

# The Government of the Republic of North Macedonia -Agency for Financial Support of the Agriculture and Rural Development

On the basis of article 9 paragraph 1 point (b) from the Law on ratification of the Sectoral Agreement signed by and between the Government of the Republic of Macedonia and the Commission of the European Communities for stipulating provisions for management and implementation of the EU financial assistance to the R. Macedonia under the Instrument for Pre-Accession Assistance in the policy areas for "Agriculture and Rural Development (IPARD) (Official Gazette of RM no.38/2016) on the basis of Part II Measure "Farm Diversification and Business Development" point 11 of the Programme for allocation of funds from the EU Instrument for Pre-Accession Assistance for Rural Development of the European Union (IPARD 2014-2020) (Official Gazette no.177/2016) and on the basis of article 6 from the Decree on the manner and the procedure for allocation of the financial assistance for the rural development measures funded under the IPARD Programme 2014-2020 (Official Gazette of RM no.64/2016) and (Official Gazette no. 58/2019)

# The Agency for Financial Support of the Agriculture and the Rural Development

On 08 July, 2021 hereby announces

# Call for Applications No.01/2021

for submitting applications for allocation of funds under Measure 7 "Farm Diversification and Business Development" from the IPARD Program 2014-2020

# PART I

1. The Agency for Financial Support of Agriculture and Rural Development (hereinafter: The Agency) as the relevant institution and contracting authority for the implementation of the EU Instrument for Pre-Accession Assistance for Rural Development (IPARD) invites all interested natural and legal parties from the Republic of North Macedonia to submit applications for allocation of funds from the IPARD Program 2014-2020 for the following measure:

#### Measure 7. Farm Diversification and Business Development

- The financial support for this Public Call is comprised of 75% funds by the European Union Instrument for Pre-Accession Assistance for Rural Development (IPARD) according to the Financial Agreement 2014-2020 and 25% funds from the Budget of the Republic of North Macedonia.
- The Financial resources per single application shall be awarded as a non-refundable financial support (grant) in the amount of:
   3.1. 65% of the value of the total eligible expenditures for the investments under Measure 7 Farm Diversification and Business Development.
- 4. The deadline for submitting applications is 22 August, 2021.

The total financial support under this call is: 9.604.431,00 euros or 592.545.370,75 denars, with the possibility to increase the amount during the public call.

#### 5. Forms and instructions:

The required forms of the "Application for allocation of funds for Measure 7 from the IPARD Program 2014-2020" as well as the "Guidelines for Beneficiaries of funds for Measure 7 from the IPARD Program 2014-2020 which comprises all the information on the criteria, eligibility requirements for the projects and the funding conditions as well as any other information necessary for preparing an Application for allocation of funds under the IPARD Program 2014-2020, the Guidelines for drafting the Business Plan/Technical Project Proposal and other useful information in electronic form can be downloaded from the Agency's web address: www.ipardpa.gov.mk.

The printed forms of the applications for allocation of funds for Measure 7 from the IPARD Program 2014-2020 and Guidelines for Beneficiaries of funds under Measure 7 of the IPARD Program 2014-2020 can be obtained directly at the Agency at: Agency for Financial Support of Agriculture and Rural development, Blvd. 3rd Makedonska Brigada No. 20, (Building of Makedonija Tabak, Bloc C), 1000 Skopje and the nearest regional centers or the work units of the National Extension Agency, every working day from 8:30 to 16:30 (The list of regional centers or the work units of the National Extension Agency with contact details is published at the web address: www.ipardpa.gov.mk).

# Note: For the purpose of completing the IPARD Programming Period 2014-2020, the deadline for completion of the investments is 31.05.2023 and the deadline for submitting the claims for payment is 30.06.2023.

#### 7. Submitting the application:

The Applicant shall fill out and submit an Application for allocation of funds from the IPARD Programme 2014-2020 for Measure 7 – Farm Diversification and Business Development and supporting documentation as defined in this Public Call.

The completed application for allocation of funds under Measure 7 of the IPARD Program 2014-2020 and all documentation shall be submitted in a sealed envelope. The front of the envelope, in the upper left corner, should have an indication "DO NOT OPEN", for Public Call IPARD, number 01/2021 and indication of the measure for which the application is sent. The application can be sent via registered mail or in person to the Archive of the Agency.

