

MINUTES OF MEETING

**of Sector Working Group for Agriculture and Rural Development plenary session (SWG
ARD) on 21.03.2022**

via Webex application (online)

The aim of this meeting was support needed and short term priorities regarding National Strategy for Agriculture and Rural Development (NARDS) 2021-2027, each presented by different MAFWE department.

Deputy Prime Minister for European Affairs Bojan Maricic, minister Lupco Nikolovski, representatives from Delegation of European Union, Secretariat for European Affairs, MAFWE, AFSARD, NEA, non-governmental institutions, members of the SWG, as well as other donors relevant to this subject were present on this meeting.

Mrs. Maja Lazareska Joveska, Head of Department for European Union was moderator of the meeting.

Minister Ljupco Nikolovski welcomed all the present participants, stressing out that this shows a very positive signal for discussing on the opportunities and that all donor assistance can bring significant development in the agricultural sector in our country. So far, joint work with relevant stakeholders has been initiated in order to improve the implementation of existing legislation, to boost necessary investment and spread best practice with a view to improving sustainability in agriculture. At national level, MAFWE takes its commitments seriously and is in significant progress in harmonization with EU requirements with all necessary strategic and legal framework adopted. The National Strategy for Agriculture and Rural Development 2021-2027 and the National Programme for the upcoming programming period of 2018-2022, shows in a clear and specific way that the Ministry's commitment to achieve significant progress in the field of agriculture and rural development, taking the elements of appropriate CAP policy of the EU.

In such a context, it is necessary to carefully design new actions, to monitor implementation through relevant indicators, identify the main results and determine the contribution of these results with EU approximation. So far, the implementation of IPA II have been a successful story with positive impact of implemented projects.

Programming of IPA III activities are aimed to be efficient and flexible, as well as the support in different intervention areas depending on our sector needs, the political and economic context and our administrative capacities.

Minister pointed out that the support from every relevant donor is crucial. The challenge is big and complex, so this meeting can be a unique opportunity for all open questions, and all participants should highlight the potential possibilities and encourage their superiors to actively engage with the Ministry in its development efforts.

Deputy Prime Minister for European Affairs Bojan Maricic welcomed the participants, emphasizing the National Strategy on Agriculture and Rural Development for the period 2021–2027 as most important strategic document in this field with set priorities and relevant activities for development of agriculture, rural development, food safety, veterinary, phytosanitary and fishery in compliance with EU Agricultural Policy and the European Green Deal. In addition, he stressed out that IPARD III development programme complement the framework National Strategy on Agriculture and Rural Development supporting complementary and consistency in implementing the agriculture policies. The country has embraced the objectives of 2030 Agenda for Sustainable Development Goals, under thematic priority Agriculture and Rural Development and the new approach that is horizontal for all the Sector working groups, is the most important mechanism for transparent and inclusive coordination of the sector policy and planning of the donor assistance, including IPA. The aim of the donor coordination is to ensure complementarities and synergy of the donor assistance and in line with that to look tentatively as to avoid duplication of the assistance. The deputy prime minister emphasized the value added from the participation of the civil society organization in the Sector working group meetings. The aim for this is to invest in the knowledge of the CSO in the strategic planning, ensuring at the same time their feedback on the ways that the implementation of the priorities is feasible, effective and efficient as well as their commitment for implementing some of the priorities on the ground.

The next stage will be ensuring funds for the implementation of the strategic and sector priorities, which has to be discussed here on this forum. The funding of the priorities has to be ensured regardless of the source of funding (national budget and donor assistance). SEA already launched the process of programming of IPA 2023-2024 and the discussion on the projects included in the two annual programmes will be done in the technical level of the SWG. Regarding this issue, the IPA coordinators are encouraged to start organizing the meetings on technical level involving the donors and the CSOs.

Mr. Maricic requested feedback from the donors in regards the presented priorities and future funding of their implementation.

