



ANNEX C1: Twinning Fiche¹

Project title: Strengthening and adaptation of administrative capacities for the introduction of the Organization of Agricultural Markets

Beneficiary administration: Ministry of Agriculture, Forestry and Water Management

Twining Reference: SR 18 IPA AG 01 21

Publication notice reference: EuropeAid/173329/ID/ACT/RS

EU funded project

TWINNING TOOL

(It is recommended that the complete Twinning Fiche should not exceed 10 pages, excluding annexes)

¹ In case of different language versions of the Twinning Fiche it must be clearly indicated which language version prevails.

List of Abbreviations

ARD	Agriculture and Rural Development
BC	Beneficiary Country
CFCU	Department for Contracting and Financing of EU Funded Program
CMO	Common Market Organization
EC	European Commission
EU	European Union
EUD	European Union Delegation to the Republic of Serbia
GDP	Gross Domestic Product
GVA	Gross Value Added
IPA	Instrument for Pre-Accession Assistance
MAFWM	Ministry of Agriculture, Forestry and Water Management
MS	Member State
NPAA	National Plan for the Adoption of the <i>Acquis</i>
PL	Project Leader
PSC	Project Steering Committee
RS	Republic of Serbia
SAA	Stabilization and Association Agreement
SDG	Sustainable Development Goals
SEIO	Serbian European Integration Office
SPO	Senior Program Officer
STEs	Short Term Experts
WTO	World Trade Organization

1. Basic Information

1.1 Programme: Unallocated IPA 2018 Indirect management, with ex-ante control

For UK applicants: Please be aware that following the entry into force of the EU-UK Withdrawal Agreement² on 1 February 2020 and in particular Articles 127(6), 137 and 138, the references to natural or legal persons residing or established in a Member State of the European Union and to goods originating from an eligible country, as defined under Regulation (EU) No 236/2014³ and Annex IV of the ACP-EU Partnership Agreement⁴, are to be understood as including natural or legal persons residing or established in, and to goods originating from, the United Kingdom⁵. Those persons and goods are therefore eligible under this call

1.2 Twinning Sector: Agriculture and Rural Development.

1.3 EU funded budget: EUR 1.800.000

1.4 Sustainable Development Goals (SDGs): In the long run, this Project will contribute to address the SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

2. Objectives

2.1 Overall Objective:

The main objectives to be achieved by this project are, first of all, the growth of agricultural production and stability of producers' incomes, as well as an increase of competitiveness while adapting to the requirements of domestic and foreign markets and the technical and technological progress of the agricultural sector

2.2 Specific objective:

The specific objective of the project is to strengthen the capacities of the Ministry of Agriculture, Forestry and Water Management (MAFWM) regarding the implementation of the Common Market Organization mechanisms, in line with the EU acquis.

2.3 The elements targeted in strategic documents i.e. National Development Plan/Cooperation agreement/Association Agreement/Sector reform strategy and related Action Plans

The attainment of results proposed under this project will contribute to the fulfilment of multiple priorities defined in strategic documents.

Stabilisation and Association Agreement (SAA)

The Article 97 of the Stabilization and Association Agreement stipulates that cooperation between the Parties shall be developed in all priority areas related to the Community

² Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

³ Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action.

⁴ Annex IV to the ACP-EU Partnership Agreement, as revised by Decision 1/2014 of the ACP-EU Council of Ministers (OJ L196/40, 3.7.2014)

⁵ Including the Overseas Countries and Territories having special relations with the United Kingdom, as laid down in Part Four and Annex II of the TFEU.

acquis in the field of agriculture, as well as veterinary and phytosanitary domains. Cooperation shall notably aim at modernizing and restructuring the agriculture and agro-industrial sector, in particular to reach community sanitary requirements, to improve water management and rural development as well as to develop the forestry sector in Serbia and support the gradual approximation of Serbian legislation and practices to the Community rules and standards. Article 1, Section 2 (d) of the SAA states that the aim of the Association established is "to support the efforts of Serbia to develop its economic and international cooperation, including through the approximation of its legislation to that of the Community".

EC progress report for Serbia 2020

In the EC progress report for Serbia 2020, under Chapter 11 Agriculture and rural development in the area of the common market organization - it is stated that the horizontal law has yet to be adopted through secondary legislation in areas including marketing standards, public and private storage, and producer organization spending as a result. This delay should be addressed so that the acquis alignment plan can proceed.

Agriculture and Rural Development Strategy for 2014-2024

Some of the goals stated in the Strategy of Agriculture and Rural Development of the Republic of Serbia for the period 2014-2024 are:

- 1) production growth and income stability of producers;
- 2) growth of competitiveness with adjustment to the requirements of domestic and international market and technical - technological improvement of the sector;

This Twinning will contribute to the achievement of these strategic goals and improve agricultural production through the provision and implementation of an appropriate legal framework for the establishment of the Common Market Organisation (CMO).

National Plan for the Adoption of the Acquis (NPAA)

Market mechanisms in Republic of Serbia are not in line with the measures of the common market organization in the European Union (EU). In Serbia, there is no single legislative framework for implementing most EU measures for regulation of the market of agricultural products. RS has a functioning market. The RS government is implementing certain measures to influence the market. Some of the market regulation measures exist, but are not compatible with the *Union acquis*, such as market ones standards, trade policy measures relating to trade with third countries and market information system. There are also certain measures that are partially compatible with the EU acquis such as in the field of viticulture and winemaking. In order for Serbia to be able to implement measures in its system, which refer to the regulation of the market of agricultural products, it is necessary to establish a single legal basis. A key regulation in the EU, with which it is necessary to harmonize domestic legislation in this area is Regulation (EU) No1308/2013 of the European Parliament and the Council of 17 December 2013 on the establishing of a common organization of the market in agricultural products. MAFWM recognized the importance of enacting legislation, based on which various measures would regulate the markets in certain sectors of agricultural products and create conditions for activating certain market regulation measures, with the aim that at the time of EU accession, there is a legislative and institutional framework necessary EU mechanisms, relating to the common organization of the market in agricultural products.

