



**MINISTRY OF AGRICULTURE, FORESTRY AND WATER ECONOMY
IPARD MANAGING AUTHORITY**

**ANNUAL REPORT ON THE IMPLEMENTATION OF THE
IPARD 2014-2020 PROGRAMME FOR 2021**

(according to Article 59 of the Sectoral Agreement)

May, 2022

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List of Acronyms

Art.	Article
BP	Business Plan
DG AGRI	Directorate General for Agriculture and Rural Development
EC	European Commission
EU	European Union
FR	Farm Register
GDP	Gross Domestic Product
GVA	Gross Value Added
ha	Hectares
IPARD	Instrument for pre-accession assistance for rural development
IPARD Agency	AFSARD - Agency for Financial Support in Agriculture and Rural Development
M 1	Investments in physical assets of agricultural holdings
M 3	Investments in physical assets concerning processing and marketing of agricultural and fishery products
M 7	Farm diversification and business development
M 9	Technical Assistance
MA	Managing Authority
MAFA	Multi-Annual Financing Agreement
MAFF	Multi-Annual Financing Framework
MAFWE	Ministry of Agriculture, Forestry and Water Economy
MC	Monitoring Committee
MIPD	Multi-annual indicative planning document
MoF	Ministry of Finance
MoESP	Ministry of Environment and Spatial Planning
MS	Management Structure
NAO	National Authorising Officer
NBRM	National Bank of the Republic of Macedonia (Central Bank)
NEA	National Extension Agency
NSARD 2014-2020	National Strategy for Agriculture and Rural Development 2014-2020
NGO	Non-Governmental Organizations
NF	National Fund
No.	Number
PRO	Public Revenue Office
SA	Sectoral Agreement
SAI	State Agriculture Inspectorate
SSO	State Statistical Office
TPE	Total Public Expenditure
TPP	Technical Project Proposal

Preface

The annual report on IPARD Programme 2014-2020 implementation has been prepared in line with Article 59 (4) of the Sectoral Agreement: The reports referred to in paragraphs (1) and (2) shall be sent, after examination and approval by the IPARD II monitoring committee, **to the NIPAC for submission to the Commission** with copies to the NAO and the Audit Authority.

As Article 59(1) of the Sectoral Agreement indicates, by 30th June each year following a full calendar year of implementation of the IPARD II Programme the Managing Authority shall submit the report for implementation of IPARD II in 2021 by 30th of June 2022 in line with conditions set by the Sectoral Agreement. Activities for improvement cover the aspects of the implementation of the Programme in 2021.

Geographical application of the IPARD Programme 2014-2020 refers to the entire territory of Republic of North Macedonia.

1. Executive Summary

The IPARD Programme for the 2014-2020 programming period was approved on 13th of February 2015 by Commission Decision C (2015) 760. First modification of the Programme was approved with Commission Decision C (2019) 6038. The actual, third modification of the Programme was approved in 2021 with Commission Decision C (2021) 5552.

The indicative maximum amounts of the European Union contribution for the implementation of the IPARD Programme under IPA II are set out as follows:

Year	2014	Indicative amount					
		2015	2016	2017	2018	2019	2020
Total	5.000.000	5.000.000	5.000.000	6.000.000	10.000.000	14.000.000	15.000.000

IPARD Programme 2014-2020 provides support through five measures (four of them accredited in the 2007-2013 programming period):

1. Investments in physical assets of agricultural holdings – Measure 1,
2. Investments in physical assets concerning processing and marketing of agricultural and fishery products – Measure 3,
3. Investments in rural public infrastructure – Measure 5 (conferral of management power not yet received due to lack of human capacity in the IPARD Agency);
4. Farm diversification and business development – Measure 7,
5. Technical assistance – Measure 9.

Implementation of the Programme started in April 2017. By the end of 2021, seven public calls have been announced, some of them for different IPARD measures:

1. Public call 01/2017 for submission of applications under measure 1, 3 and 7;
2. Public call 01/2018 for submission of applications under measure 3,
3. Public call 02/2018 for submission of applications under measure 1
4. Public call 01/2019 for submission of applications under measure 7,
5. Public call 02/2019 for submission of applications under measure 3,
6. Public call 01/2020 for submission of applications under measure 1,
7. Public call 01/2021 for submission of applications under measure 7.

Having in mind great number of terminated contracts and considering the time and funds remaining for implementation of the Programme, Macedonian authorities are planning announcement of one more public call in 2022.

IPARD applications per public call:

Public call number	Submitted applications	EU contribution	Contracted applications	EU contribution	Paid applications	EU contribution
01/2017	1.648	72.329.985	900	15.949.967	865	13.176.490
01/2018	65	15.306.651	38	6.496.155	36	2.928.871
02/2018	1.099	18.335.969	640	6.420.497	584	2.522.054
01/2019	261	43.821.070	80	6.470.773	39	932.626
02/2019	61	16.763.734	49	8.578.991	19	1.246.554
01/2020	748	21.011.113	453	5.900.873	227	855.169
01/2021	250	32.490.820	31	1.599.984	/	/
Total	4.132	220.059.342	2.191	51.417.240	1.770	21.661.764

Source: Managing Authority, Monitoring System, 2022

At the end of 2021, more than 85% of Programme’s EU funds were contracted and 36% were paid. Having in mind the “n+3” rule, the pressure for utilization of Programme’s funds is now transferred towards the beneficiaries themselves (to speed up the investments and submit claim for payment) and also the Sector for authorization of payments in the IPARD Agency.

Experience gained so far indicates that the stakeholders in the Macedonian agricultural and rural sector have high interest for using the possibilities of the IPARD Programme. The EU contribution of submitted projects is more than 3 times higher than funds available in the Programme. However, the number and low quality (missing documents in the application package and time needed for completion of application package) of submitted applications affected the time needed for their processing by the Agency. In addition, during 2021 the pandemic influenced the time for processing of applications. It reflected negatively on the capacity with human resources in the operating structure.

Public Call number	Published in month	Contracting started in month	Time needed for contracting
01/2017	April 2017	August 2018	15 months
01/2018	November 2018	April 2019	4 months
02/2018	December 2018	August 2019	6 months
01/2019	October 2019	July 2020	7 months
02/2019	December 2019	September 2020	7 months
01/2020	February 2020	January 2021	10 months
01/2021	July 2021	February 2022	5 months

Source: Managing Authority, Monitoring System, 2022

2. Change in the general conditions of relevance to the implementation of the IPARD 2014-2020 Programme

2.1 Political and institutional framework

On the political criteria, North Macedonia continued its efforts to strengthen democracy and the rule of law, including by activating existing checks and balances and through an outreach on key policy and legislative issues. Opposition parties remained actively engaged in Parliament and on some occasions supported key EU related laws. Parliamentary work was nevertheless impeded by political polarisation, compounded by COVID-19, which on occasion affected its ordinary functions. Great care should be taken in the use of fast track procedures, which need to be limited to ensure effective scrutiny and consultation of legislation. Timely and substantial implementation of the reform agenda requires sustained support from society as a whole. Inter-ethnic relations remained stable and the Ohrid Framework Agreement continued to be implemented.

Civil society organisations continued to be active and have an important role to play in the reform process. Further efforts are needed to ensure a more timely, meaningful and transparent consultation process with civil society. In the context of the challenges faced in recovering from the COVID-19 crisis, governmental and non-governmental actors are expected to build long-term partnerships and to strengthen existing cooperation.

North Macedonia is moderately prepared in the reform of its public administration. Some progress was made in finalising the horizontal functional review of the state administration. It is important that the horizontal functional review is adopted by the Government. North Macedonia is currently reviewing the legislative framework on human resources management through the revision of the Law on Administrative Servants and the Law on Public Service Employees, and is introducing a new Law on Top Management Service. The new framework should improve the management of human resources across the administration and will contribute to ensuring better respect for merit-based recruitments, promotions and dismissals, including at senior management level.

Greater transparency should be ensured regarding media advertising by state institutions and political parties. The authorities need to increase their efforts to reform the public service broadcaster, ensuring its independence and financial sustainability. The public service broadcaster adopted a five-year development strategy but the reform process is hampered by delays in appointing the members in its managing council and of the council of the Agency for Audio and Audio-visual Media Services. The COVID-19 crisis had a strong economic impact on the media sector, especially on the regional and local actors. Media outlets were included in the relief package, but the labour rights of journalists still need to be addressed.

Regarding regional cooperation, North Macedonia maintained its good relations with other enlargement countries and maintained its engagement in regional initiatives. Existing bilateral agreements, including the Prespa Agreement between North Macedonia and Greece as well as the Treaty of Friendship, Good Neighbourliness and Cooperation with Bulgaria, need to be implemented in good faith by all parties.

North Macedonia has made some progress in addressing last year's recommendations and is moderately prepared to cope with competitive pressure and market forces within the Union. Integration with the EU in trade and investment remained entrenched also during the pandemic. The level and structure of trade and manufacturing output were affected by lockdowns and supply

chain disruptions, domestically and in trade partner countries. The structure of the industry is continuously improving. The deterioration in labour productivity and price competitiveness in 2020 reflects to a large degree the economic impact of the pandemic and the government's job-retention measures. Vocational Educational Training (VET) curricula has improved. Still, skills shortages, reflecting shortcomings in education curricula, capital investment gaps, and limited integration of domestic firms in global supply chains are restricting potential growth.

Key dates of Macedonian EU accession process:

- June 2003: The EU-Western Balkans Thessaloniki Summit confirms the EU perspective for the Western Balkans.
- March 2004: The country applies for EU membership.
- April 2004: The Stabilisation and Association Agreement enters into force.
- December 2005: The status of candidate country is granted.
- October 2009: The European Commission recommends for the first time the opening of accession negotiations.
- December 2009: Visa-free travel to the Schengen area for citizens of the country.
- March 2012: High Level Accession Dialogue with the Commission launched.
- November 2015: The European Commission makes its recommendation conditional on the continued implementation of the Pržino agreement and substantial progress in the implementation of the "Urgent Reform Priorities".
- February 2018: The European Commission adopts its strategy for "A credible enlargement perspective for and enhanced EU engagement with the Western Balkans".
- April 2018: The European Commission recommends that the Council decides that accession negotiations be opened with the country in light of the progress achieved.
- May 2018: The EU-Western Balkans Sofia Summit confirms the European perspective of the region and sets out a number of concrete actions to strengthen cooperation in the areas of connectivity, security and the rule of law.
- June 2018: The Council sets out the path towards opening accession negotiations with the country in June 2019, depending on progress made.
- February 2019: The EU is notified officially about the entry into force of the Prespa agreement.
- May 2019: The European Commission recommends opening accession negotiations.
- February 2020: Revised methodology, presented by the Commission, to drive forward the enlargement process with a stronger political steer and in a more credible, predictable, dynamic way.
- March 2020: The members of the European Council endorsed the General Affairs Council's decision to open accession negotiations with North Macedonia.
- July 2020: Presentation of the draft negotiating framework to the Member States.
- October 2020: Commission proposes Economic & Investment Plan to support and bring the Western Balkans closer to the EU.
- October 2021: Commission confirms that North Macedonia continues to fulfil the conditions to open accession negotiations and looks forward to the holding of the first Intergovernmental Conference as soon as possible.

The institutional framework for implementation of the IPARD Programme 2014-2020, remained unchanged. Following authorities and responsible bodies are designated for management and implementation of the Programme:

- The MS is in charge of tasks of financial management of assistance under IPA, under the responsibility of the NAO (responsibilities outlined in Article 7 of the Sectoral Agreement). The MS in particular is in charge of organizing the bank accounts, requesting funds from the Commission, authorizing the transfer of funds from the Commission to the operating structures or to the final beneficiaries and the financial reporting to the Commission.
- Managing Authority main functions and responsibilities outlined in Article 8 of the Sectoral Agreement and focus on the monitoring, evaluation, reporting, coordination and publicity of the IPARD Programme.
- The IPARD Agency (responsibilities outlined in Article 9 of the Sectoral Agreement) shall carry out, inter alia the following implementing and paying tasks:
 - a. arranging for tendering procedures, grant award procedures, the ensuing contracting, and making payments to, and recovery from, the final beneficiary
 - b. ensuring that the NAO, the National Fund and the Managing Authority receive all information necessary for them to perform their tasks;
 - c. selecting and checking operations in accordance with the criteria and mechanisms applicable to the IPARD Programmes, and complying with the relevant Community and national rules;
 - d. carrying out checks to ensure that the expenditure declared has actually been incurred in accordance with applicable rules, the products or services have been delivered in accordance with the approval decision, and the payment requests by the final beneficiary are correct. These checks shall cover financial, administrative, technical and physical aspects of operations, as appropriate;
 - e. making calls for applications and publicizing terms and conditions for eligibility;
 - f. checking of applications for approval of projects against terms and eligibility conditions, and compliance with the Agreements including, where appropriate, public procurement provisions;;
 - g. laying down contractual obligations in writing between the IPARD Agency and the final beneficiaries including information on possible sanctions in the event of non-compliance with those obligations and, where necessary, the issue of approval to commence work;
 - h. execution of on-the-spot checks to establish eligibility both prior to and following project approval;
 - i. follow-up actions to ensure progress of projects being implemented;
 - j. reporting of progress of measures being implemented against indicators;
 - k. ensuring that the final beneficiary is made aware of the Community contribution to the project;

In relation to institutional capacity, no significant progress has been made in the increase of staff at the IPARD Agency and the Managing Authority. Human capacity issue especially reflects on entrustment of new measures in the Programme (Measure Investment in rural public infrastructure) thereby on the absorption of funding under the IPARD Programme.

2.2 Macroeconomic situation

On the economic criteria, North Macedonia has made some progress and is at a good level of preparation in developing a functioning market economy. Severely hit by the pandemic, the economy slipped into a recession in 2020. A gradual recovery set in as of spring 2021. The Government implemented a strong fiscal response to mitigate the crisis impact on households and firms. The fiscal deficit rose to 8.2 % of GDP in 2020 while the public debt level rose sharply to 60.2 % of GDP, as additional financing needs had to be covered. Capital expenditure was cut in a budget revision to create space for crisis-related transfer payments, yet it was still heavily under-executed. Macedonian authorities took some additional measures to improve fiscal transparency, although a fully operational state aid registry is yet to be developed. There has been little progress made in improving revenue mobilisation and collection, as well as public investment management, including through a stronger framework for public-private partnerships. Bolstered by regulatory easing, the financial sector remained strong and lending to the private sector constant. The business environment continued to be impeded by the large size of the informal economy.

As regards the economic criteria, North Macedonia is at a good level of preparation in developing a functioning market economy but made limited progress during the reporting period. Economic growth accelerated in 2019 as investment picked up, but, since April 2020, the COVID-19 crisis has left its mark on the economy and on public finances. Macedonian authorities have taken a range of measures supporting companies and households, to mitigate the economic and social impact of the crisis. In the reporting period, fiscal transparency was further improved. However, fiscally significant reforms of income taxation and the pensions system, introduced at the beginning of 2019, were reversed. Moreover, public capital expenditure implementation remained markedly low, and public debt stabilisation is not yet secured. Before the COVID-19 crisis, unemployment rates declined further, also for young workers, and informal employment decreased slightly. However, the impact of the COVID-19 crisis will likely reverse those positive trends. The financial sector remained robust and lending to the private sector strengthened. The business environment continues to be impeded by a high share of the informal economy.

Exports and manufacturing output diversified further towards higher-value products. However, skills shortages, reflecting shortcomings in the education system and the outflow of skilled workers, as well as infrastructure investment gaps impair labour productivity and the competitiveness of the economy. While measures to mitigate the immediate adverse impact of the COVID-19 crisis on growth and employment are currently prevalent, addressing these structural needs in a timely manner would support a swift post-crisis economic recovery.

Table 1: Main macroeconomic indicators

	2015	2016	2017	2018	2019	2020	2021
GDP in million € (at current exchange rate)	9.072	9.657	10.026	10.691	11.210	10.797	11.760
GDP per capita in € (at current exchange rate)	4.382	4.659	4.831	5.147	5.399	5.201	6.403
GDP real growth rate (in %)	3,9	2,8	0,2	2,7	3,6	-4,5	4,0
Inflation (in %)	-0,4	-0,2	2,4	0,9	0,4	2,3	3,2
Average exchange rate (MK denar/€)	61,61	61,60	61,57	61,51	61,51	61,67	61,69
Unemployment rate (in %)	26,1	23,7	22,4	20,7	17,3	16,4	16,0
Export of goods and services in mill. €	4.088	4.390	5.019	5.861	6.422	5.778	6.923
Import of goods and services in mill. €	5.801	6.176	6.835	7.672	8.436	7.595	9.638

Balance of trade in mill. €	-1.714	-1.786	-1.816	-1.811	-2.015	-1.817	-2.715
Balance of trade in % of GDP	-18,9	-18,5	-18,0	-16,9	-17,97	-16.83	-23.08

Source: State statistical office (SSO), National Bank of Republic of North Macedonia (NBRNM)

The following sectors had the biggest share of value added in the structure of GDP in 2021:

- Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities (21,9%),
- Mining, manufacturing, electricity, gas and water supply, sewerage, waste management, remediation activities (19,7%),
- Public administration and defence; compulsory social security; education; human health and social work activities (15,2%),
- Real estate activities (12,0%),
- Agriculture, forestry and fishing (9,8%).

The decline in the unemployment rate in recent years is due to a number of factors: measures to stimulate employment, the policy of attracting foreign direct investment, as well as increased emigration (especially among the young population). Caused by the COVID-19 pandemic, Macedonian Government adopted sets of measures for support the business sector (especially the businesses that were hardest hit by the crisis (tourism, catering and services). Salary support and stimulating consumption, especially of domestic products, were one of the main support measures during the crisis.

According to the State Statistical Office data, the industrial production volume index in February 2022, in comparison with February 2021, was 106.3. The industrial production in the section mining and quarrying in February 2022, in comparison with February 2021, increased by 25.2%, in the section manufacturing it increased by 4.0%, while in the section electricity, gas, steam and air conditioning supply it increased by 9.6%.

The increase in the section manufacturing is mostly due to increased production in the divisions manufacture of tobacco products, manufacture of chemicals and chemical products, manufacture of basic pharmaceutical products and pharmaceutical preparations, manufacture of rubber and plastic products, manufacture of other non-metallic mineral products, manufacture of basic metals, manufacture of fabricated metal products, except machinery and equipment, manufacture of electrical equipment, manufacture of machinery and equipment, manufacture of motor vehicles, trailers and semi-trailers and manufacture of furniture.

The industrial production by main industrial groupings in February 2022, in comparison with February 2021, was higher in energy by 14.6%, intermediate goods, except energy by 14.6%, capital goods by 3.2% and durable consumer goods by 61.5%, but lower in nondurable consumer goods by 4.1%.

The industrial production index in the period January - February 2022, in comparison with January - February 2021, was 103.6.

2.3 Demographic situation

The State Statistical Office has conducted Census during 2021. First data from the Census have been published in April 2022.

The total enumerated population is 2.097.319 persons. The total resident population is 1.836.713 people. The total non-resident population, which includes the citizens of the Republic of North

Macedonia absent abroad for more than 12 months and the foreigners temporarily present in the Republic of North Macedonia for less than 12 months, is 260.606 persons included in the Census. The number of persons for whom the data is taken from administrative sources is 132.260 or 7,20% of the resident population. The number of foreigners temporarily present in the Republic of North Macedonia for less than 12 months is 1.674 people. In the total resident population of the Republic of North Macedonia, 50,4% are women and 49,6% are men. According to the age structure, the largest percentage of the population 7% are in the age group of 40 to 44 years.

In terms of age structure, the Macedonian population is growing older. In the period from 2008 to 2021, the share of the young population (0-14 years) in the total population decreased from 18,1% to 16,9%, while the share of the older population (65 and over) increased from 11,5% % to 17,1%.

Table 2: Share of population aged 65+

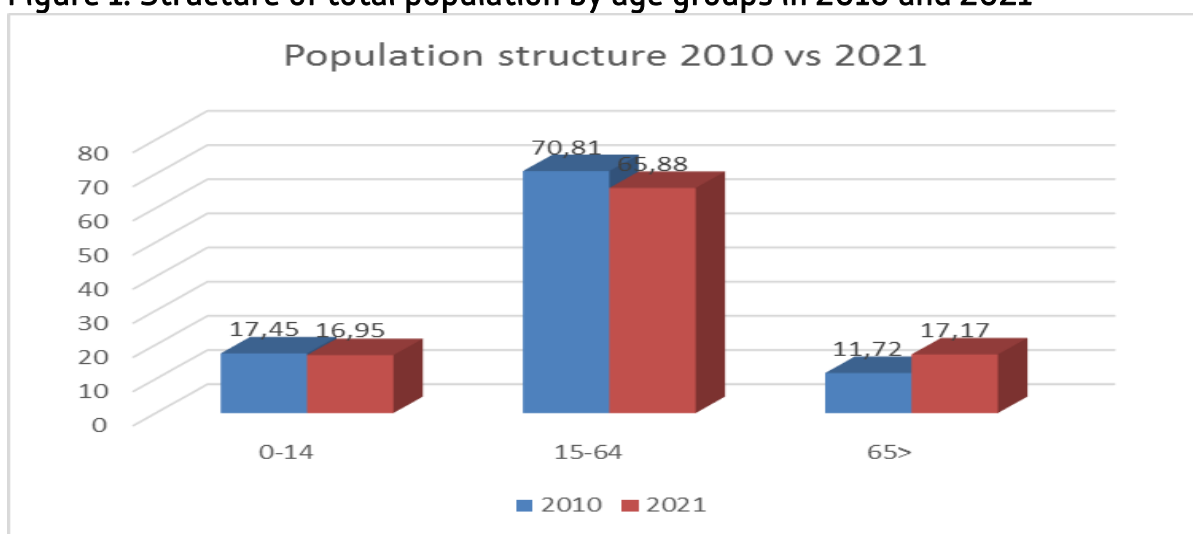
Year	Total	Vardar region	East region	Southwest region	Southeast region	Pelagonia region	Polog region	Northeast region	Skopje region
2008*	11,4	12,6	12,2	10,5	11,7	15,2	8,3	10,8	11,5
2016*	13,1	14,4	15,0	11,5	13,5	15,9	9,1	12,2	14,0
2018*	13,9	15,3	16,1	12,2	14,3	16,6	9,6	12,9	14,8
2019*	14,5	16,0	17,1	12,8	15,1	17,2	10,1	13,5	15,3
2021	17,2	18,5	21,0	16,9	18,9	19,7	13,0	16,2	16,7

Source: State statistical office (SSO), MAFWE calculations 2021.

* estimated data

The demographic indicators at the regional level show differences that point to a disproportion in the territorial distribution of the population. The Skopje Region, as the most densely populated, has almost ten times higher density than the Vardar Region, which is the least densely populated. There are also differences in the age structure of the population. The highest share of young population (0-14) was registered in Skopje, Polog and the Northeast Region, while the highest proportion of old population (65+) was observed in Pelagonia, Vardar and the East Region. The indicators of the population average age also confirm this situation. Although more detailed data from the 2021 census will be published later in 2022, initial information indicates alarming data on the age of the population in North Macedonia.

Figure 1: Structure of total population by age groups in 2010 and 2021



Source: State statistical office (SSO), 2022

IPARD Programme 2014-2020 had no particular impact on the developments in the demographic situation in the reporting period. On the contrary, the demographic situation adversely affects agriculture and rural development. The lack of a skilled workforce for the needs of foreign investors whose investments are located in industrial zones across the country is particularly noticeable. Farmers complain about labour shortages, especially for fruit harvesting. Also, the lack of young and educated staff negatively reflects on the ability to administer at the local level. Many of the responsibilities of local governments cannot be effectively managed due to a lack of adequate staff in small municipalities.

2.4 Agriculture production and economy

Agriculture, along with hunting, forestry and fisheries with a share of 9,8% in the overall gross domestic product (GDP) in 2021 was the fifth largest economy sector, immediately after the sectors of:

- Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities (21,9%),
- Mining, manufacturing, electricity, gas and water supply, sewerage, waste management, remediation activities (19,7%),
- Public administration and defence; compulsory social security; education; human health and social work activities (15,2%),
- Real estate activities (12,0%),

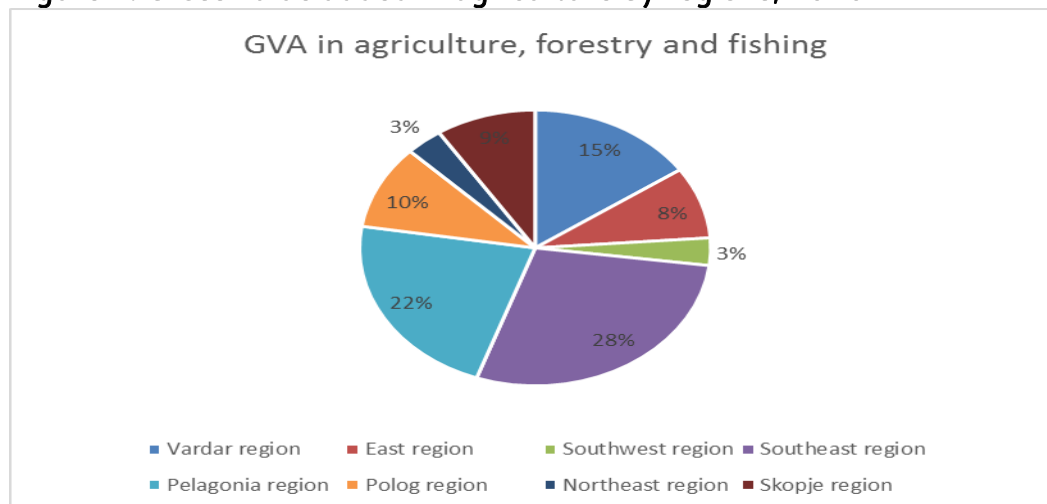
Economic Accounts and value of agriculture production

According to the data of the State Statistical Office, gross value added in agriculture for 2020 was 53.142 million MK denars (864 million €) and in comparison with 2019 it nominally increased by 8,5%. Crop production, having a 71,6% share in the total production, grew by 6,6% compared with 2019. Livestock production, accounting for 20,3% of the total production, increased by 7,1% compared with 2019.

