

Republika e Kosovës Republika Kosovo - Republic of Kosovo Qeveria - Vlada - Government

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Ministria e Bujqësisë, Pylltarisë dhe Zhvillimit Rural
Ministarstvo Poljoprivrede, Šumarstva i Ruralnog Razvoja
Ministry of Agriculture, Forestry and Rural Development
Agjencia për Zhvillimin e Bujqësisë/Agencija za Razvoj Poloprivrede/ Agriculture Development Agency

ZYRA PËR KOMUNIKIM ME PUBLIKUNJ KANCELARIJA ZA JAVNO KOMUNICIRANJE/ /OFFICE OF PUBLIC COMMUNICATION/

# CALL FOR APPLICATIONS FOR FARMERS AND AGRICULTURAL HOLDINGS OF REPUBLIC OF KOSOVO

FOR RECEIVING SUPPORT WITHIN IMPLEMENTATION OF "PLAN FOR AGRICULTURE AND RURAL DEVELOPMENT 2014-2020", SUPPORT FOR INVESTMENT UNDER MEASURE 103 INVESTMENTS IN PHYSICAL ASSETS FOR PROCESSING AND TRADE IN AGRICULTURAL-2016

### Purpose of call for application

The call for applications is to provide financial support/assistance for investments in agricultural holdings under the measure 103 "Investments in physical assets for processing and trade of agricultural and fisheries products for the year 2016 (milk processing sector, meat processing sector and for processing of fruits and vegetables, including and wine production).

### Eligible beneficiaries

Eligible beneficiaries for this measure are legal entities. They must be permanent residents of the Republic of Kosovo and must meet the requirements within this open call for applications.

#### Geographical coverage:

Within the territory of Republic of Kosovo.

#### 1. MILK PROCESSING

### 1.1. Eligible investments in the milk sector

- Investments in the renewal/expansion and modernization of the dairy;
- Investment in the construction of new dairies that at the time of applying belong to the category "C" or "D";
- Investments in equipment for improving hygiene and quality and safety of products (especially for meeting HACCP and/or ISO 22000 standard);
- Investments in equipment to improve environmental protection, particularly waste management and water treatment;
- Investment in the construction and equipping the centres for milk collection;
- Investments in specialized transport vehicles;
- Investments in new production equipment and modern packaging;
- IT equipment, hardware and software for monitoring, control and management;
- Investment in technology for the production of energy from renewable sources;
- Investments in equipment for cooling.

#### 2. MEAT PROCESSING

## 2.1. Eligible investments in the meat sector

- Investments in renewal/expansion and modernization of slaughterhouses, including the refrigerators;
- Investment in the construction of the new slaughterhouse, which at the time of applying belong to the category "C" or "D";
- Investments in equipment for improving hygiene and product quality and safety (especially for meeting HACCP and/or ISO 22000 standard);
- Investments in equipment to improve environmental protection, particularly waste management and water treatment;
- Equipment for yelling and preparing (treatment) of the skin;
- Equipment for slaughter, including refrigeration equipment;
- Special vehicles for the transport of live animals to meet animal welfare requirements;
- Stables for accommodating animals before slaughter;
- Trucks for transporting meat;
- Machines, equipment and storage facilities for waste treatment and subproducts;

- IT equipment, hardware and software for monitoring, control and management;
- Investment in technology for the production of energy from renewable sources.

#### UNITS FOR MEAT PROCESSING

- Investments in the renewal/expansion and modernization of existing facilities, including refrigerators with equipment;
- Investment in the construction of new processing facilities for companies that at the time of filing the application belong to the category "C" or "D";
- Investments in equipment for meat processing;
- Investments in equipment for improving hygiene and product quality and safety (especially for meeting HACCP and / or ISO 22000 standard);
- Investments in equipment to improve environmental protection, particularly waste management and water treatment;
- Investments in equipment for quality control, including the relevant laboratories;
- Investments for cooling and refrigeration storage of finished products;
- Specialized vehicles for the transport of raw materials and finished products;
- Investment in technology for the production of energy from renewable sources;

# 3. FRUIT AND VEGETABLES PROCESSING, INCLUDING PRODUCTION OF WINE

# 3.1. Eligible investments *Processing of fruits and vegetables*

- Investment in the construction/rehabilitation and modernization of processing facilities;
- Investments in line for preservation/pasteurization of fruit and vegetables;
- Investments in equipment for improving hygiene and product quality and safety (especially for meeting HACCP and / or ISO 22000 standard);
- Investments in facilities and equipment for the post-harvest treatment, drying, sorting and storage;