Planning measures for the period 2018 – 2021 under NPAA

Under NPAA is planned adoption on Law on Organization of Agricultural Products Market. This law will define various requirements and measures for the organisation of certain sectors of the market of agricultural products, will create conditions for initiating certain measures for market regulation and define the competencies and the roles of other institutions than MAFWM that will be in charge of implementing certain measures market

EU regulations with which harmonization is performed:

- Regulation (EU) no. 1308/2013 of the European Parliament and of the Council of 17 December 2013 on the establishment of a common organization of the market in agricultural products and repealing Council Regulation (EEC) no. 922/72, (EEC) no. 234/79, (EC) no. 1037/2001 and (EC) no. 1234/2007;

The list all regulations with which harmonization is performed is given in Annex I of this document

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Expected degree of harmonization with EU regulation:

The law on Organization of Agricultural products market partially in line with Regulation (EU) no. 1308/2013, on the establishing a common organisation of the markets in agricultural products while complete compliance is expected by the date of accession RS' to the EU membership.

3. Description

3.1 Background and justification:

Common Agricultural Policy of the EU is an oldest common policy (introduced by Roma Agreement of 1958) and the policy that decisively determined not only the development of agriculture in Europe but also the shape and dynamics of the whole process of EU integrations. It represents a complex system of legal acts and support schemes which are implemented across the EU by every member state, and therefore alignment with it and creation of conditions for its effective implementation is one of the key prerequisite for every country aspiring to become an EU member. The CAP consists of two pillars, one of which relates to direct payments and market measures and the other dealing with the rural development policy.

Given complexity of the process of preparing the candidate country for the implementation of CAP it can be concluded that it represents a challenge for the Republic of Serbia, one that can be overcome by timely execution of preparatory activities and well-structured and aimed pre-accession assistance.

In the broader context of preparation for the implementation of Common Agricultural Policy, the candidate country, among other, needs to harmonize its legislation with the acquis regulating CMO as well as introduce and strengthen the institutional framework required for the implementation of CMO measures. In that respect the Republic of Serbia will be required to establish a fully operational system for the implementation of Common Market Organization prior to acquiring EU membership status. Regarding the alignment with the acquis in the area of Common Market Organization, after explanatory screening for Chapter 11, the Republic of Serbia recognized the necessity for preparing a Road map for transposition and implementation of EU requirements for CMO, which has been done Republic of Serbia prepared an Action plan covering all aspects of alignment

with the *acquis* in Chapter 11 accompanied with requirements and plans with respect to strengthening the human resources in MAFWM and estimated budgetary expenditures.

In the domain of agricultural markets in recent years Serbia started with the adoption of laws and bylaws which are in line with the European legislation that regulates the common organization of agricultural markets (namely with Council Regulation (EC) No 1308/2013). This process is particularly advanced in the wine sector.

In addition preparations are underway for systematic regulation of this field in line with EU policy, and with view to that a Law on organization of agricultural markets was adopted in June 2021 (Official Gazette of RS No 67/21). This will improve the situation to an extent by advancing the process of alignment with EU *acquis*, and creating a solid base for future activities in this field. Apart from passing of the appropriate laws and by-laws harmonization in this area will also entail the preparation for the implementation of the said regulative which will be performed through the capacity building aimed at competent administrative structures.

The establishment and implementation of CMO is of high importance for the Republic of Serbia. This is significant in order to properly regulate domestic market and make it compatible with EU requirements, which will lead to market stability and availability of adequate mechanisms to be applied in case of market disturbances. Apart from that the introduction of CMO rules to Serbian legal framework will contribute to attainment of defined standards in certain sectors, enforcement of certain obligations on the producers but also providing them with additional right, all with view to regulating the whole market chain (contractual relationships, uniform buy/sell criteria, reporting, maintaining registers etc.)

The above stated is not only a priority with respect to preparation of the Republic of Serbia for the membership in the EU but will also bring about positive changes when it comes to improving the competitiveness of Serbian agricultural products both on domestic and foreign markets.

Taking into account the complexity of the process of establishment of functional CMO system in the Republic of Serbia with regard to both legal and institutional aspects, as well as the time constraints Serbia faces, pre-accession assistance will be required. The relevant experience of other EU countries has demonstrated that the preparatory activities should be undertaken on time and should encompass the introduction of CMO measures in phases rather than making rapid and sharp changes. Having that in mind the Republic of Serbia has opted to introduce and implement some of the CMO *measures in* certain carefully chosen sectors in the time period prior to accession. The action envisaged under this document will, to an extent, provide support in attaining the abovementioned goal.

With view to current situation in Serbian agriculture with respect to market conditions for various agricultural products and the needs dictated by the process of alignment with CMO certain sectors have been chosen to acquire pre-accession support under this facility. The choice of fields for intervention has been made in compliance with the Serbian National Program for Agriculture which represents an operational program for the implementation of agricultural policy, consisting of direct payment measures and market measures, as well as specific subsidies and credit support.

Regarding the Milk Sector, action envisaged by this document will provide necessary support to the sector (both to institutions and producers) in order to manage market relation in milk supply (introducing contractual obligations between producers and

processors, establishing producers organizations, applying school milk scheme) and consequently strengthening the competitiveness of domestic milk producers.

When it comes to Animal Production Sector the preparations for the introduction of CMO compliant system needs to start at an early stage of the accession process given the large potential the sector has in terms of favourable natural conditions as well as the, and graveness of problems the sector is faced with. It is of particular importance that this is done in the pre-accession period because it will allow sufficient time for both the relevant authorities and the producers to prepare for the venture on the common market. Also, bee-keeping sector has significant role in CMO in the EU, since its measures combine directs payments schemes, rural development measures and veterinary measures, all contained in the National program of support for bee-keeping sector (that would be based on the Law on organization of agricultural products market).

