

Information on the results of implementation of the IPARD Programme 2014-2020 through data / monitoring indicators

The implementation of IPARD continued in the first half of 2021, although in significantly more difficult conditions, primarily caused by the pandemic. In any case, the incomplete human resources in the Managing Authority and IPARD Agency faced staff shortages due to the justified absence of employees. This was particularly reflected in the functioning of the Programme monitoring system and the timely submission of monitoring data, which directly affects **Managing Authority's** functions of monitoring the Programme and reporting (Articles 8 (3), 51 and 59 of the Sector Agreement). Managing Authority has repeatedly informed and appealed to the IPARD Agency to appoint and train a replacement for the reporting officer in order to overcome the problem. The situation was identified as a risk and properly reported and discussed among the IPARD structure of the last Risk Panel held on 11 May 2021.

In the period from the beginning of 2021, until the publication of this information (April 2021), despite the difficult conditions due to the pandemic, IPARD Agency signed contracts with 246 applicants and paid 178 realized projects / requests. In addition, the fulfillment of the goals and targets defined for each measure in the Program is presented.

The fulfillment of the objectives of the measures is measured by a set of special indicators defined and targeted for each measure¹.

Measure indicators		Targets	Achieved results	Achieved in %
Measure 1	Number of projects supported	3.100	1.388	44,8%
	Number of agriculture holdings performing modernization projects	3.100	1.388	44,8%
	Number of economic entities progressively upgrading towards EU standards	1.200	320	26,7%
	Number of agriculture holdings progressively upgrading towards full compliance to the EU standards for animal welfare	30	0	0%
	Number of holdings investing in renewable energy production	25	2	8%
	Number of holdings investing in livestock management in view of reducing the N ₂ O and methane emissions (manure storage)	50	/	/

¹ Indicators on number of projects supported, number of agriculture holdings/enterprises performing modernization projects and number of agricultural holdings/enterprises developing additional or diversified sources of income in rural areas have status from 30th of April 2021. Other indicators in this table have status from 31st of December 2020.

	Total investment in physical capital by agriculture holdings supported	48 mill. EUR	17,5 mill. EUR	36,5%
Measure 3	Number of projects supported	220	59	26,8%
	Number of enterprises performing modernization projects	220	59	26,8%
	Number of economic entities progressively upgrading towards EU standards	200	18	9%
	Number of enterprises investing in renewable energy production	20	1	5%
	Number of jobs created (gross)	1.300	/	/
	Total investment in physical capital by enterprises supported	52 mill. EUR	17,6 mill. EUR	33,8%
Measure 7	Number of projects supported	300	13	4,3%
	Number of agricultural holdings/enterprises developing additional or diversified sources of income in rural areas	70	13	18,6%
	Number of beneficiaries investing in renewable energy	25	0	/
	Number of jobs created (gross)	1.000	/	/
	Total investment in physical capital by beneficiaries supported	9 mill. EUR	1,4 mill. EUR	15,5%

1. Analysis of implementation process per measures

The implementation of the IPARD Programme 2014-2020 started in April 2017 with the submission of applications for the first public call (01/2017) which included all measures of the Programme. By May 2021, 5 more public calls have been announced (each call for a different measure) and an announcement for public call for Measure 7 (the public call should be announced in the first half of June 2021) was published.

- Public call 01/2018 for submitting applications for Measure 3,
- Public call 02/2018 for submitting applications for Measure 1,
- Public call 01/2019 for submitting applications for Measure 7,
- Public call 02/2019 for submitting applications for Measure 3 and
- Public call 01/2020 for submission of applications for Measure 1.

The situation with the submitted requests on all public calls is:

Measure	Submitted		Contracted		Paid	
	Number	EU funds	Number	EU funds	Number	EU funds
1	3.251	35.979.297	1.685	15.368.452	1.388	8.592.819
3	183	57.257.461	117	20.369.877	59	6.844.294
7	448	63.898.035	90	9.078.183	16	666.522
9	13	150.205	13	150.205	8	21.126
Total	3.895	157.284.998	1.905	44.966.717	1.471	16.124.761

The analysis of the implementation of the Programme by regions is made on the basis of a database with the status of April 30th, 2021.

Region	Submitted	Contracted		Paid	
	Number	Number	EU funds	Number	EU funds
Pelagonia	1.458	789	10.408.516	653	5.201.693
Vardar	933	522	5.968.964	393	2.255.610
North-east	175	67	482.116	68	515.463
South-east	311	131	6.702.204	101	2.209.761
Skopje	304	93	7.344.575	43	2.091.402
South-west	216	84	2.881.046	64	2.025.626
Polog	139	41	5.629.489	24	691.073
East	346	167	5.399.603	117	1.113.560
Total	3.882	1.892	44.816.512	1.463	16.104.188

The data and results from the above table are supported by the fact that regions such as Pelagonija, Vardar and Southeast have more advanced agricultural production, driven mainly by crop production. Investments in crop production, especially in the procurement of new machinery and equipment, are easier to implement (there is no need for building /

reconstruction permits or in the case of procurement of tractors there is no need for proof of environmental standards).