**Note**: For the purpose of performing the on-the-spot controls by the Agency, the applicant should have copies of the overall documentation submitted to the Agency.

More detail contact information can be obtained at: telephone (02) 3097-460 or the email address: ipardpa.info@ipardpa.gov.mk and the website: www.ipardpa.gov.mk.

# PART II

# MEASURE 7 – FARM DIVERSIFICATION AND BUSINESS DEVELOPMENT

#### 1. Priority sectors

The groups of investment per priority sectors refer to the following types of investments:

- Investments in alternative agricultural production
- Investments in the production of food products and beverages
  - Alcoholic products from grapes or fruits and beer;
  - Cakes, pasta and bakery products;
  - ➢ Tea and herbal extracts;
  - ➢ Spices and herbs;
  - ▶ Freshwater fish, crustaceans and mollusks and
  - Other products not listed in the List of Products in Annex I from the Treaty on the Functioning of the EU).
- Investments in the production of non-food products
- Investments in crafts activities
- · Investments in provision of services to agriculture
- Investments in services for the rural population
- Investments in rural tourism

# 2.Beneficaries

Natural persons who are registered as living in rural area or have registered economic activity in the rural area, such as:

 Natural person registered as craftsmen in the Crafts Registry according to Law on crafts for the activities for which the investment is proposed,

- Natural person registered as catering (including provision of accommodation) in the Catering Registry
  according to Law on catering for the activities for which the investment is proposed,
- Natural person registered as sole proprietor in the Central Registry according to Law on trade.
- Natural person registered in the Farm Register as representative of family agriculture holding or as member of the family agriculture household,
- Natural person registered as individual agriculture producer in the Register of Agriculture Producers in MAFWE or in the Pension Fund.

**Natural persons** who are proposing new investments for entering into economic activities in rural areas (e.g. for self-employment) are eligible for support under this measure subject to fulfilling the specific requirements at the end of the investment, in particular if he/she is:

- possessing proven professional competences via vocational school or vocational training or other professionally recognized certificate for the individual economic non-agriculture activity.
- committed that at the end of the investment (before submission of the final claim for payment) he/she will
  register the economic activity as craftsmen, catering or sole proprietor in the municipality where the rural
  area is located.

**Legal entities** which are registered in the Central registry of R. North Macedonia in the range of micro and small enterprises according to the criteria specified in the Recommendation of the European Commission 2003/361/EC, Annex to the Guideline for Beneficiaries for Measure 7–Farm Diversification and Business Development. The assessment of the size of the enterprises shall also include all partner and related companies to the relevant company and the assessment of the size of the enterprise shall be performed by the methodology in the above-specified Recommendation by the European Commission.

The necessary data on the basis of which the size of the legal entity can be determined shall be obtained from the document "OVERVIEW OF DATA FROM THE ANNUAL ACCOUNT FOR THE PREVIOUS YEAR" issued by the Central Registry of the Republic of North Macedonia or an adequate document from the relevant state for related companies abroad.

When determining the size of the entities, shall be consulted the data from the Central Securities Depository of the Republic of North Macedonia for shares in joint stock companies of the applicant and all registered owners of the applicant and related entities.

When assessing the size of the entity, shall also be considered the related entities outside the borders of the Republic of North Macedonia.

#### Company size criteria

Type of enterprise	Number employees	Annual revenue (turnover)	Balance sheet
Small	<50	$\leq \in 10$ millions	$\leq \in 10$ millions
Micro	< 10	$\leq \in 2$ millions	$\leq \in 2$ millions

Newly established enterprises shall be assessed on the basis of expression of their expected size to be reached proposed in the Business Plan or the Technical project proposal.

**Cooperative** which is registered as such in the Central registry according to Law on cooperatives primarily dealing with primary agriculture production or logging or collection of forestry products, processing of agricultural or forestry products, marketing of agriculture products and/or services connected directly with agricultural activities and forestry. The proposed investment should be compliant with the objectives of the Cooperative, which are specified in the Cooperative Statute.

