

ANNEX IV

**to the Commission Implementing Decision on the financing
of the annual action plan in favour of Montenegro for 2021**

ACTION DOCUMENT “EU SUPPORT TO THE AGRICULTURE SECTOR IN MONTENEGRO”

1. SYNOPSIS

1.1. Action Summary Table

Title	EU for Support to the Agricultural Sector in Montenegro Annual Action Plan in favour of Montenegro for 2021
OPSYS number - CRIS	IPA III/2021/ 043-663/4
Basic Act	Financed under the Instrument for Pre-accession Assistance (IPA III)
Team Europe Initiative	No
Zone benefiting from the action	The action shall be carried out in Montenegro
Programming document	IPA III Programming Framework
PRIORITY AREAS AND SECTOR INFORMATION	
Window and thematic priority	Window 4: Competitiveness and inclusive growth Thematic Priority 3: Agriculture and rural development Thematic Priority 4: Fisheries
Sustainable Development Goals (SDGs)	Main SDG (1 only): SDG 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture Other significant SDGs (up to 9) and where appropriate, targets: SDG 14 Conserve and sustainably use the oceans, seas and marine resources
DAC code(s) ¹	311 – 100%

¹ DAC sectors (codes and descriptions) are indicated in the first and fourth columns of the tab ‘purpose codes’ in the following document: <http://www.oecd.org/dac/financing-sustainable-development/development-financestandards/dacandcrscodelists.htm>

Main Delivery Channel @	12000 12001	<i>Recipient Government</i> <i>Central Government</i>		
Markers ² (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition ³	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers @	Not targeted	Significant objective	Principal objective
	Biological diversity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Internal markers⁴	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Migration ⁵	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

² For guidance, see <https://www.oecd.org/development/financing-sustainable-development/development-finance-standards/> Go to "Data collection and resources for reporters", select Addendum 2, annexes 18 (policy) and 19 (Rio) of the reporting directive.

If an action is marked in the DAC form as contributing to one of the general policy objectives or to RIO principles as a principal objective or a significant objective, then this should be reflected in the logframe matrix (in the results chain and/or indicators).

³ Please check the [Handbook on the OECD-DAC Nutrition Policy Marker](#)

⁴ These markers have a different scope/rationale than the DAC codes. They are drawn from the level of budget allocation and emphasis given to the action in terms main objective(s) selected. The definition of objectives, results, activities in description of the action should be in line with this section.

⁵ For detailed information on programming migration and forced displacement, please have a look at the [thematic guidance note](#) on migration and forced displacement; for information on the migration marker please look at annex 2 of the thematic guidance note.

BUDGET INFORMATION	
Amounts concerned	Budget line: 15.020201.02 Total estimated cost: EUR 9 000 000 Total amount of EU budget contribution EUR 9 000 000 of which EUR 3 400 000 for indirect management with IPA III beneficiary.
MANAGEMENT AND IMPLEMENTATION	
Type of financing and method(s) of implementation	Project Modality Implementation modalities: Direct Management/Indirect Management with Beneficiary Country Direct management through: - Twinning grants - Procurement Indirect management with Montenegro
Relevant priorities and flagships from Economic and Investment Plan for the Western Balkans [only for the Western Balkans]	Priorities: “Green Agenda”
Final Date for conclusion of Financing Agreement	At the latest by 31 December 2022
Final date for concluding contribution / delegation agreements, procurement and grant contracts	3 years following the date of conclusion of the Financing Agreement, with the exception of cases listed under Article 114(2) of the Financial Regulation
Indicative operational implementation period	72 months ⁶ following the conclusion of the Financing Agreement
Final date for implementing the Financing Agreement	12 years following the conclusion of the Financing Agreement

⁶ Number of months should not exceed 72 months.

1.2. Summary of the Action

In light of Montenegro's dynamic EU accession process, the Agriculture and Rural Development (ARD) sector (also including the areas related to affairs in the Fisheries and Forestry sector), has been challenged by the need for significant changes. On one hand, the adoption and implementation of legislation and standards stipulated by the EU *acquis* Chapters 11, 12 and 13, directly related to the sector, have called for encompassing reforms of capacities of both public administration and the beneficiaries. On the other, the forthcoming changes and the fluctuating nature of the Common Agriculture Policy and Common Fisheries Policy, demand a higher degree of flexibility, innovation and adaptation to new and progressive agendas.

Montenegro is already reasonably well-equipped to face these challenges, however, the impact of its administrative and natural resources increases proportionally to the demands entailed in the further course of the EU integration process. This Action is aimed at preparing Montenegro for EU accession by completing alignment with Chapters 11, 12 and 13, with special emphasis on implementation, including the establishment of the structures and systems necessary for implementing CAP and CFP, while creating a successful food sector in Montenegro, which provides employment and sustainable production of high-quality food for domestic and foreign consumers, supported by an efficient administration in the areas of agriculture and rural development, food safety, veterinary, phytosanitary and fisheries.

Namely, IPA 2021 assistance aims to address the Agriculture and Rural Development Sector by contributing to fulfilling results in four key areas: (1) agriculture and rural development; (2) food safety, veterinary and phytosanitary affairs, (3) fisheries and (4) forestry. With regards to the first area, the important result outlined focuses on strengthening administrative capacities of the MAFWM and its wide array of directorates, departments and other administrative bodies.

Administrative capacity building is required to full align to the CAP, including in matters such as: direct payments, adopting standards for cross-compliance, Common Market Organization mechanisms, , programming future priorities and recognizing potential strategic objectives related to Chapter 11, providing assistance with regards to adjusting to current and future Chapter 11 *acquis* developments, with special emphasis on capacity building for the Directorate for Payments, which plays currently the role of accredited IPARD agency and should further be strengthened and entrusted as a Paying agency for EAGF and EAFRD funds upon accession. It should be noted that from capacity-building activities will not only benefit the employees of Ministry of agriculture, forestry and water management (MAFWM) but also other stakeholders as well, such as agricultural producers.

Technical capacities of the Beneficiary shall also be strengthened through procuring necessary equipment, while special assistance will be directed towards fully establishing a Forestry Information System in Montenegro. In relation to the field of food safety, veterinary and phytosanitary affairs, assistance shall be directed towards achieving the following results: strengthened administrative capacities of the Competent Authority in the area of Food Safety, Veterinary and Phytosanitary Affairs (FSVP), improved management and control of the integrated food safety system and improved situation regarding the management of animal by-products and animal health.

Assistance provided in the area of fisheries will focus on contributing to the fulfillment of improved administrative and inspection capacities of the Directorate for Fisheries for policy development and implementation aligned with the EU *acquis* and improved management and control of marine fisheries and aquaculture by establishment of the fully functional Fishery Information System and the Fishery Monitoring Centre.

2. RATIONALE

2.1. Context Analysis

Montenegro identifies Agriculture and Rural Development Sector as one of the main areas with substantial potential for economic growth. Reforms in this sector need to ensure alignment with and implementation of the *acquis* in three negotiations chapters: Chapter 11 – Agriculture and Rural Development, Chapter 12 – Food Safety, Veterinary and Phytosanitary Policy and Chapter 13 – Fisheries, which were opened for accession negotiations in 2016.

This Action is aimed at preparing Montenegro for EU accession by completing alignment with EU *acquis* in Chapters 11, 12 and 13, with special emphasis on implementation, including the establishment of the structures and systems necessary for implementing the CAP and the CFP, while creating a successful food sector in Montenegro, which provides employment and sustainable production of high-quality food for domestic and foreign consumers, supported by an efficient administration in the areas of agriculture and rural development, food safety, veterinary, phytosanitary and fisheries.

In 2017 and 2020 MAFWM underwent new institutional re-organizations, rendering it more prepared for the fulfilment of its defined priorities and meeting the upcoming challenges. The transposition of EU *acquis* to the national legislation will continue its progressive course in the following period, although the administration is still insufficiently prepared for adapting to the future CAP and CFP developments. At the moment, the main challenge lies in providing a thorough, systemic implementation of the current legislation, which requires a continuous cooperation of the sector stakeholders.

The main stakeholders can be divided into public administration (with the Ministry of Agriculture, Forestry and Water Management (MAFWM) at its forefront) and the farmers, agricultural producers, fishers and fish and shell farmers (including the CSOs and producers' organizations through which the interests of the private agricultural and fisheries sector are expressed and protected). In such synergy of stakeholders, the role of the public administration is manifold. In fisheries sector, it is very important to have all relevant information under the existing Fisheries Information System, in order to have a clear view of all different aspects of the sector and to have strong ground for responsible decision-making, aimed to sustainable fisheries and aquaculture. To achieve this goal, several new subsystems have to be developed and smoothly integrated into FIS, and the existing subsystems should also be thoroughly revised and improved. From the administrative point of view, strengthening of legal framework and administrative and inspection capacities should be accomplished through drafting and adoption of various documents related to fisheries management, inspection and control, market organization and funding in fisheries sector.