Measure 1, support by statistical regions:

Region	Submitted	Contracted		Paid	
	Number	Number	EU funds	Number	EU funds
Pelagonia	1.355	732	4.904.912	634	3.959.146
Vardar	859	503	3.263.590	388	1.814.864
North-east	146	62	405.254	65	441.620
South-east	240	108	1.776.331	91	910.848
Skopje	182	65	1.302.115	30	156.568
South-west	158	71	334.562	58	286.391
Polog	67	16	1.435.404	13	62.900
East	244	128	1.946.284	109	960.482
Total	3.251	1.685	15.368.452	1.388	8.592.819

Measure 3, support by statistical regions:

Region	Submitted	Contracted		Paid	
	Number	Number	EU funds	Number	EU funds
Pelagonia	34	26	3.586.876	13	1.061.730
Vardar	25	13	2.022.735	5	440.746
North-east	5	2	73.382	2	72.920
South-east	33	21	4.064.596	10	1.298.913
Skopje	32	18	3.951.701	10	1.496.397
South-west	8	7	1.910.267	5	1.738.348
Polog	20	15	2.813.817	10	626.680
East	26	15	1.946.504	4	109.113
Total	183	117	20.369.877	59	6.844.847

Measure 7, support by statistical regions:

Region	Submitted	Contracted		Paid	
	Number	Number	EU funds	Number	EU funds
Pelagonia	69	28	1.916.728	6	180.817
Vardar	49	6	682.639	0	0
North-east	24	3	3.480	1	923
South-east	38	2	861.277	0	0
Skopje	90	10	2.090.759	3	438.437
South-west	50	6	636.217	1	887
Polog	52	10	1.380.268	1	1.493
East	76	25	1.506.815	4	43.965
Total	448	90	9.078.183	16	666.522

Measure 1 implementation

So far, 3 public calls have been published for Measure 1 (01/2017, 02/2018 and 01/2020). The process of approving the applications for the first and second public call is over.

Public call	Submitted (A)	Contracted (B)	Paid (C)	Approval rate (B/A)	Payment rate (C/B)
01/2017	1.404	845	817	60 %	96 %
02/2018	1.099	640	568	58 %	89 %
01/2020	748	200	3	27 %	2 %
Total	3.251	1.685	1.388	52 %	82 %

The Agency is still approving the applications submitted in the third public call. The amount of approved EU funds is 15.368.452 euros, the amount of paid 8.592.819 euros. The measure recorded 57 terminations of contracts at the request of applicants.

Types of production in Measure 1²:

Type of production	Submitted	Contracted	Contracted EU part	Paid	Paid EU part
Vineyards	476	249	1.618.472	216	991.830
Orchards	1.009	443	4.858.395	388	2.626.813
Vegetables	214	92	598.236	83	439.689
Cereals	1.403	671	4.349.349	512	3.173.195
Industrial crops	52	13	94.580	10	85.581
Milk production	43	6	145.501	3	49.757
Meat production	28	5	2.062.363	2	32.938
Eggs production	10	2	446.268	0	0
On-farm processing	11	2	28.303	1	12.786
Renewable energy production	5	2	6.353	2	6.353

The interest and utilization of the IPARD support for investment activities in measure 1 is primarily for the procurement of equipment and machinery. Significantly weaker is the interest in investment activities for construction or reconstruction of agricultural facilities, or development of farm infrastructure. The reason for this situation is the inability of applicants to obtain building / reconstruction approvals. The legalization of farms, the lack of detailed urban plans in the villages and the weak capacities of the rural municipalities