The cereal sector will be supported by project activities in terms of establishing mechanisms and functioning in the EU common market and harmonization with it. The basic mechanisms that have not existed so far and whose establishment will be worked on are collecting data on prices of certain agricultural products from the cereal sector, creating preconditions for implementing trade policy, especially the system of import-export licenses and tariff rate quotas, market interventions and producer organizations.

As for sugar, after the abolition of production quotas, in addition to market interventions and trade with third countries, the only place where assistance is needed in harmonizing with the *acquis* is in the area of contractual relations between sugar beet producers and sugar factories, i.e. purchasers.

The situation is similar with tobacco, which, in addition to the part related to harmonization with EU regulations related to producer organizations, also needs help in creating a legal framework related to reporting on the purchase of raw tobacco.

Republic of Serbia is not a significant producer of hops, the areas are small, but there are tendencies of their growth, so it is very important to create an appropriate legal framework related to market standards for hops and procedures related to certification of hops, for which the help of experts is very important.

. Fruit and vegetable sector will be supported by this action in order to achieve full harmonization of the domestic legal framework with the rules governing the subject area in the EU. Currently, the sector is partially harmonized, so it is necessary to continue working on the harmonization of national legislation with the EU *acquis*. This primarily refers to market standards that exist but are not in line with international standards. In addition, there are producer organizations in the fruit and vegetable sector that are specific and differ from producer organizations in other sectors, primarily due to the existence of operational programs, and it is necessary to pass appropriate regulations related to school fruit schemes, as well. Given the importance of the fruit and vegetable sector for agriculture in Republic of Serbia and the numerous requirements related to the rules and measures for market regulation in this area that need to be transposed into the Serbian legal system, work on these reforms should begin as soon as possible

The Wine, Aromatized Wine Products and Spirit Drinks Sector is in the process of alignment with the CMO rules for some time now, and it is moderately advanced in that respect. Given the fact that the sector has suffered a lot at the end of the 20th century and is recovering slowly it is necessary to complete the alignment with the EU CMO rules (which are currently under reform), in order to prepare the producers for operations on the common European market. All measures, related to wine sector in a member state,

are contained in National program for support of wine sector. To achieve that goal it is essential to fulfil the remaining requirements in terms of transposing and implementing legislation.

Producer Organizations will be requiring support at this stage of accession process because of the very unfavourable conditions in this area. Namely the current structure of Serbian agriculture is fragmented and the majority of producers are small agricultural households. In the aftermath of the accession of the Republic of Serbia to the EU, Serbian producers will be faced with cutting edge competition from well-organized foreign agricultural business subjects. The fact that the development of producers associations in Serbia remains at a low level is alarming, and therefore this action, among other, aims at meliorating the situation with respect to the subject problem by promoting producer organizations, motivating producers to cooperate and organize themselves and creating conditions necessary for their sustainable functioning.

CMO policy treats aid schemes also, especially schemes intended to pre-school and school children, realizing through school fruit and vegetable scheme and school milk scheme. These schemes would be also part of the future CMO framework in Serbia.

Price reporting is significant part of the CMO mechanisms since there are numerous obligation of a member state regarding compulsory price collecting, monitoring and reporting for certain agricultural products. The activities in the future period will be aimed on further harmonization of the current STIPS (Marketing Information System in Agriculture in Serbia) with Marketing Information System in the EU, including harmonization of data sets and methodology, as well as communication with the EC.

Regarding trade with third countries (import / import permits and tariff quotas), the Law on Regulation of the Market of Agricultural Products stipulates that the provisions related to this area enter into force on the day of the accession of the Republic of Serbia to the EU. But, it is certainly necessary for that system to be established by then and for it to be functional. This includes the calculation of customs duties for Non-Annex 1 products (PAPS), which is calculated in a completely different way compared to customs duties for basic agricultural products, so that harmonization is needed in this area as well, because currently in the Republic of Serbia the same way of customs duties is calculated for the basic agricultural products and for processed

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The MAFWM, namely the Sector for Agricultural Policy, is the key government institution responsible for development and implementation of policies for this sector, in consultation and joint work with other MAFWM organizational units.

3.2 Ongoing reforms:

The project will be implemented within the Sector for Agricultural Policy, the Directorate for Agrarian Payments and the Agricultural Inspection and Phytosanitary Inspection , as well as other relevant stakeholders The legal framework for the implementation of the project will be the Law on Organization of Agricultural Products Market, adopted in June 2021. For the full implementation of the system, it is necessary to adopt a large number of bylaws, so it is planned to start drafting bylaws after the adoption in order to establish the system and be complementary to the market organization system in accordance with Regulation 1308/2013. For the wine sector the legal framework will also be the Law on wine.

The draft of the Law on Organization of Agricultural Products Market was prepared as output of PLAC II and fine-tuning was conducted through ongoing IPA 2015 Technical

assistance project. Law is the legal framework for adopting numerous by-laws, as well as establishing registers and records, empowering the bodies and other issues that will organize market of agricultural products on common way.

For some of the by-laws the legal framework will be law regulating the wine and aromatized wine products sector.

The project should include all activities regarding drafting bylaws such as rulebooks, regulations, guidelines, methodologies, training employees, preparing analysis and studies of certain sectors in order to establish necessary CMO instruments, as well as other necessary activities aimed in creation of functional framework for CMO policy implementation.

3.3 Linked activities:

A several types of expert assistance financed from EU have been used to establish a system related to the harmonization of the domestic legislative framework with the EU acquis in the areas of the Common Agricultural Market Organization (CMO).

Experts were hired through the PLAC II project, which was funded by the EU, to draft the Law on Organization of Agricultural Products Market in accordance with the provisions of Regulation (EU) 1308/2013, and through two projects:

1. Preparation of an analysis of the current situation in the field of regulation of the market of agricultural products in the Republic of Serbia in accordance with Regulation (EU) 1308/2013;

This project was realized during 2014.