Intermediate consumption recorded a 0,3% increase in 2020 compared with 2019.

In 2020, nominal income in agriculture from production factors per labour unit grew by 40,2%, while real income in agriculture from production factors registered an increase of 40,5%.

Figure 2: Gross value added in agriculture by regions, 2020



Source: State statistical office (SSO)

Agricultural land and farm structure

According to the data of the State Statistical Office, cultivated land in 2021 covered an area of 516 733 hectares, and compared to 2020 it decreased by 0.1%. An increase in cultivated land in 2021 was registered in arable land and gardens by 0.2%, while a decrease was observed in all other categories.

In the same period, an increase in production was recorded for peppers and cucumbers by 8.8% and 7.8%, respectively, while a decrease was registered for all other selected crops and fruits.

Table 3: Agricultural areas by category of use in 000 hectares

	2015	2016	2017	2018	2019	2020	2021
Agricultural land	1.264	1.267	1.266	1.264	1.264	1.262	1.260
– Cultivated land	514	516	517	519	520	517	517
– Arable land and gardens	415	417	417	418	419	416	417
– Orchards	16	16	16	17	17	17	17
– Vineyards	23	24	24	24	24	24	24
– Meadows	60	59	60	60	60	60	60
Pastures	750	750	748	745	744	744	743
Marshes, swamps and fish ponds	1	1	1	1	1	1	1

Source: State statistical office (SSO), 2022

Table 4: Number of agricultural holdings and available area of the holdings

	Number of agricultural holdings	Total utilised agricultural area, ha	Utilised agricultural area per holding, ha
Total	178.125	320.738	1,8
Individual agricultural holdings	177.845	271.989	1,5
Business entities	280	48.749	174,1

Source: State statistical office (SSO), 2022

In accordance with EU Regulation (EC) No. 1166/2008, in June 2016, the State Statistical Office conducted the Farm Structure Survey. According to the Farm Structure Survey data, there are 178.125 agricultural holdings in the Republic of North Macedonia. On average, one agricultural holding uses 1,8 ha of agricultural area and breeds 2,1 LSU (livestock units). The total utilized agricultural area by agricultural holdings is 320.738 ha, and of the total number of holdings, 60,8% used up to 1 ha of agricultural area. Agricultural holdings have 381.361 LSU. Of the manure application techniques 37,9% of agricultural holdings used broadcast application of manure with no incorporation, (broadcasting manure onto the surface of a field - the oldest method of manure spreading), while the most used irrigation method is surface irrigation method.

Agricultural production

According to the data of the State Statistical Office, cultivated land in 2021 covered an area of 516.733 hectares, and compared to 2020 it decreased by 0,1%. An increase in cultivated land in 2021 was registered in arable land and gardens by 0,2%, while a decrease was observed in all other categories. The crop production structure in the country is broken down into five main groups: production of cereals, industrial, fodder crops, horticultural crops, orchards and vineyards. In 2021, the structure of sown area under cultivation (cereals, fodder crops, industrial crops and vegetables)

in total of 277.309 ha, accounts for approximately 58% of cereals, 19% of vegetables, 15% of forage crops and 8% of industrial crops.

Table 5: Harvested area under cereals in hectares

Cereal	2016	2017	2018	2019	2020	2021
Wheat	79.832	72.864	70.987	68.847	69.765	70.366
Rye	4.483	4.065	3.836	3.809	3.936	3.782
Barley	41.297	43.816	42.331	43.941	44.995	47.683
Rice	5.040	3.274	3.222	3.481	3.177	3.111
Maize	31.045	31.287	36.340	33.967	31.912	30.224
Total	161.697	155.306	156.716	154.045	153.785	155.166

Source: State statistical office (SSO), 2022

SSO data indicate small changes in areas under crop culture. These changes are mainly due to last year's prices and the interest of farmers. The yield per ha also varies though the years depending on the favourable climatic conditions.

The area under other fodder crops remains unchanged in the last years. Despite this, lack of forage crops is causing high prices and reflecting as limiting factor on the development of livestock production sector. Main reasons for this situation is the lack of sufficient size of arable land per farm for production of forage crops as well as the small and fragmented parcels.

Table 6: Harvested area under fodder crops in hectares

Fodder crop	2016	2017	2018	2019	2020	2021
Alfalfa	19.579	19.487	19.698	19.455	19.076	19.661
Vetches-hay	1.922	2.180	2.065	2.018	1.960	1.817
Fodder peas-hay	1.253	1.640	1.428	1.639	1.499	1.574
Fodder maize	6.378	6.384	6.196	8.231	8.216	7.049
Fodder beet	387	382	376	475	461	447
Clover	3.725	3.716	3.685	3.922	4.012	4.198
Total	33.244	33.789	33.448	35.740	35.224	34.746

Source: State statistical office (SSO), 2022

Table 7: Harvested area under industrial crops in hectares

Industrial crop	2017	2018	2019	2020	2021
Tobacco	15.959	16.582	16.679	16.591	15.457
Sunflower	4.022	2.346	4.605	4.559	5.050
Total	19.981	18.928	21.284	21.150	20.507

Source: State statistical office (SSO), 2022

Vegetable production decreases each year from 2015 onwards. The decrease in area under vegetables is not that significant as the decrease in the yields per ha. Most of the vegetable production is open field production and largely dependent from positive summer climatic conditions (favourable summer rains). Vegetable production is also a more intensive branch than the others are, so the lack of seasonal labour has had a strong impact on production capacity.

Table 8: Harvested area under vegetables in hectares

Vegetable	2016	2017	2018	2019	2020	2021
Potatoes	13.273	13.188	12.403	12.939	12.618	12.306
Onion	3.581	3.633	3.627	3.562	3.622	3.622
Garlic	978	947	950	904	963	973
Beans	4.817	4.703	4.577	4.504	4.392	4.267

Peas	1.008	1.062	1.045	1.105	1.072	1.119
Lentil	84	86	81	74	71	67
Cabbage	4.593	4.499	4.502	4.627	4.517	4.444
Tomatoes	5.604	5.597	5.569	5.497	5.453	5.567
Peppers	8.751	8.927	9.179	9.390	9.236	9.773
Cucumbers	1.048	1.035	1.034	1.036	943	1.061
Melons and watermelons	5.445	5.385	5.281	5.132	5.175	5.321
Total	49.182	49.062	48.248	48.770	48.062	48.520

Source: State statistical office (SSO), 2022

Orchards/fruit production (including vineyards) largely depends on all three factors mentioned above: favourable climatic conditions during flowering and pollination of plants (especially important for apple production which mostly is located in mountainous areas) and drought during the summer months, lack of seasonal labour (especially during the period of fruit/grape harvesting) and the variation of the purchase price of the production. The climate conditions (early spring frost) especially effect apricot and peach production in Vardar region.

Table 9: Fruit production in tones

Fruit	2015	2016	2017	2018	2019	2020	2021
Cherries	6.248	5.574	4.061	5.824	6.045	6.258	4.716
Sour cherries	8.483	8.072	4.408	10.538	8.695	9.892	8.372
Apricots	3.255	3.471	3.992	3.904	6.070	3.434	2.584
Apples	136.931	101.088	43.366	140.296	88.701	105.794	92.863
Pears	9.016	7.207	5.052	8.055	8.048	8.790	6.631
Plums	41.477	33.684	17.880	37.719	32.303	34.983	27.031
Peaches	12.006	12.108	11.509	13.128	12.003	12.765	6.205
Walnuts	5.790	5.147	2.341	4.826	5.014	5.387	4.667
Total tones	223.206	176.351	92.609	224.290	166.879	183.869	153.069
Total area in Ha	15.856	16.138	16.546	16.827	16.784	17.000	?

Source: State statistical office (SSO), 2022

Table 10: Vineyards (area) and production of grapes (including table grapes)

Vineyards	2016	2017	2018	2019	2020	2021
Area in ha	23.613	23.703	24.088	24.468	23.709	23.384
Production in tones	333.319	180.349	294.497	258.960	317.550	269.131

Source: State statistical office (SSO), 2022

The number of livestock has significantly decreased in 2019 because of change and improvement of the methodology in recording the data for number of livestock. There was a working group, established in 2018 from experts from the Ministry, Food and Veterinary Agency and State statistical office. The working group worked on harmonizing the registers and databases in the three institutions and defining the criteria for recording animals in the respective registers.

Table 11: Number of livestock

Livestock	2016	2017	2018	2019	2020	2021
Cattle	254.768	255.036	256.181	217.790	222.202	?
Pigs	202.758	202.197	195.538	135.770	164.074	?
Sheep	723.295	724.555	726.990	684.558	630.634	?
Goats	101.669	107.466	117.447	87.581	95.008	?
Poultry	1.865.769	1.840.173	1.828.287	1.562.089	1.643.462	?
Bee-hives	81.476	75.406	81.197	96.143	99.558	?

Source: State statistical office (SSO)

The eggs production is primary activity of the Macedonian poultry industry. 1,47 million heads out of the total belong to the number of laying hens. The number of bee families in 2019 significantly increased due to the increase in the subsidies provided by the Programme for direct payments and the characteristics of bee keeping (small investments, labour extensive production, increase in prices of honey and its products).

Table 12: Production of meat in tones

Meat	2016	2017	2018	2019	2020	2021
Beef	3.962	4.636	4.381	4.083	3.886	?
Pig	12.786	13.105	12.929	13.384	14.930	?
Sheep/lamb	3.737	3.422	3.446	3.392	3.183	?
Chicken	1.509	1.716	1.499	1.490	1.494	?

Source: State statistical office (SSO)

Table 13: Production of milk in 000 litres

Milk	2016	2017	2018	2019	2020	2021
Cow	403.044	394.140	404.230	390.903	405.217	?
Sheep	41.066	35.364	36.559	35.088	26.925	?

Source: State statistical office (SSO)

Employment in agriculture and rural areas

The labour force in the agricultural sector in the Republic of North Macedonia is mainly comprised of labour work on the individual farm level. The main part of the rural population is engaged in agricultural activities (primarily within the households) and rarely with other non-agricultural activities where possibilities exist. The average paid salaries in agriculture are among the lowest level compared with other economy sectors. The salary increase since 2018 is a result of several increases of the minimum wage (which by the end of 2020 reached 244 €). This led to increase of number of employees in agriculture by regulating employment status of persons whose status was not regulated.

Table 14: Average net salary by employee in €

Description	2015	2016	2017	2018	2019	2020	2021
Agriculture, forestry and fisheries	247	283	272	306	321	357	371

Source: State statistical office (SSO)

Table 15: Employees in agriculture, forestry, fisheries, and food processing

Description	2017	2018	2019	2020	2021
Number of employees	149.596	148.994	142.550	125.585	121.535
% of total employed	20,2	19,6	17,9	15,8	15,3

Source: State statistical office (SSO)

General trade and trade with agro-food and fishery products

As a result of the Covid-19 pandemic in 2020, the overall trade (industrial + agro-food products) (export + import) compared to 2019 has decreased by 10,2%. Total export (industrial + agro-food products) in 2020 compared with 2019 has decreased by 10% and total import shows a decrease by 10,3%. The export of agro-food products in 2020 compared with 2019 has decreased by 5,2% (from €624,5 million in 2019 to €5591,7 million in 2020), and the import of agro-food products in 2020 compared with 2019 decreased by 1,7% (from €837,15 million to €822,57 million).

In 2021 the overall trade (industrial + agro-food products) (export + import) compared to 2020 has increased by 23,8%%. Total export (industrial + agro-food products) in 2021 compared with 2020

has increased by 19,8% and total import shows an increase by 26,9%. The export of agro-food products in 2021 compared with 2020 has increased by 6,1% (from €591,7 million in 2020 to €627,9 million in 2021), and the import of agro-food products in 2021 compared with 2020 increased by 14,8% (from €822,57 million to €944,1 million).

This increase of the value of imports is primarily due to the increase in average import prices of many products such as beef fresh, chilled and frozen, poultry, milk and dairy products, cereals, various types of flour, confectionery sugar products, sunflower oil and others.

The share of export of agro-food and fishery products in total export from Republic of North Macedonia in 2021 has decreased compared to the share in 2020 and it was 9,07%. The share of import of agro-food and fishery products in total import into Republic of North Macedonia in 2021 has decreased compared to the share in 2020 and it was 9,79%.

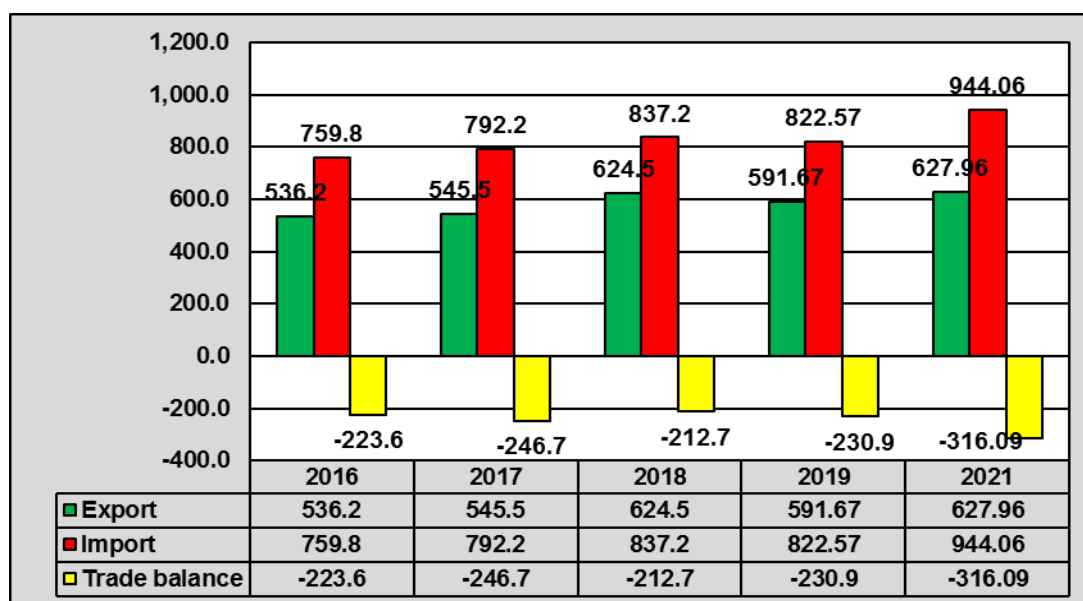
The trade deficit in 2021 has decreased compared to 2020 by 36,9% and it amounted €316,09 million.

Table 16: Total trade and trade with agricultural and fishery products 2017-2021 (in million €)

		Total trade (industrial + agricultural products)	Total trade with agricultural, processed and fisheries products	Share of agricultural, processed and fisheries products in total trade
2017	<i>Export</i>	5,007.19	536.23	10.71%
	<i>Import</i>	6,824.92	759.84	11.13%
	<i>Balance</i>	-1,817.73	-223.61	12.30%
2018	<i>Export</i>	5,860.83	545.50	9.31%
	<i>Import</i>	7,671.95	792.15	10.32%
	<i>Balance</i>	-1,811.12	-246.65	13.61%
2019	<i>Export</i>	6,423.70	624.5	9.72%
	<i>Import</i>	8,463.17	837.15	9.89%
	<i>Balance</i>	-2,039.47	-212.65	10.42%
2020	<i>Export</i>	5,777.90	591.67	10.24%
	<i>Import</i>	7,594.54	822.57	10.83%
	<i>Balance</i>	-1,816.64	-230.9	12.71%
2021	<i>Export</i>	6,922.57	627.96	9.07%
	<i>Import</i>	9,638.29	944.06	9.79%
	<i>Balance</i>	-2,715.72	-316.09	11.64%

Source: State Statistical Office (SSO), prepared by MAFWE

Figure 3: Development of Macedonian agricultural trade (in million €) for the period 2017-2021



European Union-27 is definitely the most important partner of the Republic of North Macedonia on trade with agri-food and fisheries products in 2021. The total value of the trade exchange with EU-27 with agri-food products in 2021 (export + import) is € 765.53 million.

Exports of agri-food and fishery products increased by 7,9% (from € 294.3 million in 2020, to € 317,59 million in 2021), while imports of these products increased by 16,2% (from € 385.4 million in 2020 to € 447,9 million in 2021).

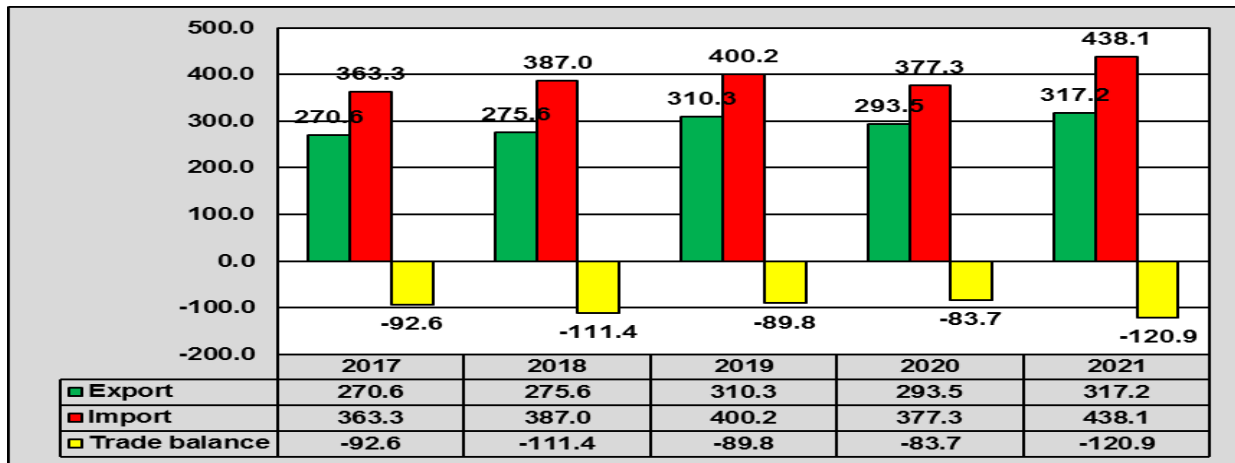
The share of agro-food and fishery products export to EU-27 in total export of these products in 2021 was 50,6%, while the share of import from EU-27 in total agro-food and fishery products import in 2021 was 47,5%.

Second important partner of the Republic of North Macedonia in 2021 in trade with agro-food and fishery products, were CEFTA country members, with total value of trade (export + import) of €492,68 million. The share of agro-food and fishery products export to CEFTA country members in total export of these products in 2021 was 32,5%, while the share of import from CEFTA country members in total agro-food and fishery products import in 2021 was 30,6%. The most important CEFTA trade partner was Serbia with share of 11,4% of total export of agro-food and fishery products and 24,5% of total import. Following by Bosnia and Herzegovina (with share of 5,02% in total export and 3,3% in total import). Regarding export Kosovo is also important partner with share of 10,33% of total export, while the contribution of other CEFTA members countries (Montenegro, Moldova and Albania) is still with lower participation in trade.

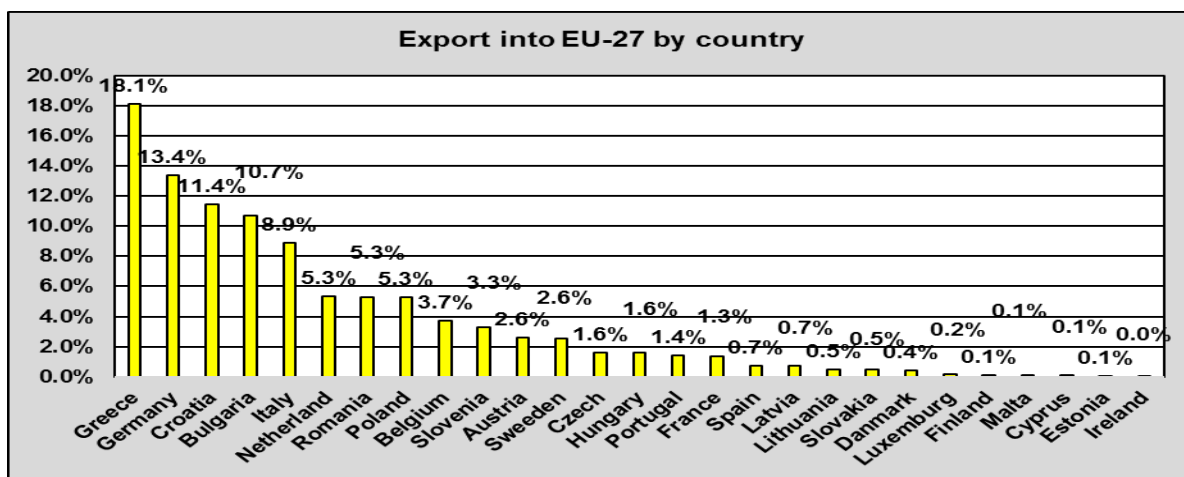
Worth to be mentioned, Turkey as a candidate country and a country with which the Republic of North Macedonia has a Free Trade Agreement takes 0,49% of total export and 3,22% of the total import of agro-food and fishery products. Regarding the export of agro-food and fishery products, the largest sole non-EU trade partner was Russian Federation, accounting for 4,36% of total exports (due to large exports of fresh fruits and vegetables). Following was USA, with share of 3,6% of total export, due to significant export of tobacco, while Brazil with share of 2,83% of total import, was largest sole non-EU import partner, basically due to significant quantities of poultry, bovine frozen and coffee imported in 2021.

We should also mention the United Kingdom, which after leaving the European Union, in the total export of agri-food and fishery products, participates with 1,3%, while in the total import of these products participates with 1,15%.

Figure 4: Overview of the import/export/trade balance data (in million €) with the EU-28 for the period 2017-2019 and with the EU-27 for 2020-2021



Share by countries from EU-27 in export of agro-food products in 2021



Share by countries from EU-27 in import of agro-food products in 2021

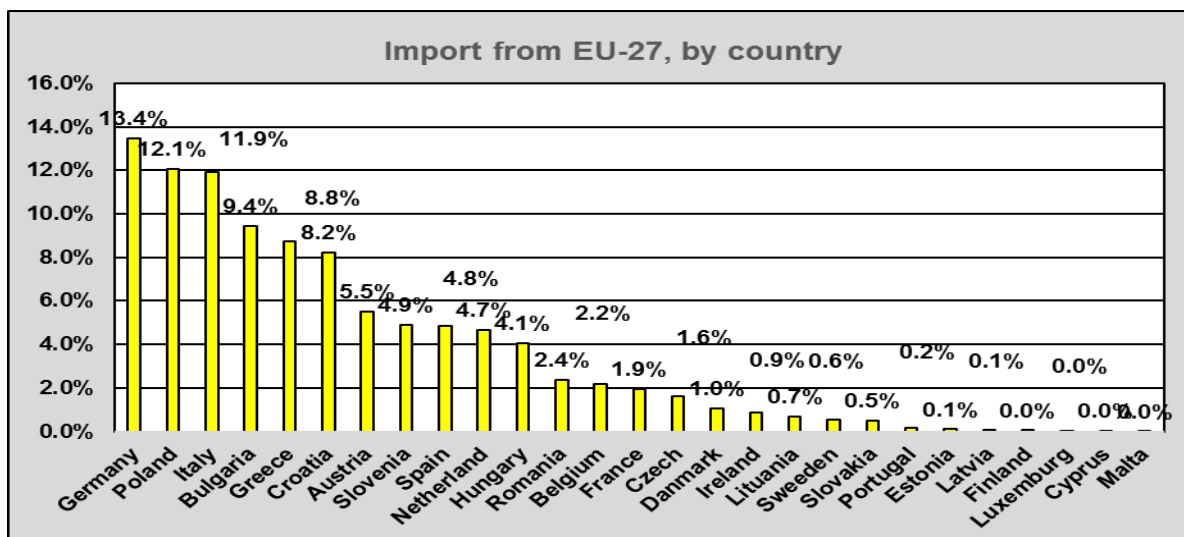


Table 17: Overview of the trade with Basic Agricultural Products and Process Agricultural Products for period 2019, 2020, 2021 (in million €)

	Export			Import			Trade balance		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
Basic Agricultural Products	245,9	238,7	255,6	242,3	227,2	256,7	3,6	11,6	-1,1
Processed Agricultural Products	64,4	54,8	61,6	157,8	150,1	181,4	-93,4	-95,3	-119,8
TOTAL	310,3	293,5	317,2	400,1	377,3	438,1	-89,8	-83,7	-120,9

Data source: State Statistical Office, prepared by MAFWE

2.5 Changes in national and sectoral policies

Pursuing to the Article 6 of the Law on Agriculture and Rural Development, the National Agriculture a Rural Development Strategy (NARDS) is the principal long-term strategic document, which is a basis for formulation of national agriculture and rural development policies for period of 7 years, following the same programming and financial timespan of the EU. The Macedonian Government has adopted the strategy for the period 2021 to 2027 in January, 2021. The document is prepared in line with the new EU Common Agricultural Policy (CAP) objectives and recommended methodology for development of CAP strategic plans for the respective planning period aimed to achieve a more results oriented policy.

The new NARDS covering the period 2021-2027 has been drafted in comprehensive and inclusive participatory process that lasted by December 2020 and by involving all Ministry's and relevant Agency's staff, numerous local and some international expertise. Despite the Coronavirus situation, 32 direct public debates events have been hold with 357 participants. In addition, electronic correspondence with larger NGOs was carried out and the final draft before heading it over to the Governmental inter-service consultations was publicly shared on the MAFWE website.

Improving the competitiveness and income sustainability of agricultural holdings, applying environmental and climate-friendly practices and ensuring sustainable rural development are the strategic objectives to be pursued by the sector's actors, assisted by the state policies. The sustainable development shall be achieved by reaching the following specific policy objectives:

- (i) to ensure a fair income to farmers;
- (ii) to boost productivity for increased competitiveness;
- (iii) to rebalance power in the food chain;
- (iv) to introduce climate change mitigation and adaptation actions;
- (v) to increase environmental protection;
- (vi) to preserve landscapes and biodiversity;
- (vii) to support generational renewal;
- (viii) to support vibrant rural areas, and
- (ix) to protect food and health quality.

