



**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 “Investments in physical assets concerning processing and marketing of agriculture and fishery products” 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 Article 4 from the Decree on amending 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.58 /of 19.03.2019)

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

On 04.08.2023 hereby announces

CALL FOR APPLICATIONS No.01/2023

for submitting applications for allocation of funds under Measure 3 “**Investments in physical assets concerning processing and marketing of agriculture and fishery products**” 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 3. Investments in physical assets concerning processing and marketing of agriculture and fishery products

2. 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.
3. **The Financial resources per single application** shall be awarded as a non-refundable financial support (grant) in the amount of:

3.1. 50% of the value of the total eligible expenditures for the investments under Measure 3 – **Investments in physical assets concerning processing and marketing of agriculture and fishery products.**

4. The deadline for submitting applications is 18 September, 2023.

Reference: Due to the deadline for implementation of the activities under the IPARD Programme 2014-2020, the final date for implementation under this Public Call is 31.05.2024 while the date for submitting the claims for payment is 30.06.2024.

The total financial support under this call is: 8.818.187,96 euros or 541.877.650,14 denars.

5. Forms and instructions:

The required forms of the "Application for allocation of funds for Measure 3 from the IPARD Program 2014-2020" as well as the "Guidelines for Beneficiaries of funds for Measure 3 from the IPARD Program 2014-2020 i.e. the Matrix of changes to the Guideline which refers to this Public Call that comprises all the information on the criteria, eligibility criteria 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 application for allocation of funds for Measure 3 from the IPARD Program 2014-2020 and The Guideline for Beneficiaries of funds under Measure 3 of the IPARD Program 2014-2020 and the Matrix of changes to the Guideline which refers to this Public Call can be obtained directly at the following address: **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).

6. Submitting the application:

The Applicant shall fill out and submit an Application for allocation of funds from the IPARD Programme 2014-2020 for Measure 3 – Investments in physical assets concerning processing and marketing of agriculture and fishery products and supporting documentation as defined in this Public Call.

The completed application for allocation of funds under Measure 3 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 01/2023 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

INVESTMENTS IN PHYSICAL ASSETS CONCERNING PROCESSING AND MARKETING OF AGRICULTURE AND FISHERY PRODUCTS

1. Priority sectors

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

- Milk and dairy products
- Meat and meat products (including eggs and poultry)
- Fruits and vegetables (including potatoes, mushrooms and leguminous crops)
- Cereal, milling and starch products
- Vegetables and animal oil and fats
- Grape must, wine and vinegar
- Production of energy through processing of animal products from primary and secondary biomass, except biomass from fishery products

Under this Public Call are not eligible investments in construction works, i.e. construction, extension, upgrading or adaptation of buildings.

With regard to investments related to production of energy from renewable sources, the only acceptable investments are purchase, installation of equipment for the production of energy for its own needs. All other investments for production of energy from other renewable sources are not eligible.

For these investments, it is necessary to submit valid approval for installation of equipment for the production of energy from renewable sources when applying for financial support.

For investments in equipment related to some of the above-mentioned priority sectors, which also foresee construction activities, the costs of construction works are not an eligible cost. For these investments, in the process of application, the applicant is required to submit valid construction permit for the facility where the equipment that is the subject of the investment is planned to be installed, or

confirmation from a relevant institution that the proposed investment does not require a construction permit.

2. Beneficiaries

- **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. 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 2022, 2021 and 2020 issued by the Central Registry of the Republic of North Macedonia. Valid document through which can be assessed the size of the legal entities for the relevant Public Call is the document that refers to the previous year. 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
Micro	<10	≤ € 2 millions	≤ € 2 millions
Small	< 50	≤ € 10 millions	≤ € 10 millions
Medium	< 250	≤ € 50 millions	≤ € 43 millions

- Enterprises not covered by the SME definition, but which employ fewer than 750 employees and which have an annual turnover not exceeding EUR 200 million, can also be eligible, but in this case, support can only be granted for investments specifically intended to make the establishment fully compliant with the relevant EU standards. Assessment of the size of the applicants is carried out by the IPARD Agency.
- **Cooperatives** registered in the Central registry according to Law on Cooperatives primarily dealing with agriculture, processing of agriculture products and/or services directly related to the agriculture activities.
- **Start-ups** will be evaluated based on expected size as proposed in the business plan

