

Interim report *Agricultural Policy Developments and EU Approximation Process in the Western Balkans Countries*

Serbia: Country Report

N. Bogdanov

Background

The overall objective

- to provide information to understand the recent developments in Serbian agricultural policy

Specific objectives:

1. Assess the developments and the main topic(s) of discussion in the national policy
2. Review the changes and updates of the main strategic and programming documents
3. Examine the budgetary transfers by policy pillars and group of commodity
4. Provide assessment of the main policy priorities related to EU integration

Strategic framework of the national agricultural policy - institutional setting

- **A progress in setting up institutional structures and adjusting the agricultural policy concept to the CAP**
 - The National Program for Agriculture for the period 2018-2020 was adopted (2017)
 - The program for rural development drafted, still needs to be adopted
 - A fully functional IPARD agency was established- call for two investment measures under the IPARD II Programme in 2018

Strategic framework of the national agricultural policy - needs and priorities

- **Stagnation or slow pace of farm productivity growth**
 - Weather conditions, outdated technology, quality of inputs
 - (long lasting) stagnation of middle sized farms;
 - limited (if any) opportunities for expansion of small farms
 - extensive farming systems with a very limited degree of diversified activities
- **Weak integration in the value chain**
 - Contract farming is rare,
 - Vary across the scale of operation and sub-sectors
 - New risks/threats – “supermarket revolution”, quality policy ...
- **Unused or poorly maintained natural resources**
 - Land infrastructure and land abandonment
 - Regional specificities



Hrana na pijacama prepuna pesticida

N. Subotić | 18. jul 2016. 22:01 | Komentara: 10

Primena sredstava za zaštitu bilja bez mere još česta, iako može biti štetna. Poljoprivrednici

Hrana na beogradskim pijacama bezbedna i ispravna

Beta | 05. avgust 2016. 11:39 | Komentara: 1

U voću i povrću na pijacama nema pesticida, a u namirnicama životinjskog porekla nema bakterija i mikroorganizama, pokazali su rezultati Naučnog instituta za veterinarstvo Srbije

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Naslovna > Zdravlje > Niko ne kontroliše ispravnost hrane na niškim pijacama: Svaki zalogaj na sreću!

ZDRAVLJE

Niko ne kontroliše ispravnost hrane na niškim pijacama: Svaki zalogaj na sreću!

Autor : Svetlana Petrović - 1. 04. 2018. 17:09 | 2 | Niške Vesti

Strategic framework of the national agricultural policy - needs and priorities

- **Weak support from rural institutions**
 - Low capacity of local institutions
 - Progress in establishing networks of service providers;
 - high fragmentation in terms of territorial coverage and knowledge base;
 - specialists' competences
 - limited funding

Strategic framework of the national agricultural policy - measures and funding

- **The continuity of support measures, but...**
 - .. no in terms of the amount of funding;
 - Redistributions of funds between measures in both 2016 and 2017
 - Reduction of direct payment per ha
- **Relative and absolute decline of the agricultural budget in 2016**
 - The share in the total budget of the Republic of Serbia decreased to 4.9%
 - Decline of agricultural budget by 2.3% in comparison with 2015
 - The increase of 11% is planned for 2017
- **The lack of institutionalised monitoring and evaluation system**

Strategic framework of the national agricultural policy - measures and funding

- **Policy direction**
 - Further favoring of livestock sector
 - Increase of funds for rural development measures
 - On farm investment support
 - Agro-environmental measures (2016)
 - Decrease of funds for general support measures

Strategic framework of the national agricultural policy - measures and funding

Measure	Changes in the amount of planned funds	
	over 2016	over 2017
TOTAL	102.1	98.8
DIRECT PAYMENTS	96.9	87.3
Milk premium	106.9	105.9
Direct payment per ha	89.9	75.8
Direct payments per head	173.6	115.4
Input subsidies (fertilizers)	63.4	62.4
RURAL DEVELOPMENT MEASURES	153.4	180.4
On farm investment support	245.4	253.8
Agroenvironmental measures	106	95.4
Credit support		70.0
OTHER MEASURES RELATED TO AGRICULTURE	90.0	100

Strategic framework of the national agricultural policy - measures and funding

Direct payments schemes – changes from 2015

Description/Specific requirements	Unit	2015	2016	2017
DP per output				
DP per ha				
Area payments for arable and permanent crops for max. 20 ha	ha	49.70	16.24	16.48
DP per hed				
Intended for meat production or for reproduction on the farm for min. 3 breeding pigs	head	57.98	56.86	82.42
Input subsidies				
Reimbursement of part of cost for any plant nutrition product which is placed on the market in accordance with special regulations; max. 3,000 din/ha.	Kg	0.08		
Reimbursement of part of cost for any plant nutrition product which is placed on the market in accordance with special regulations; max. 2,000 din/ha.	kg		0.08	0.08

Assessment of country adjustments to European integration and reforms

- **The Action plan for acquis alignment still needs to be adopted**
 - Necessary legislation for the implementation of cross compliance standards is not incorporated in the national legislation
 - Some progress in aligning with the elements of the CMO, but still not formalised
 - Slow progress in the area of quality policy (*Regulation on small quantities of primary products used to supply consumers, areas for performing of these activities, and deviations related to small entities in the business with animal origin food, Dec 2017*)

Assessment of country adjustments to European integration and reforms

- **Progress in alignment of legislation and improvement of enforcement structures for implementation of IPARD**
 - First calls for IPARD II measures
 - Preparatory activities for national LEADER measure
 - Increased focus on small farms (direct marketing) and capacities of local actors (LEADER, Rural Development Networks etc.)
- **The lack of policy evaluation and monitoring**
 - Prevents more radical policy reforms and adjustments
 - Ad-hoc defined criteria for policy beneficiaries
 - Progress in data quality and availability
 - First FSS will be conducted in Oct 2018

SRGD
SUGMS



Thank you for your attention!