#### **3.** Common Eligibility Criteria

- The investments must be implemented in the property owned by the applicant. In case of investment projects, which take place in the property not owned by the applicant, contract or other supporting document must be submitted proving the right of use of the property concerned by the investment for period of minimum 7 years from the date of applying for support.
- The Applicant natural person shall provide certificate document for proven professional competences for the individual economic non-agriculture activity by minimum secondary school education or higher education or vocational education or vocational training by diploma/certificate. Applicants that fail to meet the above skills and competences shall at the end of the investment provide training certificate issued by relevant vocational training institutions, educational and research institutions or public advisory services including the list of attended training modules with relevance to the investment.
- At least one responsible person of the individual agriculture producer, legal entity or cooperative is permanently employed or is engaged under contract with duration not shorter than 5 years. Natural persons shall be permanently employed as sole proprietors, craftsmen or catering. In case of new investments this requirement shall be achieved prior the submission of final payment claims i.e. when the investment becomes operational.
- Support cannot be granted to legal entities in case their capital is held by a public body or bodies or when more than 25% is owned by the state.
- The investment is eligible for funding if located in rural area.
- Aid can be granted to recipients which investment projects present prospect of financial/economic viability. The economic and financial viability shall be assessed on the basis of Technical Project Proposal or Business Plan. The applicant must demonstrate prospect of continuity of operations at least five years following the realization of the investment.
- In the case of projects having a total eligible budget exceeding 50 000 euro, the prospect of economic viability must be demonstrated via Business Plan on the basis of the following economic indicators:
  - $\circ$  Modified internal rate of investment > 0
  - $\circ$  Net present value > 0
  - $\circ$  Period of return on investment < 10 years
- In case of projects having a total eligible budget bellow 50 000 euro, the prospect of financial viability must be demonstrated via Technical Project Proposal containing perspective data on financing indicators in terms of generating sufficient income to meet the operating costs.

#### 4. Aid intensity

Total public expenditure (75% EU funds + 25% national co-financing) will not exceed a ceiling of **65% of the total eligible costs of the investment**.

- The minimum total eligible expenditures proposed for the investment project is EUR 1 500.
- The maximum total eligible expenditures proposed for the investment project shall not exceed EUR 1 000 000 in denars. In case the expenditure exceeds the specified amount, the Agency shall make proportional deduction of all eligible expenditures up to the maximum amount of eligible expenditure of EUR 1 000 000.
- The maximum total aid to be granted to a recipient under this measure is EUR 1 500 000 for the whole period of the Programme implementation of 2014-2020.

#### 5. List of required documents

Pursuant to the Law Amending the Law on Establishing the Agency for Financial Support of Agriculture and Rural Development (Official Gazette of the Republic of North Macedonia No. 190/2019) the overall documentation listed below in this Public Call should be submitted at the moment of submitting the application for financial support, otherwise the application will be rejected.

The bellow-listed documents submitted as supporting to the application for allocation of funds under Measure 7 from the IPARD Program (2014-2020) should be original or notarized, unless otherwise specified in the document. If the documentation is in another language, it should be accompanied by a translation into Macedonian certified by a certified translator. Documents issued on the basis of public records or an established system of records shall not be older than three months from the date of announcing the Call, with the exception of documents confirming the fulfillment of the paid tax and contributions which should not be older than one month from the date of announcement of the Public Call.

# LIST OF DOCUMENTS SUBMITTED BY THE APPLICANT THAT REFER TO ALL PRIORITY SECTORS

- 1. COMPLETELY FIILED OUT APPLICATION FOR THE MEASURE FARM DIVERSIFICATION AND BUSINESS DEVELOPMENT
- 2. COPY OF VALID IDENTIFICATION CARD OR PASSPORT FROM THE RESPONSIBLE PERSON FROM THE APPLICANT
- **3.** STATEMENT BY THE APPLICANT (NATURAL PERSON) THAT BY END OF THE INVESTMENT WILL BE REGISTERED AS:
  - a. CRAFTS, OR
  - b. CATERER, OR
  - c. SOLE PROPRIETOR
- 4. DIPLOMA/CERTIFICATE FOR THE APPLICANT (NATURAL PERSON) FOR ECONOMIC NON-AGRICULTURE ACTIVITIES OR

STATEMENT BY THE APPLICANT (NATURAL PERSON) THAT BY END OF THE INVESTMENT, HE/SHE WILL SUBMIT CERTIFICATE FOR PARTICIPATION IN TRAINING MODULES RELEVANT FOR THE INVESTMENT.