The main activities of the project were focused on analysis of the current situation in the field of organizational market of agricultural products in the Republic of Serbia in accordance with the EU Regulation 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing the common organization of the markets in agricultural products; Introduction of EU requirements for different groups of plant and animal products connected with CMO and draft a proposal for required administrative framework.

2. Drafting of the Law on Organization of Agricultural Products in accordance with Regulation (EU) 1308/2013

This project was realized in the period 2015-2017.

The main activity of the project was assistance in drafting the law on the regulation of the market of agricultural products and accompanying documents. Also, through this project, a draft rulebook on producer organizations was prepared.

3. Beside PLAC II, through the ongoing IPA 15 project "Capacity building for alignment with the acquis in the field of, agriculture, rural development, food safety, veterinary and phytosanitary policy" (Europe Aid / 138038 / DH / SER / RS) the Table of concordance of the Draft Law on Organization of Agricultural Products Marke with Regulation (EU) 1308/2013 has been made. Through this project, a revision of the action plan for Chapter 11 is carried out, where the listed activities are directly related to the project

In the field of viticulture and wine production, harmonization with the EU acquis was carried out through two EU Twinning projects, as follows:

1. Twinning Project "Capacity Building for the Regulation of the Serbian Wine Sector" (Twinning Contract SR-2005-IB-AG-03).

The project began in 2007 and was completed in May 2009.

The main activities of the project were focused on training of MAFWM employees in relation to the then valid EU regulations in the wine sector, and especially related to the establishment of the Viticulture and Wine Registry and laboratory tests, including sensory tests.

2. Twinning Project “Capacity building and technical support for the renewal of viticulture zoning and for the system of designation for wine with geographical indications” (Project Number: SR / 08 / IB / AG / 02).

The project lasted 28 months and was completed in November 2013.

The project enabled the strengthening of the capacity of the MAFWM and the Control Organization for the implementation of the system of geographical indications, collection and analysis of data for zoning of wine-growing areas and creation of regulations governing the area of geographical indications for wines and zoning of wine-growing areas in Serbia in accordance with EU regulations.

Through the ongoing IPA project "Capacity building for alignment with the acquis in the field of, agriculture, rural development, food safety, veterinary and phytosanitary policy" (Europe Aid / 138038 / DH / SER / RS) it is planned to conduct an analysis of the impact of the application " EU CAP ”in Serbia related to the wine sector.

In the field of beef and pork production, in the part related to the classification of carcasses on the slaughter line:

Twinning light project "Identification of necessary steps in the process of establishing a system of carcass classification in accordance with EU requirements" was implemented during 2017. The aim of this project was to identify the necessary steps to establish a harmonized system for carcass classification.

In the field of fruit and vegetable sector, for the process of harmonization with EU acquis, technical assistance through the PLAC II project was used, during 2019

The activities were defining general and specific marketing standards of quality for fresh fruit and vegetables, as well as procedures for the control of quality compliance of marketing standards, issuing certificates of compliance with market standards and defining the rules on establishing a database of traders, conditions for entry into the register, exemption of registration, define an authorized trader etc.

The draft version of the Rulebook on marketing standards for fresh fruit and vegetables in accordance with Commission Implementing Regulation (EU) No EC 543/2011 and UNECE standards, which are an integral part of the Common Market in Agricultural Products, has been prepared.

In addition to above mentioned draft, the draft of the Rulebook on the Register of fresh fruit and vegetable traders and Rulebook on inspection and control of compliance of fruits and vegetables with market standards, have also been prepared

In addition to the mentioned projects in the previous period, TAIEX assistance was used through a number of workshops, study visits and expert missions to establish a system related to the regulation of the agricultural products market and its harmonization with the EU acquis.

3.4 List of applicable *Union acquis*/standards/norms:

The EU alignment plan, the list of EU regulations related to certain areas of CMO covered by this project is listed in Annex I of this document.

3.5 Components and results per component

Component 1: Strengthening fruits and vegetable sector in Republic of Serbia in accordance with CMO in EU

Result 1.1. Marketing standards for fresh fruits and vegetables, established.

Result 1.2. Conditions for the smooth establishment and functioning of producer organizations in fruits and vegetables sector in line with EU requirements created

Result 1.3. System for the implementation of the school fruit scheme established and harmonized in line with EU acquis.

Result 1.4. MAFWM Staff knowledge regarding the fruit and vegetable sector in the Republic of Serbia, strengthened.

Component 2: Strengthening the wine and aromatized wine products sector in Republic of Serbia

Result 2.1. Wine regulations drafted/revised in line with EU regulations.

Result 2.2. The systems related to the Support Program in the Wine Sector (Program of support measures for wine) and accompanying documents, established in line with EU acquis.

Result 2.3. MAFWM staff knowledge in the wine sector, strengthened.

Component 3: Strengthening animal products sector in Republic of Serbia in accordance with CMO

Result 3.1. System for the implementation of the school milk scheme established and harmonized in line with EU acquis

Result 3.4. Quality standards related for the poultry meat and marketing standards for eggs harmonized in a line with EU acquis.

Result 3.5. Study about producer organizations in dairy sector, prepared.

Result 3.6. MAFWM staff knowledge regarding animal products sector in Republic of Serbia, strengthened.

Component 4: Strengthening administrative capacities in the MAFWM in relation to the sugar sector, tobacco sector and hops sector

Result 4.1. The Rulebook on the type, manner and deadlines for submission of data in the sugar sector drafted and harmonized in accordance with the new CMO legislative framework.

Result 4.2. The Rulebook on type, manner and deadlines for submission of data in the tobacco sector drafted and harmonized in accordance with the new CMO legislative framework.

Result 4.3. The Rulebook on the manner of issuance and form of hop certificates drafted and harmonized in accordance with new CMO legislative framework.

