



MONTENEGRO
Ministry of Agriculture, Forestry and
Water Management¹

DIRECTION FOR COORDINATION AND PR RELATIONS

MANAGING AUTHORITY

Version: 2.0

Page 1 of 13

MINUTES FROM THE MEETING OF IPARD II MONITORING COMMITTEE

Meeting number 6

Minutes from the sixth meeting of the IPARD II Monitoring Committee
20th November 2019/ **Video conference/Hotel Verde Complex, Donja Gorica bb, 81 000
Podgorica**

I. List of participants (attached to Minutes):

Due to the situation caused by the COVID 19 virus, the meeting was held via the Zoom platform, while some members attended the meeting in the hall of the Verde Hotel.

Meeting was attended by the IPARD II monitoring committee members, as well as the representatives of the European Commission and EU Delegation in Montenegro. Meeting was not attended by the representatives of the: Ministry of Sustainable Development and Tourism, Ministry of Human and Minority Rights, NGO Environmental movement „OZON“, and the representative of the Association of Manufacturers of plants in greenhouses.

Result:


Quorum was fulfilled, so the meeting could be held and decisions can be taken (21 members or their substitutes with voting rights were present from 25 members with voting rights).

Attachment: Apart from the short list of the participants explained in Minutes, attached is the list of participants divided as:

1. Voting members (concluding with number 25)
2. Non-voting members (from number 26 to and including 30.)
3. Representatives of the European Commission with advisory role (from number 32 to and including 34.)
4. Observers (number 31 and 32.)

II. Agenda

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|--|--|
|  MONTENEGRO Ministry of Agriculture, Forestry and Water Management ¹ | DIRECTION FOR COORDINATION AND PR RELATIONS |
| MANAGING AUTHORITY | Version: 2.0 |
| | Page 2 of 13 |

Agenda of the meeting

AGENDA

Sixth IPARD II Monitoring Committee meeting (Video Conference)


Date: Friday 20th November 2020

Time: 10:00


Place: Video conference

| No. items | Provisional time | Content | Informative /Need agreement /Need approval /Need opinion of the IMC members | Responsibility |
|-----------|------------------|---|---|---|
| 1. | 10:00-10:10 | Opening of the meeting; Approval of the Agenda and check of list of members/representatives (attached to the agenda) | Need approval | Đuro Žugić, State Secretary of the Ministry of Agriculture and Rural Development, Chairperson |
| 2. | 10:10-10:15 | Adoption of the minutes of the previous IPARD monitoring committee (MC) meeting (attached to the agenda) and information on the implementation of decisions taken at the previous IPARD II monitoring committee meeting | Need approval | Đuro Žugić, State Secretary of the Ministry of Agriculture and Rural Development, Chairperson |
| 3. | 10:15-10:30 | Introduction European Commission (DG AGRI) | Informative | Liam Breslin, Head of Unit - Pre-accession assistance DG AGRI.E5. |

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| MANAGING AUTHORITY | Version: 2.0 |
| | Page 3 of 13 |

| | | | | |
|-----------------|-------------------------|--|--|--|
| 4. | 10:30 –10:40 | Update on preparations for IPARD III programme | Informative | Darko Konjević, Head of the Managing Authority/General director of Directorate for Rural Development, Irina Vukčević, Head of Direction for Programming |
| 5. | 10:40-10:50 | Presentation of the state of play for the FIRST and the SECOND IPARD call for Measure 1 (General information about programme/measure implementation on the basis of monitoring tables & results of calls; Report of approved/rejected projects) | Informative | Danka Perović, Head of the IPARD Agency/General director of Directorate for Payments |
| No.items | Provisional time | Content | Informative /Need agreement /Need approval /Need opinion of the IMC members | Responsibility |
| 6. | 10:50-11:00 | Presentation of the state of play for the FIRST and SECOND IPARD call for Measure 3 (General information about programme/measure implementation on the basis of monitoring tables & results of calls; Report of approved/rejected projects) | Informative | Danka Perović, Head of the IPARD Agency/General director of Directorate for Payments |