- 5. PROOF THAT THE APPLICANT (LEGAL ENTITY) IS NOT IN BANKRUPTCY PROCEEDINGS;
- 6. PROOF THAT THE APPLICANT (LEGAL ENTITY) IS NOT IN LIQUIDATION PROCEDURE;
- 7. PROOF THAT THE APPLICANT WAS NOT SENTENCED WITH AN INJUNCTION FOR PURSUING PROFESSION, ACTIVITY OR DUTY
- **8.** COPY OF THE SHAREHOLDER BOOK IN CASE WHEN THE APPLICANT IS REGISTERED AS A JOINT STOCK COMPANY
- **9.** SIGNED STATEMENT FOR INFORMATION ABOUT THE SIZE OF THE APPLICANT MICRO OR SMALL ENTERPRISE
  - a. PROOF OF THE OWNERSHIP STRUCTURE OF RELATED AND PARTNER ENTITIES (NATURAL AND /OR LEGAL ENTITIES) TO THE APPLICANT, REGISTERED OUTSIDE THE BORDERS OF REPUBLIC OF NORTH MACEDONIA, ISSUED BY THE RELEVANT INSTITUTIONS IN THE COUNTRY CONCERNED (ONLY FOR APPLICANTS THAT IN THE OWNERSHIP STRUCTURE HAVE RELATED AND PARTNERSHIP ENTITIES, NATURAL AND /OR LEGAL ENTITIES, REGISTERED OUTSIDE THE BORDERS OF THE REPUBLIC OF NORTH MACEDONIA)
  - b. DOCUMENT WITH DATA ON THE NUMBER OF EMPLOYEES, ANNUAL REVENUE AND ANNUAL BALANCE SHEET OF RELATED AND PARTNER ENTERPRISES TO THE APPLICANT, WHO ARE REGISTERED OUTSIDE THE BORDERS OF NORTH

MACEDONIA. THE DATA SHOULD BE FROM THE LAST APPROVED FISCAL YEAR. (ONLY FOR APPLICANTS THAT IN OWNERSHIP STRUCTURE HAVE RELATED AND PARTNER ENTITIES AND NATURAL/OR LEGAL PERSONS ESTABLISHED OUTSIDE THE BORDERS OF THE REPUBLIC OF NORTH MACEDONIA)

- c. CERTIFICATE OF SHARES IN JOINT STOCK COMPANIES FOR THE APPLICANT AND ALL REGISTERED OWNERS OF APPLICANT ISSUED BY THE CENTRAL SECURITIES DEPOSITORY OF REPUBLIC OF NORTH MACEDONIA
- 10. CERTIFICATE THAT AT LEAST ONE RESPONSIBLE PERSON HAS FULL-TERM EMPLOYMENT IN THE LEGAL ENTITY, OR

PROOF THAT AT LEAST ONE RESPONSIBLE PERSON IS HIRED WITH A WORK CONTRACT FOR THE ENTIRE DURATION OF THE CONTRACT FOR FINANCIAL SUPPORT I.E. MINIMUM 5 YEARS

