

IPARD IN FOCUS

20

No. 20 - Feb/March 2023



Ministry of Agriculture, Forestry
and Water Management



IPARD
EU4Rural Areas



IN THIS ISSUE YOU WILL READ:

IPARD III PROGRAMME

PRICE INDEXATION IN THE IPARD II PROGRAMME

PROMOTIONAL ACTIVITIES OF IPARD MANAGING AUTHORITY AND IPARD AGENCY

CONTRIBUTION OF THE IPARD PROGRAMME TO IMPROVEMENT AND MODERNIZATION OF THE AGRICULTURAL SECTOR

EXAMPLE OF GOOD PRACTICE

IPARD III Programme

The Republic of Serbia is working intensively in order to speed up the start of the implementation of the IPARD III Programme of the Republic of Serbia for the period 2021 – 2027, adopted by the European Commission's Decision (2022) 1537, of 9th March, 2022. A significant support was provided by the experts within the IPA 2017 Project: "Support to the IPARD Operational Structure".

Specific activities of the IPARD Managing Authority and the IPARD Agency are related to the preparation of the documentation necessary for the confirmation of the entrustment of budget implementation tasks, i.e. the roll-over process, for Measure 1, Measure 3, Measure 7 and Measure 9. The documentation includes drafted rulebooks and procedures. The process of drafting the rulebooks and procedures for Measure 4 and Measure 5, which will be subject of the entrustment by the EC in the first half of 2024, is ongoing.

An important prerequisite for submission of a request for the roll-over process to the EC for the confirmation of already entrusted measures and the entrustment of new measures of the IPARD III Programme is the signing of the Sectoral Agreement between the Government of the Republic of Serbia and the European Commission, setting out provisions for the management and implementation of Union financial assistance to the Republic of Serbia under the rural development programme of the instrument for pre-accession assistance (IPARD III). Both parties are expected to sign the Sectoral Agreement in April 2023, after which it will be sent to the parliamentary ratification procedure.

The next steps for the start of the implementation of the IPARD III Programme refer to the letter that will be submitted to the EC by which the NAO requests confirmation of roll-over entrustment for Measure 1, Measure 3, Measure 7 and Measure 9, establishment and organization of the first session of the IPARD III Monitoring Committee for implementation, adoption of the IPARD III Programme by the Government of the Republic of Serbia, signing of the Financial Agreement between the Government of the Republic of Serbia and the European Commission, publishing of the rulebooks for Measure 1, Measure 3 and Measure 7 and launching the first calls under the IPARD III Programme.

Price indexation in the IPARD II Programme

Due to the general increase in the prices of construction materials, mechanization and equipment on the market and the proposal of the European Commission for the introduction of the price indexation for approved applications under the IPARD II Programme, with the aim of better absorption of IPARD II funds, amendments to the rulebooks for investment measures of the IPARD II Programme have been prepared and adopted. Amendments include price indexation for all investments from the List of Eligible Expenditures.



ANNOUNCEMENT OF THE PRICE INDEXATION START FOR ALL PROJECTS IN THE PAYMENT PHASE UNDER THE IPARD II PROGRAMME

In accordance with this, the following rulebooks were published:

- Rulebook on amendments of Rulebook on IPARD subsidies for investments in physical assets of agricultural holdings ("Official Gazette of the RS" No. 23/2023 of 24th March 2023),
- Rulebook on amendments of Rulebook on IPARD subsidies for investments in physical assets concerning processing and marketing of agricultural and fishery products ("Official Gazette of the RS" No. 23/2023 of 24th March 2023) and
- Rulebook on amendments of Rulebook on IPARD subsidies for investments in farm diversification and business development ("Official Gazette of the RS" No. 25/2023 of 31st March 2023).

On this occasion, the Annex to the Agreement on Cooperation between the Ministry of Agriculture, Forestry and Water Management and the Statistical Office of the Republic of Serbia on the exchange and submission of data related to price indexation is signed. The signatory parties agreed that the Statistical Office of the Republic of Serbia will submit indexed prices to the MAFWM for each month, starting from February 2018.

Promotional activities of IPARD Managing Authority and IPARD Agency

The IPARD Programme provides a wide range of opportunities through entrusted measures, and in this regard, it is necessary to continuously inform and educate potential recipients of IPARD support, as well as to promote the Programme in order to fully utilize the funds intended to meet European Union standards in the field of agriculture and maintenance of diversified and viable farming systems in vibrant rural communities and the countryside. The Ministry of Agriculture, Forestry and Water Management periodically organizes informational workshops and trainings for potential recipients of IPARD support, as well as consulting agencies and agriculture advisory services, and thus raises the awareness of all stakeholders about the funding possibilities through the IPARD Programme.

In addition, the IPARD Managing Authority continuously carries out activities to promote the IPARD Programme through social networks (Instagram @ipardnadlanu and Facebook IPARD na dlanu), where all stakeholders can get first-hand the actual information about events, announcements, invitations and rules related to implementation of the IPARD Programme of the Republic of Serbia.

In the previous period, representatives of the IPARD Managing Authority and the IPARD Agency participated in various events, seminars and workshops.



- **“Open doors day – IPARD Programme”** event organized by Information desk of Delegation of the EU in Republic of Serbia in Novi Sad on 20th January, 2023.



- **18th Winter seminar of farmers** on Tara, organized by “Association of Agricultural Producers Club 100P plus” in period 22nd to 24th January, 2023, which was attended by numerous experts and representatives of various public bodies, institutes, faculties, banks, producers and distributors of machines and mechanization, as well as other companies in the field of primary agricultural production and processing.