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|--|--|
|  MONTENEGRO Ministry of Agriculture, Forestry and Water Management ¹ | DIRECTION FOR COORDINATION AND PR RELATIONS |
| MANAGING AUTHORITY | Version: 2.0 |
| | Page 4 of 13 |

| | | | | |
|-----|-------------|---|---------------|--|
| 7. | 11:00-11:30 | Discussion/approval of IPARD II programme modifications/updates | Need approval | Darko Konjević, Head of the Managing Authority/General director of Directorate for Rural Development, Irina Vukčević, Head of Direction for Programming |
| 8. | 11:30-11:45 | Information about the communication activities linked to the 'plan of visibility and communication activities for IPARD II programme' for the period from previous IMC meeting (22 nd November 2019.) Approval of the Realization of 'Plan of visibility and communication activities - Annual List of Actions – 2019' Approval of the 'Plan of visibility and communication activities - Annual List of Actions – 2021' | Need approval | Ana Čabarkapa, Advisor for coordination and public relations of rural development |
| 9. | 11:45-11:50 | Modification of Evaluation plan of IPARD II | Need approval | Enis Gjokaj/Head of M&E Managing Authority |
| 10. | 11:50-12:00 | Presentation of the Annual implementation report 2019 | Informative | Enis Gjokaj/Head of M&E Managing Authority |

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| MANAGING AUTHORITY | Version: 2.0 |
| | Page 5 of 13 |

| No.items | Provisional time | Content | Informative /Need agreement /Need approval /Need opinion of the IMC members | Responsibility |
|----------|------------------|---|---|----------------|
| 11. | 12:00-12:10 | AOB | | |
| 12. | 12:10-12:20 | Proposals for a date and the agenda of the next meeting | Informative | |

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MONTENEGRO
Ministry of Agriculture, Forestry and
Water Management¹

DIRECTION FOR COORDINATION AND PR RELATIONS

MANAGING AUTHORITY

Version: 2.0

Page 6 of 13

III. Result of the IPARD II meeting

In accordance with the point 1 of the Agenda: Opening of the meeting, Adoption of the Agenda

- **Darko Konjević, Director General of Directorate for Rural Development and Deputy Chairperson of the IPARD II MC** opened the meeting and presented the Agenda.

Decision number 1

- Agenda was adopted.
- All 21 members with voting rights voted YES for the adoption.

In accordance with the point 2 of the Agenda: Adoption of the minutes of the previous IPARD monitoring committee (MC) meeting (attached to the agenda) and information on the implementation of decisions taken at the previous IPARD II monitoring committee meeting

- **Darko Konjević, Director General of Directorate for Rural Development and Deputy Chairperson of the IPARD II MC**

The minutes were sent to all members of the IPARD II Monitoring Committee within the stipulated deadline. There were no comments on the minutes. At the previous meeting, decisions were made on the presentation of the Chamber of Commerce and the Biotechnical Faculty, but due to the new situation and the manner of holding the meeting, they were postponed.

Decision number 3


- Minutes from the previous meeting of IPARD II MC were approved.
- All 21 members with voting rights voted YES for adoption.

In accordance with the point 2 of the Agenda: Short introduction by European Commission (DG AGRI), Liam Breslin, Head of Unit - Pre-accession assistance DG AGRI.E5

The overview of the main conclusion of the discussion:

- **Liam Breslin, Head of Unit - Pre-accession assistance DG AGRI.E5** He praised the activities so far on the implementation of the IPARD II program and pointed out the expectations that after the establishment of the new Government, there will be no personnel changes of people working on the implementation of IPARD. He stressed that Montenegro and the new Government should make new efforts to start implementing the Technical Assistance measure, which means separating the IPARD Agency from the Ministry. In connection with the announcement of the first public call for Measure 7 – Farm diversification and business development, he expressed the expectation of great interest

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|--|--|--------------|
|  <p>MONTENEGRO Ministry of Agriculture, Forestry and Water Management¹</p> | DIRECTION FOR COORDINATION AND PR RELATIONS | |
| MANAGING AUTHORITY | Version: 2.0 | Page 7 of 13 |

and the number of applications. He said that the Agenda regarding the upcoming workshop for the development of the IPARD III program will be sent, where representatives of Montenegrin institutions will also participate.

- **Darko Konjević, Head of the Managing Authority/Director General of Directorate for Rural Development and Deputy Chairperson of the IPARD II MC**, took the opportunity to thank Mr. Breslin for his significant contribution to the development and implementation of the IPARD II program in Montenegro, and to enjoy the upcoming retirement days, and that he is always welcome in Montenegro as a true friend.