- **11.** CERTIFICATE FOR PAID TAXES, HEALTH, PENSION AND DISABILITY INSURANCE ISSUED BY THE PUBLIC REVENUE OFFICE.
- **12.** PROOF THAT THE INVESTMENT IS IN COMLIANCE WITH THE STRATEGY FOR LOCAL ECONOMIC DEVELOPMENT OF THE LOCAL SELF-GOVERNMENT UNIT
- 13. OWNERSHIP LIST FOR A BUILDING AND/OR LAND
- 14. PROOF FOR USE RIGHT FOR:
  - a. BUILDING AND/OR LAND
- **15.** PROOF FOR REGULARLY PAID BANK LOAN LIABILITIES, IN CASE WHEN THE BANK HAS ESTABLISHED MORTGAGE ON THE PROEPRTY REGISTERED IN THE RELEVANT OWNERSHIP LIST, SUBJECT TO THE INVESTMENT
- 16. DECISION FOR APPROVED ENVIRONMENTAL PROTECTION STUDY, OR
  - A INTEGRATED ENVIRONMENTAL LICENCE, or;
  - B INTEGRATED ENVIRONMENTAL LICENCE, or;
  - SUBMITTED APPLICATION FOR ISSUING DECISION FOR A OR B INTEGRATED ENVIRONMENTAL LICENCE, or;
  - SUBMITTED APPLICATION FOR ISSUING DECISION FOR APPROVED ENVIRONMENTAL PROTECTION STUDY FOR THE PPROJECT OR;
  - NOTIFICATION/OPINION THAT FOR THE SPECIFIED INVESTMENT/PROJECT IS NOT NECESSARY TO DEVELOP ENVIRONMENTAL PROTECTION STUDY
- **17.** ONE OFFER ISSUED BY THE SUPPLIER FOR EACH ITEM/GROUP OF ITEMS BELOW EUR 10,000 ACCOMPANIED BY TECHNICAL SPECIFICATIONS AND DECLARATION FOR THE COUNTRY OF ORIGIN FOR EACH ITEM / GROUP OF ITEMS<sup>1</sup>
- **18.** THREE OFFERS ISSUED BY DIFFERENT SUPPLIERS FOR EACH ITEM/GROUP OF ITEMS EXCEEDING EUR 10,000 ACCOMPANIED WITH TECHNICAL SPECIFICATIONS AND DECLARATION FOR THE COUNTRY OF ORIGIN FOR EACH ITEM / GROUP OF ITEMS<sup>2</sup>
- **19.** COPIES OF BUILDING PERMITS FOR THE RELEVANT CONSTRUCTION CATEGORY FOR EACH BIDDER
- **20.** COPY OF A DOCUMENT WHICH WILL CONTAIN THE DATA FOR THE OWNERSHIP STRUCTURE FOR ALL FOREIGN SUPPLIERS
- **21.** COPY OF SHAREHOLDER BOOK FOR ALL BIDDERS REGISTERED AS JOINT STOCK COMPANIES COPY
- **22.** STATEMENT BY THE APPLICANT EXPLAINING THE REASONS FOR SELECTION OF THE SPECIFIC OFFER IN CASE WHEN THE SELECTED BID IS NOT WITH LOWEST PRICE
- 23. CONTRACT FOR GENERAL COSTS OR

<sup>&</sup>lt;sup>1</sup> The offers should be provided by bidders that are working in the industry or they can prove that they can supply the goods/services

<sup>&</sup>lt;sup>2</sup> The offers should be provided by bidders that are working in the industry or they can prove that they can supply the goods/services

INVOICE FOR PAYMENT OF THE GENERAL COSTS OR

ONE OFFER SUBMITTED BY SUPPLIER FOR EACH ITEM/GROUP OF ITEMS BELLOW 10,000 EUROS OR

THREE OFFERS ISSUED BY DIFFERENT SUPPLIERS FOR EACH ITEM/GROUP OF ITEMS EXCEEDING 10,000 EUROS

#### **24.** PERMIT FOR:

- CONSTRUCTION OF NEW BUILDING AND/OR

- RECONSTRUCTION OF EXISTING FACILITY AND/OR

- ADAPTATION TO EXISTING FACILITY AND/OR

- EXTENSION TO EXISTING FACILITY AND / OR

- SUPERSTRUCTURE TO THE EXISTING FACILITY AN /OR

- INSTALLATION OF EQUIPMENT FOR PRODUCTION OF ENERGY FROM RENEWABLE SOURCES (FOR OWN NEEDS) OR

STATEMENT BY THE APPLICANT THAT THE RELEVANT PERMIT WILL BE SUBMITTED BY THE DATE OF ISSUING THE DECISION FOR ALLOCATION OF FINANCIAL SUPPORT BUT NO LONGER THAN 1 YEAR FROM THE DATE OF SUBMITTING THE APPLICATION, OR