The agriculture and rural development sector plays an important role in the economy of Montenegro with a significant share in gross domestic product, amounting to 6.7% in the year 2018 and 6.4% in 2019, including forestry and fisheries. According to the Agricultural Census of 2010, out of a total of 620,029 inhabitants of Montenegro, 48,870 agricultural holdings are engaged in agriculture, with the 98,341 employed. In fisheries sector, according to data for 2019, there are 570 employees in commercial marine fisheries, out of which 211 full-time employees (license holders). Primary production in mariculture is conducted on 23 farms in total.

Sustainable concept of Montenegrin agriculture is reflected in the function of balanced rural and regional development, economic function, social and national and cultural function. The increased demand for agricultural products, which is the consequence of tourism development, gives realistic expectations for the progress of this sector. In recent years, processing capacities have developed in several sectors, and they are a good example of the development of new value added products offered on the market. The fisheries and aquaculture sector is currently of limited relative significance compared to other economic sectors but it has a strong potential for development, in terms of fleet modernization in all its parts, especially small-scale fisheries, port infrastructure, improvement of inspection and control of fishing activities, market development, as well as continuous education on the importance of this sector. Further diversification aimed at connecting fisheries sector with tourism and processing industry, supported by the adequate promotion of fisheries and aquaculture products will significantly change the perspective on this sector in the future.

The importance of forest resources for Montenegro is undeniable in economic as well as in ecological and social terms. Considering to what extent the state is covered with forests, their importance for the economy of Montenegro and overall social and economic development is great. Forests provide ecosystem services on which rural and urban communities depend and host an enormous variety of biodiversity.

Veterinary, Food Safety and Phytosanitary area is inextricable from ARD, due to a series of standards and regulations which agricultural producers need to adhere to, with regards to the safety of food they produce, as well as hygiene standards of facilities at agricultural holdings, animal welfare etc.

IPA III Programming Framework under Window 4 (Competitiveness and Inclusive Growth) envisages support to agriculture and rural development that will also help the beneficiaries to address the range of challenges and opportunities in this sector and strengthen the sustainable production and management of natural resources, the overall competitiveness of the sector and the balanced territorial development of rural areas.

The Government of Montenegro adopted the Public Finance Management Reform Programme 2016-2020 on 3 December 2015. The Programme defines the key reform plans in this area, aimed at increasing responsibility and ensuring reliable financial management, by improving economy, effectiveness and efficiency in public resources management. PEFA assessment, concluded in December 2019, shows mixed performance across different PFM processes and institutions. Fundamentals of the PFM system are in place and core functions are performing at the higher end of the assessment scores. These fundamentals and core functions relate to budget reliability, transparency of budget and fiscal information, revenue mobilization and budget execution, internal control and internal audit (IA), external audit and parliamentary scrutiny and, to certain extent, accounting and financial reporting. On the other hand, more advanced elements of PFM system demonstrate room for further improvement and continued strengthening. Preserving efficient and reliable fundamentals while developing additional capacity for advanced PFM practices can enhance the management of public finances in the long run and contribute to the country's broader goals, such as economic growth and efficient public service delivery. Areas for further improvement include the linkage between strategic plans and budget resources; medium-term perspective in planning and budgeting; management of public investments, assets, and fiscal risks; and meaningful performance measurement and evaluation.

The multi-functionality of Montenegrin agriculture is reflected in the function of balanced rural and regional development, economic function, social and national and cultural function. Montenegro has chosen a sustainable concept of agriculture in its strategic documents.

In order to improve the multifunctional role of agriculture through increasing competitiveness and sustainable use of resources and improving the quality of life in rural areas, Montenegro will work to align national policy with the EU's Common Agricultural Policy in the forthcoming period. In Fisheries area national priorities relate to preparation for overall fulfilment of its obligations stemming from the Common Fisheries Policy (CFP) (including the Common Market Organization of Fisheries & Aquaculture Products). According to defined closing benchmarks for provisional closure of chapter 13, Montenegro has to adopt legislation that provides a substantial degree of alignment with the EU acquis for fisheries and ensures that Montenegro will be able to fully apply the Common Fisheries Policy upon accession.⁷ For this purpose, several documents related to the implementation of CFP should be drafted and adopted as an integral part of Montenegrin national legislation, and the support is needed for those activities. Montenegro also should substantially strengthen the administrative, inspection and control capacities required by the Common Fisheries Policy and ensure that EU requirements will be fully met at the date of accession, in particular as regards inspection and control. Improvement in administrative and inspection capacities for policy development and implementation, as well as further development of Fisheries Information System and Fisheries Monitoring Centre are planned to be conducted through this Action. Increasing productivity, increasing arable areas and introducing EU food safety standards in the primary and manufacturing sectors represent the long-term goals of the Montenegrin agriculture. Maintenance of good condition of forest resources and improvement of forest functions is recognized as the goal of national strategic documents and development plans. The protection of the forests from the increasingly negative effects of climate change, plant diseases and pests, as well as from the excessive use, which are the main contemporary threats to forest in Montenegro, represents a challenge for society, considering the number of observed negative phenomena in this sector.

Realization of development goals and implementation of ARD policy impose the need to continue reforms in the legislative field, through further harmonization of national legislation with the EU legal framework. In order to

⁷ Strengthening of scientific capacity is also an important areas, as the CFP is a science-based policy and data collection (DCF) is there to ensure the collection of relevant, up-to-date, data that is tailored to the needs of end users

implement ARD policy efficiently and in accordance with EU principles, especially the rural development policy as its most demanding component, a harmonized implementation, control and monitoring system will gradually be established. Institutional strengthening, to ensure that the adjustment process is completed for the benefit of ARD in Montenegro is needed.

2.2. Problem analysis by areas of support

In the agriculture and rural development area, the implementation of legislation and the establishment of the necessary administrative capacity and control structures required by the *acquis* are the main challenges. The Closing benchmarks of the Negotiating chapter 11 requires the establishment of an Integrated Administration and Control System (IACS) and setting up of a Paying Agency to be fully operational by the date of accession in order to be able to manage and receive funding from the EU and to make payments to Montenegrin beneficiaries fully respecting the EU rules and procedures. So far, Montenegro has undertaken certain actions towards the setting-up of the IACS, including elements for the establishment of Land parcel identification system (LPIS). Via EU IPA financed projects, the initial set up of the LPIS was done, orthophoto pictures of the territory were made and deciphered, the initial layers of the land use created, and certain number of parcels are already in the system. Additionally, equipment for on-the-spot checks was delivered. With the already available initial LPIS, the ministry has started first pilot direct payments based on area using the data from the system. However, there is a lot more to be done to fully establish the LPIS and IACS.

Forestry represents one of the most important economic resources in rural areas and forest land management must therefore form an integral part of the objectives and priorities of rural development. Montenegro should improve its institutional framework and build up the capacities of the forestry sector and strengthen cooperation with the private sector to ensure sustainable economic development of forest resources.

In the area of food safety, veterinary and phytosanitary policy, further efforts are needed to strengthen administrative, control and laboratory capacity in order for Montenegro to meet its accession requirements through its focus on making the management and control of the food safety system more functional and building administrative capacities for policy design and implementation, particularly with regards to adjusting to the on-going developments in Chapter 12 of the *acquis*.

In the fisheries area, the main problem faced by Montenegro is its weak administrative and inspection capacities to meet the standards required by the EU Common Fisheries Policy. Montenegro should adopt legislation that provides a substantial degree of alignment with the EU *acquis* for fisheries and ensures that Montenegro will be able to apply the Common Fisheries Policy fully upon accession. It also should substantially strengthen the administrative, inspection and control capacities required by the Common Fisheries Policy and ensure that EU requirements will be fully met at the date of accession, in particular as regards inspection and control. The solid basis for the smooth functioning of the sector should be the harmonized legislation and information system that covers all different aspects of the fisheries and aquaculture sector, as well as proper education for all relevant stakeholders.

In 2017, MAFWM underwent a new institutional re-organization, rendering it more prepared for the fulfilment of its defined priorities and meeting the upcoming challenges. The transposition of EU *acquis* to the national legislation will continue its progressive course in the following period, although the administration is still insufficiently prepared for adapting to the future CAP and CFP developments. At the moment, the main challenge lies in providing a thorough, systemic implementation of the current legislation, which requires a continuous cooperation of the sector stakeholders.

The main stakeholders can be divided into public administration (with the Ministry of Agriculture, Forestry and Water Management (MAFWM) at its forefront, also cooperating with the Ministry of Finance, Ministry of Economy and Ministry of Capital Investments, as well as other Public Administration institutions, such as the Statistical Office (MONSTAT) and Chamber of Commerce) and the farmers and agricultural producers (including the CSOs and producers' organizations through which the interests of the private agricultural sector are expressed and protected), fishers and fish and shellfish farmers. The public administration needs to establish a complex system for the management and control of EU and National direct payments to the farmers, which should allow for the registration and unique registration and identification of farmers and their parcels of utilized land as well as for enhanced controls of farmer's

applications for aid. The main stakeholders in the sector are also those involved in agri-food production and processing and represent crucial partners with regards to the adoption of complex rules and standards regarding all stages of food production. Fishers and fish and shellfish farmers are organized in 10 different associations of professional fishers and one association of shellfish farmers. The associations are civil society organisations (CSOs) and their involvement in the implementation and/or monitoring of reform activities depended on awareness, remits and capacities that should be improved in line with implementation of this Action.