Presentation shared with all the participants contained short-term/mid-term priorities in the following areas, presented by MAFWE.

→ **Department for Rural Development**

Short-term priorities

- Development of an Action Plan for the new strategic period
- Drafting of new Primary and Secondary Legal Framework in accordance with NARDS 2021-2027

→ **Department for Agricultural Policy Analysis**

Short-term priority

- Establishment of an Agriculture Knowledge information System-AKIS for a modern and competitive food production, reducing dependence on imports of strategic agricultural products, reducing production costs and improving the quality of food.

Realization period 3 years.

Estimated value for this project proposal is 2 million euros.

→ **CMO – Common organization of the markets in agricultural products**

Short-term priorities

- Development of an Action Plan for introduction and implementation of CMO measures in North Macedonia (draft Action plan is proposed but not yet approved)
- Drafting of new Primary and Secondary Legal Framework for CMO
- Institutional set-up (new CMO department) Budget funds will be provided for the implementation of the CMO measures (first in certain priority subsectors)
- Financial support for equipment and software (Ex: for introduction of the raw milk payment system according quality parameters and classes)

→ **Department of fruit growing, viticulture and wine production**

Short/medium term priority

- To achieve compliance with the EU CMO for wine and increase and further improve the control capacity (Traceability of grape production, quality control system for wineries, etc.).

Support is requested to:

- Develop an integrated system for the monitoring the grape and wine production
- Improve vineyard register according to the new EU requirements

→ **National Land Consolidation Programme**

Short-term priorities

Planned projects in pipeline for 2022-2023 – Donor support needed

- Implementation of two multipurpose land consolidation projects in order to lower expropriation costs for public infrastructure while ensuring that agricultural production will not be interrupted
- Implementation of seven land consolidation projects in region Radovish, accompanied with improvements in agricultural infrastructure

→ **Organic Agricultural Production**

Short/medium term priorities:

- To increase the competitiveness of organic production in the Republic of North Macedonia for successful placement on domestic and foreign markets.

Support is requested to:

- Establish an electronic system of databases of organic agricultural production
- Training of farmers in primary production, use of protection products in organic production
- Development of livestock organic production and obtaining final organic products (meat and dairy products).

→ **Forestry and Hunting Department**

Priorities

- Monitoring of forests for abiotic and biotic factors
- National Forest Inventory

→ **Administration for Water Economy**

Main short/medium term priority in the irrigation Sector:

- To increase the irrigated and drained area by investments in construction of new facilities and rehabilitation and reconstruction of the existing water management facilities

→ **Phytopsanitary System**

Priorities

- Further approximation and implementation of the legislation in the plant protection area according to the Plan for approximation of the legislation in plant health and plant protection products, for the forthcoming 5 years
- Further development of Integrated Pest Management (IPM)
- Upgraded, consolidated and efficient information systems – PIS
- Strengthening the institutional capacities of CAs aiming to develop an efficient plant protection system
- Procurement of Technical equipment for DSSM, SPL, SAI, PD

→ **Priorities in the area of food safety and veterinary policy**

Short-term priority

- Improved official controls for AH
- Adopted and implemented EU AHL (in force April 2021)
- Established surveillance programs (42) and eradication programs (13) for priority animal diseases

Medium term priority

- Improved disease free status of animal diseases (CSF and Rabies)
- Improved export of food and products of animal origin in EU and worldwide

Areas for support 2023-2024 - Continuation of technical assistance in the area of:

- Animal health
- Food safety
- Animal by products
- Official controls
- Data collection, analysis and Risk assessment
- Equipping FVA and official control services
- Improved Information systems in the Food and Veterinary Agency

After the presentation of the priorities and needs to be supported in the Sector of Agriculture and Rural Development, donors were invited to present areas that could be financed.

