80 applications were submitted involving renewable sources as either an independent investment or a component of a larger project. The value of these investments is around EUR 16 million. Solar panels were the most represented investment in renewable energy sources with the share of 67%. Fungo jug d.o.o. is one of the recipients who improved the development of their business by investing in the construction of a solar power plant.

Since 1990, this company from Leskovac has been involved in the purchase, production, processing and sale of agricultural and forest products, primarily fruit and mushrooms, which it currently distributes under the Artfood brand. Under the Third Public Call for IPARD Measure 3, Fungo jug d.o.o. received support of around EUR 153,000,00 for the construction of a solar power plant within the production facilities in the village of Čuklenik near Leskovac (EU contribution is EUR 114,723.14 + contribution of the Republic of Serbia EUR 38,241.05).

Although he comes from the sunny south of Serbia, the representative of Fungo South, Bratislav Jovanović, claims that investments in renewable energy sources pay off both in the south and in the north of the country, especially if we consider the price of electricity for the economy.

“With IPARD support, which is 50% of eligible expenditures for the improvement of processing capacities, the investment in renewable energy sources pays off in a period of 3 to 4 years. The power of the built power plant is 401.3 kW and for now it covers the needs of our production, and in accordance with the regulations in force at the time, we have not yet acquired the status of a prosumer. Given the fact that we have more production facilities, it was necessary to install more inverters, which also affected the amount of the investment. With this investment, in the long term, we cleared the path for our production to become more competitive and achieve the standards of the most developed nations”, says Jovanović. He advises future IPARD recipients not to enter independently into the process of realizing such a complex project and exercising the right to subsidies without a good consulting agency. He added that investing in renewable energy sources and energy efficiency has a positive reception within the banking sector when approving loans. The company Fungo jug d.o.o. is already thinking about new investments with the help of the IPARD Programme, by investing in heat pumps.



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?

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