The key document setting out the government policies are outlined under Montenegro`s Development Directions 2018-2021, adopted by the Government in December 2017. It sets out a vision of socio-economic development, including the required investments and development measures to achieve smart, sustainable and inclusive growth. It identifies four priorities for agriculture and rural development, among which one of the priorities refers to strengthening the competitiveness and sustainability of the agricultural sector through investments in primary agricultural production, processing and marketing of agricultural and fishery products. The area of Food Safety is inextricable from ARD, due to a series of standards and regulations which agricultural producers need to adhere to, with regards to the safety of food they produce, as well as hygiene standards of facilities at agricultural holdings, animal welfare etc. In the field of sustainable development, it identifies three priorities for forestry sector, such as realization of forestry and wood industry strategy, certification of areas under forests and increasing the share of the wood industry in GDP.

The Strategy for Agriculture and Rural Development 2015 – 2020 (with the Action plan) represented a basis for the alignment of national policies with the CAP in the context of the EU integration process. The alignment with the EU regulatory framework and standards has been pursued by concurrent alignments of the legal framework, strengthening of institutional capacity and the ability of the private sector to comply with the requirements. In regard to Food Safety, the Strategy mainly related to provide support to agricultural producers to comply with minimal national standards (e.g. in the field of animal health, public health, occupational safety) and this referred to support to educate agricultural producers on compliance with minimal national standards, as well as on preparing project applications for IPARD absorption. It should be noted that for the time being the new strategy for agriculture and rural development 2021-2027 remains to be drafted and adopted (probably in December 2021). Update of the Action plan will follow.

The Revised Strategy of Forests and Forestry 2014 – 2023 with the Action plan for its implementation key goal is to improve the condition of all forests in Montenegro, ensuring the forests` balanced environmental, economic, and other roles and securing sustainability.

The Fisheries Strategy of Montenegro has been adopted by the Government for the period 2015-2020, with the Action plan for transposition, implementation and enforcement of EU *acquis*. It provides a blueprint for a comprehensive reform and overall strategic framework for fisheries and aquaculture and identifies the key steps for Montenegro to prepare for overall fulfilment of its obligations stemming from the Common Fisheries Policy (CFP) (including the Common Market Organization of Fisheries & Aquaculture Products). Many activities were conducted in the foreseen period of this Strategy, while all improvements planned through this Action will also be the integral part of the new strategy for the next programming period. The adoption of the strategy is envisaged in 2022.

2.3. Relevance and complementarity with strategies supported by key national stakeholders

The proposed Action is aligned with the major Common Agricultural Policy (CAP) developments in the EU and is relevant in the context of the EU accession and reaching closing benchmarks of the Negotiating Chapter 11. This Action directly contributes to the fulfilment of both benchmarks (IACS and PA establishment), through its focus on making the management and control system of direct payments more functional and building administrative capacities for policy design and implementation. Forestry pertains to 2 Chapters: Chapter 11 and Chapter 27 – Environment and Climate Change. At EU level, the main source of funding in the area of forestry is through the Common Agricultural Policy (CAP), with emphasis on its rural development pillar and the European Agricultural Fund for Rural Development. The action will ensure that gathering and exchanging data on all levels needed for planning the sustainable management is in place.

The proposed Action is relevant in the context of the EU accession and the Negotiating Chapter 12 and reaching closing benchmarks through its focus on making the management and control of the food safety system more functional and building administrative capacities for policy design and implementation, particularly with regards to adjusting to the on-going developments in Chapter 12 acquis.

The proposed Action is well aligned with the Common Fisheries Policy developments in the EU and is relevant in the context of the EU accession and negotiating Chapter 13. The implementation of this Action, with specific emphasis on documents for CFP implementation development and the development of FIS and FMC, directly contribute to the fulfilment of the Chapter 13 benchmarks.

Montenegro recognized the need to reinforce its rather weak medium-term and performance-based strategic planning system, which might indirectly impact the pace of EU negotiations and affect proper planning and programming of IPA funds, ultimately distressing their absorption rate. Very often strategies do not provide multiannual perspective of priorities and needs in respective sectors and do not set a clear medium-term vision of the goals and targets to be achieved. Result-oriented, evidence-based approach in drafting strategies is still not present enough in practice, as in many cases strategies lack performance indicators, i.e. outcome level indicators, which makes monitoring of their implementation impossible in terms of their true impact. A more coherent strategic planning, which focuses on the medium term goals and priorities of the Government and embodies measurable deliverables would benefit horizontally the entire administration system, with a considerable impact on state budget credibility.

All activities related to the sector of Agriculture and Rural Development are followed by MAFWM through its management structure consisting of the Cabinet of the Minister, State Secretary, 6 Directorates, 3 Administrations and 1 Agency, including advisory services. The Directorates are responsible for creating policies, drafting primary and secondary legislation proposals and overseeing the implementation of adopted policies and laws. All envisaged activities are outlined in the Action Plan, which is an integral part of the “Strategy for Agriculture and Rural Development 2015-2020” and complimentary with obligations stemming from the negotiating process in Chapters 11 and 12, as well as the Action Plan of the Fisheries Strategy of Montenegro 2015-2020 which provides the strategic basis for fulfilment of Chapter 13 benchmarks. Monitoring of the Action Plan implementation dynamic is conducted by heads of Directorates, Chief Negotiator for all 3 Chapters and individual Heads of 3 Working Groups. This dynamic is being overseen by State Secretary and Minister via the system of internal periodic reports by the heads of individual sections of MAFWM. Reports are being sent to the European Commission on annual basis. The monitoring of direct payments and rural development relies on the synergy among the Directorate for Rural Development, Directorate for Payments and Directorate for Agriculture, including the current implementation of IPARD. According to the Sectoral Agreement for IPARD II, the operating structure for IPARD II implementation is consisted from the Managing Authority (Directorate for Rural Development) and the IPARD Agency (Directorate for Payments). The process of entrustment for EU CAP will be conducted following the procedure described in the EU regulations.

National financial means are allocated to MAFWM within the annual state budget. Payments are made to MAFWM from the national budget on a monthly basis, while MAFWM reports on the spending of allocated funds to the Ministry of Finance on a quarterly and annual basis. All payments must be approved by the Minister. Annual funds issued directly to agricultural producers and owners of agricultural households in Montenegro are a part of the yearly Agro-budget, and the monitoring of its implementation is conducted by Directors General via the Accounting Department and overseen by the Minister and State Secretary, who is in charge of Financial Monitoring and Control. After each public call for IPARD or Agro-budget measures, a report is drafted and circulated within the management structure of MAFWM. According to the new Systematisation Act, the Directorate for Payments divided the on-the-spot control in two departments within the same sector, the Sector for on-the-spot control:

- The Department for on-the-spot control of rural development measures, responsible for controlling the IPARD II on-the-spot controls;
- The Department for on-the-spot control of direct payments and CMO measures, which is the first step in creating structure for on-the-spot controls of these measures also, conducted by the Directorate for Payments. The plan is to, by establishing the regional offices of the Directorate for Payments, the employees from these offices conduct the on-the-spot controls for these measures.

Inspection, Advisory Services and Directorate for Payments personnel in charge of on-the-spot controls, are in charge of overseeing the implementation of legislation, projects financed by public calls and, in general, maintaining close contact with agricultural producers in Montenegro. Individual producers and NGOs in this sector are contacted prior to each drafting of annual Agro-budgets and after its adoption; the measures are promoted and presented in each municipality. Since the introduction of centralized model of financing NGOs in Montenegro in 2017, MAFWM has also maintained contact with associations of producers and other agricultural civil society organisations for the purpose of defining priorities for annual funding. The role of NGOs can also be characterized through its involvement in IPA Sectoral Working Group.

With regards to the implementation and monitoring of projects financed by non-national funds, the reporting is conducted in a similar fashion, with the addition of rules and procedures outlined in individual projects. The Department for development projects and international cooperation oversees all projects in which MAFWM is involved with external partners, including all bilateral relations with other countries and projects financed by EU, UN, World Bank, foreign embassies etc. Depending on the area in question addressed by an international project, the individual directorates and administration exercise a level of involvement providing expertise or managing the implementation of project activities. The Minister is notified on the progress of the implementation of international projects via periodic reports.

MAFWM publishes a report on all implemented activities on an annual basis which provide a thorough summary of MAFWM's actions during the previous year and outline discrepancies between the planned and realized activities.

Montenegro is on the right track with regards to increasing its capacities for data collection and analysis in the Sector, as well as for using IT systems and data registers. The following systems and data registers are being successfully developed: Animal register, Plant register, Wine register, Land Parcel Identification System, Farm Accountancy Data Network, Agricultural Market Information System, Fisheries Information System, as well as the Register of Agricultural Holdings,. Such system provides an encompassing and precise overview off all agricultural beneficiaries in Montenegro and received payments from the national budget, EU financed IPARD grants and MIDAS . This system is planned to significantly improve with the development of IACS and creation of a unified IT system which will provide an instant access to all the data agricultural beneficiaries in Montenegro.