Liljana Kandikjan exchanged some brief information on the UN 5-year cooperation framework scheme. UN SDCF (Framework for Cooperation for Sustainable Development) which runs from

2021 to 2025, and provides the activities of 18 UN entities in the country, so within this Programme they have just completed the process of preparing a work plan for 2022 which was adopted on March 18 by a joint UN Steering Committee and the Government. The detailed set of 5-year planned activities was outline and they cover following areas: activities for marketing information system of food, strengthening of the animal health management system based on EU standards, activities for land consolidation, climate smart agriculture and other ecology, activities in the irrigation infrastructure in line with climate resilience. There are some activities planned with the support of EU, as sustainable land and forest management, gender aspect in rural policy; gender based budgeting, mainstreaming of climate resilience and climate change activities and national adaptation plan through the monitoring system of climate change.

Gabriela Micevska representative of Programme for increasing market capabilities funded by the Swiss Agency for Development and Support, with the support of the sector for Agriculture, especially fruits and vegetables, grapes (fresh and processed), informed about the drafting of a new Law on Organic Agriculture production to be fully in line with the latest EU regulations. Last year, a Memorandum of Understanding was sign with MAFWE. Three fields of further cooperation have been identified such as organic, export (participation of our companies on the international markets, international fairs) and continuation with the development of the national support for measure 125 - Rural Development Programme (cooperation and development of new products, new process and technologies in Agriculture and food processing sector). There was a pilot project with two different types of models last year, which will be shared with MAFWE. She proposed a technical meeting with Sector for Land Consolidation regarding the need and possibility for support of some smart agricultural projects.

Silvia Mauri from World Bank informed that the first mission of the project for Modernization of agriculture, approved by Banking 2020, has started. Then she explained the goals of the project. There are many areas of activities and interventions to be supported by the project: improving competitiveness in the fruit and vegetable subsector, strengthening the public sector, contributing in increasing farmers' ability to access training and advisory services, collection centers and air conditioning in Resen (food) and Strumica (vegetables), then the agri-food platform in Skopje and a process that required advisory services. There are funds intend for development of a collection and conditioning center, logistic areas for distribution of agricultural products, but also integrated requirements in terms of quality and phytosanitary requirements for export ensuring the products on the National markets. Another area that should be coordinated is the unique monitoring information system (integrated FARM system) to develop the MAFWE capacity to monitor the common agricultural policy and monitor the evaluation framework. In terms of capacity building, PA was supported regarding the infrastructure, in order to ensure IPARD 3 measures implementation. Support for establishment of an animal by-products system with the requirements of EU standard for chapter 12 is also needed.

Mr. Stefen Hudolin, Head of Cooperation in the Delegation of the European Union stressed out the importance of the priorities and needs in agriculture sector with very high interest, receiving the significant EU support. He emphasized the strategic link and all the things lined up and presented, and that now is time for real work that should be put on this. For now, there must be found what is already financed, what is funded from national budget, what is financed from the projects etc. So the technical meetings must be held in order to discuss what is implemented and what is available. The next meeting should be only with filtered list. Mr. Hudolin pointed out that

everything that is done in the agriculture sector must follow the EU Green Agenda, the Green Deal.

Boban Ilic – (SWG) reported that Western Balkan Green Agenda facilitating and coordinating the activities on a regional level including the North Macedonia. There are several Regional expert advisory working group related on organic, wine, acquis and in future is planned to establish (REAWG) on fresh fruits and vegetables. Last week the first interim meeting on the soil and soil health WG has finished the Action Plan.

SWG initiated the intervention of creation and revision on Law on Organic agriculture production. He requested clarification from Organic unit, working on the Law, in order to avoid overlapping. New Law on soil health was agreed by the WG and creation on sub regional Balkan partnership on soil as a future activity. In addition, there is a constant support on further improvement of Law on Wine and respective legislation. There is a continuous monitoring of overall adoption of Agricultural policy toward the CAP in cooperation with Wageningen supported by EU University and Ministries in the region. He announced next meeting on the Ministerial level (Germany Western Balkan between 4 and 7 of April in Berlin) with the main topic impact of the war in Ukraine (bilateral measures for agriculture export on agricultural products).