In accordance with the point 4 of the Agenda: Update on preparations for IPARD III programme

- **Darko Konjević, Head of the Managing Authority/Director General of Directorate for Rural Development and Deputy Chairperson of the IPARD II MC**, started with the development of certain segments for the IPARD III program. After the adoption of the Sectoral Agreement and the completion of the Sectoral Analyses, a large part of the Program will be completed. The establishment of a working group for the development of the mentioned program is underway, and he appealed to those who have not yet appointed representatives of the institutions to do so as soon as possible. At the end of this year and the beginning of next year, meetings with representatives of the association will be realized, depending on the situation.

In accordance with the points 5 and 6 of the Agenda: Presentation of the state of play for the FIRST and the SECOND IPARD call for Measure 1 and 3 (General information about programme/measure implementation on the basis of monitoring tables & results of calls; Report of approved/rejected projects)

- **Danka Perović, Head of the IPARD Agency/Director General of Directorate for payments**, presented a brief recapitulation of previous public calls for measures 1 and 3. Through two published calls for Measure 1 - Investments in primary production, 249 applications were contracted, with a contract value of about 10 million euros. So far, 151 have been disbursed with support of almost 4m euros. For two public calls for Measure 3 - Investments in processing, 44 applications were contracted with a contract value of almost 11.5 million euros. So far, 4 applications have been paid, with support in the amount of 1.6 million euros.

The overview of the main conclusion of the discussion:

- **Liam Breslin, Head of Unit - Pre-accession assistance DG AGRI.E5**, He suggested finding a way to speed up the implementation of contracted investments and payments for Measure 3, and asked for reasons for longer project implementation, taking into account the situation with COVID 19.

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MONTENEGRO
Ministry of Agriculture, Forestry and
Water Management¹

DIRECTION FOR COORDINATION AND PR RELATIONS


MANAGING AUTHORITY

Version: 2.0

Page 8 of 13

- **Danka Perović, Head of the IPARD Agency/Director General of Directorate for payments, Answer:** The situation caused by COVID 19 slowed down or prevented the import of equipment from abroad, as well as the lack of workers in investments related to the construction of facilities. Also, finances, the impossibility of providing funds for pre-financing, are also one of the reasons for giving up or delaying the realization of investments and submitting requests for payment. She emphasized that they are in constant contact with users, and that they expect a significant number of applications for payment in the first quarter of 2021.
- **Ratko Bataković, President, Rural Development Network, Question:** What is the biggest problem with finances?
- **Danka Perović, Head of the IPARD Agency/Director General of Directorate for payments, Answer:** The inability of providing the required collateral and the bank guarantees.
- **Darko Konjević, Head of the Managing Authority/Director General of Directorate for Rural Development and Deputy Chairperson of the IPARD II MC, Comment:** Precisely for the mentioned reasons, together with the EC, the amendments to the Sectoral Agreement have been completed, according to which an advance payment of support for approved investments in the amount of 50% will be approved. This will certainly significantly contribute to a more successful and faster implementation of IPARD projects.
- **Danka Perović, Head of the IPARD Agency/Director General of Directorate for payments, Comment:** All contracted applicants have been invited and they have expressed great interest for advance payment, and it is believed that this will significantly speed up the payment process.
- **Ratko Bataković, President, Rural Development Network, Question:** Do IPARD recipients lose their will due to long waits due to the procedures?
- **Danka Perović, Head of the IPARD Agency/Director General of Directorate for payments, Answer:** That the procedure requires a little more time is used by applicants through previous projects, MIDAS, IPARD like, so that they do not lose will and interest, as evidenced by the number of applications received through IPARD public calls.
- **Dick Van Dijk, „desk officer“ for Montenegro in Pre-Accession Unit of DG AGRI/European Commission Question:** What are the most common reasons for giving up contracted investments, and what can be done to reduce withdrawals as much as possible?

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| | | |
|--|--|--------------|
|  <p>MONTENEGRO Ministry of Agriculture, Forestry and Water Management¹</p> | DIRECTION FOR COORDINATION AND PR RELATIONS | |
| MANAGING AUTHORITY | Version: 2.0 | Page 9 of 13 |