2.4. Relevance and complementarity with EU policy and EU and other donors' assistance

In line with the policy-first approach, the action will be contribute to achieving the objectives identified in the IPA III Programming Framework and are in line with the recommendations derived from the specific instruments of the enlargement process, in particular: the negotiating frameworks, the recommendations of the Enlargement Package, the Economic Reform Programmes (ERPs) and the policy guidance agreed annually in the joint conclusions, the conclusions of the meetings organised in the context of the (Stabilisation and) Association Agreement as well as, where applicable, the Western Balkans Strategy, the Macro-Regional Strategies and the national plans for the adoption of the EU acquis. In particular, the European Commission's Reports – the last being 2021, prepared in the framework of the annual Enlargement Package, provide a detailed assessment of both the level of preparedness and the degree of progress achieved over the preceding reporting period.

The Action is fully in line with Thematic Priority 3: Agriculture and Rural Development and Thematic Priority 4: Fisheries, as outlined in the IPA III Programming Framework. The Outcome 1 of the Action directly pertains to Thematic Priority 3, with its emphasis on completing the alignment with the EU acquis, following developments under Chapters 11 and 12, and ensuring that the implementation is on track, including the establishment of the structures and systems necessary for implementation of CAP. Outcome 2, on the other hand, is in close connection with the goals outlined in Thematic Priority 4, as it entails adopting the legislative framework with a significant level of harmonization with the EU acquis in the area of Fisheries, as well as developing capacities for full implementation of the Common Fisheries Policy (CFP) upon the date of its accession to the EU.

Outputs 5-8 of the Action, contributing to the Outcome 1, concern achieving improvement in the area of food safety, veterinary and phytosanitary affairs, which contributes to the goal outlined in Thematic Priority 3, which states that

major efforts are necessary for food safety, animal welfare and transition towards sustainable food systems, in view of the alignment with the EU Farm to Fork Strategy, which is at the heart of the EU Green Deal aiming to make food systems fair, healthy and environmentally friendly.⁸ Moreover, as the Outcome 4 of the Action pertains to the improvement in the area of Forestry, the Action will contribute to the management of natural resources and conservation of ecosystems triggered by climate change consequences in line with the goals of the European Green Deal.

2.5. Lessons learned and links with previous financial assistance

Montenegro Institutional Development and Agricultural Strengthening - MIDAS 1

Control of imported food

The first building for veterinary and phytosanitary control of products according to EU standards “BIP Luka Bar” was officially opened in the Port of Bar, on March 9, 2016. MIDAS support included the construction of the facility as well as the supply of the equipment. The lessons learned from this project shall be of great use to the construction of 3 BIPs envisaged by this Action, such as: operational procedures vis-à-vis drafting technical documentation, negotiations with local municipalities, performing on-the-spot technical corrections not included in the initial plan, providing the building permit, supply of the equipment, assigning experts through tender procedures etc. BIP Luka Bar technical documentation, along with DG SANTE comments, shall serve as a blueprint for future reference.

Animal by-products management

Comprehensive studies on ABP management in Montenegro have been provided by MIDAS, and they will serve as a basis for activities supported in the Action i.e. purchase of vehicles and equipment needed for putting ABP collection system in place. This approach (combination of MIDAS expertise, new Law on Food Safety, IPARD like 2 calls for the IPARD II measure 3 like - Investments in physical capital connected to processing and marketing of agricultural and fishery products) contributed to the success of the IPARD like program, and after 3 “IPARD like 2” calls (2.1., 2.2., 2.3.) the situation in categorized food processing facilities had been changed, i.e. from 14 (3 + 11, in animal and non-animal) of Cat 1 at the beginning of 2016, to 152 (57 + 95 in animal and non-animal) of Cat 1 at the end of 2017, i.e. in line with national standards (which are in line with the EU).

Laboratory equipment

Following the previous procurement of equipment supported by MIDAS project and obtaining the accreditation for 16 measures, Veterinary Diagnostic Laboratory in Podgorica asked for additional laboratory equipment which was procured for this lab in 2016. Also, laboratories dealing with the analysis of honey and wine have been supported. Lessons learned can be reflected in the communication with all relevant stakeholders on what kind of equipment to purchase, preparation of technical specifications for the equipment, launching and managing tender procedures, installing equipment, maintenance, education of laboratory personnel and reaching out to the public sector to promote the newly equipped laboratories and inviting them to test their samples. The experience from MIDAS will be of use with regards to purchasing laboratory equipment via this Action.

The Institutional Development and Agriculture Strengthening Project MIDAS 2

The total value of MIDAS 2 project is EUR 30 million, and the implementation period is five years, i.e. from the first half of 2018 to the same period of 2023. The project’s development goal is to improve the provision of governmental support to agriculture, fisheries and rural development in a manner which is in compliance with EU accession requirements. For the fisheries sector (Component 3), 10 million euros have been allocated for the development and modernization of the old and obsolete fishing fleet, reconstruction and construction of the fishing ports (improvement of land infrastructure for mooring vessels and landing catch), equipping first landing sites with necessary equipment, and strengthening the role and organization of fishers’ associations and their education.

With regards to previous **IPA II** assistance, the main support to the ARD sector was reflected in the implementation of IPARD like projects, which have served as a preparation for the forthcoming IPARD II programme. The measures were

⁸ [Farm to Fork Strategy \(europa.eu\)](https://european-council.europa.eu/media/en/press-areas/pages/initiative/farm-to-fork-strategy-2020-2025)

designed in order to prevent deadweight by focusing on the needs of small farmers and processors as well as prioritizing investments with focus on public goods such as nature conservation and environment protection.

IPA 2014 Support to the Veterinary Sector contributed to the development of legislative and strategic documents and strengthening of administrative capacities through: (i) Preparation of Gap Analysis comparing current Montenegrin legislation with the EU Animal Health Law and EU Regulation on official controls; (ii) Drafting of the Law on Amendments to the Veterinary Law, Decree on official controls and Rulebook on non-commercial movement of animals, as well as the Report on future priorities; (iii) Preparation of Multiannual control plan in the area of official controls, as well as the Handbook for cross-compliance control; (iv) Upgrade of laboratory equipment for udder health and raw milk quality; (v) Development of the Strategy for Stray Dog Control; (vi) Organization of multiple trainings for veterinary and phytosanitary inspection. The recommendation provided by the TA in the final report will serve as a baseline to define the ToRs for the technical assistance projects under this Action, in the relevant field. The lessons learned so far can be related also to the process of drafting terms of references. It should be noted that although the employees of MAFWM have already had significant experience with drafting Terms of References, however, certain segments often prove to be challenging, such as to outline tender requirements for engaging experts which tasks are specific and demanding, rendering finding the right expert very difficult.

IPA 2014 Enhancing control and management of fisheries contributed to strengthening of administrative capacities and improving inspection, control and on-board safety of fishers through. Namely, brand new Fisheries Information System with 10 subsystems has been established and the fisheries administration, inspection and the staff from the Institute of Marine Biology were trained to use its relevant parts. In parallel, tracking devices have been installed on all active vessels over 10 m which has ensured safety of fisherman on board. Furthermore, the manual for using the electronic logbook is prepared and the fishers, fisheries administration, fisheries inspection and the staff from the Institute of Marine Biology are trained to use it.

Although the project itself was successfully implemented, the lessons learned pertain to the implementation of the results in practice. Namely, the challenging was to communicate the implementation of new standards to the fishers and fish and shellfish farmers, fighting illegal fishing activities through the introduction of precise measuring devices, the severity of poor conditions of the Montenegrin fleet, as well as the difficulties with regards to improving safety standards at sea. This project has also been demonstrating occasional misunderstandings among the fishers and inspection personnel and the necessity of uniting all both private and public stakeholders in this area under one common goal of creating a safer, dynamic and a more lucrative fisheries sector in Montenegro.

Many activities of the subject Action related to fisheries are conceived as further improvement of the existing subsystems within Fisheries Information System, through their revision and upgrade, as well as the creation of brand new subsystems which will cover some areas in the fisheries sector that were not included in the previous project, such as socio-economic data. The need for the improvement of existing subsystems (in terms of new functionalities, integration with new subsystems etc.) arose from their intensive usage in many different ways. When it comes to activities referring to FMC, it have to be implemented in order to follow the progress of FIS in a proper manner, and to ensure preconditions for 24/7 functioning.⁹

3. DESCRIPTION OF THE ACTION

3.1. Planned results and intervention logic

⁹ Biological data collection from observers on board commercial fishing vessels and at ports, as well as fisheries-independent data collected during scientific surveys at sea can also be stored in dedicated national databases, which are distinct from databases holding 'control data'.

The output 1 focuses on strengthening capacities of the MAFWM and its wide array of directorates, departments and other administrative bodies for ARD policy development and implementation. Output 2 will ensure further development of IACS. Output 3 will enable establishment of operational system for future financial management of EAGF and EAFRD. Output 4 will ensure gathering and exchanging data on all levels needed for planning the sustainable management of forests as it will be directed towards fully establishing a Forestry Information System in Montenegro. Output 5 will ensure that administrative and inspection capacities of the Administration for Food Safety, Veterinary and Phytosanitary Affairs (AFSVPA) for policy development and implementation are improved. Output 6 will improve control over imported goods of veterinary and phytosanitary origin. Output 7 relates to further improvement of management and control of the food safety system and output 8 will ensure further development of system for animal by-products management.