In order to ensure increased return on governmental spending, the projected increase in state support funds for agriculture and rural development in the period after 2020 (from 140 to 200 million € per year) will be allocated for co-financing private and public investments (in rural

infrastructure, especially in irrigation), organization of agricultural markets, interventions for structural improvement of the land properties (consolidation) and for enhancing the knowledge, innovation and digitalization (advisory services, research, education and trainings). By the end of the strategic period, the relative share of funds for these purposes shall double compared to 2020 to at least 35% of the total allocated funds (or in an absolute amount of at least 70 million € annually).

2.6 National support schemes

In accordance with the MAFWE Strategic Plan for the year 2021 in the area of agriculture, rural development, forestry, water economy, fisheries and plant health and protection, the total budget of MAFWE amounts to MKD 2.165,42 million in total. Compared to the 2020 budget (MKD 1.375,12 million), the budget for the year 2021 is increased by 57%. This is due to a transfer of funds from the AFSARD budget to MAFWE budget (approximately 0,9 billion MKD) dedicated for capital investments in water management.

The level of financial support for agriculture and rural development by way of direct payments remains approximately the same in 2021 in terms of the amount of payments, as well as concerning the relative participation of this scheme in the overall envelope. The strategic objective remains the same, to increase the funds allocated to the rural development-type of investments, which should enlarge significantly their relative share into the overall financial envelope compared to the previous strategic period.

As regards to direct payments, the procedure of drafting the new Law on Direct Payments, which provides a legal basis for the forthcoming reform of the direct support scheme, especially towards the simplification of the direct payment scheme and gradual separation, has been initiated. The law is expected to be passed by parliament in the second quarter of 2022.

Table 18: Amounts of support (in mill. €) by the Programme for direct payments

Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total	112,7	112	101,8	101,8	102,8	99,5	101	116,1	112,4	61,8

Source: MAFWE, IPARD Agency, 2022

Rural development measures accompany and complement direct support measures (market policies and support for income from agricultural activity) and build on existing support for rural development provided through annual rural development programs. They also complement support provided by the IPARD Programme in terms of filling in gaps in eligible criteria or investments that are not covered by IPARD or provide support in piloting IPARD like measures. Special working group monitors complementarity between IPARD and national funding.

Taking into account the analysis of the situation in the agriculture and the sectoral development potentials, as well as the specific needs for rural development, the measures for rural development policy implementation are prioritized in increasing the competitiveness of the agricultural sector and strengthening the economic and social position of the rural areas by increasing the agricultural holdings incomes, increasing the employment possibility of the rural population outside the agricultural sector. Special attention is given to the introduction of measures for sustainable management and utilization of natural resources, protection of biodiversity and the environment.

Table 19: Amounts of support (in mill.€) by the Programme for rural development

Year	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total	17,2	31,2	31,4	30,4	27,5	25,5	13,7	16,0	14,9

Source: MAFWE, IPARD Agency, 2022

Covid19 related events in 2021

In 2021, the following laws were adopted: the Law on financial support for diminishing the consequences caused by COVID-19 on production, grapes purchase and the wine industry, Law on financial support for diminishing the consequences caused by COVID-19 on production and purchase of tobacco and the Law on financial support for diminishing the consequences caused by COVID-19 on the Production and Purchase of Agricultural Products (Rice and Apple).

The laws set out the methodology and procedure for allocating funds to reduce the consequences of COVID-19 for producers of grapes and wine, tobacco, rice and apples in the country.

3. Assessment of the progress in the implementation of objectives, priorities, measures and group of investments

3.1 Summary of the strategic framework of the IPARD Programme 2014-2020

The IPARD Programme for the period 2014-2020 supports the beneficiaries in adopting and implementing the political, institutional, legal, administrative, social and economic reforms in order to comply with the Union's values and to progressively align to the Union's rules, standards, policies and practices, with a view to Union membership.

The specific objectives set out in Article 2 of Regulation (EU) No 231/2014 should be to the extent possible addressed by all policy areas. This means that agriculture and rural development policy area will contribute to the following specific objectives:

- a) Support for political reforms;
- b) Support for economic, social and territorial development, with a view to a smart, sustainable and inclusive growth;
- c) Strengthening of the ability of the beneficiary countries at all levels to fulfil the obligations stemming from Union membership by supporting progressive alignment with, and adoption, implementation and enforcement of the Union acquis, including preparation for management of Union Structural Funds, the Cohesion Fund and the European Agricultural Fund for Rural Development;
- d) Strengthening regional integration and territorial cooperation involving the beneficiaries listed in Annex I, Member States and, where appropriate, third countries within the scope of Regulation (EU) No 232/2014 of the European Parliament and of the Council.

The above-mentioned IPA II objectives largely coincide with the main strategic objectives and specific objectives according to NSARD 2014-2020 (section 6.1.1 of this Programme), namely the objectives for enhancing farm viability and competitiveness of all types of agriculture and food-processing, agro-environmental objectives for restoring, preserving and enhancing ecosystems dependent on agriculture and forestry, improving socio-economic development in rural areas and human potential.

Table 20: Budget of EU Contribution by measure 2014-2020, in €

Measures	EU contribution 2014-2020 first modification		EU contribution 2014-2020 second modification		EU contribution 2014-2020 third modification	
	Value	%	Value	%	Value	%
Investments in physical assets of agricultural holdings	21.800.000	36%	21.320.000	36%	21.320.000	36%
Investments in physical assets concerning processing and marketing of agricultural and fishery products	21.960.000	37%	21.540.000	36%	19.460.000	32%
Investments in rural public infrastructure	9.100.000	15%	0	0%	0	0%
Farm diversification and business development	4.740.000	8%	15.560.000	26%	18.630.000	31%
Technical assistance	2.400.000	4%	1.490.000	2%	590.000	1%
Total	60.000.000	100%	60.000.000	100%	60.000.000	100%

Source: IPARD Programme 2014-2020, C (2015)760, C (2019)6038, C(2021)5552.

3.2 Analysis on progress in implementation by measure

By the end of 2021, there were seven public calls for submission of applications published. In order to meet the farmers' needs and provide more time for preparation of quality applications, the deadline for submission of applications was extended for additional 15 days for public calls 01/2017, 01/2019, 02/2019, 01/2020 and 01/2021.

Table 21: Overview of implementation of IPARD per public calls at the end of 2021

	Public call	Applications						Time for application processing	Contracted - Paid	
		Submitted		Contracted		Paid				
		No.	EU contribution	No.	EU contribution	No.	EU contribution			
1	01/2017	1.648	72.329.985	900	15.949.967	865	13.176.490	15 months	35	2.773.477
2	01/2018 ¹	65	15.306.651	38	6.496.155	35	2.863.522	4 months	3	3.632.633
3	02/2018 ²	1.099	18.335.969	640	6.420.497	584	2.522.054	6 months	56	3.898.443
4	01/2019 ³	261	43.821.070	80	6.470.773	33	852.224	7 months	47	5.618.549
5	02/2019 ⁴	61	16.763.734	49	8.578.991	18	1.202.605	6 months	31	7.376.386
6	01/2020 ⁵	748	21.011.113	431	5.456.845	192	729.862	8 months	239	4.726.983
7	01/2021 ⁶	250	32.490.820	/	/	/	/	/	/	/
Total		4.132	220.059.342	2.138	49.373.228	1.727	21.346.757	/	411	28.026.471

Source: Managing Authority, 2022

During 2021 only, 493 applications are contracted (11.648.917 EU contribution) and 443 projects are paid (7.006.016 EU contribution). For comparison purposes, in 2020, the Agency contracted 399 applications (14.592.950 EU contribution) and paid off 448 applications (4.328.442 EU contribution). In 2019, the Agency contracted 317 applications (11.027.205 EU contribution) and paid off 715 applications (9.039.009 EU contribution).

The ratio between paid and contracted projects is 81% (increased from 78% in 2020) and the ratio between paid and contracted EU contribution is 43% (increased from 38% in 2020). This leads to a conclusion that projects that are more expensive are still being realized and their payment authorization shall follow. Having in mind that contracting process for 01/2020 and 01/2021 is still ongoing, the burden/work load is transferring from project approval towards payment authorization. Namely, up to 2021 the Agency has contracted more than 82% of the available funds and paid off 35%. During 2022 and 2023, the Department for authorization of payments would have to authorize 2 times higher amount than the one paid so far.

The process of processing and approving the applications submitted at the first public call took a lot of time. Delays in the process of approving requests limit the possibility of publishing new public calls. In this way, the modification of the Programme and the rejection of incomplete applications proved to be the right step, as the quality of the submitted applications was improved and the time

¹ Public call for measure 3.

² Public call for measure 1.

³ Public call for measure 7.

⁴ Public call for measure 3.

⁵ Public call for measure 1. Contracting continues in 2022.

⁶ Public call for measure 7. Contracting expected in 2022.

needed for the approval of the applications by the Agency was shortened, thus creating space for more frequent public calls. Still, according information by the IPARD Agency, the control of reference price in the database Unit takes at least two months and in some cases, depending on availability of information and willingness of suppliers to provide the data, even more. Also, lack of staff in the IPARD Agency, the extensive procedures for controlling the standards, especially the time needed for checking the price of the offers were among the main reasons for long process of approval of applications.

Table 22: Indicators on quality of implementation (cutoff date 31.12.2021)⁷

Total number of applications submitted	4.149
Number of signed contracts	2.155
Number of paid contracts	1.739
Number of cancelled contracts	76
% of contracted applications (contracted/submitted)	52%
% of cancelation of contracts (cancelled/contracted)	3,5%
% of paid contracts (paid/(contracted – cancelled)	84%

Source: Managing Authority, 2022

⁷ Measure Technical Assistance included.

3.2.1 Measure 1 – Investments in physical assets of agricultural holdings

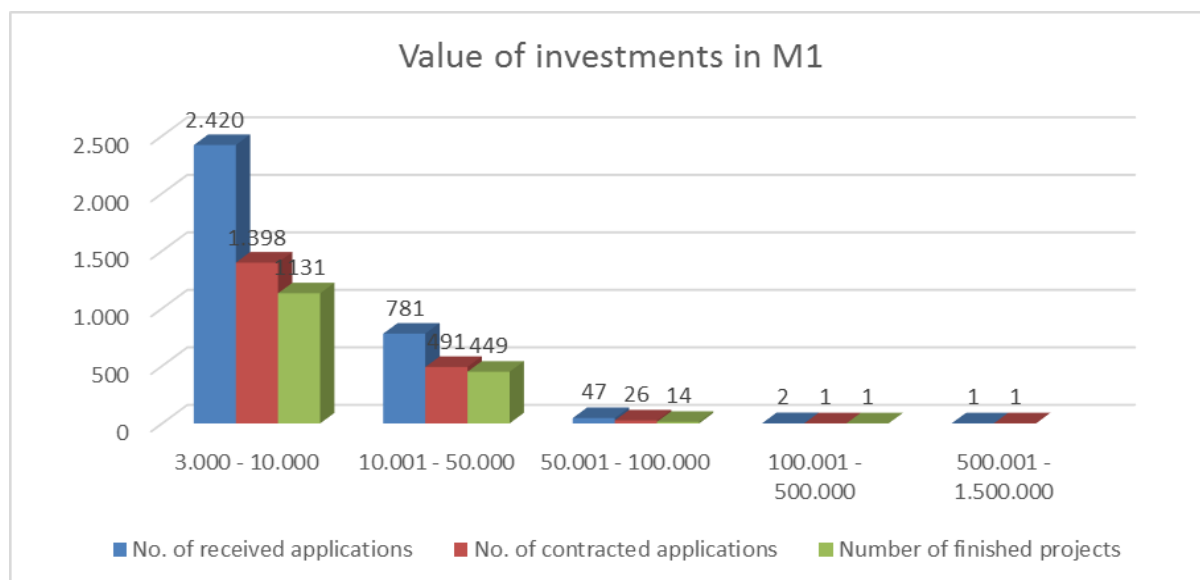
Submitted applications under Measure 1, on three public calls, reached 3.251 (57.306.327 € EU contribution). Contracts have been signed with 1.917 applicants for 19.765.176 € EU contribution, out of which 76 contracts (330.702 € EU contribution) have been terminated by the Agency. Reasons for termination of these contracts are elaborated by the Agency in part 4.3.2, summary of the contract follow up.

Table 23: Measure 1 applications per public call

Public call	Submitted (A)	Contracted (B)	Paid (C)	Approval rate (B/A)	Payment rate (C/B)
01/2017	1.404	846	819	60 %	97 %
02/2018	1.099	640	584	58 %	91 %
01/2020	748	431	192	58 %	45 %
Total	3.251	1.917	1.595	59 %	83 %

By the end of 2021, payment of contracts reached 1.595 (10.702.275 € EU contribution).

Figure 5: Review of applications per value of investments⁸ in Measure 1



Source: Managing Authority, 2022

Average value of received application (expressed in EU contribution) under Measure 1 in the Agency is 17.627 €. Respectively, average value of contracted and paid applications under Measure 1 is 10.310 € and 6.710 €.

The low value of IPARD applications is primarily due to the size of farms in North Macedonia (less than 2 hectares). The requirements for investments in such farms refer mostly to small pieces of agricultural equipment and machinery or tractors with lower engine power.

As in the past, and due to the dissolved property legal relations, the need for simpler investments (equipment and mechanization instead of construction works) and the possibility for faster realization of the investment, the sector for crop production has significantly higher number of submitted applications. Farms that have mixed (crop and livestock) production should meet the

⁸ Value of investments presented as total eligible expenditure.

minimum national standards for environmental protection, public health, animal welfare and occupational safety. This Programme criterion (IPARD Programme 2014-2020, Measure 1, 5.2 National and EU standards to be respected) was hard to fulfil by many applicants since their livestock production is small scale not meeting the required standards.

The real needs for investments in the livestock production sectors relate to the production capacities reconstruction (rebuilding the farms in order to achieve the standards for animal welfare and environmental protection). Investments like this (construction activities) have higher value than those related to equipment procurement and installation, so the lack of such investment activities affected the Programme financial targets implementation. Building permits are obligatory for such investments and are difficult to obtain in most cases (especially in small rural Municipalities). Direct interviews with potential recipients (eligible ones) conducted by Managing Authority have shown lack of starting capital, access to credits from banks and unprofitability of investing in environment protection and animal welfare, as main issues for low interest for using IPARD in livestock breeding. Further sector analysis needed for explaining the reasons for low interest in animal husbandry sector.

Table 24: Review of applications per priority sectors in Measure 1

	Received (A)	Contracted (B)	EU part contracted	Paid	EU part paid	% of approval (B/A)
Cattle	26	6	1.344.984	4	204.207	23%
Poultry	16	2	446.268	1	321.981	13%
Sheep	22	4	66.688	2	12.453	18%
Pigs	16	3	917.611	3	851.581	19%
Goat	1	0	0	0	0	0%
Orchards	1.009	619	6.136.533	485	3.026.996	61%
Vineyards	476	301	3.284.878	262	1.226.602	63%
Vegetables	191	102	641.314	91	514.547	53%
Greenhouses	23	12	324.597	9	42.633	52%
Cereals	1.455	862	6.523.617	735	4.482.136	59%
On-farm processing	11	4	72.333	1	12.786	36%
Renewable energy	5	2	6.353	2	6.353	40%
Total	3.251	1.917	19.765.176	1.595	10.702.275	59%

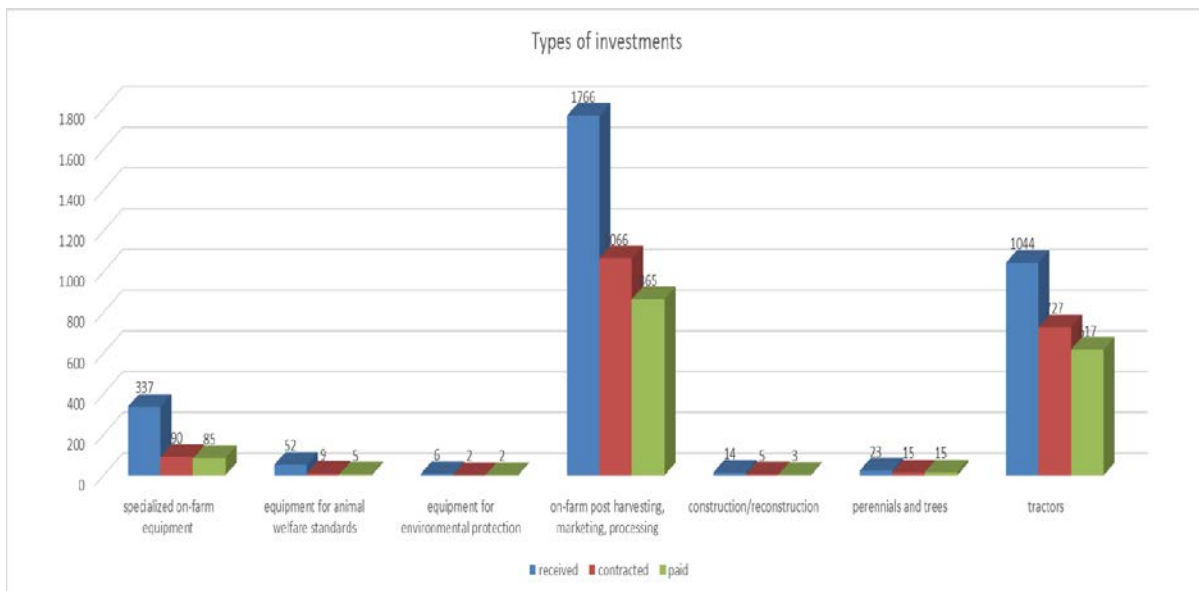
Source: Managing Authority, 2022

Cereals, orchards, vineyards and open field vegetables production were types of production most commonly used by the applicants.

Regarding the interest for types of investments, although announced only in the first public call (01/2017), investments in tractors and agricultural mechanization, just as in the past, were most attractive for farmers. From the total number of 1.044 applications submitted for tractors, 727 contracts have been signed (5.485.845 EU contribution) and 617 paid have been paid (4.514.135 EU contribution). According to IPARD Programme (Measure 1, Indicative budget), the distribution of the public funds for agriculture mechanization – tractors including their equipment (excluding attachments) shall not exceed 20% of the total available financial budget for this measure (5.893.333) for the whole period of the Programme implementation. In this regard, future public calls under Measure 1 did not include tractors as an eligible expense.

Data received from the IPARD Agency show great interest in investments in equipment for on farm post-harvesting, processing and direct marketing (1.766 received, 1.066 contracted, 865 paid) and unusually low interest in specialized farm equipment (337 received, 90 contracted, 85 paid), for which experience has shown that is of great interest for the Macedonian farmers.

Figure 6: Review of applications per type of investment in Measure 1



Source: Managing Authority, 2022

3.2.2 Measure 3 – Investments in physical assets concerning processing and marketing of agricultural and fishery products

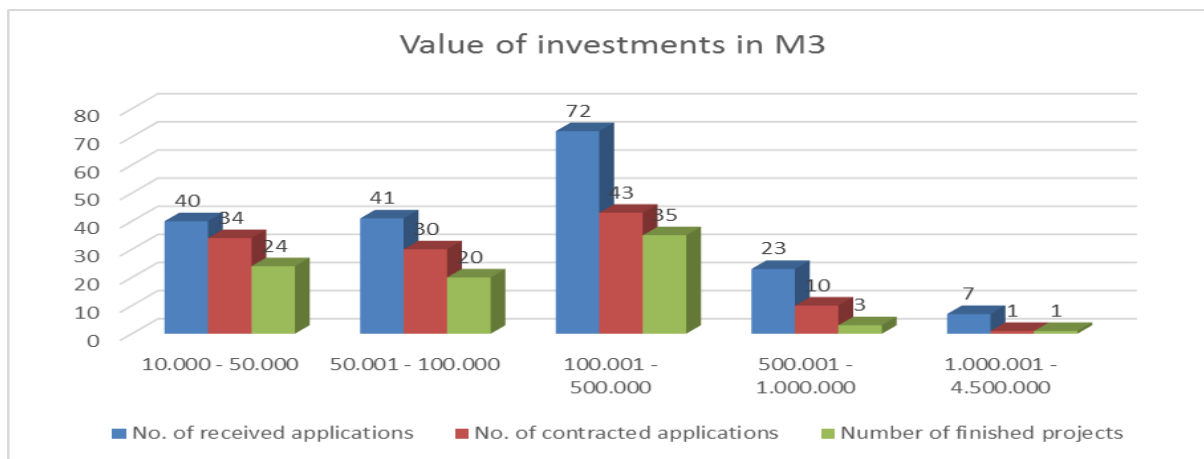
IPARD Agency announced three public calls for this measure. Submitted applications under Measure 3, reached 183 (45.098.137 € EU contribution). Contracts have been signed with 118 applicants for 19.914.384 € EU contribution. There are no terminated contracts in this Measure.

Table 25: Measure 3 applications per public call

Public call	Submitted (A)	Contracted (B)	Paid (C)	Approval rate (B/A)	Payment rate (C/B)
01/2017	57	31	30	54 %	97 %
01/2018	65	38	35	58 %	92 %
02/2019	61	49	18	80 %	37%
Total	183	118	83	64 %	70 %

By the end of 2021, payment of contracts reached 83 (8.402.106 € EU contribution).

Figure 7: Review of applications per value of investments⁹ in Measure 3



Source: Managing Authority, 2022

Average value of received application (expressed in EU contribution) under Measure 3 in the Agency is 246.438 €. Respectively, average value of contracted and paid applications under Measure 3 is 168.766 € and 101.230 € of EU contribution.

Near half of the submitted (86), contracted (56) and paid (37) applications refer to fruit and vegetables processing sector. Also, near half of contracted and paid amounts are in this sector. The beneficiaries in this sector are mostly export-oriented companies, with high level of liquidity and investments needs in equipment for technological process modernization or new production lines introduction. Interest among other sectors in the processing industry is more equal.

Table 26: Review of applications per priority sectors in Measure 3

	Received (A)	Contracted (B)	EU part contracted	Paid	EU part paid	% of approval (B/A)
Milk collection centres	10	6	912.043	5	296.171	60 %
Dairy processing	13	8	685.873	6	471.128	62 %

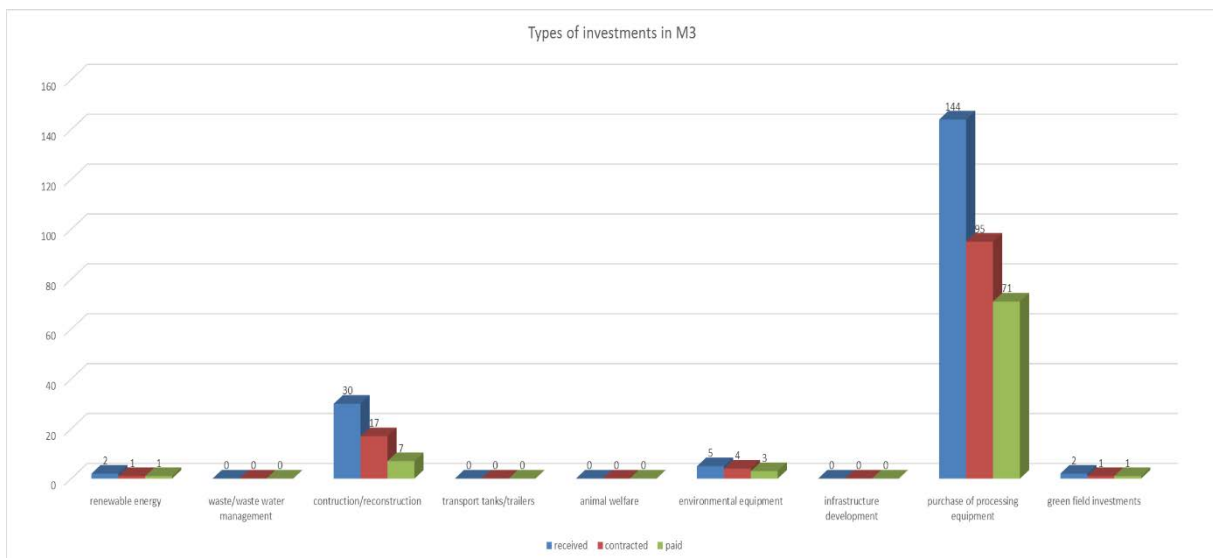
⁹ Value of investments is presented as total eligible expenditure

Meat processing (cattle)	21	16	2.743.340	16	2.384.481	76 %
Meat processing (pork)	4	4	326.394	4	416.675	100 %
F&V collection centres	30	19	5.300.272	9	1.322.949	63 %
F&V processing	56	37	6.427.977	28	2.181.135	66 %
Cereals milling	21	10	497.145	6	175.604	48 %
Oils and fats	3	2	24.616	1	9.620	67 %
Wineries	25	16	2.996.724	8	1.144.343	64 %
Total	183	118	19.914.384	83	8.402.106	64 %

Source: Managing Authority, 2022

Applicants have not shown interest for investing in: waste and wastewater management, transport tanks, trailers and specialized vehicles for transport of raw materials, equipment for improvement of animal welfare standards and investments in development of holdings infrastructure. Analysis has shown that these investments do not contribute to the economic performance of companies to a greater extent and therefore the low interest.