Component 5: Creating conditions for the smooth establishment and functioning of producer organizations, associations of producer organizations and inter-branch organizations in line with EU requirements

Result 5.1. System for the implementation of the producer organizations, associations of producer organizations and inter-branch organizations established and harmonized in a line with EU acquis.

Result 5.2. Awareness-raising for stakeholders about producer organizations and benefits of joining in producer organizations carried out.

Result 5.3. MAFWM staff knowledge of the MAFWM regarding producer organizations, association of producer organizations and inter-branch organizations, strengthened.

Component 6: Creating conditions for the smooth establishment and functioning market interventions (public interventions and private storage aid) in Republic in Serbia in a line with EU acquis

Result 6.1: Marketing information system and price reporting established and harmonized in a line with new legislative framework

Result 6.2. Conditions for the smooth establishment and functioning market interventions (public interventions and private storage aid) in Republic in Serbia, created in a line with EU acquis.

Result 6.3. Assistance in setting up a system relating to trade mechanisms (export/import licences and tariff rate quotas).

Result 6.4. System related to the reporting needs of the European Commission and WTO established.

Result 6.5. Legal framework for non annex1 products (PAPS), established.

3.6 Means/input from the EU Member State Partner Administration(s)*:

The Project Leader (PL) responsible for the overall coordination of project activities, and the Resident Twinning Adviser (RTA) responsible for management and implementation of the foreseen project activities shall provide support to the responsible Serbian authorities in, the implementation of this project, thus in strengthening of their capacities. It is essential that the team, short-term experts included, has broad expertise which will all the areas included in the description of the project. During the implementation of this project, the RTA will be positioned in the premises of the Sector for Agricultural Policy the Ministry of Agriculture, Forestry and Water Management.

MS Project Leader may participate in the project also as the short-term expert (STE) and in this case the MS Project Leader should satisfy requirements stipulated in the fiche for both the Project Leader and the relevant STE profile. The PL, RTA, Component leaders and STE will be contractually related to the Member State administrations or mandated bodies who may exceptionally recruit staff with temporary contracts in accordance with point 4.1.5 of Twinning Manual.

3.6.1 Profile and tasks of the PL:

The MS PL will manage the project team of selected member state(s) experts and supervise and co-ordinate the implementation of project activities.

Tasks of MS PL:

- Accountable for the overall guidance and implementation of the project in cooperation with the BC PL;
- Supervises the RTA;
- Ensures that all team members are aware of their tasks and responsibilities;
- Ensures, together with the RTA that the project remains within allocated budget;
- Project reporting;
- Ensuring backstopping and financial management of the project in the MS;
- Ensuring timely, effective and efficient implementation of the project and achievement of results, through proposed activities;
- Coordination of deployment of short-term experts;
- Coordination (with the MS RTA) of the Project Steering Committee meetings;
- Participation at the Steering Committee meetings (every three months);

The PL profile

Requirements:

- High-ranking official/senior civil servant currently working in the MS administration;
- Minimum three years of specific experience related to the project topic.
- University degree or equivalent professional experience of 8 years in public Administration in the common agriculture policy;
- Working knowledge of English language;
- Computer literacy.
- Proven experience in the implementation of at least 1 similar project is an asset;
- Proven experience with EU regulations in the area of common agriculture policy.

3.6.2 Profile and tasks of the RTA:

The Resident Twinning Advisor (RTA) works on a daily basis with the BC staff to implement project, support and coordinate activities in the beneficiary country.

The RTA should have adequate experience and knowledge in the field of common agriculture policy which will enable him/her to organize interdisciplinary team for successful implementation of the project. She/he should be an employee of the governmental competent authority for common agriculture policy (Ministry or Agency) in an EU Member State.

He will liaise with the BC Project Leader and will report to the MS Project Leader. The RTA will also be responsible for ensuring that experts' input and distribution of their working days will be used in the most efficient and effective way and in line with the agreed work plan to enable timely completion of project results.

Tasks of RTA:

- Responsible for monitoring project implementation and proposing corrective management actions if required;

- Support and coordination of all project activities in BC in line with the agreed work program to enable timely completion of project results and delivery of the outputs;
- Advise on related EU policies and best practices, legislation and regulations;
- Establish and maintain cooperation with all beneficiaries involved in the implementation of the project and other related projects (ensuring the avoidance of overlapping), in close co-ordination with the Project Leader;
- Nomination, mobilization and supervision of the short-term experts, together with the Project Leader;
- Facilitation of the contacts with peer institutions in EU member states in order to stimulate a proper exchange of information and data;
- Organization of visibility events (kick-off and final event);
- Responsible for organization of the Project Steering Committee meetings and reporting on the project progress in close cooperation with the Project leader;
- Identifying and reporting to the Contracting Authority, at early stage, all difficulties that may jeopardize the implementation of the project and the achievement of its results.

The RTA profile

Requirements:

- University degree or equivalent professional experience of 8 years
- At least 3 years of working experience in the field of common agriculture policy in the public administration of the selected Member State or Mandated body;
- Working knowledge of English language;
- Computer literacy.

Asset:

- Experience in at least 1 project related to the preparation/implementation of relevant EU legislation, preferably in the field of common market organisation with same or similar assignments;
- At least 3 years of experience in working with relevant agreements, rules and principles within the WTO;
- Experience in preparation and/or implementation of EU regulations in food quality policy;
- Experience in programming and implementation of EU market measures (rules and laws).

3.6.3 Profile and tasks of Component Leaders:

- University Degree or equivalent professional experience of 8 years;
- At least 3 years of specific experience in common agriculture policy;
- Proven participation in development of legislation related to common agriculture policy ; development of training plans and training organization and delivery, or development and implementation of communication strategies/campaigns targeted to stakeholders;
- Working knowledge of English language;
- Computer literacy.