² The data in the table are with status from December 2020

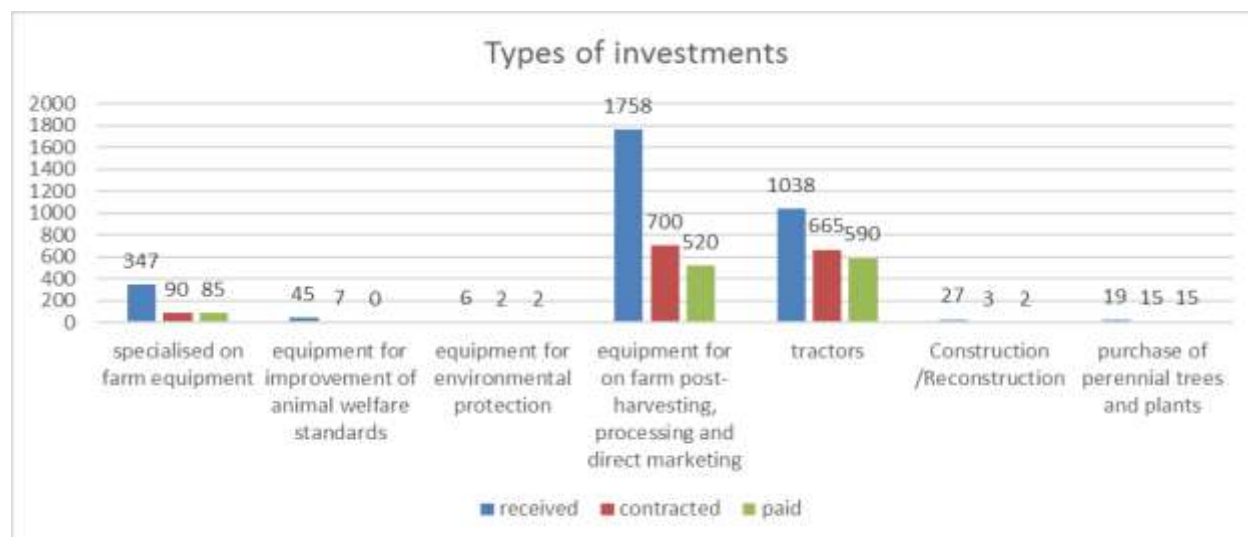
responsible for this issue are additional problems that hinder the process of obtaining approval for construction or reconstruction.

Review of applications in Measure 1 by type of investment (procurement of equipment or construction / reconstruction)³:

Type of investment	Submitted	Contracted	Paid
Procurement of equipment and mechanization	3.224	1.482	1.215
Construction/reconstruction	27	3	2

Also, there is no interest in investing in combine harvesters, specialized trailers for agricultural transport and vehicles. Irrigation investments are less valuable and are usually combined with other equipment and machinery. In order to avoid double counting of projects, the monitoring system registers these requirements with mixed types of investment according to the higher cost of the item purchased, in this case equipment or machinery.

According to the data of the Agency, there is a huge interest for procurement of equipment for post-harvest activities, processing and direct marketing of its own production.



Measure 3 Implementation

As for Measure 1 and Measure 3, there were 3 public calls (01/2017, 01/2018 and 02/2019). The process of approving the applications for the first and second public call is over.

Public call	Submitted (A)	Contracted (B)	Paid (C)	Approval rate (B/A)	Payment rate (C/B)

³ The data in the table are with status from December 2020

01/2017	67	31	30	46 %	97 %
01/2018	65	38	28	58 %	74 %
02/2019	61	48	1	79 %	2 %
Total	183	117	59	64 %	50 %

The Agency is still approving the applications submitted in the third public call. The amount of approved EU funds is 20.369.877 euros, the amount of paid 6.844.847 euros. The big difference between the approved and paid requests is due to the nature (volume) of the implemented projects, as well as the time frame for their realization and is reflected in the workload of the Payments Authorization Department in the Agency. Namely, in the next 19 months, the Department will have to authorize the payment of funds 2,5 times higher than the funds paid so far.

Types of production in Measure 3⁴:

Type of production	Submitted	Contracted	Contracted EU part	Paid	Paid EU part
Milk collection	10	6	912.043	5	296.171
Dairy processing	13	7	622.038	5	254.041
Cattle fattening	21	16	2.743.340	9	2.129.980
Pig fattening	4	4	326.394	3	187.189
F&V collection centers	30	16	4.548.128	9	1.322.949
F&V processing	56	26	5.832.243	13	965.225
Cereals, milling	21	9	320.032	3	107.760
Oils and fats	3	2	24.616	1	9.620
Wine	25	15	2.905.513	7	991.857