IF these outputs are produced and following overall assumptions hold true: successful implementation and delivery of results of on-going IPARD II programme, MIDAS and other projects needed for delivery of action outputs, gradual increase of number of staff in the MAFWM (Directorate for Payments, AFSVPA) and continuous progress in implementing sector reforms and adoption of laws; then they will directly influence achievement of outcome 1 which is to ensure that alignment with the EU acquis, following developments under Chapters 11 and 12, is being completed and implementation is on track, including the establishment of the structures and systems necessary for implementation of CAP.

It is important to continuously implement complex management and control systems. The food safety system starts with the integrated border control of imported food, feed, plants and live animals through Border Inspection Posts, via trained custom officials and phyto-veto inspectors implementing a rigorous series of procedures. Simultaneously, the local production of food is monitored from its very inception at farms and agricultural holdings, to its distribution for local consumption or export. Every caveat of this complex process has to be monitored and managed, including looking at the quality of seed, hygiene at production facilities, certificates of origin, use of residues and additives, packaging, distribution, as well as the disposal of animal by-products and the protection of the environment. Due diligence needs to be paid to developing an early-warning system for identifying plant and animal diseases and maintaining sufficient capacities for its combatting and eradication. Therefore, the subject Action seek to improve administrative and inspection capacities of the Administration for Food Safety, Veterinary and Phytosanitary Affairs (AFSVPA) for policy development and implementation in the mentioned areas of Chapter 12.

The improvement in control over imported goods of veterinary and phytosanitary origin will be achieved with the construction of additional Border Inspection Posts (BIPs) and a Quarantine Unit for Plant Health.

Furthermore, the management and control of the food safety system will be improved by the development of Phytosanitary IT system of the AFSVPA and with the further accreditation of the relevant laboratory methods.

While the animal by-products processing centre will be constructed within MIDAS 2 project, the subject action will contribute to further development of the animal by-products management system by purchase of vehicles and other equipment necessary for the putting the full system into operation.

A fully functioning Integrated Administration and Control System (IACS) in line with EU Common Agricultural Policy (CAP) requirements has to be put in place. Existing components such as farm and animal registers and other related databases must be integrated. Furthermore, it is also used to manage the controls put in place to ensure that the requirements and standards under the cross-compliance provisions are respected.

The main purpose of the Forestry Information System is to support planning of sustainable management of forests, including all functions of forests. It is also necessary to ensure data for reporting in line with international agreements and adopted standards. The aim is to build an information system which enables gathering and exchanging data on all levels, as well as planning in advance with regards to expenses for the system maintenance and policy implementation based on gathered data.

Outputs in the area of fisheries will focus on improving administrative and inspection capacities of the Directorate for Fisheries for policy development and implementation, further development and full compliance of the Fisheries Information System (FIS) with EU requirements, and improving the effectiveness of control, inspection and

enforcement of the rules of the CFP through achieving significantly higher level of operability of Fisheries Monitoring Center (FMC).

If these outputs are produced and following assumptions hold true: on-going MIDAS and other project activities in the Sector successfully implemented, Law on Structural Measures and State Aid in fisheries and aquaculture and Law on Market Organization in fisheries and aquaculture adopted, Montenegro maintains membership and close cooperation with GFCM and number of staff in the Directorate for Fisheries increasing; then they will directly influence achievement of outcome 2, which is to ensure that the entire national legislative framework in the area of Fisheries being a subject of this Action is adopted with a significant level of harmonization with the EU acquis (primarily Council Regulation (EC) No 1224/2009 of 20 November 2009 establishing a Community control system for ensuring compliance with the rules of the common fisheries policy, amending Regulations (EC) No 847/96, (EC) No 2371/2002, (EC) No 811/2004, (EC) No 768/2005, (EC) No 2115/2005, (EC) No 2166/2005, (EC) No 388/2006, (EC) No 509/2007, (EC) No 676/2007, (EC) No 1098/2007, (EC) No 1300/2008, (EC) No 1342/2008 and repealing Regulations (EEC) No 2847/93, (EC) No 1627/94 and (EC) No 1966/2006 and Commission Implementing Regulation (EU) No 404/2011 of 8 April 2011 laying down detailed rules for the implementation of Council Regulation (EC) No 1224/2009 establishing a Community control system for ensuring compliance with the rules of the Common Fisheries Policy), and capacities for full implementation of the Common Fisheries Policy (CFP) are ensured upon the date of its accession to the EU. During planning activities mentioned in this Action, special attention is put on the further intensive harmonization with EU Data Collection Framework (DCF), especially Regulation (EU) 2017/1004 of the European Parliament and of the Council of 17 May 2017 on the establishment of a Union framework for the collection, management and use of data in the fisheries sector and support for scientific advice regarding the common fisheries policy and repealing Council Regulation (EC) No 199/2008 (recast) and data requirements prescribed in the decisions that are based on this main regulation (e.g. Union programme for data collection in fisheries and aquaculture, mandatory surveys and thresholds, format for data submission etc.), from all different aspects. This part of Action related to fisheries will provide support in investing additional financial and administrative efforts with regards to strengthening administrative and technical capacities of the Directorate for Fisheries and fisheries inspection, and in managing and controlling the sub-sector of marine fisheries and aquaculture. Where feasible for data collection, it is important to strengthen links with the scientific institute(s) carrying out data collection

If outcomes 1 and 2 are realised and Montenegro remains a dynamic participant in the EU enlargement process, ensures sustained political will within MAFWM to support the implementation of the action, and ensure responsiveness and willingness of private stakeholders to cooperate and adapt to on-going reforms, then the intervention will contribute to impact which is to create a successful agriculture and rural sector in Montenegro which provides employment and sustainable production of high-quality food for domestic and foreign consumers, supported by an efficient administration in the areas of agriculture and rural development, food safety, veterinary, phytosanitary, fisheries and forestry, contributing to environment and biodiversity conservation, as well as to mitigate the effect of and on climate change. The administration shall serve as a link between the producers and national/international funds, providing stimulating opportunities for producers to use the financial support for their designated means towards sustainable and responsible production. Farmers and agricultural producers, in turn, shall get acquainted with the encompassing system of maintaining food safety, gradually comply with the required rules and procedures, help strengthen their own capacities for absorbing national and international financial assistance and, hopefully, grow in numbers and reach a level of production quality which will keep them competitive in the local and European market while promoting the adoption of responsible and sustainable production patterns which can contribute to environment and biodiversity protection as well as to GHG emissions reduction.

3.2. Indicative type of activities

List of indicative activities related to outcome 1 and for outputs 1 to 4:

- **Twinning** for development of legislative, strategic and policy documents necessary for CAP implementation taking full account of ongoing developments in the EU, cross-compliance (enhanced conditionality) standards and

procedures for cooperation with competent technical bodies in charge of monitoring specific SMR and GAEC conditions, establishment of system for control rate of applications, control reports from the OTSC/CwRS for SAPS, Agri Environmental Measures and cross compliance and Module for Decision on payment, implementation of on-the-spot control and provision of direct aid and rural measures to farmers, development of final draft procedure for implementation of IPARD III measures, development of final draft procedure for implementation of rural development measures in accordance with EAFRD criteria, implementation of capacity building programme for MAFWM, Local Government employees and agricultural producers, with the emphasis on development of Directorate for Payments into a fully functional Paying Agency

- **Investments** for procurement of supplies related to upgrading implementation control of IACS measures (Field equipment for implementation control: Vehicles 4x4, devices for measuring surface and length - GPS, cameras), updating Orto-photo maps for LPIS, development of software for managing evidence of all payments to the EAGF and EARFD and System for Financial reporting to the DG AGRI, development of software solutions for CMO implementation (with servers), for Fruit and Vegetables Traders Register and Wine Register, equipment for forestry information system
- **Technical assistance** in the field of forestry for studies and analysis, training, promotional activities.

List of indicative activities related to outcome 1 and for outputs 5 to 8:

- **Technical assistance** for development of legislative, strategic and policy documents necessary for adjusting to new developments in EU acquis Chapter 12, preparation of technical documentation for construction of new Border Control Posts, technical documentation for construction of a Quarantine Unit for Plant Health, capacity building in relation to upgrading laboratories.
- **Investments** in supply and works for construction and equipping new Border Control Posts, Quarantine Unit for Plant Health and Vehicles and Equipment for ABP Collection System, development of Phytosanitary IT system, supply of laboratory equipment for ensuring implementation of new laboratory analysis methods.