3.6.4 Profile and tasks of other short-term experts:

The twinning partner will decide on the profile, number and involvement of the short term experts during the drafting of the project plan. STEs should be identified by the Project Leader/RTA and have to be agreed with the beneficiary institutions in the course of designing and delivery of the project outputs. Selection procedures shall be transparent and based on pre-defined criteria, including details professional qualifications, and work experience. Each expert will have individual Terms of Reference, including the expert profile requirements and outputs to be produced which will be endorsed by the beneficiary institutions. Following the endorsement by the beneficiary institutions, the terms of reference and selected experts are subjects to the final approval.

Main areas of expertise required by the team of short-term experts should cover the following fields (the list of fields is non-exhaustive):

- Common agriculture policy;
- Food quality policy;
- WTO;
- Drafting of legal documents (Laws, bylaws);
- Training material development;
- Organisation and delivery of trainings.

Tasks of short-term experts

STEs will provide specialized know-how for the individual tasks in this project. Therefore, the experts should have a relevant professional experience in administration and project implementation and minimum qualifications required, as well as specific skills needed for individual task. As a general approach, the STEs will take the responsibility for the implementation of the Project and the achievement of the results, each for his/her individual mission tasks, as defined by individual ToR. They will also prepare the required reports and the output described. Detailed profiles and tasks of short - term experts, including the duration of their assignments, will be provided in the Twinning Work Plan.

Profile of the short-term experts

Requirements:

- University Degree or equivalent professional experience of 8 years;
- At least 3 years of professional working experience in the field for which the expert is mobilized;
- Working knowledge of English language;
- Computer literacy;

Asset:

- Previous experience in assessing EU membership candidate country's legislation for determining compliance with EU requirements;
- Previous experience in implementation of projects, with same or similar assignments.

4. Budget

The total budget for this Twinning is EUR 1.800.000

Title	IPA Community Contribution	National Co-financing	TOTAL
Twinning Contract (EUR)	100% 1.800.000	0%	1.800.000

Interpretation and translation costs for trainings/training materials, documentation/reports/legal acts and other project activities are estimated up to 6 % of the budget which will be calculated in the twinning working plan budget. At least two major visibility events will be organized in the course of the implementation of the project: Kick-off meeting at the start of the implementation process and the Final meeting at the end of project implementation activities.

5. Implementation Arrangements

5.1 Implementing Agency responsible for tendering, contracting and accounting (AO/CFCU/PAO/European Union Delegation/Office):

The Implementing Agency of the project is the Central Finance and Contracting Unit (CFCU). The CFCU will be the Contracting Authority and it will be responsible for publishing tenders, concluding contracts and authorizing the Treasury to make contract related payments.

Ministry of Finance

Department for Contracting and Financing of EU Funded Programmes (CFCU)

Sremska St, No. 3-5

11000 Belgrade, Serbia

Marko Jovanović, Assistant Minister/Head of Contracting Authority

Phone: +381 11 202 12 46

E-mail: marko.jovanovic@mfin.gov.rs

Darko Vasić, Twinning National Contact Point

Phone: +381 11 20 21 412

E-mail: twinning@mfin.gov.rs

5.2 Institutional framework

Ministry of Agriculture, Forestry and Water Management performs state administration tasks related to: agriculture and food industry strategy and development policy; analysis of production and agricultural product markets; balances for agri-food products and commodity reserve system of basic agri-food products; measures of market and price policies, structural policy and land policy in agriculture; investment measures for improving agricultural production; proposal of systematic solutions and protective measures in respect of imports of agricultural products and foodstuffs; protection and use of agricultural land; production of agricultural inputs for agriculture and food industry, production and trade of alcoholic and non-alcoholic beverages, ethanol, tobacco and

tobacco products as well as foodstuffs; quality control of agricultural products and foodstuffs, wine, alcoholic and non-alcoholic beverages, fruit juices and concentrated fruit juices, mineral water, ethanol, tobacco and tobacco products in domestic and international trade; rural development; agricultural cooperatives; extension services; market information system in agriculture; production, certification and quality and transport control of seed and planting material; acceptance and protection of plant varieties and domestic animal breeds; determination of eligibility, risk assessment and implementation of control measures related to bio-safety in respect of limited use; introduction into production, marketing and import of genetically modified organisms; conservation and sustainable use of plant and animal genetic resources for food and agriculture; creating conditions for access and implementation of projects within the competence of the Ministry funded by the EU IPA funds, donations and other forms of development assistance; inspection in the field of agriculture, as well as other tasks prescribed by law. The Sector for Agricultural Policy within MAFWM performs tasks and duties related to: monitoring of domestic and global production, consumption, processing, prices and trade of primary agricultural products, fishery products and related processed products; preparation of expertise basis for drafting regulations in the area of agricultural policy and their harmonization with the EU rules, principles and agreements of WTO and other standards laid down by international organizations and international agreements; preparation of balance for basic agricultural products; participation in the process of preparation of strategic documents in the area of plant and animal production, processing, agricultural products quality, and agricultural statistics; analyses of the situation and preparing projections for development of food industry; development of program proposals for the use and the disbursement of funds from agricultural budget; proposing measures of agricultural policy and follow up and analyses of the achieved effects; monitoring and analyses of customs policy in the area of agri-food products and proposing measures for improving of foreign trade in Serbian agricultural and food products; participation in the preparation of information and platforms for negotiations and bilateral cooperation with the EU and international organizations; performs other activities in the relevant area. 10 people from the Sector for Agricultural Policy and 5 from Directorate for Agrarian Payments will be actively involved in the project.

5.3 Counterparts in the Beneficiary administration:

5.3.1 Contact person:

Dorđe Šundrić, Project Manager
Nemanjina 22-26
11000 Belgrad

5.3.2 PL counterpart

Nenad Katanić, Assistant Minister
Nemanjina 22-26
11000 Belgrade

5.3.3 RTA counterpart

Tamara Đuričanin, Senior Adviser, Unit for Analytics and Statistic
Nemanjina 22-26
11000 Belgrade

6. **Duration of the project**

24 months + 3 months

7. Management and reporting⁶

7.1 Language

The official language of the project is the one used as contract language under the instrument (English). All formal communications regarding the project, including interim and final reports, shall be produced in the language of the contract.