- **Danka Perović, Head of the IPARD Agency/Director General of Directorate for payments, Answer:** The main reason for giving up was finances, then the fear of entering new investments due to the situation caused by the COVID virus19, but also the failure to meet the necessary standards. Through the previous public call for Measure 1, we had a lot of applications for the procurement of machinery, but their facilities did not meet the required standards, and eventually gave up on investment. In the meantime, these applicants arranged the facilities and applied for a new public call for Measure 1.
- **Luka Đukanović, Audit Authority, Comment:** He suggested that it is necessary to speed up the contracting process, so that there would be something to pay off next year.
- **Danka Perović, Head of the IPARD Agency/Director General of Directorate for payments, Answer:** Will try to speed up contracting as much as possible. COVID 19 and a significant number of colleagues who do administrative control of the requests for support were in isolation, which has significantly slowed down the process, then they are waiting for certain confirmations and documents from the Technical Bodies, and the work of the evaluation commission is present, which all requires waiting and the process is slows down.
- **Ivana Maksimović, Head of the management structure, Comment:** Aware that the contracting procedure must be accelerated as much as possible, an initiative was submitted to amend the Law on Agriculture, where the contracting process will be excluded from the National Administrative Procedure, which will affect users to submit as complete documentation as possible.

In accordance with the point 7 of the Agenda: Discussion/approval of IPARD II programme modifications/updates

- **Irina Vukčević, Managing Authority/Head of Direction for Programming,** presented the modifications to the IPARD II program, emphasizing that they are divided into technical, significant and financial. Through the presentation, she pointed to each of them. She especially pointed out that the modifications were mostly made in accordance with the changes of Measure 7 – Farm diversification and business development.

The overview of the main conclusion of the discussion:

- **Dick Van Dijk, „desk officer“ for Montenegro in Pre-Accession Unit of DG AGRI/European Commission Comment:** The modification includes also the reallocation of financial resources, so it is now easier to implement the measures of the IPARD II program.
- **Luka Đukanović, Audit Authority, Comment:** He suggested that section 8.3.5 - Recipients and 8.3.9 - Eligible activities, should be defined more precisely.

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MONTENEGRO
Ministry of Agriculture, Forestry and
Water Management¹

DIRECTION FOR COORDINATION AND PR RELATIONS

MANAGING AUTHORITY

Version: 2.0


Page 10 of 13

- **Darko Konjević, Head of the Managing Authority/Director General of Directorate for Rural Development and Deputy Chairperson of the IPARD II MC**, will consider once again, and check with colleagues from the Ministry of Tourism, as the definitions are made in compliance with the Law on Tourism.
- **Liam Breslin, Head of Unit - Pre-accession assistance DG AGRI.E5**, *Question*: What is the amount of funds allocated for Measure 7 after the amendments to the IPARD II program.
- **Darko Konjević, Head of the Managing Authority/Director General of Directorate for Rural Development and Deputy Chairperson of the IPARD II MC**, *Answer*: The main reason for redirecting funds is the impossibility of using funds for some of the IPARD II program measures, so 6 million and 80 thousand euros have been allocated for measure 7 (up to 150,000 euros will be supported investments in rural tourism, up to 30,000 euros investments for processing on the farm and up to € 15,000 for craft investment). After the first public call, there will be a more realistic picture, and we will see the further reallocations.
- **Liam Breslin, Head of Unit - Pre-accession assistance DG AGRI.E5**, *Question*: Are funds left for the Technical Assistance measure.
- **Darko Konjević, Head of the Managing Authority/Director General of Directorate for Rural Development and Deputy Chairperson of the IPARD II MC**, *Answer*: Funds have been left for the Technical Assistance measure, as well as planned steps for accreditation.
- **Miloš Čelanović, Ministry of Economy**, *Question*: Is it possible to change the limit of 600 m above sea level, considering that certain agricultural producers, specifically winegrowers, cannot fulfil that condition.
- **Darko Konjević, Head of the Managing Authority/Director General of Directorate for Rural Development and Deputy Chairperson of the IPARD II MC**, *Answer*: The definition of a mountain area is 600m above sea level and through the existing IPARD II program this cannot be changed. The suggestion is certainly accepted and it will try to include it in the IPARD III program. The biggest problem they face is the inability of IPARD Agency to control, as there is no clear definition of urban and rural areas.

Decision number 3

- The proposed modifications to the IPARD II program have been adopted.
- All 21 members with voting rights voted YES for adoption.