Figure 8: Review of applications per type of investment in Measure 3



Source: Managing Authority, 2022

3.2.3 Measure 7 – Farm diversification and business development

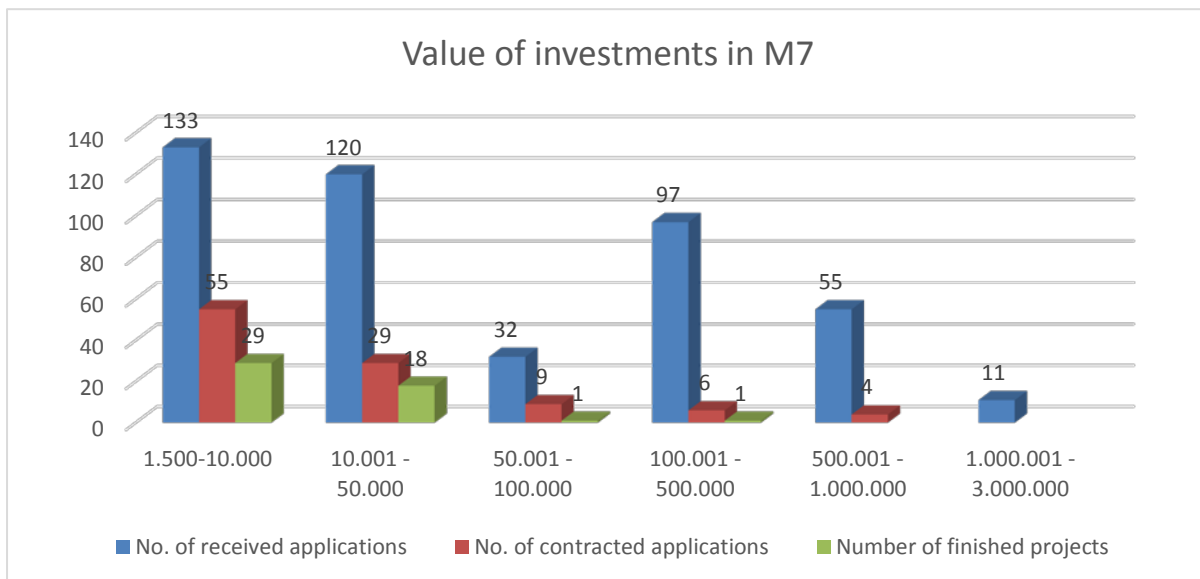
IPARD Agency, also announced three public calls for this measure. On request by the applicants, the Agency extended the deadline for submission of applications for the second and third public call for additional 15 days. Having in mind lengthy process of control of reasonableness of costs in the Agency, process of contracting the applications submitted on 01/2021 extended in 2022.

Table 27: Measure 7 applications per public call

Public call	Submitted (A)	Contracted (B)	Paid (C)	Approval rate (B/A)	Payment rate (C/B)
01/2017	187	23	16	12 %	70 %
01/2019	261	80	33	31 %	41 %
01/2021	250	/	/	/	/
Total	698	103	49	7 %	48 %

Value of submitted applications under Measure 7 reached 117.654.878 € EU contribution. Contracts have been signed with 103 applicants for 9.693.668 € EU contribution. There are no terminated contracts in this Measure. By the end of 2021, payment of contracts reached 49 (2.242.376 € EU contribution).

Figure 9: Review of applications per value of investments in Measure 7



Source: Managing Authority, 2022

Average value of received application (expressed in EU contribution) under Measure 7 in the Agency is 168.660 €. Respectively, average value of contracted and paid applications under Measure 7 is 94.113 € and 45.763 €.

The interest for use of IPARD Programme funds is highest in the alternative agricultural production priority sector, having in mind that bee keeping (production of honey and honey products) is eligible under this sector. In addition, applicants found manufacturing of non-food products very interesting, especially processing of wood and production of furniture.

Having in mind great interest for investing in production and sale of energy from renewable resources and the fact that the value of these investments can overcome the available budget of the measure, IPARD Agency excluded the sector from public calls 01/2019 and 01/2021.

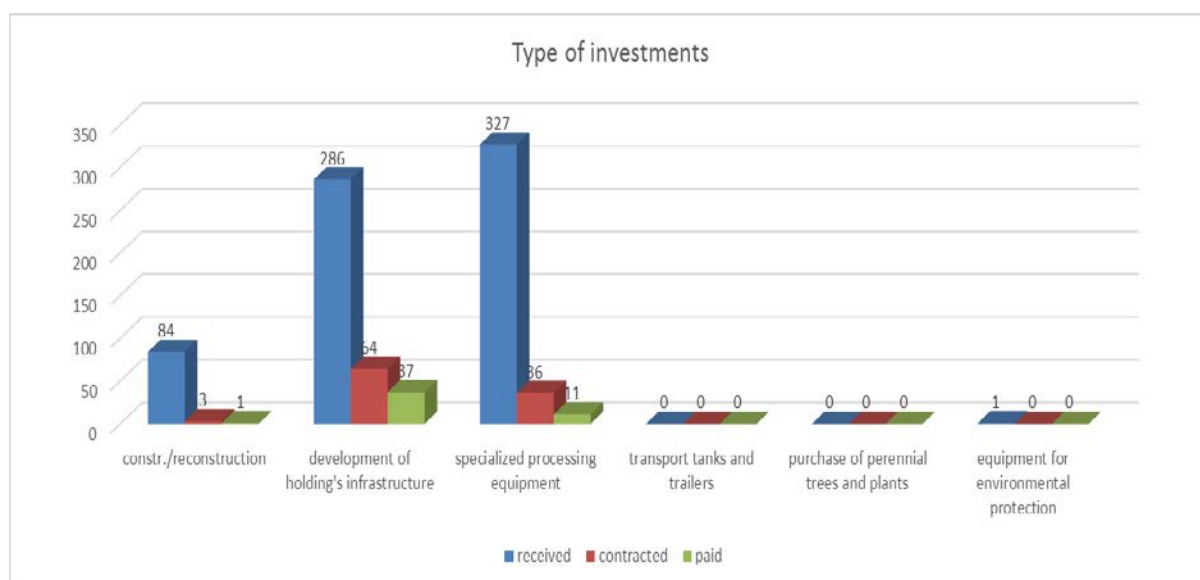
Table 28: Review of applications per priority sectors in Measure 7

	Received (A)	Contracted (B)	EU part contracted	Paid	EU part paid	% of approval (B/A)
Alternative agriculture production ¹⁰	256	41	511.374	30	183.041	16 %
Manufacture of food products and beverages	73	11	827.670	2	37.211	15 %
Manufacturing of non-food products	138	30	5.164.667	9	1.282.493	22 %
Development of crafts activities	9	0	0	0	0	0 %
Provision of services to agriculture	33	4	33.009	3	22.185	12 %
Development of services for the rural population	22	2	897.866	/	/	9 %
Promotion of Rural Tourism	121	15	2.259.112	5	717.446	12 %
Production and sale of renewable energy	46	0	0	0	0	0 %
Total	698	103	9.693.698	49	2.242.376	15 %

Source: Managing Authority, 2022

Applicants have not shown interest for investing in: specialized transport tanks and trailers and purchase of perennial trees and plants.

Figure 10: Review of applications per type of investment in Measure 7



Source: Managing Authority, 2022

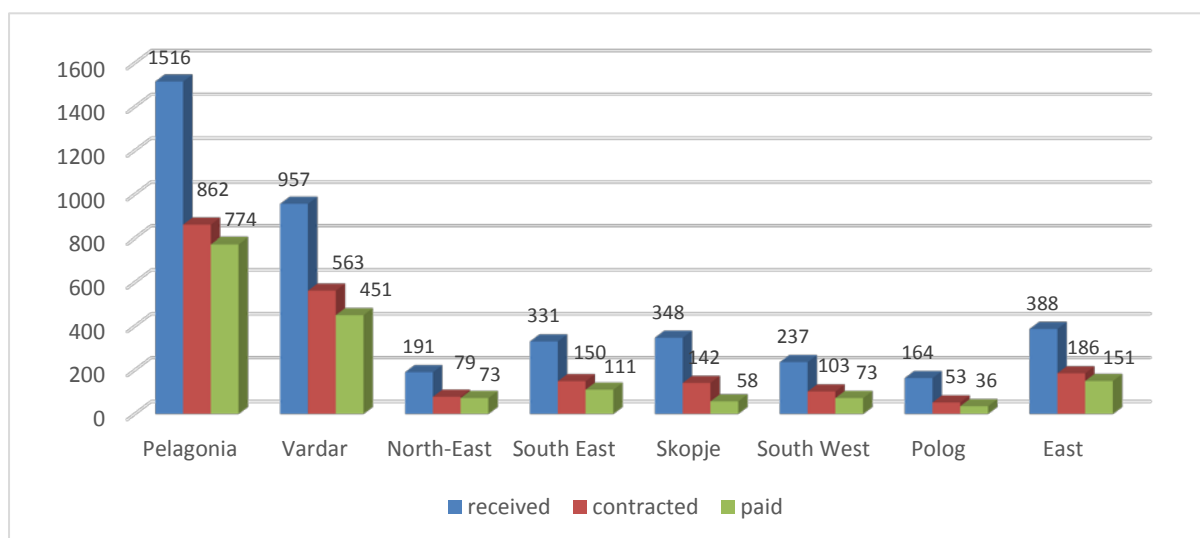
¹⁰ Out of which 200 for bee keeping, 30 contracted and 27 paid

3.3 Geographical analysis of IPARD Programme implementation

The data for the geographical implementation of the IPARD Programme and the support to the regional development of the Republic of North Macedonia are presented in this report by statistical regions (NUTS 3) and municipalities.

Most of the total submitted applications come from regions with intensive agricultural production: Pelagonia and Vardar. Pelagonia is the biggest agricultural region, known for cereals production. Around 800 of submitted applications in Pelagonia were for purchase of tractors. Vardar region is known for fruit, vegetables, and wine (vineyards) production. These regions also have biggest number of contracts.

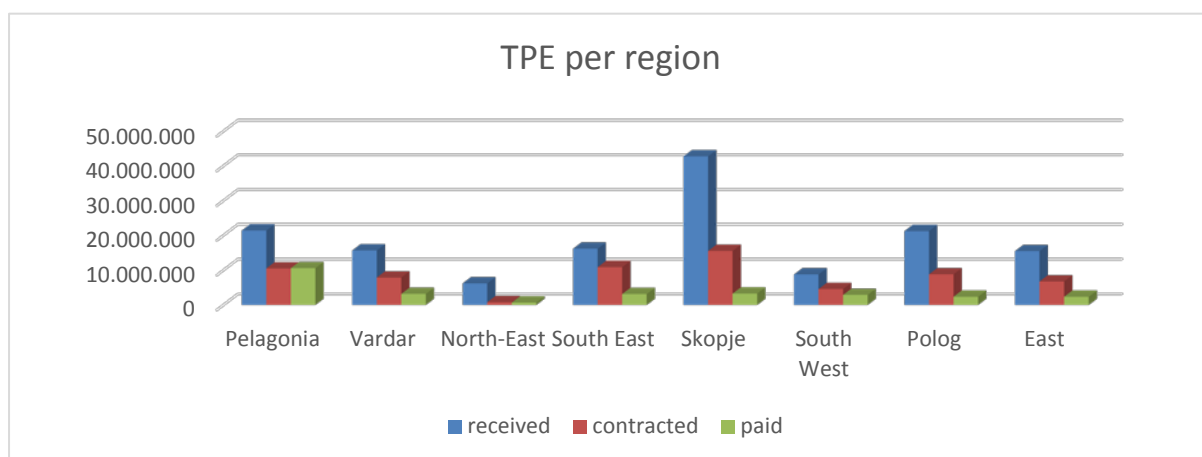
Figure 11: Review of the applications by statistical regions



Source: Managing Authority, 2022

Crop production (cereals, orchards and vineyards) are predominant agricultural production in the Pelagonija and the Vardar regions. Most of the applications in these regions are for less expensive investments (tractors and small pieces of agricultural mechanization). There is no significant difference in the number of applications submitted between the other regions. Due to the structure of the relief, mixed agriculture is present in these regions. Most of the farms have mixed (crop and livestock) production, and in that case, the whole farm should meet the minimum national standards for environmental protection, public health, animal welfare and occupational safety. Many applicants did not meet this since their livestock production is small scale not fulfilling the required standards.

Figure 12: Review of the total public expenditure by statistical regions



Source: Managing Authority, 2022

There is a significant difference when comparing distribution of applications and total public expenditure per region. For example, Skopje and Polog region are most urbanized regions with one of the lowest shares in the creation of gross value added in agriculture (8 and 10%), but with high concentration of beneficiaries, especially companies. The production capacities of these beneficiaries are located on the entire Macedonian territory.

Table 29: Review of applications per Municipalities

Municipality	No. of applications			Total public expenditure in EUR		
	received	contracted	paid	received	contracted	paid
Resen	463	313	259	6.001.670	2.515.390	1.987.360
Bitola	372	173	149	7.985.789	1.707.439	1.248.413
Kavadarci	207	129	112	6.640.388	672.138	459.105
Prilep	197	96	86	4.439.969	1.075.865	923.127
Mogila	184	119	101	1.791.265	783.525	598.914
Negotino	180	108	93	3.619.727	928.272	519.080
Veles	151	80	65	4.193.742	1.158.608	485.400
Sveti Nikole	117	67	54	3.537.047	765.423	278.771
Kumanovo	105	45	36	5.643.044	387.988	313.028
Rosoman	93	71	56	1.256.529	466.828	354.310
Novaci	82	47	42	2.347.322	310.953	260.877
Lozovo	80	43	33	1.525.665	901.911	755.598
Delcevo	72	35	30	4.295.879	395.037	294.723
Ohrid	68	34	28	3.325.938	149.427	130.720
Debarca	67	34	30	2.218.184	243.980	225.364
Krivogastani	67	36	32	1.569.611	356.391	182.094

Source: Managing Authority, 2022

4. Actions undertaken for improvement of quality and efficiency of IPARD implementation

4.1 Activities undertaken by the Managing Authority

Following happenings in 2020, in 2021 the capacities of Managing Authority were also reduced due to the coronavirus pandemic outbreak. In this respect, Managing Authority planned and executed its activities with limited human resources. In order to avoid grouping of people, Managing Authority employees were organized to perform their duties from home. However, this situation had impact for postponement and slowing down some of the Managing Authority tasks (especially ones related to publicity and meetings with stakeholders).

During 2021, staffing changes took place in Managing Authority. One person, employed in the Unit for programming and evaluation, left the position upon his own request. Also, one person was temporarily employed in Managing Authority with contract obligations by the end of 2021. The staff count in Managing Authority in 2021 was 15 employees, including the Head of Managing Authority.

In order to mitigate the consequences of not having a staff retention policy, in October 2021, in all IPA structures in Macedonia, a short-term solution for rewarding the employees working on IPA started to be applied. This solution incorporated in the Law on budget execution (on an annual basis), provides 15% higher salary to employees. Although the employees in all IPA structures exercised their right, the employees in the Managing Authority did not receive a 15% higher salary, due to the refusal of the Minister to approve it. This in itself shows that the short-term solution for staff retention is not systemic and does not apply to the entire IPA structure.

The Managing Authority, in anticipation of the new programming period 2021–2027, realized a four-day workshop (funded by the measure Technical Assistance) for improvement and upgrading of the IPARD monitoring system. The aim of the workshop was the need to adapt the monitoring system to the new programming period and to improve the mutual cooperation between the Managing Authority and the IPARD Agency in terms of timely and accurate submission of information on the implementation of the IPARD Programme. Workshop conclusions:

- Having in mind that the Guidelines for monitoring and evaluation were not delivered by DG AGRI, the adjustment of the monitoring system to the new programming period is made on the basis of previously gained experience (the transition from 2007-2013 to 2014-2020 programming period) and following the latest draft IPARD III measures fishes submitted to DG AGRI.
- The procedures for organizing meetings of the IPARD Monitoring Committee, the Rules of Procedure of the Committee and all other working documents of the IPARD Monitoring Committee were discussed and it was concluded that there is no need for significant interventions in the procedures and working documents of the IPARD Committee. IPARD monitoring. It has been noted that over time the IPARD Monitoring Committee has gained momentum due to the increase in the number of members. The participation of the new members initiates the need for their training on the procedures for implementation of IPARD, both those related to the Programme (programming, monitoring and evaluation, publicity of the Programme, use of the measure Technical Assistance), and Agency's procedures for implementation of the Programme (processing of IPARD applications).

- Sets of IPARD III monitoring tables to be submitted to the Agency in order to record Managing Authority's needs and include them in the database created by the project "Customized Software for Integrated Administrative and Control System".

In order to facilitate the process of issuing documents from the Technical Bodies involved and as previously done with two Guidelines made in cooperation with Water Department and Environment Directorate, Managing Authority in cooperation with Food and Veterinary Agency (FVA) prepared:

- Guideline for the necessary requirements for "small scale" manufacturers of animal origin;
- Rulebook for deviations of specific hygiene measures for "small scale" businesses, the manner and the requirements that need to be fulfilled during direct supply of food from the manufacturer to the consumer, the conditions for the processing facilities, the materials, instruments and equipment, as well as the manner of manufacturing food with traditional characteristics.;
- Rulebook for requirements for conditions and hygiene for production and marketing of food from animal origin intended for direct supply, localized activity, in geographic or economic limitations as well as the general and specific requirements for application of traditional methods of production, processing and distribution of food with traditional characteristics.

The Guideline and Rulebooks shall contribute to better explanation and guiding the potential recipients under priority sector for "on-farm processing and direct marketing of own agriculture production" in measure 1. They have been uploaded on the official IPARD web site.

Managing Authority received observations on the 2019 Annual implementation report on 30th of October 2020. In order for the observations to be addressed, Managing Authority submitted the letter of observations together with the observation matrix to all IPARD structures and received their feedback. By the end of 2020, all IPARD structures provided their answer to the reports' observations and final improved version of the 2019 Annual Implementation Report was agreed with and submitted to DG AGRI services in March 2021.

The IPARD Managing Authority continued the process of development of the new IPARD Programme for programming period 2021-2027. According to the Guidelines for preparation of the IPARD III Programme and defined internal timetable with precise schedules for all the necessary steps for development of IPARD III Programme, the Unit for programming and evaluation proceeded with collection of all relevant data needed for preparation of Part I of the Programme – "Description of the current situation". In the beginning of the 2021, the IPARD Managing Authority started with drafting the measures fiches according to the submitted guidelines by the Commission. In the process of drafting the measures, a series of meetings and e-mail communications with IPARD Agency are held, the draft measures are commented and fine-tuned while they are accepted as a final draft and are included in draft IPARD Programme 2021-2027.

One of the outcome in the process of drafting IPARD Programme 2021-2027 are presentation of the results of consultations on programming and provisions to involve relevant authorities and bodies as well as appropriate economic, social and environmental partners in the consultation process of drafting the programming document. The results of the consultations is presented in the separate chapter 13 of the IPARD Programme 2021-2027. The draft IPARD Programme 2021-2027 after several consultations with the DG AGRI representatives is sent to the European Commission services for approval on 25 of November 2021.

All above presented activities are realized through organizing meetings (workshops) with sub-sectoral groups according to the sectors covered under IPARD Programme 2021-2027.

Six different workshops are held covering different sectors supported under measures in the program covering all territory of the country as follows:

1. Work shop in Bitola covering of primary production and processing of - (cereals, fodder, industrial crops, vegetables and organic production);
2. Work shop in Demir Kapija covering of primary production and processing of - perennial crops (orchards, including table grapes, olive trees and vineyards);
3. Work shop in Tetovo covering - Livestock sector (bovine, sheep and goats, primary agricultural production & on farm processing, and processing of agricultural products);
4. Work shop in Kicevo covering - Livestock sector (poultry, aquaculture farms for freshwater fish, primary agricultural production & on farm processing, processing (including eggs and poultry) and fish and fishery products;
5. Work shop in Kocani covering sub-sectors under measure 7 - Alternative agriculture production and processing, horticulture, production of seed and seedling material, bee-keeping, production of food products and beverages, support of crafts activities and support of rural tourism.
6. Work shop in Skopje – Wrap up and summarizing of the results of the previous 5 workshops and presentation of draft IPARD Programme 2021-2027 to the relevant institutions related to the IPARD programming and implementation.

Separate consultations are held with NEA as a final beneficiary under measure 10 “Advisory services” and received comments and proposals are considered as very useful and are included in the draft measure.

A team of external evaluators carried out an ex-ante evaluation of the IPARD Programme 2021-2027, in the period August–November 2021. The final report of ex-ante evaluation of IPARD Programme 2021-2027 is approved (08.11. 2021) and become as a separate chapter of the programing document.

The difficulties occurred in the process of collection of data for monitoring and reporting purposes have been addressed with the start of implementation of the project “Customised Software for Integrated Administrative and Control System (IACS)” - EuropeAid/139016/DH/SER/MK. The project experts performed analysis of the existing systems and procedures in the Agency and based on this started to develop software modules for each activity in the Agency related to implementation of IPARD Programme. Managing Authority’s read only access to standard sets of reports as part of the projects’ module for annual reporting and for on-going monitoring of IPARD Programme implementation, have been developed in parallel with other modules in the Agency. For that purpose, Managing Authority submitted to the project expert its data needs for effective monitoring of IPARD Programme, including the requirements for data regarding IPARD III Programme.

4.2 Activities undertaken by NAO and MS

Referring to the legal framework, during 2021, modifications of the IPARD Programme with letter Ref. Ares (2021)4710595 from 22.07.2021 and List of eligible expenditure with letter Ref. Ares (2021)4263137 from 30.06.2021 were approved.

In addition, amendment to the SA was proposed by DG AGRI in February 2021 (Ref.Ares(2021)1312890- 17/02/2021) and consent to the proposed changes by national authorities in May 2021 (NIPAC letter no.11-73/17 from 04.05.2021).

As regards to the changes related to the formal designations of authorities, new National IPA Coordinator was appointed during 2022 (Decision for appointing NIPAC as of 17th January 2022). Namely, Government of the Republic of North Macedonia appointed Mr. Bojan Marichikj, MSc, Deputy Prime Minister of the Government of the Republic of North Macedonia in charge for European Affairs as National IPA Coordinator (NIPAC) for management of pre-accession funds IPA I and IPA II of the European Union to Republic of North Macedonia.

During 2021, further improvements of the IPARD Agency Manual of Procedures were made. Namely, an amendment has been prepared in the part of Sector for Registers (Referent Price Database) in order to speed up the process of project approval and decreasing the time for approving financial support to the final beneficiaries. These changes foresee engagement of evaluation committee composed of experts as new step in the process of determining reference costs. The amendment is expected to decrease the time for concluding contracts where delays are recorded in securing referent prices from BCE.

The modifications of IPARD Agency Manual of Procedures (version 2.1) were qualified as significant, a consent was issued by NAO and the changes were sent for approval to DG AGRI on 19th of April 2021. National authorities were informed by EC on 18th of June 2021 that the proposed amendments are approved. The consent is issued by NAO for implementation of these modifications as from processing the applications for financial support received under public call 01/2021.

In addition, in December 2021, non-significant modification of the Manual of Procedures for the Sector for General and Legal Affairs (SGLA), version 2.1 (December 2021) are approved by NAO. The need to adjust the applicable procedural arrangements of the IPARD Agency (SGLA) arose from the recommendations issued by the European Commission for reporting irregularities through the Electronic System for Reporting Irregularities IMS/AFIS, as well as recording as irregularities all financial corrections from conducted administrative checks.

I. Effective functioning of the management and internal control systems under IPARD programme 2014-2020

Summary of the reports on the internal audits and of controls carried out by the Management Structure

a) DG AGRI observations and recommendations

During 2021, the communication with DG AGRI was mainly related to clearance of accounts procedure for FY 2019 and FY 2020 and communication related to legal base concerning entrustment for IPA III.

Clearance of accounts procedures

Within the frame of clearance procedures, during 2021, with the letter Ares(2021)4538735 as of 13.07.2021 the clearance of the annual accounts for the FY 2020 was initiated by DG AGRI. With this communication pursuant to Article 41 of the Sectoral Agreement DG AGRI proposed financial reductions for exceeding the six-month deadline for payment to final beneficiaries in amount of

501.921,16 EUR. With letter 10-6205/1 from 2nd September 2021, having in mind that exceptional management conditions due to COVID - 19 pandemic in 2020 were encountered for implementation of all measures from IPARD II Programme, IPARD authorities propose zero reductions to be applied. DG AGRI took into consideration the submitted reply concerning exceptional management conditions due to COVID - 19 pandemic and recalculated the financial reductions for exceeding the six-month deadline for payment to final beneficiaries in amount of 34.222,86. Within this procedure, communication also due to two findings from operations noted by AA in amount of 29.714.52 is still ongoing.

As regards to the clearance of account for FY 2019, after the bilateral meeting held on 22.01.2021 by videoconference and taking into account the additional information by national authorities following the bilateral meeting, DG AGRI propose to exclude from EU financing an amount of 248.202,41 EUR.

Entrustment of the IPARD III

- Draft IPA III Financial Framework Partnership Agreement model (Ref.Ares(2021)4427650-07/07/2021);
- First draft of IPARD 2021-2027 Programme (Letter no.11-1649/2 from 26.11.2021).

Entrustment of the measure Investments in Rural Public Infrastructure

The request for being entrusted with budget implementation tasks (EBIT) for the measure Investments in Rural Public Infrastructure (IRPI) from IPARD Programme 2014-2020 was submitted to EC on 13th November 2018.

However, national managing and operating structure with coordination of the Minister of MAFWE agreed that due to the limited number of HR capacity the entrustment of the measure Investments in Rural Public Infrastructure shall continue when the optimal number of employees is secured in the structures (especially IPARD Agency). For the moment, the national authorities agreed the focus of the employees to be over implementation of already accredited measures, till securing optimal number of staff for implementation of new measure.

b) Audit Authority Reports

The IPA Audit Authority during 2021 issued the following Final Audit Reports for IPARD 2014-2020:

- Final Audit Report for the audit of operations 2 and audit of operations 3 for 2020 in the Agency for implementation of IPARD II Programme - Policy area 4 - Agriculture and Rural development as of 8th of March 2021;
- Final Audit Report for the audit of accounts and annual financial statements for 2020 in NAO/MS and the IPARD Agency as of 8th of March 2021;
- Final Audit Report for horizontal thematic systematic audit of the level of absorption of IPA 2 funds in the IPA Structure of R.N. Macedonia - Policy Area 1, 2, 3 and 4 as of 10th of March 2021;
- Final Audit Report for the audit of operations 1 and 2 for 2021 in the IPARD Agency - Policy area 4 - Agriculture and Rural development as of 30th of December 2021;

The IPA Audit Authority during 2021 issued the following Final Audit Reports for IPARD 2007-2013:

- Final Audit Report for the financial audit of the accuracy and completeness of the financial statements relating to debt for projects financed by IPARD I 2007-2013, Component V - Rural development as of 26th of February 2021;
- Summary Audit Report from verifications on IPARD ex-post control system in the IPARD Agency as of 15th of March 2021 and
- Final Audit Report for the audit of operations of conducted ex-post controls in the IPARD Agency for projects financed by IPARD I Programme 2007-2013, Component V - Rural development as of 29th of December 2021;

During 2021, Annual Audit Report and Annual Audit Opinion from the Audit Authority for 2020 was issued.