Elizabeta Makrevska from Organic unit mentioned that from 9 -11 of March the first meeting on the regional expert advisory working group was held. Experts already gave their support for harmonization on new regulative 848. The two projects must work on the new Law harmonization to avoid overlapping, because organic is very specific topic. The details will be clarified on the technical meeting in MAFWE with the representative of SWG Boban Ilik.

Gabriela Micevska – informed that there is a small support to the expert working group officially established from the Minister, drafting the Law on organic. The WG consists experts from Universities, certification bodies and business sector.

Robertina Brajanovska – reported that Macedonian Ecological Societies and conservation NGO work on many possibilities for joint activities, especially for the rural areas, mainly concentrated on a protected areas. The new NARDS puts efforts towards those rural areas that are in the natural areas with unfavorable condition which needs nature conservation as areas with high biodiversity and need to be supported and protected in line with socioeconomic development. She stressed out the requirements on the country to identify and designate NATURA 2000, both nature conservation and agricultural sector to work together. There are several topics to be focused on, as Shara mountain region, recently proclaimed as a National Park. A good management and cooperation by the Forestry and agriculture sector in the surrounding region was established. She pointed out that another new area to be established is Osogovo Mountain, Maleshevo, in which Public national forest enterprise was designated as a management authority. There are ongoing efforts through the Swiss nature conservation Programme in the country which will support establishment of the management body. The management plan for Osogovo considers especially work with the local population, support of different agri-environment of schemes, introducing of some organic farming activities or branding traditional products for the region to develop well-designed products from Osogovo protected region. Coordination activities for protected areas and the future NATURA 2000 are planned.

Anela Stavrevska Panajotova – as a representative of Prespa - Ohrid Nature Trust fund (PONT), informed about the spreading out of two new national park Shara mountain and Mavrovo national park, and also coordinating new UNEP and Ministry of environment project focusing on Shara

mountain, financed by GF. Regarding the forest topics, she pointed out that one of the activities from the seven GF projects is focused on building an informative system that will be dealing with land degradation and biodiversity issues. As a priority she pointed out that Forestry sector needs to establish a forest fire monitoring system and monitoring system that will deal with forest ecosystem. She said that the next Programme should include and finance the development of forest plans or development of wild wealth plans of the protect areas, because the legal requirements of this document are mandatory for the works (protection on pasture or protection of forest ecosystem etc.) on the protected areas. Until 2008 year, these protected areas were financed by MAFWE, but now they are self-financed. The question was raised regarding the budgeting of the forest inventory.

Bojan Durnev requested a clarification from FAO regarding the infrastructure of land consolidation project in Radovish.

Kristina Mitic pointed out that FAO is operating under country programming, prepared for the period 2021-2025, which will be technically discussed with the colleagues from MAFWE, and it is currently in the process of Governmental approval. The priorities of this document are fully inline with the priorities presented on this meeting by the colleagues from MAFWE in terms of land consolidation, land management, water management, and rural development.

As a team leader of the project supporting the national land consolidation, she stressed out that the project has three main components, from which one is in process of fully preparation of proposals in terms of activities. Detailed technical discussion is planned with the colleagues from MAFWE in terms of the specific activities included in envisage standards under the adaptation fund project.

Regarding this issue, it was requested the Country Programme to be shared with MAFWE.

Conclusions:

- Technical meetings to be held in order to discuss what is already financed, what is funded from national budget, what is financed from the projects etc. Filtered list for the next meeting to be prepared.

Technical meetings in relevant areas that should be held:

- Organic
- Forestry
- Irrigation and consolidation
- Phytosanitary system

- On the future meetings IPARD Programme should be included in the presentation (implementation of IPARD Programme)

- Because of the launching of the Programme in April (EU funds from 2024) and in order to have synergy of funds, the technical meetings should be held as soon as possible.