- **“49th Symposium Agro-technique - Precision agriculture”**, held on 31 January, 2022, Zlatibor. During the round table “Agriculture in 2023”, opportunities provided through the pre-accession assistance of the European Union within the IPARD II and the IPARD III Programme were presented to agricultural producers.

- **“Finalization of drafts of rulebooks for implementation of Measure 1 and Measure 7 of the IPARD III Programme”** workshop was held in Andrevlje from 18th to 20th March, 2023. The aim of the workshop was to finalize the drafts of the rulebooks for the already entrusted measures of the IPARD II Programme.



ANNOUNCEMENT: Presentation of the IPARD III Programme is planned as part of the EU Opportunity Week, within the 90th International Agricultural Fair in Novi Sad, on 22nd May 2023. On this occasion, a panel discussion on the topic “Agriculture in Europe and in Serbia - comparative perspective - Where do we stand”, with the representatives of the IPARD Managing Authority and IPARD Agency will be organized. The participants will have the opportunity to compare the experiences of IPARD recipients from the Republic of Serbia with the experiences of the Republic of Croatia in the implementation of the pre-accession funds as well as the subsidies in rural development as a member state. After the panel discussion, the programme continues with the presentation of Measure 1, Measure 3, Measure 4 and Measure 7 of the IPARD III Programme.



CONTRIBUTION OF THE IPARD PROGRAMME TO IMPROVEMENT AND MODERNIZATION OF THE AGRICULTURAL SECTOR

The contribution of the IPARD Programme to improvement and modernization of the agricultural sector is best reflected in the number of paid recipients of IPARD support. From the beginning of the implementation of the IPARD II Programme until the end of 2022, 645 recipients received IPARD support and successfully implemented their investments. For the purpose of modernization of production 135 recipients received IPARD support in 2022. Support for the modernization of production is available to recipients through Measure 1 - Investments in physical assets of agricultural holdings, as well as Measure 3 - Investments in physical assets concerning processing and marketing of agricultural and fishery products. Under Measure 1, 582 recipients have modernized their primary agricultural production. The value of supported investments was EUR 33.1 million of public support. On the other hand, in the field of processing of agricultural products, 63 recipients have modernized production within Measure 3 with EUR 14.2 million of public support.



The most represented sector within primary agriculture refers to the Other Crops Sector, with 395 recipients who realized their investments in the amount of EUR 16.2 million of public support for the modernization of production. In the Fruit and Vegetable Sector, 122 recipients were supported with EUR 12.6 million of public support. When it comes to the processing of agricultural products, the most represented is the Fruit and Vegetable Processing Sector with 55 supported recipients and the value of supported investments in the amount of EUR 13.4 million of public support.



Investments in the purchase of machinery, equipment and mechanization in the amount of EUR 27.5 million of public support was realized by 561 recipients within primary agriculture, while 21 recipient realized investments related to the construction/modernization and equipping of facilities in the value of EUR 5.6 million of public support. The dominant type of investment within Measure 1 refers to the purchase of 406 new tractors in the amount of EUR 14.1 million of public support, with the largest number of recipients receiving support.

By the end of 2022, within processing of agricultural products, 19 recipients have invested in the construction/modernization and equipping of facilities, whereby the value of public support was EUR 5.8 million. On the other hand, 40 recipients realized investments related to the modernization of equipment in processing capacities in the value of EUR 7.8 million of public support.

EXAMPLE OF GOOD PRACTICE

The Petković, family company from Paraćin, has been one of the proud representative of the meat industry in Serbia for almost three decades. Within their own slaughterhouse and meat processing plant, they are engaged in the production and processing of pork and beef meat and meat products made from local livestock. Family production was founded by the grandfather of the current owner of the company, in the 1960s, by breeding and purchasing livestock at the local livestock market. Production gradually grew and at the end of the 1980s, the first meat stores were opened. At the beginning of this century, a slaughterhouse was built, after which the production of meat products started.



The Petković company has received support under the Second Public Call for Measure 3 in the Meat Sector (pigs) for the purchase of equipment for production capacities: a packaging machine and a packaging line for different meat products.

The investment was app. EUR 180 thousand (EUR 182,442.01), while the recipient received app. EUR 90 thousand of support (EUR 90,250.28, EU contribution EUR 67,687.71).

As they said in the company, the process for obtaining support lasted longer, due to inadequate handling of the consulting company that led their application process. This situation fully involved them in the entire process in order to bring it to a successful conclusion. That is why they believe that the guidelines of the Ministry of Agriculture, Forestry and Water Management in the selection of consulting companies would be very valuable to future recipients of IPARD support. Realization of the investment also faced various challenges due to constant changes in the market and price fluctuations.

Further investments in the development of production are planned, but for the continuous development of the company, in addition to the introduction of technological innovations, a qualified workforce is also necessary, which is a real challenge to find in today's labour market.



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!



Used photos in the newsletter are from the following sources: <https://unsplash.com/>, MAFWM, <https://www.flickr.com/photos/aleksandarm021/50885052096/in/photostream/>, <https://www.facebook.com/IndustrijaMesaPetkovic/photos>

NEWSLETTER PREPARED BY:



IPARD Managing Authority, MAFWM
Bulevar kralja Aleksandra 84,
11000 Belgrade, Serbia
www.minpolj.gov.rs

CONTACT US:

✉ ipardnadlanu@minpolj.gov.rs

FOLLOW US:

📷 @ipardnadlanu

📘 ipardnadlanu