With the Annual Audit Opinion auditors expressed an: **Unqualified opinion** regarding the Reliability of the annual - financial reports or statements / annual accounts.

Within the audit opinion, based on the audit procedures with regard to the programme the auditors expressed reasonable assurance that:

- The declaration of expenditures and Annual Financial Reports or Statements/Annual Accounts for FY 2020 issued by NAO give a true and fair view, and

Unqualified opinion with emphasis of matter for legality and regularity of expenditures and functioning of Management and control systems.

Within the audit opinion, based on the audit procedures with regard to the programme the auditors expressed reasonable assurance that:

- The expenditures for which reimbursement has been requested from Commission is legal and regular
- The management and control system is put in place and function properly.

With the opinion attention is given in regard to: lack of supervision in the process of authorisation of commitments and payments, wrong calculation of eligible funds for co-financing, no retention policy and late payments.

In regard to the Annual Audit Activity Report and final reports that were issued during 2021, 21 open findings were followed by NAO related to IPARD 2014-2020, presented in the table:

Institution	Major	Intermediate	Minor	Total	Implemented findings during 2021	% implemented findings
NAO/MS	/	2	1	3	3	100%
MA	/	1	1	2	1	50%
IPARD Agency	3	11	2	16	1	6,25%
Total:				21	5	24%

As regards to the Annual Audit Activity Report for 2020 from 21 findings open for whole IPARD Structure, 5 findings were closed till the end of 2021 or 24%.

In addition, should be noted that findings regarding IPARD 2007-2013 are also followed by NAO since there are still activities that are ongoing concerning their closure.

In order to strengthen this process of overcoming findings, NAO submitted Information to the Government with strict conclusions where all institutions implementing IPA are obliged to

implement strict actions in order to close the open findings. The Government adopted this information and the conclusions proposed on 26th October 2021.

Regarding the open findings from the Audit Authority Reports, NAO in coordination with the operating structure prepared Action Plan (Ref. No.10-2828/1 dated 20th April 2021) and Revised Action Plan (Ref. No.10-sl dated 10.08.2021). With the Action Plan activities for overcoming the findings are envisaged. The NAO support office performs analysis and follows the dynamic of implementation of activities and informs NAO on a regular base regarding the status of implementation of the recommendations.

From the submission of the Annual Audit Report the activities for implementation of audit recommendations were commenced, however for some systemic issues (such as retention policy, employments and etc.) there are still activities ongoing, having in mind that they require support on highest governmental level and inter-institutional coordination. Regarding the retention and motivation policy, initiated by NIPAC (on the basis of Governmental conclusion), working group was established for preparing retention and motivation policy model for IPA staff. In the meantime, until the establishment of the permanent system solution, the Ministry of Finance in coordination with the SEA prepared a temporary solution for 15% salary top up for the employees within IPA structures incorporated within the Law on Budget Execution for 2021 and same is also incorporated for 2022.

According to the last status, can be concluded that 1 (one) finding regarding IPARD Agency was closed related with wrong calculation of general costs (less paid funds).

In addition, following findings remain open:

- 7 (seven) findings from audit on operations related to concluding contract without 3 offers being provided (these findings are part of the procedure of CoA for FY 2020), delay in payment to aid recipients; delay in submission of data by the Technical bodies; delay upon processing of applications; not accepting eligible expenditure for assembling materials and finding related to wrong calculation of the general costs.
- 5 (five) findings from system audits remain open related to HR capacities in the Agency; IT - back up system and delay in submitting reports to MA and NAO.
- 3 (three) findings from financial audits remain open related to budget report; not recorded interest in the Debtors ledger and producing of incorrect Annual Declaration of Accounts for FY 2020.

Regarding MA, during 2021, 1 (one) finding was closed related to non-respect of procedures for preparation of Monitoring Tables. In addition, 1 (one) finding remain open related to securing optimal HR capacities (qualified as medium risk finding).

Regarding the NAO/MS, 3 (three) finding were closed related to: not secured optimal number of HR resources according the WLA (medium risk finding); recruitment of a person seconded from the employment agency (qualified as medium risk finding) as well as finding related with inadequate legal status of persons performing task and inconsistent systematization with the needs of the sector (qualified as low risk finding).

c) Internal Audit

Management Structure

According to the Annual Audit Plan for 2021 of the Department for Internal Audit within the Ministry of Finance (No.23-8927/1 dated as of 01.12.2020) one audit mission was planned and realised within NAO/MS. The audit mission was performed during second and third quarter of 2021 related to the internal controls of the process of accounting in the IPA Funds Management Department. According to the Final Audit Report number 23-4302/4 as of 25th August 2021, two medium risk findings were identified in relation to identified weaknesses in the establishment and functioning of the system of internal controls in the implementation of the accounting process and the process of reconciliation of accounts.

For 2022 the Annual Audit Plan of the Ministry of Finance (No.23-10324/1 dated as of 24.11.2021) foresees audit mission over the system of internal controls in the process of human resources management in the IPA Fund Management Department.

IPARD Agency

According to the Annual Audit Plan in IPARD Agency for 2021 (No.32-2872/2 dated as of 14.12.2020) 10 audit missions were planned, out of which 5 audits over processes concerning IPARD and one general audit of process of recording working hours and salary preparation of AFSARD employees. Also one audit upon request by the director is foreseen (which might be also on IPARD if needed). With the Revised Annual Audit Plan in IPARD Agency for 2021 (No.32-2153/1 dated as of 03.12.2021) 1 audit over the processes concerning IPARD has been moved for realization in 2022 due to the reduced capacity in terms of available human resources in the Sector for Internal Audit within IPARD Agency.

During 2021, following audits were conducted: Follow up audit on the implementation of recommendations, Audit of process of recording working hours and salary preparation of AFSARD employees, Audit over the process of Referent price database, Audit of process on the spot control before payment from IPARD Programme 2014-2020 and Audit over the process of project approval and contracting from measure 7. Also, two audits from the Annual Audit Plan for 2020 were conducted during 2021: Audit of process on the spot control before payment from IPARD Programme 2014-2020 and Audit of process of authorization of payments from IPARD Programme 2014-2020.

One remaining audit from Audit Plan for 2021 is started in December and will be finished during the first month of 2022.

The Annual Audit Plan in IPARD Agency for 2022 (No.32-2153/6 dated as of 15th December 2021) is adopted. According to the plan 6 audit missions are planned, out of which 5 audits over processes concerning IPARD and one audit upon request by the director is foreseen (which might be also on IPARD if needed).

Managing Authority

The Sector for Internal Audit in the Ministry of Agriculture, Forestry and Water Economy performs internal audit over the Managing Authority.

The Annual Audit Plan for 2021 of the Ministry of Agriculture, Forestry and Water Economy foresees audit mission over the process of publicity of IPARD Programme. The audit still has not been performed and according to the information submitted by MA the audit is planned to be performed during 2022.

For 2022 the Annual Audit Plan of the Ministry of Agriculture, Forestry and Water Economy (No.20-567/1 dated as of 13.01.2022) foresees audit mission over the process of organisation of a Monitoring Committee for the IPARD Programme for 2020.

d) External audit

During 2020, was conducted audit pursuant to Article 50(1)(c) of the IPARD II Framework Agreement. The audit mission was conducted by an external audit company (contractor).

The main objective of the audit was to examine whether the IPARD agency complies with the ISO 27002:2013 information security standard and limited review with focus on follow up of information security of the systems used by the National Fund and National Authorising Officer. The audit was conducted from 21-25 September 2020 and the preliminary findings were presented on the closing meeting. Final report from this mission is expected.

e) Verification visits carried out by the MS/NAOSO

NAO support office within the Annual plan for verification visits for 2021, planned three verification visit.

The first verification visit for checking compliance of the implementation of approved exception related to use of alternative means for on the spot verifications before contracting (from public call 01/2020 for M1) started in December 2020 and a Final report was issued in March 2021. The general conclusion is that use of alternative means of conducting the checks provide confirmation of compliance with the criteria of the IPARD Programme, i.e. it enables efficient processing of the Applications for financial support. One finding with medium priority and one risk were detected during this verification visit.

Second verification visit was related to the process of Administrative check of the paid projects in Q3 and Q4 2020 under Measure 1, 3 and 7. Verification process has started in May 2021 and a Final report was issued in September 2021. With this verification visit were checked projects in amount of 873.241,59 EUR which amount represents around 16 % of the total amount paid in the referent period. Within this visit two finding with potential financial impact are issued under this verification visit. The activities for overcoming these findings are ongoing.

Third verification visit for Administrative check of the projects before contracting under Measure 1, 3 and 7 started in September 2021 and a Final report was issued in January 2022. With this verification visit were checked projects in amount of 4.047.708,71 EUR which amount represents 17,48% of the total contracted amount within public calls 01/19, 02/19 and 01/20. Within this visit three high findings with potential financial impact and one finding with medium priority were detected. The activities for overcoming this finding are ongoing

Annual Plan for Verification Visits for 2022 is adopted on 24th January 2022 foreseeing three visits (one for compliance with the requirements regarding entrustment of the budget implementation tasks for IPARD III and two visits related to the processes of payments and ex-post - on the spot checks).

Annual Management Declaration submitted by IPARD Agency and Management Authority

Annual Management Declaration (AMD) was prepared and submitted by the Director of IPARD Agency to NAO on 17th January 2022. With the AMD is confirmed that the established management and internal control system within IPARD Agency operates effectively and in accordance with the accredited procedures and gives the necessary guarantees concerning the legality and regularity of the underlying transactions.

Annual Management Declaration (AMD) was prepared and submitted also by the Head of Managing Authority to NAO on 13th January 2022 (Letter No. 20-566/1). With the AMD is confirmed that the established management and internal control system within MA operates effectively and in accordance with the accredited procedures.

Work performed related to the risk management of the IPARD structures

The Risk Management procedure is regularly performed twice a year by the Risk Management Structure. The Risk Registers of all institutions involved in the implementation of IPARD II Programme (Management Structure, Managing Authority and IPARD Agency) are regularly updated according the activities taken for mitigation of risks. Two Risk Management Panels have been organized during 2021, one on 11th May 2021 and the second one on 19th November 2021. On the Risk Management Panels all risks regarding implementation of IPARD II Programme are discussed and reviewed. After the Panel meetings, a Consolidated Risk Register was adopted by NAO and consequently officially communicated to all concerned parties. Appropriate activities were defined in the Action Plan in order to mitigate the identified risks. The activities are commenced and ongoing. On the risk management panels and during implementation of risk management procedure, special attention is given on fraud risks. Due to COVID 19 outbreak the risk management panels were held online.

According to the last adopted Consolidated Risk Register (Action Plans for mitigation of risks), the following risks on entity level is considered as high: staff turnover, lack of staff, overload of working tasks and inability to attend organized trainings. High risks on activity level were also identified and followed in continuity, concerning the following impact areas: processing the law suits; quality of executed on the spot checks and using, updating and maintenance of the reference price database".

Regarding Information Security one risk is considered as high: delays in implementation of the Action Plan for Information Security. Also, high fraud risks were detected through the Fraud Risk Assessment Tool concerning the following impact areas: acceptance of non-eligible cost, overpayment due to overvalued reference price and created artificial conditions in order to obtain grand support.

Corrective measures were also discussed and established in order to mitigate the expressed risks.

Administrative capacities of the institutions within IPARD structure

Management Structure

According to Workload Analysis of the Management Structure, it was identified that optimal number of employees for 2021 is 19 (including NAO).

The number of employees in the Management Structure at 31st of December 2020 was 15 (fifteen), including NAO.

During 2021, 1 employee has left the IPA funds management Department from the working position Junior Associate - Financial Controller on 19 February 2021.

In addition, on 10 March 2021, under Public announcement for employment of administrative officers four employees were employed in the IPA Funds Management Department (2 Junior Associates for Financial Management, 1 Junior Associate for effective functioning of the EU Fund management and control and 1 Junior Associate for human resources and support to irregularities officer).

One employee who was engaged under contract for temporary employment, with Decision for employment under Public announcement was transformed on permanent basis. Also, the MS employee that had Decision for employment within Tax and Customs Policy Department, with Decision dated 12th February 2021 was formally transferred in the IPA Funds Management Department.

During first half of 2021 three promotions have been finalised in IPA Funds Management Department, namely two junior associates and one associate were promoted on position adviser.

Regarding the long leaves, three employees are expected to be on maternity leave in the period second half of 2021/first half of 2022 (Head of the IPA Funds Management Department and two Advisers for effective functioning of management and control system). Accordingly, at 31st of December 2021 the number of employees in MS is 18, including NAO.

According to the situation at the end of 2021, the occupancy rate of the working posts in the IPA Funds Management Department is 95%. The Workload Analysis for the period 2022-2024 was prepared and the results of the calculations showed that the optimal number of employees in MS for 2022 is 19 (nineteen).

IPARD Agency

According to the Workload Analysis (WLA) for 2021 the optimal number of employees needed in IPARD Agency for implementation of the accredited measures, including the measure Investments in Rural Public Infrastructure (IRPI) was 151 employees. At the beginning of 2021, IPARD Agency numbered 123 employees designated to work in IPARD structure.

During 2021, IPARD structure within IPARD Agency was increased for 14 employees and in the same time was decreased for 8 employees. In addition, 13 (thirteen) people were promoted.

Public call for employment of 6 employees on permanent basis is published in December 2021 and should be finalised during Q1 2022.

According to the WLA analysis of the IPARD Agency for 2022 the optimal number of employees in the Agency is 165. With the WLA for 2022 one new Sector (Sector for Information and Communication Technology) is included in the IPARD structure of the Agency, however this inclusion has not implicated new needs since the Sector is sufficiently staffed. Also, Sector for Control increased the number of employees that work on IPARD related issues, meaning as of 2022 the whole sector (taking into account general authorisation, controllers working in the Unit designated for national measures shall be used in IPARD as well). Taking into account this increase all needed positions in the Sector for Control for implementation tasks regarding IPARD Programme are considered as fulfilled.

With this changes as of 01st of January 2022, IPARD structure within the Agency numbers 146 employees (129 at the end of 2021 increased with Sector for IT (7 employees) and 10 employees from Sector for on the spot control (inclusion of controllers working on national measures).

Managing Authority

According to the Workload Analysis (WLA) for 2021, Managing Authority has set optimal level of staff on 17 employees. At the beginning of 2021, MA numbered 15 employees.

During 2021 one employee who was temporarily assigned to perform work tasks in the regional unit of MAFWE end his employment.

According this changes, the number of employees in MA at the end of 2021 is 14 (Including HoMA) and the occupancy rate is 82%.

The Workload Analysis for the period 2022-2024 was prepared and the results of the calculations showed that the optimal number of employees in MA for 2022 is 17 (seventeen).

IPARD Structure capacities

In the table below are presented the data regarding the human capacities in the IPARD Management and Operating structure for the year 2021:

Institution	Number of staff on 31.12.2020	Number of staff needed as per WLA 2021	Realized new recruitments by 31.12.2021	Left the position 31.12.2021	Number of current staff 31.12.2021	Current occupancy rate	Turnover rate
NAO/NF	15	19	4	1	18	95 %	6,67 %
IPARD Agency	123	151	14	8	129	85 %	6,50 %
Managing Authority	12	17	0	1	14	82 %	6,67 %
Total	153	187	18	10	161	86 %	6,61 %

In total for implementation of IPARD II Programme for 2021 were needed 187 employees. The number of staff at the end of 2021 is 161 employees or round 86% occupancy rate representing increase of 4% in relation to 2020.

In 2021 staff turnover on the level of the programme (IPARD II) is 7%.

In 2021, there is positive net balance of 8 employees, meaning 18 employees were engaged during 2021 contrary to 10 left the institutions.

Table - IPARD structure changes with cut of date 01.02.2022 as per WLA 2022 needs including the changes regarding SICT and SC.

Institution	Number of staff on 01.01.2022	Number of staff needed as per WLA 2022	Realized new recruitments by 01.02.2022	Left the position 01.02.2022	Number of current staff 01.02.2022	Current occupancy rate	Turnover rate
NAO/NF	18	19	0	0	18	95 %	0,00 %
IPARD Agency	146*	165	0	2	144	87 %	1,40 %
Managing Authority	15**	17	0	0	15	88 %	0,00 %
Total	179	201	0	2	177	88 %	1,10 %

* with WLA 2022 for IPARD Agency the Sector for Information and Communication Technology is included in the IPARD structure and 7 employees engaged in this sector are presented in this number as of 01.01.2022. Also from Sector for Control all employees are included

in the IPARD structure (meaning inclusion of controllers working on national measures). This changes shall be considered in the baseline for calculating needs in 2022 and shall not have effect on the calculating the needs and turnover for 2021.

** from 01.01.2022 in MA one employee from the Unit for Leader measure is included taking into account active involvement concerning working tasks for all MA activities

By the preparation of this self-assessment report, following can be reported:

Regarding the staff retention in IPA Structure on 28th July 2021, the Amendments to the Law on Execution of the Budget for 2021 were adopted and published in the Official Gazette. With this amendments short term temporary solution for motivation and retention of staff in IPA structures (Retention Policy) is implemented. The solution provides 15% flat rate top up on the salary of the staff in the IPA structures till the end of 2021 and same is also incorporated for 2022. With this solution is intended to overcome the gap till adoption of long term systematic solution.

In parallel, working group established by NIPAC is working on long term systematic solution of retention and motivation policy that should be placed in the Law on Administrative Servants and related legal acts.

In addition, Government of Republic of North Macedonia on session held on 09th of February 2021 adopted conclusion where line ministries part of the operating structure are obliged urgently to revise their recruitment plans according the needs within IPA structure and to fulfil empty working posts within the IPA structures by the end of first quarter 2021. Accordingly, with the same conclusion, Ministry of finance is obliged to give consent for these employments.

Furthermore, on 04th March 2021, NAO in coordination with the Minister of finance prepared comprehensive plan for requirements for all IPA structures, with in total 89 (eighty-nine) planned new employments for all IPA 2 programmes including IPARD 2 Programme. The Ministry of Finance approved funds for employment of 27 civil servants and 16 promotions for IPARD Agency. The employment / promotion procedure started at the end of June 2021.

According to the conducted internal announcements, out of the planned 16 promotions, IPARD Agency informed that 13 promotions were realized in IPARD structure.

From the public call for employment of 27 civil servants, unfortunately were realized only 4 new employments and 8 employment contracts were transformed from temporary on permanent basis within IPARD structure in the Agency. Due to unsuccessful procedure, from this call, out from this 27 approvals, new public call for employment of 6 employees is re-published in December 2021 and should be finalized during Q1 2022.

Irregularity management

The NAO received 9 cases of irregularity from the IPARD Agency during 2021. The cases were analysed and appropriate corrective measures were undertaken by the relevant institutions, under coordination of NAO. This cases were reported through IMS during 2021.

The newly identified irregularities might be considered from the following aspects, as presented below:

- All cases were qualified as irregularity;
- All cases are still open;
- All cases were identified before the payment was made, thus has no financial impact.

Table 1

Irregularities identified during 2021

Total number of irregularities	Irregularities before project approval	Irregularities before payment	Irregularities after the payment was made	Other cases (not related to applicant)
9	0	9	0	0

Table 2

Qualification of irregularity		Opened	Closed	Total
	suspected fraud	0	0	9
	irregularity	9	0	
Financial Impact	with financial impact	0	0	9
	without financial impact	9	0	

During 2021, IPARD Managing and operating structure is implementing the activities stated within the Action Plan for implementation of the National Anti-Fraud Strategy. Some of the activities in the Action Plan are being postponed due to Corona virus.

The National Anti-Fraud Strategy on Protection of the Financial Interests of the European Union in the Republic of Macedonia for the period from 2019 to 2022 outlines the agreed priorities and actions of the competent national authorities in the field of protection of the financial interests of the European Union in the Republic of North Macedonia.

With the aim to improve the institutional and legal framework and achieving full operability of the System for the protection of the EU's financial interests in the Republic of North Macedonia, within the IPA Twinning Project No. MK18IPAFI0119 "Strengthening Budget Planning, Execution and Internal Control Functions" is envisaged drafting new improved NAFS for the protection of the financial Interests of the European Union in the Republic of North Macedonia for the period 2022-2025 in line with the findings and recommendations from the Evaluation report on the implementation of the NAFS for the protection of the financial interests of the European Union in the Republic of North Macedonia 2019-2022.

The new improved NAFS will be adopted by the Government of the Republic of North Macedonia. The new improved NAFS will have a four-year period of application (2022-2025) and its action plan will cover a two year period.

II. Financial management of EU funds in the Republic of North Macedonia and for the legality and regularity of the underlying transactions

Financial management

Financing Agreement under the Programme for Agriculture and Rural Development of Republic of North Macedonia under the Instrument for Pre-accession Assistance (IPA II) for the years 2014-2020 has been signed between the EC and the Government of Republic of Macedonia and entered into force on 29.06.2017.

Pursuant to Article 33(3) of the Framework Agreement and Annex 7 of the Sectoral Agreement, NAO sent to the Commission a Forecast of its Likely Payment Request for 2020-2021 for the programme on 15th January and 15th July 2021. Base for preparation of the forecasts is the plan for publication of public calls as well as plan for financial realization of the calls/signed contracts between IPARD Agency and recipients, both being provided to NF by IPARD Agency. MS view is that

cooperation among the relevant sectors in the Agency for this exercise is still not on a satisfactory level and regularly point out by email and on meetings for providing realistic and timely data. Agency has to increase its internal cooperation with involvement of project approval, on-the-spot control team, authorisation of payment, finance unit in providing valuable information for defining proper file processing time line.

This is being stressed by NF/NAO in the past years on a regular base. Being aware of the situation, NF performs additional analyses taking into consideration the experience and disbursement pace from previous years, obtained information from Agency on contracts status, problems encountered availability of funds in the national budget, etc. Once, having all of this information processed, NF prepared Forecast of its Likely Payment Request.

In the tables below are presented the executed payments – IPA contribution in Euros in 2021 and for the period 2014-2021, as well:

Measure	Executed payments in 2021 – IPA contribution in Euros
Measure 1	3,283,331.92
Measure 3	2,137,312.77
Measure 7	1,579,600.59
Measure 9	120,823.80
Total	7,121,069.08

The analyses refers to the EU contribution expressed in Euro

Overall status of Programme for the period 2014-2020				% compared with available budget
	IPA	NCF	Total	
Available budget 2014-2020	60.000.000	19.766.275	79.766.275	
Disbursed	21.488.705,88	7.140.639,31	28.629.345,19	36 %

The analyses refers to the EU contribution expressed in Euro

Pursuant to Article 37 of the Sectoral Agreement, NAO has sent four Declarations of Expenditures that served as Payment requests for the expenditure incurred and revenues generated in the course of 2021. The payment requests were regularly sent through SFC 2014 by National Fund. There was no de-commitment of funds at the end of 2020.

IPARD II Calculation of De-commitment Risk According N+3 / N+4 Rule		
Reference		Community Contribution in €
1	Allocations 2018	10,000,000.00
2	Secured funds from 2018	5,059,486.58
3	Declared in Q1 2021	713,841.76
4	Declared in Q2 2021	3,535,624.99
5	Declared in Q3 2021	1,761,688.38
6	Declared in Q4 2021	1,109,891.31
7	No De-commitment at the end of 2021 i.e amount of secured 2022 allocation 7=2+3+4+5+6-1)	2,180,533.02

The analyses refers to the EU contribution expressed in Euro

Accounting

National Fund accounting system complies with the International Public Sector Accounting Standard for Public Sector (IPSAS). The accounting system of the NF is executed, through electronic version using SAP system, where SAP represents an integrated system where all data are entered

and interconnected. Financing agreement, approval of request for funds, transfer of funds from the IPARD Euro account to IPARD Agency based on approved request for funds, payment application and received funds from EC on the NF IPA Euro account were properly recorded in the NF accounting system.

Planning and monitoring of implementation of the IPARD Programme

During 2021, one public call was published. Public call 01/2021 for measure 7 was closed in September 2021.

Available budget within the IPARD Programme 2014 – 2020 is 79.766.274,51 EUR (EU+NCF) out from which by the end of 2021 is contracted nearly 80%.

Rate of actual disbursement of the contracted (contracted amount without amount of cancelled contracts and annexes of contracts) is at satisfactory level of 46 %.

During 2021, it is evident increased rate of cancelled contracts. Also it is expected in the next period cancelation of contracts to continue due to increased prices on the market regarding the raw materials, good and services especially in the construction area.

4.3 Activities undertaken by the IPARD Agency

4.3.1 Progress in collecting follow-up data

In compliance with the responsibilities undertaken from the Implementing Agreement between the MA and the IPARD Agency, the IPARD Agency reported on regular basis about the execution of IPARD Programme.

The exchange of data is done through the Monitoring and evaluation tables for IPARD Programme as well as with other prepared reports upon request of MA, which consisted data that were not included in the tables but were relevant for the execution of the Programme.

In 2021, the IPARD Agency with the defined deadline and on a regular basis delivered to the MA the monitoring tables for implementation of the IPARD Programme, which include information for physical and financial indicators, reports from the performed controls, identified irregularities and additional requests for reports, defined in the Implementing Agreement.

The collection of the data and preparation of reports was maintained manually in excel.

During 2021, IPARD Agency recorded all transactions in SAP software. As soon as we are convinced that all reports generated through the SAP are true and accurate, SAP software will be used as only tool for accounting in IPARD Agency and all financial indicators will be withdrawn from the system.

Because of previous plans to improve the efficiency of the Agency, by improving the transfer of data and information with the Managing Authority, the Agency made a resolution to form a working group, composed of members from the Agency, MA and the Ministry of Finance. This working group is responsible for implementing the project "Integrated Administration and Control System (IACS)".