- Investments in equipment for the packaging, labelling, including filling lines, coating machines and other specialized equipment;
- Investment in technology for the production of energy from renewable sources;
- Investments in equipment for the cooling chain, including warehouse for cooling and freezing, freezing tunnel, means of transport with a fridge and other equipment necessary to ensure continuity in the cooling chain;
- Investments in equipment to improve environmental protection, particularly waste management and water treatment;
- Investments in equipment for quality control, including the relevant laboratories;
- Specialized vehicles for the transport of raw materials and finished products, with free cooling and cooling;
- IT equipment, hardware and software for monitoring, control and management;

#### Vine production

- Construction/renewal/expansion of facilities for the production and processing of wine;
- Investments in equipment for the processing of wine;
- Investments in equipment for improving hygiene and product quality and safety (especially for meeting HACCP and / or ISO 22000 standard);
- Investments in equipment for the packaging, labelling, including filling lines, coating machines and other specialized equipment;
- Investment in technology for the production of energy from renewable sources;
- Investments in equipment for quality control, including the relevant laboratories;
- IT equipment, hardware and software for monitoring, control and management;

#### 4. FINAL BENEFICIARIES

Beneficiaries can be enterprises for the processing of milk, meat, fruit and vegetables and wine producers, registered in the Kosovo Business Registration Agency, with at least two years' experience in the relevant sub-sector. Beneficiaries can also include enterprises for processing aromatic plants/herbs

and mushrooms, provided that at least 50% of the raw materials that are processed include berries, fruits and/or vegetables. For the sub-sector of wine, candidates must be enrolled in the register of wine producers in Kosovo. Final beneficiaries must be registered in the register of farms (agricultural holdings).

### 5. COMMON ELIGIBILITY CRITERIA

#### 5.1. For beneficiaries

5.1.1. The types of companies that we support

We can support micro, small and medium-sized enterprises, as defined in the Law no. 03/L - 031 on amending and supplementing Law no. 02/L-5 on Support to Small and Medium Enterprises. The category of micro, small and medium-sized enterprises consists of enterprises which employ less than 250 persons and whose with annual turnover that does not exceed 50 million EUR, with a total balance sheet that does not exceed 43 million EUR and it needs to be registered in accordance with the relevant regulations for food processing enterprises. All candidates must be registered with the the Kosovo Business Registration Agency (KBRA) in a particular sector, at least two years before the date of submission of application.

# 5.1.2. The economic sustainability of the company

All applicants must submit a business plan, in accordance with the model which requires the Agriculture Development Agency. The applicant must demonstrate the economic viability of the company in the business plan, which should be realized at the end of the project. The company must show it can regularly pay their obligations and debts without jeopardizing the normal functioning of the enterprise. In the case of construction/renovation/expansion, candidates must submit a technical plan for the project construction/renovation/expansion.

Model business plan and instructions for its preparation will be part of the application form, published on the website of the Agriculture Development Agency and will be available to all potential users.

#### 5.1.3. National standards

All users under this Measure, at the end of the investment should be in the process of certification to the standards of HACCP and/or ISO 22000. The official certificate of successful completion must be submitted to the ADA, not later than 12 months after project completion.

### 5.1.4. Other eligibility criteria for beneficiaries

In the case of projects for the construction/renewal/expansion, the applicants when applying should submit:

- Copies of the drawings of the facility and preliminary calculations of the cost for the materials and planned work;
- A copy of the plan of the parcel where investment will be made;
- Possession list for the parcel on which the investment will be made;
- Consent by the competent authority (the municipality) for a building permit in the case of construction/expansion projects, but not in the case of projects with the intention of renovation.
- Eligible investments.

#### 6. SPECIAL ELEGIBILITY CRITERIA

Subsector for milk and meat processing

The right to apply have companies that have developed their activity in the sector for at least 2 years prior to the date of application and who are registered with the Kosovo Business Registration Agency and the Agency for Food and Veterinary by categories for food processing companies.

- Category "A"= low risk rate
- Category "B" = middle risk rate
- Category "C"= high risk rate
- Category "D" = very high risk rate

Applicants for category "A and B" are not eligible for construction and expansion of premises.

Applicants for category "C" are eligible for new construction, provided they close the existing building or renovate the existing building.

Applicants for category "D" are eligible only in the case of construction of a new facility and closure of the existing facility. These applicants may submit requests for equipment and other investments.