7.2 Project Steering Committee

A project steering committee (PSC) shall oversee the implementation of the project. The main duties of the PSC include verification of the progress and achievements via-à-vis the mandatory results/outputs chain (from mandatory results/outputs per component to impact), ensuring good coordination among the actors, finalising the interim reports and discuss the updated work plan. Other details concerning the establishment and functioning of the PSC are described in the Twinning Manual.

7.3 Reporting

All reports shall have a narrative section and a financial section. They shall include as a minimum the information detailed in section 5.5.2 (interim reports) and 5.5.3 (final report) of the Twinning Manual. Reports need to go beyond activities and inputs. Two types of reports are foreseen in the framework of Twinning: interim quarterly reports and final report. An interim quarterly report shall be presented for discussion at each meeting of the PSC. The narrative part shall primarily take stock of the progress and achievements via-à-vis the mandatory results and provide precise recommendations and corrective measures to be decided by in order to ensure the further progress.

8. Sustainability

This project has great cross-sector effects, particularly agriculture, quality policy, environment and trade related aspects. The project will ensure sustainability by adopting regulations and establish institutional and organizational tools for initiating reforms. The staff from all the institutions involved in regulating common market organizations has been trained over the years and participated in knowledge transfer. After this project they will continue to convey their knowledge and expertise to their new and other colleagues, applying for example, on the job training model where in the course of working together, more experienced person conveys the knowledge to a less experienced colleague. All project materials and outputs will be available for use and consultation in order for them to be applied to a real work setting. Also, promotion of added value products will improve the domestic and foreign market and enhance communication with consumer.

9. Crosscutting issues (*equal opportunity, environment, climate etc.*)

The project activities will support equal participation on both men and women, regardless of their racial or ethnic origin, religion or belief, disability or sexual orientation. Equal opportunities will be also secured through appropriate information and publicity material, in design of activities and accessibility to the opportunities they offer. The different project implementation structures will ensure the observance of the principles of equal opportunities and non-discrimination.

10. Conditionality and sequencing

⁶ Sections 7.1-7.3 are to be kept without changes in all Twinning fiches.

The law, which is stated as a precondition for the implementation of this project, was adopted on June 30, 2021 (Official Gazette of RS No 67/21).

11. Indicators for performance measurement

Component 1: Strengthening fruits and vegetable sector in Republic of Serbia in accordance with CMO in EU

Result 1.1. Marketing standards for fresh fruits and vegetables, established.

1. Drafted/ Revised 4 rulebooks.

Result 1.2. Conditions for the smooth establishment and functioning of producer organizations in fruits and vegetables sector in line with EU requirements created.

1. Drafted 2 regulations.

2. Drafted 1 rulebook.

Result 1.3. System for the implementation of the school fruit scheme established and harmonized in line with EU acquis.

1. Drafted 1 regulation.

2. Drafted 2 rulebooks.

Result 1.4. MAFWM Staff knowledge regarding the fruit and vegetable sector in the Republic of Serbia, strengthened.

1. Held 4 trainings.

2. Held 1 study visit.

Component 2: Strengthening the wine sector, aromatised wine products and spirits in Republic of Serbia

Result 2.1. Wine regulations drafted/revised in line with EU regulations

1. Drafted 12 regulations.

Result 2.2: System related to the Support Program in the Wine Sector (Program of support measures for wine) established and accompanying documents harmonized in line with EU acquis.

1. Drafted 1 guideline.

2. Drafted 3 regulations.

Result 2.3. MAFWM staff knowledge in the wine sector, strengthened

1. Held 5 trainings.

2. Held 1 study Visit.

Component 3: Strengthening animal products sector in Republic of Serbia in accordance with CMO

Result 3.1: Regulations related to the livestock sector revised and harmonized. System for the implementation of the school milk scheme established and harmonized in line with EU acquis.

1. Drafted 3 rulebooks.

Result 3.2. Rulebook related to the contractual relations in dairy sector drafted and harmonized in a line with EU acquis.

1. Drafted 1 rulebook.

Result 3.3: System for the implementation of the Support Beekeeping Program established and harmonized in a line with EU acquis

1. Drafted 3 rulebooks.

Result 3.4: Three rulebooks related on the quality of poultry meat and marketing standards for eggs harmonized in a line with EU acquis.

1. Draft 3 rulebooks.

Result 3.5. Study about producer organizations in dairy sector, prepared.

1. Prepared 1 study.

Result 3.6. MAFWM staff knowledge regarding animal products sector in Republic of Serbia, strengthened.

1. Held 5 trainings.
2. Held 1 study visit.

Component 4: Strengthening administrative capacities in the MAFWM in relation to the sugar sector, tobacco sector and hops sector

Result 4.1: The Rulebook on the type, manner and deadlines for submission of data in the sugar sector drafted and harmonized in accordance with the new CMO legislative framework.

1. Drafted 1 rulebook.

Result 4.2: The Rulebook on type, manner and deadlines for submission of data in the tobacco sector drafted and harmonized in accordance with the new CMO legislative framework.

1. Drafted 1 rulebook.

Result 4.3: The Rulebook on the manner of issuance and form of hop certificates drafted and harmonized in accordance with new CMO legislative framework.

Drafted 1 rulebook.

Component 5: Creating conditions for the smooth establishment and functioning of producer organizations, associations of producer organizations and inter-branch organizations in line with EU requirements

Result 5.1: System for the implementation of the producer organizations, associations of producer organizations and inter-branch organizations established and harmonized in a line with EU acquis.

1. Drafted/Revised 3 rulebooks.

Result 5.2: Awareness-raising for stakeholders about producer organizations and benefits of joining in producer organizations carried out.

1. Held 2 workshops.

Result 5.3. MAFWM staff knowledge of the MAFWM regarding producer organizations, association of producer organizations and inter-branch organizations, strengthened.