- CERTIFICATE FROM THE RELEVANT INSTITUTION THAT THE PROPOSED INVESTMENT DOES NOT NEED PERMIT FOR CONSTRUCTION/RECONSTRUCTION/EXTENSION /

ADAPTATION/SUPERSTRUCTURE/

INSTALLATION OF EQUIPMENT FOR ENERGY PRODUCTION FROM RENEWABLE SOURCES (FOR PERSONAL NEEDS)

# Note: THE PERMIT FOR CONSTRUCTION /RECONSTRUCTION TO BE ISSUED PURSUANT TO THE PURPOSE OF THE BUILDING, SUBJECT TO THE INVESTMENT I.E. ACCORDING TO THE CITY PLANNING DOCUMENTATION OF THE SPECIFIC LOT

**25.** DECISION FOR CHANGE OF THE INVESTOR

Note: The decision for change of investor is to submitted only if the construction permit is not issued in the name of the Applicant

• STATEMENT BY THE APPLICANT THAT THE RELEVANT DECISION WILL BE DELIVERED BY THE DATE OF APPROVING THE DECISION FOR FINANCIAL SUPPORT BUT NO LONGER THAN 1 YEAR FROM THE DATE OF APPLICATION

26. COPIES OR ELECTRONIC FORM (CD) OF THE BASIC TECHNICAL DRAWINGS AND BILL OF QUANTITIES FROM THE REVISED TECHNICAL DOCUMENT:

- CONSTRUCTION OF A NEW FACILITY AND / OR

- RECONSTRUCTION OF EXISTING FACILITY AND / OR

- ADAPTATION OF THE EXISTING FACILITY AND / OR

- EXTENSION OF EXISTING FACILITY AND / OR

- SUPERSTRUCTURE OF EXISTING FACILITY AND / OR

- PERFORMED CONDITION

27. INTERIM REPORT FOR ALL COMPLETED CONSTRUCTION WORKS

Note: Interim Report is submitted only if the applicant has built part of the building which is the subject to the investment and does not require financial support. The construction works are in accordance with the approved technical documentation.

28. BUSINESS PLAN IN CASE WHEN THE PROPOSED PROJECT EXCEEDS 50,000 EUROS IN MKD

29. TECHNICAL PROPOSAL PROJECT IN CASE WHEN THE PROPOSED PROJECT IS BELLOW 50,000 EUROS IN DENARS

# SPECIFIC DOCUMENTS ACCORDING TO PRIORITY SECTORS

PRIORITY SECTOR 1 - ALTERNATIVE AGRICULTURAL PRODUCTION

1. SUBMITTED APPLICATION FOR ISSUING LICENSE FOR WATER USE FOR AQUACULTURE

2. AGREEMENT BETWEEN THE APPLICANT AND THE PUBLIC ENTERPRISE FOR NATIONAL FORESTS FOR COLLECTION OF BASIC MATERIAL.

PRIORITY SECTOR 2 - PRODUCTION OF FOOD PRODUCTS AND BEVERAGES

THE AGENCY WILL OBTAIN ALL DOCUMENTS NECESSARY FOR THIS PRIORITY SECTOR BY EX-OFFICIO. THE APPLICANT IS NOT OBLIGED TO SUBMIT DOCUMENTS SPECIFIC TO THIS PRIORITY SECTOR.

PRIORITY SECTOR 3 - PRODUCTION OF NON-FOOD PRODUCTS

1. PERMIT FOR ESTABLISHMENT OF CAPACITIES FOR PRODUCTION OF WOODEN COAL (CHAMBER) AND / OR SIMILAR CAPACITIES

PRIORITY SECTOR 4 - CRAFT ACTIVITIES

1. PROOF THAT THE LEGAL ENTITY IS REGISTERED FOR PERFORMANCE OF A CRAFT ACTIVITY

PRIORITY SECTOR 5 - PROVISION OF SERVICES TO AGRICULTURE

THE AGENCY WILL GET OBTAIN THE DOCUMENTS NECESSARY FOR THIS PRIORITY SECTOR BY EX-OFFICIO. THE APPLICANT IS NOT OBLIGED TO SUBMIT DOCUMENTS SPECIFIC TO THIS PRIORITY SECTOR.