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| MANAGING AUTHORITY | Version: 2.0 | Page 11 of 13 |

In accordance with the point 8 of the Agenda: Information about the communication activities linked to the 'plan of visibility and communication activities for IPARD II programme' for the period from previous IMC meeting (22th November 2019.); Approval of the Realization of 'Plan of visibility and communication activities - Annual List of Actions – 2019'; Approval of the 'Plan of visibility and communication activities - Annual List of Actions – 2021'

The overview of the main conclusion of the discussion:

- Ana Čabarkapa, Managing Authority/Advisor for coordination and public relations of rural development**, presented the activities that have been implemented for the purpose of promotion and visibility of the IPARD II program since the previous meeting (November 22, 2019). She reminded that the SECOND public call for Measure 1 was published on February 24 and the submission of the applications was scheduled for May 19, but due to the new situation with the COVID 19 virus, the deadline for submitting the applications was extended until August 19. COVID 19 is the reason for the impossibility of organizing all the planned workshops in the cities (4 workshops were not realized, while 19 were realized). She pointed out the novelty, which is the "Open Days in the IPARD Agency/Directorate for Payments", which were established with the aim of acquainting agricultural producers and processors with all the procedures that are carried out in order to implement public calls for non-refundable investment support through the IPARD program. But so far, due to the new situation, they were held only on February 24, when they were intended for media representatives and March 9 for agricultural producers who were interested in supporting the previous - first public call for primary production through IPARD. It was an opportunity for the users who agreed on support at that time to get acquainted with the rest of the procedure, in order to complete the documentation as soon as possible and get the support funds. Also, producers who failed to pass the first call were explained where they were wrong and how to successfully respond to the new call that was in progress. She presented the Annual List of Activities for 2021, emphasizing that the activities remained almost the same as in the Annual List of Activities for 2020, with the activities including measure 7, for which the publication of the first public call is expected in the first quarter of 2021. She also presented the Realization of the Annual List of Activities for 2019.
- Liam Breslin, Head of Unit - Pre-accession assistance DG AGRI.E5, Comment:** Excellent activities are being implemented in Montenegro for the purpose of promoting the IPARD program. Success stories are promoted in a good way, but in the future you may should make a brochure about success stories that could themselves help speed up the application payment process.
- Darko Konjević, Head of the Managing Authority/Director General of Directorate for Rural Development and Deputy Chairperson of the IPARD II MC, Comment:** Implemented a large number of activities for the purpose of promoting the IPARD program. Success stories were recorded in cooperation with the EU Delegation to Montenegro, so joint and coordinated activities will continue.

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MONTENEGRO
Ministry of Agriculture, Forestry and
Water Management¹

DIRECTION FOR COORDINATION AND PR RELATIONS

MANAGING AUTHORITY

Version: 2.0

Page 12 of 13

Decision number 4

- „Annual list of actions for 2021. – Plan of visibility and communication activities“ is adopted.
- “Realization of 'Plan of visibility and communication activities - Annual List of Actions – 2019” is adopted.
- All 21 members with voting rights voted YES for adoption.

In accordance with the point 9 of the Agenda: Modification of Evaluation plan of IPARD II

- **Enis Gjakaj, Managing Authority/Head for monitoring, evaluation and reporting,** presented the proposed modifications, emphasizing that they were made in accordance with the findings of the Auditor's Report from 2019.

Decision number 5

- The proposed modifications of Evaluation plan of IPARD II have been adopted.
- All 21 members with voting rights voted YES for adoption.

In accordance with the point 10 of the Agenda: Presentation of the Annual implementation report 2019

- **Enis Gjakaj, Managing Authority/Head for monitoring, evaluation and reporting,** emphasized that the Report had already been adopted by the Committee, and during the presentation he emphasized the most important things from the Report.

In accordance with the point 12 of the Agenda: Suggestions date and Agenda for next meeting

An overview of the main conclusions of the discussion:

- **Darko Konjević, Head of the Managing Authority/Director General of Directorate for Rural Development and Deputy Chairperson of the IPARD II MC,** it is proposed that the next meeting be organized in May 2021, of which the members of the IPARD II Monitoring Committee will be informed in a timely manner.

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MONTENEGRO
Ministry of Agriculture, Forestry and
Water Management¹



DIRECTION FOR COORDINATION AND PR RELATIONS

MANAGING AUTHORITY

Version: 2.0

Page 13 of 13

Signatures:

| CHAIRPERSON OF THE IPARD II MC: | FOR THE SECRETARIAT: |
|---|--|
| Mr DARKO KONJEVIĆ | Mr ENIS GJOKAJ |
| <i>Position: Head of the Managing Authority / Director General of the Directorate for Rural Development, Head of the MA</i> | <i>Position: Head for monitoring, evaluation and reporting</i> |
| Signature:  | Signature:  |
| Date: 04 th January 2021 | Date: 04 th January 2021 |

Attachment: List of participants

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