The working group has to participate in the activities of the project "Adjusting the Integrated Administration and Control System (IACS)", more specifically in the implementation of the IPARD module as a software solution, which will lead to increased efficiency and effectiveness. The final goal is to simplify the data transfer and communication between the institutions and increased data transparency. Furthermore, the Agency intends to introduce online applications for the IPARD funds, more specifically the IPARD 3 Programme.

4.3.2 Summary from the Contract follow-up

In terms of implementation of the IPARD Programme 2014-2020, in 2021, the IPARD Agency signed contracts for 2.155 applications in the supported amount of 49.691.546,00 € .

For the public calls 01/2017, 01/2018, 02/2018, 01/2019, 02/2019, 01/2020 and 01/2021 IPARD Agency approved and signed cumulative 1.739 contracts. Regarding measure 1, 1.595 contracts in the amount of 10.702.275,00 € have been signed. In Measure 3, the Agency approved and signed 83 contracts in the amount of 8.402.106,00 € and in Measure 7, 49 contracts in the amount of 2.242.376,00 € have been concluded. In Measure 9, the Agency contracted 12 projects in amount of 141.950,00 €.

In 2021 the IPARD Agency published public call 01/2021 for IPARD II Programme for Measure 7 "Farm diversification and business development".

Most signed contract concerned purchase of equipment and machinery which have short investment implementation period and therefore no progress report letter were required from the applicant.

Regarding claims for payment, during 2021, the IPARD Agency received 4.149 claims for payment from all publish calls. These were processed or are still processing in the current year. IPARD Agency approved cumulative 2.155 claims for payment and paid claims for payment 1.739 in total amount is 21.488.707,00 €.

Data is given in the table for received, approved and paid claims for Measure 1, Measure 3, Measure 7 and Measure 9, cumulative from 2018 year to 2021 year.

	Measure 1	Measure 3	Measure 7	Measure 9	total
Received claims for payment in 2018	1.404	57	187	3	1651
Received claims for payment in 2019	2.503	122	187	8	2820
Received claims for payment in 2020	3.251	183	448	12	3894
Received claims for payment in 2021	3.251	183	698	17	4149
Approved and signed claims for payment in 2018	902	30	20	3	955
Approved and signed claims for payment in 2019	1.156	67	23	8	1254
Approved and signed claims for payment in 2020	1.485	101	60	12	1658
Approved and signed claims for payment in 2021	1.917	118	103	17	2155
Total approved amount for payment in 2018	116	8	0	3	127
Total approved amount for payment in 2019	801	28	7	7	843
Total approved amount for payment in 2020	1.217	55	13	8	1293
Total approved amount for	1.595	83	49	12	1739

payment in 2021					
Paid amount in 2018	452.878	546.071	0	3.836	1.002.786
Paid amount in 2019	5.772.283	4.180.095	59.921	9.319	10.021.618
Paid amount in 2020	7.418.942	6.264.792	662.775	21.126	14.367.635
Paid amount in 2021	10.702.275	8.402.106	2.242.376	141.950	21.488.707

During 2021 year IPARD Agency executed administrative controls to all submitted applications. In addition reasons for rejection of application prior the signing contracts are provided:

Completeness:

- the applicant has not submitted a response within 15 days after the received Notification for completing the application;

Public call	Measure 1	Measure 3	Measure 7
All calls	576	30	3

- the applicant has submitted a response within 15 days after the received Notification for completing the application, but there were some documents missing or the submitted documents were not valid.

Public call	Measure 1	Measure 3	Measure 7
All calls	32	6	92

Eligibility:

- capital/family connection between the suppliers or between supplier and the applicant;

Public call	Measure 1	Measure 3	Measure 7
All calls			2

- proportional increase of the prices of the submitted offers (inflated prices in the offers), which indicates that the offers are not issued from independent suppliers;

Public calls	Measure 1	Measure 3	Measure 7
All calls	2	2	4

- proposed investments are not eligible according to the IPARD Programme;

Public call	Measure 1	Measure 3	Measure 7
All calls	236	7	163

- in the administrative processing of the applications has been found that the choice for the best offer is made before providing the offers, which indicates that the applicant did not respected the procedure for selecting most suitable supplier, and he has first chosen the supplier and then obtained the offers.

Public call	Measure 1	Measure 3	Measure 7
All calls	1	1	2

Reasons for rejected received applications are not fulfil the criteria of the IPARD Programme.

In the decision to reject the application, list of the all details for rejection is contained, while the spreadsheet/registers for received applications/lists the reasons for the rejection in accordance with the accreditation form.

During 2021, Sector for authorization of payments rejected/cancelled 10 claims for payment. The reasons for rejection of claims/cancelation of contracts are infringement of the contract, have not

delivered claims for payment. Failure to comply with the legal provisions that the applicant is obliged to submit request claims for payment in specified time, defined in contract.

Reasons for issuing Decisions for recovery of fund: infringement of the contract, overpayment, administrative mistake.

As regarding on-the-spot controls, Sector for on-the-spot Control has carried out in total:

- 235 on-the-spot controls prior approval of which:
 - 150 on-the-spot controls at investments under Measure 1
 - 85 on-the-spot controls at investments under Measure 7
- 333 on-the-spot controls prior payment, of which:
 - 265 on-the-spot controls at investments under Measure 1
 - 28 on-the-spot controls at investments under Measure 3
 - 40 on-the-spot controls at investments under Measure 7
- 174 ex-post on the-spot controls, of which:
 - 172 on-the-spot controls at investments under Measure 1/101
 - 1 on-the-spot controls at investments under Measure 3/103
 - 1 on-the-spot controls at investments under Measure 7/302

The Sector for on-the-spot control has carried out 5 on-the-spot controls for establishing hidden works during realization of investment

- 3 on-the-spot controls at investments under Measure 3
- 2 on-the-spot controls at investments under Measure 7

4.3.3 Critical issues in implementing the IPARD Programme

In 2021, after the modification of the IPARD Programme 2014-2020 (making completeness of the application form mandatory), the Agency accordingly made certain changes in the internal procedures (introduction of evaluation committee in determination of reference prices) and the control lists according to the proposed modifications. In addition, one of the most significant changes for the new programming period is that the Agency as much as possible of the required documentation will obtain through ex officio, which would enable to shorten the application procedure for completing the applications i.e. to shorten the procedure for approving the applications.

Progress Summary from the implementation of the Community Financial Support

Most critical issues still remains the human resources capacities and the time frame for processing the applications. Since the number of applications received on public call is significantly increased the current staff is challenged to meet the deadlines determined by law for processing the applications and the claims for payment.

While processing the claims for payment in 2021 the Agency encountered problems during the processing of the claims for payment, difficulties for the beneficiaries in providing the necessary documentation, providing proof for origin of the materials and the equipment, timely and correctly update of the accounting records.

Specific problem areas can be seen in respecting deadlines and stipulations stated in the contract for co-financing.

The technical specification for measure 9 (ORBIS) has been submitted by the IPARD Agency to the Managing Authority and it is expected that documentation for the implementation of the procurement will be submitted.

4.3.4 Results from performed on-the-spot controls and identified irregularities

There have not been any irregularities established and reported while carrying out the OTSC.

4.4 Report on the work of the IPARD Monitoring Committee

The Minister signed the Decision for establishment of IPARD II Monitoring Committee in October 2017. During 2020 and 2021 due to the COVID 19 pandemic, some committee members did not actively participate in the Committee's work. Therefore and in line with the Rules of Procedure of the Monitoring Committee, the Managing Authority updated the status of the members in the Committee in November 2021. Changes occurred in the Non-governmental representatives. Namely, although asked on several occasions by the Managing Authority, the Association of Chamber of Commerce did not nominate representative in the Committee. In addition, two more organizations were excluded from the work of the Committee (Association of farmers of Macedonia and Union association of agricultural producers-SPAS), since they've stopped existing and their representatives did not attend at the Committee meetings. The National federation of farmers was introduced as new member in the work of the Committee.

With the new Decision on establishment of IPARD Programme 2014-2020 Monitoring Committee, the Committee comprises of 32 representatives, 14 governmental representatives (4 from MAFWE), 17 representatives of social and economic partners and the Chairperson.

Since its inception in January 2016, the IPARD Monitoring Committee has held 9 meetings. The meetings of the Committee are organized using support provided by the Technical Assistance measure. A company engaged in 2021 shall support the Managing Authority in organization of Monitoring Committee meeting by the middle of 2023.

Main Decisions taken by the Monitoring Committee during 2021:

- The IPARD Monitoring Committee reviewed and adopted (by written procedure) the Annual report on implementation of IPARD Programme for 2020.
- The IPARD Monitoring Committee reviewed and adopted (by written procedure) the third modification of the IPARD Programme 2014-2020.
- The IPARD Monitoring Committee reviewed and adopted the Action Plan for activities envisaged in the technical assistance measure for 2022 (APTA 2022).
- The IPARD Monitoring Committee reviewed and adopted the Annual Action Plan for Communication and Publicity for 2022 for the IPARD Programme 2014-2020.

4.5 Evaluation of the IPARD Programme

Evaluations shall aim to improve the quality, effectiveness and consistency of the assistance from Union funds and the strategy and implementation of the IPARD II Programme. The IPARD II Programme shall be subject to ex-ante and ex-post and, where considered as appropriate by the Commission, interim evaluations carried out by independent evaluators under the responsibility of the MA.

In a line with the preparation of IPARD Programme 2021-2027, the activity for procurement of services for ex-ante evaluation of the IPARD Programme 2021-2027 with support from TA measure was realized. The purpose of the ex-ante evaluation is to provide the MAFWE, with an independent and external evaluation of the draft IPARD III Programme with a view to improve its relevance, coherence, quality, efficiency, effectiveness, EU added value, consistency and synergy with relevant policies, where appropriate and necessary. The final report is approved on November 8th 2021 and will be attached as an annex to the IPARD Programme 2021-2027.

Mainly, the limited capacity and knowledge in evaluation methods, including the methods for primary data collection in MA and the delays in data delivery from the IPARD Agency are remaining as a main obstacle towards the implementation of the evaluation system, which shall support the improvement of the overall implementation of the programme. The delay of information and data transfer from the IPARD Agency due to manual processing of data, further delays the MA activities and prevents timely actions for improving the legal documents related to the programme implementation.

At the 9th MC meeting, MA representative informed on the results of the ongoing evaluation activities, which emphasize the limited capacity and knowledge of the evaluation methods, including the methods for collecting primary data in MA, as well as delays in the delivery of data by the Agency, which remains a major obstacle to the implementation of the evaluation system. The risk of delayed and inconsistent data regarding the published public calls is emphasized, as it contributes to further delays in improving other legal or program requirements, as well as to the overall upgrade of the implementation processes of the IPARD Programme.

4.6 The use of Technical Assistance

The implementation of the measure Technical Assistance proved to be of significant importance for the Managing Authority and the IPARD structures in whole, since the IPARD Agency, Management Structure and different stakeholders involved have indirectly benefited its implementation. During 2021, the implementation of the measure was highly influenced by the Covid-19 pandemic. Implied restrictions for gathering had consequences on the realization of some contracts under the measure (organization of Monitoring Committee meetings, meetings with sub-sectoral groups, workshops and forums part of the publicity actions of the Programme), especially ones where physical presence of participants was crucial or more effective.

In total, Managing Authority submitted 17 applications for using support under measure Technical Assistance in amount of (318.318 € EU support). All applications were approved and contracted by the Agency. The realization of 12 contracts was finished and the Agency has paid 141.950 € EU support.

The process of procurement of evaluation services for ex-ante evaluation of IPARD III Programme started at the beginning of 2021 and was consequently finished by the end of 2021, producing final report, which is an integral part of the IPARD III Programme.

In addition, Unit for Technical assistance realized a procurement for a workshop for the needs of the Unit for Monitoring of the IPARD Programme in Managing Authority. The topic of this workshop was "Improvement and upgrade of the IPARD monitoring system in anticipation of the new programming period".

The measure also supported the consultative process in drafting the IPARD III Programme via organization of meetings with all sub-sectoral groups according to the sectors covered in the IPARD Programme and organization of meetings with LAGs. All sub-sectoral groups meetings were realized during July, August and September to present the draft version of the IPARD Programme 2021-2027. In addition, in this reporting period one meeting with registered and potential LAGs was held.

Having in mind that implementation of the IPARD II Programme entered its final phase, Managing Authority staff started with planning (prepared ToR and Tender Dossier) of publicity campaign aimed at presenting successful examples from IPARD implementation and keeping the public informed and prepared for the new IPARD III Programme.

In October, activities regarding procurement of services for design and maintenance of website for the IPARD Agency, procurement services for control of capital connection between different legal entities (also for the Agency) and procurement for a training workshop for members of the Monitoring Committee started. All these procurement activities are in a different stage of implementation. Outcomes are expected early in 2022.

Technical (office) capacities of Managing Authority were also strengthened using support from the measure. Two procurements of office supplies were done during 2021.

Envisaged activities within APTA 2022:

In December 2021, on the 9th meeting of the IPARD II Monitoring Committee, APTA for 2022 was adopted. The following activities are subject of procurement:

- Training for the members of the Monitoring Committee - organizational set-up and role of the overall IPARD structure, role of the members of MC, the importance of the contribution of the members of MC in the process of implementation of IPARD, in indicative amount of 12.000 €.
- Translation of Programme documents in indicative amount of 8.000 €.
- Participation of national representatives on visits and seminars in indicative amount of 65.000 €.
- Training to prepare potential LAGs for implementation, analysis of the situation with the number of municipalities included in the LAG, revision of existing strategies, hiring experts to develop strategies in indicative amount of 12.500 €.
- Stationary, office materials and cartridges in indicative amount of 2.500 €.
- Organization of meetings for establishment (formation) of a national network for rural development in indicative amount of 2.500 €.
- Meeting with sub-sectoral groups according to the sectors covered in IPARD Programme in indicative amount of 2.500 €.
- Synchronization of Agency's procedures with the criteria of the new Programme for existing measures in indicative amount of 2.500 €.
- Establishment of procedures for new measures (measure 4, measure 5, measure 10) in indicative amount of 2.500 €.
- Improving the system for implementation of measure IPARD Technical Assistance in indicative amount of 15.000 €.
- Training on publicity of IPARD in order to improve transparency, visibility and information in indicative amount of 2.500 €.

- Improvement and upgrade of the IPARD monitoring system in anticipation of the new programming period, in indicative amount of 2.500 €.

4.7 Activities for stakeholders involvement in IPARD implementation

Managing Authority included all relevant authorities and bodies as well as appropriate economic, social and environmental partners in the consultation process of drafting the programming document. The results of the consultations is presented in the separate chapter 13 of the IPARD Programme 2021-2027.

All above presented activities are realized through organizing meetings (workshops) with sub-sectoral groups according to the sectors covered under IPARD Programme 2021-2027. Six different workshops are held covering different sectors supported under measures in the Programme.

Separate consultations are held with NEA as a final beneficiary under measure 10 "Advisory services" and received comments and proposals are considered as very useful and are included in the draft measure.

In addition, MA staff has participated in the presentations of the opportunities that IPARD II Programme gave to the potential recipients based on the invitation of different associations and unions (Chamber of commerce, Farmers associations, Cooperatives, etc).

Regarding the preparations for the implementation of the LEADER measure, Managing Authority continued the coordination meetings with representatives of the rural development network and MAFWE colleagues from the rural development Department. Considering that the implementation of the measure is being piloted through the national Rural Development Programme, the meetings discussed the experiences and problems faced by LAG, but also exchanged ideas for improving implementation in the future when the measure will be implemented through IPARD.

In the scope of the communication and publicity campaign, several events (workshops, forums, meetings) were the held in order to improve cooperation in between IPARD structures and between IPARD structures and other stakeholders (Technical Bodies, Nongovernmental organizations, Consultants). Direct communication with the stakeholders at these events contributed to significant improvements in the implementation of the Programme, as well as increased cooperation and trust of external stakeholders in the IPARD structure in anticipation of the new programming period.

Stakeholders' involvement is also secured in the work of the Monitoring Committee by participation of representatives of different interest groups as members of the Committee. Following members in the Monitoring Committee are representatives of different stakeholders and economic and social partners:

1. One representative from the Chamber of Commerce of Macedonia;
2. One representative from the Chamber of Commerce of north-western Macedonia;
3. One representative from the Macedonian Association of Processors;
4. One representative from the National federation of farmers of North Macedonia;
5. One representative from Craft Chamber;
6. One representative from the Faculty of Agricultural Sciences and Food, University "Ss. Cyril and Methodius" - Skopje;
7. One representative from Goce Delchev University - Stip;
8. One representative from the Association of Units of Local Self-Government (ZELS);

9. One representative from Rural Development Network;
10. One representative from the Faculty of Veterinary Medicine - Skopje;
11. One representative from the Movement of Ecologist of Macedonia;
12. One representative Agro-Leader representative;
13. One representative from the LAG Pelagonija;
14. One representative from the Network of Young Farmers;
15. One representative from the Association of Rural Coalition Kumanovo;
16. One representative from the Association of Citizens' Associations - Farmers Association;
17. One representative from the Association of Manufacturers of Wine Exporters and Other Grape Beverages "Wines from Macedonia" – Skopje.

4.8 Ensuring publicity and information implementation of the Communication Plan

The activities listed below, are implemented in accordance with the Annual Action Plan for Publicity and Communication of the IPARD Programme for 2021 and according to protocols or through electronic communication as the global pandemic requires. The planned activities refer separately to:

- Organization (on-line or with physical presence) of IPARD info educational days by promoting successful examples;
- IPARD forums (on-line or with physical presence) for more successful implementation of the IPARD Programme 2014-2020;
- IPARD workshops (on-line or with physical presence) for preparation of IPARD application forms, announcement of Public Calls;
- Appearances/interviews in electronic media and newspapers;
- The publication of the list of final beneficiaries of funds from the IPARD Programme;
- Development and distribution of the Application forms and Guidelines dedicated to IPARD 2014-2020;
- Preparation and distribution of brochures dedicated to the publicity of IPARD 2014-2020;
- Creation and publishing audio and video clips;
- Update of the website: www.ipard.gov.mk.

Institutions responsible for implementation of the above activities in accordance with their competences and functions are the Managing Authority and the IPARD Agency.

REALIZED ACTIVITIES

Organization of IPARD info days

The organization of IPARD informational and educational days took place in a period before and during the announced Public calls for specific measure. In this period from May to December 2021 (the period between two meetings of the Monitoring Committee) the institutions responsible for the implementation of the publicity plan, organized and executed 9 (nine) info days in relation to Public call 01/2021.

The previous announcement of the 01/2021 public call was on 30th of April 30, the public call was published on 7th of July 7 and it was opened until 6th of September.

The publicity activities regarding the public call 01/2021 were executed in July/August in the following municipalities: Berovo, Kocani, Ohrid, Vevcani, Mavrovo, Resen, Krushevo, Kratovo and Demir Kapija. In this Municipalities the external target groups, like general public and rural

population, potential beneficiaries for measure 7, were informed about opportunities for funding with this last public call under the IPARD Programme 2014-2020. The info days were visited by more than 140 participants. The information for planned publicity activities were delivered to economic chambers, craft associations, other associations, portals, agricultural cooperatives, rural development network, National Federation of Farmers and other institutions, by e-mail, and were asked to disseminate this info, to their members, and/or published on their web sites.

Delivery of direct information

The delivery of information, by phone and e-mail, to potential users is done continuously, i.e. in the calling centre of the IPARD Agency and the Managing Authority. The publicity information are also given throughout e-mail, phone communications and directly in the MAFWE IPARD Department premises. In the last few months, over 150 calls have been received and more than 38 questions asked.

Questions that were asked throughout the website of the Agency are related to the publication of the last public call and other measures from the IPARD Programme. The more frequent questions are related to priority sectors, for example: can associations of beekeepers eligible for applicants, where the set of application documents can be found, who is eligible to apply and what are the eligible investments, the renewable energy issues, the eligible expenditure for all three measures and many more related to IPARD Programme measures. The most frequent question was when the IPARD III will be adopted and when the first public call will be announced and what are the news related with measures of the IPARD Programme 2021-2027.

The questions and answers asked by the interested parties, by e-mail and at the organized events by The Managing Authority, are published on the websites of Managing Authority and IPARD Agency in the Frequently Asked Questions (FAQ) section.

Appearances in national and local media

During this period, there was a sufficient number of appearances, press releases and interviews on national and local radio and television channels such as daily newspapers and internet portals (more than 160 press releases). Most of the announcements refer to the Public Call 01/2021 regarding measure 7. In relation with announcements and interviews, the officials from the IPARD Agency had one interview for MIA (Macedonian Information Agency) which was broadcasted on several medias.

Publishing a list of final beneficiaries of the IPARD 2014-2020 Programme

The list of end users is quarterly and is published on the website of the IPARD Agency.

Preparation and distribution of application forms, guidelines, brochures and posters dedicated to IPARD 2014-2020 Programme

The printed guidelines for beneficiaries which were disseminated during the publicity campaign have been printed with previous publicity contract (Technical Assistance measure) and some of the guidelines and application forms were printed as Ministry's expenditure as they were changed for the public call 01/2021. In total 990 pieces of documents, guidelines, application forms and brochures, were printed additionally for measure 7 comprising the last changes in the documents and publicity materials. The materials printed in purpose of the Public Call are:

- Requests for use of funds for measure 7 – 300 copies
- Guidelines for users of funds– 300 copies
- Brochures in Macedonian and Albanian – 390 copies

Update of the website www.ipard.gov.mk

The IPARD website (www.ipard.gov.mk) has been updated and maintained by the contracted service provider up to 25th of June 2022. The website has been updated and coordinated by the publicity and information officer in the Managing Authority, together with the service provider. Furthermore, changes have been made in submenu as part of main menu for monitoring of IPARD 2014-2020, where new submenu was added (named reports and indicator tables) in order to fulfil the requirements of monitoring and reporting processes.

During 2021, the site shows good traffic statistics as follows:

- Users of the website 18.362,
- New users 17.663,
- Total page views 91.934.

Having in mind that the implementation of the Programme is entering its final phase, Managing Authority is planning the next Communication and Publicity campaign accordingly, with special reference to the lessons learned from the implementation of IPARD, promotion of good practices and successfully implemented projects, as well as maintaining the high interest of potential applicants for IPARD by advertising the Programme on direct meetings.

5. Financial tables showing Union, national and total expenditure per measure and sector

Table 30: Financial implementation of the IPARD Programme 2014-2020

	Sector	Contracted		Paid	
		Total public expenditure	EU contribution	Total public expenditure	EU contribution
M1	Livestock sector	3.838.903	2.775.551	1.853.626	1.390.222
	Crop sector	22.420.700	16.910.939	12.463.246	9.292.914
	On-farm processing	96.443	72.333	17.048	12.786
	Renewable energy	8.470	6.353	8.470	6.353
M3	Milk and dairy products	2.130.521	1.597.916	1.023.064	767.299
	Meat and meat products	4.092.978	3.069.734	3.727.725	2.801.156
	Fruits and vegetables processing	15.447.087	11.728.249	4.680.656	3.504.084
	Cereal, milling and starch products	662.860	497.145	234.138	175.604
	Vegetable and animal oils and fats	32.821	24.616	12.826	9.620
	Grape must, wine and vinegar	4.186.246	2.996.724	1.322.476	991.857
	Production of energy	/	/	/	/
M7	Alternative agriculture production	682.434	511.374	255.857	183.041
	Manufacture of food products and beverages	1.109.882	827.670	49.614	37.211
	Manufacturing of non-food products	6.794.269	5.164.667	1.693.711	1.282.493
	Development of crafts activities	/	/	/	/
	Provision of services to agriculture	44.012	33.009	29.577	22.185
	Promotion of services for the rural population	1.247.154	897.866	/	/
	Promotion of Rural Tourism	3.050.454	2.259.112	955.769	717.446
	Production and sale of renewable energy	/	/	/	/
M9	Monitoring Committee	391.612	312.836	160.551	136.468
	Information and Publicity campaign	5.392	4.584	5.392	4.584
	Programme evaluation	1.056	898	1.056	898
	Support to other measures	/	/	/	/
Total		66.243.294	49.691.576	28.494.802	21.336.221

Source: Managing Authority, M&E Tables, 2022

Having in mind the characteristics of the Macedonian agriculture, more advanced and developed crop sector (vegetables, vineyards and orchards, cereals production and industrial crops) visible through Macedonian agri export products, the implementation of the measure 1 is highest in the crop sector. Out of 3.215 applications submitted in measure 1, 3.154 are in crop sector, 81 are in livestock sector, 11 in on-farm processing and 5 in production of energy from renewable resources.

The situation also reflects on the implementation by sectors in measure 3. Processing of fruit and vegetables is most attractive sector in measure 3. Out of 183 applications submitted, 86 are in fruit and vegetables processing.

IPARD interest and support in measure 7 is divided in different sectors, with most of the support concentrated in manufacturing of non-food products and promotion of rural tourism.

Table 31: Annual payments to recipients in 2021

Measure	EU part	National	Private	Total expenditure
Measure 1	3.283.332	1.178.784	1.607.910	6.070.026
Measure 3	2.137.313	813.401	1.923.437	4.874.151
Measure 7	1.579.601	521.228	818.038	2.918.867
Measure 9	120.824	31.509	0	152.333
Total	7.121.069	2.544.922	4.349.385	14.015.377

Source: Managing Authority, M&E Tables, 2022

Table 32: Cumulative payments to recipients

Measure	EU part	National	Private	Total expenditure
Measure 1	10.702.275	3.640.115	7.455.964	21.798.354
Measure 3	8.402.106	2.906.150	11.188.579	22.496.835
Measure 7	2.242.376	742.152	1.348.581	4.333.109
Measure 9	141.950	35.237	/	177.187
Total	21.488.707	7.323.654	19.993.124	48.805.485

Source: Managing Authority, M&E Tables, 2022

Table 33: Financial performance (public expenditure (EU + national expenditure) against the last approved financial plan)

Measure	EU part (A)	National	TPE	IPARD Programme financial plan (EU part) ¹¹ (B)	Financial performance (A/B)
Measure 1	10.702.275	3.640.115	14.342.390	12.780.000	83,7%
Measure 3	8.402.106	2.906.150	11.308.256	11.230.000	74,8%
Measure 7	2.242.376	742.152	2.984.528	6.830.000	32,8%
Measure 9	141.950	35.237	177.187	160.000	88,7%
Total	21.488.707	7.323.654	28.812.361	31.000.000	69,3%

Source: Managing Authority, M&E Tables, 2022

¹¹ Allocations from 2014, 2015, 2016, 2017 and 2018 taken into consideration

6. Coordination of IPARD funds with national funding, other IPA components, IFI's and donor support

a. Mechanisms and actions for coordination of IPARD

Following authorities and the responsible bodies are designated for management and implementation of the IPARD Programme 2014-2020:

- The MS is in charge of tasks of financial management of assistance under IPA, under the responsibility of the NAO (responsibilities outlined in Article 7 of the Sectoral Agreement).
- Managing Authority main functions and responsibilities outlined in Article 8 of the Sectoral Agreement and focus on the Monitoring, Evaluation, Reporting, Coordination and Publicity of the IPARD Programme.
- The IPARD Agency (responsibilities outlined in Article 9 of the Sectoral Agreement) shall carry out all tasks related to executing payments to final beneficiaries.