List of indicative activities related to outcome 2 and for outputs 9 to 11:

- **Technical assistance** for development of legislative, strategic and policy documents (by-laws, operational programs, procedures, management plans etc.) necessary for the CFP implementation, enhancement of capacities of the Directorate for Fisheries employees for CFP implementation and programming priorities for post -2020 developments, development of procedures necessary for establishing the Fisheries Monitoring Centre (FMC), development of remaining subsystems of the Fisheries Information System (FIS), training of Directorate for Fisheries to use new modalities of FIS and to operate in FMC (one Service Contract);
- **Investments** in supply in relation to procuring equipment for establishing fully functional FIS and equipment for establishing fully functional FMC (one Supply Contract)

3.3. Risks and assumptions

Risks	Risk level (H/M/L)	Mitigating measures
Risk 1 Insufficient provisions from the national budget for retaining administrative staff	M	Regularity and standardization of procedures within MAFWM, “vertical” training of personnel (continuous transfer of know-how down the hierarchy line) and the importance of absorbing EU pre-accession funds not only for MAFWM but for the Government as whole. Staff retention is a challenge in many public institutions and it can hardly be addressed without the support from external partners to implement the Public Administration Reform.
Risk 2 Increase of Directorate for Payments staff	M	Normative framework established, mainly the Decree on the systematization of working posts in MAFWM, which properly defined the envisaged increase of

		personnel at the Directorate for Payments as it gradually transforms to the Paying Agency.
Risk 3 Necessary technical documentation for the infrastructural works is not prepared	M	For the infrastructural works tender documentation for financing of preparation of the necessary technical documentation through IPA III is already prepared
Risk 4 Allocation of budget required for maintenance and operation of the IT systems and other facilities procured through the Action	M	Montenegro shall ensure the needed staff and shall cover the future maintenance costs for ensuring operational the IT system and facilities procured through IPA II
Risk 5 A lack of cooperation and involvement of stakeholders may cause delays and failure in timely achieving results envisaged by the Action	M	The MAFWM shall ensure proper coordination between different stakeholders including the private sector and CSOs in the sector
Assumptions		
<p>Assumptions related to outcomes 1 and 2:</p> <ul style="list-style-type: none"> • Montenegro remains a dynamic participant in the EU enlargement process • Sustained political will within MAFWM to support the implementation of the Action • Responsiveness and willingness of private stakeholders (agricultural producers, primary agro-food production, agro-food processing, retail, fishers) to cooperate and adapt to on-going reforms <p>Assumptions related to outputs 1 to 4 (outcome 1)</p> <ul style="list-style-type: none"> • On-going IPA, MIDAS and other project activities in the Sector successfully implemented • Number of staff in the Directorate for Payments increasing • Continuous progress made in the management and control of agricultural parcels <p>Assumptions related to outputs 5 to 8 (outcome 1)</p> <ul style="list-style-type: none"> • Number of AFSVPA staff increasing • Continuous progress made in the management and control of ABP • Preparation of a comprehensive list of laboratory methods to be accredited being implemented in a timely manner (financed through MIDAS 2) • Preparation of technical documentation (financed through MIDAS 2) for collective centres being implemented in a timely manner so as not to jeopardize the realization of Action • Successful and timely development of software application • All relevant institutions responsible for provision of the input data needed for effective preparation of technical documentations are responsive <p>Assumptions related to outputs 9 to 11 (outcome 2)</p> <ul style="list-style-type: none"> • On-going IPA, MIDAS and other project activities in the Sector successfully implemented • Law on Structural Measures and State Aid in fisheries and aquaculture and Law on market organization in fisheries and aquaculture adopted • Montenegro maintains membership and close cooperation with GFCM • Number of staff in the Directorate for Fisheries increasing 		

3.4. Mainstreaming

Montenegro has so far established two institutional mechanisms for **gender equality**: The Gender Equality Committee of Parliament was founded on July 11th, 2001 and the Office for Gender Equality was established on March 27th, 2003. The Action Plan for Gender Equality APAGE 2017-2021 with the Implementation program 2017-2018 is a development document for implementation of gender equality in Montenegro with a goal to ensure gender equality in the design and

implementation of all national and local policies and in the work of all entities at the state level. The obligations in the area of agriculture and rural development outlined in the APAGE 2017 – 2021 are as follows: (i) Introduce tax incentives for self-employed women, women entrepreneurs and women employed in agriculture (in cooperation with the Ministry of Finance), (ii) Support the promotion of activities by associations in agriculture and/or crafts that are led by women (in cooperation with the Ministry of Sustainable Development and Tourism, Direction for the Development of Small and Medium Enterprises) and; (iii) Providing support with regards to evaluating projects for investments on households owned by women (in cooperation with the Ministry of Economy and Investment Development Fund). MAFWM takes the responsibilities of implementing the abovementioned activities while paying attention to achieving the defined set of indicators.

With regards to this particular action, MAFWM will ensure that gender mainstreaming is applied in design of new policies and programmes. Special attention shall be paid with regards to equal participation of women in training activities, informing farmers and agricultural producers on cross-compliance activities, shall be implemented with due diligence towards involvement of producers from harder-to-reach areas, particularly women. All contractors shall be requested to provide a monitoring plan for collecting data recording the participation of men and women during the implementation phase.

In the ARD sector, **CSOs** are often in fact associations of producers, who benefit directly from activities performed by MAFWM and are involved in various manners throughout the year (participation in Working Groups during the negotiation process with the EU, involvement in the newly decentralized system of distributing state funds to CSOs, consultations on Agro-budget measures etc.).

Application of CMO measures is directly correlated to agricultural producers and their associations; therefore, various non-state stakeholders shall be directly engaged.

Cross-compliance is one of the areas where the success of implementation is directly dependent on the efforts and capacities of producers and their representatives shall directly participate in some of the modules envisaged by this activity.

The feedback of agricultural producers who will submit applications to be covered by IACS and subsequently receive payments can serve as a reliable indicator of the success of strengthening administrative capacities.

Media, CSOs and the broader public will have to be included in parts of activity related to establishment of Forestry Information System, regarding the promotion of the functioning and importance, not only of the Forestry Information System, but also of procedures and standards related to Forestry management.

Food producers in Montenegro are in constant contact with AFSVPA employees, be it with the administration personnel regarding the registration of their facilities, inspection personnel who perform on-the-spot checks or laboratory personnel who engage in the safety control of their products.

The operability of the Collection System for animal by-products management is very much dependent on whether farmers are cooperating with regards to separating animal waste at their households.

Parts of activities related to drafting documents necessary for the CFP implementation include devising necessary procedures and plans for inspection control and the cooperation of fishers is essential for this task. Also, internal procedures for recognizing producers' organizations are entailed in this activity and the success of their establishment and functionality can serve as a partial indicator of whether the activity reached its goal. Cooperation of fishers regarding the use of electronic logbooks and reporting accurate data is essential for the accomplishment of this activity. Whether the FMC is serving its purpose will be to a large extent determined on whether the fishers are satisfied with its performance.

One of the goals of the Montenegrin agricultural policy is sustainable management of natural resources through the management of forest and water resources, and the introduction of agricultural practices that protects the **environment and reduces the impact on the climate**, such as cross compliance. The action is focused on alignment with the EU acquis under Chapters 11, 12 and 13 and the establishment of the structures and systems necessary for implementation of CAP and CFP. The reformed Common Agricultural Policy (CAP) is a central instrument to accompany transformation towards a sustainable, knowledge-based agricultural sector while, at the same time, supporting its

resilience and diversity, and promoting growth and employment in rural areas. The action will improve the quality of the implementation of EU legislation and thus directly contribute to improved environmental protection and climate action. This particularly pertains to the establishment of the Forestry Information System. The action will focus on the contribution to the political priority related to Green Agenda for the Western Balkans, aiming to maximise the contribution of the agricultural sector to a modern, resource-efficient and competitive economy and where economic growth is decoupled from resource use. The management of natural resources in the fisheries sector should aim at reinforcing their sustainability. In long-term perspective the action will also contribute to improving the life of rural residents through the economic and social development of rural areas and to build resilience to adverse effects of climate change and reducing exposure to natural disaster risk.

In relation to food safety, animal welfare and the transition towards sustainable food systems, being increasingly important in view of the necessary alignment with the EU acquis and the F2F principles, which are at the heart of the EU Green Deal aiming to make food systems fair, healthy and environmentally friendly. Moreover, the improvement of veterinary health and upgrading of laboratory shall include measures of adjustment to higher standards of environmental sustainability (e.g., animal waste).

The implementation of this Action will not tolerate any **discrimination** against direct and indirect beneficiaries on the basis of religion, ethnicity, gender or disability. The principle of **equality** is taken into account in the preparation of the action, in accordance with the provisions arising from the Constitution, where the basic freedoms and rights cannot be discriminated against on grounds of sex, race, colour, language, religion, national or social origin, material or social status. All activities will respect the principles of equal treatment and opportunities. Equal opportunities shall be safeguarded in a way that all targets are equally reached by necessary information and that the dissemination of such information is designed to be accessible by all and to cover the entire territory. The action, through its visibility and communication activities, shall spread the message that compliance with basic democratic standards is more than a condition for the EU accession. The outcomes of actions will focus on being beneficial to all citizens', especially national minority and underprivileged social groups, having in mind that these groups often live in areas where solving problems is one of the top priorities. The activities will be sensitive to minority issues and will ensure access of all ethnic groups to resources and services. One aspect to tackle this issue is to undertake actions towards ensuring information on food safety standards in the own language of the key minority groups. Another aspect concerns the respect to minority and human rights while ensuring equal protection of consumers independently of their culture, history, language and religion.