PRIORITY SECTOR 6 - DEVELOPMENT OF SERVICES FOR RURAL POPULATION

1. SUBMITTED APPLICATION FOR ESTABLISHMENT OF AN INSTITUTION FOR SOCIAL PROTECTION /EDERLY CARE, OR

• SUBMITTED APPLICATION TO CHANGE THE FOUNDER OF THE INSTITUTION FOR SOCIAL PROTECTION / NURSING CARE FOR THE ELDERLY

2. SUBMITTED APPLICATION FOR ESTABLISHMENT OF A SOCIAL PROTECTION/CHILD CARE INSTITUTION, OR

• SUBMITTED APPLICATION TO CHANGE THE FOUNDER OF THE INSTITUTION FOR SOCIAL PROTECTION /CHILD CARE

3. SUBMITTED APPLICATION TO ISSUE A LICENSE FOR BROADCASTING OF

- LOCAL RADIO PROGRAM, AND / OR
- LOCAL TELEVISION PROGRAM

PRIORITY SECTOR 7 - PROMOTION OF RURAL TOURISM

1. APPLICATION FOR OBTAINING APPROVAL FOR ESTABLISHMENT OF CAMPING SITES

ACCOMODATION (for investments in camping sites)

2. DECISION FOR PERFORMING CATERING ACTIVITY FOR

#### • ACCOMMODATION AND / OR • SERVING FOOD

Note: this document is not required if the investment refers to the establishment of new accommodation facilities and / or catering facilities.

3. DECISION FOR CATEGORIZATION ISSUED BY THE MUNICIPALITY OR THE MINISTRY OF ECONOMY (for investments in accommodation facilities and /or catering service) Note: this document is not required if the investment refers to the establishment of new accommodation facilities and / or catering facilities.

4. TECHNICAL DRAWINGS ACCOMPANIED BY A STUDY ON THE STYLE OF THE ARCHITECTURE AND MATERIALS USED FOR THE EXISTING TRADITIONAL STYLE OF BUILDING IN RURAL AREA OR BUILDING STYLES CORRESPONDING TO THE IMMEDIATE SURROUNDINGS WHERE THE INVESTMENT IS PLANNED, DRAFTED BY A LICENSED ARCHITECT (for investments referring to construction of accommodation facilities and / or serving food).

The Agency reserves the right to request additional documentation in order to prove the fulfillment of the criteria from the IPARD Program 2014-2020 for the use of financial support. In addition, the Agency has the right to request additional documents from other Institutions for the Applicant which prove the fulfillment of appropriate criteria from the Program.

#### PART III ADMNIISTRATIVE PROCEDURE

The administrative procedure in the Agency from the receipt of the applications to signing the Contract for allocation of funds consists of:

- 1. Completeness check of the submitted documents against the required documents by types of investments:
- Whether the application for Measure 7 "Farm Diversification and Business Development" has been fully filled out and whether the supporting documentation referred to in this Call has been submitted.

An incomplete application for financial support is the Application that does not contain the complete documentation at the time of its submission.

• Whether the documents enclosed to the application are original or a notarized copy (unless otherwise stated in the document itself).

2. The eligibility check of the application for allocation of funds shall be checked in order to determine:

- Whether the submitted documents prove compliance with the eligibility criteria and conditions of the proposed investment activities;
- Whether the proposed investment is economically and financially viable and sustainable, which is checked by analyzing the parameters contained in the attached business plan / technical proposal;
- Whether the proposed investment for which financial support is sought is not funded by other public sources of funding (Budget of the Republic of North Macedonia and international donors);
- Whether the prices of the proposed investment activities are within the range of market prices by analyzing the reference prices for the respective activities.

Assistance may be granted to beneficiaries whose investment projects provide financial / economic sustainability. Economic and financial sustainability will be assessed on the basis of a Business Plan or a Technical Proposal. The Applicant with the Business Plan should present the possibility of continuity of operation minimum five years after

the realization of the investment. The investment project will be assessed based on the following economic indicators:

- Modified internal ROI >0,
- Net present value > 0, and
- Period of return on investment that should be less than 10 years.