The coordination between the above structures was realized primarily through the Working Group, established by the Minister with members from the IPARD Managing Authority, MAFWE Department for rural development, IPARD Paying Agency, as well as NAO and MS.

The Working Group had regular (weekly meetings) throughout the reporting period of this report.

b. The Complementarity of the IPARD Assistance with the national funding

To ensure complementarity of IPARD assistance with national funding and avoid any overlaps between the National Programme for Financial Support to Rural Development and IPARD II, following measures were taken:

- The Minister established a Working Group (members from IPARD Managing Authority, MAFWE Department for rural development, IPARD Paying Agency, and occasionally NAO/MS) for resolving this issue and avoid any overlapping between the IPARD and the National RD Programme (NRDP). The working group reviews the NRDP measures, types of beneficiaries, production sectors supported, and types of investments each year before public call under NRDP is announced.
- The draft NRDP (annual programme) has been reviewed by the IPARD MA recommending which measures/sub measures can be implemented avoiding overlapping with IPARD.
- Within the IPARD Agency procedures (Sector for authorization of payments) there is a check-list that eliminates the possibility of an IPARD beneficiary to have benefited in the past with financial assistance for similar measure/activity under the NRDP.
- IPARD MA submitted a letter to the IPARD Agency and provided an overview to determine if any projects subsidized under national schemes have also been subsidized under IPARD I and II as requested by DG Agri (Ref: Ares(2018)5526646 – 29/10/2018).

These activities prevent the possibility of financing the same types of investments from both Programmes and provided opportunity to save funds from the national Budget and use of the allocated funds from the IPARD Programme. At the same time, the cooperation between Managing Authority and the Department of Rural Development improved, especially in the process of planning the measures financed by the national Programme, in order to avoid overlapping of the measures for financing investments. Such improved conditions and implemented recommendations led to

overcoming audit finding (Audit Authority system audit in 2017) related to complementarity between Programmes.

c. The Complementarity of the IPARD Assistance with other IPA components

Both the Head of MA and the Director of the IPARD Agency are nominated members of the IPA MC and regularly participate on the joint meetings.

MAFWE Department for EU integration is responsible for monitoring of contracts related to other IPA support granted for agriculture and rural development sectors and thus it's responsible to cross-check the possible overlap in cases of request of the Managing Authority and the IPARD Agency. MAFWE Department for EU integration involves both the Managing Authority and the IPARD Agency in the process of planning of the IPA assistance to largest extent possible as to avoid any potential overlap between the project actions and this Programme and to target the assistance to complement this Programme actions.

d. The Complementarity of the IPARD Assistance with other IFI's and donor support

The coordination between the donor assistance instruments and IPA is based on the integration of the coordination function within the Secretariat for European Affairs under the management of NIPAC. At the same time, NIPAC is appointed by the Government as responsible for coordination of foreign aid.

Concerning IFI's, NAO also acts as State Advisor in the MoF which coordinates the use of IFI's funds.

7. Conclusions from the implementation in year 2021

Large number of applications and interest for investments under the IPARD Programme 2014-2020. Number of applications submitted on 7 public calls reached 4.132 (applying for 220.059.342 € EU contribution). The requested amount for support for all received applications up to now overpassed the programming period 2014-2020 available budget for approximately 3,5 times. Most of the requested funds (approximately 118 million €) are for measure 7 (in the part of investments in renewable energy sources), where the rate of approval of applications is the lowest (12%). In this regard, Managing Authority made changes to measure 7 in the first modification of the Programme, and the Agency excluded investments in renewable energy sources from the following public calls in measure 7.

Relatively slow process of approving applications, which depending on the public call and the number of applications submitted lasted between 4 and 15 months (see Table 22). Understaffing in the Agency (especially Sector for authorization of payments) and problems in obtaining reference prices especially for investments that are more complex and ones involving construction are the main reasons for the slow processing of applications.

The process of approving the applications has accelerated after the first modification of the Programme (completeness of applications is mandatory) and with implementation of publicity activities that resulted with improved quality of applications. In addition, transformation of the process of submission of applications from manual to electronic was agreed as suitable solution to this issue. In order to facilitate the transfer towards electronic processing of applications, the Agency is receiving EU support through a project "Customised Software for Integrated Administrative and Control System (IACS)" - EuropeAid/139016/DH/SER/MK. In the scope of the project modules for Sector of project approval (contracting process), Sector for on-spot control (control process), Sector for authorization of payments (payment process) and Managing Authority (read only access for the purposes for monitoring and reporting) are envisaged to be developed. The outcomes of the project are expected in 2022 and having in mind that the implementation of the Programme is coming to the end, they will be used to improve the implementation of the Programme in the next programming period.

Good knowledge and information of possibilities that are offered by IPARD Programme 2014-2020 among potential beneficiaries that contributed towards large number of applications. The high level of awareness of the opportunities offered by the Programme and the familiarity with its criteria and details, is largely due to the extensive publicity campaign of the Programme implemented by the IPARD Managing Authority in cooperation with the IPARD Agency, NEA and other stakeholders (farmers' associations, consultants, representatives from technical bodies). In addition to forums and workshops, the campaign included face-to-face meetings with potential beneficiaries, prior to the announcement of public calls, enabling potential beneficiaries to obtain reliable and quality information about the Programme in advance.

Technical Assistance Measure proved to be **quite useful for the implementation process.** Namely, after the slow start in implementing this measure in 2017, by the end of 2021 a total number of 17 contracts have been implemented (0,3 mill. € EU contribution), out of which 12 procurements (contracts) were realized with an overall amount of 0,15 million € EU contribution, thereby contributing towards improved Programme implementation, particularly in terms of Programme publicity, as well as streamlining certain aspects of Programme implementation.

Coordination among IPARD structures might be improved, especially in terms of data exchange between the IPARD Agency and Managing Authority necessary for monitoring and evaluation purposes. The envisaged establishment of a system for electronic processing of applications in the Agency will cause improvement of the process of data exchange, monitoring and evaluation and reporting, having in mind that it will enable read only access to the system of the Agency for other IPARD management structures.

ANNEX 1:

Indicator Tables for Monitoring and Evaluation of the IPARD Programme 2014-2020

Status: 31.12.2021

Part II

COMMON INDICATOR TABLES FOR MONITORING AND EVALUATION OF IPA RURAL DEVELOPMENT PROGRAMMES 2014 - 2020

Overview IPA Rural Development monitoring tables 2014-2020

Code	General tables
G1	Background information
G2	Programmed measures
G3	Progress of the programme
G4	Geographic/regional breakdown of support
G5	Financial execution of the programme

Code	Output and result indicator tables
O.1.a	Investments in physical assets of agricultural holdings. Breakdown by types of sector (cumulated data and amount in euro)
O.1.b.	Investments in physical assets of agricultural holdings. Breakdown by types of investment/sector (cumulated data and amount in euro)
O.2.	Support for the setting - up of producer groups. Breakdown by type of agricultural sector/branch (cumulated data and amount in euro)
O.3.a.	Investments in physical assets concerning processing and marketing of agricultural and fishery products. Breakdown by sectors (cumulated data and amount in euro)
O.3.b.	Investments in physical assets concerning processing and marketing of agricultural and fishery products. Breakdown by type of investment (cumulated data and amount in euro)
O.4.	Agri-environment-climat and organic farming measure (Assistance only granted to PILOT projects). Breakdown by type of action (cumulated data and amount in euro)
O.5.	Implementation of local development strategies - LEADER approach. Breakdown by type of action (cumulated data and amount in euro)
O.6.	Investments in rural public infrastructure. Breakdown by type of action (cumulated data and amount in euro)
O.7 a.	Farm diversification and business development. Breakdown by type of sector (cumulated data and amount in euro)
O.8.	Improvement of training. Breakdown by type of training (cumulated data and amount in euro)
O.9.	Technical Assistance. Breakdown by type of action (cumulated data and amount in euro)
O.10.	Advisory services. Breakdown by type of actions (cumulated data and amount in euro)
O.11.	Establishment and protection of forests. Breakdown by type of action (cumulated data and amount in euro)
(optional) R.+measure code	Optional table that may be introduced by the CC with result indicators for the relevant measure

Conventions used

a. Colour conventions

To be filled in	
Automatically calculated/filled	
Not to be filled in	<i>Yellow</i>

b. Coding conventions

Not applicable	NP
Applicable, but not implemented (yet)	NI
Figure is not available	NA

c. Country codes

REPUBLIC OF MACEDONIA	MK
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d. Region codes

See explanatory guidelines

IPARD**G 1: Background information**

CCI Code:	
Reporting year	2021
Programme id	2014MK06I4NP001

Contact person

Name	Ministry of agriculture, forestry and water economy
Organisation	IPARD Managing Authority
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IPARD Programme

G2: Programmed measures				
Measure Code	Item/Measure	Type of information requested	Status	Output tables Code*
	1. to 3. Contextual tables	Background information		G1
		Programmed measures		G2
		Progress of the programme		G3
	4. Geographical breakdown of the various IPARD measures	According to Regions (cumulated data)		G4
	5. Financial Monitoring	Financial Monitoring (cumulated data)		G5
1	Investments in physical assets of agricultural holdings	Breakdown by types of sector (cumulated data and amount in euro)		O.1.a
		Breakdown by types of investment/sector (cumulated data and amount in euro)		O.1.b
2	Support for the setting-up of producer groups	Breakdown by agricultural sector		O.2.
3	Investments in physical assets concerning processing and marketing of agricultural and fishery products	Breakdown by type of agricultural sector/branch (cumulated data and amount in euro)		O.3.a.
		Breakdown by types of investment/sector (cumulated data and amount in euro)		O.3.b.
4	Agri-environment-climat and organic farming measure (Assistance only granted to PILOT projects)	Breakdown by type of action (cumulated data and amount in euro)		O.4.
5	Implementation of local development strategies - LEADER approach	Breakdown by type of action (cumulated data and amount in euro)		O.5.
6	Investments in rural public infrastructure	Breakdown by type of action (cumulated data and amount in euro)		O.6.
7	Farm diversification and business development	Breakdown by type of sector/investment (cumulated data and amount in euro)		O.7.
8	Improvement of training	Breakdown by type of training (cumulated data and amount in euro)		O.8.
9	Technical Assistance	Breakdown by type of action (cumulated data and amount in euro)		O.9.
10	Advisory Services	Breakdown by type of action (cumulated data and amount in euro)		O.10.
11	Establishment and protection of forests	Breakdown by type of action (cumulated data and amount in euro)		O.11.

Measure code	Measure	Output / Result Indicators	Realised in year N (1)	Total Realised - Cumulative from 2014 to year N (2)	Targets 2014-2020 (3)	Execution Rate of IPARD (2/3)
1	Investments in physical assets of agricultural holdings	Number of projects supported	378	1595	3100	51%
		Number of holdings performing modernization projects	269	863	3100	
		Number of holdings progressively upgrading toward EU standards	97	617	1200	
		Number of holdings progressively upgrading toward EU standards for animal welfare	10	113	30	
		Number of holdings investing in livestock management (manure storage)	0	0	50	
		Number of holdings investing in renewable energy production	2	2	25	
		Total volume of investment*	3.283.333	10.702.275	48.000.000	
3	Investments in physical assets concerning processing and marketing of agricultural and fishery products	Number of projects supported	28	83	220	38%
		Number of enterprises performing modernisation projects	16	53	220	
		Number of enterprises progressively upgrading toward EU standards	12	30	200	
		Number of enterprises investing in renewable energy			20	
		Number of jobs created (gross)			1300	
		Total volume of investment*	2.137.314	8.402.106	52.000.000	
Measure code	Measure	Output Indicators	Realised in year N (1)	Total Realised - Cumulative from 2014 to year N (2)	Targets 2014-2020 (3)	Execution Rate of IPARD (2/3)
7	Farm diversification and business development	Number of projects supported	36	49	300	
		Number of holdings/entreprises developing additional or diversified source of income in rural areas	36	49	70	
		Number of holdings/entreprises investing in renewable energy	0		25	
		Number of jobs created (gross)			1000	
		Total volume of investment*	1579601	2.242.376	9.000.000	
9	Technical Assistance	Number of actions	4	12		
		Total volume of support*	120824	120.824		

*Total volume of investment/support should be in euro

IPARD Programme
G4: Geographical/regional support IPARD measures
According to REGIONS (cumulated data in euro)

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Measure Code	Measures	Output Indicators	Pelagonija		Vardar		North-East		South-West		Skopje		South-East		Polog		East		TOTAL
			%		%		%		%		%		%		%				
			a	b = a/q	c	d=c/q	e	f=e/q	g	h=g/q	i	j=i/q	k	l=k/q	m	n=m/q	o	p=o/q	
1	Investments in physical assets of agricultural holdings	Number of projects supported	821	42,83	547	28,53	73	3,81	83	4,33	98	5,11	124	6,47	23	1,20	148	#DIV/0!	1.917
		Total of public expenditure	7.094.681,00	26,91	5.525.005,00	20,96	645.799,00	2,45	527.027,00	2,00	3.395.051,00	12,88	4.065.861,00	15,42	2.079.100,00	7,89	3.031.991,00	#DIV/0!	26.364.515
2	Support for the setting- up of producer groups	Number of projects supported		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0
		Total of public expenditure		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0
3	Investments in physical assets concerning processing and marketing of agricultural and fishery products	Number of projects supported	21	17,80	12,00	10,17	2,00	1,69	7	5,93	22,00	18,64	22,00	18,64	14	11,86	18,00	#DIV/0!	118
		Total of public expenditure	2.475.110,00	9,32	1.402.185,00	5,28	97.842,00	0,37	2.365.565,00	8,91	7.693.538,00	28,97	5.459.214,00	20,56	4.338.331,00	16,34	2.720.729,00	#DIV/0!	26.552.514
4	Agri-environment-climat and organic farming measure	Number of projects supported		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0
		Total of public expenditure		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0
5	Implementation of local development strategies - LEADER approach	Number of projects supported		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0
		Total of public expenditure		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0
6	Investments in rural public infrastructure	Number of projects supported		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0
		Total of public expenditure		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0
7	Farm diversification and business development	Number of projects supported	20,00	19,42	4,00	3,88	4,00	3,88	13,00	12,62	22,00	21,36	4,00	3,88	16,00	15,53	20,00	#DIV/0!	103
		Total of public expenditure	1.494.432,00	10,68	1.490.325,00	10,65	62.818,00	0,45	1.695.361,00	12,12	4.455.831,00	31,85	1.357.526,00	9,70	2.405.633,00	17,20	1.027.555,00	#DIV/0!	13.989.481
8	Improvement of training	Number of projects supported		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0
		Total of public expenditure		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0
9	Technical Assistance	Number of projects supported		0,00		0,00		0,00		0,00	17,00	100,00		0,00		0,00		#DIV/0!	17
		Total of public expenditure		0,00		0,00		0,00		0,00	318.318,00	100,00		0,00		0,00		#DIV/0!	318.318
10	Advisory services	Number of projects supported		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0
		Total of public expenditure		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0
11	Establishment and protection of forests	Number of projects supported		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0
		Total of public expenditure		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0
TOTAL		Number of projects supported	862		563		79		103		159		150		53		186		2155
		Total of public expenditure	11064223		8417515		806459		4587953		15862738		10882601		8823064		6780275		67224828

TOTAL (number of beneficiaries enjoying at least one support measure)

(1) The geographical breakdown is made on basis of localisation of benefit of support (e.g. site of construction or land parcel support implemented)

G 5: Financial monitoring (cumulated data in euro)

Measure Code	Measures	IPARD Programme latest Commission Decision No (C)		Submission of applications						Contracting with the recipients						Execution				Total investment including co-financing cost
		Public		No of projects submitted applications	No of rejected applications	Value of rejected applications	Eligible costs			No of projects contracted	Eligible costs			No of projects completed	Burs by recipients		Public contribution paid to recipients			
		National	EU				Total	Public	EU		Total	Public	EU		Total	Total investment	Subsidy claimed	Total subsidy	EU	
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	
1	Investments in physical assets of agricultural holdings	29.066.667	7.266.667	21.800.000	3.251	846	15.612.703	47.972.397	11.993.100	35.979.297	1.917	41.425.196	26.364.915	19.765.176	1.096	21.798.354	12.150.229	14.342.390	10.702.279	
3	Investments in physical assets concerning processing and marketing of agricultural and fishery products	29.280.000	7.320.000	21.960.000	183	45	18.684.005	76.343.283	19.065.821	57.257.461	118	53.665.891	26.552.513	19.914.384	83	22.496.835	11.828.568	11.308.256	8.402.106	
7	Farm diversification and business development	6.320.000	1.580.000	4.740.000	698	274	58.945.637	108.827.425	54.212.621	63.898.035	103	19.907.851	12.928.205	6.693.666	49	4.333.100	2.978.690	2.984.628	2.242.376	
9	Technical Assistance	3.200.000	600.000	2.400.000	17	0	0	397.898	318.318	17	0	397.898	318.318	12	0	0	177.187	141.950		
	TOTAL	67.866.667	16.966.667	50.900.000	4.149	1.165	93.242.345	233.143.105	85.689.440	107.453.111	2.155	114.998.735	66.243.131	49.691.646	1.739	48.628.298	26.057.492	28.812.361	21.488.707	0

Measure Code	Measures	Indicators of execution						
		% of projects completed	Eligible costs contracted as % of total public expenditure	% of payments to recipients against contracting	% of payments to recipients against cost contracted	% of cost paid by recipients against cost contracted	% of EU funds contracted against foreseen in the Programme	% of EU paid / EU foreseen in the Programme
		S=H	H=I/C	I=O/I	V=J/P	W=K	X=M/E	Y=N/C
1	Investments in physical assets of agricultural holdings	83,20%	142,62%	34,62%	118,04%	29,33%	90,67%	49,99%
3	Investments in physical assets concerning processing and marketing of agricultural and fishery products	70,34%	183,28%	21,07%	95,60%	22,04%	90,66%	38,26%
7	Farm diversification and business development	47,07%	315,00%	14,99%	143,68%	10,44%	204,51%	47,31%
9	Technical Assistance	70,99%	0,00%	#DIV/0!	#DIV/0!	#DIV/0!	13,26%	6,91%
	TOTAL	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
	total of rejected / withdrawn applications							

Breakdown by types of sector (cumulated data and amount in euro)

Type of production concerned by the investment			Number of applications in investments in physical assets of agricultural holdings				No. of projects by woman paid	No. of young farmers recipients ¹	Total volume of investment (000 EUR) planned	Planned		Canceled				Realisation			Percentage of realisation (B)/(A)
										Eligible expenditure contracted by the IPARD Agency		Eligible expenditure canceled by the IPARD Agency		Eligible expenditure canceled by the beneficiary		Eligible expenditure paid by the IPARD Agency			
			Received	Approved	Completed	Terminated				Total public		Total public		Total public		Total public and private expenditure	Total public		
										National funds	EU (A)	National funds	EU	National funds	EU		National funds	EU (B)	
Livestock sector	cattle	meat	5	2	1			2015062	411578	1144752					44512	6708	20125	1,76%	
		milk	21	4	3			1224358	171919	200232					359960	61359	184082	91,93%	
	poultry	eggs	10	2	1		1	2499400	148756	446268					3053820	107327	321981	72,15%	
		meat	6					1115909										#DIV/0!	
	sheep	meat	1					10730											#DIV/0!
		milk	21	4	2		1	146496	22229	66688					23987	4150	12453	18,67%	
	pigs	meat	8	2	2		1	1211779	227713	674139					931938	214180	642541	95,31%	
		reproduction	8	1	1			675622	81157	243472					408464	69680	209040	85,86%	
	goat	meat																	#DIV/0!
		milk	1					6279											#DIV/0!
General costs																		#DIV/0!	
Crop sector	Perennial crops	Orchards	975	600	472	25	117	255	10516554	2198359	5980192	12025	36077		7109447	1027484	2957102	8196,64%	
		Olive trees	26	16	10		1	7	297735	47678	143037				133244	19154	57470	#DIV/0!	
		Table grapes	8	3	3	1		2	34574	8362	13304	568	1705		28515	4140	12424	728,68%	
	Grapes	Wine	476	301	262	6	84	140	6346232	1663,643	3284878	16394	49116		2542913	433866	1226602	2497,36%	
		Vegetables	open field	191	102	91	2	35	71	1737282	326049	641314	1184	3552		1331953	230457	514547	14486,12%
			greenhouse	23	12	9	3	1		1165576	188198	324597				91393	14211	42633	#DIV/0!
	glasshouse																		#DIV/0!
	Cereals	wheat	1248	752	646	36	101	154	9573920	2373092	5649600	79031	237024		4613527	1264948	3938577	1661,68%	
		corn	112	63	58	2	22	41	1748975	287307	541925				683022	110735	345907	#DIV/0!	
		rye	14	13	5			3	102228	16006	48203				39896	6451	22434	#DIV/0!	
		forage crops	29	17	10		5	13	224206	4155	104960				138077	21355	63823	#DIV/0!	
		industrial crops	52	17	16	1	7	21	498656	58891	178929	1076	3228		226221	37531	111395	3450,90%	
General costs																		#DIV/0!	
On-farm processing	Meat																	#DIV/0!	
	Milk																	#DIV/0!	
	F&V	11	4	1				249050	24110	72333				24363	4262	12786	#DIV/0!		
	Oils and Fats																	#DIV/0!	
	Eggs																	#DIV/0!	
	Cereals																	#DIV/0!	
Renewable energy	Bio energy																	#DIV/0!	
	Solar	5	2	2				24563	2117	6353				13102	2117	6353	#DIV/0!		
	Geo-thermal																	#DIV/0!	
	Wind																	#DIV/0!	
	General costs																		#DIV/0!
TOTAL			3.251	1.917	1.595	76	375	721	41.425.186,00	6.599.339,64	19.765.176,00	109.710,00	328.997,00	0,00	0,00	21.798.354,00	3.640.115,00	10.702.275,00	3253,00%