3.5. Conditions for implementation

- For the supply of the vehicles and equipment related to the functioning of ABP Collection System, MAFWM will obtain necessary technical documentation prior to the implementation of the Action, via MIDAS 2 project
- Administrative capacities of the MAFWM and future Paying Agency provided to support a technical assistance project in this sector.

Failure to comply with the requirements set out above may lead to a recovery of funds under this programme and/or the re-allocation of future funding.

3.6. Logical Framework for PROJECT MODALITY

Results	Results chain: Main expected results (maximum 10)	Indicators (at least one indicator per expected result)	Baselines (2021)	Targets (2025)	Sources of data (1 per indicator)	Assumptions
Impact	To create a successful agriculture and rural sector in Montenegro which provides employment and sustainable production of high-quality food for domestic and foreign consumers, supported by an efficient administration in the areas of agriculture and rural development, food safety, veterinary, phytosanitary, fisheries and forestry				Montenegro Report	<i>Not applicable</i>
Outcome 1	Alignment with the EU acquis, following developments under Chapters 11 and 12, is being completed and implementation is on track, including the establishment of the structures and systems necessary for implementation of CAP	Progress made towards meeting accession criteria under Chapter 11 and the closing benchmarks	The target for 2025 is related to the overall level of preparedness	The target for 2025 is related to the overall level of preparedness	Montenegro Report	Montenegro remains a dynamic participant in the EU enlargement process
		Progress made towards fulfilment of closing benchmarks no. 2 (establishment of EU-compatible system of official controls) and no. 3 (further development of relevant administrative structures in line with EU acquis) of Chapter 12	As above	As above	Montenegro Report	Sustained political will within MAFWM to support the implementation of the Action
Outcome 2	Legislative framework with a significant level of harmonization with the EU acquis in the area of Fisheries is adopted and capacities for full implementation of the Common Fisheries Policy (CFP) upon the date of its accession to the EU are significantly improved	Progress made towards meeting accession criteria in Chapter 13	As above	As above	Montenegro Report	Responsiveness and willingness of private stakeholders (agricultural producers, primary agro-food production, agro-food processing, retail, fishers) to cooperate and adapt to on-going reforms
Agriculture and Rural Development						
Output 1 related to outcome 1	Capacities of the Ministry of Agriculture, Forestry and Water Management for ARD policy development and implementation are improved	Extent of alignment to CAP	Post-2020 CAP National Strategic Plan not prepared	All planned activities deriving from the Post-2020 CAP National Strategic Plan realized	MAFWM annual report	On-going IPA, MIDAS and other project activities in the Sector successfully implemented
		Number of EU-like CMO measures implemented	4	6	Action Intermediary and Final reports	
		Number of GAEC standards adopted	0	7	Action Intermediary and Final reports	

		Number of software solutions for CMO implementation (with servers), for Fruit and Vegetables Traders Register and Wine Register	0	3	Action Intermediary and Final reports	Number of staff in the Directorate for Payments increasing
Output 2 related to outcome 1	Integrated Administrative and Control System (IACS) is further developed	Percentage of integration of area-related aid schemes and/or payment claims for area-related support measures implementation system	10%	90%	Action Intermediary and Final reports	Continuous progress made in the management and control of agricultural parcels
		Number of IACS measures included in the system for control rate, control reports of applications and decisions on payment	0	2 measures (Direct Payments and Area Based Rural Development)	Action Intermediary and Final reports	
		Number of technical specifications for software components in view of setting-up IACS in Montenegro	3	5	Action Intermediary and Final reports	
		Number of layers of Ortho-photo maps for the entire territory of Montenegro in the quality and format required	2	4	Action Intermediary and Final reports	
Output 3 related to outcome 1	Operational system for future financial management of EAGF and EAFRD is established	Progress in development of financial management software	No (FM software not in place)	Yes (FM software approved and operational)	Action Intermediary and Final reports	
		Number of measures included in the system	0	At least 2	Action Intermediary and Final reports	
		Number of IPARD III public calls implemented in accordance with EAFRD criteria	0	5	Action Intermediary and Final reports	
Output 4 related to outcome 1	Gathering and exchanging data on all levels needed for planning the sustainable management of forests is ensured	Number of municipal management units included in Forestry Information System (ForIS)	2	17	Action Intermediary and Final reports	
Food safety, Veterinary and Phytosanitary Policy						
Output 5 related to outcome 1	Administrative and inspection capacities of the Administration for Food Safety, Veterinary and Phytosanitary Affairs (AFSVPA) for policy development and implementation are improved	Level of development on animal diseases prevention, animal welfare and phytosanitary policy in the Sector	No substantial development	Significant development	National Chapter 12 Acquis Alignment Strategy implementation report	Number of AFSVPA staff increasing
		Number of pieces of legislation developed and ready for adoption	2	5	AFSVPA annual report	Continuous progress made in the management and control of ABP
Output 6 related to outcome 1	Control over imported goods of veterinary and phytosanitary origin is improved	Number of Border Control Posts	1	4	National Chapter 12 Acquis Alignment Strategy implementation report	Preparation of a comprehensive list of laboratory methods to be accredited being implemented in a timely manner (financed through MIDAS 2)
		Extent to which new BCPs are ready for construction	3 land parcels located and UTU terms procured	3 final designs prepared	Action Intermediary and Final reports	
		Extent to which new Border Control Posts are fully functional	Border Control Posts in Bar operational	New BCPs fully functional and EU standards compliant	Action Intermediary and Final reports	
		Extent to which Quarantine Unit for Plant Health is ready for construction	Land parcel located and UTU terms procured	Final design prepared	Action Intermediary and Final reports	
Output 7 related to outcome 1	Management and control of the food safety system is further improved	Extent to which AFSVPA Information System is developed	Veterinary Information System development under way (MIDAS 2 project)	AFSVPA Information System fully functional (both Veto and Phyto)	National Chapter 12 Acquis Alignment Strategy implementation report	Preparation of technical documentation (financed through MIDAS 2) for collective centres being implemented in a timely manner so as not to
		Number of laboratories with general accreditation (ISO/IEC 17025)	3	10	National Chapter 12 Acquis Alignment Strategy implementation report	

		Number of software applications/modules developed for Phytosanitary IT system	0	4	Action Intermediary and Final reports	jeopardize the realization of Action
Output 8 related to outcome 1	System for animal by-products management is further developed	ABP Collection System in place	ABP not being collected and managed	ABP collected from agricultural holdings where meat processing takes place	National Chapter 12 Acquis Alignment Strategy implementation report Action Intermediary and Final reports	Successful and timely development of software application All relevant institutions responsible for provision of the input data needed for effective preparation of technical documentations are responsive 9
Fisheries						
Output 9 related to outcome 2	Administrative and inspection capacities of the Directorate for Fisheries for policy development and implementation are improved	Level of development on fleet management, structural actions and market policy in the sector	Moderate development	Significant development	MAFWM annual report	On-going IPA, MIDAS and other project activities in the Sector successfully implemented
		Number of staff trained and operational	0	13 (9 women)	Action Intermediary and Final reports	
Output 10 related to outcome 2	Fisheries Information System (FIS) is further developed to be fully compliant with EU requirements	Number of FIS subsystems developed and revised	10	20	Action Intermediary and Final reports	Law on Structural Measures and State Aid in fisheries and aquaculture and Law on market organization in fisheries and aquaculture adopted
		Number of tracking devices for fishing vessels up to 10 m – type of device to be fixed later	20	200	Action Intermediary and Final reports	
Output 11 related to outcome 2	Effective control, inspection and enforcement of the rules of the CFP is ensured	Progress in meeting conditions for Chapter 13 benchmark 2 fulfilment	Some progress	Conditions fully met	EC Annual Report for Montenegro	Montenegro maintains
		Extent to which all necessary procedures for full functioning of Fisheries Monitoring Centre (FMC) are developed	No	Yes (envisaged procedures are fully developed)	Action Intermediary and Final reports	
		Number of displays for monitoring in FMC	3	7	Action Intermediary and Final reports	

4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing agreement

In order to implement this action, it is foreseen to conclude a financing agreement between the European Commission and Montenegro.

4.2. Implementation modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures¹⁰.

4.2.1. Direct Management (Grants-Twinning)

(a) Purpose of the grant

The Twinning programme will contribute to achieve the objectives set in Output 1 aiming at providing support to strengthen the capacities of the Ministry of Agriculture, Forestry and Water Management. Twinning grants are the most suitable implementation modality for this sort of action, which aim at sharing good practices developed within the EU with beneficiary public administrations through peer-to-peer support.

(b) Type of applicants targeted

Applicants targeted by the Twinning grants must be EU Member State administrations or their mandated bodies.

4.2.2 Direct Management (Procurement)

Direct management will be applied for the outcomes 1 to 4 concerning Agriculture and Rural Development and outcomes 9 to 11 concerning Fisheries. The further details of those contracts is described above in the logframe in further detail.