3. Common Eligibility Criteria

- The applicant should submit "Application for allocation of funds under measure 3 of the IPARD II Programme accompanied by all the necessary documents
- The applicant should be registered in the Central Registry of R.NM as a legal entity or an agricultural cooperative
- The Applicant - agricultural cooperatives should be registered in the Register of Agricultural Cooperatives of the Ministry of Agriculture, Forestry and Water Management
- All applicants should be registered with the Food and Veterinary Agency as food operators or recorded due to the changes caused by the investments concerned in accordance with the Food Safety Law at the end of the investment.
- Investments should be implemented on property owned by the applicant. In case of investment projects that are implemented on property that is not owned by the applicant, a contract or other supporting document must be submitted to prove the right to use the property affected by the investment for a period of at least 7 years from the date of submission of the application for support.
- The applicant for financial support should be registered in the national VAT system according to the Law on Value Added Tax.
- Before submitting the claim for payment, at least one responsible person of the legal entity representing the enterprise must be employed in the legal entity or hired under a contract with a duration not shorter than the duration of the contract for allocating financial support within the framework of this Programme .
- The applicant is obliged to fulfill the relevant EU standards related to the implementation of the investment before submitting the claim for payment.
- The applicant proposing investments in the wine sector should be registered in the register of wine producers before submitting the claim for payment.
- The applicant who proposes an investment in a center for the collection and distribution of vegetables and fruits, cereals and milk should be registered in the register of purchasers before submitting the claim for payment.
- Financial support can be granted to beneficiaries whose investment projects enable financial/economic sustainability. Economic and financial viability will be assessed based on a business plan. The applicant should demonstrate business continuity at least five years from the implementation of the investment. The investment project will be evaluated based on the following economic indicators:

- Modified internal rate of investment > 0
- Net present value > 0
- Period of return on investment < 10 years

4. Aid intensity

Total public expenditure (75% EU funds + 25% national co-financing) will not exceed a ceiling of **50% of the total eligible costs of the investment.**

Total public expenditure for measure Investments in physical assets for processing and marketing of agricultural and fishery products can be increased by 10% for

- Investments in equipment aimed at improving energy efficiency
- Investments in equipment for the production of bio-energy in case of processing of products (raw material) that are included in Annex 1 of the Agreement with the EU (processing of primary and secondary biomass from animals and plants);
- Investments in equipment for the production of energy from other renewable energy sources to produce quantities equal to the own needs of electricity for the processing enterprises;
- Investments for water/sewerage treatment equipment.

In order to receive support under this measure, the total eligible expenditure for the proposed investment project should amount to at least 10,000 euros in Denar equivalents.

The highest value of the total eligible expenditure per applicant for the entire period of the implementation of this program amounts to 4,500,000 euros in Denar equivalents.

A single applicant may submit an investment project with total eligible expenditure that exceed the maximum limits for the investment project, but the requested support must not exceed the limits of the maximum eligible costs established for this measure.

5. List of required documents

Pursuant to the Law on 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 3 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 paid tax liabilities and contributions which should not be older than one month from the date of announcement of the Public Call.

1. COMPLETELY FILLED OUT APPLICATION FOR THE MEASURE INVESTMENTS IN PHISICAL ASSETS CONCERNING PROCESSING AND MARKETING OF AGRICULTURE AND FISHERY PRODUCTS
2. COPY OF VALID IDENTIFICATION CARD OR PASSPORT FROM THE RESPONSIBLE PERSON FROM THE APPLICANT
3. PROOF THAT THE APPLICANT IS REGISTERED IN THE VAT SYSTEM
4. PROOF THAT THE APPLICANT (LEGAL ENTITY) IS NOT IN BANKRUPTCY PROCEEDINGS;