In the case of projects having a total eligible budget bellow 50 000 euro, the prospect of financial viability must be demonstrated via Technical Project Proposal containing perspective data on financing indicators in terms of generating sufficient income to meet the operating costs of the agriculture holding.

In order to establish the authenticity of the technical parameters, economic and financial data, the Agency shall have the right to request additional documents and information as a basis for making a decision.

The verification of the authenticity of the data contained in the Application for allocation of funds is performed by authorized persons of the Agency with on-the-spot control.

The rankings shall be made for all complete and eligible applications for allocation of funds in accordance with the attached ranking tables by individual measures.

Financial support will be granted for all complete and eligible applications for allocation of funds within the budget of available funds by measure on the basis of administrative and on-the-spot control.

Incomplete, ineligible applications as well as applications for allocation of funds that have a lower points than available disposable funds will be rejected with a Decision.

The Applicant, who has been approved for allocation of funds, shall sign Contract within 30 days from the date of receiving the Decision for allocation of funds from the IPARD Program.

Applicants must not begin with implementation of the investment prior to the signing of a Contract for the allocation of funds with the Agency, with the exception of activities related to general costs (business plan preparation, technical proposal design, feasibility study, architects, project documentation).

Upon completion of the investment, the applicant is obliged to submit to the Agency a claim for payment within the deadline stipulated in the Contract for allocation of funds.

Claim for payment is a standardized form that the beneficiaries receive when signing the Contract for financial support. The Claim for payment will also be available at the Agency's premises and can be downloaded from the Agency's website.

The Beneficiary is obliged to complete the Claim for payment manually or electronically and submit the invoices /pro-invoices to the Agency, specifying the measure and type of investment.

The review of the financial documentation is performed exclusively on the originals or notarized copies. In the event that original documents are submitted, during the payment authorization procedure, the Agency is obliged to send them back to the final beneficiary. They will be stamped with the Agency seal to avoid further double funding.

If the documents accompanying the Claim for payment are submitted after the deadline, the application will be rejected and the agreed amount of financial support will not be paid.

If there are any changes to the Claim for payment, i.e. there are activities procured that are not subject to the contract and there was no request for signing an annex to the contract, the claim will not be paid, or will be partially paid depending on the effect that the change will have on the total investment, subject to the contract.

If the beneficiary fails to comply with the contract provisions relating to the deadline for implementation of the investment, it should be borne in mind that all activities incurred prior to the signing of the contract (except the General Costs) will not be part of the financial support. All activities procured before the deadline, ie prior to signing the contract will not be subject to the investment. Furthermore, all activities purchased and paid after the investment implementation deadline for submitting the claim for payment will not be subject to financial support.

After administrative verification that the claim for payment is complete and eligible, the project/investment will be checked on-the-spot by authorized agents of the Agency who aim to verify the realization of the investment in full and in accordance with the contract. After the on-the-spot control, the Agency's controllers will draw up a Report detailing the actual on-site situation. The Report should be signed by the controllers and the Beneficiary or the person authorized by the Beneficiary. In case of a comment during the control, the beneficiary has the right to indicate it in the report.

After the performance of the control, if it is found that the investment has been fully implemented and in accordance with the contract, the payment authorization procedure shall continue. If there is indication of full incompliance with the investment implementation in accordance with the Contract, the Agency shall continue with the procedure for rejecting the claim for payment.

Once the Claim for payment is approved, the Agency issues a decision for authorization of payment. If the Claim for payment is rejected, the Agency shall issue a decision for rejection.

The decision shall inform the final beneficiary of the amount approved or rejected. The applicant who signs the contract with the Agency shall be obliged not to alienate, lease or loan the investment, must not change the purpose and the location of the investment for the time- duration of the contract ie 5 years from the last payment of funds.

On-the-spot control and supervision of the contract is carried out by authorized persons from the relevant institutions of the Republic of North Macedonia and the European Union.

ACTING DIRECTOR

Nikica Bachovski