IPARD Programme

Q.1.b: Investments in physical assets of agricultural holdings

Breakdown by types of investment (cumulated data and amount in euro)

month/year

Type of investment	Number of applications				Unit of reference		Eligible expenditure contracted		Eligible expenditure paid		Percentage of realisation (B)/(A)	
	Received	Rejected	Approved	Completed	Physical Unit	Quantity	Total public		Total public			
							National Funds	EU Funds (A)	National Funds	EU Funds (B)		
Purchase and installation of equipment	81	33	15	10			1.063.352	2.775.551	2.574.681	463.404	1.390.222	50,09% #DIV/0!
specialised on farm equipment												
of which: equipment for improvement of animal welfare standards	52	17	9	5		Number of:	962.585	2.635.462	2.407.834	435.841	1.307.527	49,61% #DIV/0!
of which: equipment for environmental protection	1											#DIV/0!
of which: specialised agricultural transport trailers and vehicles												#DIV/0!
of which: equipment for on farm post-harvesting, processing and direct marketing												#DIV/0!
of which: tractors	28	16	6	5		Number of:	100.767	140.089	166.847	27.563	82.695	59,03% #DIV/0!
Construction /Reconstruction	0	0	0	0			0	0	0	0	0	#DIV/0!
of which: constr/reconstr. of immovable property for agriculture production						Number of:						#DIV/0!
of which: constr/reconstr. of immovable property used for post-harvesting, on farm processing and marketing												#DIV/0!
of which: development of holding's infrastructure												#DIV/0!
General costs												#DIV/0!
Purchase and installation of equipment	214	64	115	100			514.247	937.608	1.423.266	373.304	557.180	59,43% #DIV/0!
purchase of perennial trees and plants						Number of:						#DIV/0!
specialised on farm equipment	25	3	8	7			168.420	64.987	142.994	19.197	67.591	104,01% #DIV/0!
of which: equipment for on farm post-harvesting, processing and direct marketing	111	36	60	48			243.375	565.271	713.800	167.376	209.396	37,04% #DIV/0!
of which: equipment for environmental protection												#DIV/0!
of which: irrigation systems						Number of Ha:						#DIV/0!
of which: specialised agricultural transport trailers and vehicles												#DIV/0!
of which: tractors	78	25	47	45		Number of:	102.452	307.350	566.472	186.731	280.193	91,16% #DIV/0!
of which: harvesters												#DIV/0!
Construction /Reconstruction	13	0	4	2			9.434	28.303	24.363	4.262	12.786	45,18% #DIV/0!
of which: constr/reconstr. of immovable property for agriculture production						Number of:						#DIV/0!
of which: constr/reconstr. of immovable property used for post-harvesting, on farm processing and marketing	13		4	2			9.434	28.303	24.363	4.262	12.786	45,18% #DIV/0!
of which: development of holding's infrastructure												#DIV/0!
General costs												#DIV/0!
Purchase and installation of equipment	476	50	301	262			663.643	3.284.878	2.542.913	433.866	1.230.850	37,47% #DIV/0!
purchase of perennial trees and plants	19		15	15		Number of Ha:	12.766	38.303	77.786	12.053	36.162	94,41% #DIV/0!
specialised on farm equipment												#DIV/0!
of which: equipment for on farm post-harvesting, processing and direct marketing	332	30	202	180		Number of:	522.755	2.873.576	1.808.465	313.456	855.616	29,78% #DIV/0!
of which: equipment for environmental protection	5		2	2			2.117	6.353	13.102	2.117	6.353	100,00% #DIV/0!
of which: irrigation systems	8		1	1		Number of Ha:	492	1.478	3.284	488	1.464	99,05% #DIV/0!
of which: specialised agricultural transport trailers and vehicles												#DIV/0!
of which: tractors	112	20	81	64		Number of:	125.513	365.168	640.276	105.752	331.255	90,71% #DIV/0!
of which: harvesters												#DIV/0!
Construction /Reconstruction	0	0	0	0					0			#DIV/0!
of which: constr/reconstr. of immovable property for agriculture production						Number of:						#DIV/0!
of which: constr/reconstr. of immovable property used for post-harvesting, on farm processing and marketing												#DIV/0!
of which: development of holding's infrastructure												#DIV/0!
General costs												#DIV/0!
Purchase and installation of equipment	1013	260	619	485			2.008.399	6.136.533	7.271.206	950.778	3.026.996	49,33% #DIV/0!
purchase of perennial trees and plants	4					Number of Ha:						#DIV/0!
specialised on farm equipment	182		46	45			38.659	116.131	222.076	37.368	112.104	96,53% #DIV/0!
of which: equipment for on farm post-harvesting, processing and direct marketing	520	171	301	215		Number of:	1.256.389	3.880.346	3.667.919	375.556	1.313.076	33,84% #DIV/0!
of which: equipment for environmental protection												#DIV/0!
of which: irrigation systems	3		2	2		Number of Ha:	6.954	20.863	46.332	5.936	17.809	85,36% #DIV/0!
of which: specialised agricultural transport trailers and vehicles												#DIV/0!
of which: tractors	304	89	270	223		Number of:	706.397	2.119.193	3.334.879	531.918	1.584.007	74,75% #DIV/0!
of which: harvesters												#DIV/0!
Construction /Reconstruction	1	0	1	1			785	2.357	4.490	701	2.105	89,31% #DIV/0!
of which: constr/reconstr. of immovable property for agriculture production	1		1	1		Number of:	785	2.357	4.490	701	2.105	89,31% #DIV/0!
of which: constr/reconstr. of immovable property used for post-harvesting, on farm processing and marketing												#DIV/0!
of which: development of holding's infrastructure												#DIV/0!
General costs												#DIV/0!
Purchase and installation of equipment	1403	423	845	719			2.280.588	6.421.017	7.760.067	1.376.269	4.370.741	68,07% #DIV/0!
specialised on farm equipment	130		36	33		Number of:	36.367	109.102	208.837	33.346	100.340	91,97% #DIV/0!
of which: equipment for on farm post-harvesting, processing and direct marketing	764	185	492	412		Number of:	1.346.241	3.830.746	3.197.451	624.369	2.106.748	55,00% #DIV/0!
of which: equipment for environmental protection												#DIV/0!
of which: irrigation systems						Number of Ha:						#DIV/0!
of which: specialised agricultural transport trailers and vehicles												#DIV/0!
of which: tractors	509	238	317	274		Number of:	897.980	2.481.169	4.353.779	718.554	2.163.653	87,20% #DIV/0!
of which: harvesters												#DIV/0!
Construction /Reconstruction	0	0	0	0			0	0	0	0	0	#DIV/0!
of which: constr/reconstr. of immovable property for agriculture production						Number of:						#DIV/0!
of which: constr/reconstr. of immovable property used for post-harvesting, on farm processing and marketing												#DIV/0!
of which: development of holding's infrastructure												#DIV/0!
General costs												#DIV/0!
Purchase and installation of equipment	52	16	17	16			58.891	178.929	226.221	37.531	111.395	62,26% #DIV/0!
specialised on farm equipment						Number of:						#DIV/0!
of which: equipment for on farm post-harvesting, processing and direct marketing	39	9	11	10			34.600	106.053	73.933	13.421	39.063	36,83% #DIV/0!
of which: equipment for environmental protection												#DIV/0!
of which: irrigation systems						Number of Ha:						#DIV/0!
of which: specialised agricultural transport trailers and vehicles												#DIV/0!
of which: tractors	13	7	6	6		Number of:	24.291	72.876	152.288	24.110	72.332	99,25% #DIV/0!
of which: harvesters												#DIV/0!
Construction /Reconstruction	0	0	0	0			0	0	0	0	0	#DIV/0!
of which: constr/reconstr. of immovable property for agriculture production						Number of:						#DIV/0!
of which: constr/reconstr. of immovable property used for post-harvesting, on farm processing and marketing												#DIV/0!
of which: development of holding's infrastructure												#DIV/0!
General costs												#DIV/0!
TOTAL	3.253	846	1.917	1.595			6.599.339	19.765.176	21.798.354	3.640.115	10.702.275	54,15%

IPARD Programme

R.1: Investments in physical assets of agricultural holdings

M1 Results from the investments made

Year of reference: _____

Result Indicator		Number of recipients in measure that ... (A)	Total number of agricultural holdings in measure (B)	Share (A)/(B)
Share of holdings that:	performed modernization projects	863		#DIV/0!
	progressively upgraded towards EU standards	617		#DIV/0!
	progressively upgraded towards EU standards for animal welfare	113		#DIV/0!
	invested in renewable energy	2		#DIV/0!
	invested in livestock management in view of reducing the N20 and methane emissions (manure storage)			#DIV/0!
		Ha of raised ... (A)	Total Ha of ... in MK (B)	
Share of raised vineyards		3702		#DIV/0!
Share of raised orchards		2169		#DIV/0!
Share of raised fixed greenhouses/glasshouses		21		#DIV/0!

IPARD Programme

O.3.a: Investments in physical assets concerning processing and marketing of agricultural and fishery products

Breakdown by sectors (cumulated data and amount in euro)

month/year

Sector	Number of applications					Unit of reference		Canceled eligible expenditure by IPARD Agency		Canceled eligible expenditure by beneficiary		Contracted eligible expenditure		Realisation			Total volume of investment (000 EUR) "planned"	Percentage of realisation (B)/(A)
	Received	Rejected	Approved	Completed	Canceled	Physical unit	Quantity	Total public		Total public		Total public		Total public and private expenditure	Eligible expenditure executed			
								National Funds	EU Funds	National Funds	EU Funds	National Funds	EU Funds (A)		Total public			
															National Funds	EU Funds (B)		
Milk and dairy products																		
Milk collection centers	10	4	6	5		Capacity in Hl/year						304014	912043	793775	98723	296171		32,47%
Dairy processing	13	4	8	6		Capacity in Hl/year						228591	685873	720777	157042	471128		68,69%
General costs																		#DIV/0!
Total	23	8	14	11	0			0	0	0	0	532605	1597916	1514552	255765	767299	0	48,02%
Meat and meat products (including eggs and poultry)																		
Poultry	meat					Production t/year												#DIV/0!
	eggs					Production t/year												#DIV/0!
Cattle	21	6	16	16		Production t/year						914446	2743340	7533987	787648	2384481		86,92%
Pork	4		4	4		Production t/year						108798	326394	870384	138921	416675		127,66%
Lamb						Production t/year												#DIV/0!
General costs																		#DIV/0!
Total	25	6	20	20	0			0	0	0	0	1023244	3069734	8404371	926569	2801156	0	91,25%
Fruits and vegetables (including potatoes, mushrooms and leguminous crops)																		
Fruit and vegetables collection centres	30	10	19	9		Capacity in t/year						1766756	5300272	3828492	440961	1322949		24,96%
Fruit and vegetables processing	56	8	37	28		Production t/year						1952082	6427977	4972740	735611	2181135		33,93%
General costs																		#DIV/0!
Total	86	18	56	37	0					0	0	3718838	11728249	8801232	1176572	3504084	0	29,88%
Cereals, milling and starch products																		
General costs	21	8	10	6								165715	497145	292492	58534	175604		35,32%
Total	21	8	10	6		Production t/year												#DIV/0!
Vegetable and animal oils and fats																		
General costs	3	1	2	1								8205	24616	25653	3206	9620		39,08%
Total	3	1	2	1		Production t/year												#DIV/0!
Grape must, wine and vinegar																		
General costs	25	4	16	8								1189522	2996724	3458535	485504	1144343		38,19%
Total	25	4	16	8		Production Hl/year												#DIV/0!
Production of energy																		
General costs																		#DIV/0!
Total						Production GW/h												#DIV/0!
TOTAL	183	45	118	83	0			0	0	0	0	6638129	19914384	22496835	2906150	8402106	0	42,19%

0.3 b. Investments in physical assets concerning processing and marketing of agricultural and fishery products

Breakdown by type of investment (summarised data and amount in euro)

TYPE OF INVESTMENT		Number of applications to modernise and/or to upgrade towards EU standards				List of reference		Total volume of investment " financed"	Planned		Realisation		Percentage of realisation (B)/(A)		
		Received	Approved	Cancelled	Completed	Physical unit	Quantity		Eligible expenditure contracted by the IPARD Agency		Eligible expenditure paid by the IPARD Agency				
									Total public and private expenditure	EU (A)	Total public and private expenditure	EU (B)			
Milk															
Milk collecting centres	Modernisation of existing facility	Renewable energy	2	1		1	Number of facilities	100.000	0.000	0.000	0.000	0.000	0.00%		
		Waste/water management					Number of facilities						0.00%		
		Construction/reconstruction	2	1		1	Number of facilities						0.00%		
		Transport tank-trailers					Number of equipment						0.00%		
		Animal welfare					Number of equipment						0.00%		
		Environmental equipment	2	2		2	Number of equipment	437.050	54.033	163.007	177.555	22.143	66.428	15.1%	
		Infrastructure equipment					Number of equipment							0.00%	
Purchase of new processing equipment	16	11	0	8	6	Number of facilities	4.032.204	460.435	1.398.318	1.251.013	221.050	663.152	13.9%		
Green field investment						Number of facilities							0.00%		
Dairy processing	Modernisation of existing facility	Renewable energy				1	Number of facilities						0.00%		
		Waste/water management					Number of facilities						0.00%		
		Construction/reconstruction					Number of facilities						0.00%		
		Transport tank-trailers					Number of equipment						0.00%		
		Animal welfare					Number of equipment						0.00%		
		Environmental equipment					Number of equipment						0.00%		
		Infrastructure equipment					Number of equipment						0.00%		
Purchase of new processing equipment						Number of equipment						0.00%			
Green field investment						Number of facilities						0.00%			
Meat															
Slaughterhouses	Poultry	Modernisation of existing facility	Renewable energy				Number of facilities						0.00%		
			Waste/water management					Number of facilities						0.00%	
			Construction/reconstruction					Number of facilities						0.00%	
			Transport tank-trailers					Number of equipment						0.00%	
			Animal welfare					Number of equipment						0.00%	
			Environmental equipment					Number of equipment						0.00%	
			Infrastructure equipment					Number of equipment						0.00%	
	Purchase of new processing equipment						Number of equipment						0.00%		
	Green field investment						Number of facilities						0.00%		
	Cattle	Modernisation of existing facility	Renewable energy				1	Number of facilities						0.00%	
			Waste/water management					Number of facilities						0.00%	
			Construction/reconstruction	2	1		1	Number of facilities	231.289	28.908	86.214			0.00%	
			Transport tank-trailers					Number of equipment						0.00%	
			Animal welfare					Number of equipment						0.00%	
Environmental equipment							Number of equipment						0.00%		
Infrastructure equipment							Number of equipment						0.00%		
Purchase of new processing equipment						Number of equipment						0.00%			
Green field investment						Number of facilities						0.00%			
Pork	Modernisation of existing facility	Renewable energy					Number of facilities						0.00%		
		Waste/water management					Number of facilities						0.00%		
		Construction/reconstruction					Number of facilities						0.00%		
		Transport tank-trailers					Number of equipment						0.00%		
		Animal welfare					Number of equipment						0.00%		
		Environmental equipment					Number of equipment						0.00%		
		Infrastructure equipment					Number of equipment						0.00%		
Purchase of new processing equipment						Number of equipment						0.00%			
Green field investment						Number of facilities						0.00%			
Lamb	Modernisation of existing facility	Renewable energy					Number of facilities						0.00%		
		Waste/water management					Number of facilities						0.00%		
		Construction/reconstruction					Number of facilities						0.00%		
		Transport tank-trailers					Number of equipment						0.00%		
		Animal welfare					Number of equipment						0.00%		
		Environmental equipment					Number of equipment						0.00%		
		Infrastructure equipment					Number of equipment						0.00%		
Purchase of new processing equipment						Number of equipment						0.00%			
Green field investment						Number of facilities						0.00%			
Meat processing															
Meat processing	Poultry	Modernisation of existing facility	Renewable energy				Number of facilities						0.00%		
			Waste/water management					Number of facilities						0.00%	
			Construction/reconstruction	2	2		2	Number of facilities	4.004.348	564.911	1.588.933	5.860.708	516.977	1.652.730	101.75%
			Transport tank-trailers					Number of equipment							0.00%
			Animal welfare					Number of equipment							0.00%
			Environmental equipment					Number of equipment							0.00%
			Infrastructure equipment					Number of equipment							0.00%
	Purchase of new processing equipment	2	3	2	3	Number of equipment	1.978.883	134.917	404.792	508.054	75.382	232.198	57.37%		
	Green field investment	1	1		1	Number of facilities	71.022	8.990	28.971	80.489	8.834	28.803	94.26%		
	Cattle	Modernisation of existing facility	Renewable energy					Number of facilities						0.00%	
			Waste/water management					Number of facilities						0.00%	
			Construction/reconstruction					Number of facilities						0.00%	
			Transport tank-trailers					Number of equipment						0.00%	
			Animal welfare					Number of equipment						0.00%	
Environmental equipment							Number of equipment						0.00%		
Infrastructure equipment							Number of equipment						0.00%		
Purchase of new processing equipment	11	11		11	Number of equipment	2.048.071	257.210	672.140	1.971.682	303.151	600.466	94.08%			
Green field investment						Number of facilities						0.00%			
Pork	Modernisation of existing facility	Renewable energy					Number of facilities						0.00%		
		Waste/water management					Number of facilities						0.00%		
		Construction/reconstruction					Number of facilities						0.00%		
		Transport tank-trailers					Number of equipment						0.00%		
		Animal welfare					Number of equipment						0.00%		
		Environmental equipment					Number of equipment						0.00%		
		Infrastructure equipment					Number of equipment						0.00%		
Purchase of new processing equipment	1				Number of equipment	247.056	28.308	88.724	299.359	23.075	69.227	75.82%			
Green field investment						Number of facilities						0.00%			
Lamb	Modernisation of existing facility	Renewable energy					Number of facilities						0.00%		
		Waste/water management					Number of facilities						0.00%		
		Construction/reconstruction					Number of facilities						0.00%		
		Transport tank-trailers					Number of equipment						0.00%		
		Animal welfare					Number of equipment						0.00%		
		Environmental equipment					Number of equipment						0.00%		
		Infrastructure equipment					Number of equipment						0.00%		
Purchase of new processing equipment						Number of equipment						0.00%			
Green field investment						Number of facilities						0.00%			
Eggs															
Eggs	Modernisation of existing facility	Purchase of new processing equipment					Number of equipment						0.00%		
		Green field investment					Number of facilities						0.00%		
Fruit and vegetables															
F&V collection centres	Modernisation of existing facility	Renewable energy					Number of facilities						0.00%		
		Waste/water management					Number of facilities						0.00%		
		Construction/reconstruction	16	17	9	9	Number of facilities	8.526.135	496.330	1.557.081	2.158.183	141.876	404.788	23.28%	
		Transport tank-trailers					Number of equipment							0.00%	
		Animal welfare					Number of equipment							0.00%	
		Environmental equipment					Number of equipment							0.00%	
		Infrastructure equipment					Number of equipment							0.00%	
	Purchase of new processing equipment	3	2		1	Number of equipment	1.028.543	242.729	616.167	865.542	103.770	311.363	50.61%		
	Green field investment						Number of facilities						0.00%		
	F&V processing	Modernisation of existing facility	Renewable energy					Number of facilities						0.00%	
			Waste/water management					Number of facilities						0.00%	
			Construction/reconstruction					Number of facilities						0.00%	
			Transport tank-trailers					Number of equipment						0.00%	
			Animal welfare					Number of equipment						0.00%	
Environmental equipment							Number of equipment						0.00%		
Infrastructure equipment							Number of equipment						0.00%		
Purchase of new processing equipment	65	43	12	30	Number of equipment	16.256.672	2.979.780	9.558.001	5.382.680	931.226	2.767.933	28.97%			
Green field investment						Number of facilities						0.00%			
Wine sector															
Wine production capacities	Modernisation of existing facility	Renewable energy					Number of facilities						0.00%		
		Waste/water management					Number of facilities						0.00%		
		Construction/reconstruction	3	2		1	Number of facilities	474.667	48.933	143.520	242.458	30.052	90.187	64.18%	
		Transport tank-trailers					Number of equipment							0.00%	
		Animal welfare					Number of equipment							0.00%	
		Environmental equipment					Number of equipment							0.00%	
		Infrastructure equipment					Number of equipment							0.00%	
Purchase of new processing equipment	20	13	8	10	Number of equipment	5.957.862	1.142.889	2.858.222	3.216.077	400.449	1.084.178	36.91%			
Green field investment						Number of facilities						0.00%			
Cereal processing															
Cereal, milling and starch products	Modernisation of existing facility	Renewable energy					Number of facilities						0.00%		
		Waste/water management					Number of facilities						0.00%		
		Construction/reconstruction					Number of facilities						0.00%		
		Transport tank-trailers					Number of equipment						0.00%		
		Animal welfare					Number of equipment						0.00%		
		Environmental equipment	3	2		1	Number of equipment	161.215	8.205	24.616	25.683	3.206	9.600	39.08%	
		Infrastructure equipment					Number of equipment							0.00%	
Purchase of new processing equipment	21	10		7	8	Number of equipment	670.7								

IPARD Programme

O.7 a: Farm diversification and business development

month/year

Breakdown by types of sector (cumulated data and amount in euro)

Type of sector/branch	Number of applications					Canceled		Contracted		Paid			Percentage of realisation (B)/(A)
	Received	Rejected	Approved	Completed	Canceled	Eligible expenditure canceled		Eligible expenditure contracted		Eligible expenditure paid			
						Total public		Total public		Total public and private expenditure	Total public		
						National Funds	EU	National Funds	EU (A)		National Funds	EU (B)	
Alternative agriculture production													
cultivation of mushrooms and truffles	1	1											#DIV/0!
horticulture	9	3	1					61874	185623				0,00%
production of seed and seedling material	3	1	1					24615	73847				0,00%
animal breeding	7	5	1	1				61219	183657	376732	57442	173326	94,37%
snail breeding													#DIV/0!
bee keeping	200	25	30	27				19636	57101	80296	13493	4053	7,10%
cultivation of herbs, seeds, and other spices and aromatic crops	27	12	8	2				3716	11146	10562	1881	5662	50,80%
plantations of trees for timber and bio-mass	4	4											#DIV/0!
aquaculture farms for freshwater fish	5	3											#DIV/0!
general costs													#DIV/0!
Manufacture of food products and beverages													
processing of milk	17	15	1	1				6849	20549	27370	6433	19301	93,93%
processing of meat	1	1											#DIV/0!
processing of fruit and vegetables	46	18	9	1				201176	584559	36739	5970	17910	3,06%
processing of cereals	1	1											#DIV/0!
processing of non Annex 1 products *													#DIV/0!
beverages(spirits and non-alcoholic)	8	3	1					74187	222562				0,00%
general costs													#DIV/0!
Manufacturing of non-food products													
processing of wood	33	25	12	3				582695	1695993	1035439	158085	474256	27,96%
animal food													#DIV/0!
production of corrugated paper and cardboard and other													#DIV/0!
production of essential oils, perfumes and pharmaceuticals													#DIV/0!
production of agrochemicals													#DIV/0!
production of office, store and kitchen furniture	105	36	18	6				1046907	3468674	1562335	253133	808237	23,30%
general costs													#DIV/0!
Development of crafts activities													
development of crafts activities	9	8											
general costs													#DIV/0!
Provision of services to agriculture													
veterinary services	33	8	4	3				11003	33009	61722	7392	22185	67,21%
workshops for agriculture mechanisation													#DIV/0!
rental of agricultural mechanisation													#DIV/0!
general costs													#DIV/0!
Development of services for the rural population													
repair and maintenance services		2											#DIV/0!
provision of social services	5	3											#DIV/0!
training and education centres	8	3	1					162386	487158				0,00%
transport services	1	1											#DIV/0!
other services	8	6	1					186902	410708				0,00%
general costs													#DIV/0!
Promotion of Rural Tourism													
tourist accommodation - indoor and outdoor	67	24	10	4				478091	1319359	833577	189084	569729	43,18%
catering services	25	2	3					130214	390643				0,00%
rural museum	14	10	2	1				183037	549110	308337	49239	147717	26,90%
provision of facilities for seminars and trainings	8	5											#DIV/0!
provision of recreational activities	7	3											#DIV/0!
general costs													#DIV/0!
Production and sale of renewable energy													
solar, wind, water, geothermal energy	40	40											#DIV/0!
processing of plant and animal products from biomass													#DIV/0!
processing of agriculture products for bio-fuel production	1	1											#DIV/0!
processing of forestry bio-mass													#DIV/0!
self - consumption	5	5											#DIV/0!
general costs													#DIV/0!
TOTAL	698	274	103	49	0	0,00	0,00	3.234.507,00	9.693.698,00	4.333.109,00	742.162,00	2.242.376,00	23,13%

Breakdown by types of investment (cumulated data and amount in euro)

Type of sector/investment	Number of applications				Unit of reference		Contracted		Paid			Percentage of realisation (B)/(A)
	Received	Rejected	Approved	Completed	Physical Unit	Quantity	Eligible expenditure contracted		Eligible expenditure paid			
							Total public		Total public and private expenditure	Total public		
							National Funds	EU (A)		National Funds	EU (B)	
Alternative agriculture production												
constr/reconstr. of immovable property												#DIV/0!
development of holding's infrastructure	121	44	39	29			85226	253870	91218	15374	9715	3,83%
specialised processing equipment	135	10	2	1			85834	257304	376372	57442	173326	67,31%
specialised transport tanks and trailers												#DIV/0!
purchase of perennial trees and plants												#DIV/0!
equipment for environmental protection												#DIV/0!
Manufacture of food products and beverages												
constr/reconstr. of immovable property												#DIV/0!
development of holding's infrastructure	27	19	1	1			6849	20549	27370	6433	19301	93,93%
specialised processing equipment	46	19	10	1			275363	807121	36739	5970	17910	2,22%
specialised transport tanks and trailers												#DIV/0!
equipment for environmental protection												#DIV/0!
Manufacturing of non-food products												
constr/reconstr. of immovable property												#DIV/0!
development of holding's infrastructure	53	25	12	3			582695	1695993	1035439	158085	474256	27,98%
specialised equipment	85	36	18	6			1046907	3468674	1562335	253133	808237	23,30%
specialised transport tanks and trailers												#DIV/0!
equipment for environmental protection												#DIV/0!
Development of crafts activities												
constr/reconstr. of immovable property												#DIV/0!
development of holding's infrastructure	9	8										#DIV/0!
specialised processing equipment												#DIV/0!
specialised transport tanks and trailers												#DIV/0!
equipment for environmental protection												#DIV/0!
Provision of services to agriculture												
constr/reconstr. of immovable property												#DIV/0!
development of holding's infrastructure												#DIV/0!
specialised processing equipment	33	8	4	3			11003	33009	61722	7392	22185	67,21%
specialised transport tanks and trailers												#DIV/0!
equipment for environmental protection												#DIV/0!
Development of services for the rural population												
constr/reconstr. of immovable property												#DIV/0!
development of holding's infrastructure												#DIV/0!
specialised processing equipment	22	15	2				349288	897866				0,00%
specialised transport tanks and trailers												#DIV/0!
equipment for environmental protection												#DIV/0!
Promotion of Rural Tourism												
constr/reconstr. of immovable property	44	17	3	1			236225	708678	308337	49239	147717	20,84%
development of holding's infrastructure	75	25	12	4			555117	1550434	835577	189084	569729	36,78%
specialised equipment	1	1										#DIV/0!
equipment for environmental protection	1	1										#DIV/0!
Production and sale of renewable energy												
constr/reconstr. of immovable property	40	40										#DIV/0!
development of holding's infrastructure	1	1										#DIV/0!
specialised processing equipment	5	5										#DIV/0!
specialised transport tanks and trailers												#DIV/0!
equipment for environmental protection												#DIV/0!
TOTAL	698	274	103	49			3.234.507	9.693.698	4.333.109	742.162	2.242.376	23,13%

IPARD Programme

O.9.: Technical assistance**Breakdown by type of action (cumulated data and amount in euro)**

month/year

Actions	Number of applications submitted			Planned		Realisation			Percentage of realisation (A)/(B)
	Total number of actions received	Approved	Completed	Eligible expenditure contracted by the IPARD Agency		Eligible expenditure paid by the IPARD Agency			
				Total public		Total public expenditure	Total public		
				National funds	EU (A)		National funds	EU (B)	
Monitoring Committee									
Meetings of the Monitoring Committee	12	12	7	78776	312836	18406	24083	136468	44%
Studies									#DIV/0!
Advisers to the Monitoring Committee									#DIV/0!
Working groups									#DIV/0!
Information and Publicity campaign									#DIV/0!
Publicity campaigns	2	2	2	356	2018	2374	356	2018	100%
Promotional materials	1	1	1		921	1083	162	921	100%
Workshops, seminars	1	1	1	290	1645	1935	290	1645	100%
Programme evaluation									#DIV/0!
Contracted services	1	1	1	158	898	1056	158	898	100%
Studies									#DIV/0!
Reports									#DIV/0!
Support to other measures									#DIV/0!
LEADER approach projects									#DIV/0!
Rural Network actions									#DIV/0!
Expert services									#DIV/0!
TOTAL	17,00	17,00	12,00	79.580,00	318.318,00	24.854,00	25.049,00	141.950,00	45%

Comments