5. PROOF THAT THE APPLICANT (LEGAL ENTITY) IS NOT IN LIQUIDATION PROCEDURE;
6. PROOF THAT THE APPLICANT WAS NOT SENTENCED WITH AN INJUNCTION FOR PURSUING PROFESSION, ACTIVITY OR DUTY
7. COPY OF THE SHAREHOLDER BOOK IN CASE WHEN THE APPLICANT IS REGISTERED AS A JOINT STOCK COMPANY
8. 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
9. CERTIFICATE FOR PAID TAXES AND CONTRIBUTIONS
10. CERTIFICATE FOR ACTIVITY ISSUED BY THE FOOD AND VETERINARY AGENCY
11. PROPERTY CERTIFICATE FOR THE BUILDING, AND/OR FOR THE LAND
12. BUILDING AND/OR LAND LEASE AGREEMENT
13. LAND CONCESSION AGREEMENT
14. PROOF OF REGULARLY PAID LIABILITIES BASED ON A LOAN AGREEMENT IN THE CASE WHEN THE BANK HAS ESTABLISHED A LOAN ON THE PROPERTY, REGISTERED IN THE RELEVANT PROPERTY CERTIFICATE, SUBJECT TO THE INVESTMENT.
15. DECISION FOR APPROVED ENVIRONMENTAL PROTECTION REPORT, OR DECISION FOR APPROVED ENVIRONMENTAL PROTECTION REPORT WITH APPROVED ACTION PLAN, OR A OR B INTEGRATED ENVIRONMENTAL PERMIT, OR APPROVED REQUEST FOR ISSUE OF A OR B INTEGRATED ENVIRONMENTAL PERMIT, OR FOR ISSUING A DECISION FOR APPROVED ENVIRONMENTAL PROTECTION REPORT
16. BUSINESS PLAN WITH STAMP AND SIGNATURE BY THE APPLICANT
17. ONE OFFER ISSUED BY THE SUPPLIER FOR EACH ITEM/ GROUP OF ITEMS WITH AN AMOUNT OF LESS THAN 10,000 EUROS ACCOMPANIED WITH TECHNICAL SPECIFICATION AND STATEMENT OF COUNTRY OF ORIGIN FOR EACH ITEM/ GROUP OF ITEMS
18. THREE OFFERS ISSUED BY DIFFERENT SUPPLIERS FOR EACH ITEM/ GROUP OF ITEMS WITH AN AMOUNT OVER 10,000 EUROS ACCOMPANIED WITH TECHNICAL SPECIFICATION AND STATEMENT OF COUNTRY OF ORIGIN FOR EACH ITEM/ GROUP OF ITEMS

19. COPIES OF BUILDING LICENSES FOR THE RELEVANT BUILDING CATEGORY FOR EACH BIDDER
(only for investments to set up/install equipment for own energy production)
20. COPY OF A DOCUMENT THAT WILL CONTAIN DATA ON THE OWNERSHIP STRUCTURE FOR ALL FOREIGN SUPPLIERS
21. COPY OF SHAREHOLDER BOOK FOR ALL BIDDERS REGISTERED AS JOINT STOCK COMPANIES – COPY
22. STATEMENT FROM THE APPLICANT EXPLAINING THE REASONS FOR SEELCTING THE SPECIFIC OFFER IN THE CASE WHEN THE SELECTED OFFER IS NOT THE LOWEST BID
23. AGREEMENT OR INVOICE FOR GENERAL COSTS
24. ONE OFFER ISSUED BY SUPPLIER FOR EACH ITEM/ GROUP OF ITEMS FOR GENERAL COSTS LESS THAN 10,000 EUROS
25. THREE OFFERS ISSUED FROM DIFFERENT SUPPLIERS FOR EACH ITEM/ GROUP OF ITEMS FOR GENERAL COSTS OVER 10,000 EUROS
26. APPROVAL FOR:
 - INSTALLATION OF EQUIPMENT FOR PRODUCTION OF ELECTRICAL ENERGY OR
 - CONFIRMATION FROM THE RELEVANT INSTITUTION THAT THE PROPOSED INVESTMENT DOES NOT NEED A BUILDING PERMIT
27. COPIES OR ELECTRONIC FORM (CD) OF THE BASIC TECHNICAL DRAWINGS AND BILL OF QUANTITIES AND BILL OF QUANTITIES FROM THE REVISED TECHNICAL DOCUMENTATION FOR INVESTMENTS RELATING TO PURCHASE AND SETTING/INSTALLATION OF PHOTOVOLTAIC PANELS FOR ENERGY PRODUCTION FOR OWN CONSUMPTION

The Agency reserves the right to request additional documentation in order to prove the fulfillment of the criteria of the IPARD Program for the use of financial support. Also, the Agency has the right to request additional documents for the applicant from other Institutions that 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 3 “Investments in physical assets concerning processing and marketing of agriculture and fishery products” 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 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 point 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 claims for payment are submitted according to the time period specified in the contract. 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 or the application will be accepted for processing with the application of penalties. The contracted amount of financial support will not be paid or will be paid the contracted amount deducted for the agreed penalties.

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 the administrative verification will confirm 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 non-compliance 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.