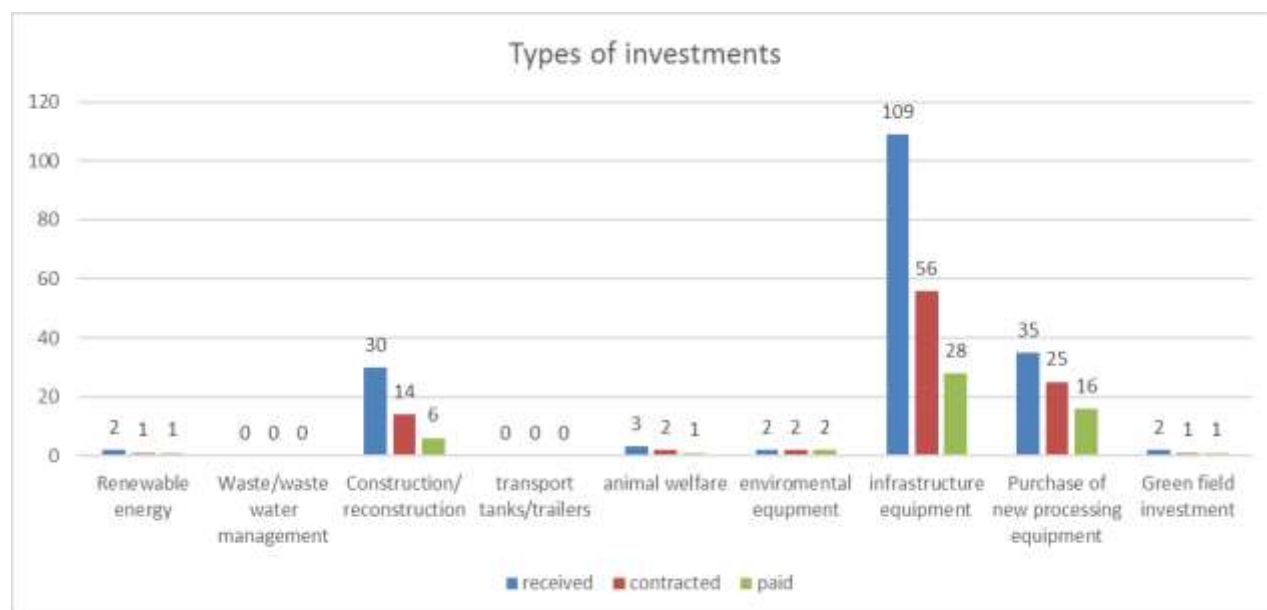
Similar to measure 1, most types of investments in this measure are in the procurement of machinery and equipment for specialized production activities. However, 30 applications, 10 of which were approved for projects involving investments in construction / reconstruction of operational facilities.

Review of applications in Measure 3 by type of investment (procurement of equipment or construction / reconstruction):

Type of investment	Submitted	Contracted	Paid
Procurement of equipment and mechanization	153	87	49
Construction/reconstruction	30	14	6

⁴ The data in the table are with status from December 2020

No interest has been shown in investing in improving animal welfare standards, waste and wastewater management, improving the infrastructure of the holding and specialized trailers and transport vehicles. On 32 occasions, contracts were canceled at the request of non-applicants.



Measure 7 implementation

Two public calls have been announced for Measure 7. In addition, pre-announcement for a third public call during June 2021 has been published.

Public call	Submitted (A)	Contracted (B)	Paid (C)	Approval rate (B/A)	Payment rate (C/B)
01/2017	187	23	13	12 %	56 %
01/2019	261	67	3	26 %	4 %
Total	448	90	16	20 %	18 %

The process of processing/approving the applications submitted to the second public call has not been completed yet.

The first public call submitted a large number of requests (46) for investments in renewable energy production. All these requests were rejected because they did not meet the criteria of the Programme. Investments in renewable energy production were later excluded from the second public call (01/2019).

A total of 16 applications were paid (EU contribution of € 666.522).

Types of production in Measure 7⁵:

⁵ The data in the table are with status from December 2020

Type of production	Submitted	Contracted	Contracted EU part	Paid	Paid EU part
Cultivation of mushrooms and truffles	1	0	0	0	0
Horticulture	5	3	0		
Seeds and seedling materials	2	1	73.847		
Animal breeding	7	1	183.657		
Bee keeping	98	18	34.216	1	1.614
Herbs, spices, aromatic crops	22	8	11.146	5	5.662
Trees for timber and bio-mass	4	0	0	0	0
Aquaculture and fish farms	3	0	0	0	0
Milk processing	17	1	20.549	0	0
F&V processing	24	3	262.852	0	0
Cereals processing	1	0	0	0	0
Beverages	2	0	0	0	0
Wood processing	33	5	1.298.085	3	474.256
Production of furniture	75	10	1.416.507	0	0
Crafts activities	6	0	0	0	0
Veterinary services	11	3	22.155	2	14.225
Repair and maintenance services	2	0	0	0	0
Social services	3	0	0	0	0
Training and education services	4	1	487.158	0	0
Transportation services	1	0	0	0	0
Other services	8	0	0	0	0
Tourism accommodation	39	7	1.469.465	0	0
Catering services	7	0	0	0	0
Rural museums	13	2	549.112	1	147.717
Seminars and trainings	8	0	0	0	0
Recreational activities	6	0	0	0	0
Solar, wind, water, geothermal energy	40	0	0	0	0
Bio-fuel production	1	0	0	0	0
Energy for self-consumption	5	0	0	0	0

Review of applications in Measure 7 by type of investment (procurement of equipment or construction / reconstruction):

Type of investment	Submitted	Contracted	Paid
Procurement of equipment and mechanization	375	57	12
Construction/reconstruction	73	3	1

In this measure, the interest for investment in construction and reconstruction of operational facilities for the respective economic activities, investments in improvement of the infrastructure of the applicants, as well as investments in specialized processing equipment prevails.