#### 6.2. Fruit and vegetable processing sector

The right to apply have companies that have developed their activity in the sector for at least 2 years prior to the date of application and who are registered with the Kosovo Business Registration Agency.

In the case of investments in the collection centres and centres for packing and packaging, the minimum production capacity must be at least 1000 m<sup>3</sup>.

#### 6.3. Vine production sector

The right to apply is given to companies that are registered in the Register of wine producers. The right to apply have wine makers who at least 50 % of raw materials (grapes) have provided by other producers (and not only from own production). This criterion does not apply to wine producers that owe over 50 hectares of vineyards. Applicants must prove that they have declared annual production of wine and the remaining stored yield.

# 8. VALUE OF PROJECTS AND AMOUNT OF SUPPORT AND AMOUNT OF PUBLIC SUPPORT

- The minimum value of the total eligible costs for a project within this measure is 30,000 €;
- The maximum amount of eligible costs for a project within this measure is 400,000 €;
- Public support is possible up to 50% of eligible investment costs;
- For investments in waste treatment the amount of public support increases for the 10% just for the purpose of investment for this purpose the amount of public support is going up to 60%;
- Payment for measure 103 is being implemented in two instalments, the first part of public support in the amount of 50% is realized in the form of advance payment after signing the contract with the user, while the remaining 50% payable upon completion of the verification of the overall investment.
- Construction/renovation/expansion of facilities;

- Purchase of new machinery and equipment including computer programs necessary for the operation of production lines or other primary functions related to the main activities of the company;
- Eligible investment in sub-sectors for processing of milk, meat, fruit and vegetables and wine production includes the costs of marketing for their promotion;
- Eligible marketing expenses in all sub-sectors of Measure 103 are: preparation and printing of catalogues, flyers, brochures, posters, etc., for product promotion, but not for their distribution. Also, marketing costs, are also eligible for production of audio and video promotional spots, but not for their media distribution;
- The maximum amount of eligible costs for marketing is limited to 5% of the total eligible costs, but not more than 10,000 euros;
- Other costs related to the project, such as costs for architects, engineers and the costs of preliminary studies, as well as documents and relevant permits are accepted up to 7% of total eligible costs, but not more than 15,000 euros as well as costs for the development of business plan are entitled to 3% of the total eligible costs for the project, but not more than 5,000 euros;
- Administrative costs, even though they took place before the signing of the contract, they are acceptable but only if the project is selected and contracted by the Agriculture Development Agency.

# 9. TIME AND MANNER OF APPLICATION ACCEPTANCE

The date for the submission of the applications starts from the day which was released as the first day of the call for applications:

Call for applications will be open from the date 15 March until 15 April 2016.

Note: The application must contain all the necessary documents and to be filed within the deadline for applications. Dossier application shall be submitted in two copies while all physical documentation should be scanned and uploaded on the CD that should be also submitted along with documentation in printed form. Candidates are advised to keep a copy of the documentation for them.

Applying is possible in the regional offices of the Agriculture Development Agency in Prishtinë/Priština, Mitrovicë/Mitrovica, Peja/Peć, Gjakova/Đakovica, Prizren, Ferizaj/Uroševac and Gjilan/Gnjilane in the period 08: 30-16: 00 every working day.

For detailed information please visit the website <u>www.mbpzhr-ks.net</u>, or website <u>www.azhb-ks.net</u>, as well as guidelines for application procedures.

# 11. CONTACTS AND LOCATIONS (POINTS) FOR OBTAINING INFORMATION IN CONNECTION WITH APPLICATION PROCEDURES

		ADA/MAFR ress:(former Ljubljana bank buil	ding) Prishtinë/Priš	
From	m Monday to Friday:	from 10:00 and in the period 13	:00-15:00 phone: 038/	/211-967 or 038/212-647
No.	Region	Address	Phone	E-mail
1	Prishtinë/Priština	INDUSTRIAL ZONE  Fushë Kosovë, across Maxishopping mall		
			038 601 169	
2	Mitrovicë/Mitrovic a	"Queen Teuta" no number.	028 522 501	
3	Peja/Peć	Agriculture institute "Nursery"	039 431 276	
4	Gjakova/Đakovica	"Marin Barleti" no. 2, III floor.	0390 320 992	
5	Prizren	"Avni Rrustemi" 159	029 244 793	
6	Ferizaj/Uroševac	"National heroes" no number	0290 324 661	
7	Gjilan/Gnjilane	St: Independence boulevard (road to Ferizaj) (I floor)		

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