4.2.3 Indirect Management with an IPA III beneficiary

A part of this action will be implemented under indirect management by Montenegro. The managing authority responsible for the execution of the action is the European Integration Office. The managing authority shall be responsible for legality and regularity of expenditure, sound financial management, programming, implementation, monitoring, evaluation, information, visibility and reporting of IPA III activities.

¹⁰ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

The managing authority shall rely on sectoral expertise and technical competence of the following intermediate body for policy management: Ministry of Agriculture, Forestry and Water Management. It shall ensure sound financial management of the action.

Budget implementation tasks such as calls for tenders, calls for proposals, contracting, contract management, payments and revenue operations, shall be entrusted to the following intermediate bodies for financial management:

The CFCU will be responsible for service contracts related to outputs 5, 7 and 8.

The Public Works Administration (PWA) will be responsible for procurement contracts concerning output 6.

They shall ensure legality and regularity of expenditure.

4.2.3 Changes from indirect to direct management mode (and viceversa) due to exceptional circumstances (one alternative second option)

In the case indirect management with Montenegro cannot be implemented due to circumstances outside of the Commission's control, the alternative option envisaged can be to implement the Action through direct management if this is the best solution.

4.3. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

4.4. Indicative budget

	EU contribution (amount in EUR)	Indicative third party contribution, in currency identified
AGRICULTURE AND RURAL DEVELOPMENT Outputs 1 to 4; composed of	3 600 000	N.A.
Direct management (Grants) – Twinning, cf section 4.2.1	N.A.	
Direct management (Procurement), cf section 4.2.2	N.A.	N.A.
FOOD SAFETY, VETERINARY AND PHYTOSANITARY AFFAIRS Outputs 5 to 8; composed of	3 400 000	N.A.
Indirect management with Montenegro	3 400 000	N.A.

FISHERIES Outputs 9 to 11	2 000 000	N.A.
Direct management (procurement), cf section 4.2.2	N.A.	N.A.
Grants – total envelope under section 4.2.1.	1 900 000	NA
Procurement – total envelope under section 4.2.2.	3 700 000	NA
Evaluation (cf. section 5.3)	will be covered by another decision	NA
Audit/Expenditure verification (cf. section 6)	will be covered by another decision ¹¹	NA
Communication and visibility (cf. section 7)	N.A	NA
Contingencies¹²	0	NA
Total	9 000 000	NA

4.5. Organisational set-up and responsibilities

All activities outlined in the implementation arrangement are to be coordinated by MAFWM as the main beneficiary, along with the AFSVPA and Forestry Administration.

To be specific, Directorate for Agriculture, Directorate for Payments and the Department for Economic Analysis and Market are the beneficiaries of Outputs 1-3.

For Output 4 the main beneficiary is the Directorate for Forestry and the Forestry Administration.

Administration for Food Safety, Veterinary and Phytosanitary Affairs is the beneficiary for outputs 5 to 8.

Directorate for Fisheries is the beneficiary for Outputs 9-11.

¹¹ Where the action is not covered by a financing agreement (see section **Error! Reference source not found.**), put “will be covered by another decision” as it is unlikely that evaluation and audit contracts on this action would be concluded within N+1. These contracts have to be authorised by another financing decision.

¹² Consider that contracts where no financing agreement is concluded, contingencies have to be covered by individual and legal commitments by 31 December of N+1.

5. PERFORMANCE/RESULTS MONITORING AND REPORTING

5.1. Internal monitoring

A Monitoring Committee for this specific Thematic Priority shall be established after the entry into force of the Financing agreement related to the AD. The Monitoring Committee will be co-chaired by NIPAC or high ranking official representative of the Government, and a representative of the EUD.

A Steering Committee (SC) shall be established to review the progress at the contract level, comprising of representatives of this specific Thematic Working Group (TWG), beneficiary institutions, relevant implementing body, NIPAC Office and the EUD. It shall review the effectiveness, efficiency, quality, coherence, coordination and compliance of the implementation of the activities of the AD and their consistency with the relevant national and, whenever relevant, regional sector strategies. It shall measure progress in relation to achieving the objectives of the actions and their expected outputs, results and impact by means of indicators related to a baseline situation, as well as progress with regard to financial execution. The SC may invite other organizations to attend meetings in cases where this will bring added value to discussion, direction and outcomes of the AD, e.g. a representative from the national gender equality machinery, to help bring a gender perspective to this specific sector.

Implementation of this AD will be subject of special attention of IPA Monitoring Committee, which shall measure progress in relation to achieving the objectives of the actions and their expected outputs, results and impact by means of indicators related to a baseline situation, as well as progress with regard to financial execution. Operational conclusions, including any recommendations, will be drawn at the end of the SC meetings. These conclusions, including proposals and/or corrective actions, shall be subject to adequate follow-up and a review in the following committee meetings and shall be the basis for reporting to the IPA monitoring committee on progress made.

5.2. Roles & responsibilities for data collection, analysis & reporting

The performance and result monitoring arrangements are to be conducted by the SC lead by the beneficiary as main relevant Institution for reporting and data follow up. Strict collection of data should be done at intermediary points in order to compare initial target indicators with achieved ones. Performance assessment framework to be defined by the new MCI with the support of the TA for CB are to be followed up in line with the mechanisms for monitoring, reviewing and evaluating progress on indicators in accordance with the logframe matrix (as listed within this document).

5.3. Evaluation

The European Commission may carry out a mid-term, a final or an ex-post evaluation for this Action or its components via independent consultants, through a joint mission or via an implementing partner. In case a mid-term or final evaluation is not foreseen, the European Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner. The evaluations will be carried out as prescribed by the DG NEAR guidelines for evaluations.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

In addition, the Action might be subject to external monitoring in line with the European Commission rules and procedures set in the Financing Agreement.

6. AUDIT

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

All Financing Agreements as well as all resulting programmes, actions and subsequent contracts shall be subject to supervision, control and audit by the Commission, including the European Anti-Fraud Office (OLAF), and audits by the European Court of Auditors. As stated in the IPA III Programming Framework Financing will also be provided for support measures for the implementation, monitoring, audit and evaluation of IPA III programmes. The IPA III beneficiary shall also ensure that the agents or representatives of the Commission, including OLAF, have the right to inspect all relevant documentation and accounts pertaining to items financed under the related Financing Agreement and assist the European Court of Auditors to carry out audits relating to the use of IPA III assistance.

For the part of the action incorporating a form of financing not linked to costs but on the achievement of results, the verification mechanisms will focus on the results and performance indicators previously agreed.

7. COMMUNICATION AND VISIBILITY

Visibility of EU funding and communication about objectives and impact of Actions are a legal obligation for all Actions funded by the EU, as set out in the EU communication and visibility requirements in force.

In particular, the recipients of EU funding shall acknowledge the origin of the EU funding and ensure its proper visibility by:

- Providing a statement highlighting the support received from the EU in a visible manner on all documents and communication material relating to the implementation of the funds, including on an official website and social media accounts, where these exist; and
- Promoting the actions and their results by providing coherent, effective and proportionate targeted information to multiple audiences, including the media.

Visibility and communication measures shall be implemented, as relevant, by the national administrations and contractors. Appropriate contractual obligations shall be included, respectively, in financing agreements, delegation agreements, and procurement and grant contracts.

The measures shall be based on a specific Communication and Visibility Plan, established and implemented in line with the EU communication and visibility requirements in force. The plan shall include, inter alia, a communication narrative and master messages for the Action, customised for the various target audiences (stakeholders, civil society, general public, etc.)

Visibility and communication measures specific to this Action shall be complementary to the broader communication activities implemented directly by the European Commission services and/or the EU Delegation. The European Commission and the EU Delegation should be fully informed of the planning and implementation of the specific visibility and communication activities, notably with respect to the communication narrative and master messages.

If the Action includes Union programmes, visibility and communication measures shall be implemented in accordance with the EU communication and visibility requirements in force and the specific rules of each Union programme. The relevant programme managing entity shall be responsible for monitoring the visibility and communication activities. The European Commission and the EU Delegation should be fully informed of the planning and implementation of the specific visibility and communication activities.

8. SUSTAINABILITY

The action will produce sustainable results in the short run since it is designed to support beneficiary institutions and structures that are already in place, but which require additional assistance in the complex process of the harmonisation with the EU *acquis* and for the further progress in negotiation process. The capacities developed through this action will be used in the future period for the further alignment as part of the accession process, and they will be a crucial resource for the overall EU integration. Further strengthening of the institutions and administrative capacity for the implementation of the EU *acquis* will improve the effectiveness of Montenegro preparations for EU accession.

Investment in IT and monitoring equipment will strengthen and modernise the management and control system, which will in turn have an impact on the quality of the monitoring results and improving capacity to implement policy and enforce regulations in a more uniform manner across the country. Sustainability of the investment is guaranteed by technical and financial capacity of the beneficiary responsible for its operation and maintenance.

The action will have cross-border impact as it will ensure the same standards and control on food safety, veterinary and phytosanitary system for locally produced and imported food stuff.

The proposed actions will also contribute to the consumer protection in Montenegro by ensuring EU food safety on the national market. This is directly connected to the development of agro-tourism, through establishing platforms for Montenegrin traditional food product placement at tourist resorts.