1. Held 1 training.
2. Held 1 study visit

Component 6: CMO “horizontal” policies – notifications, price reporting, market interventions, trade mechanisms and Non-Annex 1 products.

Result 6.1: Marketing information system and price reporting established and harmonized in a line with new legislative framework.

1. Drafted 1 rulebook.
2. Held 1 training.

Result 6.2. Conditions for the smooth establishment and functioning market interventions (public interventions and private storage aid) in Republic in Serbia, created in a line with EU acquis.

1. Drafted/Revised 2 rulebooks.
2. Held 1 training.

Result 6.3. Assistance in setting up a system relating to trade mechanisms.

1. Prepared 1 guideline.
2. Held 3 trainings.
3. Held 1 study Visit.

System related to the reporting needs of the European Commission and WTO established.

1. Prepared 2 guidelines.
2. Drafted 1 rulebook.
3. Held 1 training.

Result 6.5. Legal framework for non annex1 products (PAPS), established.

1. Draft 1 regulation.
2. Prepared 1 study.
3. Held 2 trainings.

12. Facilities available

The Ministry of Agriculture, Forestry and Water Management will provide the twinning partner with adequate office space for RTA and experts, meeting rooms and equipment necessary for relevant everyday activities and trainings foreseen within this twinning fiche.

Annex C1a : Simplified Logical Framework

	Description	Indicators (with relevant baseline and target data)	Sources of verification	Risks	Assumptions (external to project)
Overall Objective	The main objectives to be achieved by this project are, first of all, the growth of agricultural production and stability of producers' incomes, as well as an increase of competitiveness while adapting to the requirements of domestic and foreign markets and the technical and technological progress of the agricultural sector	Progress made towards meeting accession criteria in Chapter 11	EC Progress Reports	Insufficient cooperation between different departments involved in the project Insufficient human and technical resources allocated.	

<p>Specific (Project) Objective(s)</p>	<p>The specific objective of the project is to strengthen the capacities of the Ministry of Agriculture, Forestry and Water Management (MAFWM) regarding the implementation of the Common Market Organization mechanisms, in line with the EU acquis</p>	<p>Baseline: Partly aligned</p> <p>Target: further alignment with the EU acquis</p>	<p>Project reports; MAFWM website; Draft documents itself</p>	<p>insufficient cooperation between different departments involved in the project Insufficient human and technical resources allocated.</p>	<p>Adoption of legislation by the Government and the Assembly of the Republic of Serbia; BC institutions staff actively participate in project activities; Availability of all necessary data (databases); Dedication of high-ranking officials to support the project implementation; Good cooperation between all participants in the project</p>
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<p>Mandatory results/outputs by components</p>	<p>Component I</p>	<p>Result 1.1. 1. Drafted/ Revised 4 rulebooks. 2. (specification). Result 1.2. 2. Drafted 1 rulebook. Result 1.3. 1. Drafted 1 regulation. 2. Drafted 2 rulebooks. Baselin: No Target: Yes February 2024 Resul 1.4. 1. Held 4 trainings. 2. Held 1 study visit Baseline: 0 Target: Yes February 2024</p>			<p>Adoption of legislation by the Government and the Assembly of the Republic of Serbia</p>
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	Component II	<p>Result 2.1. 1. Drafted 12 regulations.</p> <p>Result 2.2: 1. Drafted 1 guideline. 2. Drafted 3 regulations. 3. Baseline:No Target: Yes February 2024</p> <p>Result 2.3. 1. Held 5 trainings. 2. Held 1 study Visit. Baseline: 0 Target: Yes February 2024</p>			
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	Component III	<p>Result 3.1: 1. Drafted 3 rulebooks.</p> <p>Result 3.2: 1. Drafted 1 rulebook.</p> <p>Result 3.3: 1. Drafted 3 rulebooks.</p> <p>2. Result 3.4: 1. Draft 3 rulebooks.</p> <p>Result 3.5: 1. Prepared 1 study. Baseline: No Target: Yes February 2024</p> <p>Result 3.6: 1. Held 5 trainings. 2. Held 1 study visit. Baseline: 0 Target: Yes February 2024</p>			
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	Component IV	<p>Result 4.1: 1. Drafted 1 rulebook.</p> <p>Result 4.2: 1. Drafted 1 rulebook.</p> <p>Result 4.3: Drafted 1 rulebook.</p> <p>Baseline: No Target: Yes February 2024</p>			
	Component V	<p>Result 5.1: 1. Drafted/Revised 3 rulebooks.</p> <p>Baseline: No Target: Yes February 2024</p> <p>Result 5.2: 1. Held 2 workshops.</p> <p>Result 5.3: 1. Held 1 training. 2. Held 1 study visit</p> <p>Baseline: 0 Target: Yes February 2024</p>			

	<p>Cimponent VI</p>	<p>Result 6.1: 1. Drafted 1 rulebook. 2. 3. Held 1 training. Baselin: No Target: Yes February 2024 Baseline: 0 Target: Yes February 2024 Result 6.2. 1. Drafted/Revised 2 rulebooks. 2. Held 1 training. Baselin: No Target: Yes February 2024 Baseline: 0 Target: Yes February 2024 Result 6.3. 1 2. Prepered 1 guideline. 3. Held 3 trainings. 4. Held 1 study Visit. Baselin: No Target: Yes February 2024 Baseline: 0 Target: Yes February 2024 Result 6.4. 1. Prepered 2 guidelines. 2. Drafted 1 rulebook. 3. Held 1 training. Baselin: No Target: Yes February 2024</p>			
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		<p>Baseline: 0 Target: Yes February 2024 Result 6.5.</p> <ol style="list-style-type: none">1. Draft 1 regulation.2. Prepered 1 study.3. Held 2 trainings. <p>Baselin: No Target: Yes February 2024</p> <p>Baseline: 0 Target: Yes February 2024</p>			
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